



**City of Kingston
Information Report to Council
Report Number 19-243**

To: Mayor and Members of Council
From: Sheila Kidd, Commissioner, Transportation & Public Works
Resource Staff: Heather Roberts, Director, Solid Waste Services
Date of Meeting: September 17, 2019
Subject: Transition of Ontario's Blue Box Program Plan to Full Producer Responsibility

Executive Summary:

On August 15, 2019, the Minister of the Environment, Conservation and Parks (MECP) announced the next steps for transitioning the cost and operation of the blue box program away from municipalities to the make the producers of products and packaging fully responsible.

Taking into consideration the recommendations provided in a special advisor's report, the Minister announced that Blue Box services will transition to producers in phases over a three-year period, starting January 1, 2023. The Minister has directed Stewardship Ontario to submit a plan to outline how the current program will operate over the three-year period by June 30, 2020. Further, a letter was issued to the Resource Productivity and Recovery Authority (RPRA) to approve the plan no later than December 31, 2020.

This report provides information on the special advisor report, the recent announcement, and future matters that the City of Kingston will need to consider.

Recommendation:

This report is for information only.

Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER

**Sheila Kidd, Commissioner,
Transportation & Public Works**

ORIGINAL SIGNED BY CHIEF ADMINISTRATIVE OFFICER

**Lanie Hurdle, Interim Chief
Administrative Officer**

Consultation with the following Members of the Corporate Management Team:

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| Peter Huigenbos, Acting Commissioner, Community Services | Not required |
| Jim Keech, President & CEO, Utilities Kingston | Not required |
| Desirée Kennedy, Chief Financial Officer & City Treasurer | Not required |
| Deanne Roberge, Acting Commissioner, Corporate Services | Not required |

Options/Discussion:

New Provincial Waste Legislation and Developments on Transitioning to Full Producer Responsibility for Municipal Recycling Programs

In November 2016, the Province passed the [Waste-Free Ontario Act, 2016](#) (WFOA) that includes two acts: the [Resource Recovery and Circular Economy Act](#) (RRCEA) and the [Waste Diversion Transition Act](#) (WDTA). Supporting documents have been released by the Province since the new waste legislation passed and include the following:

1. [Strategy for a Waste-Free Ontario: Building the Circular Economy](#), released February 2017
2. [Made-in-Ontario Environment Plan](#), released November 2018
3. [Discussion Paper on Reducing Litter and Waste in Our Communities](#), released March 2019

The primary outcome of the new legislation is to transition the costs of the blue box program away from municipal taxpayers to make the producers of products and packaging fully responsible. The legislation will wind up the existing *shared responsibility* of the Blue Box Program Plan (BBPP) for designated printed paper and packaging (PPP) (i.e. blue and grey box materials) between municipalities and PPP producers, and transition the program to *full producer responsibility*. Completing this transition would obligate producers across the province to pay for and manage their materials, and enable a common list of what can be recycled across the province.

In August 2017, the Minister of the MECP, at the request of municipalities and producers of PPP, directed Stewardship Ontario (SO) and the Resource Productivity and Recovery Authority (RPRA) to develop a proposal for an amended BBPP that would expedite and outline the first phase of transitioning Ontario's blue box program. The intent of the amended BBPP was to take a first step to transition the program from a shared responsibility program to an extended producer responsibility regime, and set the stage for a second step that would result in individual producer responsibility. The Minister directed that the plan be submitted by February 15, 2018.

A final a-BBPP was **not** submitted to the Minister, and work on the file stalled until November 2018. Then, as identified above, the Province released the Made-in-Ontario Plan, followed by a discussion paper to set the stage for the steps to begin the work to transition the program.

Ontario Engages Special Advisor to Tackle Plastic Litter and Waste, and Review Recycling Program

On June 7, 2019, as a follow-up to their release of the Made-in-Ontario Environment Plan and Discussion Paper on Reducing Litter and Waste in Our Communities, the Province [announced](#) that a Special Advisor on Recycling and Plastic Waste was appointed to mediate and provide recommendations on next steps for the BBPP.

The Special Advisor was directed to provide a report to the Minister by July 31, 2019 on how to tackle plastic waste and litter, improve recycling, increase products that can go into the blue box, and ensure producers are responsible for managing plastic and other packaging at end-of-life. As cited in the [Minister's letter](#), the work of the Special Advisor was guided by the following public policy objectives:

- Standardization across the province of what can be recycled in offices, parks, public spaces, and homes;
- Improve diversion rates and increase what materials can be recycled;
- Reduce litter and waste in communities and parks;
- Improve Ontario's blue box program by requiring producers to pay for the recycling of the products they produce, through achieving producer responsibility; and
- Maintain or improve frequency of blue box collection.

