TO:	**CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON JULY 17, 2017**
FROM:	**KELLY SCHERR, P.ENG., MBA, FEC MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES AND CITY ENGINEER**
SUBJECT	**COMMENTS ON ENVIRONMENTAL BILL OF RIGHTS REGISTRY – DISCUSSION PAPER: ADDRESSING FOOD AND ORGANIC WASTE IN ONTARIO**

RECOMMENDATION

That, on the recommendation of the Managing Director, Environmental & Engineering Services and City Engineer, with the support of the Director, Environment, Fleet and Solid Waste, the following comments and discussion **BE ENDORSED AND SUBMITTED** to the Ministry of Environment & Climate Change's Environmental Bill of Rights Registry posting (EBR 013-0094) titled Discussion Paper: Addressing Food and Organic Waste in Ontario.

PREVIOUS REPORTS PERTINENT TO THIS MATTER

Some relevant reports that can be found at www.london.ca under City Hall (Meetings) include:

- Comments on Environmental Bill of Rights Registry – Final Draft Strategy for a Waste Free Ontario - Building the Circular Economy (January 10, 2017 meeting of the Civic Works Committee - CWC, Item #15)
- Establishment of a Waste Management Working Group (December 5, 2016 meeting of the Strategic Priorities and Policy Committee (SPPC), Item #2)
- Update and Next Steps: London Waste to Resources Innovation Centre and Green Shields Energy (October 4, 2016 meeting of the CWC, Item #10)
- Appointment of Consulting Engineer Long Term Solid Waste Resource Recovery and Disposal Plans (May 24, 2016 meeting of the CWC, Item #10)
- Comments on Environmental Bill of Rights Registry - Proposed Waste Free Ontario Act and Draft Strategy for a Waste Free Ontario - Building the Circular Economy (February 2, 2016 meeting of the CWC, Item #14)
- Waste Diversion – Update on Examination of Residential Organic Waste (Food Scraps) and Next Steps (April 20, 2015 meeting of the CWC, Item #13)
- Garbage and Recycling Collection – Status and Potential Next Steps (December 16, 2014 meeting of the CWC, Item #12)
- Interim Waste Diversion Plan (July 21, 2014 meeting of the CWC, Item #18)

STRATEGIC PLAN 2015-2019

The following report supports the Strategic Plan in the areas of waste diversion, waste management planning, financing, climate change mitigation and adaptation, and job creation. Specifically, the potential changes to waste management locally and provincially address three of the four Areas of Focus from the Strategic Plan:

Building a Sustainable City
- Strong and healthy environment
- Robust infrastructure

Growing our Economy
- Local, regional, and global innovation
- Strategic, collaborative partnerships

Leading in Public Service
- Proactive financial management
- Innovative & supportive organizational practices
- Collaborative, engaged leadership
- Excellent service delivery

BACKGROUND

PURPOSE

The purpose of this report is to provide Committee and Council with:

- Answers and comments to the eight questions posed by the Ministry of Environment & Climate Change (MOECC) for submission to the Environmental Bill of Rights Registry (EBR) no later than July 30, 2017; and

- A copy of the MOECC Discussion Paper: Addressing Food and Organic Waste in Ontario.

CONTEXT

The MOECC published the final Strategy for a Waste-Free Ontario: Building the Circular Economy in February 2017, a requirement of the *Waste Free Ontario Act, 2016*, (WFOA), which outlines a road map for resource recovery and waste reduction for Ontario. It also:

- sets a vision and goals including interim waste diversion goals for 2020 (30%), 2030 (50%) and 2050 (80%);
- articulates key government actions to support implementation of the vision and goals; and
- identifies performance measures to measure progress towards achieving the vision and goals.

The Strategy focuses on moving Ontario towards a circular economy described as “a system where nothing is wasted and valuable materials destined for landfill are put back into the economy without negative effects on the environment.” This approach – a circular economy – has the potential to reduce greenhouse gas emissions, save and better utilize scarce resources, create jobs and create financial opportunities.

The Strategy commits the MOECC to a Food and Organic Waste Action Plan with a key action being the possible banning of food waste from disposal. The Strategy also proposes that the first policy statement under the *Resource Recovery and Circular Economy Act, 2016* will focus on food and organic waste. MOECC indicates that these actions will also support the waste reduction and resource recovery objectives of the strategy and greenhouse gas reduction objectives of Ontario’s Climate Change Action Plan:

> *The discussion paper posted on the EBR, Addressing Food and Organic Waste in Ontario, serves as the basis for preliminary discussions with stakeholders to inform the development of the Food and Organic Waste Framework. The Food and Organic Waste Framework will aim to:*
>
> - *Reduce the amount of food that becomes waste*
> - *Remove food and organic waste from the disposal stream*
> - *Reduce greenhouse gas emissions that result from food and organic waste*
> - *Support and stimulate end markets that recover the value from food and organic wastes*
> - *Increase accountability of responsible parties*
> - *Improve data on food and organic waste*
> - *Enhance promotion and education regarding food and organic waste*

This is the first formal input request into this process through the EBR. There will be several more in 2017 and 2018 via the EBR.

