Consultation on Blue Box Verification and Audit Procedure

Consultation period:
October 2 to November 16, 2026

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RPRA Resource Productivity & Recovery Authority



Agenda

1. Consultation overview
2. Development of Blue Box Management Performance Audit Procedure
3. Appendix – typical management chain diagrams



RPRA Resource Productivity & Recovery Authority

Consultation overview



RPRA Resource Productivity & Recovery Authority

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 and 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
- **This consultation webinar will focus on the Blue Box Verification and Audit Procedure and performance audit reporting**
  - There was a separate webinar related to the Supply Reporting Guideline earlier today
- 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 documents will be used by Blue Box producers and PROs starting with the 2027 reporting cycle
- Visit the Consultation on Blue Box Verification and Audit Procedure and Supply Reporting Guideline webpage to learn more

Development of Blue Box Management Performance Audit Procedure



RPRA Resource Productivity & Recovery Authority

Blue Box management performance audit reporting: Background and current state

- *Section 67 of Blue Box Regulation* requires third-party audit of management systems
  - First audit is scheduled for May 31, 2027
  - Subsequent audits every three years

- Audits must be conducted in accordance with RPRA's Blue Box Audit and Verification Procedure

- PROs typically facilitate the audits
  - Auditors may seek information from processors contracted by the PRO

What we heard in phase one (2025)

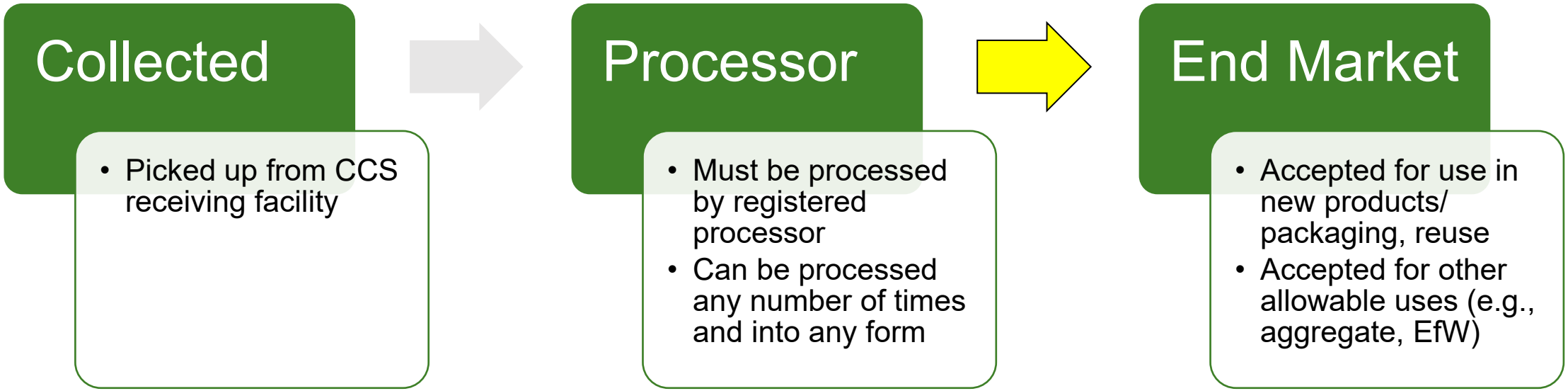
RPRA completed phase one of the consultation on the audit approach from December 2024 to February 2025

- 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 of management performance audit



- 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.

Suggested 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?

