



357-2020-577

Ms. Robyn Collver
Chair, Stewardship Ontario
1 St Clair Avenue West, 7th Floor
Toronto ON M4V 1K6

Dear Ms. Collver:

In accordance with recent Ministerial directions to Stewardship Ontario (SO) on the transition of the Municipal Hazardous or Special Waste (MHSW) program, I am directing that SO develop amendments to the wind up plan, pursuant to subsection 14(17) of the *Waste Diversion Transition Act, 2016*.

This direction applies only to the MHSW material categories for which there are approved Industry Stewardship Plans (ISPs) and does not relate to the material categories managed exclusively by SO (i.e. single-use batteries and pressurized containers).

Pursuant to feedback from stakeholders, I am directing SO to develop amendments to the wind up plan that would ensure that 100 per cent of the surplus funds the Resource Productivity and Recovery Authority (the Authority) approved for fee reductions in December 2019 and February 2020 for stewards who are part of approved ISPs be returned in one-time lump sum payments to the Industry Stewardship Organizations (ISOs) that operate the ISPs.

The amended wind up plan will require that the one-time lump sum payments be provided pursuant to surplus transfer agreements between SO and the ISOs that:

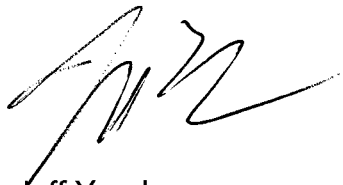
- Outline how the ISO would return 100 per cent of the material-specific surplus funds to ISP stewards in the form of fee reductions, for the maximum benefit of consumers.
- In the case that there is a delay in the transition of the MHSW program to individual producer responsibility under the *Resource Recovery and Circular Economy Act, 2016*, allows SO to recover reasonable unexpected costs related to the materials managed by the ISO's. This shall be supported by full disclosure and shall be similar in scale to prior years' wind up costs, plus inflation.

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It is my expectation that SO submit its proposed amendments to the Authority no later than April 30, 2020 and that SO make the lump sum payments to the ISOs within 2 weeks of the proposed amendments being approved.

Other than the amendments required under this direction, no other amendments to the plan are required.

Sincerely,

A handwritten signature in black ink, appearing to be 'JY', written in a cursive style.

Jeff Yurek
Minister of the Environment, Conservation and Parks

C: Serge Imbrogno, Deputy Minister
Ministry of the Environment, Conservation and Parks

Mark Kurschner, President
Product Care Association

David Pearce, Vice-President
Canadian Stewardship Services Alliance
Automotive Materials Stewardship