### Understanding Your Requirements as a Blue Box Producer

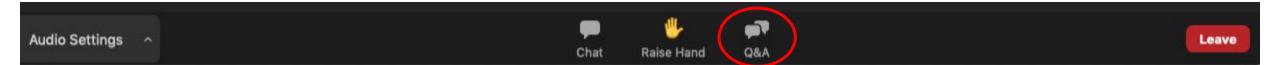
### Mary Cummins, Deputy Registrar

*This presentation was updated in April 2022 to reflect amendments made to the Blue Box Regulation* 





### How to ask a question



To ask a question at any time during the presentation or for technical assistance, click on the Q&A tab, type your question in the text box and click "send".

### Agenda

- 1. Introduction to RPRA
- 2. Ontario's new Blue Box Regulation
- 3. Blue Box materials
- 4. Who is a producer?
- 5. Registration and reporting
- 6. Working with PROs
- 7. Resources

## Introduction to RPRA

### Who is RPRA?

The Resource Productivity and Recovery Authority (RPRA or the Authority) is the regulatory body created by the Government of Ontario to administer the *Resource Recovery and Circular Economy Act, 2016* (*RRCEA*) and the *Waste Diversion Transition Act, 2016* (*WDTA*), and their associated regulations, including the new Blue Box Regulation.

- The WDTA outlines the legislative framework for winding up and transitioning legacy waste diversion programs.
- The RRCEA provides for a new producer responsibility regulatory framework for waste diversion and resource recovery where producers are individually accountable and financially responsible for their products and packaging once consumers dispose of them.

### **The Authority's mandate**

Oversee existing waste diversion programs and the IFOs that operate them

Oversee orderly wind up of the programs and IFOs as directed by the Minister

**Establish and operate an electronic registry** for obligated parties to register and report information as required by regulation (main tool in achieving compliance mandate)

**Undertake compliance** and enforce requirements of legislation and regulations (e.g., consumer education, collection systems, registration, reporting and performance targets)

**Provide information to the Minister** to support policy decisions

**Provide information to the public** about Ontario's progress in diverting waste and resource recovery

### **RPRA's role as a regulator**

- RPRA **does not** determine policy or write regulations
  - Regulations under the RRCEA are developed by the Ministry of the Environment, Conservation and Parks and approved by the Ontario Government
  - Our role is to implement and enforce regulations under the RRCEA. We do not have the authority to change a regulation
- RPRA does not arrange for the collection or recycling of end-of-life products or materials in Ontario
  - Producers are responsible for establishing collection and management systems to meet their requirements in the regulation
  - Most producers will work with PROs (or producer responsibility organizations) who will establish these systems on behalf of multiple producers
  - Producers are free to make their own commercial arrangements with PROs and other service providers
- RPRA **does not** set or collect environmental fees to cover the cost of collection and management systems

### **Transitions to date**



# Ontario's New Blue Box Regulation



### The Blue Box Regulation

- On June 3, the government released the final <u>Blue Box Regulation</u>. The current Blue Box Program administered by Stewardship Ontario (SO) on behalf of stewards will transition to the new framework between July 1, 2023, and December 31, 2025.
  - As of July 1, 2023, when municipalities and First Nation communities start transitioning their Blue Box programs to the new framework, Blue Box producers will become fully accountable and financially responsible for collecting and recycling their Blue Box materials when consumers discard them.
  - Unlike under the SO program where stewards/producers were only responsible for funding 50% of the programs established by municipalities and First Nations to manage Blue Box materials, producers are now responsible for establishing a collection and management system to manage Blue Box materials, and for funding that system.
- During transition years, stewards will be obligated under the Blue Box Program Plan and the WDTA AND required to meet their obligations under the new Blue Box Regulation under the RRCEA, which includes registering, reporting and paying their Registry fee to RPRA.

### **Producer requirements**

- Under the Blue Box Regulation, producers are required to:
  - Register with RPRA
  - Report their supply data to RPRA annually
  - Meet mandatory and enforceable requirements for Blue Box collection systems
  - Meet mandatory and enforceable requirements for managing collected Blue Box materials, including meeting a management requirement set out in the regulation
  - Meet mandatory and enforceable requirements for promotion and education
  - Provide third-party audits of actions taken towards meeting their collection and management requirements, and report on those actions to RPRA through their annual performance reports
- Under the new framework, producers can choose how to meet their collection and management requirements in a competitive market.

