

February 16, 2018

Mr. John Coyne
Chair, Stewardship Ontario
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Toronto, ON M4V 1K6

Via Email: john.coyne@unilever.com

Dear John:

Re: Process to Amend the Blue Box Program Plan

Thank you very much for your presentation of Stewardship Ontario's proposal and your letter of February 13, 2017 to establish a collaborative process to amend the Blue Box Program Plan (a-BBPP). Specifically we appreciate your commitment included in your letter that states, *"We will need to work together to develop these details through a collaborative decision-making process that enables us to resolve any issues and concerns in real time."*

We welcome the opportunity to work closely with you to define a process by which the policy and operational issues we have raised with the existing draft of the a-BBPP can be addressed.

As you know, the five main concerns municipal governments have with the current draft of the a-BBPP are:

1. **Move to Individual Producer Responsibility** – The objective of the a-BBPP as set out in the Minister's Program Request Letter was to set the stage for a second phase of transition that will result in individual producer responsibility under the *Resource Recovery and Circular Economy Act* (RRCEA) in a timely manner. Under the Minister's Directive we expected the a-BBPP would provide an interim step to ease transition from a municipally-operated Blue Box system to direct steward management, provide mechanisms to assess transition, and determine readiness for moving to the RRCEA.
2. **Need for good governance and balanced decision-making** – The a-BBPP as currently drafted would give unilateral decision-making powers over key elements of the transition and operation of the Program to Stewardship Ontario before the move to individual producer responsibility. In effect, the proposed a-BBPP would grant unilateral control to Stewardship Ontario well before full producer responsibility is achieved. Until the current municipally-operated Blue Box system can be successfully transitioned to individual producer responsibility, more balanced controls are necessary for the protection of all stakeholders.
3. **Ensuring Transparency** – Transparency and fairness are the keys to successful transition. Details regarding scope, material and performance definitions, measurement methodologies and verification protocols are essential for all stakeholders to judge its merits as these key elements are not clearly described in the a-BBPP.

4. **Environmental outcomes**– Advancing environmental gains and promoting the development of a circular economy for paper products and packaging (PPP) is the purpose of the a-BBPP. As currently drafted the a-BBPP does not clearly define preferred management options, or show how they will be measured, reported and verified. It also does not address the Minister’s Program Request Letter to establish methods to facilitate the reduction of PPP and to discourage the use of non-recyclable and problematic materials.
5. **Legacy Concerns** – There are a number of issues specific to municipal governments that were addressed in the Accord to facilitate transition in a reasonable and fair manner, but have not been resolved in the proposed a-BBPP or the Program Agreement. These include agreement on the payment of eligible costs for non-transitioned municipalities, management of newspapers at no cost to municipalities, and collaborative efforts to minimize the potential for stranded assets.

It needs to be emphasized that there are fundamental policy issues that need to be addressed early in this collaborative process in order for real progress to be made. As the first step in this collaborative process, we should meet again to review the challenges before us and to work together to define how we move forward. It would be useful to have the Resource Productivity and Recovery Authority attend as well.

The Accord signed by Stewardship Ontario and municipal governments started this process. The Accord has been superseded by the Minister’s Program Request Letter of August 14, 2017 and that is now the measure by which the amended Plan must be evaluated.

It will be to our mutual benefit to ensure that the amendment process accommodates the interests of all affected parties. Engaging all key stakeholders will also be critical to ensure we emerge from this process with a successful Plan with broad support.

Municipal governments would appreciate the opportunity to discuss with you in more detail how a collaborative process to amend the Blue Box Program Plan can address the policy and operational issues that we have identified.

Best regards,



Mr. Mac Bain, Chair
AMO Waste Task Force



Mr. Jim McKay, General Manager
Solid Waste Management Services
City of Toronto



Mr. Fred Jahn, P.Eng, Chair
Regional Public Works Commissioners of Ontario



Ms. Karyn Hogan, Chair
Municipal Waste Association