



# Household Packaging and Paper Stewardship Program Plan - DRAFT

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# Household Packaging and Paper Stewardship Program Plan

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# Household Packaging and Paper Stewardship Program Plan

## 1. Introduction

### 1.1 Regulatory Context

The Province of Saskatchewan approved The Environmental Management and Protection Act in 2002. Clause 81(1)(aa) of the Act provides authority to make regulations requiring the creation and operation of a product management program.

In 2013, the Saskatchewan government approved The Household Packaging and Paper Stewardship Program Regulations and in response Multi-Material Stewardship Western (MMSW) launched its program in Saskatchewan on January 1, 2016. Since that time, businesses selling or distributing packaging and paper products have shared the responsibility with municipalities to finance the collection and recycling of household packaging and paper products (PPP).

The Province of Saskatchewan recently conducted a review and engagement process on these regulations. As a result of this process, The Household Packaging and Paper Stewardship Program Regulations, 2023 (the Regulation) came into effect on March 31, 2023.

These regulatory changes will result in a shift to a program fully funded and operated by producers of household packaging and paper products. The Regulation requires producers to operate a product stewardship program approved by the Minister of Environment or enter into an agreement with a producer responsibility organization to operate a product stewardship program approved by the Minister.

This Household Packaging and Paper Stewardship Program Plan (Program Plan) has been designed to discharge the associated regulatory obligations of MMSW's producer members. It describes a number of transition phases that will be implemented by MMSW as the program transitions from a shared responsibility model to a PPP system managed and operated by MMSW on behalf of its producer members.

## 2. Producer Responsibility Organization

### 2.1 Administration of the Program Plan

#### *2.1.1 Multi-Material Stewardship Western*

Multi-Material Stewardship Western Inc. (MMSW) is a not-for-profit producer responsibility organization (PRO) established under the Saskatchewan Non-Profit Corporations Act.

MMSW is responsible for administering this Program Plan on behalf of the producers which have chosen to be members of the MMSW program. MMSW's objective is to manage the Program Plan effectively and efficiently through a combination of in-house resources and outsourcing of key specialized functions or services. MMSW includes both Saskatchewan and Western Canada based staff members that manage program operations, including the supply chain and promotional activities to engage residents.

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Circular Materials, a national not-for-profit organization provides administrative support services to MMSW.

## **2.1.2 Board of Directors**

MMSW is governed by a Board of Directors charged with the responsibility of acting as fiduciaries for MMSW. The current composition of the Board of Directors and the Committees of the Board can be found on MMSW's [website](#).

## **2.1.3 Advisory Committee**

MMSW operates a multi-stakeholder Advisory Committee to serve as a forum through which Saskatchewan stakeholders are kept informed of MMSW's activities and through which they can provide advice and feedback on core program initiatives, including collection cost studies. Each member of the Advisory Committee volunteers their services to represent their specific constituency and bring issues from their group to Advisory Committee meetings.

The committee currently includes members reflecting the interests of urban and rural municipalities, regional waste management authorities and producer members. MMSW worked collaboratively with local government associations to select members with qualifications and expertise for the Advisory Committee:

- Up to two qualified representatives are nominated by Saskatchewan Urban Municipalities Association (SUMA);
- Up to two qualified representatives are nominated by Saskatchewan Association of Rural Municipalities (SARM);
- Up to two qualified representatives are nominated by Association of Regional Waste Management Authorities of Saskatchewan (ARWMAS); and
- One qualified representative is nominated by the Saskatchewan Waste Reduction Council.

The Board of Directors appoints these nominees as well as up to three producer member representatives. The Advisory Committee's membership can be found on MMSW's [website](#). The Advisory Committee meets up to four times per year.

MMSW will regularly review the composition and mandate of the Advisory Committee in line with best practices. Stakeholders acting as a service provider to MMSW which have executed a services agreement to provide collection or post-collection services under an implementation phase outlined in this Program Plan will not be eligible to participate on the Advisory Committee. Ministry of the Environment representatives may attend Advisory Committee meetings as observers.

## **2.2 Producer Members**

### **2.2.1 Producer Definition**

The Regulation provides the following definition of producer:

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*(1) Subject to subsections (2) and (3), the person that is the producer of household packaging and paper products that are supplied in Saskatchewan to an end user is:*

*(a) if the person is a resident of Canada, the brand owner with respect to the household packaging and paper products;*

*(b) if there is no person as described in clause (a), the person that first imports the household packaging and paper products into Saskatchewan; or*

*(c) if there is no person as described in clause (a) or (b), the retailer who supplied the household packaging and paper products to the end user for use in Saskatchewan.*

*(2) In the case of a business operated wholly or in part as a franchise, the producer is the franchisor, if that franchisor has franchisees that are resident in Saskatchewan.*

*(3) If the producer determined in accordance with subsection (1) is a retailer and that retailer is a marketplace seller, the marketplace facilitator that contracts with the marketplace seller shall be deemed to be the producer for the purposes of this section.*

The Regulation provides an exemption for businesses or organizations who generate less than \$1 million in gross annual revenue, or supply or distribute less than one tonne of packaging and paper products to Saskatchewan households or are a charitable organization.

For purposes of this Program Plan, the producer for a specific unit of household packaging or paper product will be considered in accordance with the hierarchy outlined above and the applicable definitions in the Regulation. MMSW will update existing supplementary guidance, including its policies, to align with the definition of producer in the Regulation.

### **2.2.2 Membership in MMSW**

MMSW acts on behalf of its member businesses who are producers of PPP and who have signed a Membership Agreement with MMSW.

As a condition of membership in MMSW, prospective members must sign the Membership Agreement and fulfill its contractual obligations. In particular, the Membership Agreement specifies, among other things, the member's obligations to report and pay fees to MMSW. The terms of the Membership Agreement will align with the applicable provisions in the Regulation.

Producer companies that have joined MMSW fall into the following sector categories:

- Food and consumer products;
- Retailers (grocers, mass/general merchandisers, hardware/housewares, drug stores and specialty merchandisers);
- Electronic manufacturers/brand owners;
- Horticulture and agriculture;
- Media and printed paper;
- Quick service/take-out restaurants;
- Paint and chemical products; and
- Other/miscellaneous.

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A complete membership list is updated annually and posted on MMSW's [website](#).

Producer members are invited to participate in an Annual Steward Meeting to review the program's results for the previous year, any changes to the program's fee methodology and the budgets and fee rates for the coming calendar year.

### 2.3 Program Financing

MMSW is responsible to the producers that have chosen to be its members to deliver an efficient and effective program. Producer members are responsible for paying fees that are sufficient, in aggregate, to deliver the requirements and commitments of the Program Plan. Costs fall into the following categories:

- Payments to Non-Transitioned Collectors – for collectors currently delivering recycling services under the shared responsibility model, MMSW will continue its payments to eligible local governments to offset up to 75 per cent of the net program costs for the efficient and effective collection and recycling of PPP until such time as their transition to a fully managed, fully funded EPR model is complete, if applicable;
- Material Management for Transitioned Communities – upon transition, MMSW will assume the costs to collect, transport, process and market materials included in the transition phases outlined in this Program Plan;
- Program Management – costs to administer the program;
- Resident Awareness – costs to promote program awareness and the behaviours that drive efficient and effective collection; and
- System improvements – cost to deliver system improvements through research, market development, investments or other initiatives.

