

# **Unwrapping the Arguments ...**

## **Solving packaging and food waste through government/industry collaboration**



## Executive Summary

One of the greatest risks facing industry today is well-intended though poorly conceived policies. Poorly conceived policies have the potential to worsen the issue(s) that they seek to address. This is due to the unintended consequences that these policies can create for industry, consumers, and the environment. Importantly, policy action needs to be assessed in terms of its actual goal; in this case, the goal is GHG reduction.

While the primary focus of this paper is plastic food packaging, it pertains to all types of packaging materials. **The complexity of packaging and food value chains means that implementing “one-size-fits-all” hammer policies (such as the Canadian Environmental Protection Act) to increase the use of recyclable plastics will not reduce GHG emissions.** Further, it will result in more challenges, more wasted resources, more negative environmental impacts, and higher costs than carefully designed systems-based approaches.

**Hammer policies cannot achieve the same outcomes as carefully crafted systems-based approaches,** because the economic, environmental, and ecological issues associated with the manufacture, use, and post-use management of packaging are complex. The economic factors that manifest in wasted resources and negative externalities can be categorized as 1) market dysfunctionalities, and 2) value chain dysfunctionalities. The creation of sustainable circular economies relies on addressing both.

Economic factors determine why the recycling rates of metal, glass, and paper packaging are far higher than plastic packaging. Thus, the high recycling rates are fueled by economics, not hammer policies. **Creating a harmonious regulatory environment suited to motivating and enabling the creation of the economic factors that determine the creation of circular economies should be the primary focus of all levels of government.**

**In both Canada and the US, the carbon emissions that result from the (food loss and waste) FLW that is landfilled are greater than plastic food packaging’s environmental footprint.** Given this, and that **packaging typically equates to just approximately five percent of a food’s total carbon footprint,** sustainably addressing economic and environmental packaging-related externalities rests on establishing and maintaining an equilibrium between packaging and minimizing FLW. Packaging and FLW must be viewed in tandem.

**Addressing plastics without addressing food waste will result in increased GHG.**

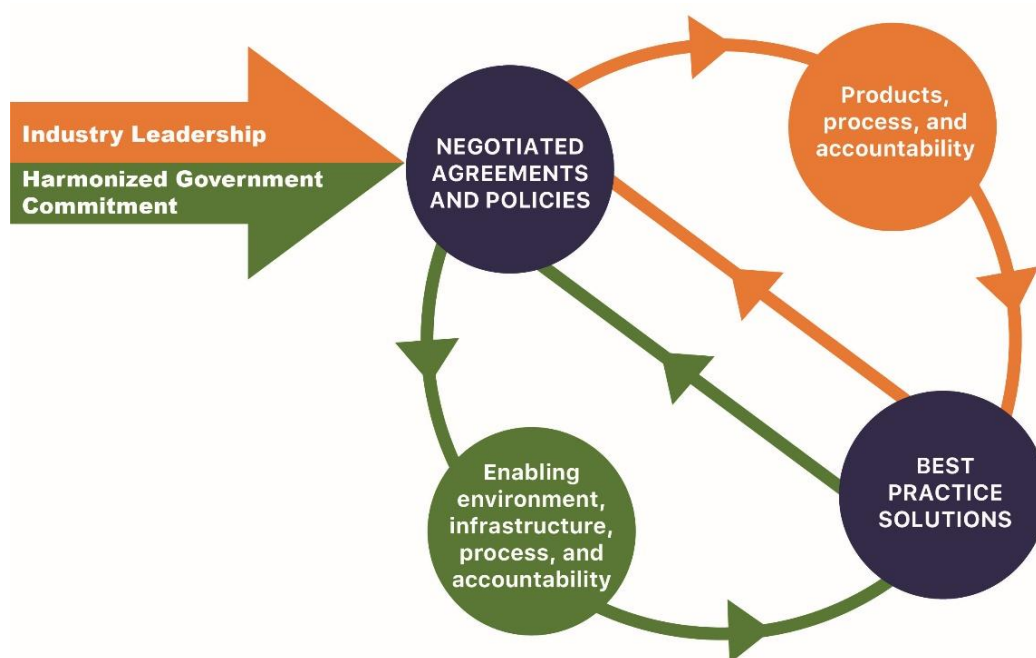
Achieving a significant long-term environmental impact that aligns with Canada’s and the US’s SDG and carbon reduction commitments relies on visionary stakeholders adopting economically viable and sustainable systems approaches. **Negotiated agreements have proven an effective means to**

**tackle complex system issues, including those which result in negative economic and environmental externalities.**

The need for negotiated agreements is particularly critical in federated countries such as Canada and the US, where provinces/states and municipal governments can impede efforts by implementing conflicting regulations and misaligned systems. Negotiated agreements can ensure the creation and successful implementation of coherent, stable policies that extend far beyond an election cycle and political divisions between tiers of government; as has occurred, for example, in the UK and Australia.

**This paper proposes establishing a negotiated agreement between industry and government that sets out explicit packaging and FLW targets.** Industry is accountable for meeting legally binding targets. Government is accountable for enabling and assisting industry to meet those targets. Achieving these outcomes will require industry and all levels of government to collaborate in innovative ways to achieve win-win solutions for all.

The diagram below shows how this collaborative agreement and reiterative process ensures continued best practice solutions.



## Key Takeaways

1	A tandem focus on food and packaging waste is needed to meet GHG emission targets.
2	GHG emissions that result from food sent to landfill are greater than the GHG emissions of plastic food packaging.
3	The need for negotiated agreements is particularly critical in federated countries such as Canada and the US, where provinces/states and municipal governments can impede efforts by having implemented conflicting regulations and misaligned systems.
4	Industry must be the driving force for change, with visionary leaders committing to achieve and be accountable for bold targets, and investing in the creation of harmonious precompetitive solutions.
5	Government-implemented policies, regulations, and programs need to incentivize and assist industry in addressing barriers that inhibit the establishment of circular packaging economies, without negatively impacting the FLW reduction efforts of the food industry, NGOs, and consumers.
6	Whether packaging is both recyclable and recycled is determined by the level of alignment that exists between three sub-systems: 1) products, 2) process, and 3) infrastructure.
7	The three key features of effective extended producer responsibility (EPR) programs are 1) fees, 2) investment in the circular economy, and 3) reporting and incentives.
8	EPR fees must reflect legally enforceable standards and specifications for entire packaging solutions, not just an individual component of the packaging.
9	An important element of effective EPR programs is ensuring municipal governments are legally accountable for implementing the required systems and processes, and that they publicly report their performance in relation to targets contained in negotiated agreements.

For access to the full paper, click [HERE](#).

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