

Consultation on Blue Box Supply Reporting Guidelines and Management Performance Audit Procedure

Consultation period:
October 2 to November 16, 2026



Consultation overview



Consultation overview

- RPRA is consulting on two proposed documents that provide detailed direction on Blue Box performance audit reporting and supply reporting:
 - **Proposed Blue Box Verification & Audit Procedure:** Sets out the procedures for third-party audits that verify Blue Box performance reports submitted to RPRA, as required for producers or PROs on their behalf beginning in 2027 and every three years thereafter.
 - **Proposed Blue Box Supply Reporting Guideline:** Provides updated direction on how Blue Box producers determine and report paper, packaging, and packaging-like products annually.
- The consultation period began on October 2nd and will remain open for 45 days. You may review the draft documents and send your written feedback to consultations@rpra.ca by **November 16, 2026**.
- The finalized procedure will be used by Blue Box producers and PROs starting with the 2027 reporting cycle.
- Visit the [Consultation on Blue Box Supply Reporting Guideline and Management Performance Audit Procedure webpage](#) to learn more

Proposed changes to Blue Box supply reporting



Why is RPRA changing Blue Box supply reporting?

- There are two reasons underpinning this change:
 - RPRA's Business Plan outlines a mandate that 80% of supply and performance data is verified by 2031 (and ongoing thereafter), and outlines commitments to reduce freeriders. Changes are needed to achieve this objective.
 - Producers deserve answers, grounded in data and statistics, from their regulator explaining the peculiar data trends like Ontario's Collected over Supply percentages. Those are answers we are best able to deliver by asking more details during supply reporting.
- The proposed supply reporting changes during our consultation will enhance RPRA's ability to validate supply information more quickly, and significantly more thoroughly than we are doing today.
- To understand more on the 'why' behind this consultation, the next slide will speak to how our Audit & Risk Team's Inspection process is evolving.

Category	2025 Data Year Net Supply (reported in 2026)	2025 Collected	Collected / Net Supply	<u>Estimate:</u> (Collected / Net) / Collection System Transitioned
Beverage container	94,708	60,058	63%	75%
Glass	64,471	62,374	97%	114%
Flexible plastic	79,713	13,749	17%	20%
Rigid plastic	132,915	69,993	53%	62%
Metal	42,820	22,267	52%	61%
Paper	465,752	391,904	84%	99%

2027 Supply Reporting Inspection Workflow

Risk assessment

Assessment of risk

Purpose

Perform an initial risk assessment and analytical review of reported information using data available in the Registry.

Focus on

- Assess completeness, consistency and overall reasonableness
 - Identify significant or unusual fluctuations, inconsistencies and risk indicators
 - Assess the risk of material misstatement or non-compliance
 - Determine the nature, timing and extent of further procedures

Outcome

- No significant exceptions identified: report accepted
- Low risk identified: report accepted, with note on account
- Medium/High Risk identified: escalate to Verification Review for targeted evidence testing

Verification review

Targeted evidence testing

Purpose

Perform targeted procedures responsive to identified risks and obtain sufficient appropriate evidence to assess the reliability of reported information.

Focus on

- Obtain and evaluate sufficient evidence
 - Perform targeted inspection and reconciliations
 - Test reported amounts against underlying source documentation
 - Evaluate inconsistencies between reported information and supporting records
 - Assess whether identified exceptions are material or indicate the risk

Outcome

- Sufficient evidence provided: report accepted
- Misstatement identified and resolved: adjustments completed
- Significant risk identified: escalate to Audit
- Evidence of non-compliance: referral for enforcement team for action

Audit

Risk-based examination

Purpose

Perform a comprehensive risk-based examination of reported information underlying records, reporting processes and relevant internal controls.

