

# **ATTACHMENT 1**

## **City of Toronto - Solid Waste Management Services**

### **Policy for Addition of New Materials to the City's Waste Diversion Programs (Adapt Policy)**

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## 1. Purpose

The City of Toronto has no control over Provincial packaging regulations, however, it is responsible for providing waste management services to residents and portions of the City's Institutional, Commercial and Industrial sector in compliance with those regulations. Changes to packaging affect how residents and customers sort their waste, communications, education, collection, processing, and disposal, and as a result, the service provision costs and total Divisional program funding.

The Policy for Addition of New Materials to the Waste Diversion Programs (Adapt Policy) establishes a list of considerations that will be referenced for review and application to any new recyclable or organic material under consideration for addition to the City's Green Bin organics or Blue Bin recycling Waste Diversion Programs (together, referred to as "Waste Diversion Programs"). Pursuant to Schedules A and B to Chapters 841 and Schedules A and B to Chapter 844 of the Toronto Municipal Code, the General Manager, Solid Waste Management Services (the "General Manager") may designate a material as a "recyclable material" or as "organic waste" to be collected by the City.

The Adapt Policy will be applied as follows:

- a. *Request for consideration* - Solid Waste Management Services staff will be made aware of a request to consider a proposed new material (the "Proposed Material") for addition to a Waste Diversion Program (Note: possible channels for this request include via City Council, City staff, residents, the manufacturer, importer or retailer of the Proposed Material etc.).
- b. *Initial review by General Manager* - The General Manager will review the request for consideration to assess whether, in the General Manager's sole and complete discretion, there is potentially sufficient environmental, social or economic benefit(s) associated with the addition of the Proposed Material to warrant further consideration pursuant to the Adapt Policy. Proposed Materials

that fulfill the General Manager's initial review will proceed for further consideration.

- c. *Assessment of Policy Considerations* - Solid Waste Management Services staff will assess the Proposed Material in accordance with the Policy Considerations set out in Part 4 of the Adapt Policy. Based on the assessment of the Policy Considerations, the Director, Policy, Planning and Support, Solid Waste Management Services<sup>1</sup> will make a recommendation to the General Manager, Solid Waste Management Services, whether to proceed with testing of the Proposed Material and, if appropriate, whether to enter into a Material Sponsor Agreement.
- d. *Proposed Material Testing Sponsor Agreement*– testing at one of the City's facilities or contracted processor facilities may be required in order to assess the viability of recovery or processing of the Proposed Material. Such testing will be in accordance with the requirements set out in Part 5 of the Adapt Policy.
- e. *Material Sponsor Agreement* - The General Manager, at his or her sole and complete discretion, may enter into a Legal Agreement with one or more entities that voluntarily choose to act as a sponsor for the Proposed Material (a "Material Sponsor"). This Material Sponsor Agreement will be in accordance with the requirements of Part 5 of the Adapt Policy and will, at a minimum, provide for:
  - i. recovery from the Material Sponsor(s) any increase to the City's costs as a result of the inclusion of the Proposed Material in a waste diversion program;

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<sup>1</sup> In consultation with the Director, Processing & Resource Management, the Director, Collections & Litter Operations and the Director, Infrastructure, Development and Asset Management.

- ii. implementation by the Material Sponsor of a public education campaign in relation to the Proposed Material; and
- iii. such financial assurance as may be required by the General Manager.

## **2. Background**

The City of Toronto Solid Waste Management Services provides Blue Bin recycling, Green Bin organics and garbage collection and management services to residents, and portions of the City's Institutional, Commercial and Industrial sector. The Solid Waste Management Services is funded from user rates charged for the services provided and partially funded by Product Packaging and Printed Paper Stewards which are required to provide payments to help offset costs of the City's Residential Blue Bin recycling program as prescribed by existing Provincial legislation. Solid Waste Management Services also provides general public services such as litter collection, closed landfill monitoring and waste collection in parks.

Lifestyles and packaging are changing. New materials are regularly introduced into the marketplace and make their way into the waste stream for end-of-life management once consumed or used. From a solid waste management perspective, these materials can result in the introduction of problematic materials and packaging into the waste diversion programs, such as "compostable" or "biodegradable" packaging or products and new multi-material packaging.

