

Clause 8 in Report No. 2 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on February 18, 2016.

8

Waste-Free Ontario Act –
Update on Proposed Waste Management Legislation

Committee of the Whole recommends

1. Receipt of the presentation by Laura McDowell, Director, Environmental Promotion and Protection and Dave Gordon, Manager, Sustainable Waste Management.
2. Adoption of the following recommendations, *as amended*, contained in the report dated January 22, 2016 from the Commissioner of Environmental Services:
 1. Council endorse key principles outlined in Attachment 1, on the proposed Waste-Free Ontario Act and draft Strategy and authorize staff to advocate for those principles in ongoing consultations with the Ministry of the Environment and Climate Change.
 2. Council authorize the Commissioner of Environmental Services to submit a letter of comment to the Ministry of the Environment and Climate Change, copying Members of Regional Council, based on key principles outlined in Attachment 1, reiterating the need for the proposed Act to include a “made-in-Ontario” model for full producer responsibility that respects the complexity of the integrated waste management system, and recognizes recovery of energy-from-waste as a preferred option to landfill.
 3. The Regional Clerk circulate this report and attachment to the Clerks of the local municipalities, the Ministry of the Environment and Climate Change and the local MPPs, as acknowledgment of Council endorsement.

1. Recommendations

It is recommended that:

1. Council endorse key principles outlined in Attachment 1, on the proposed *Waste-Free Ontario Act* and draft Strategy and authorize staff to advocate for those principles in ongoing consultations with the Ministry of the Environment and Climate Change.
2. Council authorize the Commissioner of Environmental Services to submit a letter of comment to the Ministry of the Environment and Climate Change based on key principles outlined in Attachment 1, reiterating the need for the proposed Act to include a “made-in-Ontario” model for full producer responsibility that respects the complexity of the integrated waste management system, and recognizes recovery of energy-from-waste as a preferred option to landfill.
3. The Regional Clerk circulates this report and attachment to the Clerks of the local municipalities and the Ministry of the Environment and Climate Change as acknowledgment of Council endorsement.

2. Purpose

This report provides an update on the Province’s proposed waste management legislation, outlining actions taken since the June 2015 report. A summary of the recently released *Waste-Free Ontario Act* that includes the draft *Strategy for a Waste-Free Ontario: Building a Circular Economy* is provided, along with analysis of potential implications for York Region and local municipalities. The report requests Council endorse key principles included in Attachment 1 of this report, which will be submitted to the Ministry of Environment and Climate Change (the Ministry) by the commenting deadline on February 29.

3. Background

Region continued to advocate for “made-in-Ontario” solution at Provincial consultation sessions with stakeholders in fall 2015

Clause 2 in Report No. 12 of Committee of the Whole titled *Pending Waste Reduction and Resource Recovery Framework Legislation Update* was adopted by York Region Council at its meeting held on June 25, 2015. The June Council report included a resolution in support of a “made-in-Ontario” legislative framework of extended producer responsibility that includes total cost reimbursement for collection, transfer and processing of designated materials.

The June report was circulated to local municipal councils for their endorsement. The City of Toronto also endorsed a similar resolution.

Since June 2015, Regional staff participated in several formal consultation sessions with the Province on the direction of the proposed waste reduction legislation, advocating for a “made-in-Ontario” solution that respects the municipal role in delivering an integrated waste management system.

Province released Bill 151, proposed *Waste-Free Ontario Act* and draft *Strategy for a Waste-Free Ontario* in November 2015

On November 26, 2015, the Province posted the proposed *Waste-Free Ontario Act* and the draft *Strategy for a Waste-Free Ontario: Building a Circular Economy* on the Environmental Bill of Rights (EBR) registry for a 95 day public review and comment period. The proposed legislation received first reading on November 26, 2015, with the second reading anticipated in March 2016. The Bill may be passed by the Ontario Legislature later in the spring.

Waste-Free Ontario Act replaces the *Waste Diversion Act, 2002* with two pieces of legislation to transform the waste management system in Ontario

The proposed *Waste-Free Ontario Act* is high-level enabling legislation that provides a framework to place full responsibility on producers for their packaging and products at end of life. The substantive details on how this responsibility will be carried out and how services will be funded and delivered will be determined through future regulations and policy statements, after consultation with stakeholders. The proposed legislation would repeal the *Waste Diversion Act, 2002* and enact two new Acts: the *Resource Recovery and Circular Economy Act*, including the draft *Strategy for a Waste-Free Ontario*, and the *Waste Diversion Transition Act*. The 3Rs regulation (101/94) which requires municipalities to provide diversion programs will remain in place during transition. Table 1 outlines the legislative framework of the proposed *Waste-Free Ontario Act*.

