

November 17, 2017

Recommendations:

- Place a requirement in every Resource Productivity and Recovery Authority's (RPRA) annual report (not Stewardship Ontario's) to address:
 - list of municipalities that have transitioned and those which have not;
 - the percentage of eligible Ontario households that have transitioned;
 - those expected to transition that year or in the following year;
 - expiry dates for collection & processing contracts in all municipalities (transitioned and non-transitioned);
 - barriers to those that are not expected to transition and discussion on how these barriers will be overcome; and,
 - a list of issues and resolutions associated with transitioning municipalities.
- Require RPRA to complete a review and evaluate the transition process under the amended Blue Box Program Plan (a-BBPP) and make recommendations on full transition to the *Resource Recovery and Circular Economy Act* (RRCEA) in the 4th year of an approved a-BBPP to be delivered in the beginning of 5th year.
- The Authority would set the evaluation criteria and the review team would need to include representation from municipalities (selected by the Association of Municipalities of Ontario (AMO) and City of Toronto), from service providers (Ontario Waste Management Association (OWMA) or equivalent), from environmental non-governmental organizations (ENGOS) (Recycling Council of Ontario or equivalent), and from the public (Minister's selection).
- The a-BBPP would expire 5 years after approval.
- Contracts between Stewardship Ontario and municipalities, service providers and with obligated stewards/members must not impose barriers to transition to or to fair competition under RRCEA.
- Contracts held by Stewardship Ontario for all collection and processing services for paper products and packaging (PPP) must be transferrable to a third party without penalty upon regulation of PPP under the RRCEA.
- Contracts between Stewardship Ontario (or its affiliated organizations such as CSSA) must not prohibit, excessively delay or impose penalties on obligated stewards/producers/members that under the RRCEA wish to:
 - Discharge their obligations through self-compliance; and/or,
 - Join an alternative collective compliance organization.

- An independent body should be established as a clearing house for individual producers and collective management organizations to ensure fair access to obligated PPP under existing collection and processing contracts through the transition to individual producer responsibility (IPR).
- The a-BBPP should include a description of the consultation process to be led by RPRA to determine how this “clearing house” will function.
- The consultation process and policy decisions needed on the proposed “clearinghouse” function should be completed within 18 months of approval of the a-BBPP to allow adequate time for market participants to prepare for a transition to a competitive compliance market.
- The Competition Bureau of Canada should be requested to participate in the consultation process and/or to review the proposed transition plan.

Background:

- On August 14, 2017 the Minister of Environment & Climate Change sent a [letter to Stewardship Ontario and the Resource Productivity and Recovery Authority](#) requesting them to formally initiate a consultation and bring forth a proposal on amending the Blue Box Program Plan (BBPP).
- The Minister stated:

My expectation is that this proposal will outline the first phase of transition for the Blue Box Program under the WDTA, and will set the stage for a second phase of transition that will result in individual producer responsibility under the Resource Recovery and Circular Economy Act, 2016 (RRCEA).
- There is a concern that an a-BBPP could lead to the perpetuation of Stewardship Ontario’s control over the market and the program will never move under the RRCEA.
- It is not possible to create a mechanism that will force the government to move forward with a new regulation under the RRCEA as the Minister’s decision cannot be fettered. However there should be a process included in the a-BBPP that provides the government with an opportunity to assess the transition process under the a-BBPP and consider transition to the RRCEA.

Granted the pace at which the process is moving, we will likely provide additional comments on this issue.