This Policy introduces a City-led streamlined process to consider whether there should be any changes to the management of new materials through the City's waste diversion programs. For example, if a material is currently in the garbage stream can it be managed instead through the Waste Diversion Programs in a way that considers equally the environmental, social and financial implications or opportunities? The Policy Considerations set out in Part 4 of the Adapt Policy will guide this assessment.

The Conditions set out in Part 5 of the Adapt Policy set out additional requirements that must be met by a Material Sponsor and includes a mechanism to support extended

producer responsibility for any new materials that may be added to the Waste Diversion Programs.

### **3. Roles and Responsibilities**

The General Manager, Solid Waste Management Services, may designate a Proposed Material as a "recyclable material" or as an "organic waste" to be collected by the City pursuant to Schedules A and B to Chapters 841 and Schedules A and B to Chapter 844 of the Toronto Municipal Code. The General Manager, Solid Waste Management Services and/or designate is responsible for the final decision as to whether or not a proposed new material is added to one or more of the City's Waste Diversion Programs.

The Director, Policy, Planning and Support, (in consultation with the Director, Processing and Resource Management, the Director, Collections and Litter Operations, and the Director, Infrastructure, Development and Asset Management) will make recommendations to the General Manager whether to: a) proceed with testing of a Proposed Material; and b) enter into a Material Sponsor Agreement, and under what terms and conditions.

### **4. Policy Considerations**

Solid Waste Management Services staff will assess the impact of the addition of a Proposed Material to a Waste Diversion Program in accordance with the Policy Considerations set out below.

Based on this assessment, the Director, Policy, Planning and Support, Solid Waste Management Services<sup>2</sup> will make a recommendation to the General Manager whether to proceed with any testing of the Proposed Material.

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<sup>2</sup> In consultation with the Director, Processing and Resource Management, the Director, Collections and Litter Operations, and the Director, Infrastructure, Development and Asset Management.

Area	Considerations
<b>Circular Economy</b>	<p>Does the Proposed Material align or achieve Circular Economy principles? If so, how?</p> <p>Consider the following Circular Economy principles:</p> <ul style="list-style-type: none"> <li>• Does the Proposed Material itself result in reduced resource extraction or dependence or less toxic material use (direct or indirect)?</li> <li>• Is there supporting documentation on the integration of Circular Economy design principles into the Proposed Material development (materials sourcing and composition, packaging reduction, design for reuse and manufacturing, packaging etc.)?</li> <li>• Does the Proposed Material’s use and production include opportunities to review existing production to allow for optimization of its life cycle and use?</li> </ul>
<b>Triple Bottom Line</b>	<p><u>Financial:</u></p> <ul style="list-style-type: none"> <li>• Is there a Provincial or Federal stewardship program that provides full or partial financial compensation to the City for its management of the Proposed Material through a Waste Diversion Program? If so, how much compensation?</li> <li>• Are there identified and sustainable markets to purchase the recovered Proposed Material? If so, indicate whether such markets are Local, Provincial, Federal, Regional, and/or Global?</li> <li>• What impact does the addition of the Proposed Material have on current processing costs (i.e. are there any existing contract clauses and predetermined rates for the addition or do these need to be negotiated)?</li> <li>• What is the estimated revenue generated through the sale of the recovered material or increase in potential biogas generated (Blue Bin, other recyclables, organics)?</li> </ul>

Area	Considerations
	<ul style="list-style-type: none"> <li>• Can the City recover any additional costs incurred from processing the Proposed Material via a contract payment, fee, charge, fine or other means in the absence of compensation from an applicable Provincial or Federal Stewardship Program?</li> <li>• Without such cost recovery, what would be the net increased cost to ratepayers to manage the Proposed Material through the Waste Diversion Program?</li> <li>• Are there any additional costs to ensure the required capacity and infrastructure exists to sort, process, and prepare the Proposed Material for end markets?</li> <li>• Is there potential to recover costs through any landfill ban, levy or other penalties (i.e. City By-law fines)?</li> <li>• Is there a return-to-retail or take-back program available to offset any waste management costs?</li> <li>• Does addition of the Proposed Material support local and regional economic development?</li> <li>• Are there viable and sustainable end markets for end material(s)?</li> </ul> <p><u>Social:</u></p> <ul style="list-style-type: none"> <li>• Does addition of the Proposed Material contribute or impact public health in any way (i.e. reduced emissions, avoided landfill emissions etc.)?</li> <li>• Does any component of the Proposed Material sourcing, manufacturing, or packaging support local community or social enterprises (diverse supplier)?</li> <li>• Does addition of the Proposed Material impact in any way equitable access to service, convenience, and collaboration (i.e. industry standardization, with local partners, etc.)?</li> </ul>