Producers that supply obligated PPP pay fees that are intended to cover:

- A contribution to the costs of managing the collection, consolidation, transportation, processing and marketing of the recyclable PPP that is the basis for the program's performance;
- Where required, a contribution to advance the material's adoption in the recycling system, improve the cost efficiency to manage the material and/or to develop end markets for the material;
- An equitable share of resident awareness costs; and
- An equitable share of MMSW program management costs.

Costs incurred by MMSW to deliver and administer the Program Plan are allocated amongst producers based on the following principles:

- All obligated materials should bear a fair share of the costs to manage the PPP program, irrespective of whether a material is collected, because all obligated producers who put obligated materials into the marketplace should contribute to the recycling system.
- The material management costs allocated to each material should reflect the material's impacts on the costs to collect and manage it in the recycling system, because a material's unique characteristics can drive costs in distinctive ways.

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- The commodity revenue should be attributed only to the materials that earn revenue, because materials that are marketed have value and should benefit from earned revenue.

To allocate the program costs in accordance with the principles above, MMSW conducts several studies which serve as inputs to fee setting, including waste composition and cost impact studies. The fee setting methodology then uses the inputs from these studies to calculate the portion of the program's budget attributed to each category of material supplied by producers.

MMSW joins with other PPP programs in Canada to standardize the methodologies informing producer fees. The purpose of this collaboration is to recognize a significant portion of MMSW fees are paid by producers who contribute to multiple programs across Canada. By engaging with both local and national producers during the development of these important methodologies, producers' concerns and input have been considered.

As recycling systems change to accommodate new packaging formats entering the marketplace (i.e., the "evolving tonne") methodologies must be flexible enough to account for those changes and calibrate their cost effects. All methodologies undergo periodic review to verify their suitability and are updated in consultation with the producer community where required.

The fee setting methodology plays a critical role in ensuring MMSW has the tools necessary to raise funds in material categories where the material is difficult, if not impossible, to collect and recycle using today's recycling practices and technologies. A key component of the fee setting methodology is its mechanism for adding cost to uncollectable and/or underperforming material categories to enable the investment in performance improvement. These investments can be directed to research and development, end market development and/or promotion and education – all are necessary strategies to ensure materials advance upwards along the waste management hierarchy, which outlines the preferred approaches to waste reduction and management. For more information on the waste management hierarchy, refer to Section 5.1 below.

Each year, producer members of MMSW pay fees to MMSW based on the total weight of PPP supplied to SK residents. Eligible low-volume businesses can choose to file a simplified report and pay a flat fee based on the quantities of PPP supplied annually to SK residents.

### 3. Household Packaging and Paper Products

#### 3.1 Regulatory Definition

The Regulation defines Household Packaging and Paper Products as:

- (a) packaging composed of any material that is used for the containment, protection, handling, delivery or presentation of a product that is provided to an end user;*
- (b) packaging-like products that are:*
  - (i) purchased by or supplied to end users expressly for the purpose of containing, protecting or transporting commodities or products; and*
  - (ii) ordinarily disposed of after a single use or short-term use;*
- (c) paper of any description.*



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In addition, the Regulation outlines the following exclusions:

*For the purposes of the definition of “household packaging and paper products”, the following products are not household packaging and paper products:*

*(a) containers prescribed in The Environmental Management and Protection (General)*

*Regulations for the purposes of clause 39(a) of the Act;*

*(b) containers that are part of an operating reuse system;*

*(c) containers from products prescribed in The Waste Paint Management Regulations, The Used Petroleum and Antifreeze Products Stewardship Regulations, or The Household Hazardous Waste Products Stewardship Regulations for the purposes of section 46 of the Act;*

*(d) health, hygiene or safety products that, by virtue of their anticipated use, could become unsafe or unsanitary to reuse or recycle;*

*(e) bound reference books, literary books and textbooks.*

Sections 3.2 to 3.5 below provide supplemental definitions for clarity.

## 3.2 Packaging

Packaging for purposes of producer obligation and reporting under the Program Plan includes:

- Primary packaging, i.e., packaging that contains the product at the point of sale to the residential consumer;
- Grouped packaging or secondary packaging that goes to the household;<sup>1</sup>
- Transportation, distribution or tertiary packaging that goes to the household;<sup>2</sup>
- Service packaging is packaging which may or may not bear a brand that is supplied at the point of sale by retail, food-service or other service providers to facilitate the delivery of goods. Service packaging includes all bags, boxes, and other items for the containment of goods at point of sale; and
- Packaging components and ancillary elements integrated into packaging, including ancillary elements directly hung or attached to a product and that perform a packaging function unless they are an integral part of the product and all elements are intended to be consumed or disposed of together.<sup>3</sup>

Examples of packaging material include, but are not limited to:

- Glass;
- Metal;
- Paper;
- Boxboard;

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<sup>1</sup> Multiple packages of product sold in a unit, often wrapped in film plastic.

<sup>2</sup> May be both the primary packaging for the product and the packaged used to ship the product but is referred to as transportation packaging that goes home with the consumer. For example, household products packaged in corrugated boxes intended for final use or management by the consumer or end user.

<sup>3</sup> Examples of this kind of packaging include, but are not limited to: labels and lids hung directly on or attached to the packaging; mascara brush which forms part of the container lid; staples, pins, clips; toy on the top of a candy product which forms part of the lid; devices for measuring dosage that form part of the detergent container lid; plastic make-up case; brush contained in the lid of corrective liquid paper; zipper on a plastic film bag containing a product.

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- Cardboard;
- Plastic;
- Biobased plastic; and
- Any combination of these materials.

For the purposes of the Program Plan, paper packaging includes all paper materials regardless of the cellulosic fibre source of the material including but not limited to wood, wheat, rice, cotton, bananas, eucalyptus, bamboo, hemp, and sugar cane (bagasse) fibre sources.

For clarity, the following are not considered packaging for the purposes of the Program Plan:

- Beverage containers governed by The Litter Control Designation Regulations, 1998;
- Empty oil containers, empty antifreeze containers and empty diesel exhaust fluid containers as governed by The Used Petroleum and Antifreeze Products Collection Regulations (2013);
- Transportation and distribution packaging not intended primarily for use or management in the home, for example, plastic pallet wrap;
- Industrial or bulk packaging not intended for sale to or use by residents in the home;
- Other items that are not generally considered to be packaging such as accessories to the product that do not serve a packaging function (e.g., plastic cutlery, straws, paper serviettes) and packaging components sold as product (empty) to the end consumer (e.g., garbage bags, organic waste bags); items that constitute an integral part of the product (e.g., toner cartridges, single use cameras);
- Durable packaging, which is packaging with a useful life of at least five years and is intended to facilitate storage or transport or to prevent the loss of product components for durable products and that remains with the product throughout its useful life, e.g., CD/DVD cases, packaging used to store pieces of a board game;
- Any packaging types under pressure containing the hazardous or explosives symbol; and
- Wood, ceramic, crystal, rubber and leather packaging.

