

# a-BBPP Consultation Workbook: Municipalities and First Nations Communities Module 2

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Stewardship Ontario

## Welcome to the Module 2 Consultation Workbook for Municipalities and First Nations Communities on the Proposal to Amend the Blue Box Program Plan

This workbook is designed to facilitate feedback on the topics covered during the November 6 Module 2 meeting with municipalities and First Nations communities.

This workbook is organized by subject area. On each page of the workbook you will find the relevant slide(s) that were presented at the Module 2 meeting, followed by, if applicable, supplementary information and then a question and answer box. This format will ensure you have all the information needed when providing your feedback to specific questions. You can also provide feedback at any time by using the [feedback button](#) on the Stewardship Ontario website.

The Module 1 Consultation Workbook from October 12 can be [found here](#).

All feedback received will be carefully considered as the proposal for an amended Blue Box Program Plan is developed.

**Please complete and submit the both Module 1 and Module 2 Consultation Workbooks by Friday, November 17, 2017.**

If you have any questions regarding the workbook, please email Jennifer James at [jjames@stewardshipontario.ca](mailto:jjames@stewardshipontario.ca).

## 1. Your information: \*

First Name

Last Name

Title

Organization

Email Address

## Transition: an alternative approach

### Minister's Letter: Approach to Transition to Full Producer Responsibility



- Directs Stewardship Ontario and the Authority to propose “when and how the responsibility for the collection and management of PPP will be transferred smoothly”
- The transition approach will result in Stewardship Ontario assuming both the financial and operation responsibility (and accountability) of PPP collection and management.
- This first phase of transition “will set the stage for a second phase of transition that will result in individual producer responsibility under the Resource Recovery and Circular Economy Act, 2016 (RRCEA)”.

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### Transition must meet four objectives

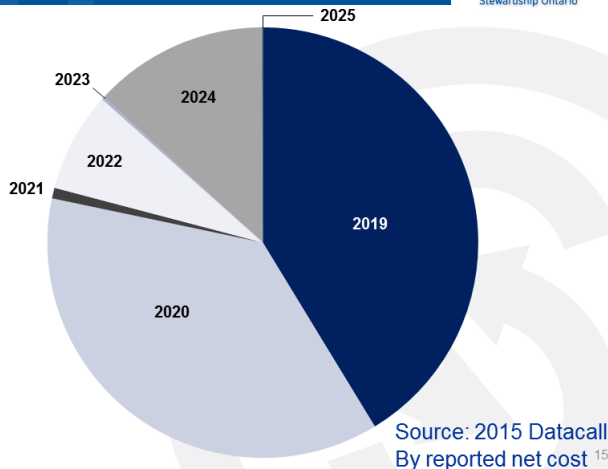


- Preserve integrity of residential recycling while improving environmental outcomes

- Seamless transition to producer responsibility:  
Uninterrupted collection service to Ontarians
- Avoid disruption of existing community contracts and ensure an open and competitive market
- Minimize disruption to municipal and First Nations capital assets

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## Anticipating the Pace of Transition



Source: 2015 Datacall  
By reported net cost <sup>15</sup>

## Alternate Approach: Pacing transition by catchment



- The introduction of Option 4: Contract Amendment paves the way for a geographic-based transition
- The province could be divided into catchments, influenced by geography and informed by contract expiry dates
- Each year, one or more catchments would transition
- Increased certainty will provide communities and post-collection service providers with the ability to plan, order equipment and make commercial arrangements
- Communities could be informed at the launch of the program which year their catchment will transition

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We anticipate that roughly one third of municipalities and First Nations communities by reported net cost will be eligible to transition in 2019, and another third in 2020.

In Module 1, we presented the following approach to transition to ensure operational stability.