Table 1
Proposed Waste-Free Ontario Act, 2015

Key Themes	Waste-Free Ontario Act, 2015
Policy framework	<p>Establishes overarching Provincial interests and structure for Province to issue policy statements providing direction on priorities of the Act.</p> <p>Includes vision of circular economy, ensuring all resources are used and reused productively; maximizing their potential and reintegration into the economy.</p> <p>Current designated materials remain, but new items may be added.</p> <p>Provincial policy statements to be developed in consultation with stakeholders and require Cabinet approval.</p> <p>Requires powers exercised under other legislation that relate to waste reduction and resource recovery to have regard for provincial interests and conform to policy statements.</p>
Strategy	<p>Draft Strategy includes vision of zero waste in the Province and zero greenhouse gas emissions from the waste sector. Includes 5 key action areas:</p> <ol style="list-style-type: none">1. Establish provincial direction to set clear direction through policy statements.2. Expand producer responsibility in Ontario.3. Divert more waste from disposal by establishing performance measures and reporting requirements, designating new materials, developing an Organics Action Plan, using disposal bans, and reviewing and updating 3Rs regulations.4. Increase awareness and participation through education and promotion.5. Stimulate markets for recovered materials.
Authority	<p>WDO will be replaced by the Resource Productivity and Recovery Authority (herein referred to as the Authority).</p> <p>The Authority will be a non-crown corporation established to oversee programs with ability to set and collect fees to recover its costs. The Authority will:</p> <ul style="list-style-type: none">• Oversee producer responsibility and transition of existing programs• Ensure compliance through monitoring and enforcement• Consist of “skills-based” Board with qualifications that align with Authority’s mandate.
Responsibility	<p>Producers bear full cost of diversion programs for designated materials, which represent about 25 per cent of tonnes.</p> <p>Province will set requirements and outcomes such as minimum collection rates or geographic-based standards.</p> <p>Municipal role in managing designated materials is not clearly defined. Producers have option to work with municipalities or establish own system.</p> <p>Municipalities responsible for non-designated materials through garbage, green bin and yard waste programs, which represent approximately 75 per cent of tonnes.</p>
Compliance and Enforcement	<p>Authority will be equipped with full suite of enforcement tools including administrative penalties, inspections, investigation, compliance orders, and offence provisions.</p> <p>In extreme cases, Cabinet may grant approval to impose sales ban.</p>

Update on proposed waste management legislation

Province anticipates roll out of changes to occur over next two to five years, beginning in 2016

The province included a timeline in the draft Strategy, indicating a quick start to rolling out proposed changes. Should the bill pass, the Authority will be empowered through the *Waste Diversion and Transition Act* to begin the transition planning process in 2016 and consult on key issues such as new program development, wind down of existing programs, enforcement measures, disposal bans and data collection. The Province's first policy statement on waste is also expected in 2016 along with the review of the 3Rs regulations under the *Environmental Protection Act* and development of the Organics Action Plan.

The *Waste Diversion Transition Act* outlines the shift from existing to new extended producer responsibility regime

Existing waste programs would continue until transitioned, with the Ministry leading the overall transition process including extensive stakeholder consultations. According to the Ministry, access to services such as blue box curb-side collection would not be negatively impacted. Industry stewardship programs for designated materials such as hazardous waste, electronics, used tires and paper and packaging would be transitioned over the next two to five years.

Ministry will have ability to increase producers' funding of the blue box program beyond the current 50 per cent funding cap during the transition process

The *Waste Diversion Transition Act* modifies the roles and responsibilities for the Minister, the Authority and producers. During transition, the Act stipulates that the Minister will lead overall transition and direct producers to develop a wind-up plan to transition to new regime by working with stakeholders. The Ministry will also have the ability, through regulations, to increase the blue box funding cap during the transition process. Unfortunately, the proposed *Waste Diversion Transition Act* uses the same problematic language as in the *Waste Diversion Act, 2002*. It is unclear if 50 per cent funding of the blue box program costs by producers means that they will fund 50 per cent of verified net costs as determined through the Waste Diversion Ontario datacall, during the transition period. The Authority will approve wind-up plans and oversee implementation with compliance and enforcement responsibilities. Under the *Waste Diversion Transition Act*, producers will also be required to continue to fulfill their obligations to existing programs such as waste electronics and tire recycling throughout the transition.

4. Analysis and Options

Draft Strategy recognizes leading work by York Region and may offer opportunities to advance objectives of SM4RT Living Integrated Waste Management Master Plan

The *Waste-Free Ontario Act* draft Strategy identifies York Region as a leader in waste reduction and education, citing our food waste reduction initiatives and the Bindicator waste look-up tool as examples of innovation. It is difficult to accurately assess the full risks and opportunities embedded in this proposed framework until details of the regulations have been provided, however Table 2 outlines actions identified in the draft Strategy that align with priorities in the SM4RT Living Plan.

