

RPRRA

Resource Productivity
& Recovery Authority

Annual Report 2023



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Vision:

A circular economy today for a waste-free tomorrow.

Mission:

Support compliance with individual producer responsibility through education and enforcement to foster Ontario's circular economy, spur innovation and protect the environment.

Milestones

- November 30**
- *Waste-Free Ontario Act, 2016* comes into force; RPRA established

2016

- February 18**
- Minister directs wind-up of legacy Waste Electrical and Electronic Equipment (WEEE) Program and IFO Ontario Electronic Stewardship (OES)

2017

- April 12**
- Minister directs wind-up of Municipal Hazardous or Special Waste (MHSW) Program

2018

- December 11**
- Minister directs accelerated wind-up of batteries portion of MHSW Program

2019

- December 31**
- UTP winds up

- February 17**
- Minister directs wind up of legacy Used Tires Program (UTP) and industry funding organization (IFO) Ontario Tire Stewardship (OTS)

- January 1**
- Producer responsibility for tires begins

- August 15**
- Minister directs wind-up of legacy Blue Box Program and IFO Stewardship Ontario

- December 10**
- Government expands RPRA's mandate to deliver digital reporting services for waste and resource recovery programs beyond producer responsibility

- April 21**
- Minister directs RPRA to create Hazardous Waste Program Digital Reporting Service

- June 30**
- Batteries portion of MHSW Program winds up

- July 1**
- Producer responsibility for batteries begins

- December 31**
- Legacy WEEE Program winds up

2020

- Winter**
- RPRA Service Provider Advisory Council established

- Spring/Summer**
- First performance reports for electronics and batteries

- Fall**
- Producer responsibility for lighting begins
 - Blue Box, HSP and lighting registry portals open

2021

- January 1**
- Extended producer responsibility for electronics begins

- Winter**
- RPRA Industry Advisory Council established

- March 15**
- Ministry directs RPRA to create Excess Soil Digital Reporting Service

- September 30**
- Legacy MHSW Program winds up

- October 1**
- Extended producer responsibility for Hazardous and Special Products (HSP) begins

- December 1**
- Excess Soil Registry opens

2022

- Winter**
- Excess Soil Registry re-opens after 2022 pause
 - Hazardous Waste Program Registry opens

- Spring/Summer**
- First performance reports for HSP

- Fall**
- RPRA publishes information on trends in supply and recovery of electronics in Ontario

2023

- Spring**
- First performance reports for Lighting and Blue Box

- Fall**
- RPRA publishes first long-term strategic plan

2024

Key acronyms

- EEE** Electrical and Electronic Equipment
- EPA** *Environmental Protection Act*
- HSP** Hazardous and Special Products
- HWP** Hazardous Waste Program
- ITT/AV** Information technology, telecommunications, audio-visual equipment
- MECP** Ministry of the Environment, Conservation and Parks
- MHSW** Municipal Hazardous or Special Waste Program
- OES** Ontario Electronic Stewardship
- OTS** Ontario Tire Stewardship
- PRO** Producer Responsibility Organization
- RPRA** Resource Productivity & Recovery Authority
- RRCEA** *Resource Recovery and Circular Economy Act, 2016*
- SO** Stewardship Ontario
- UTP** Used Tires Program
- WDTA** *Waste Diversion Transition Act, 2016*
- WEEE** Waste Electrical and Electronic Equipment Program



Message from the Chair

ROBERT POIRIER

In 2023, we initiated a strategic planning exercise to articulate and consolidate a set of strategic goals and objectives that reflect RPRA's priorities over the medium and long term. Providing strategic direction for the organization is one of the Board's primary responsibilities and the Board was closely engaged throughout the process. We expect to finalize and publicly release the plan later this year.

After launching the Hazardous Waste Program (HWP) Registry at the beginning of 2023, RPRA focused on improving the effectiveness and efficiency of our eight registry programs. We also increased accountability and transparency in our operations by engaging with our advisory councils on our strategic priorities and performance measures, and by enhancing our public reporting.

In early 2024, we said farewell to Tom Wright, the last member of the initial Board established in November 2016 when RPRA was first created. Tom served as the Board's vice chair beginning in 2017 and held other committee chair roles. We are grateful for his expertise, thoughtful and balanced contributions at the Board table, and his commitment to public service.

Following Frank Denton's decision to retire as RPRA's founding CEO in early 2024, the Board established a search committee to initiate the process of recruiting the organization's second CEO. The Board is deeply indebted to Frank for his leadership, collegiality, and his record of success in leading the establishment of RPRA as well as its evolution into a highly effective circular economy regulator.

Throughout 2023, RPRA benefited from our close engagement with Minister David Piccini and then the Hon. Andrea Khanjin when she was appointed Minister of the Environment, Conservation and Parks in September. Minister Khanjin and her staff, much like Minister Piccini and his staff, remained committed to an effective partnership with RPRA focused on realizing the government's objectives for environmental protection and economic outcomes.



In 2023, RPRA increased accountability and transparency in our operations.

On behalf of the Board, I want to thank Minister Piccini and Minister Khanjin, ministry staff, municipal and industry stakeholders and First Nations for their advice and support during another year of change and progress.

Finally, I want to thank the entire RPRA team, and especially Frank Denton, for their efforts and accomplishments this year. This talented and committed group of people were critical to our successes in 2023.

ROBERT POIRIER





Message from the CEO

FRANK DENTON

November 30, 2023, marked the seventh anniversary of RPRA’s creation as Ontario’s regulator for resource recovery under Ontario’s producer responsibility framework. All six producer responsibility programs are now in various stages of implementation, along with digital reporting services for tracking liquid industrial and hazardous waste and excess soil under the *Environmental Protection Act*.

Since the completion of the HWP registry build in the first quarter of 2023, RPRA has not been engaged in any deadline-driven processes to build registry portals on behalf of the government – a first in RPRA’s history. This has allowed us to take steps to strengthen internal processes and support service delivery to businesses and consumers. We also focused on expanding the information and data we report publicly through our website, including:

- A new [Where to Recycle Map](#), successfully launched in January 2024, which serves two purposes: 1) supports compliance efforts to help ensure collection requirements are met by producers and their PROs, and 2) helps consumers find out where to drop off goods for recycling.
- Expanded information on [resource recovery](#) and [compliance activities](#), including a [compliance orders and administrative penalties](#) page.
- A [retrospective report](#) analyzing 19 years of data from Ontario’s curbside Blue Box program in advance of the termination of RPRA’s Datacall once all municipalities have transitioned.

RPRA’s budget for 2023 increased moderately compared to 2022, consistent with the prior year forecast. Increases were primarily to cover the costs of delivering the HWP Registry program, which launched on January 1, 2023. The RPRA team grew in 2023, both in numbers and in collective capacity to deliver. RPRA ended 2023 with both expenses and revenue below forecast.

RPRA is part of a large ecosystem of organizations working to achieve successful implementation of the government’s circular economy initiative. These organizations include the producer and service provider businesses we regulate, municipalities, First Nation communities and the ministry. We are all on a learning curve in adapting to the government’s ambitious reforms. Our collective efforts are leading to better ways of protecting our environment from waste while building a circular economy within which businesses succeed in a fair marketplace.

2023 was my last full year as CEO of RPRA. When I joined RPRA in 2017, the focus was on the oversight of the legacy waste diversion programs and their wind up, and on preparing for the implementation of Ontario’s new producer responsibility framework. Seven years later, we have successfully launched eight new programs on behalf of the ministry.

Seven years is both a short and a long time in the context of this journey – short given the magnitude of the change we are working to implement, and long because of the strides we’ve made so far.

I am impressed with the expertise and commitment of the staff who are making RPRA successful, both as Canada’s first regulator for resource recovery under the extended producer responsibility framework, and as the delivery agent of Canada’s first digital reporting services to track hazardous waste and excess soil. Our staff bring their best to work everyday.

As I reflect on my time as CEO at RPRA, I am grateful to the Board of Directors for the strong expertise and guidance to myself and the management team; to the Minister and ministry for their collaboration in supporting RPRA’s delivery on the mandate the government has entrusted to us; and finally to the excellent team we have assembled over the last several years.

FRANK DENTON



Message from the Registrar

MARY CUMMINS

RPRA supports our regulated community to achieve compliance with the aim of providing value to producers, service providers and residents. Achieving compliance enables accurate public reporting of resource recovery outcomes, supports a level playing field for all obligated registrants, and contributes to the aims of Ontario’s producer responsibility framework: a healthier environment and a strong resource recovery sector.

Since RPRA’s beginnings, the compliance team has successfully identified more than 1,200 possible free riders across all producer responsibility programs. In 2023, compliance staff implemented compliance plans to address late supply reporting and incomplete supply verification reports, and Blue Box producers’ implementation of a collection and management system. Collection systems for all producer responsibility programs were also subject to inspections, which resulted in RPRA launching the development of compliance guidance for sharing collection sites and buying and selling performance credits.

Throughout 2023 we continued to enhance our Risk-Based Compliance Framework to include a risk assessment methodology and related policies and procedures, helping the team to implement an evidence-based approach to prioritizing compliance cases. The standardization of risk assessment will enable compliance and registry officers to identify and mitigate risks to the province’s resource recovery system as they emerge.

Throughout 2023 and continuing in 2024, RPRA is holding in-depth consultations with our regulated community and stakeholders on decision-making for compliance procedures. We also collaborate with regulators in other jurisdictions with the goal of finding efficiencies and identifying ways to harmonize where possible.

Compliance officers are in regular contact with stakeholders and registrants regarding regulatory amendments, helping obligated businesses understand changes to regulations and adjust their processes and plans accordingly to ensure they remain in compliance. In 2023 we participated in the ministry’s review of the producer responsibility regulations for tires, electronics, batteries, and hazardous and special products.



Achieving compliance enables accurate public reporting of resource recovery outcomes.

Our registry support officers receive registrant inquiries from across all eight programs: the six producer responsibility programs under the RRCEA, plus the HWP and Excess Soil Registry programs. To ensure prompt service was available for all registrants, we contracted an external call centre to support the launch of the HWP Registry at the beginning of 2023. Over the course of the year, RPRA’s front line staff and external call centre staff responded to over 7,000 registrant inquiries. The team also developed a service standard against which to measure our responsiveness, which will be refined throughout 2024.

My thanks to our dedicated RPRA staff for their hard work throughout the year, to the ministry for their continued collaboration, and to the Board for their advice and support.

MARY CUMMINS

About RPRA

Mandate

RPRA was established by the Government of Ontario on November 30, 2016 as the regulator responsible for enforcing Ontario's new producer responsibility regulatory framework to advance the province's circular economy. Under this new framework, individual producers are operationally and financially responsible and accountable for the products and packaging they sell into Ontario's market when consumers are finished using them.

RPRA enforces the requirements of the [Waste Diversion Transition Act, 2016 \(WDTA\)](#) and the [Resource Recovery and Circular Economy Act, 2016 \(RRCEA\)](#) and their associated regulations. In 2019, RPRA's mandate was expanded to include the delivery of digital reporting services on behalf of the Ontario government for programs beyond producer responsibility operating under the [Environmental Protection Act \(EPA\)](#).

Under the WDTA, RPRA is responsible for:

- Overseeing legacy product stewardship programs until their complete wind up. This includes overseeing Industry Funding Organizations (IFOs) and Industry Stewardship Organizations (ISOs) and monitoring the waste diversion programs they operate. In 2023, RPRA continued to oversee the legacy Blue Box Program. Other legacy stewardship programs for Tires, Batteries, Waste Electrical and Electronic Equipment (WEEE) and Municipal Hazardous or Special Waste (MHSW) wound up operations between 2019 and 2021.

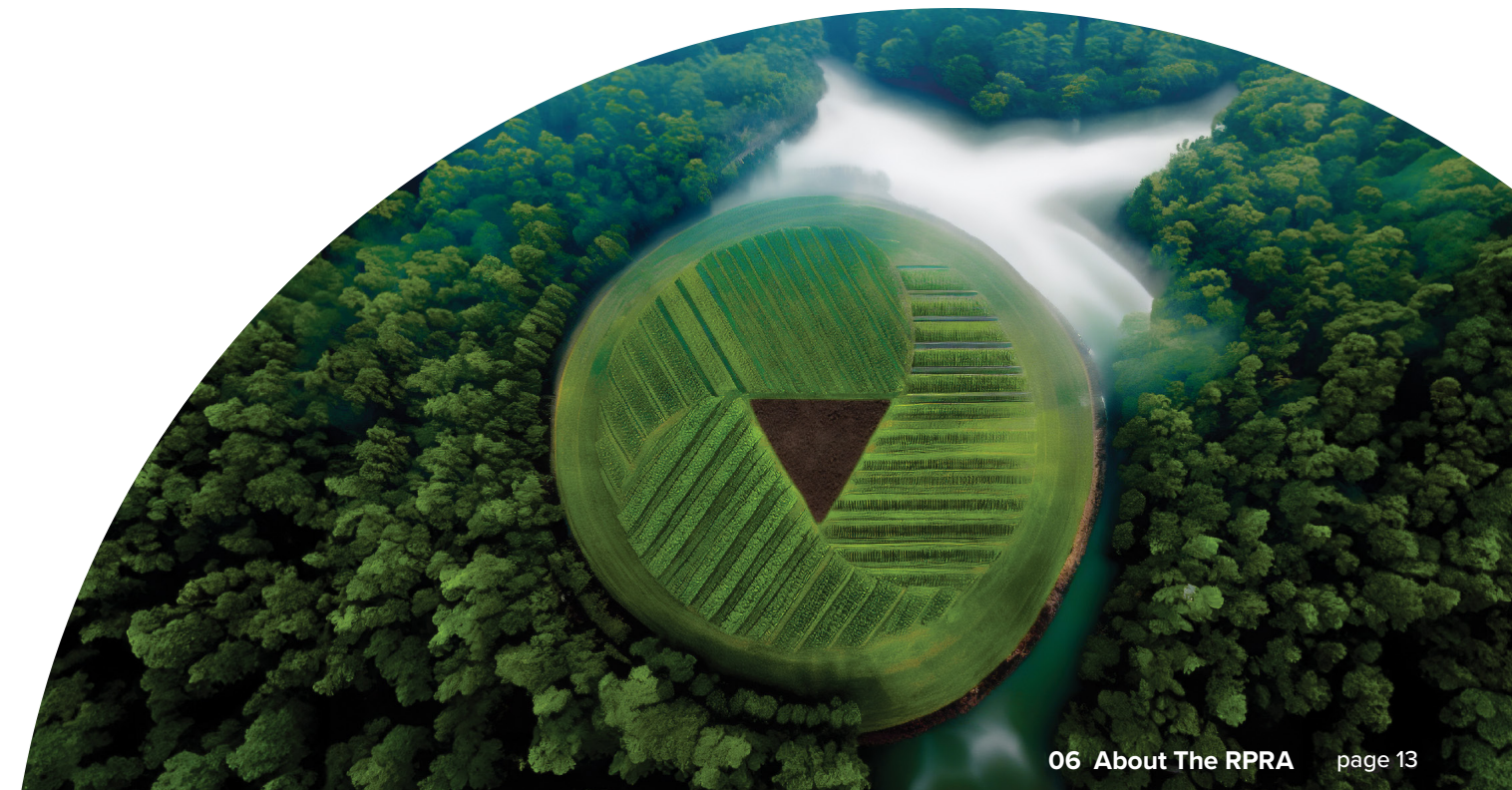
- Approving wind-up plans and overseeing the wind up of IFOs and the programs they operate as directed by the Minister. In 2022, RPRA continued to oversee the liquidation of Ontario Tire Stewardship (OTS), which operated the Used Tires Program until it wound up on December 31, 2018. RPRA also continued to oversee the liquidation of Ontario Electronic Stewardship (OES), which operated the WEEE Program until it wound up on December 31, 2020. RPRA also continued to oversee the transition of the legacy Blue Box Program and the implementation of the final steps of the approved Blue Box Wind Up Plan by Stewardship Ontario (SO).
- Administering the annual municipal Datacall to compile information to determine the legacy Blue Box system cost and set the Blue Box Steward Funding Obligation. RPRA published the final complete Datacall Report for the legacy Blue Box Program run by SO in early 2023. The final Datacall will be published at the end of 2024.
- Undertaking compliance actions including conducting inspections, issuing monetary penalties, and undertaking prosecutions to enforce the requirements of the WDTA and its associated regulations.

