

US EPA ARCHIVE DOCUMENT

USEPA Multi-Stakeholder Discussion Group on Sustainable Financing of Municipal Recycling of Packaging Materials

April 28-29, 2011

Crystal City, VA

Summary of Fourth Meeting

Introduction

This was the final in a series of four meetings convened and funded by the U.S. Environmental Protection Agency (EPA) for state and local government entities, brand owners, and NGOs to discuss options for sustainable financing of municipal systems for recycling of post-consumer packaging and printed materials. The agenda is attached as Appendix A and the participant list as Appendix B.

This summary reflects key discussion and decision points from the in-person meeting on April 28-29, 2011. This document is not a product of consensus, although convergence did emerge at times during the discussion.

During the meeting, facilitated by The Keystone Center, the participant group reviewed and refined draft work products of the Optimization and Financing Strategies work groups that had been further developed since the January 2011 meeting. At the close of this meeting, each work group was charged with finalizing their respective content for inclusion in the final report, expected to be released in summer 2011.

Optimization of System Performance

The participant group discussed and refined project briefs prepared by the Optimization work group for consideration as a potential set of implementable recommendations for improving the overall performance of the municipal system for recycling post-consumer packaging and printed material, thereby presumably reducing the current financial pressures on that system.

The project briefs comprised a review of key drivers for system performance improvement. Each included basic elements of a potential project (e.g., objectives, expected results, resource needs, timeframe), expected to be developed more fully once the appropriate stakeholders necessary to implement each project are appropriately engaged. Broad project topics include:

- Package design and material recovery
- Consumer incentives
- Consumer education program
- Material collection
- Material sorting
- Aftermarkets – exchange resource for recovered packaging materials

- Aftermarkets – benchmarking recycling rate by material
- System decision-making

The Optimization work group will revise the project briefs per the discussion for inclusion in the final report.

Financing Strategies

The participant group discussed and provided feedback on draft assessments prepared by the Financing Strategies work group of nine potential strategies for sustainable financing of the system for recycling of post-consumer packaging and printed material at the municipal level.

The strategies included:

- Advance disposal fees
- Deposits and unclaimed deposits
- Fees at the time of recycling
- Extended producer responsibility
- Federal funding for recycling infrastructure
- Pay-as-you-throw
- Subscription service
- Tax credits
- Taxpayer-funded

The ensuing discussion focused on addressing questions of clarification, ensuring factual accuracy, and soliciting any additional key perspectives for incorporation into the drafts. In some instances participants indicated they would follow up with written comments.

Any further participant comments on the draft assessments are due to Keystone and the authors by ***Friday, May 13***.

The authors will revise the assessments based on the meeting discussion and written comments, develop an introduction to the financing strategies section for the final report, and determine how to characterize any strategy identified as a potentially important supporting measure but that has lesser promise as the central premise of a financing solution.

Traits of an Effective System

The participant group revised and finalized the list of traits of an effective recycling system for packaging and printed materials. The list will be incorporated into the final report.

Final Report

A Final Report Work Group was activated comprising five dialogue participants drawn from industry, state and local government, and environmental advocacy. They will work with Keystone in an advisory capacity, providing guidance on content and structure. They are also charged with recommending a path forward on a proposal for future work on financing strategies considered during the meeting.

Attachment A: Agenda

Agenda Multi-Stakeholder Discussions on Sustainable Financing of Municipal Recycling of Packaging Materials

April 28-29, 2011

**One Potomac Yard (South Tower) – 2777 Crystal Drive, Arlington, VA
1st Floor Conference Room**

Meeting Objectives

Continue progress toward the financially sustainable and efficient end-of-life management of packaging materials. Specific goals include:

- a) Review and advance the work of the Optimization Workgroup, determining elements to be included in the participants' final report and opportunities for further efforts (e.g., dialogue, pilots) beyond this project
- b) Review and advance the work of the Financing Strategies Workgroup, determining elements to be included in the participants' final report and opportunities for further efforts (e.g., dialogue, pilots) beyond this project
- c) Develop and launch a work plan for assembly and finalization of the participants' final report (including introduction, genesis of dialogue, summary of dialogue, summary of recommendations, and glossary)
- d) Identify opportunities and strategies for how to move forward with any further efforts (jointly identified by participants) beyond this project

Meeting Agenda

Day 1

- 8:30 a.m. Opening
- Welcome and introductions
 - Greeting from EPA/ORCR
 - Review of meeting objectives and agenda, logistics, and discussion principles
- 9:00 Taking stock of recent events
- What else is going on that everyone should know about? (e.g., relevant conferences and other events, research, new commitments, off-line conversations)
- 9:15 Updates from January meeting