Over a six-week period, the Special Advisor met with a broad range of stakeholders.

On July 20, 2019, the Special Advisor submitted a report outlining recommendations to the Minister. The [report](#) released to the public on August 6, 2019 included recommendations for seven key issues; a summary is provided below. The recommendations are generally aligned with the positions advocated by municipalities over the past few years.

1. A measured timeframe for transition of the blue box program to full producer responsibility. Recommendations included:
 - Transition should occur over a six-year period, from 2019 to 2025.
 - Before the end of 2019, the Minister of the MECP should issue direction to Stewardship Ontario outlining a timeline for transition.
 - Complete consultation with municipalities, producers, public, and other stakeholders.
 - Over a three-year period, from 2023 to the end of 2025, transfer responsibilities of the blue box program from municipalities to producers.
2. Ensuring a common collection system. Recommendations included:
 - Future regulations should maintain blue box collection as an essential part of any collection system, but also allow producers flexibility to collect some packaging through other methods.
 - Gather facts and data on the current state of the program and retain expert advice on how to proceed with transferring the services provided by municipalities to producers.
 - Transitioning the program must not negatively impact the recycling services that Ontarians use every day.

3. Transitioning municipal assets. Recommendations included:
 - If all responsibilities are transferred to producers, they must have control to decide which assets will be used in future collection and management systems. Producers should not be forced to use, or pay for, municipal assets they do not need.
 - Municipalities must be able to bid fairly on future services for producers.

4. Standardizing what's in the blue box. Recommendations included:
 - It should be easier for Ontarians to understand what is recyclable and what is not.
 - Regulations should make producers responsible for all printed paper and packaging they put into the market and clear goals for diversion from landfill should be set. However, there should be flexibility for producers to identify the best way to achieve these goals.
 - Regulations should establish a standard list of recyclables that must be collected through recycling boxes or depots across Ontario, but also allow producers to use other methods to meet or supplement diversion requirements.

5. Determining eligible sources for blue box materials. Recommendations included:
 - Transition must consider whether it makes sense for producers to be responsible for delivering recycling services beyond curbside and depot collection, meaning; should producers be held responsible for providing recycling at apartments, some businesses, parks, and other public spaces.
 - Producers should provide recycling services wherever it is provided by municipalities now.
 - After transition, producers should gradually expand collection in multi-residential buildings, parks, public spaces.
 - Recycling services should not be provided to industrial, commercial and institutional (IC&I) establishments as these facilities already have their own waste servicing arrangements and plan, and recycling at these facilities is covered by a different provincial regulatory framework.
 - It is important that Ontarians have similar opportunities to recycle whether they are at home, work or out in the public. The Province should review and modernize the regulatory framework for IC&I establishments to improve overall diversion rate in Ontario.

6. Setting effective diversion targets. Recommendations included:
 - Regulate and enforce targets that set a level playing field to ensure that the recycling system strives to achieve meaningful environmental outcomes.

- A single or overall recycling target is neither workable or effective. The Province should consult to identify specific targets for different types of printed paper and packaging materials.
- The categories of materials should be specific enough that they can be used to identify materials that have low diversion rates, so that action can be taken to improve.
- Set targets that drive innovation and find new efficiencies and cost savings.
- Targets must progressively increase overtime to ensure innovation and evolution.

7. Promoting increased diversion from landfill. Recommendations included:

- Reduce, reuse and recycle should all count as diversion. Processes that continue to make materials available as a resource for a new product or packaging should be considered diversion.
- Incineration and energy-from-waste should not count as diversion.
- The first R - Reduction should be considered first and where feasible producer responsibility regulations should recognize and reward producers for reducing waste and improving environmental performance.

Follow-up to Special Advisor’s Report: Ontario Announces Next Steps to Transition Blue Box Program to Full Producer Responsibility, Improve Recycling and Tackle Plastic Waste

On August 15, 2019, the Minister of the Environment, Conservation and Parks [announced the next steps](#) for transitioning the costs and operations of the blue box program away from municipalities to the make the producers of products and packaging fully responsible.

Based on the recommendations provided in the [Special Advisor’s report](#), the Minister announced that blue box services will transition to producers in phases over a three-year period, starting January 1, 2023. The Minister has [directed Stewardship Ontario](#) to submit a plan to outline how the current program will operate over the three-year period by June 30, 2020. Further, a [letter was issued to the Resource Productivity and Recovery Authority](#) (RPRA) to approve the plan no later than December 31, 2020.