Under the RRCEA, RPRA is responsible for:

- Establishing, operating, and maintaining a public registry to support the new producer responsibility regulatory framework for the collection and management of designated materials, by allowing producers of designated materials under the RRCEA and their service providers to register and report as required by the regulations.
- Establishing, operating, and maintaining registries for excess soil, and for liquid industrial and hazardous waste.
- Undertaking compliance actions for producer responsibility programs, including conducting inspections, issuing compliance orders and monetary penalties, and undertaking prosecutions to enforce the requirements of the RRCEA and its associated regulations.

- Providing information to the public about resource recovery or waste in Ontario.
- Providing information to the Minister of the Environment, Conservation and Parks to support ministry decision-making.

Under the WDTA and RRCEA, the Minister of the Environment, Conservation and Parks has legislative oversight of RPRA. An [Operating Agreement](#) between the Minister and RPRA details the roles and responsibilities of the two parties. Like other Ontario administrative authorities, RPRA finances its operations through fees and charges to its regulated parties on a cost-recovery basis. RPRA receives no funding from the Government of Ontario.



About RPRA

Governance and executive management

RPRA is governed by a skills-based Board of Directors comprised of 11 members. The Board is responsible for RPRA's overall strategic direction and ensuring it delivers on its mandate. The Board is accountable to the Minister through the Chair for RPRA's delivery of its mandate and responsibilities under the WDTA, RRCEA, EPA and Operating Agreement. Minutes of Board meetings are posted to [RPRA's website](#) one week after they are adopted by the Board as part of its commitment to transparency and as required by the Minister.

The Minister appoints five members to the Board of Directors and the Board elects an additional six members. The Board elects its officers in the positions of Chair, Vice-Chair, Secretary and Treasurer. The Minister can also appoint the Board Chair.

In 2023, the following were directors on RPRA's Board of Directors:

Board of Directors

Robert Poirier	Chair	Re-elected 2021
Tom Wright	Vice-Chair	Re-appointed January 2021
Mary Shenstone	Director	Re-elected November 2023
Ken Kawall	Treasurer	Re-elected July 2023
Saqib Cheema	Director	Re-elected November 2021
Tanweer Gilani	Director	Appointed January 2021
Andrea Nemtin	Director	Re-elected November 2022
Rajesh Sharma	Director	Re-elected November 2022
Jeffrey Steiner	Director	Appointed March 2021
Marnie Silver	Director	Appointed May 2021
Janet Clark	Director	Appointed January 2022

RPRA staff member Andrea Abraham was appointed Corporate Secretary in May 2022.

Board members are remunerated for the performance of their duties at rates aligned with per diems set out in the Ontario Public Service Agencies & Appointments Directive for part-time appointees to regulatory agencies.

Committees

RPRA's four committees and descriptions of each are [listed on its website](#).

Executive management team

Frank Denton	Chief Executive Officer
Mary Cummins	Registrar
Noah Gitterman	General Counsel & Chief of Strategic Initiatives
Wilson Lee	Chief of Programs & Public Affairs
Lorella Hayes	Chief Financial and Administration Officer
Lisa Keegan Inness	Chief Information Officer

RPRA has six officers comprised of Board members, executives and RPRA staff:

Robert Poirier	Chair
Mary Shenstone	Vice-Chair
Ken Kawall	Vice Chair & Treasurer
Andrea Abraham	Corporate Secretary
Frank Denton	CEO
Mary Cummins	Registrar

Members of the Board and employees of RPRA are subject to the Code of Conduct and other governance policies, which are available on [RPRA's website](#). Biographies, contact and other additional information about the Board of Directors and Executive Management Team are also available on the [website](#).

About RPRA

Advisory councils

RPRA works with two advisory councils, made up of regulated parties and industry experts: the Industry Advisory Council and Service Provider Advisory Council, both established under ministerial direction.

2023 Industry Advisory Council

Organization	Representative
Tire and Rubber Association of Canada	Carol Hochu (co-chair)
RPRA Board of Directors	Tom Wright (co-chair)
Canadian Beverage Association	Shane Buckingham
Retail Council of Canada	Sebastian Prins
Food, Health & Consumer Products of Canada	Michelle Saunders
Canadian Consumer and Special Products Association	Simon Kinsman
Electronic Products Stewardship Canada	Shelagh Kerr
National Electrical Manufacturers Association	Stephen Gordon
Canadian Federation of Independent Businesses	Julie Kwiecinski
News Media Canada/ Ontario Community Newspapers Association	Paul Deegan / Cameron Gordon
Global Automakers of Canada	Brock Roseborough*
Electro-Federation of Canada	Cherith Sinisac

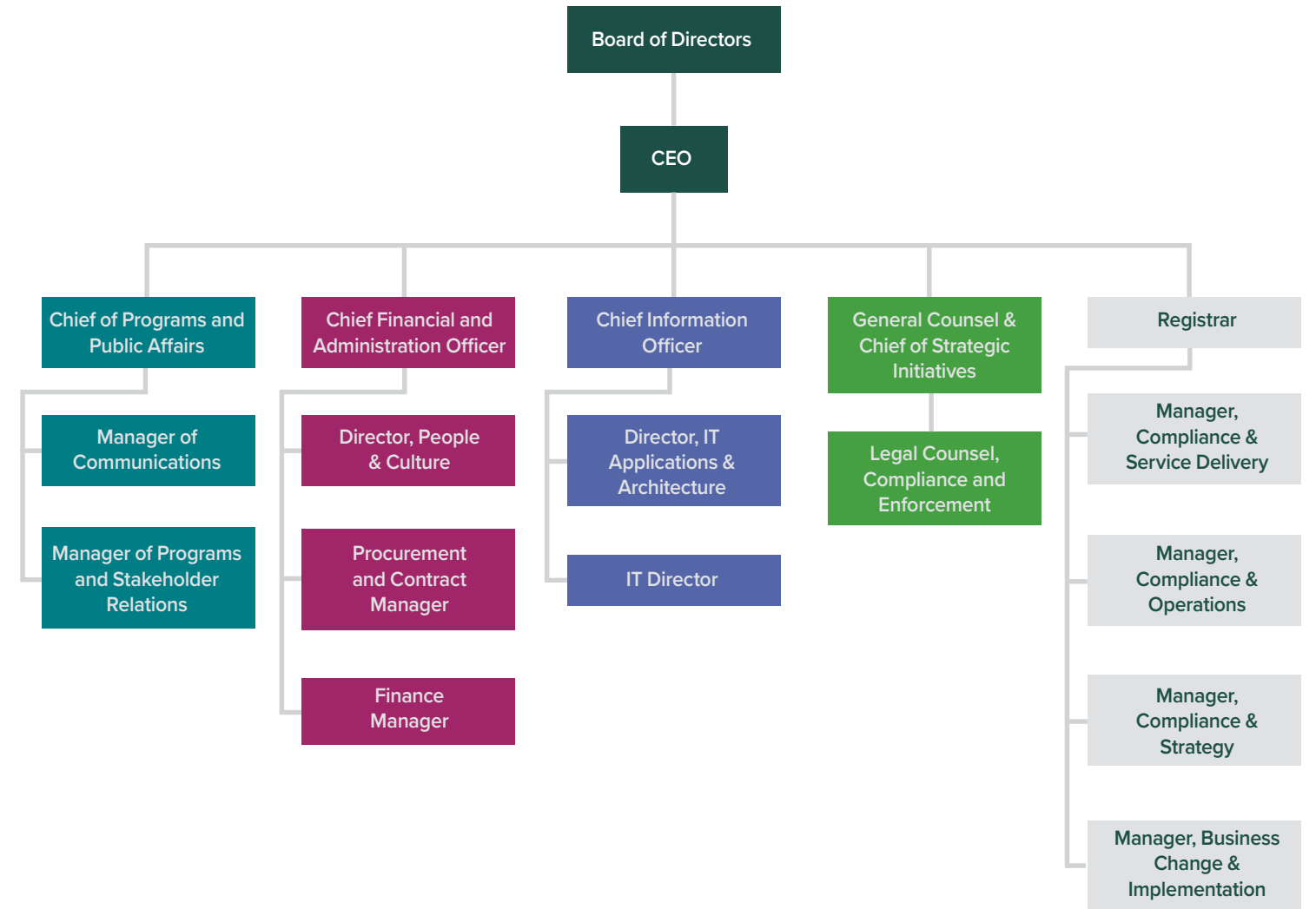
*Replaced Andrew Mackinnon in Spring 2023.

2023 Service Provider Advisory Council

Organization	Representative
Emterra Group	Paulin Leung (coprésident)
RPRA Board of Directors	Tom Wright (coprésident)
Association of Municipalities of Ontario	Dave Gordon
Loop Recycled Products	Josh Wiwcharyk
Raw Materials Company	James Ewles
City of Toronto	Annette Synowiec
Quantum Lifecycle Partners	Clayton Miller
Ontario Tire Dealers Association	Adam Moffat
Ontario Waste Management Association	Ashley De Souza
Waste Connections of Canada	Izzie Abrams
Northumberland County	Adam McCue
Region of Peel	Norm Lee
GFL Environmental	Nicole Willett

RPRA's organizational structure in 2023

RPRA's organizational structure in 2023 is set out in the chart below:



RPRA's staff complement at the close of 2023 was 77.2 full-time equivalents (FTEs) compared to 67.5 FTEs at the close of 2022.

RPRA's growth occurred primarily in front-line services in the compliance and registry department. FTEs were also added to the Programs and Public Affairs team to ensure in-house data management and analysis capability to support the risk-based compliance framework and expand and enhance the public reporting of data and information on resource recovery and RPRA's compliance activities.

2023 highlights

Year in review

The completion of the Hazardous Waste Program (HWP) Registry project in the first part of 2023 enabled the organization to focus on refining and improving services to registrants and strengthening processes and systems to maximize effectiveness and efficiency for the remainder of the year. Much of this work was guided by internal reviews carried out in 2022 and in 2023 we made progress on enhancing cybersecurity, IT delivery governance, our risk-based compliance framework, and developing initial service standards.

RPRA also made improvements to the decision-making process about registry enhancements, and developed a data governance strategy. With eight registry programs up and running, RPRA has a wealth of data that is growing every day. Comprehensive data governance enables robust data analysis, which helps inform our risk-based compliance approach and facilitates meaningful public reporting on resource recovery information and our compliance activities.

The HWP Registry and HazTrack mobile app officially launched on January 1, 2023. Early uptake by users was greater than anticipated. Throughout 2023, RPRA continued to refine its service approach to HWP registry users, including contracting an external call centre to ensure timely responses to inquiries. In 2023, over 250,000 manifests were processed through the registry, mobile app and external APIs.

A growing team of front-line staff was organized in 2023 into an operating structure that enables staff to maintain knowledge in different program areas, and to develop, refine and communicate registry and compliance procedures that help our regulated community more easily accomplish their legal requirements.

RPRA created an initial service standard in 2023 that is applicable across all registry programs. The standard is now providing benchmarks against which RPRA is measuring its efficiency and effectiveness in responding to inquiries, and helping registrants register, report and comply with their regulatory requirements. The standard will be finalized in 2024.

RPRA continued to consult productively with stakeholders on registry enhancements to improve their interactions with the registry, as well as on registry and compliance procedures, program fees, and the development and launch of a new [Where to Recycle](#) collection site map.

The collection site map helps the compliance team better monitor compliance with regulatory requirements for collections systems and is an important addition to the tools and information RPRA offers to our regulated community and the public. It displays recycling location data from all producer responsibility programs (except Blue Box, which operates at the curbside) using an easy-to-navigate interface through which users can customize how sites are displayed.

On July 1, 2023, the first group of municipalities and First Nations transitioned to the new extended producer responsibility regulatory framework for Blue Box materials. RPRA supported producers, industry associations, PROs and MECP to ensure the new Blue Box Program launched with no disruption to curbside services. A compliance campaign helped producers understand their obligations to implement a collection system to be compliant with the Blue Box Regulation.

In anticipation of the wind up of the legacy Blue Box Program on December 31, 2025, RPRA released a Datacall trends report that summarized and analysed 19 years of data from Ontario's residential recycling programs. RPRA will publish the report in 2024.



RPRA has a wealth of data that is growing every day. Comprehensive data governance enables robust data analysis, which helps inform our risk-based compliance approach.

Extensive communications to empower our regulated community with the information they need continues to be RPRA's most effective tool for bringing about compliance. Each year brings new market entrants who are interacting with RPRA for the first time. A well-attended Individual Producer Responsibility 101 learning event at the 2023 Annual Public Meeting was a successful example of the type of education RPRA delivers, in addition to engaging the regulated community through our website, stakeholder engagement, and conversations between front-line staff and registrants.

Other notable initiatives in 2023 included the beginning of a user-experience review of [RPRA.ca](#), and knowledge gathering to help inform and improve RPRA's ability to communicate helpfully to First Nations communities – both of which continue in 2024.

RPRA also began developing its first-ever long-term strategic plan that will guide annual business planning to allocate resources to accomplish RPRA's strategic goals. The development of the plan has involved interaction with RPRA's extended community of stakeholders and our staff. The final plan will articulate RPRA's goals, the objectives that will be necessary to achieve those goals, and the strategies RPRA will use to make progress towards those objectives.

The strategic goals are aligned with RPRA's ongoing priorities of supporting our regulated community to achieve compliance, minimizing burden, maintaining transparency, and achieving service excellence and value for money. The final plan will be published later in 2024.



2023 highlights

Communications

RPRAs use communications as an essential compliance tool. To support compliance outcomes in 2023, “Ask the Registrar Anything” sessions were presented in collaboration with PROs and industry associations on a variety of compliance topics (e.g., RPRAs’ approach to free riders).

Other significant communications projects in 2023 included the following:

Blue Box reporting campaign

Targeted email campaigns, webinars and FAQs provided timely and important information for the municipalities and First Nations that transitioned to the producer responsibility regulatory framework for Blue Box materials under the RRCEA in 2023.

Understanding Ontario’s Producer Responsibility Regulatory Framework Learning Series event

Over 430 stakeholders attended [this event](#) in-person and virtually to gain a better understanding of the new producer responsibility regulatory framework, the difference between the roles of RPRAs, the MECP and the Competition Bureau under the framework, and what to expect from RPRAs as a regulator.

“ RPRAs’ website is a primary source of information about producer responsibility in Ontario for the public, municipalities, First Nation communities and the businesses RPRAs regulates.

The Datacall Trends Report

[This report](#) reviews residential waste management data reported into the Datacall from 2002 to 2021 as part of the legacy Blue Box program. The report highlights trends and provides analysis of Ontario’s residential waste diversion data.

Public reporting of data and information on resource recovery and compliance activities

In 2023 RPRAs implemented a public reporting action plan, which included publishing supply and recovery data submitted to the registry, as well as data on our compliance activities in accessible formats.

RPRAs created a designated [public reports](#) section on our website, along with new webpages for the [Annual Report](#), [Compliance Activities](#) and [Electronics supply and recovery in Ontario](#).

Up-to-date supply and recovery data for all producer responsibility programs can be found on the [Resource Recovery Reports](#) webpage.

