



May 14, 2021

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Cleanfarms is an industry-led, non-profit organization servicing farmers in Alberta and across the country. We work with a variety of stakeholders towards a common goal: keeping farms and rural communities clean by recovering and recycling non-organic agricultural waste.

We have been a strong partner to Alberta's farming community for over 30 years. Our programs allow farmers to keep items like pesticide containers, fertilizer containers, unwanted agricultural pesticides and old/expired animal health medications off farms.

Cleanfarms has practical, hands-on program delivery experience. Our staff understand how programs will impact different stakeholders and how they will react. This experience makes us uniquely positioned to offer advice on resource/recycling policy development that impacts the ag sector.

We are pleased to provide comments on the province's proposed Extended Producer Responsibility (EPR) legislative framework and appreciate the collaborative approach Alberta Environment and Parks staff have taken to the engagement process.

We support the ideas put forward in the discussion paper. Our submission provides recommendations that will help ensure that the resulting framework accommodates stewards that are already voluntarily supporting high-performing stewardship programs and Producer Responsibility Organizations, like Cleanfarms, who deliver specialized, niche-style regulated programs that help stewards meet obligations put forward by regulated EPR.

Cleanfarms also recommends adding one additional component to the province's overall EPR approach. We recommend that the province implement an EPR approach to ag plastics during the first phase and immediately regulate grain bags because stewards are engaged and willing to support this. Our submission details some of the proposed costs involved in a Cleanfarms-led program and a proposed timeline for implementation.

Our team appreciates the opportunity to provide these comments and looks forward to future engagement.

Sincerely,

Barry Friesen, P.Eng.
Executive Director



**Extended Producer Responsibility (EPR) for Packaging, Paper Products, Single-Use Plastics,
as well as Hazardous and Special Products**

Comments provided by Cleanfarms – May 14, 2021

Table of Contents

1.	Cleanfarms and Agricultural Plastics Recycling in Western Canada.....	3
1.1.	Recycling Programs for Packaging and Products used on Alberta’s farms	3
1.2.	Alberta’s Agricultural Plastics Recycling Pilots	3
1.3.	Agricultural Plastic Recycling in Western Canada	2
2.	Feedback on the ‘Extended Producer Responsibility (EPR) for Packaging, Paper Products, Single- Use Plastics, as well as Hazardous and Special Products’ Discussion Paper	2
2.1.	EPR - A Proposed Model for Alberta (Section 1)	2
2.2.	EPR for Packaging, Paper Products and Single-Use Plastics (Section 2)	3
2.3.	EPR for Hazardous and Special Products (Section 3)	3
3.	EPR for Ag Plastics	4
3.1.	Cleanfarms-led Grain Bag Recycling in Alberta.....	5
4.	In closing	6



Extended Producer Responsibility (EPR) for Packaging, Paper Products, Single-Use Plastics, as well as Hazardous and Special Products

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1. Cleanfarms and Agricultural Plastics Recycling in Western Canada

Cleanfarms is a federally incorporated not-for-profit, stewardship organization committed to environmental responsibility through the proper management of agricultural waste. Our membership is comprised of manufacturers, distributors and retailers of pesticides, fertilizers, animal health medications, seed, grain bags and other farm inputs. We operate much like other Producer Responsibility Organizations (PROs), but our programs are very specialized to the agricultural sector.

The organization is industry-led with a private-sector board. Its board and staff have a deep understanding of Canadian agriculture and its distribution channels, which operate quite differently from retail channels.

Cleanfarms' Alberta operations are based out of Lethbridge with support provided from offices located in Moose Jaw, Saskatchewan, Etobicoke, Ontario and St-Bruno, Quebec.

1.1. Recycling Programs for Packaging and Products used on Alberta's farms

Cleanfarms offers Alberta farmers recycling programs that help them safely manage and recycle a variety of the products and packaging that are part of their farming operations.