DISCUSSION

This section is divided into 2 parts with details contained in two appendices:

PART A Answers and comments to the eight questions posed by the MOECC with respect to the Discussion Paper (Appendix A)

Contained in Appendix A are answers and comments on the eight questions posed by MOECC. The questions, noted below, are at key points in the discussion paper found in Appendix B:

1. What food and organic materials should be a priority and as such addressed in the Framework?

2. In addition to the examples given, what actions do you think the ministry should consider in preventing food from becoming waste?

3. What are the most important actions to take first?

4. What are the barriers to reducing food waste and why is more not recovered at present?

5. In addition to the examples given, what tools and actions do you think the ministry should consider to increase diversion of food and organic wastes?

6. What are the most important tools and actions to take first?

7. In addition to the examples given, what actions can the ministry take to support viable end markets for food and organic materials?

8. What are the most important actions to take first, and who is best positioned to lead the action?

PART B Copy of Discussion Paper: Addressing Food and Organic Waste (Appendix B)

The MOECC is having ongoing dialogue with multiple stakeholders with respect to food and organic waste. The MOECC has posted a discussion paper to provide increased opportunities for stakeholders to provide comments as part of the policy development process and well before a draft Action Plan is released on the EBR for comment. Rather than paraphrase the discussion document, it has been copied in its entirety given the request for comments on eight key questions is very tied to the content of the discussion paper.

PREPARED BY:	**PREPARED AND SUBMITTED BY:**
MIKE LOSEE, B.Sc. **DIVISION MANAGER, SOLID WASTE MANAGEMENT**	**JAY STANFORD, M.A., M.P.A.** **DIRECTOR, ENVIRONMENT, FLEET & SOLID WASTE**
RECOMMENDED BY:	
KELLY SCHERR, P.ENG., MBA, FEC **MANAGING DIRECTOR, ENVIRONMENTAL & ENGINEERING SERVICES & CITY ENGINEER**	

Appendix A Answers and Comments to the Eight Questions Posed by the MOECC with Respect to the Discussion Paper

Appendix B Copy of Discussion Paper: Addressing Food & Organic Waste in Ontario

APPENDIX A
Answers and Comments to the Eight Questions Posed by the MOECC with Respect to the Discussion Paper

General comments

- The discussion paper is very high level and is mainly presenting and summarizing details that are already available in Ontario and across North America.

- Preventing and then managing food and organic waste will require a significant commitment from multiple stakeholders. It will be much more challenging than Blue Box materials which are easier to identify (for the homeowner or businesses to recycle); have known stewards and are not as difficult to manage. This commitment must not be underestimated and needs to be fully understood by the stakeholders.

- Food waste prevention (avoidance) must be given top priority as only recent attention has been given to this important opportunity which has many benefits to society.

- MOECC's current activities related to waste have been on the management side; not the prevention side. If MOECC is serious about creating a circular economy, then it needs to expend considerable resources to develop a framework where preventing and/or reducing waste from being created and entering the waste stream is more viable. This will require many different stakeholders outside of the traditional waste management sector.

- To meet the goals of the circular economy means considerable upstream activities that deliberately consider food before it is close to becoming waste must be available and implementing measures that facilitate opportunities for its beneficial consumption.

- The circular economy is well beyond just the MOECC. It is essential that the circular economy and the framework to support it crosses over different ministries and receives the necessary support. Stakeholders will look for this evidence as a strong sign that the Province is serious.

- Regarding the management of food and organic waste; MOECC and the many stakeholders must realize the numerous challenges that have occurred and still exist with some composting and anaerobic digestion facilities across Ontario. There is significant room for improvement with existing technologies and facilities that must be addressed in order that growth in this industry will be responsible, productive and beneficial to the local communities where they are located.

I. THE SCOPE OF THE FOOD AND ORGANIC WASTE FRAMEWORK

1. What food and organic materials should be a priority and as such addressed in the Framework?

- High Priority - Surplus food - consider strong measures to reduce this resource and prevent it from becoming waste.

- High Priority - Food waste – in residential and commercial and institutional sectors; consider strong measures to reduce this resource and prevent it from becoming waste.

- Medium Priority - Food processing/manufacturing (industrial) waste and by-products. Their waste streams are relatively easy to capture and manage. Little direct interaction with customers occurs.

- Low Priority - Leaf and yard waste is dealt with in Ontario. This needs little attention.