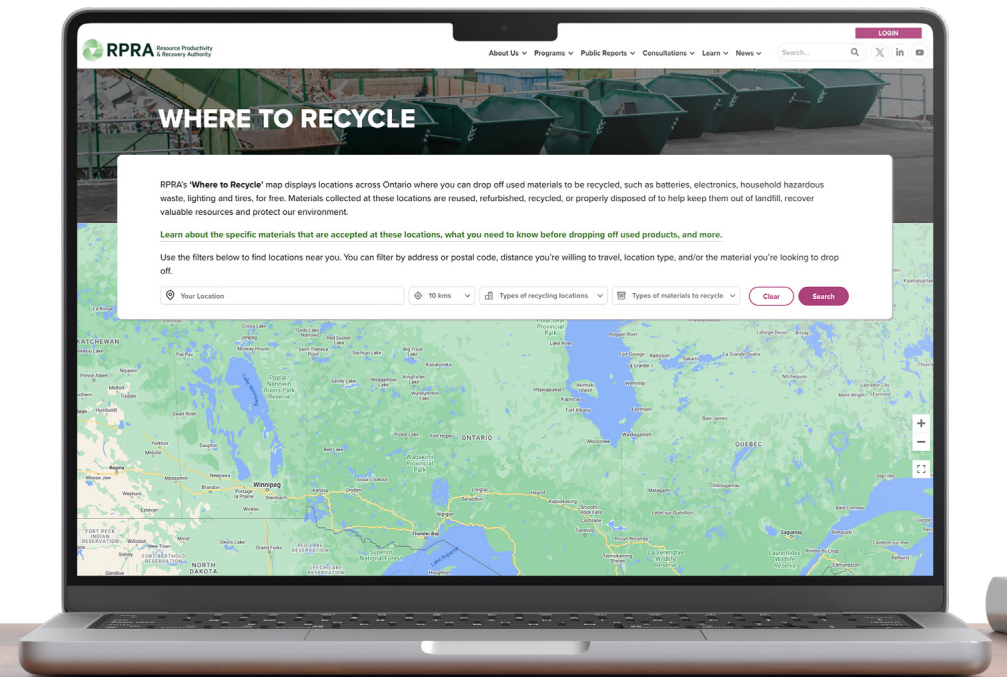
Work continues to expand and enhance RPRAs’ public reporting on resource recovery to include webpages for each producer responsibility program, and information on the HWP and Excess Soil registry programs, and to make registry data more accessible on a timely basis.

Enhanced website

RPRAs’ website is a primary source of information about producer responsibility in Ontario for the public, municipalities, First Nation communities and the businesses RPRAs regulates. RPRAs continue to improve the website to ensure it provides users with relevant, accessible, easy to find and helpful information. In 2023, RPRAs launched a comprehensive review of the website’s usability, including a usability audit, competitive analysis and analysis of information organization and categorization. The review continues in 2024.

New Where to Recycle map

In 2023, RPRAs developed a [Where to Recycle](#) map showing public recycling locations for all producer responsibility programs that RPRAs oversees (except Blue Box, which operates at the curbside), helpful information about the specific materials that are accepted for recycling, and other FAQs about recycling in Ontario. This new map replaces the ‘Find a Collection Site’ map, which only displayed locations for dropping off used tires. The map launched in January 2024.



2023 highlights

Stakeholder engagement and consultation

In 2023, RPRA engaged stakeholders through consultations, surveys, advisory councils, and project working groups. The resulting feedback informed and illuminated all aspects of RPRA's work.

Advisory councils

Throughout 2023 RPRA engaged with both the Industry Advisory Council (IAC) and Service Provider Advisory Council (SPAC) on RPRA's business planning process, including seeking advice and feedback on RPRA's strategic priorities for the next three years, and the budget, resourcing plan, and performance measures for 2024. RPRA continued to use these council meetings to gather feedback from our stakeholders on matters RPRA is consulting on, and other issues as determined by the councils, including the public reporting of resource recovery and compliance information and data.

Registrant surveys

Since 2019, RPRA has engaged an external firm specializing in stakeholder research to develop and implement a registrant survey (the survey was deferred in 2020 because of the start of the COVID-19 pandemic). The annual survey objectively assesses registrants' perception of RPRA's performance to help us learn what is working well and what can be improved.

In 2023, registrants from all producer responsibility programs under the RRCEA participated in the survey. 2023 was the first year that HWP and Excess Soil registrants were surveyed, and the results establish a baseline against which RPRA will measure future results.

The producer responsibility (RRCEA) program survey results and HWP and Excess Soil program survey results are presented separately. The baseline results for the HWP and Excess Soil programs are notably higher than the producer responsibility programs, potentially due to RPRA's lack of a compliance and enforcement role for these programs.

The HWP and Excess Soil registrants who responded to the survey indicated strong support for RPRA in terms of mandate fulfilment, support for compliance, the user friendliness of the Registry and RPRA's communications.

RRCEA registrants' rating of the user-friendliness of RPRA's registry has increased year over year. This result may be an indication that registrants have now reached a higher degree of familiarity with the registry and better understand their reporting requirements. It could also indicate that enhancements RPRA has made to the portals in response to user feedback have made the registry progressively easier to use.

RRCEA registrants' perceptions of RPRA's communications performance continues to be one of our highest-rated metrics, but it has declined over the past two years. Registrants also identified the need to improve staff's understanding of registrant business needs and accessibility.

The feedback obtained through these surveys is incorporated into strategic and operational decision-making, including the development of long-term strategic goals, objectives and strategies as part of the process to complete RPRA's first-ever strategic plan in 2023.

In 2024, RPRA plans to review and enhance its stakeholder engagement and communications strategies, implement actions that respond to the results of a usability assessment of [RPRA.ca](https://www.rpra.ca), and assess our customer service against a newly developed initial service standard to ensure satisfactorily responsive and timely service delivery.

Details of the 2023 registrant survey, as well as past years' survey results, are available on [RPRA's website](https://www.rpra.ca).

Consultations

RPRA consults frequently with registrants and stakeholders to ensure our operations are as effective as possible and that our registries accommodate user needs. Formal consultations held in 2023 are listed below. Staff also meet with stakeholders one-on-one throughout the year on everything from RPRA fees to registry procedures.

RPRA's formal consultations are based on OECD (Organization for Economic Cooperation and Development) principles. RPRA held seven formal consultations in 2023:

Development of resource recovery performance audit procedures for Batteries, Electronics, Lighting and HSP

RPRA retained BDO Canada LLP to develop Resource Recovery Performance Audit Procedures for batteries, electronics, and lighting, and hazardous and special products (HSP) in two phases. During phase one (March 7 to April 14), BDO engaged with PROs directly to gather information about their company's operations. During phase two (November 15 to December 14), RPRA and BDO consulted on the draft procedures.

Those directly affected by the procedures, such as PROs, producers reporting on their own activities, and their auditors, were encouraged to review the draft procedures, and were invited to attend one of three webinars to provide feedback and ask questions.

Development of recycling efficiency rate (RER) calculation and verification procedures

Consultation on the Development of RER Calculation and Verification Procedures for the Batteries, Information Technology/Audio Visual (Electronics), Lighting, and HSP Programs occurred in two phases: Phase One from March to April 2023 and Phase Two from October to November 2023. RPRA retained Dillon Consulting Limited to develop the RER Calculation and Verification Procedures.

RPRA and Dillon hosted three consultation webinars to walk through the procedures, gain feedback from those affected by the procedures, and answer questions.

Consultation on revised proposal for 2023 RRCEA program fees for HSP Category A and B

Consultation on proposed 2023 HSP Program fees, along with fees for other producer responsibility programs, began in fall 2022. Based on feedback received, a revised fee proposal for producers of HSP category A and B materials was consulted on from January 26 to March 13, 2023. RPRA hosted a webinar on the revised proposal for HSP fees for producers of A and B materials on February 9.

Proposed 2024 registry program fees

From October 2 to November 16, 2023, RPRA consulted on the proposed fees for producer responsibility programs (Batteries, EEE, Tires and Blue Box) and the Hazardous Waste Program. Throughout the consultation period, RPRA hosted four webinars to walk through the proposal, answer questions and gain feedback from program registrants and other interested stakeholders.

From November 10, 2023, to January 10, 2024, RPRA consulted on proposed fees for the Excess Soil Registry. As part of the consultation, RPRA hosted a webinar to walk through the original proposal, answer questions and gain feedback from registrants and other interested stakeholders.

Draft lighting supply data verification procedure

RPRA consulted on its draft Lighting Supply Data Verification Procedure from December 7, 2023 to January 8, 2024. Producers of lighting will reference the procedure when submitting their first Supply Data Verification Report to RPRA in the spring of 2024.

Defining small and large battery and electronics producer categories for supply data verification

From December 16, 2022, to January 16, 2023, RPRA consulted on the cut-off thresholds that determine whether a battery or electronics producer is "small" or "large." Beginning in 2023, only "large" producers are required to submit a Supply Data Verification Report when reporting their supply data to RPRA. Small producers will no longer be required to submit a verification report but will be subject to inspections. Battery and electronics producers were encouraged to submit feedback on the consultation proposal by January 16, 2023.

Proposed changes to the methodology to calculate the cash portion of the InKind obligation

Between December 15, 2022 and January 13, 2023, RPRA consulted on proposed changes to the methodology to calculate the cash portion of the InKind obligation during the transition of the Blue Box Program for the 2024 and 2025 funding years.

For more information about these consultations, including consultation reports detailing feedback received and how RPRA considered feedback, see RPRA's [Past consultations](#) webpage.

Complaints

RPRA's operating agreement with the Minister of the Environment, Conservation and Parks requires annual reporting on how complaints related to its activities were addressed. RPRA is committed to having an accessible, fair, transparent and straightforward process in place when a complaint is received about RPRA or an individual acting on behalf of RPRA.

At the direction of the Minister, RPRA published a [Formal Public Complaints and Requests For Clarifications Policy in 2021](#), which updated the previous Public Complaints Policy. The revised policy is posted on RPRA's website and details how a member of the public can submit a complaint related to service delivery and staff conduct or make a formal request for clarification about RPRA activities.

RPRA received one formal request for clarification and one formal complaint, both of which were responded to under the policy.

Complaints related to compliance and enforcement are handled through procedures outlined in the WDTA and RRCEA. Complaints related to privacy are addressed through RPRA's Access and Privacy Code.



Delivery of French language services

Consistent with its statutory obligations and requirements outlined in its operating agreement with the Minister of the Environment, Conservation and Parks, RPRA is committed to ensuring its services, communications and responses to public inquiries are available in French.

RPRA's [French Language Services Plan](#) details how RPRA meets its legislated requirements to provide services in French. In addition to translating key corporate and compliance documents into French, RPRA employs bilingual compliance and registry officers and communications advisors to provide services in French and, when necessary, uses a third-party service that offers on-demand simultaneous French translation.

In 2023 RPRA received three requests to have materials translated into French. Bilingual compliance and registry staff interacted with stakeholders in French in 134 instances in 2023.

RPRA will continue to review its French Language Services Plan to meet its legislated requirements.

By-laws, policies and procedures

The [Operating Agreement](#) requires RPRA to annually outline any changes to its by-laws and policies. Below is a list of the by-laws and policies that were updated in 2023, along with summaries of any substantive changes:

- The Compensation Policy – now renamed the Total Rewards Policy – was updated to incorporate elements of the human resources manual that require Board approval. It was also updated to amend language around bereavement leave and clarify how pay increases are awarded to employees at the top of their salary range.
- The Performance Management Framework was amended to clarify the basis for merit pay increases and eligibility for performance incentives, as well as to remove procedural elements not requiring approval by the Board of Directors.
- The Board Education Policy was amended to include an annual reimbursement cap for individual Board director education and to clarify the provision of per diems for activities related to individual Board director education.
- The Financial Management and Controls Policy was amended to reference the Administrative Penalties Regulation and address what will be done with funds that may be collected before an administrative penalty policy is approved by the Board. The section on the cost allocation methodology was also updated to reflect the linkage with RPRA's Fee Setting Policy.

- The Governance Charter was amended to enumerate committee oversight over specific policies and to require review of those policies every two years (or as circumstances warrant). The Governance, Regulatory and Stakeholder Affairs Committee was assigned responsibility for overseeing registry service delivery and service delivery standards, maintaining a broad skills profile matrix and succession planning for the chair and vice chair roles. Other additions include reference to the Human Resources Committee's role in diversity, equity, and inclusion initiatives, and to the committee's responsibility to conduct mid-year performance reviews for the CEO.
- The Travel, Meal, and Hospitality Expense Policy was amended to delegate authority to the CEO to amend mileage rates where advisable, based on other regulatory authorities' practices and Canada Revenue Agency prescribed rates along with other housekeeping changes.
- The Investment Policy was amended to emphasize management's responsibility to balance investment objectives and monitor and maintain sufficient cash for operational needs.
- The Delegation of Authority Policy was amended to clarify the role of the Board with respect to staffing decisions.

- The Director Remuneration Policy and the Administration of Director Remuneration Policy were amended to clarify remuneration for board and committee meeting preparation, and remuneration related to advisory council meetings.

The following policies were amended for housekeeping purposes in 2023:

- Enterprise Risk Management Policy
- Registrar Reporting Protocol
- Oversight of the Compliance Function Policy
- Perquisites Policy
- Records Retention Policy
- French Language Policy
- Procurement Policy

By-laws, policies, and other documents that are subject to public disclosure are available on the [Corporate Documents](#) page of RPRA's website.



Compliance and enforcement

2023 compliance highlights

RPRAs compliance and registry team is responsible for 1) enforcing the requirements of the RRCEA and the WDTA and their associated regulations and 2) for supporting users of the Hazardous Waste Program (HWP) and Excess Soil registries to fulfill their registration and reporting requirements. Compliance related to the Excess Soil and Hazardous Waste programs is the responsibility of MECP.

The Registrar is responsible for assessing risk and implementing appropriate education, communication and enforcement activities to maximize compliance while minimizing burden on businesses. These activities always include proactive education and awareness, and may also include:

- Inspections and audits
- Communication to address non-compliance (e.g., issuing warning letters, notices, or Registrar’s statements)
- Compliance order to require a person or business to remedy a contravention
- Administrative penalty order due to breaching the RRCEA or its regulations
- Prosecution

Throughout 2023, the multi-year project to develop and implement a more refined risk assessment methodology and related policies and procedures to enhance RPRAs [Risk-Based Compliance Framework](#) continued. The project will assist the compliance team in taking an evidence-based approach to prioritizing compliance cases. This project will help standardize risk assessment and support staff to appropriately prioritize resources and manage risks to the province’s recycling system. The risk assessment methodology is expected to be implemented by the end of 2024, with processes to ensure continuous improvement and maintenance of the methodology implemented in 2025.

To increase transparency around compliance activities and outcomes, a new [compliance activities webpage](#) was developed in 2023 as part of the public reporting action plan to provide data and information about compliance activities year over year. RPRAs reports annual data on the numbers of open inspections, potential free riders, open non-compliance cases, in-year non-compliance case resolution rate and the percent of producers who completed their supply reports on time. A [new compliance orders and administrative penalties](#) webpage was also created in 2023 that enables users to see all orders and penalties issued.

The [Public Reports](#) section of RPRAs website also contains all supply and recovery metrics for producer responsibility programs.

New communications materials were developed in 2023 to support businesses in complying with the producer responsibility regulations, including 31 separate guides for different materials obligated under the HSP regulation and guides for producers of lighting and Blue Box materials.

Compliance plans were also developed and implemented to address free riders in all programs, late HSP supply reporting and incomplete verification reports, and Blue Box producers’ implementation of a collection and management system.

RPRAs continues to develop registry procedures for supply and performance data reporting to increase data accuracy, improve harmonization with other jurisdictional requirements, and reduce burden on regulated businesses.