- Working with municipal partners, farmers can turn in agricultural, commercial-class pesticide and fertilizer containers for recycling.
 - Prior to Cleanfarms taking over this program in 2010, this program was operated by CropLife Canada, and before this, the Alberta government.
 - A 2019 report demonstrated that this program results in 19 direct jobs and contributes \$2.4 million in gross value added and \$1.1 million in wages for collection, transportation and processing activities in the province annually¹.
- Retail partners, who act as collection sites, help Cleanfarms recycle or safely dispose of the following items:
 - Pesticide and fertilizer drums/totes (commercial-class, products used on farms)
 - Seed, pesticide and inoculant bags (pilot phase)
 - Unwanted/obsolete pesticides (commercial-class) and old/expired animal health medications (products used on farms).

The programs noted above are financed by industry on a voluntary basis. The manufacturers, distributors and retailers of these products have voluntarily come forward to ensure their customers, Albertan farmers, have access to end-of-life stewardship programs.

1.2. Alberta's Agricultural Plastics Recycling Pilots

More recently, Alberta farmers have been given access to pilot programs that are funded, in part, through government sources:

- Albertan farmers have been able to recycle grain bags and twine through the Alberta Ag-Plastic. *Recycle It!* (AAPRI) pilot. The pilot is led by the multi-stakeholder Agricultural Plastics Recycling Group; funds were granted by the Government of Alberta and are administered by Alberta Beef Producers. Cleanfarms is the pilot program operator for this three-year initiative which began in 2019.

¹ Source: Quantifying the Economic Value of Alberta Recycling Programs, https://recycle.ab.ca/wp-content/uploads/2019/07/RCA_Economic_Analysis_Report_Final.pdf

- Starting in April 2021, livestock producers in the Lethbridge area are able to recycle bale wrap and silage plastic (bags, tarps, & bunker covers) through this Cleanfarms-led pilot, which is funded in part by Agriculture and Agri-Food Canada.

The vast number of programs, both permanent and pilot, available to Albertan farmers demonstrates a strong willingness amongst stakeholders to keep plastics out of the environment, and in the economy.

1.3. Agricultural Plastic Recycling in Western Canada

Alberta farmers are not alone in their desire to manage the agricultural plastics (ag plastics) that are important tools on their farms. In addition to the programs for packaging and products mentioned in Section 1.1, Western Canadian farmers have access to the following ag plastics recycling programs:

- In Saskatchewan, a permanent, industry-funded recycling program for grain bags and a province-wide pilot for twine are available.
 - In 2018, Cleanfarms began operating Canada's first provincially regulated stewardship program for grain bags under *The Agricultural Packaging Product Waste Stewardship Regulation*. Since 2018, farmers have recycled over 8,867 tonnes of grain bags.
 - A province-wide pilot for twine has been available since November 2020. Like the pilot in Lethbridge, this work is led by Cleanfarms and funded, in part, by Agriculture and Agri-Food Canada.
- In Manitoba, government-funded ag plastics pilots are expected to be transitioned to a permanent, EPR style model in 2021.
 - Pilots have been available since 2013.
 - As of April 2021, a permanent, industry-funded stewardship program plan for grain bags and twine has been submitted to Manitoba Conservation and Climate and is awaiting approval.

For more information about programming available in British Columbia and Eastern Canada, please visit www.cleanfarms.ca.

2. Feedback on the 'Extended Producer Responsibility (EPR) for Packaging, Paper Products, Single-Use Plastics, as well as Hazardous and Special Products' Discussion Paper

2.1. EPR - A Proposed Model for Alberta (Section 1)

Cleanfarms is supportive of the ideas laid out in Section 1 of the discussion paper because they provide choices to stewards/first sellers² about how they can meet their obligations, are outcome-based and recommend product-specific targets.

Based on the specialized nature of our programs, we offer the following advice for policy development:

- *Harmonization across Western Canada is important*
We commend Alberta Environment and Parks (AEP) for looking to other jurisdictions for best practices. At the same time, it is important to note that harmonization with Ontario and British Columbia is not relevant to ag plastic stewards/first sellers. Harmonization with Saskatchewan and Manitoba is most important to the businesses that supply farmers with grain bags, twine and other types of ag plastics and will help ensure support from these stewards/first sellers. In fact, many of the stewards/first sellers who work with Cleanfarms to deliver its grain bag recycling program in Saskatchewan do not do business in Ontario.

Our recommendation: Ensure the EPR framework allows for sector-specific harmonization. For ag plastics, harmonization with Saskatchewan and Manitoba will help ensure buy-in from stewards/first sellers.

