



ADMINISTRATIVE REPORT

Report Date: April 16, 2019
Contact: Albert Shames
Contact No.: 604.873.7300
RTS No.: 13147
VanRIMS No.: 08-2000-20
Meeting Date: April 24, 2019

TO: Standing Committee on City Finance and Services

FROM: General Manager of Engineering Services in consultation with
the Director of Civic Engagement and Communications

SUBJECT: Single-Use Item Reduction Strategy By-laws – Consultation Update

RECOMMENDATION

- A. THAT the Director of Legal Services be instructed to bring forward for enactment amendments to the License By-law (No. 4450) and Ticket Offences By-law (No. 9360), generally in accordance with Appendix C, prohibiting the distribution of prepared food in polystyrene foam cups and polystyrene foam take-out containers by business license holders beginning January 1, 2020, including temporary exemptions for charitable food providers.
- B. THAT Council postpone the effective date from June 1, 2019, for proposed by-law amendments prohibiting the distribution of plastic straws until April 2020 and direct staff to report back by November 30, 2019, with details informed by stakeholder consultation for single-use item by-law requirements, including provisions for ensuring accessibility.
- C. THAT Council direct staff to report back by November 30, 2019:
 - i. A summary of stakeholder feedback received through current consultation on proposed by-law amendments for single-use items including plastic and paper shopping bags, disposable cups, take-out containers, plastic straws and single-use utensils;
 - ii. The results of staff's analysis of stakeholder feedback and relevant technical and legal considerations; and

- iii. Recommendations regarding by-law amendments including implementation and enforcement plans, and program delivery including resources and additional stakeholder engagement that may be required.
- D. THAT Council direct staff to bring forward two resolutions for the 2019 Union of British Columbia Municipalities Convention requesting the provincial government's support in addressing single-use items by:
- i. Adopting a more comprehensive provincial single-use item reduction strategy, as provided in Appendix E; and
 - ii. Developing provincial standards for compostable single-use items ensuring that they are designed to fully biodegrade if littered in the natural environment, that any standards and certifications for compostability are aligned with provincial composting infrastructure, and that compostable single-use items are collected and managed through an extended producer responsibility program that covers the residential and commercial sectors as well as materials from the public realm, as provided in Appendix F.
- E. THAT the Mayor write to the Chair of the Greater Vancouver Sewer and Drainage District Board and the Ministry of Environment and Climate Change Strategy requesting support for the development of a Provincial Single-Use Item Reduction Strategy aligned with Federal goals for reduction of plastic waste.

REPORT SUMMARY

The purpose of this report is to provide an update on the Single-Use Item Reduction Strategy approved by Council on June 5, 2018. This report:

- updates Council on work that has been completed since that time;
- brings forward for enactment a by-law to ban the use of foam cups and take-out containers for serving beverages and prepared food;
- recommends postponing the effective date for the ban on the unnecessary use of plastic straws to enable staff to complete the current and ongoing engagement process for single-use item by-laws; and
- directs staff to report back with final by-law requirements for the other materials covered by the strategy, including plastic and paper bags, single-use utensils, and non-foam cups and take-out containers, and details regarding implementation.

The report also recommends that the City put forward two resolutions for the 2019 Union of British Columbia Municipalities (UBCM) requesting the provincial government's support in two key areas for addressing single-use items. The first calls for a more comprehensive strategy for single-use items that closes gaps in provincial policy for extended producer responsibility (EPR). The second calls for provincial standards for compostable single-use items to ensure they are designed to fully biodegrade if littered in the natural environment, that any standards and certifications for compostability are aligned with provincial composting infrastructure, and that compostable single-use items are collected and managed through EPR that covers the residential and commercial sectors as well as materials from the public realm.

Finally, the report calls for the Mayor to write to the Chair of the Greater Vancouver Sewer and Drainage District Board and the Ministry of Environment and Climate Change Strategy requesting support for the development of a Provincial Single-Use Item Reduction Strategy aligned with Federal goals for reduction of plastic waste.

COUNCIL AUTHORITY/PREVIOUS DECISIONS

On February 3, 2016, Council directed staff to investigate and report back on regulatory options to address the distribution, use, and recycling of commonly disposed items designed for single-use, including coffee cups, plastic shopping bags and expanded polystyrene fast food packaging, including exploring options to restrict or ban the use of these products.

On June 27, 2017, Council directed staff to report back with the results of Single-Use Item Reduction Strategy stakeholder consultation and public engagement.

On June 5, 2018, Council adopted Zero Waste 2040, a strategic policy framework to guide future decisions regarding the management of solid waste from Vancouver, including the implementation of a single-use item reduction strategy as a priority and transformative action.

Also on June 5, 2018, Council approved a Single-Use Item Reduction Strategy with amendments and directed staff to proceed with implementation, including additional consultation. A full list of final recommendations adopted by Council is provided in Appendix A. A summary of the Council's direction to staff is as follows:

- Conduct a communications and engagement campaign on proposed by-law changes prohibiting the distribution of prepared foods in foam cups and foam take-out containers, and identify opportunities for the City to support affected stakeholders.
- Consult the accessibility community and other affected stakeholders to develop by-law changes for plastic straws including an implementation plan.
- Conduct further consultation with affected stakeholders on proposed by-law changes for reducing distribution of bags and cups.
- Bring forward by-law changes requiring that compostable packaging used by business license holders be tested and approved at a local commercial compost facility.
- Bring forward by-law changes requiring that paper packaging contain a minimum 40% post-consumer recycled content.
- Issue a Request for Expressions of Interest for “Made in Vancouver” single-use item solutions such as a city mug program and reusable straws.
- Investigate and report back on an increased business license fee for large businesses in which distribution of single-use items is pervasive.
- Circulate the Single-use Item Reduction Strategy to the Metro Vancouver Regional District, the British Columbia Ministry of Environment and Climate Change Strategy, and Environment and Climate Change Canada, and take steps to engage those governments as partners in the implementation of this strategy.