RPRAs compliance staff undertook inspection and audit activities in 2023 to ensure compliance with the regulatory requirements and support a competitive marketplace for resource recovery, including major inspections of all collections systems for all producer responsibility programs.

The team identified shortfalls in the shared public collection system for tires in 2022, and RPRAs subsequently required each PRO to submit a compliant system on behalf of the producers they represent. PROs submitted four separate collection systems, which were examined to determine compliance with the regulatory requirements and determined to be non-compliant. Compliance orders, which are posted to [RPRAs website](#), were issued in spring 2023 to compel immediate action to address the non-compliance. RPRAs continues to monitor tires collection systems for compliance with the regulation.

The compliance and registry team worked closely with Blue Box producers, industry associations, PROs and MECP to ensure the new program was ready to launch in time for the first group of municipalities and First Nation communities to exit the legacy system and participate in the new producer-run program on July 1, 2023. RPRAs also implemented a compliance plan to ensure producers were fulfilling their collection system requirements, which resulted in the issuance of a number of Notices of Intent to Issue Administrative Penalty Orders to non-compliant producers in January 2024.

Procedure development 2023-2024

Type of procedure	Affected programs
Recycling Efficiency Rate (RER)	ITT/AV, Lighting, Batteries and HSP
Performance audit	ITT/AV, Lighting, Batteries and HSP
Large/small producer categories	ITT/AV and Batteries
Supply verification	Lighting

Registry support

Under its legislated mandate, RPRA is required to develop and operate an electronic public registry for obligated parties to register and report on waste and resource recovery. The registry provides the foundation for operationalizing the government’s regulations for producer responsibility programs, liquid industrial and hazardous waste, and excess soil. It enables obligated parties to comply and for their waste diversion and waste movement activities to be monitored to ensure the applicable environmental laws are being followed.

RPRA’s registry system has 12 separate operational portals for producer responsibility programs: one each for the Tires, ITT/AV, Batteries, Lighting and Blue Box programs, and seven for each HSP Program material category (paints, coatings, and solvents; pressurized containers; pesticides; mercury-containing devices; automotive materials; refillable propane containers; and fertilizers). RPRA also operates the Excess Soil Registry and the HWP Registry to support MECP’s compliance and enforcement activities under the *Environmental Protection Act* (EPA).

Front line interactions

Interactions	2023	2022
Emails (Inbound and Outbound)	69,013	37,681
Incoming Calls	16,504	2,814
Outgoing Calls	5,528	4,589
Total Interactions	91,045	45,084

In 2023 RPRA contracted an external call centre to support the anticipated increase in inquiries due to the launch of the HWP registry. In 2023, RPRA’s front line staff and external call centre staff responded to over 7,000 registrant inquiries. Common inquiries from regulated parties included questions about reporting obligations, information on obligated materials, how to navigate and use the registry and how regulation amendments affect their obligations.

RPRA strives for continuous improvement and uses information gathered through interactions with regulated parties to develop communications materials and make enhancements to the registry portals and RPRA’s website.

RPRA’s service delivery model continued to evolve in 2023. In early 2024, an initial service standard was developed and launched against which RPRA’s service delivery is being measured to guide actions to improve service delivery and finalize the service standard. RPRA continues to implement improvements to case management processes to increase efficiency in responding to registrant inquiries.

Excess Soil Registry

The Excess Soil Registry successfully launched on December 1, 2021, in accordance with the Minister’s Direction to RPRA. In April 2022, the ministry announced that it would implement a temporary suspension of certain provisions of the Excess Soil Regulation until January 1, 2023, including the requirement for regulated persons to register and report via the registry. The Excess Soil Registry remained open for users to voluntarily register and report throughout 2022.

In January 2023, the temporary pause was lifted and requirements to report excess soil activity through the Excess Soil Registry under the amended Excess Soil Regulation came into effect. As of December 31, 2023, there were 657 Excess Soil registrants.

In October 2023, the ministry consulted on proposed amendments to the Excess Soil Regulation, which included removing the requirement for certain soil depots to obtain an Environmental Compliance Approval (ECA) and instead requiring that soil depot proponents file notices in the Excess Soil Registry. A planned second phase of registry development in concert with MECP and stakeholders is delayed until the effect of this proposed amendment is fully understood.

HWP Registry

The HWP Registry and RPRA HazTrack mobile app launched at the beginning of 2023. Within three months, more than 80% of expected volumes were being processed through the new registry. To date 17,400 business have registered, and seven businesses are using an external API, which automates the creation of tens of thousands of manifests through system-to-system interactions, thereby reducing log-ons to the registry.

By the end of 2023, over 250,000 manifests were completed, representing thousands of tonnes of liquid industrial and hazardous waste shipped in Ontario. In 2023, HazTrack had over 3,000 unique users log in, and over 92,000 manifests had been completed through the mobile app.

Over the first half of the year, RPRA issued monthly HWP newsletters informing users of multiple enhancements to the registry to improve usability and increase efficiency.



Oversight of WDTA programs

Overview

Under the *Waste Diversion Transition Act, 2016* (WDTA), RPRA is responsible for overseeing the operation and wind up of Ontario's legacy recycling programs and transitioning them to the province's new producer responsibility regulatory framework.

In 2023, RPRA oversaw the operation of one waste diversion program under the WDTA: the legacy Blue Box Program operated by the industry funding organization Stewardship Ontario. The legacy program began to transition to the producer responsibility regulatory framework under the RRCEA on July 1, 2023 and will conclude on December 31, 2025. Stewardship Ontario will be liquidated soon after, in accordance with the Minister's directions.

Legacy waste diversion programs for tires, batteries and electronics transitioned to the RRCEA between 2018 and 2021.

Following the implementation of the final steps in the Municipal Hazardous and Special Waste (MHSW) Wind-Up Plan in 2023, the Minister of the Environment, Conservation and Parks issued a letter formally terminating the program on September 11, 2023.

The former operators of the tires and electronics legacy programs, Ontario Tire Stewardship and Ontario Electronics Stewardship, continued to undergo liquidation in 2023.

The organizations that operate under the WDTA are required to submit an annual report to RPRA that provides detailed information on program performance as applicable and financials.

The Beer Store, which is not overseen by RPRA, is also required to submit an annual report to RPRA as part of its public reporting requirements. These reports are included as appendices to this document. [See pages 74 and 75.](#)

Blue Box Program

The Blue Box Program ensures paper and packaging made of paper, glass, plastic and/or metal is collected from residences in participating municipalities and First Nation communities across Ontario.

Stewardship Ontario (SO) contributes 50% of the total cost of operating the WDTA Blue Box Program on behalf of stewards of packaging and printed paper (brand owners, franchisors or first importers). As of December 31, 2023, there were 1,797 stewards registered with SO.

On July 1, 2023, Ontario's Blue Box Program began the process of transitioning the existing Blue Box services to the new producer responsibility framework operated under the RRCEA according to the government's [Blue Box Transition Schedule](#). Throughout 2023, 69 of Ontario's municipalities (approximately one-third) transitioned to the new producer responsibility framework.

Municipalities, recycling associations and First Nations communities that have not yet transitioned to the RRCEA producer responsibility framework continue to operate the residential collection and material management services and fund the costs of these services not covered by SO stewards. Communities that have yet to transition also continue to report their Blue Box activities including tonnage and financial data annually to RPRA as part of the [Datacall](#). These communities (approximately two-thirds of Ontario communities) reported that they recycled a total of 403,175 tonnes of Blue Box materials in 2022.

The reported recovery rate for communities that continue to operate under the WDTA Blue Box Program was 51.9% in 2022, compared to 53.3% in 2021.

Further information about the WDTA Blue Box Program can be found in SO's Annual Report ([Appendix A](#) of this report).

In October 2023, RPRA published the [Datacall Trends Report: Analysis of Ontario's Residential Recycling Program from 2002 to 2021](#). The Datacall Trends Report highlights trends and provides analysis of Ontario's residential waste diversion data reported into the Datacall between 2002 and 2021. Since 2002, the annual Datacall has collected tonnage and financial data associated with operating the Blue Box Program and other residential waste diversion activities from municipalities, recycling associations and First Nation communities in Ontario.

Municipal Hazardous or Special Waste Program

The Municipal Hazardous and Special Waste (MHSW) Program ceased operating on September 30, 2021, and the subject materials were designated under the RRCEA on October 1, 2021. Remaining residual funds were disbursed to stewards (businesses that participated in the program) in June 2022.

On June 8, 2023, SO provided the Minister of the Environment, Conservation and Parks with its Final Implementation Report which summarizes how it implemented the steps in its approved wind-up plan for the MHSW program. On September 11, 2023, the Minister of the Environment, Conservation and Parks issued a letter formally terminating the MHSW program.

Information about the MHSW program's final wind-up activities undertaken in 2023 can be found in Stewardship Ontario's annual report in [Appendix A](#) of this report.

Waste Electrical and Electronic Equipment Program

The Waste Electrical and Electronic Equipment Program operated by Ontario Electronic Stewardship (OES) ceased operations on December 31, 2020 and transitioned to the RRCEA on January 1, 2021. Deloitte Restructuring Inc. is the court-appointed liquidator overseeing the dissolution of OES. OES's activities in 2023 continued to focus on the resolution of outstanding financial and tax matters. Once resolved, the OES Liquidator will implement the

remaining steps described in the approved wind-up plan and dissolve the corporation, which will allow the Minister to formally terminate the program. Information about OES's activities in 2023 can be found in [Appendix B](#) of this report.

Used Tires Program

The Used Tires Program operated by Ontario Tire Stewardship (OTS) under the WDTA ceased operations on December 31, 2018 as directed by the Minister. Grant Thornton Ltd. is the court-appointed liquidator overseeing the dissolution of OTS. OTS's activities in 2023 continued to focus on the resolution of outstanding financial and tax matters. Once these are resolved, the OTS Liquidator will implement the remaining steps described in the approved wind-up plan and dissolve the corporation, which will allow the Minister to formally terminate the program. Information about OTS's activities in 2023 can be found in [Appendix C](#) of this report. performance as applicable and financials.

The Beer Store

The Beer Store is a privately-owned chain of retailers selling beer in Ontario. The Beer Store collects beer containers and packaging sold in its stores and administers the Ontario Deposit Return Program, which facilitates the collection of alcoholic containers sold outside its stores, including wine, spirits, beer and coolers. While this is not a waste diversion program overseen by RPRA, the WDTA requires The Beer Store's annual report to be provided to RPRA and made public to support transparency in The Beer Store's public reporting.

In 2023, The Beer Store reported collecting over 1.5 billion containers, diverting 128,557 tonnes of recyclable material as part of The Beer Store Program and 91,415 tonnes as part of the Ontario Deposit Return Program. According to The Beer Store's 2023 annual report, the return rate of recyclable material in the Ontario Deposit Return Program was 74%, while the return rate for containers sold at The Beer Store was 79%. The Beer Store Annual Report can be found in [Appendix D](#) of this report.

Corporate scorecard

RPRA's performance

RPRA publishes a business plan each year which sets out strategic priorities, objectives, planned major activities and performance measures. A subsequent annual report, published by June 1 of the following year, communicates RPRA's progress toward its priorities and objectives as set out in the business plan.

The tables report on activities completed in 2023, and RPRA's progress towards achieving the strategic objectives set out in the 2023 business plan through the results of performance measures tracked during the previous year. The tables are organized by strategic priority.

Strategic priority one: Providing Ontario with reliable and useful resource recovery and waste information

Objective 1
Publishing information submitted to the registry about resource recovery and waste, for use by businesses, the public, and government

Completed activities

- In 2023 RPRA published supply and recovery data reported to RPRA in 2023 for the following programs:
 - Electronics
 - Tires
 - Blue Box
- Lighting, HSP and Batteries supply and recovery data reported to RPRA in 2023 was published in April 2024. Compliance activities and reporting verification for these three programs delayed the publication of the data.
- In June 2023, RPRA published data and information on compliance activities on a new dedicated webpage, in accordance with the public reporting action plan for 2023.
- A new Compliance Orders and Administrative Penalties webpage was also created in spring 2023 and is updated as orders or penalties are issued.
- Both the Excess Soil and HWP public portals enable the public to access real-time information about notices filed and associated information, including project proponents and generating facilities.
- In spring 2024, RPRA published a list of waste-generating facilities registered through the HWP portal, which will be updated quarterly.

Objective 2

Helping consumers understand resource recovery programs in the province (including where to recycle)

Completed activities

- RPRA launched an updated collection site map on January 31, 2024. It includes recycling location data from all producer responsibility programs other than the Blue Box program, for which material is collected curbside
- RPRA began a user-experience review of its website identify opportunities to enhance the useability. The review is ongoing through the first half of 2024.

Progress toward the achievement of the objectives under strategic priority one was measured by the completion of the planned major activities identified in the tables above.

Strategic priority two: Providing registrants with accessible and easy-to-use registry services

Objective 1
Developing, maintaining and enhancing registry portals to meet users' needs

Completed activities

- Consultation on the second phase of the Excess Soil Registry is currently delayed to allow additional time to understand the expected volume of filings over time, and to determine the changes required by proposed amendments to the On-site and Excess Soil Regulation.
- The HWP registry launched on time and within the approved budget and began accepting waste activity reports and electronic manifests on January 1, 2023.
- Key data management activities accomplished in 2023 included the development of a data governance roadmap, with a focus on:
 - Data-related policies
 - Creation of a Data Dictionary
- In 2023 RPRA developed and implemented an intake process to align all registry enhancement projects to RPRA's strategic priorities and objectives. Enhancement projects that were approved in 2023 included:
 - Enhancements for HWP manifest requests
 - Introduction of a simplified account administrator change process
 - Improvements to account users' management interface
 - Improvements to filtering functionality on registrant data tables enabling registrants to self-service data needs
 - Substantial improvements to how efficiently collection site data is submitted by PROs and analyzed by RPRA, through the collection site map project
 - Expanded the use of HWP external API to additional organizations

Objective 1 continued

Developing, maintaining and enhancing registry portals to meet users' needs

Completed activities

- All required Salesforce releases and upgrades were completed on schedule.
- All fixes and enhancements are scheduled by priority and implemented accordingly.
- In accordance with RPRA's cybersecurity roadmap, the following was completed in 2023:
 - Implemented security and information event logging on laptops, servers and network
 - Expanded multifactor authentication to include guest accounts
 - Implemented periodic access review process for JIRA, active directory and guest accounts
 - Implemented storage device restrictions (data loss prevention)
 - Implemented Extended Detection and Response (elevated anti-virus)
 - Operationalized cybersecurity training and testing for all staff
 - Geo location identification for access
 - Updated cyber incident response plan and completed an internal tabletop exercise
- RPRA continued to implement sound procurement and contract management practices, and all governance and consultation policies and procedures were followed for all registry projects and enhancements in 2023.

Objective 2

Minimizing burden by helping registrants easily accomplish their registration and reporting requirements

Completed activities

- Initial service standards were developed in 2023 and launched on January 1, 2024. Service levels are currently being monitored against the standards. A gap analysis to assess the initial service standards against actual performance will guide refinement and implementation of the standards.
- RPRA initiated the following changes in service provision in 2023:
 - Implemented improvements to RPRA's phone system and officer productivity tracking system
 - HWP Registry inquiries were directed to the external call center, improving service availability
 - Front line RPRA staff were organized to receive inquiries that aligned with their program knowledge, improving efficiency
- RPRA implemented new training programs and departmental procedures in 2023 to upskill current front-line staff and onboard new staff. RPRA also began a review of current onboarding, training and continuous learning processes to determine areas of improvement, which is ongoing in 2024.

