### Ask the Registrar: Blue Box Regulation Amendments

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#### Agenda

- 1. Overview of Blue Box Regulation amendments
- 2. Questions about the amendments to date
- 3. Open Q&A



## Overview of Blue Box Regulation amendments

#### **Ontario's Blue Box Regulation**

On June 3, 2021 the government released the <u>Blue Box Regulation</u>. The current Blue Box Program administered by Stewardship Ontario (SO) on behalf of stewards will transition to the new framework between July 1, 2023, and December 31, 2025.

- As of July 1, 2023, when municipalities and First Nation communities start transitioning their Blue Box programs to the new framework, Blue Box producers will become fully accountable and financially responsible for collecting and recycling their Blue Box materials when consumers discard them.
- Unlike under the SO program where stewards/producers were only responsible for funding 50% of the programs established by municipalities and First Nations to manage Blue Box materials, producers are now responsible for establishing a collection and management system to manage Blue Box materials, and for funding that system.

#### **Amending Ontario's Blue Box Regulation**

On April 14, 2022, the Government of Ontario made amendments to the Blue Box Regulation:

- 1. Rule creators and the rule creation process, including the allocation table, have been removed. Instead, each producer is responsible for providing Blue Box collection to every eligible source in Ontario and creating a provincial-wide system for collection.
- 2. Producer Responsibility Organizations (PROs) are now required to submit a report to RPRA on how they will operate the Blue Box system on behalf of producers.
- 3. Newspaper producers whose newspaper supply accounts for at least 70% of their total Blue Box supply are exempt from collection, management, and promotion and education requirements.

#### Scope

The amendments do not change or impact:

- Any producer registration or 2020 supply data reporting to RPRA
- Most producers' 2021 supply data reporting to RPRA due October 31, 2022
- Processor registration due April 29, 2022
- The materials collected in the Blue Box system
- The communities that receive collection or the collection requirements
- The transition schedule and its timelines

#### Creating a province-wide system

- Rule creators and the rule creation process, including the requirement for an allocation table, have been removed.
  - Representation agreements between PROs and producers for rule creation purposes have been removed as one of the services PROs can provide.
- The allocation table, which would have been created based on the rules established by the rule creators, would have assigned individual collection locations to individual producers. Instead, each producer is responsible for providing Blue Box collection to every eligible source in Ontario and creating a provincial-wide system for collection.
- Similar to other RRCEA Regulations (e.g., Tires), a single collection system can be created and operated on behalf of every producer by one or more PROs instead of multiple collection systems.

#### **PRO Initial Report**

The amended regulation now requires PROs to submit a report to the Authority by **July 1, 2022**, providing the following information:

- A description of how the PRO will comply with the collection requirements of the regulation, including any agreements between themselves and any other PRO
- A detailed description of how the PRO will make collected Blue Box materials available for processing, how materials will be processed and the expected location of receiving facilities in Ontario
- A description of how the PRO will comply with the promotion and education requirements of the regulation

#### **Submitting the PRO Initial Report**

- The PRO initial report can only be submitted by a PRO or multiple PROs through agreement.
- The PROs submitting the report must represent (via agreement) producers responsible for more than 66% of the aggregate weight of Blue Box material supplied to consumers in Ontario in 2020.
- Once the report is received, and it is confirmed by RPRA that it was submitted by PROs that represent (via agreement) producers responsible for more than 66% of the aggregate weight of Blue Box material supplied to consumers in Ontario in 2020, it will be posted to RPRA's website.

#### **Newspaper producer exemption**

- Newspaper producers may be exempt from collection, management and promotion and education requirements.
- For a producer to qualify for this exemption, newspaper must account for at least 70% of their total weight of Blue Box materials supplied to consumers in Ontario in a calendar year.
- Newspaper producers must register and report to the Authority (including the weight of their newspaper supply) to determine if they are exempt.
- If exempt, the producer is not required to meet collection, management, and promotion and education requirements for all Blue Box materials they supply in Ontario for that calendar year.

#### Newspaper producer exemption continued

- A producer whose newspaper supply accounts for less than 70% of their total weight of Blue Box materials is subject to all producer requirements for all Blue Box materials they supply in Ontario.
- Newspapers and newspaper producers (exempt or not) are still:

   an obligated material under the regulation
   required to be collected in the Blue Box system
   to be reported to RPRA
   subject to compliance and enforcement activities including inspections

#### **Newspaper producer exemption continued**

For the purposes of the regulation, newspapers:

- Are made of newsprint only
- Include any protective plastic wrapping and any supplemental advertisements and inserts that are provided with the newspaper
  - Inserts supplied individually or in plastic packaging with other inserts to Ontario consumers do not count towards exemption

#### **Important reminders**

• RPRA is a resource for regulated parties who have any questions about their regulatory requirements or how to meet those requirements.

• Contact the Compliance Team at <u>registry@rpra.ca</u> or 833-600-0530.

- The producer registration deadline was October 1, 2021 (including reporting of 2020 supply data). Producers must submit their Registration Form and email it as an attachment to registry@rpra.ca as soon as possible.
- 2021 supply reporting has not yet opened. Once reporting begins, Blue Box producers must submit their supply data report to RPRA by October 31, 2022.

#### **Questions received about the PRO Initial Plan**

- 1. Who is responsible for approving the report, and what happens if it is not approved?
- 2. Could you please advise whether there would be opportunities for producers to join any discussions around program design in light of the new amendments? Would producers be able to take part in any discussions pertaining to the design of the system now that allocation tables and rule-making process is no longer applicable, or will these discussions strictly involve the PROs?
- 3. Are the weight of compostable excluded from the calculation of whether a PRO or PROs represent 66%?

#### **Questions received about the Rule Creation Process**

1. In the amended Blue Box Regulation, rule creation is no longer a service provided by PROs to producers. Could you please clarify this and the impact on producers and/or the Blue Box system?

## Questions received about Newspapers – Producer registration and reporting

- 1. If a producer meets the 70% weight threshold, are they exempt from registering and reporting Blue Box tonnage and payment of RPRA fees associated with that tonnage?
- 2. How should a transitioning municipality that is also a producer report on newsprint? Is it by weight? Or management cost?
- 3. Our understanding is that newspapers who qualify as small producers with less than \$2M in revenues are not required to register and report to RPRA. Can you confirm that this interpretation is correct?

#### **Questions received about Newspapers – Reporting Targets**

- 1. Now that other producers will be picking up newsprint, will there be a target for newsprint recovery and how will it be enforced?
- 2. Who will define how newsprint will be reported? If it's individual producers, or PROs, there are concerns about transparency. It would be helpful to have a directive from RPRA setting out for all producers how newsprint will be dealt with.
- 3. Will newspaper producer who are exempt have to report their resource recovery performance?

## Questions?



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