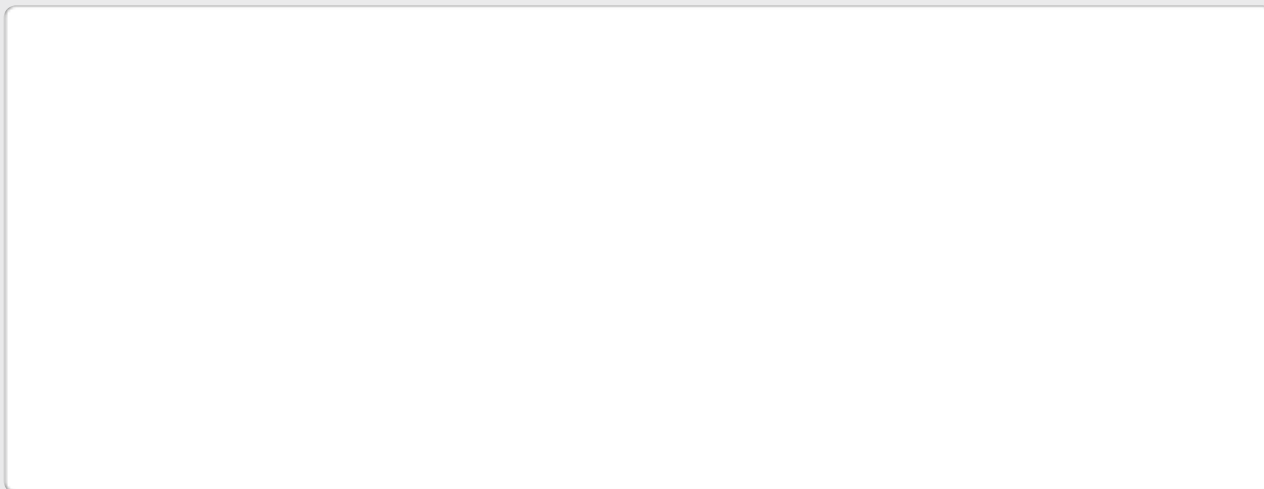
**Criteria One:** All contracts for collection and/or management of PPP have expired such that the community is unencumbered by agreements. Upon satisfying Criteria One communities may transition with no upper limit to number of transitioning communities.

**Criteria Two:** Contracts for collection and/or management of PPP have been terminated early such that the community is unencumbered by agreements. Communities wishing to transition under Criteria Two (early termination) will be selected by random lottery and capped once the total cost of transitioned communities has reached 20% of the 2016 annual net costs or an absolute number of communities transitioning is met.

**Criteria Three:** A community self-delivers service (i.e. does not have contracts for collection and/or management of PPP). Communities that satisfy Criteria Three may transition with no upper limit to number of transitioning communities.

Initial feedback from municipalities and First Nations communities indicated this approach introduces uncertainty, and therefore we introduced a fourth criteria that would divide the into catchments.

**Do you prefer the catchment-based approach to pacing transition? If not, why not? What would you propose instead?**



**Contamination management process**

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## Contamination management process



- Consider contamination management process 12 months after transition
- Provide sufficient notice between activation of process and the measurement of contamination levels
- In collaboration with collectors implement as early as feasible resident P&E and other behavioral mechanisms to encourage residents to minimize contamination
- Develop a composition audit methodology and communicate that methodology to collectors
- Offer rewards to collectors operating below the contamination target
- Not assume the post-collection expense related to excessive contamination
- Only apply Service Level Failure Credits/Financial penalties (SLFC) as a measure of last resort

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## Contamination management process (cont'd)



- **A Contamination Ceiling** – the maximum level of acceptable contamination expressed as a percentage of non-PPP and non-targeted PPP in total collected volumes in-bound for post-collection management
- **A Contamination Target** as a percentage of non-PPP and non-targeted PPP in collected volumes in-bound for post-collection management

## Contamination management process (cont'd)



**Do you agree with the proposed contamination management process? Does this approach strike an appropriate balance between collaboration to achieve a common desired outcome and holding collectors accountable for meeting performance standards? If not, what alternative approach should we consider?**

**Proposed definitions**

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## The Minister's letter requires definitions in the a-BBPP



- Define steward
- Define obligated materials which shall include:
  - Paper products
  - Primary packaging
  - Convenience packaging
  - Transport packaging
- The Minister further directed that the definitions for primary, convenience and transport packaging follow the definitions in the RRCEA.

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## Definition of stewards remains as is



- **Obligated stewards fall into two main categories:** *resident brand holders and first importers into Ontario of products that result in Blue Box wastes under the program.*
- Descriptions in the Steward Rules further specify the types of businesses that fall into these categories.
- There are no substantial changes to the definition of steward proposed under the a-BBPP.

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For **Primary Packaging** (except for point-of-sale Transport Packaging) the Steward is the Person Resident in Ontario who:

- (a) is the Brand Holder for the Ontario market; or
- (b) if the Person described in paragraph (a) does not exist, then a Person who manufactures, packs or fills or causes the manufacturing, packing or filling of products; or
- (c) if a Person described in paragraphs (a) or (b) does not exist, then the First Importer, unless the First Importer is a Consumer.

Any Person Resident in Ontario that Supplies Transport Packaging or Convenience Packaging to a Consumer in Ontario at point-of-sale shall be the Steward for such Transport Packaging or Convenience Packaging.