Objective 3

Efficiently providing registry support to all registrants across all programs

Completed activities

- RPRA implemented the following actions to stabilize operations and improve efficiency and effectiveness:
 - New cybersecurity, information technology delivery models, data governance and data capabilities;
 - Refined compliance processes, structure and tools
 - New and updated business processes, policies and procedures
 - Improvements to key performance measures, prioritization and risk management.
- RPRA implemented the following actions in 2023 to reduce email and phone burden:
 - Development of a simplified knowledge base for officers supporting HWP
 - Improvements to the online Contact Us form
 - Operational improvements to reduce the manual effort to process and collect registrant payments
 - Improvements to support case management and registrant inquiries to decrease time officers spend on a case or inquiry.
- RPRA developed the following educational materials and experiences to help registrants easily complete their required tasks in the registry:
 - 31 new HSP registrant walkthrough guides, and guides for Lighting, HSP and Blue Box producers
 - Prerecorded "How-to" videos for registrants
 - Targeted live webinars for Blue Box registrants
 - Live workshops to assist municipalities with their reporting responsibilities under Blue Box.

Performance measures for strategic priority two: accessible registry services

Measure	Target	Status	Outcome
Track registry uptime, releases and enhancements	<ul style="list-style-type: none"> No unplanned downtime Three Salesforce product releases annually Six releases annually for system enhancements 	Achieved	<ul style="list-style-type: none"> Achieved 99.999% system up-time Completed three Salesforce product releases in 2023 Completed 12 releases for system enhancements
Track and report on major incidents	N/A	Achieved	A total of three “Severity 1” incidents occurred in 2023. All incidents resolved within expected service levels.
Track percent of required reports submitted as complete and correct, both by registry program, and across programs	N/A	Achieved	80% of the total number of required reports were submitted in 2023. Please see the Compliance Activity webpage for percentages by producer responsibility program.
Track baseline perceptions of RPRA’s registry services for setting targets in 2024 and 2025	N/A	Achieved	<p>Perceptions according to 2023 survey results were analysed to calculate an overall registry services performance grade from 1 to 10.</p> <p>Grade from producer responsibility registrants: 7.31</p> <p>Grade from HWP and ES registrants: 7.51</p>

In 2023, RPRA began to track an indicator of perceived overall performance based on survey responses from registrants in all programs. The performance grade is calculated on a scale of 1 to 10, and was 6.55 as derived from responses submitted by registrants in producer responsibility programs, and 7.49 as derived from responses submitted by registrants in the HWP or Excess Soil registry programs.

Strategic priority three:

Delivering an effective compliance program to help achieve resource recovery and waste reduction outcomes for the province

Objective 1

Supporting our regulated community through education, outreach, and effective and inclusive communications

Completed activities

C4C activities in 2023 included:

- Held staff training sessions on effective use of C4C in emails and registrant correspondence
- Created new templates and internal operational procedures that used C4C techniques to bring registrants into compliance
- Issued Registrar Statements for the Batteries and Blue Box programs with the primary goal of bringing registrants into compliance without the use of enforcement tools
- Hosted an in-person and live-streamed Producer Responsibility 101 session
- Collaborated with PROs and industry associations to conduct Ask the Registrar Anything Sessions
- Initiated a targeted outbound call campaign to assist Blue Box producers with their supply reporting to decrease the number of possible errors
- Worked with PROs to amplify RPRA’s compliance messages
- Introduced a registrant library for Blue Box compliance questions
- Communications activities for HWP and Excess Soil registry programs included:
 - Monthly newsletters for HWP registrants highlighting role-specific training materials, FAQs, registry program fees, and other resources
 - Targeted communications to Excess Soil registrants on regulatory amendments, program fees, and training resources.

Objective 2

Applying risk-based compliance frameworks to efficiently allocate compliance and enforcement resources

Completed activities

In 2023 RPRA developed the following risk-based compliance plans:

- Free rider compliance plan applicable to any program
- HSP supply reporting compliance plan
- Blue Box producer collection management system reporting compliance plan
- RPRA initiated the development of multiple registry procedures to achieve the reported of accurate data, harmonization, and burden reduction (see page 29).

Objective 3

Promoting a level playing field for our regulated community and the successful achievement of performance requirements

Completed activities

- RPRRA continued to implement the remaining steps of the approved Blue Box Program Transition and Stewardship Ontario Wind-Up Plan including ensuring compliance with the conflict-of-interest provisions of the plan. RPRRA also continued to implement the remaining steps in the approved wind-up plan for the Continuous Improvement Fund.
- Surplus funds from the legacy WEEE Program operated by Ontario Electronic Stewardship (OES) are currently held by the court-appointed liquidator and could not be disbursed in 2023 due to an ongoing tax case with the Canada Revenue Agency. Once the case has been resolved, the liquidator will oversee the transfer of OES surplus funds to RPRRA and the dissolution of OES according to the approved wind-up plan.
- Surplus funds from the legacy Used Tires Program operated by Ontario Tire Stewardship (OTS) are currently held by the court-appointed liquidator and could not be disbursed in 2023 due to an ongoing tax case with the Canada Revenue Agency. Once the case has been resolved, the liquidator will oversee the disbursement of OTS surplus funds to stewards and the dissolution of OTS according to the approved wind-up plan.
- Compliance processes and plans were developed and improved in 2023, including:
 - A gap analysis of current internal inconsistencies in approach
 - A roadmap for creating and refining internal policies and procedures for an effective and consistent approach when utilizing compliance tools
- New procedures were leveraged to help issue compliance orders in 2023, and to develop the first notices related to administrative penalties (which were issued in January 2024).

Performance measures for strategic priority three: Delivering an effective compliance program

Measure	Target	Status	Outcome
Track registrant baseline perceptions of education and outreach materials	N/A	Achieved	Results of the 2023 registrant survey were analysed to calculate a grade for overall registrant perceptions of education and outreach materials on a scale from 1 to 10. <ul style="list-style-type: none"> • Grade from producer responsibility program registrants: 7.10 • Grade from HWP and Excess Soil registry program registrants: 7.78
Track percent of registrants that receive communications from RPRRA regarding their reporting requirements	100%	Achieved	100% of registrants were sent communications. Taking into account undelivered emails, emails were successfully delivered to 98.36% of registrants.
Track engagement with high priority registrants prior to reporting deadlines	Individual engagement with all high priority registrants	Achieved	RPRRA individually engaged with 100% of high priority registrants in 2023
Track compliance activity levels and responsiveness, including: <ul style="list-style-type: none"> a. Completeness of data submitted by registrants b. Percent of known responsible parties registered 	N/A	Achieved	100% of data submitted by registrants was complete in 2023. 80% of the total number of required reports were submitted in 2023. Please see the Compliance Activity webpage for percentages by producer responsibility program.
Response time for complaints	Within 7 days	Achieved	One formal complaint was received, and a response acknowledging the complaint was provided within seven days.
Time to close high-priority substantiated free-rider cases	Within 90 days	Achieved	All high-priority substantiated free rider cases were closed within nine months of being substantiated or are in the process of being escalated for enforcement consideration.

Performance measures for strategic priority three: Delivering an effective compliance program

Measure	Target	Status	Outcome
Response time for substantiated non-compliance	Within 30 days	Achieved	All substantiated non-compliance was responded to within 30 days.
Track the number of free riders brought into compliance per year	N/A	Achieved	<ul style="list-style-type: none"> • There were 102 free rider cases closed in 2023 -- 69 of those cases were for businesses that were brought into compliance, and the remaining 33 were determined as not obligated to register. • For more details please see the Compliance Activity webpage.
Track verification of high priority producer supply and performance reports	<ul style="list-style-type: none"> • 100% of priority producer supply reports • 100% of priority producer performance reports • 100% of priority producer annual performance reports verified by year-end 	Achieved	<ul style="list-style-type: none"> • 100% of priority producer supply and performance reports were verified in 2023. • 100% of priority producer annual performance reports were verified by the end of 2023.

Strategic priority four: Building an accountable, transparent and sustainable organization that achieves value for money

Objective 1

Enhancing RPRA’s organizational culture to support a highly engaged workforce and be an employer of choice

Completed activities

- 21 new staff were hired in 2023 to fill new and vacant positions to strengthen service delivery. As of December 31, 2023 RPRA had a complement of 77 FTEs. The 2023 Business Plan budgeted for 82 FTEs.
- Developed and implemented an employee engagement action plan focused on learning and development, recognition, work planning and prioritization, trust in leadership and diversity, equity and inclusion.
- The 2023 Employee Engagement survey asked respondents to rate the extent to which they agreed with the following statement: “My organization’s culture is aligned to its core values.”
 - 96.7% of staff responded with a rating of 3 or above where 5 was the highest score; and 78.2% responded with 4 or 5.
- RPRA completed a compensation benchmarking analysis to ensure its salary structure and pay was consistent with comparable organizations.
- Newly formed Diversity, Equity and Inclusion (DEI) Committee implemented the following actions in accordance with the DEI action plan:
 - Review and updating of HR policies using a DEI lens
 - Review of recruitment processes to ensure recruitment firms are attracting a diverse pool of candidates
 - Staff and management training sessions
 - Deployed a DEI survey which will be issued to all staff in 2024
- In the recent employee survey, 87.5% of staff agreed with the statement: “my organization is dedicated to diversity and inclusiveness” – an improvement of 10% over the last year’s score.

Objective 2

Upholding effective governance to support accountability to the ministry, stakeholders, and Ontarians

Completed activities

- The Formal Public Complaints and Requests for Clarifications Policy was effectively implemented in 2023.
 - RPRA received one formal request for clarification and one formal complaint, both of which were responded to under the policy.
- All required policies and procedures were maintained. In 2023, all Board-approved policies were reviewed and updated.
- Quarterly financial reports were made to Board of Directors and Finance and Technology Committee to assist with monitoring financial results.
- Adhered to timelines for quarterly reporting to TD Bank and government remittances.
- Quarterly attestations made to the Board that all policies and procedures had been met.
- RPRA continued to provide key communications in French in 2023 in accordance with the French Language Services Plan, including:
 - Proactively making the annual report and business plan – available in French
 - Proactively making its core corporate policy documents available in French, including: French Language Services Plan, Access and Privacy Code, General By-Law and Code of Conduct By-Law, Risk-Based Compliance and Framework, and related policies, guidelines, and codes
 - Providing additional services in French on request
- RPRA staff utilized the website, social media channels, conducted webinars and consultations, and leveraged other communications tactics such as emails and the newsletter to communicate information about key issues and developments related to both the WDTA and RRCEA.
- 2024 registry fees were approved for all programs in November 2023 except excess soil, for which fees were approved in winter 2024. Fees set were consistent with the fee-setting policy.
- All feedback was responded to in a comprehensive consultation report published on RPRA's website.
- A new HSP fee model was approved in June 2023 that better supports RPRA's fee setting principles and addresses longstanding concerns about uneven fee burdens across materials in that program.
- Board governance practices including meeting procedures and nominations adhered to Board policies and the Board governance charter.
- A number of initiatives were implemented to improve governance, including adjustments to ensure more efficient agendas, a new process for coordinating material distribution to ensure materials were circulated on time, and a new comprehensive approach to tracking and reviewing Board policies.
- The RPRA Board had a full slate of elected directors for all of 2023.

Objective 3

Undertaking consultations, stakeholder engagement activities, and annual reporting to ensure accountability and transparency

Completed activities

- The 2022 Annual Report was submitted as required by June 1, 2023.
- A hybrid Annual Public Meeting was held on June 21, 2023.
- The 2024 Business Plan was submitted as required on October 1, 2023.
- Consultations on 2024 registry fees were held throughout fall 2023.
 - Full consultation reports with responses to all feedback received were published on RPRA's website.
- RPRA staff continued to engage with the Industry Advisory Council and Service Provider Advisory Council on a broad range of issues, including the development of the annual business plan and public reporting.
- The Industry Advisory Council was convened in May 2023 and August 2023. The council declined a third meeting in December.
- The Service Provider Advisory Council was convened in May 2023, August 2023 and December 2023.

Objective 4

Using data to enhance programs and decision-making across the organization

Completed activities

- In 2023, RPRA established a Data Governance Committee with representation from all business areas, and is undertaking an inventory of data governance policies and gaps. The creation of a data dictionary that captures the definitions of Registry data attributes on their business operational usage began in 2023.
- Registry data and compliance activity metrics are analyzed and published under the oversight of the Public Reporting Working Group.
- A Risk Based Compliance Framework project to automate and refine RPRA's risk-based compliance approach progressed in 2023.

Performance measures for strategic priority four: building accountability, transparency and sustainability

Measure	Target	Status	Outcome
Track RPRAs employee engagement	Level of engagement meets or exceeds 2019 levels	Not achieved	<ul style="list-style-type: none"> Level of engagement for 2023 was overall 3% below 2019 levels The survey received an overall response rate of 86.5%, a continued improvement from 2019's response rate of 78.1% Overall scoring for the survey resulted in an average of 77% favourable, which is below 2019's 80% favorable results. 10 out of 14 questions received over 70% favorable responses; compared to 11 out of 14 in 2019.
Track cost recovery for each individual RPRAs program to compare fees billed with cost recovery target	Fees billed within 10% of cost recovery target for each program	Not Achieved	<ul style="list-style-type: none"> Overall fees billed are within 2% of the overall cost recovery target. Tires, HSP, Blue Box and HWP fees billed are within 10% of cost recovery target. Fees billed for ITT-AV/ Batteries, Lighting and Excess Soil are not within 10% of cost recovery target.

Financials

Management discussion and analysis

RPRAs operates on a cost-recovery basis and sets and charges fees in accordance with the WDTA and RRCEA.

Sections 34 and 41 of the WDTA allow RPRAs to recover costs from industry funding organizations (IFOs) and industry stewardship organizations (ISOs) associated with RPRAs's oversight of waste diversion programs operated by IFOs or ISOs and the winding up of those programs.

Section 41 of the RRCEA authorizes RPRAs to recover costs for activities related to the performance of its duties and exercise of its powers under the RRCEA or any other act.

RPRAs had total revenues of \$22.5M in 2023 compared to revenues of \$14.2M in 2022. \$7.0M of the \$8.3M increase was required to offset the operating expenses of RPRAs's new Hazardous Waste Program (HWP) Registry. RPRAs launched the HWP Registry and began collecting fees from users on January 1, 2023. The remaining increase was

required to offset the operating expenses of the six producer responsibility programs under the RRCEA and the Excess Soil Registry.

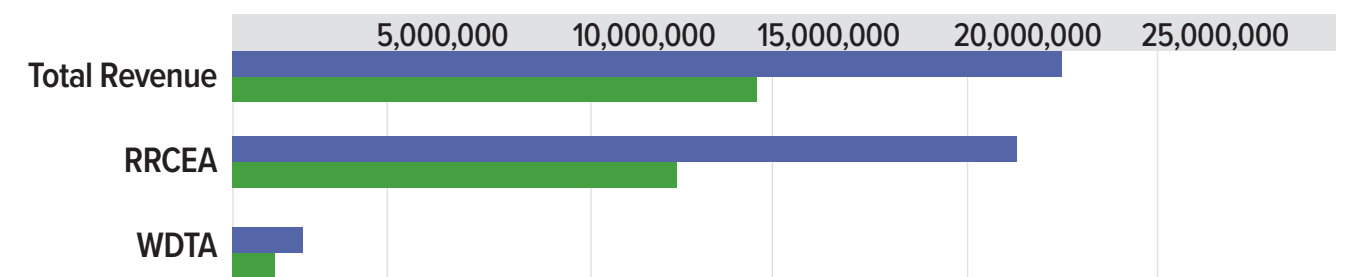
RPRAs's revenue breakdown for 2023 is as follows:

- 55% from producers of tires, electronics, batteries, hazardous and special products (HSP), Blue Box materials and lighting
- 31% from users of the HWP Registry
- 8% from users of the Excess Soil Registry
- 6% from IFOs and ISOs to recover the costs of RPRAs's activities related to the oversight of the wind up of legacy waste diversion programs

As the RRCEA programs mature and the legacy waste diversion programs and their associated IFOs and ISOs wind up, RPRAs anticipates that costs recovered under sections 34 and 41 of the WDTA will continue to decline to zero, at which point all RPRAs's costs will be recovered through producer responsibility and registry program fees under the RRCEA.