Of significance, when Council directed staff to undertake the work above, the dates for by-law requirements prohibiting the distribution of prepared food in polystyrene foam cups and polystyrene foam take-out containers and plastic straws with exemptions for accessibility were advanced from Staff's recommended dates of November 1, 2019, to June 1, 2019. This resulted in significantly reduced time to complete the needed consultation and engagement program as

no engagement programs were able to be undertaken during the election period. To date no single-use item by-law changes have been enacted by Council.

On September 7, 2018, Council directed staff to begin the development of Phase 1 of an Accessibility Strategy in 2019.

CITY MANAGER'S/GENERAL MANAGER'S COMMENTS

The Single-use Item Reduction Strategy is a complex undertaking that affects all of the food related businesses in the city. Completing a fulsome engagement program that allows those affected to provide their comments and feedback, and to work with them on requirements, timing and alternatives is essential to achieving sustainable success. Additional time to complete the engagement process is needed in order to accommodate all those concerned. The City Manager and General Manager of Engineering Services recommend approval of the recommendations provided above.

REPORT

Background/Context

The purpose of this report is to provide an update on the Single-Use Item Reduction Strategy (RTS No. 12140) approved by Council on June 5, 2018. This report updates Council on work that has been completed since that time, recommends completing the engagement process currently ongoing, reporting back with updated implementation timelines, and seeks approval for the next steps in implementation of the strategy.

Single-Use Item Reduction Strategy

On June 5, 2018, Vancouver became the first city in Canada to adopt a comprehensive Single-Use Item Reduction Strategy to reduce the use of plastic and paper shopping bags, disposable hot and cold drink cups, take-out containers, and disposable straws and utensils. These items are prevalent in litter and are icons of our throwaway society.

The Single-Use Item Reduction Strategy is the result of extensive civic engagement to create a made-in-Vancouver approach to reduce the impact of these single-use items. Thousands of residents and hundreds of businesses participated in the development of the strategy between October 2016 and April 2018, totaling approximately 8,500 touchpoints.

Every week, about 2.6 million disposable cups and 2 million plastic bags are thrown in the garbage in Vancouver (63% of plastic shopping bags found in the garbage in Vancouver have been re-used as garbage bin liners or to pick up dog waste). Cups and take-out containers make up about 50% of all items collected in public waste bins and are a significant portion of litter on Vancouver streets. Despite their convenience, it costs Vancouver taxpayers approximately \$2.5 million per year to collect these items from public waste bins and to clean up when they become litter.

Shopping bags and single-use foodware are prevalent in marine litter. As a coastal city, the quality of the ocean, beaches and natural surroundings are of great importance to Vancouver.

The Single-Use Item Reduction Strategy is one way the City of Vancouver plays a leadership role to address this major global issue.

Perhaps not surprisingly, 86% of Vancouver residents see the importance of reducing single-use items.

The strategy recognizes the significant concerns around marine plastics and goes beyond to cover single-use items made from *all* types of material that are littered and disposed to landfill or incinerator, not just plastic. No matter what they are made of, single-use items are often not recycled or composted, take up valuable space in our landfill, have a lasting impact on our environment long after being used for a short period of time, and require a significant amount of resources to produce.

During the initial consultation process, feedback from the community as a whole, including large and small businesses, supported bold action to address single-use items. As such, the strategy focuses on shifting societal norms to support sustainable behaviour change. From a business perspective, concerns were expressed about creating a level playing field and providing some flexibility to balance the different needs of small and large businesses. In general, the business community supported opportunities to collaborate with the City on implementation, and expressed a strong desire for the City to provide support with the transition through facilitating information sharing between businesses and providing communication and education materials around alternatives.

The complete engagement process undertaken to develop the Single-Use Item Reduction Strategy, including 3 phases of consultation, and the full list of supportive actions included in the strategy are described in the Policy Report dated May 1, 2018, entitled “Single-Use Item Reduction Strategy” (see Appendix B).

Developments by Other Levels of Government Since Adoption of the City Strategy

Plastic waste and marine litter have arisen alongside climate change as a global ecological priority, building momentum for change. As a result, local, national and international governments are taking action to address this urgent issue.

Metro Vancouver Regional Single-Use Item Reduction Strategy

The Greater Vancouver Sewer and Drainage District (GVS&DD) Board has directed Metro Vancouver staff to determine actions to reduce single-use items that are best done on a regional level, and to initiate consultation on a regional single-use item reduction strategy.

A staff report approved by the GVS&DD Board on February 22, 2019, indicated that Metro staff will report back to the Board with a recommended list of actions to communicate to member jurisdictions for their consideration for regulatory change. Potential regional actions identified in this report included education and awareness activities and collaboration with member jurisdictions. City staff are providing input to Metro Vancouver staff on the development of their strategy.