The approach will provide time for consulting with the public, stakeholders, and Indigenous communities, providing certainty for municipalities and adequate time for producers to engage service providers to meet their obligations. The details of how the program will operate, including collection, processing, targets, oversight, designated materials, costs, etc., will largely be provided via future regulation(s).

The first group of municipalities or First Nations will transfer responsibility of their programs to producers by January 1, 2023. The intention is that by December 31, 2025 producers will be fully responsible for providing blue box services to the entire province.

At this time, there are no details provided about which municipalities will transfer their responsibilities first, or throughout the phased approach. Staff expects that these details will be provided in the plan that will be submitted by Stewardship Ontario by June 30, 2020.

It is important to note that as municipalities transfer their responsibility and control to producers during the three-year phase-in, they will begin to have the full costs of their recycling programs paid for by the producers. During this time, while other municipalities wait for their transfer date, the cost of the recycling services will continue to be shared, with the municipal portion paid for via municipal taxes. Although the phased approach will advantage some and disadvantages others, the phased approach is necessary due to the complexity of contracts for services and the amount of work required.

Transitioning both the financial and operational responsibility of collecting and managing designated products and packaging to the producers who make them will support the provincial vision of zero waste to landfill, and zero emissions from waste to landfill.

This work aligns well with initiatives outlined under Council's strategic priority to demonstrate leadership on climate action, and has the ability to be transformational on the lifecycle of products and packaging.

The Next Steps and Considerations for the City of Kingston to Align Recycling Services with Transition of the Blue Box Program and Future Producer Responsibility

Since the release of the legislation, the Solid Waste Services Department has identified that the feasibility of proceeding with a weekly, dual-stream recycling system needs to be carefully reviewed, in particular; whether or not to proceed with retrofitting the City's Material Recovery Facility (MRF), and collection services for the weekly collection of two streams.

In June 2019, City Council approved the following recommendations provided in a report received by the Environment, Infrastructure and Transportation Policies (EITP) Committee:

- a) Council approve the Solid Waste Services Department to proceed with the next phase to convert the existing four-stream alternating blue and grey box recycling system to a dual-stream weekly system and service level for July 1, 2021;
- b) Council direct staff to proceed with a Request for Proposal for the Retrofit Design and Build of a dual-stream Material Recovery Facility; and
- c) Council direct staff to proceed with a Request for Proposal for the weekly dual-stream collection of both blue and grey boxes.

Proposals have been received and are under review; keeping in mind the very recent announcement from the Province, staff will be analyzing the risks and opportunities of proceeding with a dual stream recycling system. Staff will bring a report to Council by the end of 2019 to provide details and recommendations on proceeding with a dual-stream recycling system.

In addition to deciding to proceed or not with converting the City's recycling program from four streams to two (dual) streams, other decisions and actions will be required during the phase-in of producer responsibility and may include:

- A Council decision may be required as to the timing of when the City will transfer responsibility to the producers, although the timing will very much be decided upon by the producers;
- The producers will have full control of determining how they will meet their new responsibilities and targets. However, Council direction would be required if the producers want to negotiate a price with the City to deliver either collection or processing services on their behalf to meet their new responsibilities; and
- Council direction will be required if the City wishes to include any products and packaging in the producer-led program that are not included in the standardized list of recyclables; to be determined throughout this transition process. Costs to manage products and packaging that are not included in the standardized list will be the City's responsibility.

The Solid Waste Services Department will continue to be closely involved with the work to transition the blue box program with the Ministry and other municipal associations. More details will be provided as they become available along with recommendations as needed.

Existing Policy/By-law:

Not applicable.

Notice Provisions:

Not applicable.

Accessibility Considerations:

Not applicable.

Financial Considerations:

There are no direct financial implications concerning this report. However, changes to the responsibilities of delivering recycling services will have an impact on future operating and capital budgets for Solid Waste Services. The 2018 net cost to deliver recycling services including both collection and processing was about \$1.72M. Although the full details are not known yet, the objective of transitioning the blue box program is to transfer 100% of the cost to the producers. Therefore, it is expected that if the City follows the future standardized producer-led program, the current cost to deliver the service should be completely removed from the City's budget.

Contacts:

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Other City of Kingston Staff Consulted:

Holly Wilson, Manager, Intergovernmental Relations, Office of the Mayor

Exhibits Attached:

Not applicable.