

Date: August 12, 2024	Time: 2:30pm – 4pm
IAC Co-Chairs: Carol Hochu, Jeffrey Steiner	IAC Secretary: Cameron Parrack
<p>Attendees:</p> <p><u>Industry Council Members:</u> Carol Hochu, Tire and Rubber Association of Canada Michelle Saunders, Food, Health & Consumer Products of Canada Cherith Sinasac, Electro-Federation Canada Don Fusco, Chemistry Industry Association of Canada Yasmin Tarmohamed, Canadian Vehicle Manufacturers' Association Christina Marciano, Sussex Strategy Group representing Electronics Product Stewardship Canada Gordon Cameron, Ontario Community Newspapers Association Julie Kwiecinski, Canadian Federation of Independent Business Sebastian Prins, Retail Council of Canada Simon Kinsman, Canadian Consumer Specialty Products Association</p> <p><u>RPRA Staff:</u> Noah Gitterman, Chief Executive Officer Mary Cummins, Registrar Lorella Hayes, Chief Financial and Administrative Officer Wilson Lee, Chief of Programs and Public Affairs Cameron Parrack, Director of Programs and Stakeholder Relations Zoe Barlas, Policy Analyst Adeola Ayoade, Finance Manager Nandaraye Choi, Stakeholder Relations Advisor</p> <p><u>RPRA Board:</u> Jeffrey Steiner, SPAC Co-Chair, RPRA Board Director Mary Shenstone, RPRA Board Vice-Chair</p> <p><u>MECP Representative:</u> Marc Peverini, Resource Recovery Policy Branch John Fox, Resource Recovery Policy Branch</p>	
<p>Regrets: Shane Buckingham, Canadian Beverage Association Robert Poirier, RPRA Board Chair</p>	
<p>Recording Secretary: Nandaraye Choi, Stakeholder Relations Advisor</p>	

1. Introductions and Co-Chairs' opening remarks

- Welcome and opening remarks by the IAC Co-Chairs.

2. CEO's remarks

- RPRA's CEO provided opening remarks, including reviewing the business planning process and context for development of the 2025 budget.

- RPRA’s CEO noted that new resources are needed during the business planning period to address strategy and planning capacity, to help ensure RPRA is meeting registrant needs.

3. 2025-27 Business Plan, Budget and Forecasts

- RPRA’s CFAO shared the key highlights of the draft 2025 Business Plan noting a 5% increase in the 2025 budget over the 2024 budget, consistent with the forecast for 2025 in the previous business plan.
- RPRA staff reviewed RPRA’s strategic goals for the business planning period, which are consistent with the goals outlined in RPRA’s strategic plan.
 - Two IAC members suggested that the strategic goal of “effective enforcement” be enhanced to include mention of RPRA’s role in establishing a level-playing field and bringing free-riders into compliance.
- RPRA’s CFAO reviewed the key determinants of RPRA’s annual budget and the 2025 draft budget and 2026 and 2027 forecasts.
- IAC members asked for the rationale for the increase in RPRA’s budget between 2022 to 2025.
 - RPRA’s CFAO explained that the budget increase during that period is due to increased amortization and interest expenses related to the investments to build new registry portals and additional FTEs to support new program registrants, largely related to RPRA’s expanded mandate to deliver digital reporting service programs (HWP and ES) for the province, but also to support the increasing needs of Blue Box program registrants.
- Some IAC members expressed support for RPRA’s draft budget and encouraged RPRA to increase its budget even more during the business planning period.
- An IAC member acknowledged planned investments in RPRA’s compliance and enforcement resources could benefit the Blue Box program through higher levels of compliance and reduced administrative burden associated with data verification.
- An IAC member shared that small business registrants would not support an increase in RPRA’s budget for additional compliance and enforcement resources, and that RPRA should strive to optimize operations with the current level of staff.
 - RPRA’s CEO noted that the organization’s growth, especially in fulfilling its compliance and enforcement mandate, should be paced, well planned and strategic to ensure RPRA has the capacity to absorb new resources.
- An IAC member suggested RPRA adopt a KPI to measure the effectiveness of RPRA’s compliance and enforcement activities and assess the impact of the recent and planned investment to determine value for money.
- An IAC member asked whether increased investments in RPRA’s compliance and enforcement resources have yielded improvements in service delivery.
 - RPRA’s CEO and CFAO commented that RPRA underwent rapid growth in recent years as the number of programs increased, programs are still maturing, and RPRA’s budget is currently catching up to ensure sufficient resources to achieve its mandate.
 - New compliance and enforcement FTEs are hired based on identified registrant support and compliance needs, (i.e., increasing

- demands of the Blue Box program, improvements to service delivery and training support for front line compliance staff, etc.).
 - RPRA also noted that more reporting on RPRA's compliance activities and service delivery performance metrics will be published once its service delivery model is further refined, and baseline standards are set.
- An IAC member asked whether RPRA has considered setting a budget with no year-over-year increase?
 - The IAC member also suggested that RPRA better communicate its decision-making process behind budgetary increases.
 - RPRA's CFAO noted that as a cost-recovery organization, budget increases are necessary to support inflationary increases, Blue Box program requirements, and additional requests for increases to service delivery to fulfill RPRA's mandate. If the 2025 budget did not increase, then service levels and quality would need to decrease accordingly.
 - An IAC member asked how RPRA determines required levels of support for each program and how that impacts the budget and forecasts.
 - RPRA's CFAO shared that the forecasts of anticipated resources to support all its programs are determined using operational data and allocations to each program are made in accordance with RPRA's cost allocation methodology and historical data on the number of registrants.
- RPRA staff reviewed the proposed 2025 key performance indicators
 - IAC members advocated for RPRA to adopt a KPI to measure impact of investment in compliance and enforcement.
 - An IAC member asked whether RPRA has a targeted response time for inquiries.
 - RPRA's CEO shared that a service delivery model is being developed this year, and plan to release the targets in 2025.
 - An IAC member suggested that all KPI targets should be at least 7/10, where applicable.

4. Public Reporting Updates

- RPRA staff reviewed recently published program data and anticipated data publication dates for the remainder of 2024.
- Many IAC members shared their support for RPRA's recent and planned public reporting activities.
- An IAC member asked whether RPRA has engaged with the federal government on the federal plastics registry.
 - RPRA's CEO shared that RPRA is open to engaging and collaborating with the federal government, but no recent engagement on this file has occurred.

5. Enhancements to RPRA's risk-based compliance framework

- An IAC member asked why RPRA decided to use an external vendor to support the development of the risk-based compliance framework, and not engage with and leverage the existing compliance frameworks of other DAAs and the ministry.

- RPRA staff noted that there are many compliance frameworks in use by regulators and each is unique to the context of the work.
- RPRA required a unique framework that aligned with its mandate and work. It was also noted that RPRA shares learnings and understandings related to risk-based compliance with the ministry's enforcement branch.

6. Open Discussion

- An IAC member expressed that fairness and equity among producers is of the utmost importance and that rising system costs are tolerable, so long as all competitors are operating on a level-playing field and all paying the same relative cost. The council member also shared that the rising cost of EPR programs for packaging across Canada are causing great impacts on producer businesses and subsequently on the cost of goods for Canadian consumers.
- An IAC member expressed appreciation for RPRA's plans to stabilize the operating reserve level at 38% throughout the business planning period and hopes the operating reserve will continue to remain at this level beyond 2027.
- An IAC member suggested that RPRA consider extending the duration of future council meetings to 2 hours.

7. Co-Chair's closing remarks

- IAC Co-Chairs thanked the members for their participation and feedback.