- Low Priority - Soiled paper can accompany residential food waste diversion programs.

- Low Priority - Compostable products and packaging needs some additional clarity but is unclear why it is has entered this discussion paper. More explanation is required from MOECC.

II. ACTIONS TO REDUCE FOOD AND ORGANIC WASTE GOING TO DISPOSAL

2. In addition to the examples given, what actions do you think the ministry should consider in preventing food from becoming waste?

- To date all programs listed on Table 2 (page 19 of 34) are voluntary and while demonstrating that they can work, overall they have had limited impact.

- To achieve a circular economy there needs to be some regulation around ensuring that healthy surplus food is donated. The choice of surplus food donation versus disposal/diversion needs to be eliminated. The choices need to be donation first (maximize) and then diversion.

- Facilitate concrete action to reduce household food waste generation using an evidence based approach. There is a need to measure behaviour; implement programs; measure impact; and move beyond current examples which are focussed on promotion/education but does not effectively measure impact (e.g., Love Food Hate Waste, Metro Vancouver, British Columbia). Moving forward will require evidence; not anecdotal comments.

- Undertake cost/benefit analyses (e.g., business cases) to determine how to reduce various food waste streams.

- Facilitate concrete action to reduce commercial and institutional food waste generation. For example:
    - Facilitate more programs between some food retailers and charities to donate surplus food.
    - Document and provide clear demonstration that systems can be set up to donate surplus food (e.g., Walmart and 2nd Harvest in the Toronto area)
    - Need better information on best before dates. Education on the difference between the two is important and may have a significant impact on individual habits with respect to disposal of food waste (i.e., a Best Before date is related to a manufactures suggested use for “best experience” vs an expiry date).
    - Better presentation of food to consumers so they can buy what they need).
    - Currently very little activity at restaurants to minimize “front of house” food waste generation.
    - Document and provide clear demonstration that systems can be set up to reduce the amount of industrial food that becomes waste.

3. What are the most important actions to take first?

- Understand what is required to facilitate a province-wide system to direct surplus food to the food insecure (i.e., the inadequate or insecure access to food due to financial constraints):
    - How much food would that be? These estimates need to be prepared.
    - Current set up is linking a business with a charity. Should it be business to business (e.g., in the same way as waste disposal functions; a company is paid to remove the surplus food and deliver to the food insecure).
    - If the donation was regulated what would be the impact on the amount of surplus food (i.e., would food retailers tighten up food retail system to reduce the amount of surplus food?).

- Develop and phase in stronger requirements and/or a regulation mandating the food retail (e.g., grocery store) donation of surplus food.

4. What are the barriers to reducing food waste and why is more not recovered at present?

- All programs are voluntary with little incentives available.

- Residents and businesses are not always aware of how much food waste is generated and its impacts.

- For residential food waste there are very few municipal programs in place to reduce food waste generation (beyond some education and awareness programs). Currently there is little available to facilitate food waste reduction as there is for waste diversion (e.g. blue box, backyard composter).

- According to food retail and industrial food processors, a key barrier is that it is currently less expensive to dispose of food waste (in landfill) than donate surplus food.

- Many costs, beyond pure financial costs, of food retail and industrial food processors food waste are currently externalized and there is little incentive for them to reduce the amount of food that they allow to become waste. These costs would include the environmental and socials costs that are paid by society, not the consumer (which would directly impact retailers and processors).

- For food retail (e.g., grocery store, restaurants) there is a challenging balancing act to predict customer demand with food on hand for sale. There is a tendency to have more food on hand than is necessary so there is more than enough to meet customer demand. This can lead to generation of food waste. This balance needs to be re-rationalized and processes included to manage the excess food.

- Food retailing methods at grocery stores are deeply entrenched and include important public health elements but also aesthetic elements:
    - Best before dates are too widely applied (i.e., to food items that do not require them) and misunderstood by retailers and their customers.
    - Food that is presented to customers is “perfect” and in many cases pulled from the shelf well before it needs to be.

- Addressing food waste (prevention and management) will require a look at the entire food system as it is generally not aligned (nor a priority) with the food production, distribution and retail sector as a whole. The industry is a volume based business that operates with low margins and is dependent on high volumes for profit. This problem is different than recycling packaging items (e.g., a Blue Box like solution will not work). Addressing the exterior packaging of a product does not affect the potential volume of sales. Asking consumers to simply buy less food and be less wasteful will have a direct impact on volume and ultimately profitability. This would be a culture and business strategy change for some retailers where key retail strategies include marketing items in bulk at reduced prices, with less regard to whether the bulk items can actually be fully used. This idea spills over into grocery retailers as well where items are advertised at a price for one, but have a deal where the price is less per item if you buy three or five of them. It is important to note that industry responds to consumer needs/demands, therefore solutions must include customers as stakeholders.

