



# COMMUNICATION UPDATE

<b>TO:</b>	Mayor and Members City Council
<b>DATE:</b>	May 3, 2022
<b>SUBJECT:</b>	Waste-Free Ontario Act – Status of Blue Box Program Transition (WM22001) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>SUBMITTED BY:</b>	Angela Storey Director, Waste Management Public Works Department
<b>SIGNATURE:</b>	

This Communication Update is to inform the Mayor and Members of Council on the status of the transition of Ontario's Blue Box program.

## Background

The final Blue Box Regulation (O. Reg. 391/21) was released by the Ministry of Environment, Conservation and Parks (MECP) on June 3, 2021. This regulation will make producers of packaging and paper products fully accountable and financially responsible for operating Ontario's Blue Box program under the Resource Recovery and Circular Economy Act, 2016 (RRCEA). Under the regulation, the operation of Ontario's Blue Box program will be carried out by PROs (Producer Responsibility Organizations) on behalf of producers. PROs have already been established and each PRO represents multiple producers. The Blue Box regulation intends to develop a province-wide common collection system that will service all communities, increase the materials that can be recycled and result in higher waste diversion rates.

## Blue Box Regulation Amendments

On April 19, 2022, the Government of Ontario approved amendments to the Blue Box regulation to ensure the smooth transition to full producer responsibility and clarify the process for creating the post-transition Blue Box collection system. The intent of the amendments are administrative in nature and are to simplify the requirements for producers and PROs to collaborate on the post-transition Blue Box collection system.

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OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

Highlights of the recent amendments include:

- Each producer being responsible for providing Blue Box collection to all eligible sources in Ontario; and
- PROs providing details on how they will establish and operate the post-transition Blue Box collection system by July 1, 2022.

### Blue Box Transition

The transition of responsibility for municipal Blue Box programs to producers is scheduled to occur from July 1, 2023 to December 31, 2025. During this transition period, the Blue Box regulation intends to maintain the existing service levels for municipalities that currently have a curbside Blue Box collection program in place. Hamilton's transition date is scheduled for April 1, 2025 which will result in a transition period for Hamilton between April 1, 2025 – December 31, 2025. As of January 1, 2026, municipalities will no longer have a regulated role to provide Blue Box collection, processing, or education. At that time, producers and PROs will have the ability to introduce changes to improve efficiencies and increase diversion of Blue Box materials from landfill. Potential changes may include the type of recycling containers used by communities, collection frequency, and alternative collection systems, i.e. deposit return.

### Municipalities as Service Provider for PROs

Recently, PROs have expressed a strong preference to have municipalities continue Blue Box collection on their behalf throughout the transition period that concludes on December 31, 2025. For a municipality to collect Blue Box material on behalf of a PRO, an agreement would have to be reached between the PRO and the municipality on the compensation for the service provided. As of this time, the details of such agreements have not been provided to municipalities. PROs will provide municipalities with these details shortly and most likely will be reaching out to all Ontario municipalities to sign these agreements over the coming months; however, municipalities have no regulated obligation to provide this service on behalf of PROs.

### Updated Operational Impacts for the City of Hamilton Blue Box Program

The Blue Box transition will have a significant impact on the City's Blue Box collection program and the operation of the City's Materials Recycling Facility (MRF). Staff are currently reviewing the impacts in key operational areas including:

- Recycling collection during transition - Providing Blue Box collection on behalf of PROs during the transition period from April 1, 2025 – December 31, 2025. Staff are gathering information so that an accurate evaluation of this service can be made and a recommendation provided to Council.

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- Eligible properties – At the present time, non-residential properties such as small commercial businesses, municipal buildings, and places of worship are excluded from the post-transition Blue Box program and will not be eligible for recycling collection by producers. Staff are gathering information to determine the number of ineligible properties that currently receive recycling service from the City to provide options that Council may wish to consider.
- Recycling assets – the City’s MRF, blue boxes, carts and streetside recycling receptacles may or may not be utilized by PROs as part of the new Blue Box program.
- Contracts – The City’s current contracts for recycling collection and MRF operation will need to be terminated. These contracts include clauses anticipating the Blue Box program transition and allow the City to terminate the contracts with controlled financial penalties.

Next Steps

Throughout the project right up to transition, staff will:

- Continue to participate in consultation opportunities with the MECP, inter-municipal working groups and industry associations to provide input on the post-transition Blue Box program;
- Develop a roadmap to identify all the required activities and timelines for transition;
- Monitor the transition of municipalities transitioning in 2023, such as Toronto, and 2024 such as Niagara Region to evaluate the process and the impacts of transition on the municipality;
- Provide updates to Council on the Blue Box transition process; and
- Seek Council’s direction as required for key decisions.

If you require further information please contact myself or Ryan Kent, Manager of Waste Policy and Planning, at extension 7686.

**APPENDICES AND SCHEDULES ATTACHED**

Not applicable