Union of BC Municipalities’ Resolution on a Provincial Strategy for Single-Use Item Reduction

Many of the challenges associated with single-use items extend beyond municipal jurisdiction. Consistent policy at the broadest geographic scale is needed to help businesses change their

operations and promote widespread behaviour change. To this end, the City put forward a resolution to the Union of British Columbia Municipalities in 2018 calling for a provincial single-use item reduction strategy, and the resolution was adopted September 13, 2018.

The GVS&DD Board approved a recommendation on February 22, 2019, to write the Minister of Environment and Climate Change Strategy and the Minister of Municipal Affairs and Housing expressing support for this resolution and requesting that a provincial single-use item reduction strategy be put in place.

Canada-Wide Strategy on Zero Plastic Waste

On November 23, 2018, through the Canadian Council of Ministers of Environment (CCME), federal, provincial and territorial environment ministers approved in principle a Canada-wide Strategy on Zero Plastic Waste. This national strategy prioritizes reducing demand for disposable plastic items, and outlines a vision to keep all plastics in the economy and out of the environment.

City staff provided input through a consultation process led by Environment and Climate Change Canada and the CCME to build this strategy.

The strategy will be implemented within the jurisdictional authority of each order of government and a future action plan will identify complementary measures between governments. The action plan will also outline industry and other stakeholders' commitments, roles and responsibilities. The CCME is now developing this action plan for the Ministers' consideration in 2019.

International Action

The Government of Canada launched an Ocean Plastics Charter as part of its 2018 G7 presidency, under the theme of ocean health and marine litter, which was signed by five of the G7 countries. In 2017, nearly 200 nations signed a United Nations Environment Assembly resolution towards long-term elimination of plastic waste in the oceans.

Status of Proposed By-law Changes

Staff were directed to do further consultation before bringing forward by-law changes. The consultation and engagement process for developing the proposed by-law requirements was delayed until January 2019 due to the suspension of consultation during the 2018 election period. This delay left insufficient time to complete a fulsome consultation for by-law requirements for all single-use items.

As of this writing, the engagement and consultation activities for foam cups and foam take-out containers are now complete. The proposed by-law amendments are attached to this report. The by-law amendments state that:

- Effective January 1, 2020, all food vendors are prohibited from serving prepared food in foam cups or foam take-out containers.
- Charitable food providers are provided with a temporary exemption of one year, to January 1, 2021, to allow more time for affordable alternatives to become available. Staff propose to report back by November 30, 2019, if it is determined through further research that the exemption period should be extended beyond one year.

Further details on the proposed by-law amendments for foam cups and foam take-out containers are provided below in the Strategic Analysis section.

Consultation on the proposed by-law amendments for plastic and paper shopping bags, disposable cups, take-out containers, plastic straws and single-use utensils is ongoing with an expected completion date of May 2019. Between June and November 2019, staff will review the full consultation results, reach out to other stakeholders as needed, and complete the technical work to update proposed by-law changes and develop implementation plans. Staff propose to report back by November 2019, with the full consultation results and recommendations regarding by-law amendments, implementation and enforcement plans, and program delivery including resources and additional stakeholder engagement.

Civic Engagement Process to Develop the Single-Use Item By-law Requirements

Developing an appropriate approach and undertaking the consultation and engagement program around single-use items is a complex undertaking. The regulations on bags, cups, take-out containers, plastic straws and single-use utensils will affect thousands of food service businesses within the City including restaurants, coffee shops, fast food establishments, convenience stores with take-out food options and charitable food providers, as well as grocery stores and all retail establishments that provide bags to their customers.

Vancouver is a diverse community with intercultural complexities in the residential and business population, and affordability as a central issue for residents and small businesses. Vancouver also has one of the most active citizenries in Canada and an expectation to be involved in shaping public policy. It is important to take the time to test our assumptions and refine requirements in collaboration with community, businesses, health organizations and non-profit groups that will be affected.

The engagement and consultation process around the by-law requirements has involved in-depth interviews with affected stakeholder groups through a series of one-on-one interviews, group workshops and open webinars. The goal is to reach a minimum of 170 businesses in the retail and food service sectors representing large and small businesses, and reach out to non-profits, schools and cultural communities. This includes approximately 80 organizations that reflect Vancouver's cultural diversity, including Chinese, East Asian, Southeast Asian, and South Asian communities. In order to accommodate this cultural diversity, interviews are being conducted in Mandarin, Cantonese and Vietnamese as needed to ensure an inclusive process.

In addition, staff are aiming to engage a minimum of 40 individuals or organizations that rely on plastic straws for accessibility and inclusion. This includes 15 to 20 one-on-one, in-depth interviews and 20 to 25 participants at a City-hosted event.

As described above, the consultation around foam products has been completed and consultation is still underway for all other proposed by-law requirements.

Investigation into Compostable Single-Use Items

In order to assess the possibility of requiring compostable packaging to be tested and approved by local commercial compost facilities, staff retained consultants to complete an investigation on the current state of composting single-use items. Following a review of available standards and a detailed literature review, the consultants conducted interviews with 10 industrial compost facilities in Metro Vancouver, the Fraser Valley, Squamish-Lillooet Regional District, Vancouver Island, and Washington State. The results of this investigation indicate that there is significant

concern in the industry around what is and isn't compostable, what should be accepted at facilities, and what types of facilities are suitable for dealing with materials such as compostable plastics.