Focus on

- Evaluate end-to-end reporting processes and implementation of relevant internal controls
- Perform expanded testing of transactions, source records and supporting documentations
- Conduct evidence-based validation procedures, including on-site activities where appropriate to support conclusions
- Assess whether identified issues are isolated or systematic to the reporting process

Outcome

- Sufficient evidence provided: report accepted
- Misstatement identified and resolved: adjustments completed
- Material or non-compliance identified: remediation required and follow-up procedures performed, where appropriate, a one-year review may be required to see that internal controls are properly updated

Supply reporting - How it works today

Current state

- Currently, producers submit three areas as part of their blue box supply report:
 - **Tonnes:** Tonnage information for 6 regulated categories (paper, rigid plastic, flexible plastic, metal, glass & beverage containers)
 - **Deductions:** Tonnage information for deductions related to each of the 6 regulated categories above.
 - When filing, the producer is required to upload a document speaking to the methodology underpinning those deduction
 - **Brand List:** A list of brands that the producer is responsible for, based on the definition of a brand holder

Proposed changes

- A Producer Responsibility Organizations across Canada have developed a harmonized list of 62 reporting categories (57 applicable in Ontario). This list is being adopted by organizations in Manitoba, Saskatchewan, British Columbia, Quebec, Alberta, New Brunswick, Nova Scotia, Yukon, and by a competitive Producer Responsibility Organization in Ontario.
- Ontario is the only province with a competitive Producer Responsibility Organization model. As other provinces adopt the harmonized list, consistent reporting categories are becoming the national standard, and many large producers already report using this approach across jurisdictions.
- Feedback from producers indicates this would not create additional reporting burden, as the information is already being collected and reported through existing processes.

Supplied Tonne Reporting

The following represents the 57 categories in the Harmonized List of Categories used across Canada:

Paper

- Newsprint
- Newsprint (inserts and circulars)
- Magazines, Catalogues and Directories
- Paper for General Use and Other Paper

Paper Packaging

- Gable Top Containers – Beverage
- Gable Top Containers
- Aseptic Containers – Beverage
- Aseptic Containers
- Polycoated/ Laminated Paperboard
- Polycoated/ Laminated Paper
- Kraft Paper and Packaging
- Corrugated Cardboard
- Paperboard and Moulded Fibre
- Other Paper and Paperboard Packaging
- Alternative Fibres

Steel Packaging

- Steel Aerosol Containers
- Steel Containers and Packaging
- Steel Containers – Beverage

Aluminum Packaging

- Aluminum Aerosol Containers
- Aluminum Containers and Packaging
- Aluminum Containers – Beverage

Glass Packaging

- Glass Packaging
- Glass Packaging – Beverage

Flexible Plastic Packaging

- LDPE/HDPE Transparent Flexible Packaging
- LDPE/HDPE Opaque Flexible Packaging
- PLA and Other Degradable Flexible Packaging
- PVC/ PVDC Flexible Packaging
- PP Flexible Packaging
- Multi-Material and Other Flexible Packaging
- Multi-Material and Other Flexible Packaging – Beverage
- Synthetic Textiles
- Certified Compostable Flexible Plastic Packaging

Rigid Plastic Packaging

- Clear/Transparent Blue or Green PET Bottles, Jars and Jugs
- Colour/Opaque PET Bottles, Jars and Jugs
- Clear/Transparent Blue or Green PET Bottles, Jars and Jugs – Beverage
- Colour/Opaque PET Bottles, Jars and Jugs – Beverage
- Clear/Transparent Blue or Green PET Thermoform Containers
- Colour/Opaque PET Thermoform Containers
- Other PET Rigid Packaging
- Natural HDPE Bottles, Jars and Jugs
- Colour/Opaque HDPE Bottles, Jars and Jugs
- Natural HDPE Bottles, Jars and Jugs – Beverage
- Colour/Opaque HDPE Bottles, Jars and Jugs – Beverage
- Large Format HDPE Rigid Packaging
- Other HDPE Rigid Packaging
- PLA or Other Degradable Rigid Packaging
- PLA or Other Degradable Rigid Packaging – Beverage
- Extruded/ Expanded PS - Food Packaging
- Expanded PS – Other
- PS Rigid Packaging
- PS Rigid – Beverage
- PP Rigid Packaging
- PP Rigid Packaging – Beverage
- PVC/ PVDC Rigid Packaging
- Other PP Rigid Packaging
- Other Rigid Plastic Packaging
- Other Rigid Plastic Packaging – Beverage
- Certified Compostable Rigid Plastic Packaging

Supply Methodology - How it works today

- Each Audit & Verification procedure outlines the methodology by which producers may assess their supply weights.
- Historically, Blue Box has claimed producers need to report using “Actual Weight”, without explaining what constitutes actual weight. RPRA has further explained that during Blue Box transition, producers can use alternative methods like Average Bill of Material. As next year is the first non-transition year, clarity is needed for the community.
- In other procedures, RPRA outlines multiple methods for reporting. Examples have included ‘actual weight’, ‘weight conversion factors’ and ‘Average Bill of Material’

