



Overview

- Council has commented several times on producer responsibility to MOECC
- 2. Part of the Waste-Free Ontario legislation and Provincial Strategy from February 2017
- 3. Individual Producer Responsibility is enshrined for designated materials (by 2023)
- 4. August 2017, Minister's Request to amend the Blue Box Program Plan (2003) to expedite the transition of this program

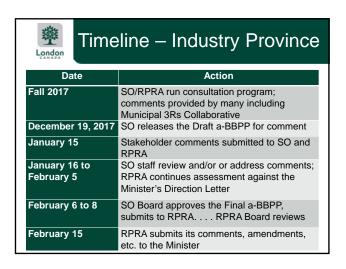


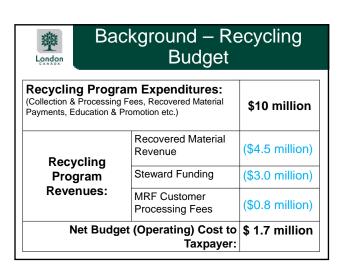


What is the Draft Amended Blue Box Program Plan?

The Draft a-BBPP highlights the steps: that it would take to go from:

- **1. Start with** . . . Ontario's recycling program as it exists today (shared cost model, municipally run)
- 2. Transition through Full Producer Responsibility (cost and operation paid by Stewards/Producers/ Industry) through the a-BBPP
- **3. To arrive at** Individual Producer Responsibility program (2023; although a-BBPP indicates 2025)







Background – Who Pays?

Financially Industry(ies) that produce Paper Products and Packaging (PPP) move from 50% to 100% responsibility for items being recycled

Operationally Industry(ies) assume operational control, under contracts, for the collection, processing and marketing of recyclable materials (move from 0% to 100%)

Municipalities . . . continue to handle and pay for the remainder . . . 25% to 36% of the materials



Overview of Report

Section 1: Potential Impacts to London

- City of London
- Service/Program
- Residents
- IC&I

Section 2: Comments on Draft a-BBPP

- Governance
- Avoiding stranded assets
- Moving to Individual Producer Responsibility (IPR)
- Transparency



Section 1: Potential Impacts

.... to the City of London

Financial Benefits

- More certainty
 - Collection, admin, contract management, P&E
 - 100% funding = \$1.5 to \$1.8 additional
 - Processing costs
 - 100% funding paid directly by SO
- Less certainty
 - Capital assets MRF, recycling containers



Section 1: Potential Impacts

.... to the City of London

Collection Service Options

- 1. Transition as a service provider, directly or by contracting the service
- 2. Transition by opting out of service delivery and have SO deliver
- 3. Do not transition until the end (stay at 50% funding)



Section 1: Potential Impacts

.... to the City of London

Change in Recyclables Collected

- Some new items and overall more tonnes will be collected
- Some items will be removed, causing confusion, inconvenience and potential penalties to London if residents continue to recycle these.





Section 1: Potential Impacts

.... to the City of London

Future Targets

- 75% province-wide by 2027 (or two years after full transition)
 - 4 materials specific targets

Current Recycling Rates

- 64% Ontario for 2016
- 68% London for 2016



Section 1: Potential Impacts

... to residents

- Potential impacts are variable and depend on how London choses to transition
- Overall, residents should see minimal to minor changes . . e.g., minor change in material mix
- Not all details are known at this time



Section 1: Potential Impacts

... to IC&I sector

- Recycling service to this sector not included in Plan . . impacts schools
- Potential costs to some/many local businesses as "new" costs have to be recovered
- New business opportunities



Section 2 – Comments on a-BBPP

Measuring against the Minister's Request Letter

- · London, others have been assessing
 - Municipal Resource Recovery & Research Collaborative (Municipal 3Rs Collaborative), AMO, OWMA, RCO, Toronto Environmental Alliance
- Focus solutions to fix the deficiencies



London Comments – 1. Governance

Governance, Decision-making and Dispute Resolution Concerns

- Concern about increased control by SO through transition
- More balanced controls are necessary for all parties, including municipalities
- More details on governance and dispute resolution are needed



London Comments – 2. Avoiding Stranded Assets

Avoiding Stranded Assets Especially MRFs

- Impact on London unclear at this time
- Draft plan is vague with no commitments
- Practical solutions exist to both use and phase out existing infrastructure



London Comments – 3. Moving to IPR

Preparing for the Move to Individual Producer Responsibility and be in Keeping with the Waste-Free Ontario Strategy

- Proposed timeline is too long (by 2 years + 2 years for reporting targets)
- Stronger process required to move to IPR. . . not keep the same



London Comments – 4. Transparency

Ensuring Transparency Through Performance Indicators and Reporting

- Many existing concerns with BBPP have not been addressed
- Improve reporting methods

Revised Timeframe		
	Current Timeframe	Revised Timeframe
Draft 60% Diversion Action Plan (i.e., how to achieve 60%) – for final comments	March - April 2018	May - June 2018
Final 60% Diversion Action Plan	May - June 2018	July - August 2018
Draft Resource Recovery Strategy – for final comments	May - June 2018	July - August 2018
Final Resource Recovery Strategy	July - August 2018	January 2019



Recommendation Parts a), b), c)

- a) Endorse and submit Sections 1 and 2 to SO, RPRA
- **b) Support** the Minister submission date of February 15, 2018 to get it right
- c) Request more time, if needed, to get it right



Part d) Transitioned Municipality

Why an Option 1 Transitioned Municipality?

- Stewards pay for most if not all program costs
- Minimal disruption to Londoners
- Best Option to help move through this transition process to ultimate <u>Individual Producer</u>
 <u>Responsibility</u>
- Will assist in understanding role of MRF
- City will be well positioned to assist Londoners if issues develop



Part d) Next steps

Direction . .

- Short term actions (3 to 6 months) with a-BBPP and City's 60% Diversion Action Plan
- Longer term action (3 months to 2+ years).
 . . . How the transition will be implemented in London final roles, responsibilities, requirements, measurements, outcomes, education and awareness, etc.