

MMSM's Draft Transition Plan

May 17, 2022



Today's Agenda

- Background
- Key aspects of the draft Transition Plan
 - Objectives
 - Six-phase approach
 - Timeline
 - Procuring services
 - Performance targets
 - Promotion and education

Background

- Government of Manitoba established the Packaging and Printed Paper Regulation 195/2008 (“the Regulation”), enacted in December 2008 under the Waste Reduction and Prevention (WRAP) Act (“the Act”)
- Requirements for a residential stewardship program for Packaging and Printed Paper (PPP)
- The MMSM PPP program was launched April 1, 2010, in response to the Regulation
- MMSM - not-for-profit, industry-funded organization
 - 80% funding of eligible community net costs and other support for the province’s residential recycling programs for PPP
 - 151 municipal and Indigenous communities participate in the program today
 - Over \$162.7 million paid to participating communities between 2010-2021

Setting the Context – Transition to Full EPR

Project initiated to respond to Minister's direction in MMSM's Revised Program Plan (2018):

- MMSM was directed to develop a plan to transition to full EPR
- National movement to full EPR for PPP
- EPR is a key component of the National Action Plan Toward Zero Plastic Waste endorsed by Canada's federal, provincial, and territorial environment ministers
- MMSM submitted the draft Transition Plan to the Minister of Environment, Climate and Parks on November 17, 2021
 - The draft Transition Plan reflects the input received from stakeholders during consultations in 2021

Draft Transition Plan



The Transition Plan:

1. Outlines how industry will assume full **operational** responsibility for the residential recycling system for packaging and printed paper in Manitoba
2. Outlines how industry will assume **financial** responsibility for the residential recycling system for packaging and printed paper in Manitoba
3. Designed as a single PRO model for residential PPP to avoid confusion and minimize complexity

The Transition Plan with an updated program scope will:

- Meet Manitoba Government's expectations for a forward-looking program that addresses citizen concerns about plastic waste
- Help stewards meet their sustainability goals
- Meet residents' expectations for the delivery of modern, comprehensive recycling services
- Ensure the MMSM program is in step with other provincial EPR programs for packaging and printed paper

Transition Plan Objectives

- Preserve the integrity of residential recycling while ensuring uninterrupted collection service to residents
- Minimize disruption of existing municipal contracts with third parties
- Ensure an open and competitive market for future collection and processing of materials, including the ability for communities to bid on services
- Outline processes for establishing standards, definitions, and service responsibilities
- Provide for continuous improvement of environmental outcomes