### 3.3 Packaging-Like Products

Examples of packaging-like products include, but are not limited to:

- Paper gift bags and boxes;
- Paper lunch bags;
- Cardboard moving, filing boxes;
- Plastic food storage containers;
- Aluminum foil wrap; and
- Metal storage tins (thin gauge).

### 3.4 Paper Products

Paper products are defined as paper of any description, including:

- Flyers;
- Brochures;
- Booklets;

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- Catalogues;
- Telephone directories;
- Newspapers;
- Magazines; and
- Paper used for copying, writing or any other general use

This definition of paper does not include paper products which, by virtue of their anticipated use, could become unsafe or unsanitary to recycle, or any type of bound book not mentioned above.

For the purposes of the Program Plan, paper products comprise any type of cellulosic fibre source including, but not limited to wood, wheat, rice, cotton, bananas, eucalyptus, bamboo, hemp, and sugar cane (bagasse) fibre sources.

### 3.5 Sources of Household Packaging and Paper Products

The Regulation defines a product stewardship program as:

*a program for the collection and recycling of residentially generated household packaging and paper products.*

The regulation defines a residence as:

*(a) a single-unit residential dwelling, including a seasonal residential dwelling; and  
(b) a building that contains more than one dwelling unit, including an apartment building and a condominium, but not including a building used for temporary accommodation such as a hotel.*

For clarity, the Program Plan is not intended to apply to PPP supplied to or generated by industrial, commercial or institutional facilities. Examples of excluded facilities include, but are not limited to:

- Institutional accommodations and visitor accommodations;
- Vacation facilities, such as bed and breakfasts, hotels, motels and short-term vacation rentals;
- Vacation facilities, such as rental, co-operative, fractional ownership, time-share or condominium accommodation associated with sports and leisure facilities (e.g., lake resorts); and
- Residences at which medical care is provided, such as nursing homes, long-term care facilities and hospices.

## 4. Program Design and Phases

### 4.1 Supply Chain Design

The design of the MMSW program and the transition phases described below will be driven by the objective of continuous improvement in the management, operation and environmental outcomes of Saskatchewan's PPP recycling system.

The following delivery principles will guide the detailed design work associated with each of the program's transition phases:

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- **Focus on outcomes, not process** – maximize recovery, program efficiency and system effectiveness;
- **Provincial accessibility** – provide fair, reasonable, efficient and effective levels of collection service to all regions of Saskatchewan;
- **Provide economic incentives and set simple rules** – effective economic incentives will drive behaviour that increases recovery activity throughout the PPP reverse supply-chain; simple rules will provide clarity and certainty to those collecting and recycling PPP;
- **Foster interaction, collaboration and competition to drive innovation** – innovation is the result of complex interactions of ideas and efforts among producers and private, public and not-for-profit entities with parties bringing together complimentary skills to collaborate and deliver more value; and
- **Set the stage for evolution** – harness existing activities and build on success through continuous improvement and use of economic incentives to increase collection of PPP and improve system efficiency.

### 4.2 Collection System

Under the current shared responsibility model, local governments and Regional Waste Authorities (RWAs) provide household collection and/or depot collection services to their residents and to some First Nations and Métis communities. Under the transition phases outlined below, MMSW will move towards the application of standardized definitions, qualification standards, and policies and procedures for the following collection service types:

- Curbside collection;
- Multi-family collection; and
- Depot collection.

Definitions for each service type are provided in the sections below.

MMSW's approach to the delivery of curbside, multi-family and depot collection services will be to contract with collection service providers which meet MMSW's collection qualification standards, policies and procedures, which will assist MMSW in achieving its program targets and commitments. Under the current shared responsibility model, MMSW developed a set of policies and procedures that enable tracking and reporting of sources and quantities of PPP as well as best practices to ensure an efficient and effective collection system. The current policies and procedures for the shared responsibility model are outlined in the MMSW Services Agreement available on the MMSW [website](#). Updated policies and procedures will be developed for each of the transition phases, as outlined below, which will include provisions to ensure all federal, provincial and municipal laws are followed.

#### 4.2.1 Accepted Materials

Under the current shared responsibility model, it is the responsibility of each collector to determine the types of PPP compatible with their collection and post-collection system. MMSW will work to expand and harmonize the list of accepted materials across all applicable collectors concurrent with the implementation of each transition phase outlined below. MMSW will target PPP for collection that is

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supplied by producers, is compatible with the collection and processing system that MMSW will be establishing and has commercially viable end markets consistent with the waste management hierarchy.

A detailed accepted material list (accepted PPP) will be developed during the design phase of each of the transition phases outlined below. As the list of accepted materials differs across processing facilities at present, MMSW must first engage with processors and procure processing capacity before the exact accepted material list can be confirmed.

Examples of the materials that will be targeted as accepted PPP in Transition Phase 1 and 2 include:

- Paper and Cardboard – materials such as newspaper flyers, magazines, envelopes, gift wrap, cardboard and boxboard boxes, cardboard packaging, boxboard packaging, paper carrier trays and paper bags; and
- Mixed Containers – materials such as rigid plastic bottles, jugs, tubs, clamshells and trays, metal containers, paper cups for hot and cold beverages, polycoated cartons and tubs for cream, soup, frozen desserts, etc.

Examples of additional materials that will be targeted as accepted PPP in Transition Phase 3 include:

- Flexible Plastics – materials such as bags for groceries, bags for produce and dry bulk foods and outer bags and wrap for paper towels, soft drink flats etc. and materials such as stand-up and zipper-lock pouches, crinkly wrappers and bags, flexible packaging with a plastic seal, non-food protective packaging and woven and net plastic bags;
- Foam Packaging – white and coloured polystyrene foam packaging such as foam meat trays, cups, egg cartons and cushion packaging; and
- Glass Bottles and Jars – clear and coloured non-deposit glass bottles and jars.

The MMSW collection system will exclude a small subset of PPP types that are uniquely disruptive to the program's collection or post-collection system, present a hazard to collection and post-collection staff and/or that do not have commercially viable end markets, referred to as not accepted PPP. Examples include polyvinyl chloride (PVC) packaging, compostable plastics and PPP still containing hazardous materials. Producers of these types of PPP captured under the Regulation will still be required to pay fees on their supply to support the recycling system. Where opportunities are identified, these materials may also incur cost to develop strategies that move them towards acceptance in the program's collection system.

### **4.2.2 Curbside Collection**

Curbside collection will be defined as the collection of PPP from single-family dwellings, buildings with up to four households and row house complexes with any number of households where each household sets out material separately for collection by collection vehicles. Transition Phases 1 and 2 will focus on the roll-out of curbside collection under the full producer responsibility model.

MMSW will collaborate with municipalities on other municipal waste services such as garbage and organics collection to ensure a coordinated approach on service details such as collections schedules, cart placement locations, assisted collection and customer service procedures where feasible and practical.