Table 2
Areas of alignment between proposed legislation
and York Region priorities

Opportunity	Alignment with York Region priority
Organics Action Plan to reduce and divert more food waste from landfill	Draft Strategy recognizes and supports Region’s leading work in food waste reduction and diversion from landfill. Potential to build on York Region-led Ontario Food Collaborative, private sector organizations such as PAC Food Waste and Provision Coalition and community groups working on food security and health. Opportunity to advocate for compostable packaging standards. These packaging materials present challenges to municipal processing. Need provincial leadership on regulating standards on acceptable compostable packaging in green bin.
Update of 3R’s regulations to improve Industrial, Commercial and Institutional (ICI) and Multi-residential waste diversion	Current suite of municipally-managed residential diversion programs is successful due to clear system of accountability for performance and strong relationships between municipalities and residents. Industrial, Commercial and Institutional and multi-residential sectors significantly lag in diversion rates without clear targets and enforcement. Updates to the 3Rs regulations could address this disconnect and improve performance from these sectors. New measures to tackle waste management in these sectors will help advance the Region’s SM4RT Living Plan recommendations for the industrial, construction and multi-residential sectors, particularly through the Zero Waste Schools initiative.
Full producer funding and Authority with enforcement powers	Negotiations to determine steward obligation for blue box have been challenging. Designating full responsibility to producers and providing the Authority with enforcement powers could support more fair and transparent funding arrangements.

Update on proposed waste management legislation

Proposed legislation does not reflect a “made-in-Ontario” solution that considers impacts to integrated waste management system

In the June 2015 report, Council endorsed support of a “made-in-Ontario” legislative framework for waste reduction and resource recovery that supports full producer responsibility with a legislated role for municipalities that respects the current complexity of the integrated waste management system. Council supported a model for full producer responsibility including total cost reimbursement for collection, transfer and processing of designated materials. The proposed legislation is missing a number of key elements requested by municipalities. Table 3 outlines areas of concern that will be the focus of advocacy efforts.

Table 3
Areas of concern with proposed legislation

Areas of concern	Potential impacts on York Region
Lack of legislated role for municipalities limits ability to influence service levels and environmental performance of new programs	<p>Proposed legislation does not formally recognize municipal role in management of the integrated waste management system. As municipalities manage the majority of tonnage such as garbage, organics and yard waste there is a strong stake in the overall integrated waste management system performance.</p> <p>If new producer-managed programs do not perform as well as the current system, municipalities may see more designated material in the garbage or green bin streams, increasing our costs and decreasing environmental performance of the integrated system.</p> <p>Region’s ability to comply with diversion targets identified in conditions of approval for Durham York Energy Centre may be compromised as producers will have full control over designated diversion programs.</p> <p>Unclear when 3Rs regulations will be amended or repealed; during the transition process, municipalities will be left with legislative responsibility for programs they no longer control. Uncertainty around timelines for transition also makes it difficult to plan for capital upgrades or program changes to support continuous improvement of municipal system.</p> <p>Advocated against British Columbia-style model with full producer control due to concerns about fair compensation and accountability if producers control a part of the system.</p>
No formal entity to represent municipal interests in negotiations	<p>Implementation of proposed legislation will require extensive consultation and a unified municipal position is needed to maximize negotiating power. If smaller municipalities struggle to maintain a consistent presence due to strained resources, the overall municipal sector position could be weakened.</p>