Currently, plastic bags, cups, take-out containers and utensils, even those marked biodegradable or compostable are considered contaminants and not accepted in the City's residential Green Bin program. The Green Bin program is designed to accept food waste and yard trimmings from residents. Since the City does not own or operate a mixed food waste/yard trimmings composting facility, all green bin material is composted at private sector facilities. These facilities specify the quality of material that the City is able to deliver and poor quality material can result in financial penalties or refusal of loads. Compostable plastics do not break down quickly enough at our local processors and may reduce the quality of the finished compost. In addition, it is challenging for both residents and composting facilities to tell compostable plastics apart from non-compostable plastic. In the process of working to ensure compost quality, plastics of all types will get treated as a "contaminant" and end up being sent to landfill or incinerator.

The same issues apply to public waste bins and recycling receptacles. There is no way to separate compostable from non-compostable plastics. Compostable plastics and recyclable plastics are two different types of products and mixing one with the other in a recycling stream results in them all needing to go to disposal. Any compostable plastics disposed in public waste bins are sent to landfill. If compostable plastics are placed in public recycling receptacles that contain other types of recyclable plastics, the whole container may end up needing to be disposed as garbage.

The City does not regulate what materials are acceptable in local composting facilities. Regulating facilities is in the hands of the facility operator, Metro Vancouver and the Province. The issues around the acceptability of compostable alternatives for single-use items is far too complicated from a scientific, policy and regulatory perspective for the City to make a determination of what is or isn't compostable and acceptable. Nor is the City able to dictate to local facilities that they should accept compostable single-use items.

Given the uncertainty around the issue of compostable plastics, staff recommend that anyone considering using compostable plastics discuss with local compost facilities what items are accepted in their facility and consider how the products will be collected and delivered to the facility.

A province-wide approach to the issue of compostable plastics that addresses scientific and regulatory requirements will be important in the future and staff are recommending that the Mayor write to the Province and UBCM to promote this approach. This could include a province-wide stewardship program similar to the one in place for recycling, such that the product producers become responsible for managing the materials they put into the system.

Strategic Analysis

Prohibitions on Foam Cups and Foam Take-out Containers

The engagement and consultation activities for foam cups and foam take-out containers are now complete. The foam ban is generally supported by all types of stakeholders. Affected businesses, especially small businesses, strongly indicated that providing enough time to transition after enacting the by-law is important for success, and one of the most meaningful

ways the City can support stakeholders with the change. With the exception of non-profit organizations involved in providing food to those in need, staff recommend providing an effective date of January 1, 2020, to allow businesses to make the appropriate transition with communication and educational support from the City.

82% of Vancouver residents say they would be willing to pay more for single-use items that are reusable or accepted in their residential recycling program¹, but the nature of the community services provided by charitable food providers does not allow them to regain the cost of more expensive alternatives to foam cups and foam take-out containers from clients. Thus, City staff propose to temporarily exempt charitable food providers from the prohibitions on foam cups and foam take-out containers for a period of one year. Staff will conduct further research and report back by November 30, 2019, if it is determined that the exemption period for charitable food providers should be extended beyond one year to allow more time for affordable alternatives to become available. To support non-profit organizations in transitioning from foam, City staff will provide communication and educational support.

Appendix D describes the complete list of actions staff propose to undertake to support all stakeholders with the transition away from polystyrene foam based on the feedback from consultations.

Prohibitions on the Unnecessary Use of Plastic Straws

Consultation on by-law requirements to ban the unnecessary use of plastic straws is still ongoing. Staff are working with individuals who rely on straws for accessibility and inclusion to properly structure regulatory requirements in a way that will not negatively affect accessibility needs.

Staff are currently consulting on proposed by-law amendments that would require businesses to provide a bendable plastic straw when requested by a customer for accessibility, but otherwise prohibit businesses from giving out plastic straws, including compostable plastic straws. This approach seeks to eliminate the unnecessary use of plastic straws, while ensuring an accessible and inclusive customer service experience. Early consultation findings indicate that bendable plastic straws meet the widest range of accessibility criteria. For example, they can be positioned at the correct angle, don't pose a choking hazard or risk of injury, and don't disintegrate in a drink, among other considerations.

Before finalizing the proposed by-law changes for plastic straws, staff will engage the following City civic advisory committees about accessibility requirements once volunteers have been appointed and the committees are reactivated:

- Persons with Disabilities Advisory Committee
- Seniors' Advisory Committee
- Children, Youth and Families Advisory Committee

In addition, many business owners in Vancouver, especially small businesses and ethnocultural businesses, rely on single-use plastic straws to serve drinks such as bubble tea, smoothies and to-go drinks where alternatives to single-use plastic straws are not immediately available. Staff are engaging those businesses on an implementation plan including timing that would allow for appropriate substitutes to single-use plastic straws to be developed by industry.

¹ Source: Public opinion poll conducted by NRG Research on behalf of City of Vancouver, January 2018.

Staff believe that an effective date of April 2020 will provide suitable time for completion of these consultations and structuring of the by-law.

Other Single-Use Item By-law Requirements

Early findings from the ongoing consultation process indicate that the other proposed by-law requirements involve several complex issues. Many good questions are being raised about supply chains, appropriate substitutes, supporting small business, affordability and the need for consumer education to prepare for the changes. Some early feedback is presented below, recognizing that conclusions are subject to change on the basis of the full consultation results. Additional feedback gathered through the remaining consultation will inform the final recommendations.