- Finalization of traits of an effective system of recycling of packaging at the municipal level (for purposes of the final report)
- Follow-up on “parking lot” questions posed to system operators and others

10:00 Optimization Strategies – review and discuss project briefs for the seven proposed initiatives (*Break as needed*)

- Report from work group – proposed projects to optimize the system
- Determination of which proposed initiatives should proceed to the Final Report, and whether any agreed-upon revisions are needed
- Develop work plan for developing dedicated section in the Final Report

12:00 Lunch

1:00 Optimization Strategies (continued)

2:00 Break

2:15 Financing Strategies – review and discuss draft assessments

- Report from work group – evaluations of nine identified strategies for ensuring adequate and sustainable financing
- Address questions of clarification, any concerns, and suggestions for improvement
- Ensure that full array of perspectives is incorporated
- Develop work plan for dedicated section in the participants’ Final Report

4:15 Presentation and discussion of MRF data from GMA/McKinsey study and report out on – and discussion of – industry response to questions from state and local government participants
Presentation from Lee Anderson (General Mills) and Gail Tavill (ConAgra)

5:15 Transition to Day 2

- Recap of Day 1

5:30 Adjourn

Day 2

8:30 Opening

- Recap of Day 1
- Preview of Day 2

8:45 Discussion of Financing Strategies (continued)

10:30 Break

11:00 Discussion of Financing Strategies (continued)

12:15 Lunch

1:00 Wrap up discussion of optimization project briefs (as needed)

2:00 Discussion and identification of future opportunities beyond this dialogue

3:00 Closing statements

3:30 Wrap-ups

- Summary of next steps and confirmation of expected contents of the participants' Final Report

Attachment B: Participant List

Lee Anderson

Director, State and Local
Government Relations
General Mills

Janine Bogar

Beyond Waste Coordinator
Washington State Dept of Ecology

Chip Brewer

Director-Worldwide Government
Relations
S. C. Johnson & Son, Inc.

Scott Cassel

Executive Director
Product Stewardship Institute

Dan Colegrove

Senior Director, State and Local
Government Affairs
Kraft Foods

April Crow

Global Sustainable Packaging Manager
Coca-Cola

Steve Danahy

Supervisor, Waste Planning & Aid Unit
Nebraska Department of Environmental
Quality

John A. Delfausse

Vice President
Global Package Development
Chief Environmental Officer
Estee Lauder Corporate Packaging

Resa Dimino

Director, Legislative Programs
WeRecycle!

Miriam Gordon*

California Director
Clean Water Action / Clean Water Fund

Garth Hickle *

Product Stewardship Team Leader
Minnesota Pollution Control Agency

Jen Holliday

Environmental & Safety Compliance Manager
Chittenden Solid Waste District

Sego Jackson

Principal Planner
Snohomish County, WA

Anne Johnson

Director
Sustainable Packaging Coalition

Tom Langan

Director
Government Relations & Public Affairs - U.S.
Unilever

Justin Lehrer

Program Manager
StopWaste.Org
Alameda County Waste Management
Authority

Kim Lymn

Senior Manager, Packaging
Target Corporation

Robert "Bob" Mann

Founder, Bridging the Gap, Inc.

Jack McAneny

Associate Director, Global Sustainability
Procter & Gamble

Scott Mouw

Director
North Carolina State Recycling

Joan Pierce

VP, Global Packaging
Global Supply Chain
Colgate-Palmolive

Tom Rhoads

Executive Director
Onondaga County Resource
Recovery Agency

Bill Sheehan

Executive Director
Product Policy Institute

Kate Sinding*

Senior Attorney
Natural Resources Defense Council

Bill Smith

Senior Environmental Specialist
City of Tacoma Solid Waste Management

Theresa Stiner

Environmental Specialist Senior
Iowa Department of Natural Resources
Land Quality Bureau

Gail Tavill

Vice President, Sustainable Development
Research, Quality & Innovation
ConAgra Foods

Brad Wolbert

Hydrogeologist
Wisconsin Department of Natural Resources

Russ Wood

Senior Director of Responsible and Sustainable
Sourcing
PepsiCo

Amy Zettlemoyer-Lazar

Packaging Director
Walmart and Sam's Club

USEPA**Sara Willis Hartwell**

US EPA
Senior Policy Advisor
Office of Resource Conservation and Recovery

Jay Bassett

Chief, Materials Management
USEPA Region 4

Chris Newman*

Materials Management Branch
U.S. EPA Region 5

Facilitators**Brad Sperber**

Senior Facilitator
The Keystone Center

Jody Erikson

Senior Facilitator
The Keystone Center

Suzan Klein

Associate Facilitator
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* denotes participation by phone