## **Blue Box materials**

### **Blue Box materials**

- There are three types of Blue Box materials in the Blue Box Regulation:
  - Blue Box packaging
    - o primary packaging
    - transport packaging
    - o convenience packaging
    - $\circ$  service accessories
    - o ancillary elements
  - paper products
  - packaging-like products
- Obligated products and packaging are those primarily composed of glass, flexible or rigid plastic, metal, paper or a combination of these materials.

NOTE: Blue Box materials also include those that are certified compostable (different reporting requirements and obligations than the other Blue Box materials).

### Blue box packaging – Part 1

The distinction between different types of Blue Box packaging is not required (e.g., a producer does not need to know or to report on whether their Blue Box packaging is primary packaging, transport packaging, convenience packaging, service accessories or ancillary elements).

**Primary packaging** is for the containment, protection, handling, delivery and presentation of a product at the point of sale, including all packaging components.

 e.g., film and cardboard used to package a 24-pack of water bottles and the label on the water bottle

**Transportation packaging** which is provided in addition to primary packaging to facilitate the handling or transportation of one or more products such as a pallet, bale wrap or box, but does not include a shipping container designed for transporting things by road, ship, rail or air.

### Blue Box packaging – Part 2

**Convenience packaging** includes service packaging and is used in addition to primary packaging to facilitate end users' handling or transportation of one or more products.

- includes packaging that is supplied at the point of sale by food-service or other service providers to facilitate the delivery of goods
- includes items such as bags and boxes that are supplied to end users at check out, whether or not there is a separate fee for these items

**Service accessories** are products supplied with a food or beverage product and facilitate the consumption of that food or beverage product and are ordinarily disposed of after a single use, whether or not they could be reused.

 $\circ$  e.g., a straw, cutlery or plate

**Ancillary elements** are integrated into packaging (directly hung or attached to packaging) and are intended to be consumed or disposed of with the primary packaging. Ancillary elements help the consumer use the product.

 e.g., a mascara brush forming part of a container closure, a toy on the top of candy acting as part of the closure, devices for measuring dosage that form part of a detergent container cap, or the pouring spout on a juice or milk carton

### **Paper products**

- Paper products include printed and unprinted paper, such as a newspaper, magazine, promotional material, directory, catalogue or paper used for copying, writing, or any other general use.
- Paper products do not include:
  - hard or soft cover books
  - hardcover periodicals

### Packaging-like product

- A packaging-like product is a product such as aluminum foil, a metal tray, plastic film, plastic wrap, wrapping paper, a paper bag, beverage cup, plastic bag, cardboard box or envelope, that has <u>all</u> the following characteristics:
  - 1. The product is ordinarily used for the containment, protection, handling, delivery, presentation or transportation of a thing or things,
  - 2. The product is ordinarily disposed of after a single use, whether or not it could be reused, and,
  - 3. The product is not used as packaging when it is supplied to the end user.
- Packaging-like products do not include products made from flexible plastic that are ordinarily used for the containment, protection, or handling of food, such as cling wrap, sandwich bags, or freezer bags.

NOTE: this exclusion is for packaging-like products only. Flexible plastic supplied as Blue Box packaging is still obligated.

### Key changes to Blue Box materials from the SO Program

There are several newly obligated packaging/products under the Blue Box Regulation, including:

- Unprinted paper
- Packaging-like products, such as aluminum foil, metal trays, wrapping paper, paper bags, cardboard boxes and envelopes
- Service accessories, such as straws, cutlery or plates that are supplied with a food or beverage product
- Durable products, such as CD cases, box board for board games/puzzles and power tool cases

### **FAQs** about Blue Box materials

- 1. Is transport packaging that is removed by a retail location and not supplied to the consumer obligated?
  - No, transport packaging is only obligated when supplied to a consumer in Ontario. Any transport packaging removed by a retailer or other entity before the product is supplied to a consumer is not obligated under this regulation.
- 2. Are containers that are obligated under the Hazardous and Special Products (HSP) Regulation obligated as Blue Box materials?
  - No, products or packaging designated as HSP are not obligated under the Blue Box Regulation.
    - For example: primary packaging for paints and coatings are HSP and therefore not obligated as Blue Box materials.
    - Some packaging for HSP products may still be obligated. For example, the packaging which contains an oil filter is obligated as Blue Box materials.
    - Consult the <u>HSP Regulation</u> or the Compliance and Registry Team for further information.

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# Who is a producer?



### Who is a Blue Box producer?

- A person is considered a producer 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.
  - Under the Blue Box Regulation, consumers are individuals who use a product and its packaging for personal, family or household purposes, or persons who use a beverage and its container for personal, family, household or business purposes.