Feedback

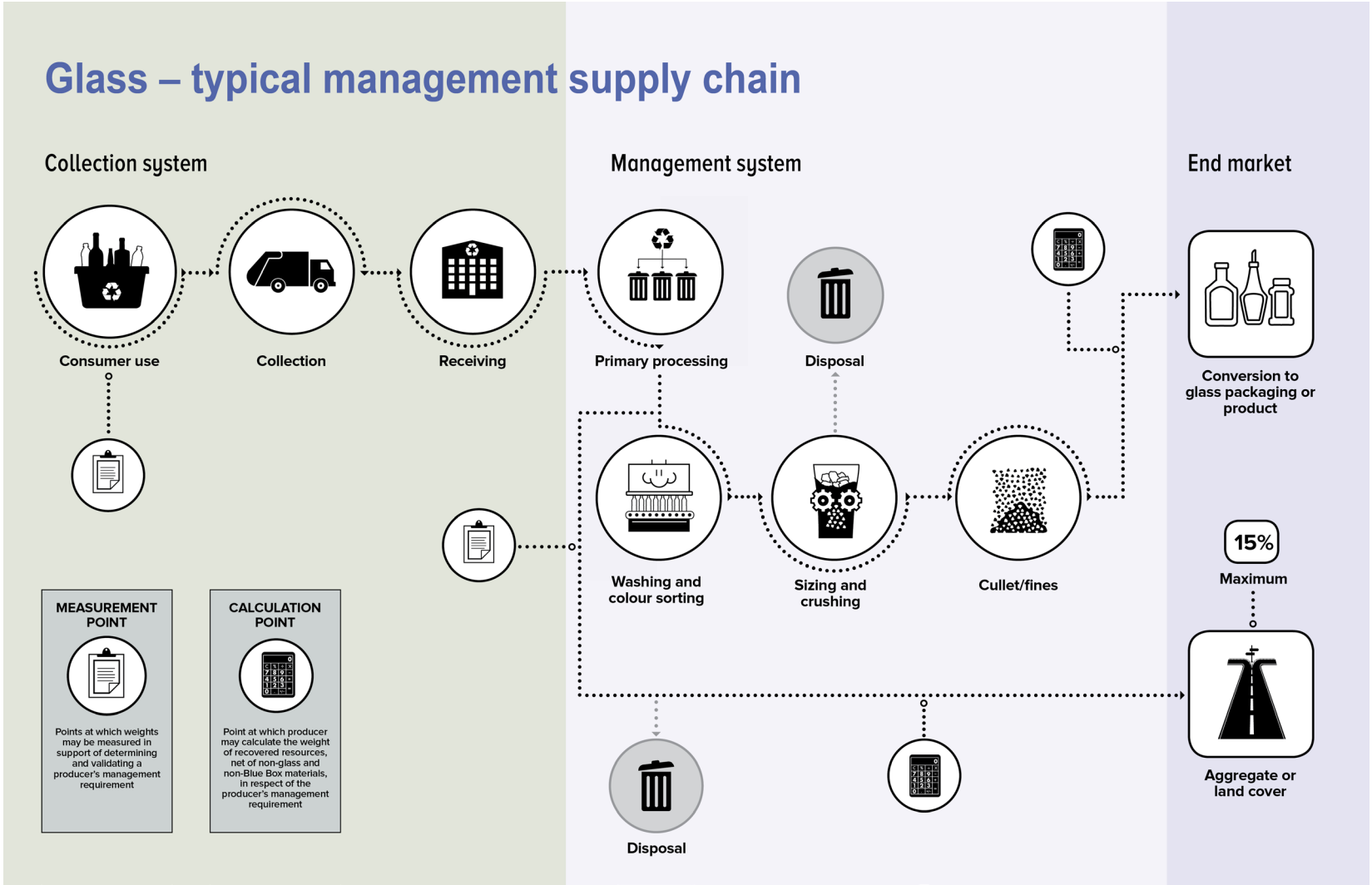
- If you have questions about the proposed documents or would like to discuss it in more detail, email us at consultations@rpra.ca.

- All feedback received will be considered in our decision-making process when finalizing the Blue Box Supply Reporting Guideline and Blue Box Audit and Verification Procedure.