Proposed State

- RPRA is interested in proposing a new methodological approach to reporting, better defining what ‘actual weight’ means.
- This approach would establish three reporting tiers. Producers would report the percentage of supplied material in each tier, with supporting evidence remaining valid for 3.5 years. The required proportions would gradually increase until reaching their final state in the 2030 reporting year, such that:

New Producer	Supply Year	Report Year	% of Gross Supply with Tier 1 method	% of Gross Supply with Tier 1 + Tier 2 method	% of Gross Supply with any listed method
Year 1	2026	2027	Ratios are tracked; no penalties/public disclosure for not achieving thresholds.		
Year 2	2027	2028	20%	30%	50%
Year 3	2028	2029	35%	60%	100%
Year 4+	2029+	2030+	50%	90%	100%

Methodology Examples

The following are examples of a Tier 1 methodologies:

- **Method 1.1- Actual Weight with Evidence.** The actual weight of paper, packaging, or packaging-like product provided by the producer or supplier, supported by documentation. Evidence includes:
 - (A) a photograph of the packaging on a scale,
 - (B) Packaging Specification Sheets stating material weight, or
 - (C) Technical Data Sheets stating material weight.All evidence must be retained for inspection purposes and remains valid if captured within 1,260 days prior to the producer's supply report filing date.
- **Method 1.2 - Near-Identical Supplied Unit Linked to a Method 1.1 Validated Unit.** The weight of a similar package that has already been validated, where differences such as flavour, colour, surface finish, or graphics are unlikely to affect packaging weight. This method cannot be used where packages differ in size, brand, or manufacturer.
- Refer the consultation for full list of methodologies. At a high level, Tier 2 contains methods like Weight provided by a vendor/distributor without evidence (e.g. emailed packaging weight), a granular form of Average Bill of Material (ABOM), and the use of Weight Conversation Factors from a RPRA-approved database. Tier 3 allows for ABOM by sales division.

Qualitative Information Form - How it works today

Blue Box supply reporting is unique among RPRA-regulated programs in that producers do not provide qualitative information. By contrast, other regulated programs require large producers to either submit a third-party audit or complete an internal qualified report containing prescribed questions.

Proposed State

- While we need additional qualitative information to properly verify producer's supply reporting, we know that producers are extremely cost conscious around EPR programs. As a result, we are proposing a qualitative portion to the supply report with no requirements on who internally completes the form – there is no need for the person to be an “internally Qualified person”, as mentioned in non-Blue Box supply reporting. RPRA's Audit & Risk Team will act as the verifiers of Blue Box information.
- For large companies, the consultation proposes a qualitative supply report completed by the producer (no restriction on who completes), as well as a producer attestation form, to be signed off by a corporate officer or leader. The person who signed off on the qualitative supply report cannot be the same person signing the producer attestation form.
- For small & medium-sized companies, there is a truncated, single form framed as a series of yes and no questions that producers need to complete. This replaces both the qualitative form and attestation form that large companies would need to complete.

Deductions

Under the Blue Box Regulation, producers may deduct material supply weight if it was collected from:

- **Industrial, Commercial and Institutional (IC&I) Sources:** Businesses or institutions, including offices, retail stores, shopping malls, restaurants, hotels, hospitals, community centres, places of worship, recreational or sports facilities, entertainment venues, post-secondary institutions, manufacturing plants, golf courses, cemeteries, and amusement parks.
- **Delivery and Installation Services:** Residential or facility locations at the time a related product was installed or delivered.

Proposed State

- As a proposed future state, we are moving to requiring RPRA pre-approval for deduction studies.
- If a producer is fielding a deduction study, they can no longer be applied as a blanket percentage across an entire brand, product line, or material group. RPRA recognizes that consumer behaviour and recovery rates vary significantly depending on product type and packaging configuration.
 - For example, consumer disposal habits for a 500mL PET bottle differ from those for a 2L PET bottle. Producers must isolate and report deduction data at the specific packaging configuration and material format level to ensure accurate net supply accounting.
- To further ensure statistical validity surveys must achieve a representative sample size of at least 1,029 respondents across Ontario, demonstrate that they have accounted for seasonal variances, account for key demographic variables, specifically age, gender, geographic region, and housing type.