NOTE: Beverage containers are obligated regardless of the sector supplied into.

• The obligated producer is further determined based on hierarchies for packaging and for paper products and packaging-like products.

### **Producer hierarchies**

Paper products and packaging-like products

The brand holder of the paper product or packaging-like product who is resident in Canada

> If no brand holder, the importer of the paper product or packaginglike product who is resident in Ontario

> > If no resident importer, the retailer that supplied the paper product or packaging-like product to consumers in Ontario

### **Producer hierarchies**

**Blue Box packaging** 

The brand holder of the product who is resident in Canada

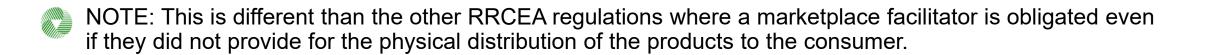
If no brand holder, the importer of the product who is resident in Ontario

NOTE: Each of those identified above are only obligated for the portion of the Blue Box packaging they added to the product. For example, if a retailer adds Blue Box packaging to a product for which there is a brand holder in Canada, the brand holder is only responsible for their portion of the Blue Box packaging and the retailer is responsible for what they added.

If no resident importer, the retailer that supplied the product to consumers in Ontario

### Who is a marketplace facilitator?

- If a retailer is determined to be the producer based on the hierarchies, but they are a marketplace seller, the marketplace facilitator is the obligated producer.
- A marketplace facilitator is a person who contracts with a marketplace seller to facilitate the supply of the marketplace seller's products by:
  - owning or operating an online consumer-facing marketplace or forum in which the marketplace seller's products are listed or advertised for supply and where offer and acceptance are communicated between a marketplace seller and a buyer (e.g., a website), and
  - providing for the physical distribution of a marketplace seller's products to the consumer (e.g., storage, preparation, shipping of products).
- A marketplace seller is a person who contracts with a marketplace facilitator to supply its products.



### **Producer hierarchies**

#### Additional considerations

- If the producer is a business that is a franchise, the franchisor is the obligated producer, if that franchisor has franchisees that are resident in Ontario.
- If there are two or more brand holders, the brand holder resident in Canada most closely connected to the manufacturing or production of the Blue Box material is the obligated producer.
- For more detailed questions on who is the producer, please contact the Compliance and Registry Team at <u>registry@rpra.ca</u> or 833-600-0530.

### Key changes to producer hierarchies from the SO Program

There have been some key changes to the producer hierarchies which may affect what a producer is obligated for and should be considered if using data previously reported to SO:

- Beverage containers are obligated regardless of the sector they are supplied into
- If a retailer is determined to be the producer based on the hierarchies, but they are a marketplace seller, the marketplace facilitator is the obligated producer
- Brand holders that are resident in Canada are obligated, which varies from the SO program where brand holders that are resident in Ontario are obligated

### FAQs about producer hierarchy

- 1. If a marketplace facilitator supplies products for which there is a brand holder resident in Canada, who is the obligated producer?
  - The brand holder is the obligated producer.
  - A marketplace facilitator only becomes obligated for products supplied through its marketplace where the producer would have been a retailer. If the producer is a brand holder or an importer, they remain the obligated producer even when products are distributed by a marketplace facilitator.
  - A retailer is a business that supplies products to consumers, whether online or at a physical location.
- 2. Are Blue Box materials that are supplied to the IC&I sector, such as long-term care homes, obligated?
  - Blue Box materials supplied to a business (e.g., the operators of a long-term care home) are not obligated, however, there are no deductions available for materials supplied to a consumer in an IC&I setting (e.g., a resident of a long-term care home).
  - Any Blue Box materials supplied to consumers in Ontario are obligated. Blue Box materials supplied to the IC&I sector are not obligated (except beverage containers which are obligated regardless of the sector supplied into).

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# Registration and reporting

### **Producer registration and reporting**

- Producers are required to register with RPRA by October 1, 2021.
- Producers must provide the following when registering:
  - Contact information
  - PRO information, if a PRO has been retained at time of reporting, including what services they have retained a PRO for
  - 2020 supply data in material categories, including deductions and any newly obligated material
- Producers must submit this information to RPRA directly.
- Producers will also be required to pay their 2021 Registry fee when submitting their 2020 supply data. Consultation on the Authority's 2021 Registry fees for Blue Box materials closed on August 3, and the Authority is now in the process of reviewing stakeholder feedback as it finalizes the fees. Visit our <u>consultation webpage</u> to learn more.
- Registration and reporting will open once the 2021 fees have been finalized. We will notify
  potential producers (e.g., current Blue Box Program stewards) at that time, as well as provide
  further information about the registration and reporting process.