Energy-from-Waste not identified as a preferred alternative to landfill	<p>Draft Strategy refers to reducing reliance on landfills and reducing greenhouse gas emissions from landfill through organics diversion and methane capture.</p> <p>Draft Strategy falls short of recognizing Energy-from-Waste technology as a preferred alternative to landfill even though it reduces the volume of material going to landfill by up to 90 per cent, recovers additional metals from the waste and generates energy. Energy-from-waste avoids 0.8 tonnes of greenhouse gas emissions, for every tonne of waste processed, as compared to landfilling.</p> <p>Region staff will continue to advocate to the province to recognize the fourth “R”, recovery in the waste management hierarchy.</p>
Need fair, transparent process for determining compensation for stranded assets and contracts	<p>Draft Strategy acknowledges need to consult on impact to municipal assets, collection and post-collection contracts. Eight of nine local municipalities are planning to tender collection contracts over the next two years. Uncertainty around municipal role in collecting blue box material presents a significant challenge in structuring these tender documents.</p> <p>Uncertain future role of municipalities in processing raises questions about asset planning. Region initially invested more than \$33 million in the Waste Management Centre. \$12.3 million in capital upgrades have been made since 2011. These upgrades were partially funded through the Continuous Improvement Fund (\$1.9 million) and the Infrastructure Stimulus Fund (\$5.1 million). In 2014, the estimated total replacement value of the Waste Management Centre was \$51.1 million. Work is underway to update land value and equipment value at this facility.</p> <p>Operations at Household Hazardous Waste depots and Community Environmental Centres may be impacted. It is unclear how producers will choose to meet their obligations under the proposed Act (i.e. operate return-to-retailer programs for some depot collected materials rather than compensate municipal depot collection operations).</p>
Proposed full producer responsibility limited to designated materials captured in diversion programs	<p>Proposed producer responsibility is important step but limiting producer responsibility to designated recyclable materials could inadvertently create incentives for producers to use non-designated materials for packaging to avoid fees. The Region supports expanding designated material categories and encourages consideration of fees for producers on non-recyclable packaging such as multi-layer laminates, plastic film and polystyrene. Producer fees would encourage innovation in reduction and recycling of these materials and cover disposal costs. Administrative burden for reporting and managing extended producer responsibility programs will need to be considered.</p> <p>Unclear if municipalities will be compensated for managing designated material not captured under proposed system that ends up in residential garbage/organics streams. For example, if Province sets a target of 80 per cent capture rate for producers, the remaining 20 per cent could end up in the garbage/organics streams managed by municipalities.</p> <p>Landfill bans of designated materials mentioned as option but no mechanism or funding for enforcement is identified. Unclear if municipalities would be responsible for ensuring that this material does not end up in landfill and/or bear the cost of disposal.</p>

Update on proposed waste management legislation

Over 160 municipal staff attended meeting hosted by Associations of Municipalities of Ontario to discuss proposed legislation

On January 20, over 160 municipal staff representing municipalities across Ontario attended a meeting hosted by the Association of Municipalities of Ontario. An expert panel provided insightful presentations on the proposed legislation. Discussions on priorities for advocacy efforts identified the following three key areas to emphasize to the Province:

1. No clear role for municipalities in:
 - Blue box collecting and processing
 - Decision-making on programs and schemes for designated materials that will impact municipal integrated waste management system
2. No clear requirements for producers to pay for designated materials that end up in municipal waste streams
3. Act will change core municipal legislated responsibilities identified in Regulation 101/94, *Municipal Act*, and Environmental Compliance Approvals; these need to be addressed to ensure municipalities are not encumbered with legislated responsibilities they no longer control.

These three priority areas will inform advocacy efforts by municipal associations.

Report recommends key principles to form basis of comment letter to be submitted to the Ministry

The Region will submit a comment letter to the Ministry capturing the main concerns summarized into nine key principles outlined in Attachment 1. These principles best represent the interests of York Region and its local municipal partners, and are well aligned with the three key areas identified at the Association of Municipalities of Ontario meeting. A high level summary of the nine key principles are as follows:

- 1) A “made-in-Ontario” legislative framework that supports municipal role in managing the integrated waste management system
- 2) Incent reduction, reuse and recycling to strengthen the circular economy
- 3) Full cost recovery
- 4) Recognition of the fourth “R”, Recovery, as a preferred alternative to landfill
- 5) Fair and transparent oversight
- 6) Municipal seat at the discussion table
- 7) Maintain and improve service levels
- 8) Fair compensation for assets and contracts
- 9) Compostable packaging standards

Link to key Council-approved plans

Regional advocacy on producer responsibility and active participation in consultations on proposed waste reduction and resource recovery framework legislation are key components of the SM4RT Living Integrated Waste Management Master Plan.

This work is also linked to and consistent with other Regional Strategies:

- Vision 2051
- 2015 to 2019 Strategic Plan

The principles behind proposed waste reduction and resource recovery framework legislation support Regional goals identified in Vision 2051 by valuing waste as a resource.

5. Financial Implications

Negotiations with producers over municipal blue box funding obligation are challenging

Under the current *Waste Diversion Act* producers fund 50 per cent of the blue box program, however municipalities are subjected to a complex annual negotiation and verification process that often results in a payment of less than the requested amount. In 2014, negotiations were unsuccessful in determining the steward obligation and dispute resolution was pursued. The arbitrator concluded the 2014 steward obligation was correctly calculated as 50 per cent of the total net costs as submitted by municipalities under the data call, which was determined to be \$115.2 million, \$15.6 million more than the stewards had offered to pay. York Region represents 8.4 per cent of the total blue box tonnage marketed in Ontario. York Region received an additional \$1.45 million from the arbitration decision for a total funding allocation of \$7.8 million. WDO funding is shared between the Region and the local municipalities.