5. In addition to the examples given [on Table 3, page 22 of 34], what tools and actions do you think the ministry should consider to increase diversion of food and organic wastes?

- Regulation for industry is key. This has worked for printed paper and packaging materials (i.e., Blue Box materials) and leaf and yard waste. It ensures a level playing field. However, it must recognize imports and also must recognize that Ontario operates within a world economy when it comes to food.

- The provincial government, along with industry organizations and food and organic waste generators, need to have a much better handle on how much food and organic waste will be available for diversion and have a staged plan to put this capacity in place:
    - The MOECC needs to proactively plan its permitting process so that approvals can be obtained in a timely fashion. Along with the industry and generators the MOECC needs to understand industry build out requirements. For instance, how many new tonnes of processing capacity will need to be permitted over the next xx years? And how will these tonnes be guaranteed and/or risk associated with them minimized?
    - Permits need to include performance based elements to more easily curtail activities of poorly operating facilities (e.g., off site odours). This could include graduated permitting that allows the MOECC to more easily limit/expand the amount of food and organic waste that can be accepted at a processing facility. Other tools for MOECC, as the regulator, must be available for compliance and enforcement purposes.

6. What are the most important tools and actions to take first?

- Significant incentives and/or regulation that mandates donation of healthy surplus food.

- Significant incentives and/or regulation that mandates diversion of food and organic waste.

- In both cases there needs to be a clear understanding of impact (i.e., how many tonnes will require donation; how many tonnes will require diversion) and the development of a clear, staged plan to effect orderly implementation of these regulations.

III. ACTIONS TO SUPPORT PROCESSING CAPACITY AND END-MARKETS FOR FOOD AND ORGANIC WASTES

7. In addition to the examples given [on Table 4, on page 26 of 34], what actions can the ministry take to support viable end markets for food and organic materials?

- The products that are produced need to be explicitly designated as those contributing to the development of a circular economy.

- Regulate content requirements. If generators are required to reduce and divert food and organic waste there needs to be a clear “pull” for the products that will be produced.
    - Content requirements for renewable natural gas (RNG)
    - Content requirements for compost and digestate

Areas where the discussion paper requires additional detail:

Poorly sited facilities
- Some current organic waste processing facilities are running into neighbourhood issues due to proximity to residential subdivisions and business complexes. This needs to be understood and mechanism put in place by MOECC.
- As part of planning, MOECC needs to better consider siting of facilities to ensure appropriate buffer zones etc.

Poorly operated sites
- Some current organic waste processing facilities are poorly operated and this contributes to negative neighbourhood impacts.
- MOECC permits need to have more rapid ability to curtail or stop operations. This could include inbound tonnage conditions whereby inbound tonnes can be reduced by simple order until issues have been rectified.

- The MOECC currently has guidelines for what technical and engineering controls are required for landfills depending on the hydrogeological conditions that the site is set in. These have been developed over years of experience with landfills in Ontario and best practices observed in other jurisdictions around the world. The practice with organic waste processing facilities in Ontario has been different, each facility has been permitted on a case by case basis and the MOECC does not have any guidelines for what types of technical and engineering controls should be included in the facilities.

- The MOECC should develop guidelines, from either a feedstock matching perspective (consideration of feedstock nature as a result of program conditions i.e. tendency for anaerobic conditions should be considering in determining an appropriate processing facility) or an odour management perspective (i.e. if materials to be processed are know to be more odourous then certain control measure are required or if the facility is close to certain types of adjacent development certain control measures are required). There has been enough experience in Ontario (now) and other jurisdictions that these types of guideline documents could be developed.

8. What are the most important actions to take first, and who is best positioned to lead the action?

- As with processing capacity it is important to understand the quantity of the various products that would be produced.

- The MOECC is promoting the circular economy and climate change initiatives. It needs to take the lead in terms of planning and facilitating implementation. MOECC needs to integrate their lead role with municipal, IC&I and community stakeholders.

- Further details on costs versus benefits, on a regional basis, will be essential for municipalities to help determine their role(s) in food and organic waste management. Estimates for all Ontario and/or Canada have little real value on a regional basis.

- The costs of separate collection system and the impacts of separate collection systems need to be understood. Collecting and transferring food before it becomes waste requires a thorough understanding of the current rules and additional rules may be needed as this system expands. The same can be said for collecting and transporting garbage is quite different than dedicated loads of foods and organic waste.

Funding many items can be controlled by industry and funds should be drawn on through extended producer responsibility (EPR) programs

- EPR should be considered for various foods as they have been for printed paper and packaging.
- These funds should be used to help fund municipal food and waste reduction and diversion programs.

APPENDIX B

Discussion Paper: Addressing Food and Organic Waste