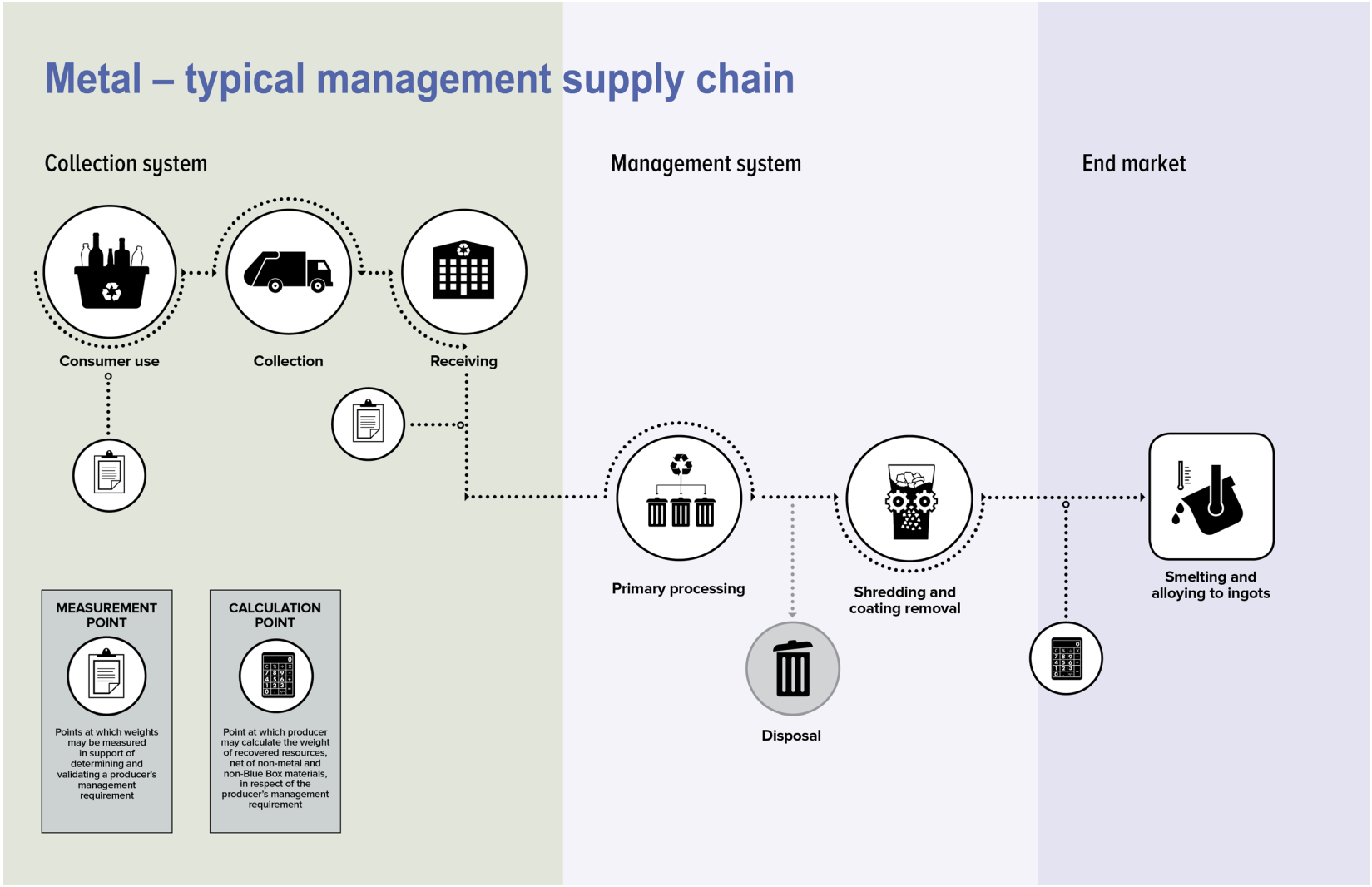
- Email your feedback to consultations@rpra.ca on or before November 16, 2026.

- The finalized documents will be used by Blue Box producers and PROs starting with the 2027 reporting cycle. Stakeholders will be notified when the final documents have been posted.