- *Ensure policy development accommodates smaller PROs and programs*
There is no substitute for good policies and regulations. As further policies and regulations are

² Within agriculture the term 'producer' can be confusing because it is often used interchangeably with the term 'farmer.' Throughout this document, Cleanfarms will use the term 'steward/first seller' to identify the party that would be obligated in an EPR style system.

developed, we encourage AEP to directly consult with PROs, like Cleanfarms, who deliver smaller, specialized programs to ensure that any policies do not overburden smaller PROs.

For example, Cleanfarms is currently drafting a plan for a permanent, industry-funded grain bag program that would allow grain bag stewards/first sellers to offer a program to their customers in Alberta and meet the regulatory obligations outlined in the discussion paper. This program (which targets grain bags only) is estimated at approximately \$520,000 annually, which is significantly lower than projections for programs that might manage packaging, paper products and single-use plastics and hazardous and special products (HSP). Any requirements related to performance monitoring or reporting should be designed so that they do not overburden PROs or stewards/first sellers who offer specialized, smaller programs.

Our recommendation: Engage with smaller PROs and producers to ensure policy development is appropriate for PROs and programs of all sizes.

2.2. EPR for Packaging, Paper Products and Single-Use Plastics (Section 2)

We have very few comments about this section because it does not directly impact our work. (Agricultural products and packaging, which are the materials that Cleanfarms manages, are supplied through a very different distribution chain than consumer products.)

We will be following policy development in this area closely to ensure that there is no unintended overlap with the products (noted in Section 1.1) that Cleanfarms currently manages with voluntary financial contributions from industry.

2.3. EPR for Hazardous and Special Products (Section 3)

Based on our conversations with AEP staff, we understand that the pesticides (domestic class, primarily used by homeowners) that the province intends to include through a provincially regulated EPR system are separate from the commercial class (agricultural) pesticides Cleanfarms currently manages through its obsolete collection program.

Our recommendation: Ensure the definition of 'pesticide' in the EPR for Hazardous and Special Products system includes an exclusion for commercial class pesticides. This will ensure that no additional regulatory burden is placed on Cleanfarms or its industry members (stewards).

Cleanfarms is in regular contact with stewards and PROs that deliver Hazardous and Special Products (HSP) programs across Canada. The distinction between domestic class and commercial class pesticides is commonly used to ensure that programming, and industry-funding, do not overlap.

We are pleased to provide the following additional information that supports an exclusion of commercial class pesticides in EPR for HSP.

2.3.1. Background - Pesticide Registration and Classification in Canada

Health Canada's Pest Management Regulatory Agency (PMRA) is responsible for pesticide regulation in Canada. Pesticides under federal regulation are organized into four distinct classes, based on where, when and by whom they may be applied³:

- Domestic class products are for personal use in and around the home.
 - These products are usually supplied into the residential marketplace.
- Commercial class products are restricted to commercial activities as indicated on the label. These are not available to the general public for use in and around the home.
 - Pesticides used on Alberta farms are part of this class.

³ Adapted from: <https://www.canada.ca/en/health-canada/services/consumer-product-safety/pesticides-pest-management/frequently-asked-questions.html>

- Restricted products can only be used under certain circumstances by specially trained individuals. These are not available to the general public.
- Finally, manufacturing class products are used in the production of other pesticides or products regulated under the *Feeds Act* or *Fertilizers Act*.

Most relevant to this document is the distinction between domestic class and commercial class pesticides.

2.3.2. Domestic Class Pesticides are Typically Managed Through Product Care Association (in regulated jurisdictions)

In other jurisdictions where domestic class pesticides form part of a regulation, they are primarily managed through Product Care Association. Product Care Association is a PRO that, in part, specializes in managing post-consumer products typically used by homeowners.

2.3.3. All Commercial Class Pesticides are Currently Managed through Cleanfarms

Cleanfarms' unwanted/obsolete agricultural pesticides collection program manages any leftover or obsolete pesticides that farmers may have on-farm. These pesticides are commercial-class pesticides.

The unwanted/obsolete agricultural pesticides collection program (The Unwanted/Obsolete Program) is 100% financed by the private sector, companies that supply commercial-class pesticides into Alberta. Additional details about how the program is delivered are outlined below.