For **Paper Products**, the Steward is the Person Resident in Ontario who:

- (a) is the Brand Holder for the Ontario market; or
- (b) if the Person described in paragraph (a) does not exist, then a Person who manufactures the Paper Products; or
- (c) if a Person described in paragraphs (a) or (b) does not exist, then the First Importer, unless the First Importer is a Consumer.

**A Franchisor** is designated as a Steward with respect to all Packaging and Paper Products which are supplied to Consumers within the Franchisor's Ontario Franchise System, regardless of whether the Franchisor is resident in Ontario .

**Do you agree with the proposed definition of steward? If not, why not and what would you propose instead?**



## The Minister's letter requires definitions in the a-BBPP



- Define steward
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## Definition of PPP is changing



- Paper products (**NEW**)
  - Paper for writing, printing and copying and other general use, but does not include books or paper products intended for hygienic use.
- Primary packaging (**EXPANDED**)
  - Aluminum pie plates, aluminum foil, corrugated cardboard boxes for moving or mailing items, plastic or paper-based beverage cups, Kraft paper bags, re-sealable plastic bags, tissue paper, wrapping paper.
  - These materials are similar to Primary Packaging, have a similar function to packaging and are found in the Blue Box.

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## There are some changes to the definition of PPP (Con't)



- Convenience packaging
  - This definition remains the same.
- Transport packaging
  - This category is new. The definition is intended to capture e-commerce packaging supplied by brand holders and first importers, but **not IC&I**.

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Paper Products and Packaging means:

- (a) Primary Packaging,
- (b) Convenience Packaging,
- (c) Packaging-Like Products and all forms of paper products, including for writing, copying and general use
- (d) Ancillary Packaging Elements,
- (e) Transport Packaging, and
- (f) Packaging made of glass, metal, plastic and all paper -based packaging including, but not limited to, corrugated boxes, boxboard, laminated paper containers and cups

The expanded definition of PPP is designed to continue to improve the allocation of costs to reflect the actual cost to manage a given material within the system. The 'new' obligated materials are being added to ensure that all producers whose materials are handled in the Blue Box are paying their fair share.

**Do you agree with the expanded definition of PPP? If not, why not and what would you propose instead?**

**Standardized list of targeted materials for collection**

## Minister's Request



- Provide for continuous improvement of environmental outcomes by “Expanding and harmonizing the list of materials in the existing Blue Box program that are accepted from Ontario residents.”

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## Proposed objectives



- Accept materials in the Blue Box that can be sorted and that have end markets
- Expand list of accepted (targeted materials) as markets become available and materials can be sorted

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## Proposed approach



- Establish a list of materials that are targeted in all transitioned municipalities because they can be sorted and have end markets
- Expand programs to include materials such as coffee cups and mixed rigid plastics that have sorting capabilities and end markets
- Initially exclude materials, such as coffee pods, and polystyrene packaging that do not yet have end markets
  - Expand material list as end markets, sorting technologies become available
  - Conduct R&D to advance these outcomes

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**Do you agree with the proposed approach to expanding and harmonizing the list of materials in the Blue Box program to include those materials for which end markets exist and expanding the list of materials as markets become available? If not, what approach would you prefer we consider?**

**Performance targets**

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## Minister's Request



- Increase the diversion target for the Blue Box Program to 75% in transitioned communities
- Establish material-specific management targets in transitioned communities

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## Proposed objectives



- Propose achievable targets that will contribute to the overall diversion target
- Focus on increasing the performance of materials currently under the 75% future target

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## Continuous improvement of environmental outcomes



### Attainable Targets + Appropriate Tools + Time = Success

BBPP (2004-2008)	BBPP (2008-present)	Amended BBPP
50%	60%	75%

- Stewards achieving a 64% diversion rate today
- The Minister's prescribed overall target of 75% is achievable over a reasonable period of time and will be facilitated by:
  - Standardizing the list of materials
  - Expanding collection to multi-family households and new communities

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**The Minister has requested a 75% diversion target. Do you think this is achievable using the approach outlined? If not, what else do you propose Stewardship Ontario consider? Why?**

**Performance targets**

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## Minister's Request



- Increase the diversion target for the Blue Box Program to 75% in transitioned communities
- Establish material-specific management targets in transitioned communities

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## Proposed material-specific management targets



Stewardship Ontario is proposing the following material-specific management targets for four (4) categories of PPP:

Material	Today*	Amended BBPP	Improvement
Paper products/packaging	94%	95%	+ 1 %
Glass packaging	73%	75%	+ 2 %
Plastic packaging	35%	40%	+ 5%
Metal packaging	55%	65%	+ 10 %

Targets apply only to transitioned communities (calculated on a per household prorated basis).