Area	Considerations
	<ul style="list-style-type: none"> <li>• Does any portion of sales of the Proposed Material go to social initiatives or investment into the community?</li> <li>• Does the addition of the Proposed Material increase or decrease waste diversion program complexity?</li> <li>• Does standardization across manufacturers exist in order to avoid consumer confusion and to facilitate positive sorting of the Proposed Material by consumers? Including consideration of convenience for residents to sort or prepare the Proposed Materials for the proper Waste Diversion Program.</li> <li>• What is the anticipated feasibility of consumer education activities to train residents to distinguish between materials and packaging similar to the Proposed Material to determine the correct Waste Diversion Program?</li> </ul> <p><u>Environmental:</u></p> <ul style="list-style-type: none"> <li>• Do the identified and sustainable end markets for the Proposed Material previously indicated above support positive environmental outcomes?</li> <li>• Is the Proposed Material problematic or a contaminant in any Waste Diversion Program? How would the addition of the Proposed Material address or otherwise impact this issue?</li> <li>• Is there significant potential for increased diversion of waste from landfill (i.e. less than 1%, greater than 1%)?</li> <li>• How does the Proposed Material fit with or contribute to the "reduce, reuse, recycle" hierarchy?</li> <li>• Are there any known impacts to land, air and water, resulting from the addition of the Proposed Material?</li> <li>• Does the addition of the Proposed Material result in any GHG impacts or reductions? Consider if the material is moved from the garbage stream to a Waste Diversion Program, from the point of collection through to processing and any disposal.</li> </ul>

Area	Considerations
	<ul style="list-style-type: none"> <li>• Does addition of the Proposed Material contribute to the production of biogas through anaerobic digestion of Green Bin materials?</li> <li>• Is any portion of the Proposed Material made from recyclable material or a sustainable resource?</li> <li>• Is there an independent Life Cycle Analysis completed and available to outline any environmental impact/benefits of the Proposed Material?</li> <li>• Does the Proposed Material have any Canadian or international environmental standards or quality standards certifications (e.g. BPI-certified ASTM D6400 or D6868, CAN/BNQ 0017-088 etc.)?</li> <li>• Does the Proposed Material benefit or adversely impact processing in any way?</li> </ul>
<p><b>Consistency with Existing Provincial/Federal Measures or Instruments</b></p>	<ul style="list-style-type: none"> <li>• Is addition of the Proposed Material consistent with existing Provincial Waste Diversion Programs (e.g. Municipal Blue Box Program, Waste Electronics, Used Tires and Municipal Hazardous Waste, etc.)?</li> <li>• Is the addition of the Proposed Material consistent with the Provincial interest under the <i>Waste Diversion Transition Act, 2016</i>, and/or the <i>Resource Recovery and Circular Economy Act, 2016</i>?</li> <li>• Is the addition of the Proposed Material consistent with Ontario's current draft or final adopted version of its Food and Organics Waste Policy Statement?</li> <li>• Is the addition of the Proposed Material consistent with Ontario's current Blue Box Program Plan or any Amended Blue Box Program Plan?</li> </ul>