Reduction Plans for Bags and Cups

The flexibility offered by the proposed reduction plan approach for bags and cups is generally supported; however, many stakeholders are raising concerns about the complexities that come with having multiple options, the reporting requirements and a possible transition to a ban on plastic bags and disposable cups in 2021. There may be a desire to simplify the proposed approach.

By-Request for Single-Use Utensils

Some stakeholders have indicated they already give out single-use utensils only when requested by the customer. Others have raised concerns about slowed service, safety risks (e.g. reusable silverware as projectiles at large event venues), and inadvertently increasing waste by removing single-use utensils from self-serve stations (because businesses would opt to hand out pre-bundled utensils on request instead of allowing customers to choose just a spoon or fork as desired). Consultation on this issue is ongoing.

Requiring Compostable Packaging to be Tested and Approved

Staff are currently consulting stakeholders about their current use of compostable single-use items, including preferences for compostable plastic, paper, bamboo, wood or other materials. But as discussed earlier in this report, the issue of compostable single-use items is complex and needs the involvement of higher levels of government to address needs around regulation and technical details.

Requiring 40% Post-Consumer Recycled Content

Staff are consulting stakeholders on the current availability of single-use items that satisfy the proposed by-law requirements for paper packaging to contain a minimum of 40% post-consumer recycled content. Preliminary indications are that there may not be suitable products available to meet this requirement and that demand from Vancouver alone won't be sufficient to result in development of enough supply.

Enforcement Approach for all Single-Use Item By-law Requirements

The City's by-laws include provisions for penalties and fines for food vendors that are not in compliance. The City has several tools for enforcement. Initial actions will focus on education, outreach and support.

Following these initial actions, increasing levels of enforcement could include warning letters, issuing tickets that could result in fines, and referral to prosecution for non-compliant operators. For example, the recommended fine for serving food or drink in a foam cup or foam take-out container in contravention of the proposed by-law amendment, is \$250 per offence.

Requesting Support from the Province

Comprehensive Provincial Single-Use Item Reduction Strategy

The widespread use of single-use items is decades in the making. Solving the challenges with this waste stream is beyond what any individual municipality can do alone.

Recognizing this, the City put forward a resolution for the 2018 UBCM Convention calling for a provincial single-use item reduction strategy. UBCM endorsed the resolution with amendments on September 13, 2018, as follows:

2018-B126 Provincial Single-Use Item Reduction Strategy

Therefore be it resolved that the Province of British Columbia engage the packaging industry to develop a provincial Single-Use Item Reduction Strategy as part of a provincial Zero Waste Strategy, which would include but not necessarily be limited to plastic and paper shopping bags, polystyrene foam cups and polystyrene foam take-out containers, other hot and cold drink cups and take-out containers, straws and utensils, but would exclude all single-use items needed for medical use or for people with disabilities.

In its response, the Ministry of Environment and Climate Change indicated that the Province intends to address single-use items through the extended producer responsibility (EPR) program for packaging and printed paper.

While EPR is one important tool for addressing single-use items, staff recommend sending a follow-up resolution to the 2019 UBCM Convention to call for a more comprehensive provincial single-use item reduction strategy, as provided in Appendix E. Although B.C. is a national leader in EPR, some gaps would need to be closed in the current policy approach in order to ensure that all shopping bags and foodware-related single-use items are addressed by the Province, as described in the proposed resolution. An alternative would be for the Province to adopt a parallel policy.

Compostable Single-Use Items

Consultation has revealed that businesses are beginning to switch to compostable single-use items for to-go meals and beverages in the belief that this is a solution to plastic pollution. As discussed earlier in this report, the issue of compostable single-use items is complex and needs the involvement of higher levels of government to address needs around regulation and technical details.

There is an urgent need for senior government support to address this growing issue. Staff recommend sending the proposed resolution provided in Appendix F to the 2019 UBCM Convention to call for the Province to address compostable single-use items.

Implications/Related Issues/Risk

Financial

Funding requirements for the communications campaign to support the prohibition on foam, along with ongoing stakeholder engagement on the remaining single-use item by-laws, will be covered through the existing 2019 Operating Budget.

Any additional funding requirements to support the implementation and program delivery, including enforcement and communications, will be brought forward as part of the 2020 Operating Budget and Solid Waste Annual Utility report.

Environmental

The by-law amendments to prohibit the distribution of prepared foods in polystyrene foam cups and polystyrene foam take-out containers will reduce the use of single-use items that cannot be recycled through Recycle BC's residential recycling program or composted in the City's Green Bin program, thereby reducing their prevalence in street and marine litter and reducing their disposal in landfill and incinerator.

Legal

The Vancouver Charter grants the Council of the City of Vancouver broad legislative authority to regulate in relation to businesses, solid waste, nuisances and health matters.

By-law amendments will be required to prohibit food vendors from distributing prepared foods in polystyrene foam cups and foam take-out containers.

Consultations and engagement with stakeholders around other single-use items is currently ongoing and staff will bring forward by-law amendments for these materials in November 2019.

Other

Civic engagement around single-use items is ongoing. Results of the consultation process will be brought forward to Council along with recommendations for appropriate by-laws in November of 2019.

CONCLUSION

Developing an appropriate approach and undertaking the consultation and engagement program around single-use items is a complex undertaking. By-laws on bags, cups, take-out containers, plastic straws and single-use utensils will affect thousands of food service businesses within Vancouver including restaurants, coffee shops, fast food establishments, convenience stores with take-out food options and charitable food providers, as well as grocery stores and all retail establishments that provide bags to their customers.