Program Delivery

In Alberta, this program is delivered in each region of the province once every three years. Cleanfarms (with its program partners) takes responsibility for financial, technical/logistical and promotional aspects of the program to encourage widespread participation and highest possible recovery of targeted materials. The Unwanted/Obsolete Program will be available in Southern Alberta in 2021 and again in 2024. In Northern Alberta, the program will be delivered in 2022 and 2025.

Collections take place over a one-week period in the fall of each collection year. Cleanfarms partners with 20 to 30 ag-retailers (who supply commercial-class pesticides to farmers) to deliver these collections over these one-week periods. (The fall is chosen because this usually works best for farmers' schedules.)

Farmers are invited to return their obsolete agricultural pesticides at a partnering ag-retail collection point. The Unwanted/Obsolete Program operates in a way that farmers, or other users of commercial class pesticides (e.g., golf course and industrial vegetation management operators), can dispose of product, at no cost at the drop off point.

Product Transportation and Disposal

Products collected through The Unwanted/Obsolete Program are safely packed in leak-proof containers, transported by a licensed and insured hazardous waste hauler to an Environment and Climate Change Canada approved waste management facility where they are disposed via high temperature incineration.

Designated Pesticides

Any commercial-class pesticide is accepted without any size restrictions. (The Unwanted/Obsolete Program also accepts old/expired animal health medications.)

3. EPR for Ag Plastics

Alberta farmers use up to 11,400 tonnes of agricultural plastic (ag plastic) annually. Across Western Canada, this figure could be in the 30,000 tonne range. These are vital tools used on modern, productive farms in the crop input stage through to harvest; and when they've been used, Cleanfarms' commitment is to recover them for recycling and safe disposal.

Recovery of these plastics for recycling leads to circularity while stimulating the economy by sustaining existing recycling markets and encouraging innovation and new markets that could emerge in the province.

In fact, two recycling facilities within Alberta are currently managing grain bags that have been collected for recycling from Alberta, Manitoba, and Saskatchewan.

On the farm, recycling ag plastics helps farmers keep their yards clean and avoid other practices like landfilling and on-farm burning. The pilots outlined in Section 1 demonstrate that farmers are keen to find better ways to manage ag plastics. Between October 2019 (when the AAPRI pilots launched) and March 31, 2021, close to 1,052 tonnes of grain bags and 88 tonnes of twine have been collected, an indication of strong uptake from farmers and experienced, engaged collection sites.

Pilots like the AAPRI project help inform program development because they apply a rigorous methodology to estimate costs and allow program operators to examine how programming can be adapted to local stakeholders and circumstances. Permanent programs in other jurisdictions, like the grain bag recycling program that is available in Saskatchewan, help predict stakeholder buy-in and reaction.

Based on our experience in both Alberta and Saskatchewan, we recommend the following:

- Include ag plastics in the initial phase of EPR policy development (in addition to Packaging, Paper Products and Single-use Plastics and Hazardous and Special Products).
- Consult directly with stakeholders, in particular those companies that will be required to take on regulatory obligations, on product definitions, timelines, targets, and other policy components of an EPR system for ag plastics.
 - Grain bags should be designated immediately with a December 2022 start date to take advantage of willingness amongst stewards/first sellers and available data.
 - Additional ag plastics should be designated when deemed appropriate. For example, the AAPRI pilots may provide sufficient data on twine program costs to accommodate an implementation date in 2024.

3.1. Cleanfarms-led Grain Bag Recycling in Alberta

Cleanfarms currently works with 13 stewards/first sellers in Saskatchewan to deliver the province's grain bag recycling program. These stewards/first sellers are willing to take on regulatory obligations in Alberta if the obligations are harmonized as much as possible with Saskatchewan's obligations.

Cleanfarms recommends that AEP immediately regulate grain bags and include other ag plastics (e.g. twine, bale wrap, silage plastics) when sufficient data and stakeholder buy-in exists.