The below chart illustrates RPRAs's revenue generation in 2022 and 2023 from RRCEA program fees versus WDTA oversight fees.

RRPA revenue



	WDTA	RRCEA	Total revenue
2023	\$1,416,051	\$21,086,431	\$22,502,482
2022	\$2,147,410	\$12,092,571	\$14,239,981

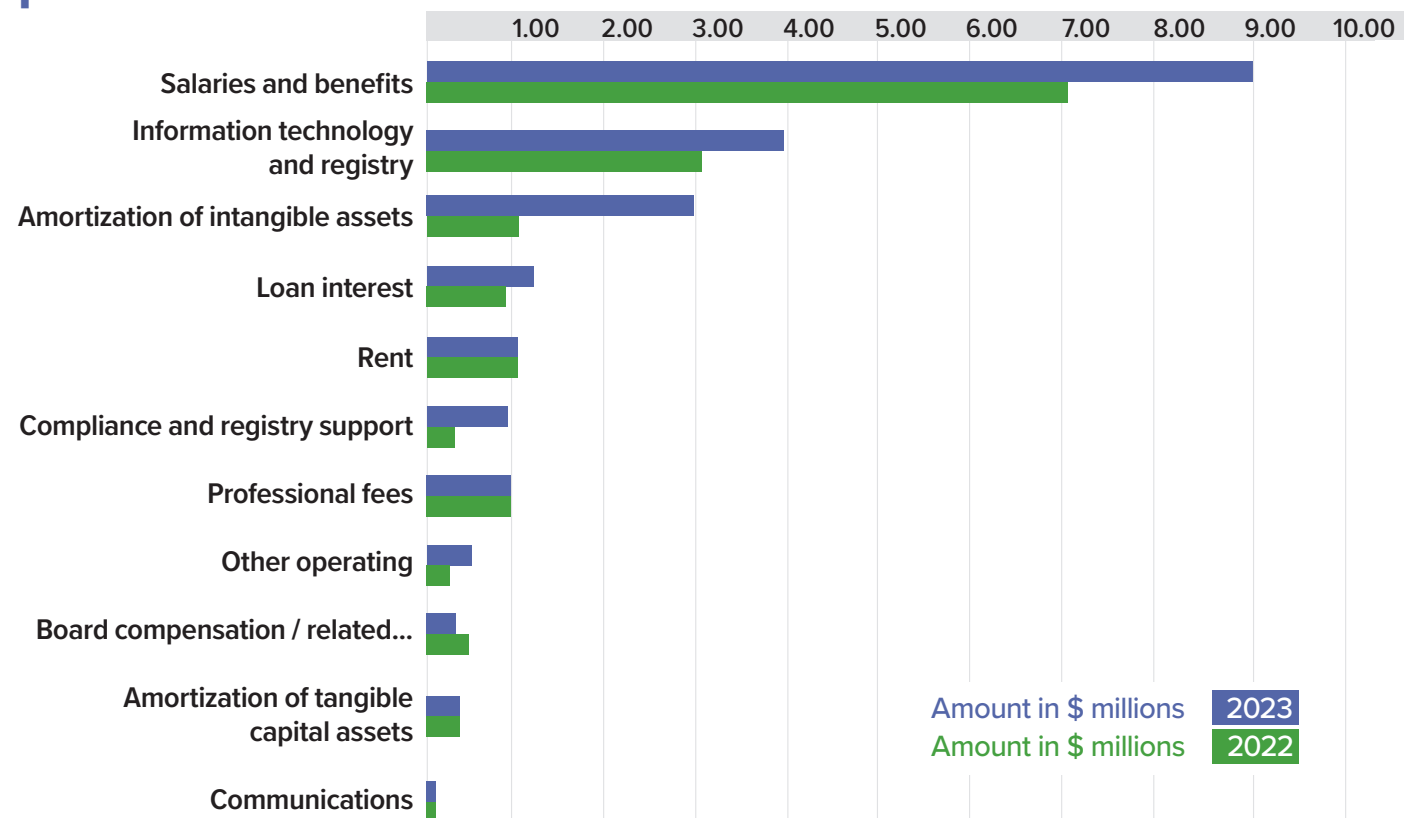
Revenue in \$ **2023**
Revenue in \$ **2022**

Operating expenses

RPRA's operating expenses increased by 39% between 2022 and 2023 - from \$14.7 M to \$20.3M as illustrated in the chart below. The majority of the increase was required to support the launch of the new HWP Registry. The remaining balance helped support RPRA's other programs in 2023, including the Excess Soil Registry program for which regulatory requirements were resumed after a pause for much of 2022, and the six producer responsibility programs for tires, batteries, electronics, lighting, Blue Box materials, and hazardous and special products (HSP). Increased expenses in 2023 compared to 2022 include:

- Additional salary and benefits expenses: FTEs increased from 67.5 to 77.2, with growth occurring in the compliance, information technology and data analytics team.
- Amortization and interest expenses due to the capitalization and full year amortization of the Blue Box, HSP and HWP registry assets and the associated debt financing costs.
- An increase in information technology and registry-related support costs were incurred to support the new portals and growth in registrants using the systems.

Expenses



- One-time registry implementation operating expenses were required to support the HWP registry portal launch.
- Additional compliance and registry support expenses were needed in 2023 to support the new HWP Registry service delivery and to develop new compliance procedures for producer responsibility programs.
- Total board compensation and related expenses increased to \$380,291 in 2023 compared to \$364,821 in 2022 as a result of costs to hold an in-person Annual General Meeting in June, 2023 and costs for Board evaluations.

The per diem rates for members in 2023 were as follows:

- Chair – \$744
- Vice-Chair – \$583
- Director – \$472

As required by the Minister of Environment, Conservation and Parks, RPRA also publicly discloses compensation of all positions earning \$100,000 or more annually. Additionally, in the interest of greater transparency, RPRA discloses compensation of all Board directors regardless of whether total director compensation is \$100,000 or more.

Variance to 2023 budgeted revenue requirement

The 2023 budgeted revenue requirement was \$25.9M. The actual costs incurred and amounts utilized in 2023 were \$22.5M, or 13% less than the budgeted revenue requirement. The lower expenses were due to less than budgeted costs for salary and benefits because of when positions were filled, lower amortization expenses due to lower actual registry portal capital costs than forecast, lower costs for planned professional services, and lower reserve recoveries due to interest earned on investments.

Amounts utilized were comprised of WDTA and RRCEA program operating expense recoveries of \$20.3M, reserve recovery of \$1.1M, and HWP and RRCEA program start-up deficit recoveries of \$1.0M.

Unbilled fees receivable (deferred revenue)

As outlined in Note 7 of the financial statements, as of December 31, 2023, RPRA had a cumulative overall net surplus in revenues billed to producers and other obligated parties totalling \$0.95M, or 5% of 2023 RRCEA expenses. This included billing shortfalls related to Excess Soil and Lighting of \$3.3M and \$0.18M respectively that was offset by \$4.4M (23% of 2023 actual RRCEA expenses) billed to all other producers in excess of revenues required.

Excess Soil and Lighting programs had cumulative billing shortfalls of \$3.3M and \$0.18M respectively, which arose due to lower than anticipated volumes and filings. These shortfalls were partially offset by lower actual expenses compared to the 2023 budget. During the 2024 fee setting process, the Board approved the recovery of the Excess Soil program billing shortfall over five years, from 2024 to 2028, and the Lighting program shortfall will be recovered in 2024. These shortfalls are reflected on the Balance Sheet as unbilled fees receivable.

On the other hand, Tires, ITT/AV, Batteries, HSP, Blue Box and HWP programs were billed more than their share of costs and amounts utilized, and the cumulative excess is reflected on the Balance Sheet as deferred revenue in the amount of \$4.4M

as of December 31, 2023. This surplus in revenues billed was generated by higher volumes billed and lower expenses compared to amounts budgeted in fiscal 2022 and 2023. The excess in amounts billed for 2022 were incorporated during the 2024 fee setting process and reduced these program fees. The excess in amounts billed for fiscal 2023 will be applied to 2025 registry fee rates.

Operating reserve and net assets

RPRA's Operating Reserve Policy sets the maximum amount of the reserve at 50% of RPRA's annual operating costs. As outlined in RPRA's Financial Management and Control Policy, a sufficient and appropriate reserve balance is required to provide the cash flow necessary to maintain ongoing operations, and to serve as an internal source of funds in case of unbilled cost recoveries, unanticipated declines in revenues or other non-recurring expenses.

Consistent with the approved 2023 budget, \$1.2M was added to the reserve in 2023, increasing the balance from \$6.3M to \$7.5M. The average interest rate earned on funds invested in 2023 was 5.2%. The reserve as a percent of operating expenses declined from 43% as of December 31, 2022 to 37% as of December 31, 2023.

RPRA's net assets consist of the operating reserve less the remaining RRCEA start up deficit and HWP deficit that will be recovered in future years.

The excess of expenses over revenues in 2023 was \$2.16M, consisting of:

- \$0.87M in HWP deficit recovery
- \$0.09M in RRCEA start up recovery
- \$1.07M in reserve recoveries
- \$0.13M in interest income

RPRA's total net assets on December 31, 2023 were \$5.5M or 27% of operating expenses, compared to \$3.3M or 23% of operating expenses at the end of 2022.

Cash flows and liquidity

At the end of 2023, RPRA had a positive working capital position (current assets minus current liabilities) of \$2.6M, compared to a negative working capital position of \$13.5M at the end of 2022. The positive position is a result of a reduction in short-term debt due to the conversion of lines of credit for registry builds to term loans, as well as increased investments. The investments were made possible by excess cash acquired during the year because of earlier reporting and fee-payment deadlines for some programs compared to 2022. RPRA's cash and short-term investments totalled \$11.4M at the end of 2023, compared to \$6.7M at the end of 2022.

As of December 31, 2023 RPRA had \$3.4M outstanding on its operating lines of credit to support the unbilled receivable from the Excess Soil Program and HWP deficit. These lines of credit will be repaid through fees charged to registry users in future years.

RPRA has a total of \$5M available from lines of credit at Prime less 0.75% with a Canadian bank to cover ongoing working capital requirements and general corporate purposes. No funds had been accessed from these lines of credit as of December 31, 2023.

The financing arrangement for registry builds that was shown as a current liability (a line of credit) in 2022 was converted to a term loan in June 2023 when the registry builds were completed. The loan is shown as a long-term liability with a current portion in the December 2023 financial statements.

Long-term debt

During 2023, RPRA repaid \$1.8M of the principal owing on term loans, resulting in total long-term debt of \$23.5M as of December 31, 2023. The six 10-year term loans relate to the builds of the tires, batteries, ITT/AV, lighting, HSP, Blue Box, excess soil and HWP portals, and foundational elements of the registry. These loans bear interest at rates of 2.35%, 2.795%, and 5.85%, which were determined when RPRA drew on the loans in 2021 and 2023.

All registry projects require Board approval and bank approval based on each RRCEA regulation or ministerial direction prior to accessing financing. All bank debt is secured by a general security agreement.

Principal risks and uncertainties

RPRA identifies, assesses and evaluates risks, and develops mitigation plans to manage risks that have the potential to inhibit the organization's ability to achieve its objectives. RPRA monitors its risks and continually assesses its exposure and mitigation plans to ensure its risk mitigation strategies support organizational resilience.

The key risks associated with RPRA's operations include:

- Uncertainty about government decision making, such as potential revisions to regulations under the RRCEA, the timelines to implement changes in regulations, and impacts to fees, compliance operations, impairment of intangible capital assets, and debt financing.
- Uncertainty inherent in the implementation of new programs, including the Excess Soil Registry program, such as levels of voluntary compliance, support needs of registrants, number of registrants, volume of regulated material supplied by obligated entities, volumes reported into the digital reporting service programs, timelines to collect, and the effectiveness of communication and compliance strategies.
- Uncertainty about new material categories to be designated under RRCEA that may change operations or increase costs.
- Uncertainty about the timing of the wind-up of current waste diversion programs under the WDTA.
- Other operational risks related to technology risks, challenges in recruiting and retaining skilled human resources, interest rates and inflationary pressures, and resource requirements as programs and volumes stabilize and mature.

HST

As of January 1, 2023, RPRA began collecting 13% HST on all fees at the time of fee payment.

Outlook for 2024

- Revenue for RPRA's 2024 operations, including a reserve contribution and RRCEA start up recoveries, is budgeted at \$26.3M, compared to the \$25.9M budgeted for 2023.
- Operating expenses for 2024 are budgeted at \$24.5M compared to the \$23.5M budgeted for 2023. The budget includes planned increases in FTEs – primarily front line staff to support registrants in navigating new regulations and associated portals – as well as increases in the costs of IT support and software that are required to manage the registry programs, as well as professional services to support audit and procedure development and data governance.
- Sufficient cash flow in 2024 will be ensured by RPRA's operating reserve coupled with access to credit facilities. Liquidity from working capital, cash and investment management, the utilization of credit facilities to finance HWP deficit and Excess Soil unbilled fees receivable, and fee collections by program will be closely monitored during 2024. As outlined in the 2024 Business Plan, RPRA forecasts the operating reserve to remain below 40% of annual operating expenses.



Financial statements

For Resource Productivity and Recovery Authority for year ended December 31, 2023

Index 2023

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Independent Auditor's Report

To the directors of
RESOURCE PRODUCTIVITY AND RECOVERY AUTHORITY

Opinion

We have audited the financial statements of Resource Productivity and Recovery Authority (the Authority), which comprise the statement of financial position as at December 31, 2023, and the statements of operations, changes in net assets and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Authority as at December 31, 2023 and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Authority in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Authority's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Authority or to cease operations, or has no realistic alternative but to do so.

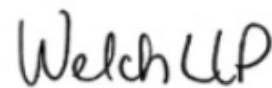
Those charged with governance are responsible for overseeing the Authority's financial reporting process.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Authority's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Authority to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Chartered Professional Accountants
Licensed Public Accountants

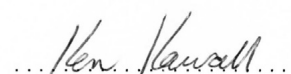
Toronto, Ontario
May 16, 2024.