Consultation on foam cups and foam take-out containers is complete and enactment of the by-law with an effective date of January 1, 2020, is recommended. This will give businesses, particularly small businesses, enough time to transition after the by-law is enacted, and is one of the most meaningful ways the City can support stakeholders with the change.

For plastic straws, staff recommend that Council postpone the effective date of by-law requirements from June 1, 2019, and direct staff to report back by November 30, 2019, with new effective dates informed by stakeholder consultation, including provisions for ensuring accessibility. Staff are currently consulting on proposed by-law amendments that would require businesses to provide a bendable plastic straw when requested by a customer for accessibility, but otherwise prohibit businesses from giving out plastic straws, including compostable plastic straws. This approach seeks to eliminate the unnecessary use of plastic straws, while ensuring an accessible and inclusive customer service experience.

Consultation for shopping bags, cups and utensils is also ongoing. An updated timeline of November 2019 is recommended for staff to report back with final by-law requirements, effective dates and details around enforcement and future communications needs for stakeholders.

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Appendix A: Council Direction on June 5, 2018

On June 5, 2018, City Council provided the following direction to staff for implementing the Single-Use Item Reduction Strategy.

Council Direction to Implement the Single-Use Item Reduction Strategy

- A. THAT Council approve the Single-Use Item Reduction Strategy, as attached in Appendix A of the Policy Report dated May 1, 2018 entitled “Single-Use Item Reduction Strategy”, and direct staff to proceed with implementation.
- B. THAT the Director of Legal Services be instructed to bring forward for enactment amendments to the License By-law (No. 4450) and Ticket Offense By-law (No. 9360), generally in accordance with Appendix C of the Policy Report dated May 1, 2018 entitled “Single-Use Item Reduction Strategy”, prohibiting the distribution of prepared foods in polystyrene foam cups and containers by business license holders beginning June 1, 2019.
- C. THAT Council direct staff to conduct a communications and engagement campaign on the proposed by-law amendments referred to in B, of the Policy Report dated May 1, 2018 entitled “Single-Use Item Reduction Strategy”, and identify opportunities for the City to support affected businesses and other organizations in the transition away from polystyrene foam cups and containers including the option of providing funding for outreach to support the transition for charitable food providers and small businesses.
- D. THAT Council approve, in principle, a regulation prohibiting the distribution of single-use plastic straws by business license holders beginning June 1, 2019 and:
 - i. Direct staff to consult with affected businesses, appropriate civic agencies, persons with disabilities, community health groups, and other organizations and report back by December 31, 2018, on a plastic straw prohibition implementation plan; and
 - ii. Instruct the Director of Legal Services to prepare proposed License By-law amendments to be included in the report back referred to in D (i) of the Policy Report dated May 1, 2018 entitled “Single-Use Item Reduction Strategy”.
- E. THAT Council direct staff to consult business license holders on proposed by-law requirements for plastic and paper bags and disposable cups referred to in the Single-Use Item Reduction Strategy in Appendix A of the Policy Report dated May 1, 2018 entitled “Single-Use Item Reduction Strategy”, and bring forward by-law changes as part of the annual Solid Waste Rate Report in late 2018;

FURTHER THAT as part of the by-law changes brought forward, staff include a requirement for compostable packaging (e.g. cups, bags, containers) used by business license holders to be approved compostable, which indicates that it has been tested and approved at a local commercial compost facility, and a minimum 40% post-consumer content for paper-based packaging; and

FURTHER THAT staff issue a Request for Expressions of Interest for “Made in Vancouver” single-use item solutions such as a city mug program and reusable straws.

- F. THAT the City set annual reduction targets expected to be met as a result of the proposed by-law requirements for plastic and paper bags and disposable cups by January 2019;

FURTHER THAT if these reduction targets are not being consistently met by 2021, the City implements a full distribution ban on single-use plastic bags and single-use cups.

- G. THAT Council direct staff to investigate and report back on an increased business license fee for large businesses in which distribution of single-use items is pervasive.
- H. THAT Council direct staff to circulate the Single-Use Item Reduction Strategy to the Metro Vancouver Regional District, the British Columbia Ministry of Environment and Climate Change Strategy, and Environment and Climate Change Canada, and take steps to engage those governments as partners in the implementation of the strategy.

Appendix B: Single-Use Item Reduction Strategy, Policy Report and Council Minutes

The Single-Use Item Reduction Strategy Policy Report (May 1, 2018), including the unamended Single-Use Item Reduction Strategy, can be found at the following web address:

<https://council.vancouver.ca/20180516/documents/pspc2b.pdf>

Minutes from the Standing Committee of Council on Policy and Strategic Priorities (May 16, 2018) can be found at the following web address:

<https://council.vancouver.ca/20180516/documents/pspc20180516min.pdf>

The Single-Use Item Reduction Strategy with amendments as approved by Council (June 5, 2018) can be found at the following web address:

<https://vancouver.ca/files/cov/single-use-item-reduction-strategy-with-amendments.pdf>

Appendix C: By-law Amendments

BY-LAW NO. _____

A By-law to amend License By-law No. 4450
regarding polystyrene foam

THE COUNCIL OF THE CITY OF VANCOUVER, in public meeting, enacts as follows:

1. This By-law amends the indicated provisions of the License By-law.
2. Council adds the following definitions to section 2 of the By-law in correct alphabetical order:

“Food Service Ware” means products used for serving or transporting prepared food or beverages including, but not limited to, plates, cups, bowls, trays, cartons and hinged or lidded containers.”;

“Food Vendor” means a holder of a license issued under this By-law who sells prepared food.”;

“Polystyrene Foam” means blown polystyrene and expanded and extruded foams composed of thermoplastic petrochemical materials containing a styrene monomer and processed by any technique including, but not limited to, fusion of polymer spheres (expandable bead foam), injection molding, foam molding, and extrusion-blown molding (extruded foam polystyrene).”;
and

“Prepared Food” means any food or beverage prepared for consumption on or off a holder of a license’s premises, using any cooking or food preparation technique. Prepared food does not include any raw uncooked food, including meat, poultry, fish, seafood, eggs or vegetables unless provided for consumption without further food preparation.”.

