

OFA FACT SHEET: Changes to Ontario's Blue Box Program

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Farm businesses generating Blue Box recycling materials are impacted by recent changes to Ontario's Blue Box Program. OFA and farm product commodity groups are monitoring the transition to the new Blue Box system and challenges that it may create for farm businesses.

Specific questions about the responsibilities of brand holders under these regulations should be directed to RPRA at registry@rpra.ca or toll-free at 1-833-600-0530 as RPRA will implement the new regulations.

Who is a producer of blue box materials?

A person or company is considered a <u>producer</u> under the Blue Box Regulation if they supply Blue Box material (packaging, paper products or packaging-like products) comprised of paper, glass, metal or plastic, or a combination of these materials to consumers in Ontario.

NOTE: Packaging materials that are not supplied to consumers (i.e., materials used to transport product to stores) are not captured by these regulations.

Blue Box Producer Hierarchy:

- 1. A Canadian resident brand holder of a product (i.e., a person/company who owns or licences a brand or who has rights to market a product under the brand)
- 2. An importer of a product and a resident of Ontario
- 3. Where there is no brand holder that is a resident of Canada, or the importer is outside of Ontario, the retailer that sold the product to the consumer will be responsible for the material.

If you are unsure of whether you are captured by these regulations, contact RPRA at registry@rpra.ca or call 647-496-0530 or toll-free at 1-833-600-0530.

Deadline for brand holders in relation to Ontario's new blue box program

Earlier in 2021 the Ontario government finalized changes to Ontario's Blue Box system. The system is moving away from the municipally based system operated through Stewardship Ontario to a producer responsibility model that will operate through the Resource Productivity and Recovery Authority (RPRA). A producer responsibility model means that waste packaging producers will become responsible for 100% of the collection and recycling costs, rather than the current system which is funded 50% by municipalities. Although the transition will not be complete for a few years, producers of blue box materials have a responsibility to **register and report their 2020 supply data to RPRA by October 1, 2021**.

If you were a Steward under the Stewardship Ontario program, you should have already received information regarding the new program directly from the RPRA.









NOTE: During the transition blue box material producers will have reporting responsibilities under the new program and Stewardship Ontario until the transition is complete.

You must register as a producer if you exceed the following:

- gross revenue more than \$2 million from all products and services (does not matter if the product/service generates blue box material). Producers that are exempt must still maintain records for audit purposes, but do not need to report or pay.

OR

- more than any of the following weight amounts annually:
 - o Paper 9 tonnes
 - Rigid plastic (molded plastic, such as a food or product container) 2 tonnes
 - Flexible plastic (unmolded plastic, such as a plastic bag, film, wrap, pouch or laminate) – 2 tonnes
 - o Glass 1 tonne
 - Metal 1 tonne
 - Beverage containers 1 tonne

RPRA will be taking steps to ensure enforcement and compliance of the new regulations. Although not finalized, the Ontario government is consulting on monetary penalties for companies not complying with the regulations.

How to Register with RPRA

Producers are required to register and report their 2020 supply data to the Authority by **October 1, 2021.** Producers will also be required to pay their <u>2021 Registry fee</u> when submitting their 2020 supply data. For additional resources to help producers meet their requirements:

- Download the Producer Registration Form
- Visit RPRA Blue Box producer webpage for more information
- Check out the <u>recording</u> and <u>presentation slides</u> from RPRA August 18 webinar focused on Blue Box producer requirements
- Review RPRA Blue Box FAQs

If you have further questions about the registration process or the regulation more generally, contact RPRA's Compliance and Registry Team at registry@rpra.ca or call 647-496-0530 or toll-free at 1-833-600-0530.

Fees

To fund the operations of the RPRA, producers of blue box materials are required to submit fees based on their materials supplied to consumers. The 2021 (based on 2020 supply data) fees are:

- <50,000kg paper/packaging supplied: \$75 flat fee
- >=50,000kg paper/packaging supplied: \$0.0038 (0.38¢) per kg supplied

Do not submit your fees when registering and supplying data to RPRA by October 1, 2021. RPRA will invoice producers after the registration is received.



Fees paid to RPRA fund program administration. They do not include or reflect the cost of managing the blue box materials once the transition from Stewardship Ontario is complete.

How to determine the amount of blue box material supplied in Ontario

To determine the weight of blue box materials supplied into Ontario, the producer may need to determine how many units of blue box material are supplied into Ontario. This will be important for producers that sell to a distributor who may then export product to another province.

Blue box producers may choose one of the following methodologies to determine the number of units supplied into Ontario:

- 1. The actual number of blue box material units.
- 2. The number of blue box material units calculated using the following formula to determine the Ontario portion of the blue box material units supplied into Canada:

Ontario Portion = (P1/P2) x Canada National Sales

Where:

- "P1" is the population of Ontario, as reported by Statistics Canada in the most recent official census
- "P2" is the total population of provinces and territories in Canada in which the producer sells the blue box product in, as reported by Statistics Canada in the most recent official census
- "Canada national sales" is the total units of blue box product that a producer sold in Canada in the calendar year.

Producer Responsibility Organizations (PROs)

A PRO, is a business established to contract with producers to provide collection, management and administrative services to help producers meet their regulatory obligations under the Blue Box Regulation, including:

- Arranging, establishing or operating a collection or management system
- Arranging, establishing or operating a promotion and education system
- Preparing and submitting reports

There are no deadlines for a producer to sign up with a PRO, and producers are not required to have a contract with a PRO prior to the October 1, 2021, deadline.

Important considerations about working with PROs:

- Producers are not required to sign up with a PRO. It is a business decision if a producer chooses to work with a PRO, and a producer can choose to meet their obligations without a PRO.
- Producers register with multiple PROs

For more information on PROs and the existing PROs that producers can work with can be found here: https://rpra.ca/programs/blue-box/regulation/pros/



Blue Box Transition timelines

- Producers to register and report their 2020 supply data to RPRA by October 1, 2021.
- Processors (a firm that processes blue box materials) to register with the Authority by April 1, 2022.
- Producers to establish and operate systems to collect and manage blue box materials discarded by consumers starting July 1, 2023.
- Starting in 2024, producers, or producer responsibility organizations (PROs) on their behalf, to report annually to the Authority on their performance meeting their management requirements.