Proposal for a gradual and orderly transition



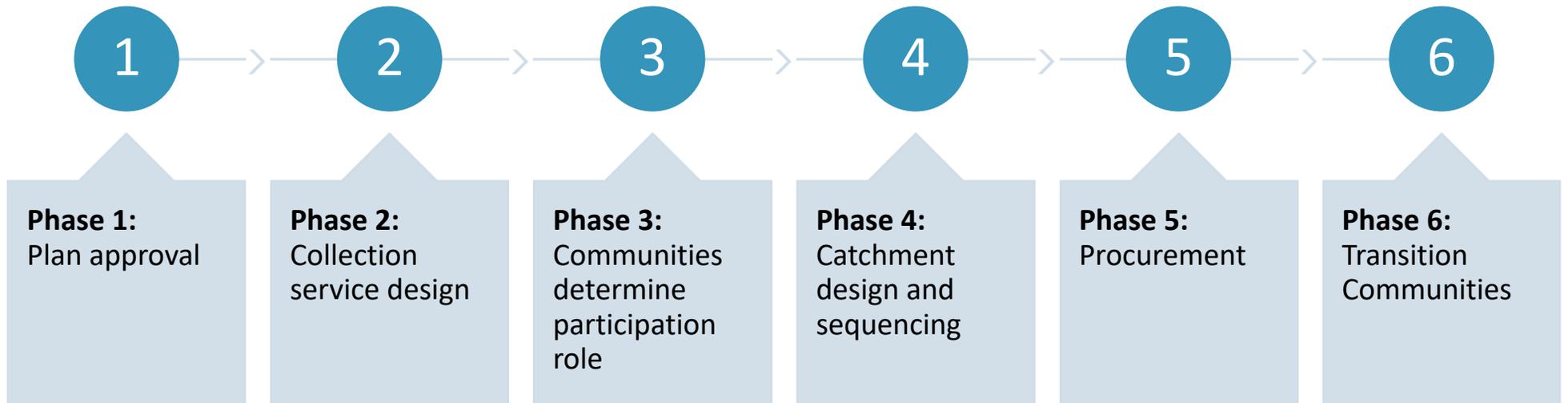
Program Delivery Principles

- **Designed as a one PRO model:** MMSM will be the only Producer Responsibility Organization (PRO) for residential PPP in Manitoba
- **Focus on outcomes, not process,** improve environmental outcomes through diversion, maximized efficiency, and minimized complexity
- **Preserve the integrity of residential recycling** while ensuring uninterrupted collection service to residents
- **Ensure a fair and open market** for future collection and processing of materials, including the ability for municipalities to bid on services
- **Define standards, definitions, and service responsibilities**
- **Foster interaction and collaboration** to drive innovation
- **Provide for continuous improvement** Transition Timeline and Delivery Approach

A six-phase approach to transition



Proposed transition consists of six phases



Phase 1: Plan approval

- Support the Ministry in its review of the Transition Plan
- Support the Ministry in its development of any future amendments to the Regulation or Guideline to enable the implementation of the Transition Plan
- Support the Ministry and stakeholders as requested to facilitate review and approval of the Transition Plan

Phase 2: Design Service Collection

Work with municipal and Indigenous communities to:

- Develop the collection services Master Services Agreement and Statement of Work for contracting collection services
- Review Cost Monitoring Survey (CMS) data and conduct new research to identify collection service costs
- Understand the extent to which multi-family buildings are part of the current transfer payment model
- Develop collection service contracts and price proposals



Phase 2: Communities have Right of First Refusal for providing collection services

- Using service standards and cost information, communities will be provided with information needed to help them decide on their role in collection services delivery
- Communities will need to ensure MMSM service standards are met
- Eligible communities can 'opt out' of providing collection services - MMSM will procure collection services on their behalf



Phase 3: Communities determine interest in providing service delivery

- Communities to deliberate on their ongoing role in service delivery
- MMSM will support these discussions

Having consulted with communities, MMSM's Transition Plan assumes that declarations of willingness to participate in service delivery or intention to opt-out of service delivery will be made throughout the period April 1, 2023 – December 31, 2023.



Phase 4: Develop catchment design and sequencing

- Proposal to transition communities by catchment area
- Catchments are organized as logical clusters of communities that when transitioned together allow for efficient flow of material reducing environmental impact while maximizing outcomes
- Work with communities to understand their preferred timing for transition considering several catchment design criteria such as:
 - Physical geography
 - Volumes of PPP available
 - Existing infrastructure
 - Proximity to other communities who have declared their intention to transition

Phase 4: Prepare for post-collection services

- Design and develop the service standards, contract, and Request for Proposal (RFP) for post-collection services
- Initiate development of the sequence by which participating and non-participating communities will transition to full EPR



Phase 5: Procure post-collection services

- Manage the competitive post-collection RFP process and negotiate the post-collection contract(s) with the successful proponent(s)
- Finalize contracts with the first wave of participating communities in accordance with the sequencing plan developed in Phase 4
- Manage the competitive collection RFP process to ensure collection services are delivered in communities where the municipality or Indigenous community opted out of participating in service delivery

Competitive procurement of post-collection services

- Private sector companies as well as municipalities and Indigenous communities will have an opportunity to participate in a competitive process (*collection is a separate service from post-collection and will be contracted as such*)
- While communities will have right of first refusal to act as collectors, they will not be offered such rights for post collection, but they will be free to bid on providing these services, or participate as part of a group

What is included in post-collection management activities?