3. Council inserts a new section 15.5 to this By-law as follows:

“FOAM CONTAINERS

15.5 (1) No food vendor may sell or otherwise provide prepared food in any food service ware that contains polystyrene foam.

(2) Section 15.5 (1) shall not apply to:

(a) a hospital, or any facility licensed as a community care facility under the Community Care and Assisted Living Act;

(b) organizations incorporated and in good standing under the Society Act, or registered as a charitable society or organization under the federal Income Tax Act; or

(c) prepared food containers that have been filled and sealed outside the City of Vancouver prior to arrival at the premises or location where the holder of a license operates”.

Severability

Schedule 1

**Table 3
License By-law**

| <u>Column 1</u> | <u>Column 2</u> | <u>Column 3</u> | <u>Column 4</u> |
|--|---|------------------|-----------------|
| Chief License Inspector | No business license | Section 3(1) | \$1000.00 |
| | Failure to comply with license conditions | Section 30(2) | \$1000.00 |
| | Market without license | Section 25.1(2) | \$1000.00 |
| Chief License Inspector or City Engineer | Food in polystyrene foam | Section 15.5 (1) | \$250.00 |

Appendix D: Supportive Actions for Single-Use Polystyrene Foam Cups & Take-out Containers

On June 5, 2018, staff were directed to identify opportunities for the City to support affected businesses and other organizations in the transition away from polystyrene foam cups and foam take-out containers, including the option of providing funding for outreach to support the transition for charitable food providers and small businesses. Opportunities to support stakeholders were identified through Phase 4 consultation on by-law requirements for single-use items.

Staff propose to undertake the following actions to support the general public, food vendors and suppliers in the transition away from polystyrene foam cups and foam take-out containers:

- In fall 2019, launch a general awareness campaign that does the following:
 - Informs and educates the general public that businesses will no longer distribute foam cups and foam take-out containers due to the City's by-law requirements
 - Communicates the date by which foam cups and take-out containers must be phased out
 - Gives information about how to recycle, compost or otherwise dispose substitute materials
- In fall 2019, launch an education and outreach campaign that distributes the following translated education materials:
 - Plain language descriptions of the by-law requirements and effective dates
 - Clear guidelines on substitute materials to use instead of polystyrene foam that can be recycled through Recycle BC's residential recycling program or composted in the City's Green Bin program
 - Materials that can be used in-store to inform customers about the City's by-law changes
 - Materials that educate employees and customers on whether substitute materials should be recycled, composted or disposed in another way
- Retain organizations that have relationships with affected stakeholders, including suppliers, to help deliver the education and outreach materials

Staff propose to undertake the following actions to support charitable food providers transition away from polystyrene foam:

- In fall 2019, launch an education and outreach campaign that distributes the following translated education materials:
 - Plain language descriptions of the by-law requirements and effective dates for charitable food providers
 - Clear guidelines on substitute materials to use instead of polystyrene foam that can be recycled through Recycle BC's residential recycling program or composted in the City's Green Bin program
 - Materials that educate on whether substitute materials should be recycled, composted or disposed in another way
- Retain organizations that have relationships with charitable food providers to help deliver the education and outreach materials

Appendix E: Recommended Resolution for the 2019 UBCM Convention Regarding a Comprehensive Provincial Single-Use Item Reduction Strategy

Comprehensive Provincial Single-Use Item Reduction Strategy

WHEREAS the British Columbia extended producer responsibility (EPR) program for packaging and printed paper currently provides recycling collection for single-use items generated by the residential sector, but does not yet focus on reduction or reuse, or cover single-use items that are compostable or disposed of at businesses or in the public realm;

AND WHEREAS inter-municipal differences in policy for single-use items make it challenging for businesses to comply with multiple regulations, and the business community has expressed a strong desire for harmonization and consistent regulation for single-use items on the broadest possible scale;

THEREFORE BE IT RESOLVED that the provincial government adopt a provincial single-use item reduction strategy for single-use items that is parallel to or integrated with provincial EPR policy, emphasizes reduction and reuse, covers single-use items generated by all sectors and made of all material types, and would include but not necessarily be limited to plastic and paper shopping bags, disposable drink cups, take-out containers, straws and utensils, but would exclude all single-use items needed for medical use or accessibility needs.

BACKGROUND

In response to resolution 2018-B126 calling for a provincial single-use item reduction strategy, the Ministry of Environment and Climate Change Strategy stated that the Ministry:

- Commends the actions taken by local governments to develop single-use item strategies and other related initiatives to reduce plastic in the environment;
- Currently regulates disposable packaging from the residential sector through Extended Producer Responsibility (EPR) programs;
- Has identified single-use items as an area of concerted Ministry focus over the coming months; and
- Will continue to engage with local government as Ministry staff work towards further strengthening current policies and programs.