Producer funding accounts for only nine per cent of the Region's waste operating budget

The forecasted blue box funding for 2016 (see Table 4) accounts for nine per cent of the Region's overall net waste management operating budget. Proceeds from the sale of recyclables collected from the blue box program and our waste depot network provide a source of annual revenue used to partially offset operating costs and support capital reserves. Source separated organics, yard

Update on proposed waste management legislation

waste and residual waste represent 75 per cent of the total materials managed and processing/disposal for these materials remain solely funded from the tax base.

Table 4
2016 Budgeted Net Regional Operating Costs for Waste Management

Net Operating Costs*	Blue Box Steward funding**	Cost Recovery
\$42,186,954	(\$3,750,000)	9%

* Net of revenue from sale of recyclables, depot fees and charges

**Regional portion only

Additional details of transitional and new programs are needed to complete a full analysis of financial impacts

It is challenging to forecast financial implications of the proposed legislation without further details about the role of municipalities in the new programs. While full producer responsibility may result in an increase in funding for designated material diversion programs, it may also increase costs for administration and reporting. Depending on the efficiency of the new system, we could see impacts on other municipally managed streams such as increased green bin and garbage tonnage, which represent the majority of tonnes managed. The proposed legislation will require considerable staff resources to establish and manage new arrangements with producer groups.

The Region's network of depots and Community Environmental Centres also receive partial funding for provision of services for municipal hazardous and special waste streams. Under the new system, depots may also see the addition of new programs as the list of designated materials expands over time.

Full cost accounting study will provide detailed baseline to understand financial impacts of Waste-Free Ontario Act on local and Regional budgets

In accordance with the SM4RT Living Plan objectives, the Region recently awarded a contract to complete a full cost accounting study for all components of the integrated waste management system at the local and regional levels. The study launched in January 2016 and is scheduled to be completed by early 2017. Information gathered will support advocacy efforts and negotiations with producers groups regarding any required compensation for or transition of program responsibilities.

Update on proposed waste management legislation

For instance, in British Columbia, municipalities have been faced with decisions about viability of collecting blue box materials at the rates offered by producer groups. Recently, City of Vancouver Council voted to transition residential recycling collection services to Multi-Material British Columbia, the organization representing producers of packaging and printed paper in this Province. A Vancouver Council report claimed that payments from Multi-Material British Columbia did not cover the full cost of Vancouver's collection service delivery, and in 2015, the program costs exceeded revenues paid by the producer organization by approximately \$4 million.

6. Local Municipal Impact

Local municipal impact captured through consultation will be incorporated into joint response

The Region and its local municipal partners work cooperatively to deliver a comprehensive waste management system to our residents. This system delivers leading environmental performance, which Region's residents have come to expect. The proposed waste management legislation will impact all parts of this system. The Region has taken the lead on advocacy, providing regular updates through the semi-annual Strategic Waste Policy Committee meetings made up of representatives from the Region and all local municipal partners. The Region also conducts one-on-one meetings with each municipal partner. The June 2015 Council report and resolution was circulated to all local municipalities and endorsed by some local Councils.

A special Strategic Waste Policy Committee meeting on January 18, 2016 was held to gather input from all partners in support of a joint submission to the Province before the February 29 deadline. There were two objectives specified for this meeting:

1. To gather municipal and Regional comments and develop key principles to be included in the letter of comment to the Minister on the *Waste-Free Ontario Act*
2. To develop a consultation strategy moving forward that ensures both municipal and Regional interests and principles are represented during the transition process that will include extensive Provincial consultations as the proposed legislation proceeds

The Region included local municipal comments and concerns in the key principles laid out in Attachment 1. The Region will continue to collaborate with its local municipal partners as consultations on implementation of the proposed system proceed over the coming years.

7. Conclusion

Working collaboratively to advocate for a strong municipal role in the new system is critical to ensure environmental performance and service levels are maintained

Staff will continue to advocate for our municipal interests in ongoing consultations as details of the legislation roll out over time. A plan for ongoing engagement and cooperation with the local municipal partners was initiated at the consultation in January 2016. An update on this matter will be provided to Council after the legislation is approved and stakeholder consultation on the regulations and policy statements are underway, which is expected in summer/fall of 2016.

For more information on this report, please contact Laura McDowell, Director, Environmental Promotion and Protection, at ext. 75077.

The Senior Management Group has reviewed this report.

January 22, 2016

Attachment

#6553931

Accessible formats or communication supports are available upon request

Proposed *Waste-Free Ontario Act* Key Principles

The key principles that best represent York Region and local municipal interests with regard to the proposed legislation are summarized in the following table.