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## ***4.2.3 Multi-Family Collection***

The term “multi-family collection” is used today in a variety of contexts to describe different collection approaches to delivering collection services to residents that live in multi-family (i.e., multi-unit) residential complexes, including unstaffed neighbourhood bins in public locations designed to service multiple neighbourhoods.

Moving forward, multi-family collection will be defined as the collection of PPP from residential complexes with five or more units where all households deposit their recycling at a centralized location in shared containers located at or immediately adjacent to the residential complex. See below for a discussion on unstaffed neighbourhood bins in the Depot Collection section.

Together with curbside collection, Transition Phases 1 and 2 will focus on the roll-out of multi-family collection under the full producer responsibility model.

## ***4.2.4 Depot Collection***

Depot collection is defined as the collection of PPP at a location operated by a collection service provider under agreement with MMSW at which PPP is received from residents. Depots can provide collection services of all categories of accepted PPP in smaller communities without curbside and multi-family collection. They can also provide additional collection opportunities to residents in communities with curbside and multi-family collection, in particular the categories of accepted PPP not collected through curbside and multi-family service (e.g., flexible plastics).

Transition Phase 3 will focus on the roll-out of depot collection under the full producer responsibility model.

## ***4.2.5 Collection Incentives***

Consistent with an outcomes-based approach to program operations, MMSW will offer financial incentives to collectors participating in the program. These incentives will be designed to provide collectors with sufficient incentive to collect the amount of PPP required by MMSW to meet its targets and to cover fair and reasonable collection costs borne by contracted collectors operating efficient programs.

On the schedule outlined in the transition phases below, MMSW will develop a set of revised financial incentives to propose to eligible collectors for each transition phase based on the results of a detailed cost study. As MMSW last conducted a cost study in 2022, the study’s data will be used to guide the curbside and multi-family incentive rates for Transition Phase 1 and 2. As the roles and responsibilities of collection service providers under Transition Phase 1 and 2 will differ from the services provided under current service agreements (e.g., collection service providers will no longer be required to procure post-collection services), the incentive rates offered will reflect this new outcome.

During the design stage of Transition Phase 3, MMSW will engage a third-party accounting firm and undertake a collection cost study and associated analyses to develop depot incentive rates as well as to assess the curbside and multi-family incentives applied in Transition Phase 1 and 2 in the current market

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context. As in past years, MMSW will work with the Advisory Committee in determining its approach to these studies.

Once new collection service agreements have been offered to eligible collectors, inclusive of the new financial incentives, each applicable collector must then decide whether to move forward in a service agreement with MMSW.

MMSW will pay the costs of collecting PPP directly when a competitive procurement process has been applied by MMSW with private collection companies, as may be applied in Transition Phase 2 (see below).

Section 4.4.12 below outlines the process and timelines associated with payments to non-transitioned collectors delivering recycling services under the shared responsibility model.

### 4.3 Post-Collection System

Collectors currently providing collection services under the shared responsibility model are also required to procure post-collection services, including the processing and marketing of collected PPP. Moving forward, MMSW will be responsible for all aspects of post-collection, including receiving, processing and marketing PPP collected under the transition phases outlined below. Collection service providers accepting an offer from MMSW and participating in one or more transition phases will no longer be responsible for post-collection services.

MMSW's approach to designing and procuring a post-collection system is outlined in the transition phases below.

The MMSW post-collection network will focus on six key outcomes:

- Investment in recycling infrastructure;
- System efficiency with minimal redundancy;
- Prioritization of local and regional end markets;
- Environmental performance and the management of material as high as possible in the waste prevention hierarchy;
- Clear and transparent business processes; and
- Ongoing innovation and technology.

MMSW will regularly conduct due diligence on end markets for its material to ensure they are recycled and managed in a responsible manner. When selecting end markets for materials, MMSW will give priority first to local markets, then regional markets, then to those located in countries that are members of the Organization for Economic Co-operation and Development (OECD). MMSW will consider end markets for processed PPP located in countries that are not members of OECD only if the end market meets or exceeds environmental, health and safety standards equivalent to OECD standards.

### 4.4 Transition Phases

The following sections outline MMSW's proposed transition phases, the activities included in each and

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the relevant timelines. For a summary of the transition phases, please refer to Section 4.4.13 below.

## **4.4.1 Consultation**

MMSW's draft Program Plan was posted on the MMSW website on June 13, 2023 and distributed to program stakeholders.

Between June 13 and August 13, 2023, MMSW will be conducting a detailed public consultation process on this draft Program Plan. The timelines of this process are dictated by the requirement to submit a draft Program Plan to the Ministry by September 27, 2023.

The following stakeholder groups will be engaged as part of this consultation process:

- Local governments;
- Regional Waste Authorities (RWAs);
- First Nations and Métis;
- Private companies involved in PPP management;
- MMSW Advisory Committee;
- MMSW producer members;
- Producer Responsibility Organizations;
- Producer associations;
- Social enterprises and abilities councils;
- Environmental groups; and
- Saskatchewan residents.

Written feedback and comments will be accepted by MMSW until August 13, 2023 and can be submitted to [info@multimaterialsw.ca](mailto:info@multimaterialsw.ca).

Recordings of consultation sessions and a detailed consultation report summarizing the feedback received will be posted on the MMSW [website](#) once available. The consultation report will also be included as Appendix A in this Program Plan.

## **4.4.2 Program Plan Submission and Approval**

In accordance with the Regulatory deadline, the draft Program Plan will be submitted to the Ministry on September 27, 2023. As several implementation tasks cannot be completed until an approved Program Plan is in place, the timing of Ministry approval will inform the phased implementation timeline. Transition timeline phases are therefore referenced by the number of months following Program Plan approval.

## **4.4.3 Transition Phase 1 Design**

Transition Phase 1 will be centered on curbside and multi-family collection from eligible communities, as determined during the design and procurement phases. There are several parallel and sequential activities that must occur to develop the collection and post-collection systems required to support this phase. Relevant activities include:



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- Continue to compile information from MMSW collectors which will impact the timing of their possible participation in transitions phases, including current contractual arrangements with existing service providers;
- Complete a market sounding exercise with private companies involved in the collection, transportation, receiving and processing of PPP to ensure the interests of those that have invested social and capital infrastructure into the province's recycling system can be considered;
- Finalize collection policies and procedures for curbside and multi-family collection;
- Develop a Master Service Agreement (MSA) and Statement of Work (SOW) for curbside and multi-family collection and post-collection services;
- Design collection and post-collection catchment area(s) and define eligible communities for Transition Phase 1;
- Develop a procurement process and applicable documents for post-collection services, including transporters, receiving facilities and processing facilities;
- Develop incentive rates for collection service providers in Transition Phase 1 using the results from MMSW's 2022 Cost Study; and
- Finalize an accepted material list for residential curbside and multi-family programs included in Transition Phase 1 that leverages the capacity of potential post-collection service providers.

To design efficient and effective catchment area(s) for Transition Phase 1, MMSW will target logical post-collection flows from one or more clusters of large communities with existing curbside and multi-family PPP programs participating in the MMSW program.

MMSW has initiated many of these activities and this work will continue through the consultation period and Program Plan review and approval process.