The City of Vancouver appreciates the Ministry's attention to the issue of single-use items and welcomes the opportunity to work with Ministry staff to strengthen policy and programs. Recognizing that B.C. is a leader in EPR policy and programs, there are several limitations with the current policy for packaging and printed paper that need to be addressed before it can be relied upon to address single-use items. Some gaps include:

- Under the B.C. Recycling Regulation, producers are only responsible for packaging and paper products generated by the residential sector.
- The regulation requires producers to be responsible for collecting and managing compostable packaging, as well as packaging and paper products in parks and on streets, but this has not been enforced.
- The regulation includes a pollution prevention hierarchy that sets the expectation for producers to maximize redesign, reduction and reuse before undertaking recycling, energy recovery and disposal; however, this has not been enforced, and the program

has not been required to adopt targets or significant actions for redesign, reduction and reuse.

- Many shopping bags and single-use items used for take-away foodware are generated by small businesses that are not covered by the Recycling Regulation. The regulation would need to be expanded to include these materials, or a complementary policy approach is needed, in order to address all single-use items.

As a result, local governments are stepping in to respond to public pressure to address single-use items in their communities. (86% of Vancouver residents see the importance of reducing single-use items.) If municipalities are left to fill the policy gap, there is a risk of creating a patchwork of regulations across the province, resulting in compliance challenges for businesses. Inconsistent programs across the province could also create public confusion, which impedes widespread consumer behaviour change and a movement to reduce single-use items.

Appendix F: Recommended Resolution for the 2019 UBCM Convention Regarding Compostable Single-Use Items

Compostable Single-Use Items

WHEREAS businesses are beginning to switch to compostable single-use items for to-go meals and beverages, yet this material is not designed to biodegrade if littered, and is not guaranteed to biodegrade in industrial compost facilities because standards and certifications are not aligned with existing infrastructure that is designed to compost food scraps and yard waste;

AND WHEREAS local governments are facing increasing pressure to collect and manage this material, yet it is beyond local government's ability to control compostable packaging design or finance the specialized collection and processing infrastructure required for compostable packaging;

THEREFORE BE IT RESOLVED that the Provincial Government ensure that compostable packaging (including single-use take-out foodware) distributed in Canada is designed to fully biodegrade if littered in the natural environment, that standards and certifications for compostable packaging are aligned with composting infrastructure, and that compostable single-use items are collected and managed through an extended producer responsibility program that covers the residential and commercial sectors as well as the public realm.

BACKGROUND:

Through stakeholder consultation on its Single-Use Item Reduction Strategy, the City of Vancouver has determined that businesses are beginning to switch to compostable plastic single-use items for to-go meals and beverages in the belief that this is a solution to the global issue of plastic pollution and plastic packaging. As a result, the City is facing increasing pressure to develop composting infrastructure to manage compostable plastic products.

Research conducted by the City of Vancouver found that compostable plastics are not designed to biodegrade when littered in the natural environment. Waste from single-use items, such as cups and take-out containers, make up about 50% of all items collected in public waste bins and are a significant portion of the litter found on Vancouver streets. Of large litter items found in Vancouver's streets, parks and public spaces, 22% is cups, lids and sleeves, 19% is take-out packaging, 2% is plastic bags and 1% is paper bags. Foam, straws and plastic bags were also among the top 12 most common items found in Vancouver shoreline cleanups in 2018.

Plastic bags, cups, take-out containers, utensils and bags—even those marked biodegradable or compostable—are not accepted in the City of Vancouver's residential Green Bin program, which is designed to accept food scraps and yard waste from residents. The City of Vancouver does not own or operate a composting and organics facility. All green bin and organic material collected within the whole of Metro Vancouver is composted at private sector facilities. These facilities specify the quality of material that the City is able to deliver and poor quality material can result in financial penalties or refusal of loads.

Compostable plastics do not break down quickly enough at the local processors that receive organic material from the City of Vancouver and, as a result, compostable plastics may reduce

the quality of the finished compost. In addition, it is challenging for both residents and composting facilities to tell non-compostable plastics apart from compostable plastics, resulting in cross-contamination between recycling and compost collection systems. In the process of working to ensure compost quality, compost facilities may treat all plastics, including compostable plastics, as a "contaminant" by screening them out and sending them to landfill or incinerator.

The Province of British Columbia, not local governments, approves what materials can be accepted in local composting facilities. Currently, plastics and compostable plastics are not considered acceptable materials under the Organic Matter Recycling Regulation (OMRR). In 2018, the Ministry of Environment and Climate Change Strategy consulted on the possibility of designating compostable plastics as an acceptable material in the regulation--alongside introducing new limits to restrict the amount of plastic pieces in finished composted. The Ministry continues to evaluate the feedback received from this consultation:-

British Columbia is a leader in extended producer responsibility (EPR). EPR is a policy approach that makes producers of products and packaging responsible for managing this material at end-of-life, which is a fundamental tenant of the circular economy. The B.C. Recycling Regulation requires EPR for all residential packaging and paper products. Under this regulation, the Recycle BC program was introduced in 2014. Recycle BC introduced recycling opportunities to new materials and invested millions of dollars in local recycling sorting infrastructure. Now that the program has matured for recycling, there is a need and opportunity to expand EPR to compostable packaging, and cover single-use items generated by not only the residential but also the commercial sector and in the public realm.