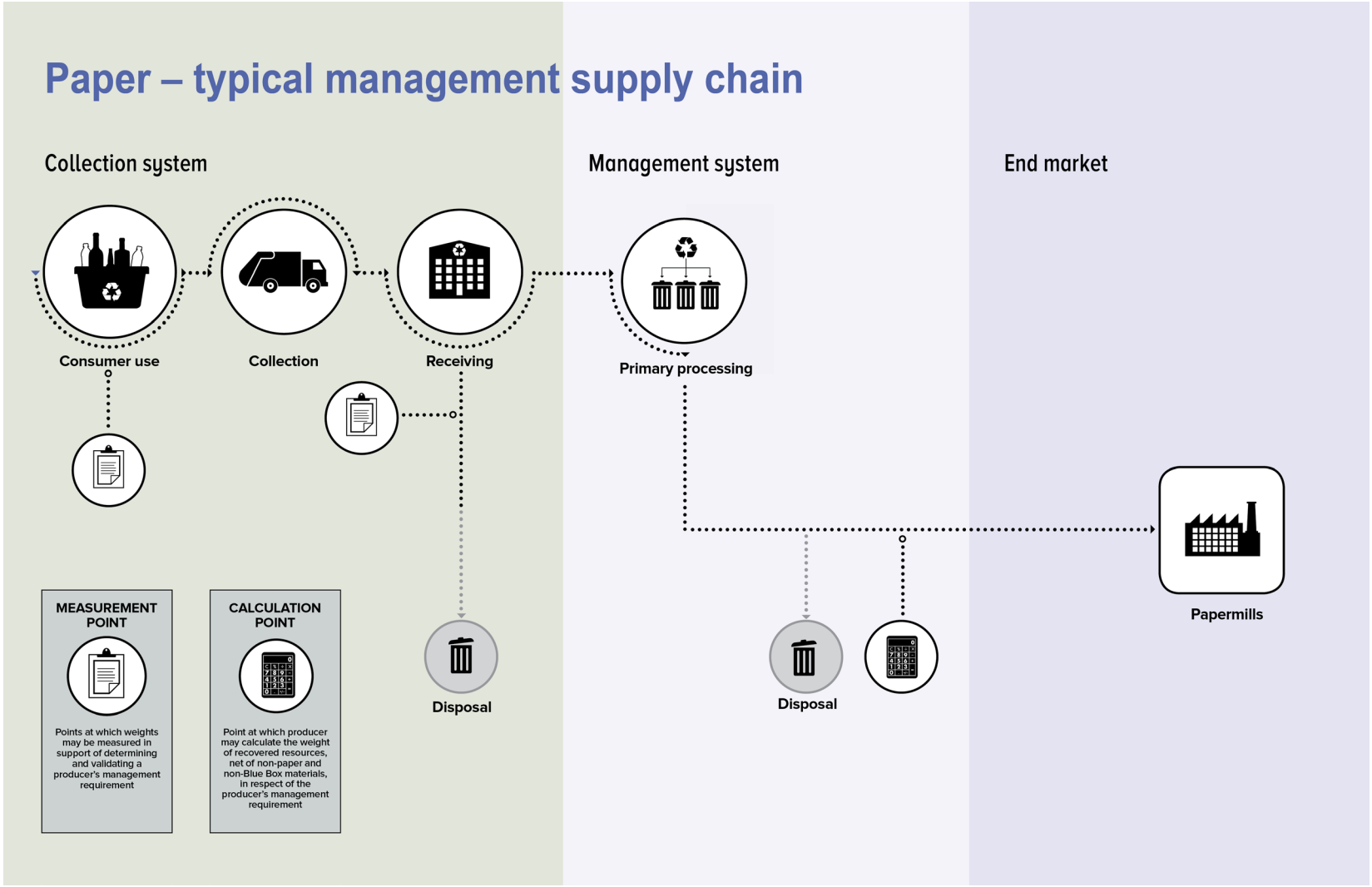
Appendix


Glass – typical management supply chain
Collection system
Management system
End market
Consumer use
Collection
Receiving
Primary processing
Disposal
Conversion to glass packaging or product
Washing and colour sorting
Sizing and crushing
Cullet/fines
15%
Maximum
Aggregate or land cover
Disposal
MEASUREMENT POINT
Points at which weights may be measured in support of determining and validating a producer's management requirement
CALCULATION POINT
Point at which producer may calculate the weight of recovered resources, net of non-glass and non-Blue Box materials, in respect of the producer's management requirement