### ***4.4.4 Transition Phase 1 Procurement***

The procurement process for collection and post-collection services will commence once the Program Plan approval process has successfully concluded. Without an approved Program Plan in place, MMSW does not have the basis to release procurement documents, negotiate terms or sign agreements for the collection and post-collection services associated with Transition Phase 1.

This implementation phase will commence with a competitive procurement process to procure post-collection services in the catchment area(s) targeted for Transition Phase 1, which will include one or more facilities to receive the PPP delivered by collection service providers, as well as the services required to transport, consolidate, process and market received PPP as applicable.

Eligible communities identified in the catchment area described above will receive a formal offer to participate in Transition Phase 1, including an MSA, curbside SOW, multi-family SOW (if applicable), and the applicable incentive rates. They will have the opportunity to review these documents and consider whether to accept MMSW's offer, sign the applicable collection agreements and participate in Transition Phase 1 as a collection service provider for curbside and/or multi-family collection.

A minimum of six months following approval of the Program Plan will be required for this phase to ensure potential service providers have sufficient time to review documentation, evaluate their options and guide their Councils through the applicable decision-making process, as applicable.

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## **4.4.5 Transition Phase 1 Implementation**

Transition Phase 1 will commence on the latter of:

- The first business day of the first month following six months after approval of the Program Plan; or
- July 1, 2024.

Upon the launch of Transition Phase 1, MMSW will assume full financial and operational control of the collection, transportation, receiving, processing and marketing of PPP collected under this phase. This will be exercised via collection service agreements with eligible communities and by directly procuring post-collection services.

## **4.4.6 Transition Phase 2 Design**

To build on the success of the previous phases, Transition Phase 2 will continue the focus on curbside and multi-family collection while layering on additional collector types as well as eligibility to smaller and more remote communities. Activities required to design and procure the collection and post-collection systems required for this phase include:

- Develop draft Community Curbside and Multi-family Collection Eligibility Criteria for smaller communities, including remote, Northern and First Nations and Métis communities with input from stakeholders;
- Consult with relevant stakeholders on the draft eligibility criteria;
- Design collection and post-collection catchment areas based on the finalized eligibility criteria;
- Develop policies and procedures as well as SOWs for curbside and multi-family collection in eligible communities if differences are warranted in smaller communities;
- Develop an approach to procuring collection services in smaller communities which will establish scenarios where:
  - Directly contracting private waste companies servicing multiple communities along a collection route can achieve improved administrative, operational, and environmental efficiencies; and
  - Offers will be extended to municipalities, RWAs, First Nations and Métis communities who wish to maintain operational oversight of curbside and multi-family collection service, where warranted;
- Develop a procurement process and applicable documents for post-collection services, including transporters, receiving facilities and processing facilities for all catchment areas;
- Develop incentive rates for collection service providers in Transition Phase 2 using the results from MMSW's 2022 Cost Study; and
- Apply any changes to the accepted material list based on learnings from Transition Phase 1 and that leverages the capacity of any post-collection service providers added to the program, if applicable.

## **4.4.7 Transition Phase 2 Procurement**

The procurement process for Transition Phase 2 will commence upon the successful implementation of Transition Phase 1 to ensure any learnings from this launch can be incorporated into subsequent phases.

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A competitive procurement process for any required post-collection services for the applicable catchment areas will ensure the provision of receiving facilities for collection service providers and sufficient capacity to transport, consolidate, process and market the additional PPP received from collection service providers in this phase.

If applicable, a competitive procurement process will be initiated with private waste haulers to procure collection services in eligible communities where this service model is determined to provide the most efficient and effective service solution.

Other eligible communities, including municipalities, RWAs and/or First Nations and Métis communities, will receive a formal offer to participate in Transition Phase 2, including an MSA, curbside SOW, multi-family SOW (if applicable), and the applicable incentive rates. They will have the opportunity to review these documents and consider whether to accept MMSW's offer, sign the applicable collection agreements and participate in Transition Phase 2 as a collection service provider for curbside and/or multi-family collection.

A minimum of twelve months will be required for this transition phase given the complexity of the tasks outlined above as well as the need to consult with program stakeholders on the development of Community Curbside and Multi-Family Collection Eligibility Criteria.

### ***4.4.8 Transition Phase 2 Implementation***

Transition Phase 2 will commence the first business day of the first month following twelve months after the commencement of Transition Phase 1 Implementation. Upon the launch of Transition Phase 2, MMSW will assume full financial and operational control of the collection, transportation, receiving, processing and marketing of PPP collected through curbside and multi-family programs included in this phase. This will be exercised via collection service agreements with private waste companies and/or eligible municipalities, RWAs and/or First Nations and Métis communities and by directly procuring post-collection services.

### ***4.4.9 Transition Phase 3 Design***

Transition Phase 3 will focus on system optimization and the addition of depot collection, which will complete the transition to a program fully funded and operated by the producers of PPP. Activities required to design and procure the collection and post-collection systems required for this phase include:

- Develop draft Depot Collection Eligibility Criteria for smaller communities, including remote, Northern and First Nations and Métis communities with input from stakeholders;
- Consult with relevant stakeholders on the draft eligibility criteria;
- Finalize collection standards, policies and procedures for depot collection that ensure high quality of collected material;
- Develop a SOW for depot collection services;
- Develop a procurement process and applicable documents for depot collection services;
- Engage a third-party accounting firm and undertake a collection cost study and associated analyses to develop depot incentive rates as well as to assess the curbside and multi-family incentives applied in Transition Phase 1 and 2 in the current market context;

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- Complete an assessment, including stakeholder consultation, on whether providing the option for communities included or eligible under Transition Phase 1 to transition to having MMSW provide curbside and/or multi-family collection directly through a competitive procurement process will provide additional system optimization or efficiencies;
- Develop a procurement process and applicable documents for additional post-collection services; and
- Finalize an accepted material list for depot collection, including additional targeted materials such as flexible plastics, foam packaging and glass bottles and jars not compatible with commingled curbside and multi-family collection.

### ***4.4.10 Transition Phase 3 Procurement***

The procurement process for Transition Phase 3 will commence upon the successful implementation of Transition Phase 2.

This implementation phase will commence with a competitive procurement process for any additional post-collection services required, as well as sufficient capacity to transport, consolidate, process and market the additional PPP received from collection service providers in this phase.

Eligible depot collectors, based on the Depot Collection Eligibility Criteria, will receive a formal offer to participate in Transition Phase 3, including an MSA, depot SOW, and the applicable incentive rates. They will have the opportunity to review these documents and decide whether to accept MMSW's offer, sign the applicable collection agreements and participate in Transition Phase 3 as a collection service provider for depot collection. MMSW will seek to develop a depot collection network that provides convenience and accessibility while reducing duplication and fostering system efficiencies and optimization.

A minimum of twelve months will be required for this transition phase given the complexity of the tasks outlined above as well as the need to consult with program stakeholders on the development of Depot Collection Eligibility Criteria.