### Blue Box material categories for reporting

### 1. Beverage container material category.

- o beverage container means a container that,
  - a) contains a ready-to-drink beverage product,
  - b) is made from metal, glass, paper or rigid plastic, or any combination of these materials, and
  - c) is sealed by its manufacturer.
- 2. Glass material category.
- 3. Flexible plastic material category.
  - o flexible plastic means unmoulded plastic, such as a plastic bag, film, wrap, pouch, or laminate
- 4. Rigid plastic material category.
  - o rigid plastic means moulded plastic, such as a food or product container
- 5. Metal material category.
- 6. Paper material category.
- 7. Certified compostable products and packaging material category.
  - o certified compostable product and packaging means material that,
    - a) is only capable of being processed by composting, anaerobic digestion or other processes that result in decomposition by bacteria or other living organisms, and
    - b) is certified as compostable by an international, national or industry standard that is listed in the <u>Blue Box Verification and Audit Procedure</u>

### **Deductions**

- The weight of Blue Box material in each material category to be deducted must be reported separately. Allowable deductions are those Blue Box materials that are:
  - deposited into a receptacle at a location that is:
    - o not an eligible source, and
    - where the product related to the Blue Box material was supplied and used or consumed.
      - For example, a fast-food restaurant.
    - collected from an eligible source at the time a related product was installed or delivered.
      - For example, packaging that is removed from the house by a technician installing a new appliance.
- There are no other deductions available to producers under this regulation.

### **Producer exemption by annual revenue**

- Any producer whose gross annual Ontario revenue from products and services is less than \$2,000,000 is exempt from all producer requirements under the regulation.
- Any producer who meets the exemption must keep any records that demonstrate its gross annual Ontario revenue is less than \$2,000,000 in a paper or electronic format and can be examined or accessed in Ontario for a period of five years from the date of creation.

### Producer exemption by supply weight per material category

Producers can also be exempt from having management requirements for a material category based on their supply in that category.

Material category	Exempt if supply is less than (tonnes)
Paper	9
Rigid plastic material category	2
Flexible plastic material category	2
Glass materials category	1
Metal material category	1
Beverage Containers	1

### **Producer exemptions**

There are three exemption scenarios for producers:

Producer status	Exemption
Annual revenue less than \$2 million	Must maintain records only
Annual revenue more than \$2 million, and supply weight in <b>all</b> material categories less than tonnage to meet exemption	Must register and report
Annual revenue more than \$2 million, and supply weight in <b>at least one</b> material category above tonnage to meet exemption	All obligations apply: register, report, collection, management, P&E Must only meet management requirement in material categories where they are above the exemption level

### Key changes to data reported from the SO Program

There have been some key changes to the data reported which may affect what a producer is obligated for and should be considered if using data previously reported to SO:

- There are fewer reporting categories than under the SO program
- Certified compostable packaging and products must now be reported separately but this category does not have management requirements
- There are two deductions permitted under the Blue Box Regulation, and producers must report total supply and then report any weight to be deducted separately
- Exemptions based on tonnage supply under each material category

### FAQs about producer registration and reporting

- 1. If I already reported my 2020 supply data to Stewardship Ontario through the WeRecycle Portal, do I have to report again to RPRA?
  - Yes, producers are legally required to register and report to RPRA. Additionally, there are some differences between what materials were reported to Stewardship Ontario and what must now be reported to RPRA. Differences include:
    - Newly obligated materials
    - Brand holder in Canada now obligated (rather than Ontario)
    - Producer must report total supply, and then report any weight to be deducted separately
  - The producer registration form has a reporting table to facilitate the use of data that was previously reported to Stewardship Ontario, but producers must ensure that data reported to Stewardship Ontario is accurate supply data under the new regulation.
  - During transition years, stewards will be obligated and have to meet their requirements (e.g., reporting to Stewardship Ontario) under the Blue Box Program Plan and the WDTA AND required to meet their obligations under the new Blue Box Regulation under the RRCEA, which includes registering, reporting and paying their Registry fee to RPRA.

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# Working with PROs

### What is a PRO?

- A producer responsibility organization, or 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
- A processor retained solely for the purposes of processing Blue Box material is not a PRO.
- Under the Blue Box Regulation, you can choose to contract with a PRO for the purposes of meeting your collection, management and promotion and education requirements.

