

Sent via email to: minister.mecp@ontario.ca

March 19, 2019

The Honourable Rod Phillips
Minister of the Environment, Conservation and Parks
College Park,
777 Bay St, 5th Floor,
Toronto, ON
M7A 2J3

Re: Request your support to move responsibility for the Blue Box to full producer responsibility in Ontario in a timely manner

Dear Minister Phillips,

As a follow up to our meeting earlier this month, I wanted to thank you for your efforts in tackling the issues of litter and waste in our communities. New initiatives to decrease the amount of waste going to landfill, address single-use products and packaging, increase the Province's overall diversion rate, and reduce greenhouse gases from the waste sector are welcomed by municipal governments.

Municipal governments are committed to working in partnership with the Province to deliver on these objectives. While we will provide a thorough response to the discussion paper (*Reducing Litter and Waste in our Communities*), we wanted to highlight the need for certainty related to transitioning the Blue Box program to full producer responsibility.

AMO strongly believes that Ontario is well prepared to transition the Blue Box program in a timely manner to the *Resource Recovery and Circular Economy Act, 2016* (RRCEA), and that transition should be prioritized.

There is agreement amongst all stakeholders that the current Blue Box system is not working. It is costly for all and, without substantive changes, these costs are expected to steadily increase. The system has no ability to respond to today's realities including the rapidly changing composition of paper products and packaging (PPP), the necessary investments in collection and processing infrastructure, and the demand for higher quality from end markets. The structure of the current system means that no stakeholder has the tools they need to manage PPP materials effectively or efficiently.

Making producers fully responsible for managing the PPP that they supply into Ontario fundamentally changes this structure. Producers are best positioned to reduce waste, increase the resources that are recovered and reincorporated into the economy and enable a consistent province-wide system that makes recycling easier and more accessible. That is why there has been broad support to transition the Blue Box program to the RRCEA.

Over the last two years, municipal governments, producers of PPP, service providers, and environmental non-governmental organizations (ENGOS) have collaborated to explore the best approach to transitioning the Blue Box program. While unsuccessful, the amended Blue Box Program Plan process provided essential learnings.

The most important learning is that this interim step is unnecessary and perpetuates many of the challenges all stakeholders currently face. Moving PPP under the RRCEA is the ultimate goal of all stakeholders and all parties will benefit from initiating this process as soon as possible.

The RRCEA ensures transparency; it focuses on outcomes over process; provides producers with flexibility in decision-making; and ensures proper oversight and enforcement. It also smoothly moves us away from a process that requires constant government intervention.

As a result, we believe that the best way to start to achieve a smooth transition of the Blue Box is for the Minister to send a letter to initiate the process for a new regulation under the RRCEA as soon as possible. The same approach has already been successfully taken for used tires, and is being used for waste electrical and electronic equipment and municipal household hazardous waste. It is now a well understood process.

Initiating the process to a regulation as soon as possible will allow for more time for important collaboration to occur. It will provide certainty to:

- Enable much needed investments into Ontario's recycling collection and processing infrastructure;
- Allow for informed business decisions between municipalities and their contractors;
- Enable producers to prepare to assume their future obligations;
- Enable producers to drive towards outcomes-based performance standards, and incentivize them to innovate their products and packaging; and
- Provide a schedule and framework for municipal governments, their existing service providers, producers, and their future service providers to develop interim steps that will enable a smooth transition.

We suggest that the letter specify adequate time for consultation with the regulation coming into force by the third quarter of 2020; municipal governments would begin to transition by the fourth quarter of 2021; and all municipal Blue Box programs would be fully transitioned by the end of the third year (2024).

The regulation under the RRCEA would prescribe a defined transition mechanism that would allow for a municipal self-nomination process over three years with an annual cap on the amount of PPP collected that can transition. We understand this transition mechanism is necessary to allow for change that is both orderly and balanced.

We believe all sides have learned lessons from the amended Blue Box Program Plan process and now have a better appreciation of the need to work together to constructively address these issues through the regulatory process. With this critical first step, we are confident that a smooth transition of the Blue Box can be achieved. Business certainty will result in greater innovation, economic opportunity, and improved environmental outcomes for all of our communities.

We would be pleased to meet with you as you consider the next steps for waste and litter in Ontario.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'JMCG', with a long horizontal line extending to the right.

Jamie McGarvey
AMO President
Mayor of Parry Sound

cc: The Honourable Steve Clark, Minister of Municipal Affairs and Housing