Achieving Board Target

The RPRA Business Plan has set a strategic target, stating that 80% of supply and performance data must be verified on an ongoing basis by 2031. Because achieving this goal directly shapes the inspection cadence of Audit & Risk Team (ART), establishing a clear definition of "verified data" is essential.

Proposed State

- RPRA is proposing to define "verified tonnes" as supply data from a producer that has undergone an ART inspection within the previous three reporting years. Once inspected, a producer's reported supply would count toward the 80% verification target for three years before requiring revalidation.
- This approach maintains a risk-based inspection model while providing greater predictability for resource planning. Because approximately 150 High Obligation Producers account for roughly 80% of Blue Box supply, each would need to be inspected at least once every three years to maintain the target.
- Recognizing verified data over a three-year period reduces the need for repeated inspections of lower-risk producers and allows ART resources to be directed to a broader cross-section of producers.

Small & Medium-Size Business

RPRA is moving to define a Small & Medium-Size Business at a reporting producer (recall, producers need not report if below \$2M, or below certain tonnage requirements by material type), with 100 or fewer Full-Time Equivalent employees as of the most recent financial filing.

What we propose wont change

- SMEs will not have to report to RPRA by any new data categories (e.g. SMEs keep reporting to RPRA using only Paper, Ridged Plastic, Flexible Plastic, Metal, Glass & Beverage Containers)
- SMEs will not have to report expanded brand holder information – reporting here will remain the same
- SMEs will not have to report activity indicators

What we propose will change

- SMEs will have to report on their top 5 SKUs
- SMEs will have to complete a form asking a series of yes/no questions, and to fill out a table
- RPRA will be conducting a series of in-house deduction studies, which will support SMEs in claiming deductions

Consultation Questions

Some key areas that RPRA is interested in hearing back from producers are:

- **Harmonized List Categories:** What do producers think about the move to the Harmonized List of Categories used across Canada? Are there business impacts?
- **Approved Methodologies:** How do producers feel about the approved methodologies in the Data Integrity Tiers? We were attempting to balance of building in flexibility, increasing regulatory certainty, and while simultaneously increasing reporting quality/supply weight evidence – did we achieve the right balance there? Is the phased approach gradual enough?
- **Qualified Persons:** What are your thoughts on there being no requirement for a ‘qualified person’ to sign off on qualitative information, unlike other procedures? For Producers with High Obligations (PHO), is the requirement that a corporate officer sign the attestation too high a bar, given that the minimum cost for PHOs is measured in millions?
- **Deduction Methodologies:** How do producers feel about the deduction methodology proposed?
- **Three-Year Timeline:** Is the three-year timeline for ‘verified tonnes’ per the board target how we should be framing verified supply tone reporting? Note that reducing means more frequent inspections for PHOs, and less ability for the Audit & Risk Team to more broadly inspect producers

Development of Blue Box Management Performance Audit Procedure



Background

- *Section 67 of Blue Box Regulation* requires third-party audit of management system
 - First audit is scheduled for May 31, 2027
 - Subsequent audits every three years
- Audits must be conducted in accordance with Blue Box Audit and Verification Procedure, as published by RPRA
- PROs typically facilitate the audits
 - Auditors may seek information from processors contracted by the PRO

What We Heard in Phase One (2025)