1. "made-in-Ontario" waste management framework	Legislative model should respect and recognize the existing integrated waste management system in Ontario where waste programs are interconnected and complex.
2. Municipal seat at the discussion table	Municipalities must be recognized as unique stakeholders responsible for managing the integrated waste management system and best equipped to influence future diversion programs as impacts are experienced across all waste streams.
3. Incent Reduction, Reuse and Recycling to strengthen circular economy	Policy Statements should include performance targets for reusability of packaging as well as high standards for recyclable content in order to stimulate end markets and influence packaging design. Policy statements should be based on sound research, clearly worded and enforceable.
4. Full cost recovery	Total cost recovery should encompass collection, transfer and processing costs as well as costs of designated materials that end up in municipal waste streams.
5. Fourth R, Recovery	Legislative framework should recognize Energy-from-Waste facilities as preferred alternative to landfill because of greenhouse gas emission reductions and metals recovery. Fourth R (energy recovery) should be included as diversion in 3R's regulation.
6. Fair and Transparent Oversight	Oversight and openness of the decision making process should ensure fairness and transparency for the public and stakeholders. All updates to legislation and regulations should ensure municipalities are not encumbered with legislative responsibilities they no longer control.
7. Maintain and Improve service levels	Existing programs and service levels should be maintained and improved through proposed legislation. Successes attained through municipal management must not be lost under producer responsibility.
8. Fair compensation for assets and contracts	Must ensure fair and transparent compensation for municipal assets, collection and post-collection contracts. During the transition, programs should move towards full cost recovery for blue box program, based on net verified costs determined through datacall process.
9. Compostable packaging standards	Organics Action plan should standardize compostable packaging so it is compatible with existing organics processing facilities and designate compostable packaging to facilitate cost recovery.