*\*Assumed based on changes to definitions of PPP and other proposed changes*

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**The Minister has requested material-specific management targets. Do you support the introduction of material-specific targets? Are the proposed targets achievable in your view? If not, what do you see as the challenges? Are there any suggestions you could offer to address these challenges?**

### Improving environmental outcomes through waste reduction

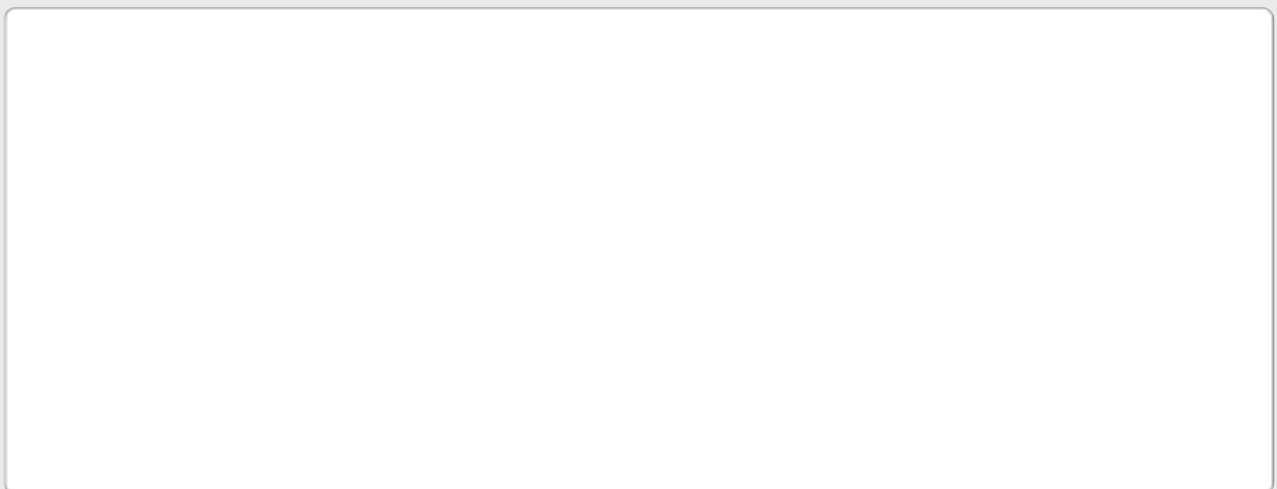


- Fee setting methodology as a tool to improve environmental outcomes by adding costs to materials requiring investments in new technologies or end markets
- Develop collaboration forums between stewards and the waste management industry to generate solutions for problematic materials.

**Do you support our proposed approaches to encourage improved environmental outcomes? If so, why and if not, what suggestions would you offer instead to address problematic materials? Do you support investigating the provision of recycled content credits for qualifying materials?**

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**Are you in favour of using supply chain collaboration forums to develop solutions to problematic materials? Do you have any experience with such forums that you would like to share? Do you have any advice for how these forums can best be utilized?**

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## Minister's Request



- Identify geographically-based collection and management standards, including rural, northern and remote areas

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## Proposed Objectives



- Maintain convenience and accessibility standards including the provision of services where those services exist today (i.e., provide curbside collection where it is available today)
- Set baseline services for new communities and triggers for “upgrade” to curbside from depot

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## Proposed approach



- Stewardship Ontario will provide reasonable and free access to collection facilities for residential PPP, in consideration of the need for:
  - Services in large, urban areas as well as remote, sparsely populated areas
  - A collection system designed with sufficient capacity to achieve performance targets
  - Collection services that is appropriate to geographic area

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## Proposed approach (con't)



- Informed by O.Reg 101/94
- Stewardship Ontario will provide:

Stewardship Ontario will provide:

- Curbside, multi-family and depot collection where it currently exists
- Not less than bi-weekly curbside collection
- In areas where Stewardship Ontario considers expanding collection services, it may:
  - Provide curbside service to communities with a population greater than 15,000, if they currently receive garbage collection
  - Provide depot collection services to communities with population less than 15,000

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**Do you agree with the proposed approach to maintaining existing service standards and the proposed triggers for determining eligibility for expanding services? If not, what approach would you prefer we consider?**

**Thank You!**

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Thank you for providing your feedback.

[Click here](#) to find the materials from the November 6 meeting.