## **Blue Box PROs currently registered**

- Registered Blue Box PROs are listed on RPRA's website: <u>https://rpra.ca/programs/blue-box/regulation/pros/</u>
- We will continue to update the website as more PROs register

PRO	Contact information
Canadian Beverage Container Recycling Association	Phone: (855) 644-7400 Email: <u>info@cbcra-acrcb.org</u>
Circular Materials	Website: <u>www.circularmaterials.ca</u> Phone: (647) 210-5527 Email: <u>info@circularmaterials.ca</u>
Ryse Solutions Ontario Inc.	Website: <u>https://ryseinc.ca/</u> Phone: (905) 330-9206 Email: <u>info@ryseinc.ca</u>
Resource Recovery Alliance	Website: <u>https://www.rralliance.com/</u> Phone: 1-800-392-2528 Email: <u>info@rrapro.com</u> or <u>cabel@rrapro.com</u>

April 2022: This slide was updated to reflect a new PRO

### Are there deadlines to sign up with a PRO?

- No, there is no deadline for a producer to contract with a PRO.
  - Producers are <u>not</u> required to have a contract with the PRO prior to their registration on October 1, 2021.
- 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 can have a different PRO for the purposes of providing collection/management services.

April 2022: This slide was updated to reflect amendments made to the Blue Box Regulation

### **FAQS** about working with PROs

- 1. Does RPRA vet PROs that register to ensure that they are viable options for producers to meet their requirements under the regulation?
  - RPRA does not vet PROs before listing them on the website. Any business that registers as a PRO will be listed. Producers should do their own due diligence when determining which PRO to work with.

### 2. Can a producer change PROs?

• Yes, a producer can change PROs at any time. Producers must notify RPRA of any change in PROs retained for the purposes of meeting their collection/management/P&E requirements within 30 days of the change.

April 2022: This slide was updated to reflect amendments made to the Blue Box Regulation

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# Help us improve our webinars



## Resources

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## **Recap: Upcoming dates and activities**

- Producers must register and report their 2020 supply data with the Authority by October 1, 2021.
  - Producers will also have to pay their 2021 Registry fee at this time.
  - We will provide more information on how to register and report once the 2021 Registry fees are set.
- 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 registration deadline.
- Producer collection, management and promotion and education requirements start on July 1, 2023.
- Municipalities and First Nation communities start transitioning their Blue Box programs to the new framework on July 1, 2023, through to December 31, 2025.
- Starting in 2022, producers must report their supply data to the Authority annually (for the previous year).
- Starting in 2024, producers, or PROs on their behalf, must report annually to the Authority on their performance meeting their management requirements.

### We are here to help

- RPRA is a resource for regulated parties who have any questions about their regulatory requirements or how to meet those requirements.
- Contact our Compliance Team if you:
  - have questions about the Blue Box Regulation, or any of the other RRCEA regulations (Tires, Batteries, Electrical and Electronic Equipment or Hazardous and Special Products)
  - are unsure whether you meet the definition of a producer under the regulation
  - are unsure whether the packaging/product you supply into Ontario is obligated under the regulation
  - are wondering how collection and management system are established under the regulation and what collection and management obligations producers must meet
  - would like more information about working with PROs and why you might contract with a PRO
  - have questions about the registration or reporting process

### Contact the Compliance Team at <u>registry@rpra.ca</u> or 833-600-0530.

### Resources to help you understand and meet your requirements



Website rpra.ca

Visit our <u>Blue Box</u> <u>Regulation webpage</u> for an overview of the regulation.

For more information on your regulatory requirements, visit our <u>Blue Box Producer</u> <u>webpage</u>.



#### Learning Series

This webinar is being provided as part of our learning series on the Blue Box Regulation. Additional webinars and learning resources will be provided in the coming months to further support Blue Box stakeholders.

For a recording of this webinar and presentation slides, visit our website: <u>https://rpra.ca/learn/</u>



#### **Registry Resources**

Visit our <u>Registry</u> <u>Resources webpage</u> for Compliance Bulletins and Registry Procedures.

The <u>Blue Box Verification</u> and <u>Audit Registry</u> <u>Procedure</u> provides guidance to producers for supply and performance reporting.

We will continue to develop Compliance Bulletins to assist people in understanding their regulatory requirements and how to meet them.



## Compliance and Registry Team

Our Compliance and Registry Team is available to answer any questions you have.

Contact the team at: <u>registry@rpra.ca</u> or 833-600-0530.