Waste-Free Ontario Act – Update on proposed waste management legislation

Presentation to

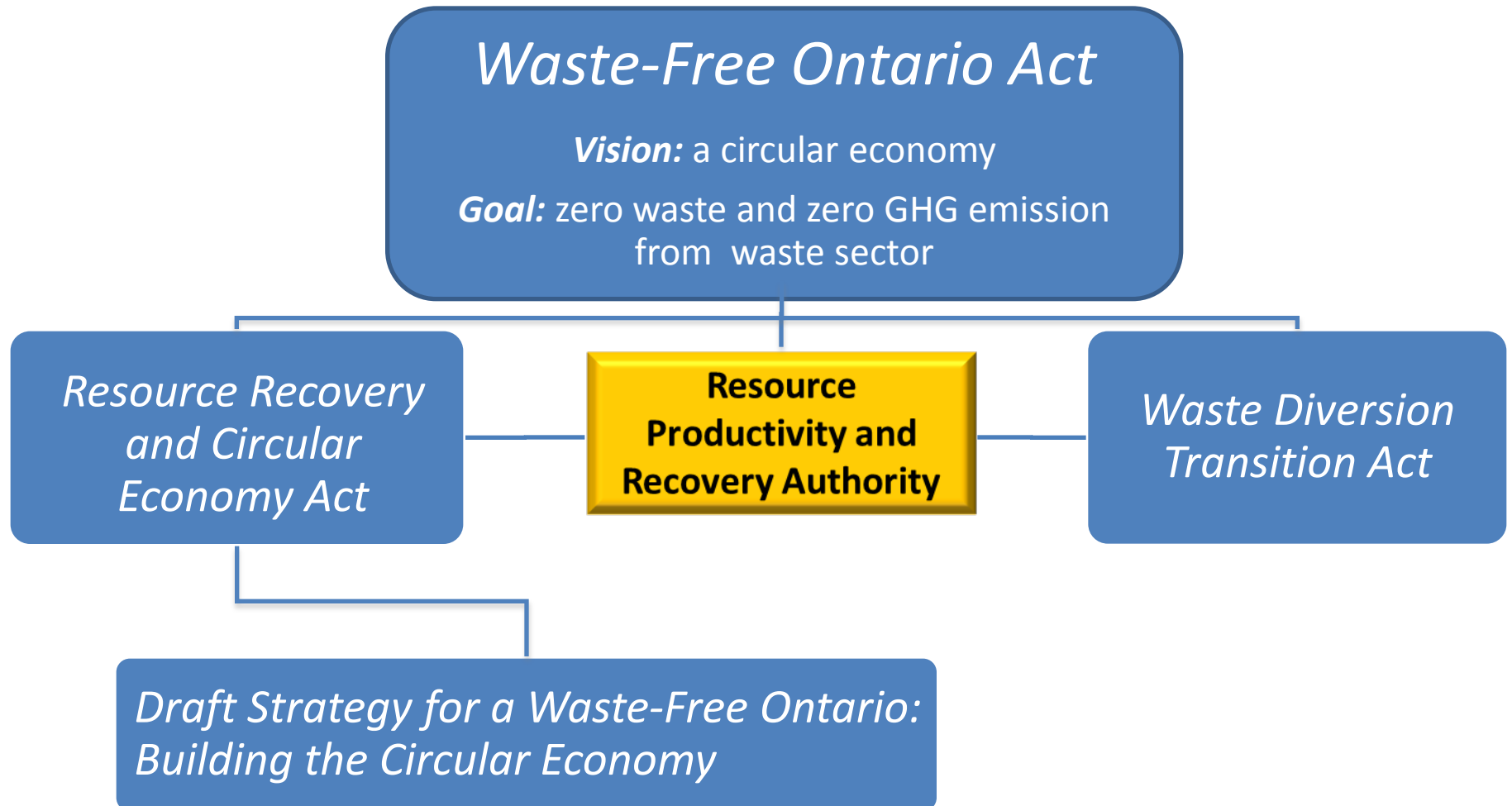
Committee of the Whole

Dave Gordon and Laura McDowell
February 4, 2016

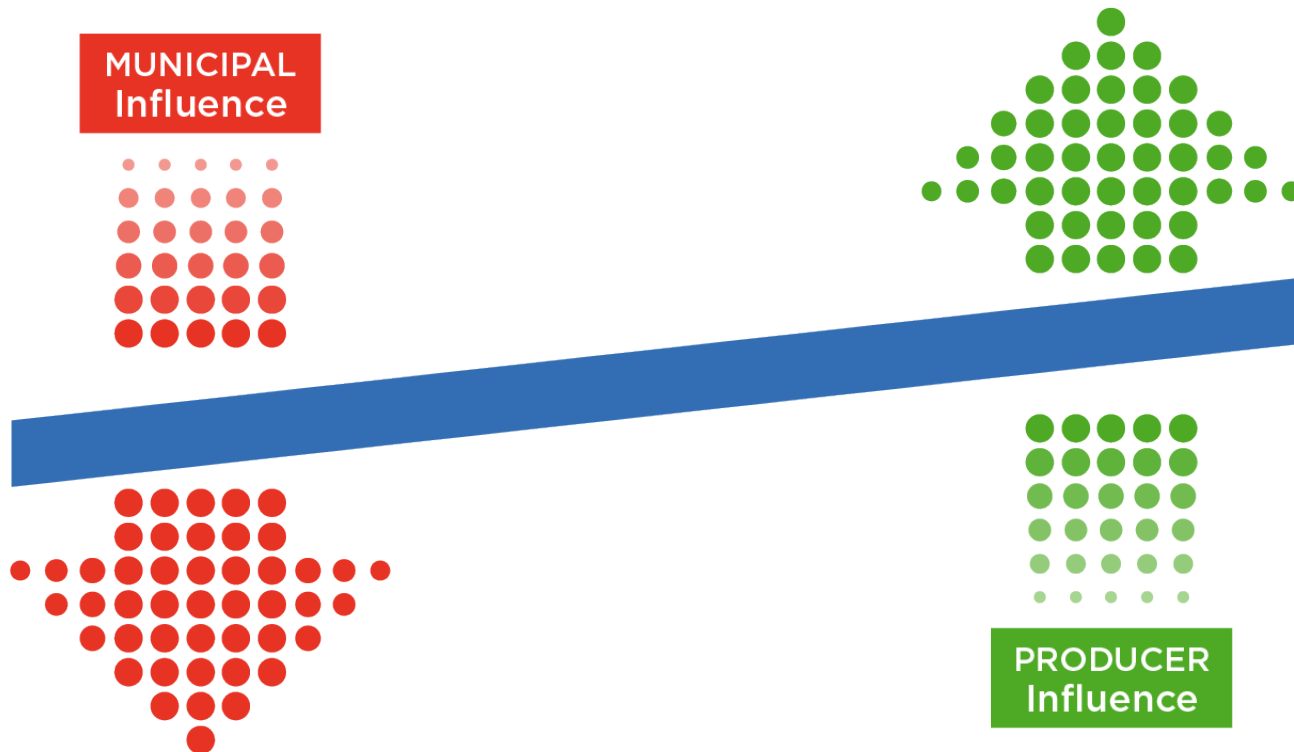
Agenda

- Proposed *Waste-Free Ontario Act*
 - key provisions and municipal impacts
- Summary of key principles of York Region's advocacy position
- Recommendations

Proposed *Act* enables legislation to transform waste management in Ontario



Resource Recovery and Circular Economy Act establishes framework for new system that shifts the balance of control to producers



No defined role for municipalities in the legislation except as potential service provider