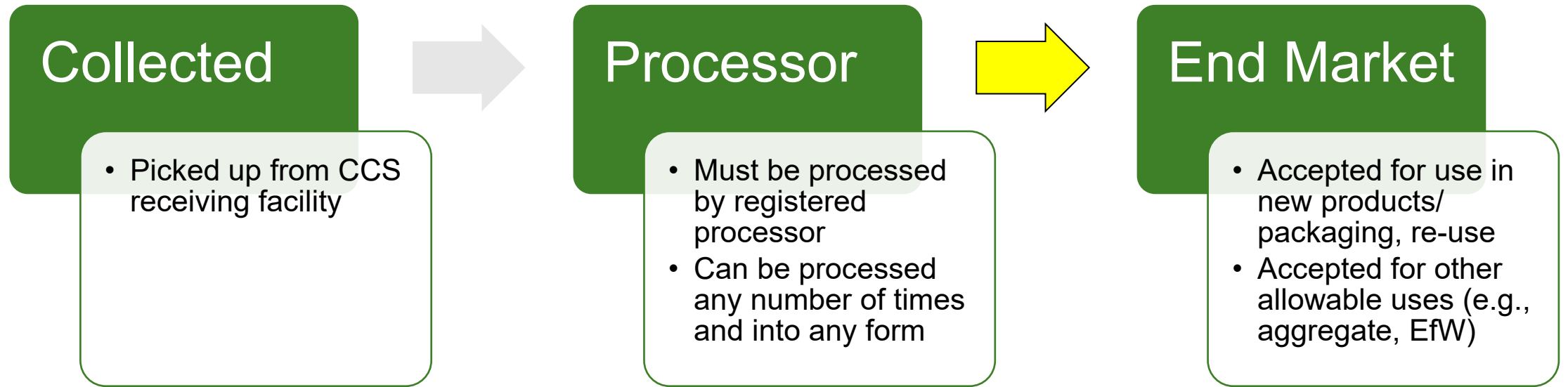
RPRA completed phase one of the consultation on the audit approach from December 2024 to February 2025

- Visit the [consultation page for details](#)

Key Themes

- Complexity of value chains for recovered resources
- Commercial sensitivity of end market data
- Compliance burden of prescriptive methodologies

Overview



- To be eligible for producer management requirements, blue box materials must be:
 - i) processed
 - ii) accepted by an end market
- Transfer between registered processor and end market is the focus of management performance audit procedure

Definitions for Recovered Resources and End Markets

*Recovered Resources claimed against a producer's management requirement must meet the **General Conditions** and be accepted by an **End Market***

“Recovered Resource” is a blue box material that is managed under Part VI of the Blue Box Regulation.

“End Market” is a person that receives a recovered resource for uses that, as per section 41 of the Blue Box Regulation, conforms to the following:

1. Re-use for their original purpose or function; or,
2. Use in new products or packaging; and,
3. Use as aggregate where such use contributes to a maximum of 15 per cent of the producer's management requirement for any material category; or
4. Use in the support of soil health or crop growth that is created through the combination of recovered resources created from paper and with organic matter; and,
5. Use in a product that is fuel or a fuel supplement or incinerated for the purpose of producing electricity where such use contributes to a maximum of 15 per cent of a producer's management requirement for a material category where the recovered resources is a residue from a recovery process

“General Conditions” for the weight of a Recovered Resource to count towards a producer's management requirement:

1. The weight of the recovered resources may only be counted one time by the producer and must not be counted by more than one producer;
2. The recovered resources must be recovered from blue box materials supplied to consumers in Ontario; and
3. The recovered resources must have been processed within three months of the registered processor who reported the recovered resources receiving the blue box material from which they were recovered.

Audit Procedures and Requirements

All audit reports must be reasonable assurance reports prepared in accordance with CSAE 3000

- Conducted by independent auditor who holds certificate of authorization under the *Public Accounting Act, 2004*
- RPRA provides non-prescriptive “suggested audit procedures for CSAE 3000 engagement”

An auditor must validate recovered resources for them to be counted towards producer management requirements

- There is no specific RPRA requirements for information disclosure between PROs and processors
- Foreseeable that auditor would need access to processor data for validating management requirement

Calculation Point and Acceptable Methodologies

“**Calculation point**” is the point at which recovered resources have been processed into a form that has been accepted by an end market and the point at which a producer may calculate the weight of recovered resources in respect of the producer’s management requirement.

RPRA, and the auditor, need assurance that:

- Recovered resources were accepted by an end market
- No ineligible materials (e.g., non-blue box material) were counted towards the management requirement

RPRA has draft guidelines for determining applicable weight at the calculation point:

- Bale audits
- Contractual specifications
- End-market average yield

Consultation questions

- RPRA encourages Blue Box producers, PROs and their auditors to provide written feedback on the following questions:
 - Is it reasonable to conduct the first performance audit by May 31, 2027?
 - Do you agree with the audit focus on the final step of the value chain?
 - Do you agree with the definitions? Are additional definitions needed?
 - Are the three methodologies sufficient for determining weight at the calculation point?
 - Are there remaining areas of compliance burden?