### ***4.4.11 Transition Phase 3 Implementation***

Transition Phase 3 will commence the first business day of the first month following twelve months after the commencement of Transition Phase 2 Implementation. Upon the launch of Transition Phase 3, MMSW will assume full financial and operational control of the collection, transportation, receiving, processing and marketing of PPP collected through depots, thereby completing the proposed transition process. This will be exercised via collection service agreements with depot collectors and by directly procuring post-collection services.

Any changes required to the curbside and multi-family incentives rates stemming from the updated collection cost study will apply to all applicable curbside and multi-family collection service providers (including those that launched as part of Transition Phase 1 and 2), effective as of the launch date of Transition Phase 3.

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### 4.4.12 Payments to Non-Transitioned Collectors

MMSW collectors registered with MMSW as of June 1, 2023 will continue to receive payments in accordance with the terms of their existing agreements under the shared responsibility model until any one of the following conditions is met:

- An offer is accepted for collection services in accordance with one of the transition phases outlined above;
- Another organization has established a collection services agreement with MMSW to provide curbside, multi-family and/or depot collection services in the applicable community; or
- All transition phases outlined above are complete, defined as one year after the commencement of Transition Phase 3 Implementation.

The effective date of the termination of payments under existing service agreements will align with the service commencement date of any applicable new collection service agreements and a termination agreement will be signed by both parties effective that date. If an offer is accepted or a collection services agreement is established with another organization for only one collection service type (e.g. curbside collection) but the MMSW collector’s current agreement includes additional collection service types not covered by the accepted offer or new collection services agreement, the MMSW collector’s agreement will be amended to permit payments to continue for the applicable collection service types.

This approach will allow existing MMSW collectors sufficient time to consider offers provided by MMSW while providing for the timely wind down of the shared responsibility model. For clarity, any remaining payments to MMSW collectors under existing service agreements will end as of one year after the commencement of Transition Phase 3 Implementation.

### 4.4.13 Transition Phases Overview

The following table provides a summary of each of the transition phases outlined above.

Transition Phases	Transition Phase Overview	Timeline
<b>Consultation</b>	<ul style="list-style-type: none"> <li>• Program Plan released June 13, 2023</li> <li>• Stakeholder consultation between June 13 and August 13, 2023</li> <li>• Written feedback accepted until August 13, 2023</li> </ul>	June 13 – August 13, 2023
<b>Program Plan Submission &amp; Approval</b>	<ul style="list-style-type: none"> <li>• Submission of Program Plan September 27, 2023</li> <li>• Review and approval of Program Plan by Ministry</li> </ul>	Approval per Ministry timeline
<b>Transition Phase 1 Design</b>	<ul style="list-style-type: none"> <li>• Compile information from MMSW collectors and complete markets analysis</li> <li>• Develop collection policies and procedures, collection agreements and incentive rates</li> <li>• Design catchment area(s) and eligible communities</li> <li>• Develop procurement process and documents</li> <li>• Finalize curbside/multi-family accepted material list</li> </ul>	Ongoing

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<b>Transition Phase 1 Procurement</b>	<ul style="list-style-type: none"> <li>Competitive procurement process for post-collection services</li> <li>Release of collection agreements and incentive rates to eligible communities</li> </ul>	Minimum of 6 months following Program Plan approval
<b>Transition Phase 1 Implementation</b>	<ul style="list-style-type: none"> <li>Launch of curbside and multi-family collection with applicable communities</li> </ul>	The latter of approval + 6 months or July 1, 2024
<b>Transition Phase 2 Design</b>	<ul style="list-style-type: none"> <li>Develop and consult on Community Curbside and Multi-Family Collection Eligibility Criteria</li> <li>Develop procurement process for eligible curbside and multi-family communities</li> <li>Design catchment areas, collection agreements and incentive rates</li> <li>Apply changes to accepted material list, as applicable</li> </ul>	Ongoing
<b>Transition Phase 2 Procurement</b>	<ul style="list-style-type: none"> <li>Competitive procurement process for post-collection services</li> <li>Competitive procurement process for collection services, as applicable</li> <li>Release of collection agreements and incentive rates to eligible communities as applicable</li> </ul>	12 months following commencement of Transition Phase 1 Implementation
<b>Transition Phase 2 Implementation</b>	<ul style="list-style-type: none"> <li>Launch of curbside and multi-family collection with applicable communities</li> </ul>	Transition Phase 1 Implementation + one year
<b>Transition Phase 3 Design</b>	<ul style="list-style-type: none"> <li>Develop and consult on Depot Collection Eligibility Criteria</li> <li>Complete cost study on all collection channels and develop depot incentive rates</li> <li>Complete assessment on option of MMSW providing curbside/multi-family collection directly in applicable communities</li> <li>Develop procurement process and documents</li> <li>Finalize depot accepted material list</li> </ul>	Ongoing
<b>Transition Phase 3 Procurement</b>	<ul style="list-style-type: none"> <li>Competitive procurement process for post-collection services</li> <li>Release of collection agreements and incentive rates to depot collectors</li> </ul>	12 months following commencement of Transition Phase 2 Implementation
<b>Transition Phase 3 Implementation</b>	<ul style="list-style-type: none"> <li>Launch of depot collection</li> <li>Application of updated curbside/multi-family incentive rates</li> </ul>	Phase 2 + one year
<b>Payments to Non-Transitioned Communities</b>	<ul style="list-style-type: none"> <li>Payments to continue until offer accepted or transition phases complete</li> </ul>	Ongoing, until 12 months following commencement of Transition Phase 3 Implementation

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## 4.5 National Integration

MMSW is working with the national, not-for-profit producer led PRO, Circular Materials, to provide Saskatchewan residents and producers with the benefits of a nationally integrated approach to recycling. This approach is designed to provide residents with a high level of service and enable producers to meet the ambitious requirements outlined within the Regulation while focusing on productivity gains that come with national integration.

## 4.6 Dispute Resolution

MMSW will seek to balance the principles of access, efficiency, fairness and equitable outcomes in the design of its dispute resolution mechanisms. Dispute resolution processes are tailored to the nature of disputes as well as the likely parties to a typical dispute. The objectives of the dispute resolution process are to manage disputes to resolution rather than adjudication, earlier and faster and at a reduced cost to all parties involved.

The following suite of alternative dispute resolution processes is used:

Dispute Type	Path of Escalation/Resolution
<b>Producer Members</b>	<ul style="list-style-type: none"> <li>Per the dispute resolution process outlined in the Membership Agreement</li> </ul>
<b>Residents</b>	<ul style="list-style-type: none"> <li>Discussion with MMSW management</li> <li>If unresolved, involvement of the Advisory Committee</li> </ul>
<b>Collection and Post-Collection Service Providers</b>	<ul style="list-style-type: none"> <li>Discussion with MMSW management</li> <li>Facilitation: to prevent escalation and to explore interests/remedies</li> <li>Mediation: to be used if facilitation is unsuccessful. Process to be specified in commercial agreements regarding selection of mediator, roles of parties, time and place of mediation, conduct of mediation, length, responsibility for fees/costs, confidentiality, conclusion of mediation by agreed settlement or final settlement proposal by the mediator.</li> <li>Arbitration: to be used if mediation is unsuccessful; process to be specified in commercial agreements regarding notice of arbitration, submission of written statements, place and conduct of meetings and hearings, the process for rendering and delivering decisions; jurisdiction and powers of the arbitrator, allocation of costs/fees; application of the <i>Saskatchewan Arbitration Act, 1992</i></li> </ul>

The dispute resolution process described above for collection and post-collection service providers will be contained in applicable service agreements.

