



December 21, 2020

Embargoed pending RPRA public release

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

Dear Ms. Collver,

RE: Approval of Stewardship Ontario's Blue Box Program Wind-Up Plan

I am writing to advise you, and the Board of Stewardship Ontario (SO), that the Resource Productivity and Recovery Authority (the Authority) has approved, with certain conditions as set out below, SO's proposed transition plan for the Blue Box Program and wind-up plan for SO.

On August 15, 2019, the Minister of the Environment, Conservation and Parks directed SO to develop a wind-up plan for the Blue Box Program and SO itself and submit it to the Authority for approval by June 30, 2020

On April 3, 2020, the Minister extended the deadline for SO to submit its proposed plan to the Authority to August 31, 2020. The extension was requested by SO due to the COVID-19 pandemic to ensure meaningful consultation with stakeholders.

SO submitted its proposed Blue Box Program Transition & Stewardship Ontario Windup Plan by the August 31 deadline. On September 30, 2020, the Authority posted the plan and began consultations with municipalities, First Nation communities, stewards, and other affected stakeholders. The consultation period closed on November 10, 2020. In addition to consulting on the plan, the Authority assessed the plan to ensure it was compliant with the Minister's direction letters and the *Waste Diversion Transition Act, 2016* (WDTA) and its regulations, and consistent with the Authority's Wind-Up Guide.

On December 16, 2020, the Authority's Board approved SO's Blue Box Program Transition and Stewardship Ontario Wind-Up Plan with the following conditions:

1. Before the Material Cost Differentiation (MCD) methodology may be implemented,
 - a. Stewardship Ontario shall develop a proposal, to the satisfaction of the Authority, that further mitigates the increase in the In-Kind funding to municipalities and

First Nation communities as a result of the adoption of the MCD methodology until the program winds-up.

- b. Stewardship Ontario shall provide a plan to the satisfaction of the Authority that adequately addresses concerns expressed by stakeholders about potential impacts on competition in the market for resource recovery services under the RRCEA.
2. Stewardship Ontario shall ensure that the Code of Conduct applies to all Stewardship Ontario staff, and that a plan be developed to the satisfaction of Authority staff showing how CSSA staff that work on Stewardship Ontario files will not provide services to any programs where conflict of interest concerns are present, and showing how CSSA will not use any Stewardship Ontario program data – including steward-specific information – in any programs where conflict of interest concerns are present. The plan would be submitted to the Authority by February 15, 2021.
 3. Stewardship Ontario shall develop a plan to the satisfaction of Authority staff to ensure that data retained outside of the secure SAP system is only accessible to authorized individuals during transition and destroyed after transition or after the individual ceases their service to Stewardship Ontario. The plan shall be submitted to the Authority by May 31, 2021.
 4. Stewardship Ontario shall develop a plan to the satisfaction of Authority staff to maintain or minimize reduction in program performance during transition. In developing this plan, Stewardship Ontario shall focus on the program elements for which it is responsible and consider increasing its annual budget for Promotion & Education. The plan shall be submitted to the Authority by September 15, 2021.
 5. The Wind-up Plan shall be updated by Stewardship Ontario as required to address operational and implementation issues and as directed by Authority staff.
 6. Stewardship Ontario shall provide any information identified by Authority staff that is required to assist the Authority in performing its duties under the Waste Diversion Transition Act, 2016, pursuant to s. 31 of that Act.

In accordance with the WDTA, this approval will be published on the Authority's website. A report describing the consultation process and summarizing stakeholder comments received will also be posted on the Authority's website.

SO may communicate the Authority's decision to approve the wind-up plan with conditions only after the Authority publishes its decision. The Authority will work with SO to develop a co-ordinated communications strategy including the date on which SO may communicate the Authority's approval with conditions to stakeholders.



Finally, on behalf of the Authority, I would like to express my appreciation for the diligence and cooperation of the SO Board of Directors and staff in reaching this critical milestone. There is, of course, much work to be done in the months ahead, and the collaborative approach established between SO and the Authority will be key to successfully implementing the wind-up plan.

Sincerely,

Frank Denton
Chief Executive Officer, Resource Productivity and Recovery Authority