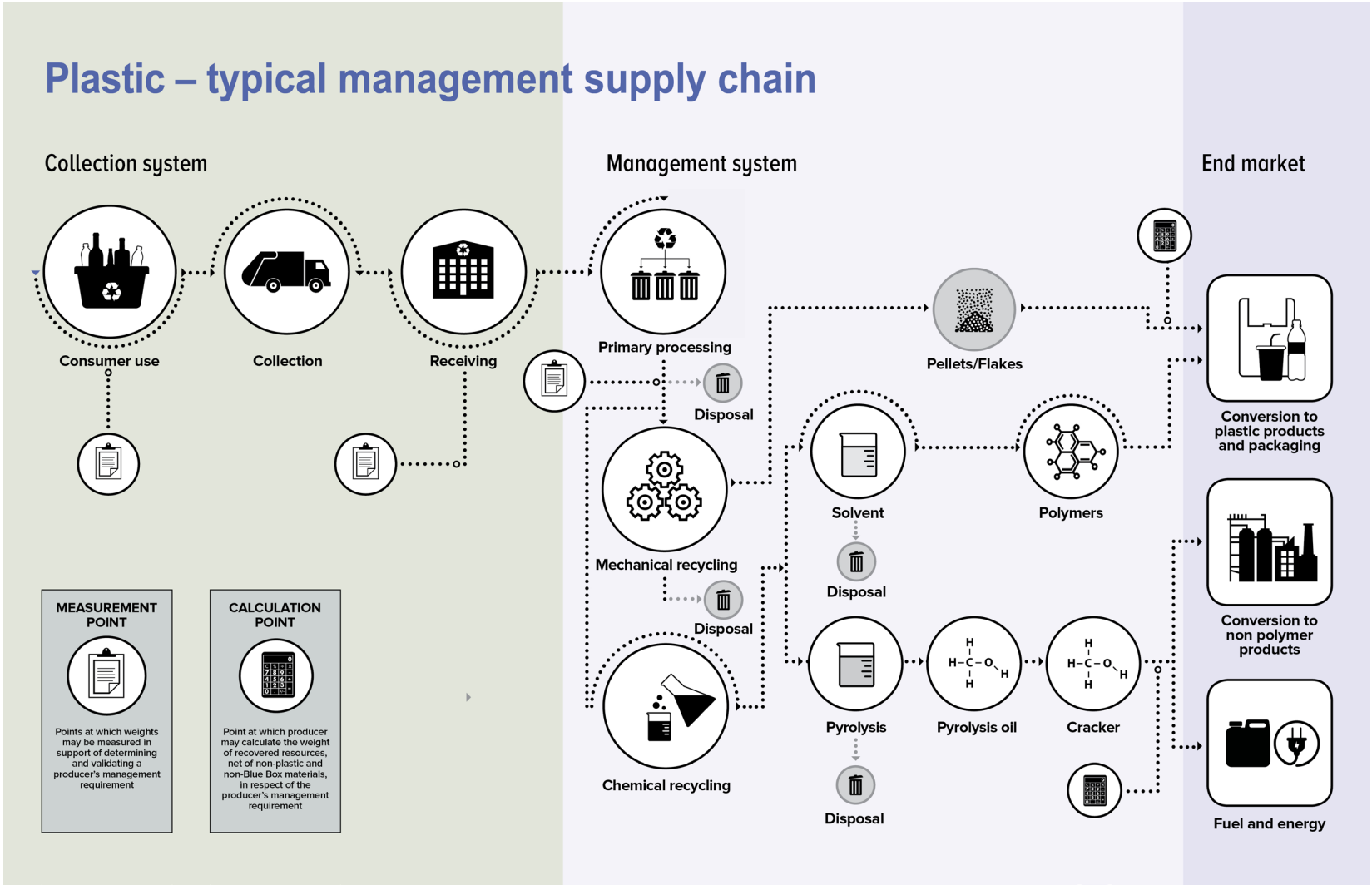
Appendix


Metal – typical management supply chain
Collection system
Management system
End market
Consumer use
Collection
Receiving
Primary processing
Shredding and coating removal
Smelting and alloying to ingots
Disposal
MEASUREMENT POINT
Points at which weights may be measured in support of determining and validating a producer's management requirement
CALCULATION POINT
Point at which producer may calculate the weight of recovered resources, net of non-metal and non-Blue Box materials, in respect of the producer's management requirement

Appendix


Paper – typical management supply chain
Collection system
Management system
End market
Consumer use
Collection
Receiving
Primary processing
Disposal
Disposal
Papermills
MEASUREMENT POINT
Points at which weights may be measured in support of determining and validating a producer's management requirement
CALCULATION POINT
Point at which producer may calculate the weight of recovered resources, net of non-paper and non-Blue Box materials, in respect of the producer's management requirement

Appendix


Plastic – typical management supply chain
Collection system
Management system
End market
Consumer use
Collection
Receiving
Primary processing
Disposal
Mechanical recycling
Disposal
Chemical recycling
Disposal
Pellets/Flakes
Solvent
Disposal
Polymers
Pyrolysis
Pyrolysis oil
Cracker
Disposal
Conversion to plastic products and packaging
Conversion to non polymer products
Fuel and energy
MEASUREMENT POINT
Points at which weights may be measured in support of determining and validating a producer's management requirement
CALCULATION POINT
Point at which producer may calculate the weight of recovered resources, net of non-plastic and non-Blue Box materials, in respect of the producer's management requirement