Statement of financial position

		ASSETS	
	NOTES	2023	2022
CURRENT ASSETS			
Cash and cash equivalents	3	11,445,460	6,688,540
Accounts receivable	4	2,610,596	1,936,335
Government remittances receivable		-	661,596
Current portion of unbilled fees receivable	7	832,849	1,480,454
Prepaid expenses		334,976	230,271
		\$15,223,881	\$10,997,196
Deposits		95,860	95,860
Tangible capital assets	5	913,042	1,100,034
Intangible assets	6	20,498,053	22,296,055
Unbilled fees receivable	7	2,606,524	1,322,279
		\$39,337,360	\$35,811,424
		LIABILITY AND NET ASSETS (DEFICIT)	
CURRENT LIABILITIES			
Bank indebtedness	8	3,391,422	18,293,485
Accounts payable and accrued liabilities		2,227,976	4,321,723
Government remittances payable		9,305	-
Deferred revenue	7	4,386,786	964,494
Current portion of long-term debt	9	2,617,645	926,313
		\$12,633,134	\$24,506,015
NON-CURRENT			
Long-term debt	9	\$20,901,512	\$7,567,580
Deferred leasehold inducements	10	296,140	394,853
		\$33,830,786	\$32,468,448
NET ASSETS			
WDTA		-	-
RRCEA	11	(2,004,936)	(2,968,534)
Contingency reserve - internally restricted		7,511,510	6,311,510
		5,506,574	3,342,976
		\$39,337,360	\$35,811,424

Approved by the Board:

Director 

Director 

Statement of operations

YEAR ENDED DECEMBER 31, 2023	NOTES	WDTA	RRCEA	TOTAL
REVENUE				
Cost recovery		\$1,332,301	\$19,006,583	\$20,338,884
Reserve Fees		68,252	1,000,174	1,068,426
Start-up costs recovery		-	91,840	91,840
HWP recovery		-	871,757	871,757
Other income		15,498	116,077	131,575
		1,416,051	21,086,431	22,502,482
EXPENSES				
Salaries and benefits	13	800,156	8,213,024	9,013,180
Information technology and registry		96,806	3,637,395	3,734,201
Professional fees		180,132	471,147	651,279
Rent	10	76,289	787,683	863,972
Amortization of tangible capital assets	5	51,358	300,406	351,764
Amortization of intangible assets	6	14,156	2,611,950	2,626,106
Other operating	12	36,452	430,569	467,021
Board compensation and related expenses		55,522	324,769	380,291
Communications		21,430	145,070	166,500
Compliance and registry support		-	708,434	708,434
Loan interest	8 and 9	-	1,376,136	1,376,136
		1,332,301	19,006,583	20,338,884
Revenue over expenses (expenses over revenue)		\$ 83,750	\$2,079,848	\$ 2,163,598

Statement of changes in net assets

	WDTA	RRCEA	CONTINGENCY RESERVE INTERNALLY RESTRICTED	TOTAL
2023				
Net assets (deficit), beginning of year	-	(\$2,968,534)	\$6,311,510	\$3,342,976
Excess of revenue over expenses	83,750	2,079,848	-	2,163,598
Allocation of reserve fees	(83,750)	(1,116,250)	1,200,000	-
Net assets (deficit), end of year	-	(\$2,004,936)	\$7,511,510	\$5,506,574

Statement of operations

YEAR ENDED DECEMBER 31, 2022	WDTA	RRCEA	TOTAL
REVENUE			
Cost recovery	\$2,003,410	\$11,244,729	\$13,248,139
Reserve fees	144,000	756,000	900,000
Start-up costs recovery	-	91,842	91,842
HWP recovery	-	-	-
Other income	-	-	-
	2,147,410	12,092,571	14,239,981
EXPENSES			
Salaries and benefits	1,212,415	5,797,951	7,010,366
Information technology and registry	134,813	2,816,043	2,950,856
Professional fees	243,504	484,612	728,116
Rent	150,208	719,781	869,989
Amortization of tangible capital assets	83,295	270,707	354,002
Amortization of intangible assets	13,913	1,081,111	1,095,024
Other operating	55,388	251,175	306,563
Board compensation and related expenses	85,840	278,981	364,821
Communications	24,034	157,335	181,369
Compliance and registry support	-	217,144	217,144
Loan interest	-	590,612	590,612
	\$2,003,410	\$12,665,452	\$14,668,862
Revenue over expenses (expenses over revenue)	\$144,000	\$(572,881)	\$(428,881)

Statement of changes in net assets

	WDTA	RRCEA	CONTINGENCY RESERVE INTERNALLY RESTRICTED	TOTAL
2022				
Net assets (deficit), beginning of year	-	(\$1,639,653)	\$5,411,510	\$3,771,857
Excess of revenue over expenses	144,000	(572,881)	-	(428,881)
Allocation of reserve fees	(144,000)	(756,000)	900,000	-
Net assets (deficit), end of year	-	(\$2,968,534)	\$6,311,510	\$3,342,976

Statement of cash flows

CASH FLOWS FROM (USED IN) OPERATING ACTIVITIES	2023	2022
Excess of revenue over expenses (expenses over revenue)	\$2,163,598	(\$428,881)
Adjustments for:		
Amortization of tangible capital assets	351,764	354,002
Amortization of intangible capital assets	2,626,106	1,095,024
Amortization of deferred leasehold inducements	(98,713)	(98,714)
	5,042,755	921,431
Changes in non-cash working capital components:		
Accounts receivable	(674,261)	1,114,022
Unbilled fees receivable	(636,640)	(872,962)
Prepaid expenses	(104,705)	(2,047)
Accounts payable and accrued liabilities	(2,093,747)	2,609,285
Government remittances receivable	661,596	(661,596)
Government remittances payable	9,305	(201,701)
Deferred revenue	3,422,292	577,833
	5,626,595	3,484,265
Investing Activities		
Additions to capital assets - net	(164,772)	(51,477)
Additions to intangible assets	(828,104)	(13,809,181)
	(992,876)	(13,860,658)
Financing Activities		
Increase (decrease) in bank indebtedness	(14,902,063)	16,422,739
Advances of long term debt	16,791,110	-
Principal payments on long term debt	(1,765,846)	(914,797)
	123,201	15,507,942
Increase in cash and cash equivalents	4,756,920	5,131,549
Cash and cash equivalents, beginning of year	6,688,540	1,556,991
Cash and cash equivalents, end of year	\$ 11,445,460	\$ 6,688,540

Notes to the financial statements

1. Nature of operations

On November 30, 2016 the Resource Productivity and Recovery Authority (the Authority) was proclaimed as part of the Waste-Free Ontario Act, 2016.

The Authority is responsible for operating a registry to receive and store information, providing information to the public in accordance with an Access and Privacy Code, oversight of industry funding organizations and industry stewardship plans continued under the Waste Diversion Transition Act, 2016 (WDTA), oversight of the winding up of programs operated by the industry funding organizations, and compliance and enforcement of the Resource and Circular Economy Act, 2016 (RRCEA) and the WDTA. Under the RRCEA, RPRA also operates digital reporting services for programs that originated under the Environment Protection Act (EPA).

The Authority is a not-for-profit organization and is not subject to income taxes.

2. Significant accounting policies

BASIS OF PRESENTATION

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations.

FUND ACCOUNTING

The Authority's activities are reflected in the following funds:

- WDTA Fund: Reports the revenue and expenses related to operations under the WDTA.
- RRCEA Fund: Reports the revenue and expenses related to operations under the RRCEA.

A portion of funds have been internally restricted by the Board of Directors of the Authority to be used to provide for unexpected contingencies.

REVENUE RECOGNITION

The Authority follows the deferral method of revenue recognition. Revenues are derived through fees charged to registrants under section 41 of the RRCEA, to industry funding organizations (IFOs) under section 33 (5) of the WDTA, and fees charged to industry stewardship organizations (ISOs) under section 41 of the WDTA. The fees are set to cover the Authority's related operating costs and to provide a reserve for contingencies. Revenue is recognized when the amount of revenue can be measured reliably, collection is probable, and the costs incurred or to be incurred can be measured reliably.

Amounts billed greater than related allocated expenses for the year are recorded as deferred revenues. Amounts billed less than the related allocated expenses for the year are recorded as unbilled fees receivable. This is largely due to the timing and volume of supply data reporting by RRCEA participants. The unbilled fees are receivable under the RRCEA and will be recovered when related amounts are invoiced and received.

2. Significant accounting policies continued

TANGIBLE CAPITAL ASSETS

Tangible capital assets are recorded at cost. Amortization is provided on a straight line basis over the estimated useful lives of the assets commencing on the date when the assets are placed into service. The estimated useful lives are as follows:

Computer software	3 years
Computer equipment	3 years
Office equipment and furniture	5-7 years
IT infrastructure and networks	5-10 years
Leasehold improvements	Over the term of the lease

INTANGIBLE ASSETS

Intangible assets are recorded at cost. Amortization is provided on a straight-line basis over the estimated useful lives of the assets commencing on the date when the assets are placed into service.

The estimated useful lives are as follows:

Registry Foundation and Systems	3-10 years
Registry Tires	10 years
Registry Information technology, telecommunications, audio-visual (ITT/AV), Lighting and Batteries	10 years
Registry Excess Soil	10 years
Registry Hazardous Special Products (HSP)	10 years
Registry Blue Box	10 years
Registry Hazardous Waste	10 years

IMPAIRMENT

The Authority tests for impairment whenever there are indicators of possible impairment. When a test for impairment indicates that the carrying amount of an asset is not recoverable, an impairment loss is recognized to the extent carrying value exceeds fair value. There were no impairment indicators for tangible capital or intangible assets in 2023 and 2022.

DEFERRED LEASEHOLD INDUCEMENTS

Deferred leasehold inducements represent the reimbursement by the lessor of landlord restricted expenditures for leasehold improvements made by the Authority as inducements to enter into a new long-term lease agreement. Deferred leasehold inducements are amortized on a straight line-basis over the term of the lease.

FINANCIAL INSTRUMENTS

The Authority measures its financial instruments assets and liabilities at fair value. The Authority subsequently measures its financial assets and financial liabilities at amortized cost. Financial assets measured at amortized cost include cash and cash equivalents, and accounts receivable. Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and government remittances payable. The Authority has not designated any financial assets or financial liability to be measured at fair value.

ALLOCATION OF DIRECT AND INDIRECT EXPENSES

The Authority oversees programs under the WDTA and RRCEA. Under the RRCEA, RPRA operates two kinds of programs: resource recovery programs and digital reporting services. The costs of each program include personnel costs and other expenses that are directly related to overseeing the program. The Authority also incurs a number of indirect and shared costs that are common to the administration and operation of the Authority and each of its programs. Indirect and shared costs are allocated between WDTA and RRCEA Programs in accordance with multiple allocation methods, which are based on data that intends to reflect an estimate of the cost drivers of that particular expense. The cost drivers and percentage rates are determined as part of the annual budget and fee setting process.

RRCEA Program's share of indirect and shared costs are allocated in accordance with the following methodology adopted by the Board of Directors of the Authority:

- i) indirect and certain shared costs that are needed for the overall organization's health and operations, including overhead expenses are allocated equally among programs or by weighted program; and
- ii) shared service expenses that are variable based on volume of activity and are incurred to centrally deliver direct services to all or some of RPRA's Programs are allocated using cost drivers that are intended to reflect an estimate of activity. Cost drivers include a program's share of total number of obligated producers, a program's share of total number of obligated registrants, average of cost drivers relating to specific programs driving that shared expense, and an average of various cost drivers.

Expenses begin to be allocated to an RRCEA Program during the year that RPRA starts the registry project for the program. Once an allocation of costs to a Registry Program is triggered, cost allocations depend in part on whether a Registry Program is active or under development.

WDTA share of indirect costs are allocated in accordance with the following methodology adopted by the Board of Directors of the Authority:

- i) 50% of indirect costs are shared equally among programs; and
- ii) the remaining 50% of indirect costs are allocated based on the program's direct costs, excluding Datacall and InKind program administration.
- iii) The WDTA share of the reserve fees is allocated among the WDTA programs based on each program's proportionate share of total WDTA indirect (or shared) expenses.

Further, Industry Stewardship Plans (ISPs) are allocated a portion of the program's share of i) and ii) based on the relative proportion of the program's budget for the ISP material.

USE OF ESTIMATES

These financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, which requires the use of estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses during the reporting period. Estimates are primarily used in determining the useful lives of tangible capital assets and intangible assets, accrued liabilities, and the allocation of expenses. Actual results could differ from those estimates.

3. Cash and cash equivalents

CASH AND CASH EQUIVALENTS ARE COMPRISED OF THE FOLLOWING:

	2023	2022
Cash	\$4,405,515	\$6,688,540
Cashable term deposits	7,039,945	-
Total	\$11,445,460	\$6,688,540

The cashable term deposits have interest rates ranging from 5.10% to 5.50% and maturity dates spanning January 2024 to September 2024.

4. Accounts receivable

ACCOUNTS RECEIVABLE CONSISTS OF THE FOLLOWING:

	2023	2022
Accounts receivable consists of the following:		
RRCEA Registrants	\$2,176,825	\$1,503,193
Stewardship Ontario - Blue Box	326,826	278,976
Interest receivable	40,208	-
Ontario Electronic Stewardship - Waste Electrical and Electronic Equipment	32,411	45,345
Ontario Tire Stewardship - Used Tires	31,686	58,451
Stewardship Ontario - Continuous Improvement Fund	2,640	2,919
Automotive Materials Stewardship - Industry Stewardship Plan - Automotive Materials	-	14,096
News Media Canada	-	12,819
Stewardship Ontario - Municipal Hazardous or Special Waste	-	11,745
Product Care Association - Industry Stewardship Plan - Paint and Coatings	-	7,182
Product Care Association - Industry Stewardship Plan - Pesticides, Solvents and Fertilizers	-	1,474
SodaStream Canada	-	135
	\$2,610,596	\$1,936,335

5. Tangible capital assets

TANGIBLE CAPITAL ASSETS CONSIST OF THE FOLLOWING:

	2023		2022	
	COST	ACCUMULATED AMORTIZATION	COST	ACCUMULATED AMORTIZATION
Computer software	\$3,764	\$3,764	\$3,764	\$3,764
Computer equipment	266,260	159,191	291,229	192,793
Office equipment and furniture	276,592	209,413	276,592	170,136
IT infrastructure and networks	331,358	213,969	262,570	195,952
Leasehold improvements	1,570,646	949,241	1,570,646	742,122
	\$2,448,620	\$1,535,578	\$2,404,801	\$1,304,767
Less: accumulated amortization	(1,535,578)		(1,304,767)	
	\$913,042		\$1,100,034	

The Authority disposed of fully amortized computer equipment with a cost of \$103,431 (2022 - \$9,650) and IT infrastructure & network with a cost of \$19,807 (2022 - \$nil)

6. Intangible assets

INTANGIBLE CAPITAL ASSETS CONSIST OF THE FOLLOWING:

	2023		2022	
	COST	ACCUMULATED AMORTIZATION	COST	ACCUMULATED AMORTIZATION
Registry Foundation and Systems	\$6,291,067	\$2,403,131	\$6,049,047	\$1,674,955
Registry Tires	2,148,644	1,169,901	2,148,644	958,699
Registry ITT/AV, Lighting and Batteries	1,326,589	320,592	1,326,589	187,933
Registry Excess Soil	1,043,945	217,489	1,043,945	113,094
Registry HSP	3,045,380	357,568	2,438,035	60,950
Registry Blue Box	1,695,944	188,888	1,088,599	27,215
Registry HWP	9,903,453	991,385	-	-
Registry Under Construction	691,985	-	11,224,042	-
	\$26,147,007	\$5,648,954	\$25,318,901	\$3,022,846
Less: accumulated amortization	(5,648,954)		(3,022,846)	
	\$20,498,053		\$22,296,055	

7. Unbilled fees receivable and deferred revenue

THE UNBILLED FEES RECEIVABLE AND DEFERRED REVENUE RELATING TO THE RRCEA PROGRAMS ARE MADE UP AS FOLLOWS:

	Tires	ITT/AV & Batteries	Lighting	HSP
Balance, beginning of year	\$36,003	\$(367,468)	\$592,446	\$190,866
Revenue billed	\$(2,190,702)	\$(3,666,387)	\$(1,487,390)	\$(2,588,796)
Utilized during the year*	\$2,016,093	\$2,756,429	\$1,076,161	\$2,277,893
Recovery of prior year deficit				
Balance, end of year	\$(138,606)	\$(1,277,426)	\$181,217	\$(120,037)
Less:				
Deferred revenue	\$138,606	\$1,277,426		\$120,037
Current portion of unbilled fees receivable			\$181,217	
Long-term portion of unbilled fees receivable				

	Blue Box	HWP	Excess Soil	2023 Total
Balance, beginning of year	\$(597,026)	\$ -	\$1,983,418	\$1,838,239
Revenue billed	\$(5,626,171)	\$(7,710,239)	\$(486,323)	\$(23,756,008)
Utilized during the year*	\$4,056,739	\$6,154,223	\$1,761,061	\$20,098,599
Recovery of prior year deficit		\$871,757		\$871,757
Balance, end of year	\$(2,166,458)	\$(684,259)	\$3,258,156	\$(947,413)
Less:				
Deferred revenue	\$2,166,458	\$684,259		\$4,386,787
Current portion of unbilled fees receivable			\$651,632	\$832,849
Long-term portion of unbilled fees receivable			\$2,606,524	\$2,606,524

On April 21, 2022, the Ministry of the Environment, Conservation and Parks announced the temporary suspension of the registration and reporting requirements under the Excess Soil Regulation until January 1, 2023. This suspension and reduced filings resulted in a delay in collecting fees for the Excess Soil program. The Board approved 2024 fees for Excess Soil on February 13th, 2024 and the 2023 closing unbilled fees receivable are expected to be recovered over the next 5 years.