Because grain bag stewards/first sellers are willing to take on regulatory obligations in Alberta, we have developed a draft stewardship program plan⁴ that examines how a program could roll out. Here are some key details from our draft program plan:

- If regulations are announced in the fall of 2021, a program could start in December 2022⁵.
- The annual budget for a program is estimated at \$520,000.
- The program would be funded by an Environmental Handling Fee (EHF) estimated at \$0.23 per kilogram or approximately \$46.00 on a 10 x 300 foot grain bag, which retails for anywhere from \$1,000 to \$1,500. . Based on purchasing patterns, farmers would start paying this EHF in summer 2023.
- A compensation model that provides collection sites with \$55/tonne for storage and additional

⁴ We understand that the proposed framework does not suggest the use of 'program plans' (which are sometimes used in other jurisdictions). Cleanfarms has developed an Alberta-specific program plan for grain bags and is using it as a tool for cost modelling, program planning and stakeholder engagement.

⁵ The AAPRI pilots are currently scheduled to end in September 2022. To ensure a seamless transition, Cleanfarms' proposed program plan includes transitional funding (paid for by stewards/first sellers) that would cover any operational (transportation, costs incurred between September and December 2022. September/October can coincide with harvest and is not an ideal time for a permanent program to begin).

\$25/tonne if the collection site makes a grain bag roller available (free of charge) to farmers is recommended.

- The program would build on the collection model developed through the AAPRI pilot with approximately 30-40 drop off points located strategically throughout the province.
- A grain bag recycling program will likely impact the 25% of Alberta crop farmers who use grain bags. Based on the experience in Saskatchewan, we anticipate that there will be little, if any, pushback from farmers who use grain bags for temporary storage and strong support from farmers who choose permanent storage (bins).
- Depending on how stewards/first sellers choose to manage their obligations, a total of 15 – 20 stewards/first sellers will be obligated by an EPR system for grain bags in Alberta.
- Cleanfarms is currently working with 13 producers to deliver its program in Saskatchewan. These 13 stewards/first sellers fully support a harmonized Alberta-based EPR-style approach to managing grain bags. Minimum compliance support from a third-party oversight agency will be required to achieve compliance from stewards/first sellers.

Also of note:

- Cleanfarms is prepared to help grain bag stewards/first sellers meet their targets in Alberta, which will help ensure efficiencies for farmers and stewards/first sellers across the Prairies.
- Recycling end markets for grain bags are stable, yet limited, with two end markets currently located within Alberta with a mature market in the United States. A permanent program will help ensure that these two end markets have adequate feedstock. Program operators are confident that markets will remain stable or improve, which provides stability and predictability for the program.
- Stakeholder engagement on ag plastics recycling has been underway for a number of years in Alberta. The Agricultural Plastics Recycling Group (APRG) is one example of a multi-stakeholder platform that exists and would facilitate stakeholder engagement. The baseline knowledge and awareness amongst stakeholders is relatively high which would ensure smooth, efficient government-led consultations.
- The AAPRI pilots currently help farmers recycle grain bags and twine. Sufficient data has been collected to allow Cleanfarms to confidently project program costs for a grain bag recycling program. Sufficient data is not yet available to project program costs for twine recycling.
- Some stakeholders have expressed concern that a phased in EPR approach for ag plastics that focuses on grain bags only at the onset will mean that farmers who currently recycle their twine will face a service gap. To reassure stakeholders that twine could continue to be collected until a permanent program is in place, Cleanfarms recommends the following:
 - The AAPRI pilots⁶ could be extended (without any additional government funding⁷) to ensure that twine collections can continue until an EPR program for twine is feasible.
 - Regulations could be written in a way to enable grain bags to be regulated immediately (e.g., December 2022) with a start date set for twine at a later time (e.g., December 2024).

4. In closing

We look forward to working with Alberta Environment and Parks as this framework and resulting EPR systems unfold. A solid framework will support Alberta's agricultural sector and keep plastics out of the environment and reinvested in the circular economy.

⁶ Any decisions to alter or extend the AAPRI pilots are at the discretion of the APRG and Alberta Agriculture and Forestry, not Cleanfarms.

⁷ Based on Cleanfarms' understanding of the AAPRI's financial position, expenditures are currently lower than budgeted. By regulating grain bags immediately (and transferring the financial obligations of managing grain bags to industry in December 2022) sufficient funds could remain to extend timelines for twine pilots.