- Receive PPP from vehicles from collectors
- Pick up PPP from depot collectors
- Consolidate and transfer PPP from collectors where required
- Prepare and transfer PPP for shipment to end-markets or downstream processors (as required)
- Market PPP to end-markets
- Appropriately manage residual materials
- Track materials received and shipped by the processor to approved end markets
- Report to MMSM in real time

Phase 6: Communities begin to transition

- Commence a collaborative planning process for the transition with participating communities
- For opt-out communities, conduct a collaborative planning process to transition to new collection service provider(s)
- Planning will include consideration for how residents will receive call centre services for missed pick-ups, replacement collection receptacles, etc.

When a community transitions to full EPR, MMSM will cease to make payments to that community under the shared responsibility model as of the effective date of transition.

Proposed Transition Timeline

	2022	2023	2024	2025	2026
Phase 1 Plan and Regulation					
Transition Plan Review					
Phase 2 Collection Service Design					
Develop and consult on SOW and MSA, conduct collection cost research					
Phase 3 Community Participation					
Municipalities and Indigenous communities' internal review; notify MMSM of intent to participate in service delivery					
Phase 4 Catchment Design & Sequencing					
Catchment design, post-collection contract design, community sequencing					
Phase 5 Procurement					
Post collection RFP; Community transition sequence determined					
Phase 6 Transition Communities					
Participating Communities; contract services for opt-out communities					

Standard list of materials for collection

List of targeted materials will include:



Newspapers and flyers

Magazines and catalogues

Telephone directories

Aluminum food and beverage containers

Glass food and beverage containers

Steel food and beverage containers

PET (#1 plastic bottles and clear clam shells)

HDPE (#2 plastic) containers

Old corrugated cardboard (OCC)

Gable top containers (eg. milk cartons)

Boxboard (eg. cereal boxes)

Aseptic packaging (eg. juice boxes)

#4, 5 & 7 household plastic containers

Adding new materials for collection

- In order to improve the program recovery rate and meet material specific targets, MMSM will add new materials to the program as end markets are developed



Performance Targets



Program Recovery Target

Program Recovery Rate

Program Recovery target is defined in Minister's 2018 approval letter requiring:

- 70% general recovery target to be achieved over the current program plan's five-year term (2018-2023)
- 75% overall beverage container recovery target in place

MMSM will aim to maintain the current recovery rate through transition and in 2024 will consult on establishing a new program recovery target to be achieved two years after transition.

Setting material specific recovery targets

Material specific recovery targets

Proposal to establish material specific targets once Transition Plan is approved and post-collection network design is completed - likely 2024.

Access to material composition audits is needed to establish targets -- available in transitioned communities.

Material specific recovery targets are important to:

- Help support producers' corporate commitments
- Address consumer concern about plastic waste

Material	Target	Current Performance (2020)	Improvement Percentage
Paper	TBD	98.8%	TBD
Plastic	TBD	50.8%	TBD
Metal	TBD	59.2%	TBD
Glass	TBD	73.4%	TBD

Commit to greenhouse gas reporting

GHG Tracking

Commit to reporting on the greenhouse gases associated with the collection and processing activities of the recycling system.

- Begin tracking one year after all communities have transitioned to full EPR
- Increase program transparency in line with Recycle BC and MMSW programs

Communications, Promotion, and Education



Promotion & Education Objectives

MMSM will design and deliver an effective resident education program that will:

- Increase the recovery rates of PPP in residential-based collection services
- Raise awareness amongst consumers and other target audiences of the program features and benefits
- Encourage consumers to make appropriate decisions about the preparation of PPP to increase the amount of targeted PPP collected and reduce contamination

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Promotion & Education Activities

P&E activities will be set out in a communication strategy that is reviewed and updated annually. Key features and techniques include:

- A variety of tools to build awareness among residents about appropriate end-of-life management of PPP
- The “Recyclepedia” web tool and mobile app for use by participating communities
- Targeted school programming for K-12 and post-secondary institutions
- Educating residents about the actions required
- Motivating action (providing a “call-to-action”)
- Reinforcing and rewarding the newly adopted behaviour by providing information about the result of their action

Questions

- Visit MMSM's website stewardshipmanitoba.org
- Email transitionfeedback@stewardshipmanitoba.org





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