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## 4.7 Resident Communications

MMSW will design and deliver an effective resident education program that supports achieving program targets by focusing on two primary objectives:

- Increase resident awareness of the program features and benefits; and
- Engage and encourage residents to participate in the program and make informed and correct decisions concerning the preparation and management of PPP for collection and recycling.

To achieve the above objectives, MMSW will employ the following strategies:

- **Education and awareness campaigns** – MMSW will conduct targeted awareness campaigns independently or in partnership with stakeholders, such as other PROs, producers, local governments and community-based organizations.
- **Collector resources** – MMSW will make resources available to collectors to be used to help educate their residents on various aspects of the MMSW program. In many instances templates will be available for customization.
- **Resident support and service** – MMSW will support residents with information about various program elements including accepted and not-accepted materials, depot locations, special projects, etc. using various channels, including email, website and social media.
- **Research** – MMSW will conduct quantitative research to gather accurate provincial information on recycling habits, service levels, brand and program awareness to help inform future education and outreach.

The above strategies will be phased in and adapted over time to support the transition phases outlined in this Program Plan. Communities acting as collection service providers for curbside, multi-family and/or depot collection (including municipalities, RWAs and First Nations and Métis communities) will retain primary responsibility for delivering resident communication strategies associated with the collection of PPP (e.g., accepted material list, service details, missed pick-ups, operating hours, collection schedules) in accordance with MMSW service standards.

MMSW will align communications activities to achieve the above resident education objectives and meet program performance targets. The strategic direction and focus of these activities will primarily be informed by consumer research and program results. MMSW resident communications will be based on the following principles:

- **Collaboration** – MMSW will work collaboratively with stakeholders to ensure communication activities reflect the needs of service providers and partners directly engaged in resident education.
- **Informed outreach** – MMSW will identify and target education to meet the needs of the program. This could include targeting specific material types, demographics or geographic areas.
- **Flexibility** – A communication plan will be developed on a regular basis and will consider program performance and needs.

MMSW will report on its educational strategies and materials in the Promotion and Education section of its annual report.



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## 5. Program Performance

### 5.1 Waste Management Hierarchy

MMSW will seek to manage PPP in accordance with the Waste Management Hierarchy, as outlined in the Ministry of Environment's Product Stewardship Program Development Guidelines:

- Reduce the environmental impact of producing the product by eliminating toxic components and increasing energy and resource efficiency;
- Redesign the product to improve reusability or recyclability;
- Eliminate or reduce the generation of unused portions of a product that is consumable;
- Reuse the product;
- Recycle the product;
- Recover material from the product;
- Recovery energy from the product; and
- Dispose of the waste from the product.

MMSW will work to reduce the environmental impact of producer members' PPP by managing the collection, processing and marketing of this material under the transition phases outlined in this Program Plan. This will involve partnering with collection service providers and overseeing the sale of processed material to approved end markets. The program also seeks to innovate by engaging with producers to advance the recycling of various materials and finding new ways to encourage source reduction, re-use and good recycling practices.

Plastic packaging comes in a wide range of materials and designs and is constantly evolving, which places a burden on residents, businesses and governments looking to understand which options are the most sustainable. This can hamper recycling efforts and lead to plastic packaging ending up in the landfill or the environment.

Many MMSW producer members are innovating sustainable design as part of the Canada Plastics Pact (CPP), which was launched in January 2021 and provides the opportunity for businesses across the plastics value chain to address plastic pollution in a collaborative manner. MMSW also joined the CPP as an implementation partner in June 2022.

The CPP is a member of the global Ellen MacArthur Foundation Plastics Pact Network that brings together country or regional efforts to implement solutions towards a circular economy for plastics. Signatories to the CPP have committed to achieving the following targets by 2025 and will report annually on their progress:

- Support efforts towards 100% of plastic packaging being designed to be reusable, recyclable or compostable;
- Undertake actions to ensure that at least 50% of plastic packaging is effectively recycled or composted;
- Ensure an average of at least 30% (by weight) recycled content across all plastic packaging; and
- Eliminate problematic or unnecessary plastic packaging.

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In early 2022, the CPP introduced the nine Golden Design Rules, which provide a clear framework to drive innovation and actions that will result in less plastic packaging overall and easier to recycle plastic packaging by 2025. The Golden Design Rules aim to change how packaging is designed to keep it in the economy and out of the environment. The rules are:

1. Increase value in PET recycling;
2. Remove problematic elements from packaging;
3. Eliminate excess headspace;
4. Reduce plastic overwraps;
5. Increase recycling value for PET thermoformed trays and other PET thermoformed packaging;
6. Increase recycling value in flexible consumer packaging;
7. Increase recycling value in rigid HDPE and PP;
8. Reduce virgin plastic use in business-to-business plastic packaging; and
9. Use on-pack recycling instructions.

Details about the nine rules are available on the CPP [website](#).

Smart and sustainable design ensures plastic packaging is properly recycled, helps keep it out of the environment and reduces GHG emissions. These initiatives are important because improved recyclability and increased recycled content, coupled with a full extended producer responsibility program, provide a pathway to a circular economy for materials.

When producers take full responsibility for their materials, they are in a better position to recover them as inputs into new manufacturing processes and capture the maximum value from these resources. Producers are also investing in developing innovative alternatives to single-use plastics and other problematic items included in new federal and provincial regulations.

Given the small market size of Saskatchewan compared to the reach of regional, national and international producers, MMSW believes it can best influence PPP design by actively applying its time, resources and expertise to organizations and initiatives such as the CPP that are focused on national harmonization and standards. As additional Canadian provinces begin implementing full EPR programs for PPP, MMSW will work closely with these programs to build synergies and collaborate on national approaches to sustainable PPP design. By collaborating in this way, MMSW will keep informed on trends and priorities so it can consider when and if it is appropriate to introduce additional measurements into its program.

Section 5.2 below outlines the reporting metrics that MMSW will provide annually, which includes a number of metrics pertaining to the Waste Management Hierarchy.

### 5.2 Reporting Metrics

By June 30 of each year, MMSW will submit an Annual Report to the Ministry of Environment that describes the program's activities of the previous calendar year (January 1 to December 31) as well as the performance metrics outlined below. The Annual Report will be posted on the MMSW [website](#) along with Annual Reports from previous years.

The Regulation references the following categories of PPP for the purpose of reporting metrics and

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performance targets:

- Paper;
- Plastic;
  - Rigid plastic;
  - Flexible plastic;
  - Bio-based plastics that are;
    - Certified compostable; and
    - Not certified compostable;
- Metal;
- Glass; and
- PPP made from any combination of the above materials.