* Amount utilized during the year include cost recovery of expenses, reserve contribution, recovery of start-up and opening deferred costs.

8. Bank indebtedness

The Authority has revolving and supplementary operating credit facilities that bear interest at a floating rate equal to prime rate, minus 0.75% per annum, with a Canadian bank. All bank debt is secured by a general security agreement.

The amounts drawn on these operating credit facilities as at December 31, 2023 are \$3,391,422 (2022 - \$18,293,485).

OPERATING CREDIT FACILITIES CONSIST OF THE FOLLOWING:

	2023	2022
Credit facility for Registry infrastructure and set up costs for:		
HWP & Excess Soil (i)	\$ -	\$9,575,365
HSP (i)	-	2,784,428
Blue Box (i)	-	2,288,415
Credit facility for operating costs for:		
Excess Soil (ii)	1,938,514	1,846,435
Credit facility for operating costs for:		
HWP (ii)	1,452,908	1,798,842
	\$3,391,422	\$18,293,485

(i) Credit facilities for Registry infrastructure and set up costs were due upon project completion and were converted to term loans in June 2023 as shown in note 9.

(ii) Credit facilities for Excess Soil and HWP operating costs are due no later than December 31, 2025 and December 31, 2026 respectively.

9. Long-term debt

The amount drawn on term loans at December 31, 2023 is \$23,519,157 (2022 - \$8,493,893).

All bank debt is secured by a general security agreement.

LONG-TERM DEBT CONSISTS OF THE FOLLOWING:

	2023	2022
Loan payable - 2.35%, due June 18, 2026, payable in blended monthly instalments of \$52,974.	\$4,367,602	\$4,893,893
Loan payable - 2.795%, due December 22, 2026, payable in blended monthly instalments of \$33,333 plus interest	3,200,000	3,600,000
Loan payable - 5.85%, due June 20, 2026, payable in blended monthly instalments of \$25,378 plus interest	2,893,111	-
Loan payable - 5.85%, due June 20, 2026, payable in blended monthly instalments of \$82,529 plus interest	9,408,280	-
Loan payable - 5.85%, due June 20, 2026, payable in blended monthly instalments of \$8,700 plus interest	991,747	-
Loan payable - 5.85%, due June 20, 2026, payable in blended monthly instalments of \$23,319 plus interest	2,658,417	-
	\$23,519,157	\$8,493,893
Less: current portion	(2,617,645)	(926,313)
	\$20,901,512	\$7,567,580

PRINCIPAL REPAYMENTS OVER THE NEXT THREE YEARS ARE ESTIMATED TO BE AS FOLLOWS:

2024	\$2,617,645
2025	2,630,719
2026	18,270,793
	\$23,519,157

10. Deferred leasehold inducements

Deferred leasehold inducements consist of the following:

	2023		2022	
	DEFERRED LEASEHOLD INDUCEMENT	ACCUMULATED AMORTIZATION	DEFERRED LEASEHOLD INDUCEMENT	ACCUMULATED AMORTIZATION
Deferred leasehold inducements	\$830,230	534,090	\$830,230	435,377
Less: accumulated amortization	(534,090)		(435,377)	
	\$296,140		\$394,853	

Amortization of \$98,713 (2022 - \$98,714) is being recorded as a reduction of rent expense.

11. RRCEA net assets (deficit)

RRCEA NET ASSETS (DEFICIT) CONSIST OF THE FOLLOWING:

	2023	2022
RRCEA start-up deficit	(\$550,632)	(\$642,474)
RRCEA Hazardous Waste Program deficit	(1,454,304)	(2,326,060)
	(\$2,004,936)	(\$2,968,534)

The RRCEA start-up deficit relates to operating costs incurred in prior years which will be reduced by \$91,842 annually through RRCEA fees.

The RRCEA Hazardous Waste Program deficit relates to operating costs incurred to support the set up of the Hazardous Waste Program Reporting Service which launched January 1, 2023. It is anticipated that this deficit will be recovered in 2024 to 2026 through future fees to be collected from obligated registrants of this program. This deficit is partially financed through the Credit Facility as described in note 8.

12. Other operating costs

Other operating costs consist of the following:

	2023	2022
Bank charges, fees and interest	\$138,555	\$34,397
Staff training and expenses	125,549	75,398
Telephone and internet	82,673	76,763
Dues, subscriptions and events	44,964	37,742
Insurance	43,979	41,771
Office and general expenses	31,301	40,492
	\$467,021	\$306,563

13. Post-retirement benefits

The Authority has a defined contribution pension plan for its employees. The Authority contributes 1.5% of the employee's annual salary to the plan. Employees are not required to make contributions to the plan, however, the plan allows for a voluntary contribution of up to 5% of the employee's annual salary. If a voluntary contribution is made the Authority will match it. During the year, the Authority charged \$379,544 (2022 - \$318,102) to expenses for contributions and administration of the pension plan. The assets of the plan are held separately from those of the Authority in an independently administered fund.

14. Commitments

The Authority is under a lease for office space.

THE MINIMUM ANNUAL PAYMENTS ARE AS FOLLOWS:

2024	\$517,390
2025	517,390
2026	531,737
Total	\$1,566,517

15. Financial instruments

The Authority is exposed to and manages various financial risks resulting from operations and does not use derivative financial instruments to manage its risks. The Authority's main financial risk exposures and its financial risk management policies are as follows:

CREDIT RISK

Credit risk is the risk one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss. The Authority's maximum exposure to credit risk represents the sum of the carrying value of its cash and accounts receivable. The Authority's cash is deposited with a Canadian chartered bank and as a result management believes the risk of loss on this item to be unlikely. Accounts receivable consists mainly of amounts due from Industry Funding Organizations and RRCEA registrants, who are obligated to pay under the WDTA and RRCEA. Management reviews and monitors the collection of the accounts receivable and is of the opinion that the Authority is not exposed to any significant credit risk. Management believes the accounts receivable outstanding as at December 31, 2023 are collectible and an allowance is not warranted on the amounts due.

LIQUIDITY RISK

Liquidity risk is the risk that the Authority cannot meet a demand for cash or fund its obligations as they become due. Management considers the Authority has sufficient credit facilities to ensure that funds are available to meet its current and mid term financial needs at a reasonable cost. The Authority manages its liquidity needs by forecasting its monthly cash inflows and outflows and managing arranged bank facilities and term loans.

MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk is comprised of currency risk, interest rate risk and other price risk.

i) Currency risk

Currency risk refers to the risk that the fair value of instruments or future cash flows associated with the instruments will fluctuate relative to the Canadian dollar due to changes in foreign exchange rates. The Authority's financial instruments are all denominated in Canadian dollars and it transacts primarily in Canadian dollars. As a result, management does not believe it is exposed to significant currency risk.

ii) Interest rate risk

Interest rate risk refers to the risk that the fair value or future cash flows of financial instruments will fluctuate due to changes in market interest rates. The Authority's cash and cash equivalents earns interest at prevailing market rates and the interest rate exposure related to these financial instruments is negligible. The Authority is exposed to interest rate risk arising from fluctuation in interest rates on its credit facilities and term loans.

iii) Other price risk

Other price risk refers to the risk that the fair value of financial instruments or future cash flows associated with the instruments will fluctuate because of the changes in market prices (other than those arising from currency risk or interest rate risk), whether those changes are caused by factors specific to the individual instrument or its issuer or factors affecting all similar instruments traded in the market. Since the Authority does not have investments in publicly traded marketable securities, it is not exposed to other price risk.

Changes in risk

There are no significant changes in risk exposure from the previous year.

**Schedule of program costs for the
Waste Diversion Transition Act (WDTA)**
Year ended December 31, 2023

	Industry Stewardship Plans	Continuous Improvement Fund	Blue Box Waste	Used Tires
Direct expenses				
Salaries and benefits	\$141	\$15,548	\$151,822	\$2,482
Professional fees	-	-	107,310	51,738
Communications	-	-	10,539	-
Indirect & shared expenses	-	-	513,491	175,152
Total	\$141	\$15,548	\$783,162	\$229,372

	Waste Electrical and Electronic Equipment	News Media Canada	Municipal Hazardous or Special Waste	Total
Direct expenses				
Salaries and benefits	\$1,081	\$1,976	\$7,982	\$181,033
Professional fees	-	-	-	159,048
Communications	-	-	-	10,539
Indirect & shared expenses	182,649	-	110,390	981,682
Total	\$183,730	\$1,976	\$118,372	\$1,332,301

**Schedule of program costs for the
Waste Diversion Transition Act (WDTA)**
Year ended December 31, 2022

	Industry Stewardship Plans	Continuous Improvement Fund	Blue Box Waste	Used Tires
Direct expenses				
Salaries and benefits	\$4,617	\$27,908	\$209,579	\$2,184
Professional fees	-	-	203,017	14,773
Communications	-	-	-	-
Indirect & shared expenses	132,291	72	800,530	219,534
Total	\$136,908	\$27,980	\$1,225,193	\$236,491

	Waste Electrical and Electronic Equipment	News Media Canada	Municipal Hazardous or Special Waste	Total
Direct expenses				
Salaries and benefits	\$13,821	\$28,220	\$10,305	\$296,634
Professional fees	-	-	-	217,790
Communications	-	-	-	12,067
Indirect & shared expenses	236,298	72	88,122	1,476,919
Total	\$250,119	\$28,292	\$98,427	\$2,003,410

Schedule of program costs for RRCEA

Year ended December 31, 2023

	Tires	ITT/AV & Batteries	Lighting	HSP
Direct expenses				
Salaries and benefits	\$ -	\$ -	\$ -	\$ -
Information technology and registry	-	-	-	-
Amortization of tangible capital assets and intangible assets	211,202	99,495	33,165	296,617
Compliance and registry support	325	113,070	35,323	75,706
Loan interest	41,408	23,681	8,317	176,484
Indirect & shared expenses	1,651,396	2,375,067	947,274	1,603,806
Total	\$1,904,331	\$2,611,313	\$1,024,079	\$2,152,613

	Blue Box	HWP	Excess Soil	Total
Direct expenses				
Salaries and benefits	\$194,832	\$150,743	\$ -	\$345,575
Information technology and registry	-	728,583	-	728,583
Amortization of tangible capital assets and intangible assets	161,673	991,385	104,395	\$1,897,932
Compliance and registry support	1,400	254,400	-	\$480,224
Loan interest	87,969	669,196	180,543	\$1,187,596
Indirect & shared expenses	3,385,860	3,027,345	1,375,925	\$14,366,673
Total	\$3,831,732	\$5,821,652	\$1,660,863	\$19,006,583

Schedule of program costs for RRCEA

Year ended December 31, 2022

	Tires	ITT/AV & Batteries	Lighting	HSP
Direct expenses				
Salaries and benefits	\$ -	\$ -	\$ -	\$ -
Information technology and registry	-	-	-	79,000
Professional fees and other	19,829	44,493	-	15,772
Amortization of tangible capital assets and intangible assets	211,202	99,495	33,166	61,682
Compliance and registry support	3,960	45,648	-	20,844
Loan interest	19,829	44,493	-	15,772
Indirect & shared expenses	1,434,548	2,062,541	877,253	1,430,587
Total	\$1,713,838	\$2,279,473	\$919,518	\$1,662,312

	Blue Box	HWP	Excess Soil	Total
Direct expenses				
Salaries and benefits	\$85,576	\$43,710	\$ -	\$129,285
Information technology and registry	79,000	444,268	-	602,268
Professional fees and other	12,925	47,593	4,883	145,496
Amortization of tangible capital assets and intangible assets	27,946	731	105,125	539,347
Compliance and registry support	-	-	26,278	96,730
Loan interest	38,415	205,975	71,467	450,978
Indirect & shared expenses	3,001,932	678,445	1,216,042	10,701,348
Total	\$3,245,794	\$1,420,722	\$1,423,795	\$12,665,452

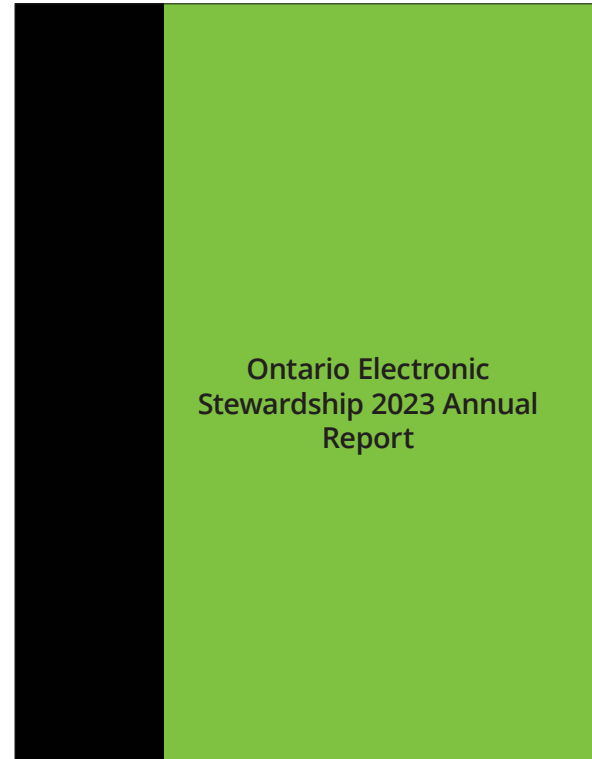
Appendices



Appendix A - Stewardship Ontario Annual Report

Stewardship Ontario is the industry funding organization responsible for the Blue Box Program until it completes its transition to the producer responsibility framework under the RRCEA in 2025. Stewardship Ontario was also responsible for the Municipal Hazardous or Special Waste (MHSW) Program, which ceased operations on September 30, 2021. The single-use batteries program which operated as part of the MHSW Program transitioned to the producer responsibility framework under the RRCEA on July 1, 2020.

The Blue Box Program collects recyclable materials such as paper, glass, plastic, and aluminum, and the MHSW Program collected consumer household hazardous or special waste. The materials collected through these programs are recycled or disposed of safely in accordance with the WDTA.



Appendix B - Ontario Electronic Stewardship Annual Report

Ontario Electronic Stewardship is the industry funding organization that operated the Waste Electrical and Electronic Equipment (WEEE) Program under the Waste Diversion and Transition Act, 2016. The WEEE Program collected and managed obligated electronics when consumers disposed of them. The WEEE program transitioned to the producer responsibility framework under the RRCEA on January 1, 2021.



Appendix C - Ontario Tire Stewardship Annual Report

Ontario Tire Stewardship is the industry funding organization that was responsible for managing the waste diversion program for used tires under the WDTA. The Used Tires Program transitioned to the producer responsibility framework under the RRCEA January 1, 2019.



Appendix D - Brewers Retail Inc. Annual Report

The Beer Store is a privately owned chain of retail outlets selling beer and other malt beverages in Ontario. The Beer Store collects beer containers and packaging sold in its stores and operates the Ontario Deposit Return Program, which collects alcohol containers sold outside its stores, including wine, spirits, beer, and coolers. The Beer Store is not overseen by RPRRA but is required to submit its annual report to RPRRA for RPRRA to make the report public.



4711 Yonge Street, Suite 408
Toronto, Ontario M2N 6K8
Tel: 416-226-5113
Email: info@rpra.ca
www.rpra.ca