Area	Considerations
	<ul style="list-style-type: none"> <li>• Is the addition of the Proposed Material consistent with the City's Long Term Waste Management Strategy or any other City-wide Strategy?</li> </ul>
<b>Service Agreement Services</b>	<ul style="list-style-type: none"> <li>• Will addition of the Proposed Material be consistent with City operations, including any terms and conditions in existing Service Agreements used for such operations?</li> <li>• Are there agreed to feedstock or disposal standards in city Service Agreements with processing diversion facilities or landfills that must be adhered to?</li> <li>• Any other Service Agreement considerations?</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li>• Is the Proposed Material accepted in the waste diversion programs (i.e. Green Bin or Blue Bin Programs) of other Greater Toronto Area municipalities?</li> <li>• Will addition of the Proposed Material potentially impact other Municipal Waste Diversion Programs?</li> <li>• Any other technical feasibility considerations? For example, does addition of Proposed Material require changes or enhancements to existing processing equipment or processing or collection contracts?</li> <li>• Does the Material Sponsor(s) represent a sufficient market share of the sales of the Proposed Material in the Toronto market? (i.e. Will the City be able to recover any additional costs incurred due to inclusion of the Proposed Material where there may be "free riders" who are not participating as Material Sponsors?)</li> </ul>

## **Conditions**

### **a. Proposed Material Testing**

Based on the recommendations of the Director, Policy, Planning and Support, and following the assessment of Proposed Material in accordance with the Policy Considerations, the General Manager may enter into an Agreement with one or more Material Sponsors to undertake a pilot test at the City's facilities or contracted processor facilities to determine the viability of recovering or processing the Proposed Material in a manner that allows for its recycling or composting.

The Material Sponsor(s) will be responsible for all costs associated with these tests.

The results of the tests will inform the General Manager's decision on how to manage the Proposed Material. For clarity, the test results must demonstrate that the Proposed Material has met any testing criteria and parameters developed together with Solid Waste Management Services in order to be considered for inclusion in the Waste Diversion Programs.

### **b. Material Sponsor Agreement**

Based on the recommendations of the Director, Policy, Planning and Support, Solid Waste Management Services and the results of the Proposed Material Testing, the General Manager, at his or her sole and complete discretion, may enter into a Legal Agreement with one or more Material Sponsors (the "Material Sponsor Agreement"). This Agreement will include, among other required provisions, the following elements:

#### **i. Resident Education Obligations**

The Material Sponsor(s) will acknowledge their responsibility to educate and train residents of the City on how to properly manage the Proposed Materials including how to distinguish the Proposed Material from other

similar materials where necessary. The Material Sponsor(s) will provide for a Resident Education Plan for the review and approval of the General Manager. For clarity, this will be separate from any promotion and education that the City of Toronto undertakes. The Material Sponsor(s) agree to implement the approved Resident Education Plan and to achieve certain communication targets to be set together with Solid Waste Management Services. The Material Sponsor(s) further agree to report on the success of the Resident Education Plan on an annual basis. Where targets have not been met, the General Manager may require revisions to the Resident Education Plan.

## **ii. Integrated Waste Management System Impacts Obligation**

Where no existing Provincial regulation exists for extended producer responsibility for the Proposed Material, the Material Sponsor(s) agree to compensate the City for any cost pressures resulting from addition of the Proposed Material to a Waste Diversion Program. If the province expands the scope of the extended producer responsibility regulatory regime, the Material Sponsor(s) may request review of these provisions. Cost pressures can include but are not limited to:

- a. Increased costs for promotion and education and any cost recovery for updates to existing promotional and educational literature;
- b. Increased Blue Bin recycling or Green Bin organics collection, transfer and processing costs including residue disposal costs; and
- c. Contamination threshold impacts or contract implications.

## **iii. Financial assurance obligation**

The Material Sponsor(s) agree to provide financial assurance to be available to the City in the event that the Material Sponsor(s) default on their

obligations under the Material Sponsor Agreement. The amount of the financial assurance is to be determined by the General Manager and must be sufficient to allow the City to either: a) continue to accept the Proposed Material; or b) complete a phase out of Proposed Material from the Waste Diversion Programs.

#### **iv. Standardized Packaging Commitment**

The Material Sponsor(s) agree to provide the City with an annual written statement regarding progress toward industry standardization of the Proposed Material, including any timing of such standardization. This annual report should include an update with respect to any coordinated action by compostable and recyclable material manufacturers, importers, and/or retailers with respect to standardization of the Proposed Material.

Timelines and terms as it relates to completion and adherence to the above elements and contract provisions, will be discussed with the Material Sponsor(s) and detailed in the Agreement.