At present, MMSW does not have the capability to report the amount of PPP supplied by producer members by certified compostable bio-based plastics and not certified compostable bio-based plastics. As the categories of PPP that producer members report to MMSW are harmonized across multiple provinces, adding additional categories is a significant undertaking requiring sufficient review and consultation with producer members. In addition, there are expected to be meaningful operational barriers to establishing collection numbers of these categories, given the difficulty in identifying the difference through composition audits of unlabelled materials at end-of-life. MMSW will engage with producer members on this issue, study what reporting of these categories will be feasible and seek to add them as PPP categories for the purposes of reporting metrics and performance targets if this is deemed achievable and practical.

Until such a time, references to reporting metrics and performance targets by PPP category will include the following PPP categories:

- Paper;
- Plastic;
  - Rigid plastic;
  - Flexible plastic;
- Metal; and
- Glass

The following table outlines the reporting metrics that will be included in each year’s Annual Report, beginning in the reporting year that includes the commencement of Transition Phase 1 Implementation, including an indication of whether each metric will be reported for the overall program and/or by each applicable PPP category.

Reporting Metric	Reporting Applicability	
	Overall Program	By PPP Category
Amount supplied by producer members	✓	✓
Amount collected by the program	✓	✓

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Amount managed through recycling <sup>4</sup> or composting	✓	✓
Amount managed through energy recovery	✓	✓
Amount disposed of in a landfill	✓	✓
Collection rate - the total amount of PPP collected and sent to a sorting facility for diversion from landfills, expressed as a percentage of PPP supplied to the market by producer members	✓	✓
Diversion rate - the total amount of PPP diverted from landfills, calculated as the sum of PPP recycled and recovered for energy and expressed as a percentage of PPP supplied to the market by producer members	✓	✓
Recycling rate – the total amount of PPP recycled by the program, expressed as a percentage of PPP supplied to the market by producer members	✓	✓
Location of the program’s collection services by service type and any changes from previous annual report	✓	N/A
Level of public awareness of the availability and functioning of the program	✓	N/A
Descriptions of public awareness, communication and education campaigns	✓	N/A
Comparison of the program’s performance to the performance targets outlined in Section 5.3	✓	As applicable
A description of efforts taken by or on behalf of producer members to reduce environmental impacts throughout the product life cycle and to increase reusability or recyclability at the end of the life cycle	✓	N/A
<i>Independently audited financial statements including:</i>	✓	N/A
Fee rates charged to producer members, including an explanation of any significant changes	N/A	✓
Total amount of fees collected from producer members to fund the program	✓	N/A
The amount spent to operate the program in Saskatchewan	✓	N/A
The amount of recycling incentives paid out, if any	✓	N/A
The costs incurred to administer the program	✓	N/A
The amount spent on public education or public awareness and communication	✓	N/A

During the transition implementation phases, reported metrics will include a combination of PPP managed by MMSW collectors participating in the shared responsibility model as well as PPP managed under each transition implementation phase applicable to that reporting year. As end-of-life data is only provided by the largest collectors participating in the MMSW program under the shared responsibility model, not all reporting metrics may be available each reporting period during the transition phases, depending on the staging of community transitions.

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<sup>4</sup> In accordance with the Regulation, “recycle” means PPP collected by the program that is sold as a commodity for the purposes of being reprocessed into raw materials for use as inputs into new packaging or products or as feedstock in the composting process.

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To support the provision of accurate reporting metrics, MMSW will ensure the complete chain of custody of the material managed under each transition implementation phase by recording and tracking the material from the point it is received from a collector up until its shipment to an approved end market. A system of field inspections and audits to oversee the work completed by collection and post-collection service providers will be developed to ensure compliance with all relevant policies and procedures.

MMSW regularly conducts audits on a representative sample of producer members to ensure the accuracy of the reported supply of PPP.

### 5.3 Performance Targets

MMSW will seek to achieve four primary performance targets, as outlined in the Regulation:

- Overall program recycling rate;
- Overall program diversion rate;
- Recycling rate by PPP category; and
- Diversion rate by PPP category.

The definitions of recycling rate and diversion rate will follow those outlined in Section 5.2.

Historic figures for the most comparable metrics provided in MMSW's Annual Reports are illustrated below for reference and context.

#### 5.3.1 Historic Program Collection Rates

The following table illustrates the historic collection rate rates of the MMSW program, as reported in the program's Annual Reports. Collection rate, as used here, is defined as the total amount of PPP collected by municipalities participating in the MMSW program as a percentage of total PPP supplied by MMSW producer members.

Year	Program Collection Rate
2016	70.0%
2017	72.8%
2018	70.1%
2019	77.4%
2020	76.5%
2021	77.4%
2022	68.6%

#### 5.3.2 Historic Program Recycling Rates

The following table illustrates the historic recycling rates of the MMSW program, using information included in the program's Annual Reports. Recycling Rate, as used here, is defined as the total amount of PPP shipped to recycling end markets by municipalities participating in the MMSW program as a percentage of total PPP supplied by MMSW producer members. Reporting of the amount of PPP

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shipped to recycling end markets began by MMSW in the 2020 reporting period.

Year	Program Recycling Rate
2020	52%
2021	53%
2022	58%

### 5.3.3 Historic PPP Category Recycling Rates

The following table illustrates the historic recycling rates of the MMSW program by PPP category, as reported in the program's Annual Reports. Recycling Rate, as used here, is defined as the total amount of PPP shipped to recycling end markets by municipalities participating in the MMSW program by PPP category as a percentage of the total of that category of PPP supplied by MMSW producer members. Reporting of the amount of PPP shipped to recycling end markets began by MMSW in the 2020 reporting period based on end-of-life data provided by the program's largest collectors.

Year	Paper Packaging Recycling Rate	Plastic Packaging Recycling Rate	Glass Packaging Recycling Rate	Steel, Metal and Aluminum Recycling Rate	Printed Paper Recycling Rate
2020	60%	11%	1%	35%	98%
2021	56%	9%	1%	40%	98%
2022	61%	12%	1%	40%	98%

### 5.3.4 Transition Performance Targets

During the transition phases outlined in the Program Plan, MMSW will seek to maintain an overall program collection rate of 72.5%.

MMSW is committed to establishing and achieving ambitious but achievable performance targets, with the goal of continuous improvement as it assumes management responsibility for materials collected in transitioned communities. Prior to the provision of updated targets, MMSW must complete each of the many steps associated with each transition phase. Given the uncertainty around the internal decision-making processes of third parties associated with the transition phases, including potential collection and post-collection service providers, program stabilization must first be established before meaningful performance targets can be proposed.

Upon the completion of Transition Phase 3, defined as 12 months following commencement of Transition Phase 3 Implementation, MMSW will propose updated targets for the following metrics:

- Overall program recycling rate;
- Overall program diversion rate;
- Recycling rate by PPP category; and
- Diversion rate by PPP category.

MMSW will conduct stakeholder consultation on the proposed targets prior to submission to the Ministry of Environment as an amendment to the Program Plan. This consultation will be informed by the collection and post-collection system developed over the transition phases and the capabilities it will

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bring to improve the environmental performance of the program.