Waste Diversion Transition Act outlines terms of the shift to new waste system



Act allows increases in steward funding during transition but process for calculating the obligation uses same unclear language as the old legislation

Draft *Strategy for a Waste-Free Ontario* provides an overview of policy direction

ESTABLISH
provincial
direction

1

EXPANDING
producer
responsibilities

2

DIVERTING
more
waste
from
disposal

3

HELPING
people
reduce,
reuse and
recycle

4

STIMULATING
markets for
recovered
materials

5

Strategy will be finalized after legislation is passed,
following additional stakeholder consultation

Municipal associations identified three priority issues for advocacy to Province

1

No clear role for municipalities in Blue Box or decision-making on new programs

2

No requirements for producers to pay for designated materials that end up in other streams

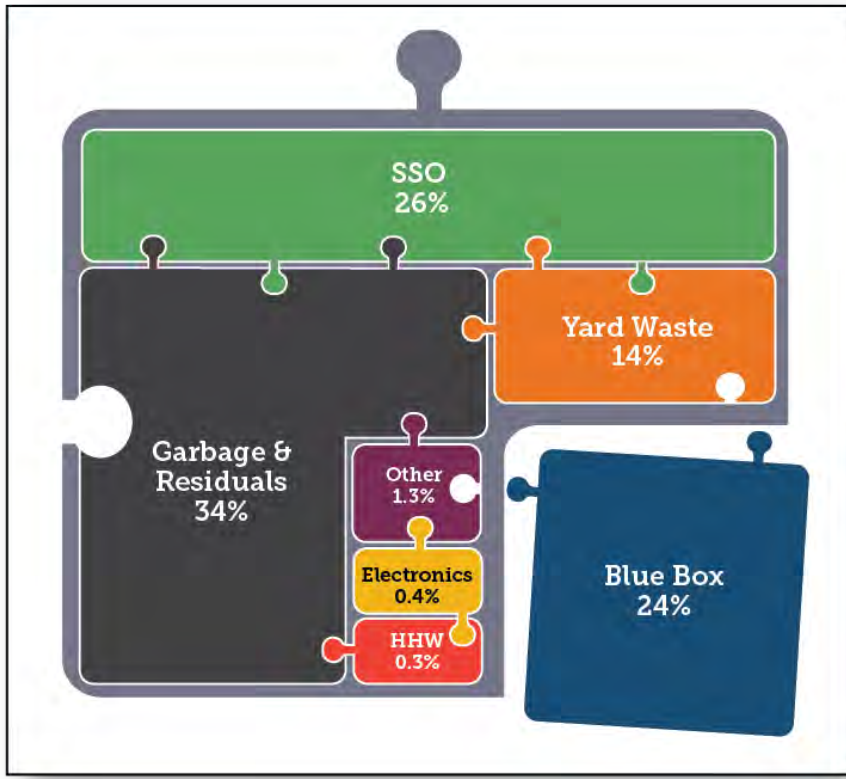
3

Legislation/regulations may leave municipalities with legal responsibility for programs they no longer control

AMO will continue to support and advocate on behalf of municipalities during development of regulations

“Made-in-Ontario” framework must include municipal seat at discussion table

Principles
1, 2 & 7



Municipalities are key to success in delivering Ontario’s integrated waste management system

Funding for Blue Box and other designated materials is only 9% of Regional waste operating budget

Total cost recovery should include collection, transfer and processing costs of all packaging

Principles
3, 4 & 9



Disposable

Recyclable

Reusable/Durable

To achieve 'Waste-Free' Ontario, legislation must incent producers to improve durability and recyclability of products

Recognize Energy-from-Waste as preferred alternative to landfill

Principle
5



EFW vs. landfill

- Lower GHG footprint
- Metals recovery
- Energy generation
- Reduces volume of waste by 90%

Energy-from-waste aligns with provincial goals of zero waste and zero greenhouse gas emissions

Authority's enforcement role must be credible, fair, and transparent



Authority must include

- ✓ Balance representation of stakeholders
- ✓ Transparent member selection process
- ✓ Financial accountability
- ✓ Open meetings and decision-making
- ✓ Accountability to public for system performance

Authority must have adequate resources to fulfill its enforcement mandate effectively

Transition must ensure fair compensation for stranded assets and contracts

Principle
8



During transition, system should move towards full cost recovery based on net verified costs report in datacall

Advocating for system that maintains service levels and sustains environmental performance



Plan in place for cooperation with local municipal partners in future consultations

Next Steps

- Letter of comment to MOECC based on key principles due Feb. 29, 2016
- Second reading of Bill 151 anticipated in March
- Vote on legislation anticipated in Spring 2016
- Council update – Fall 2016
- First policy statement expected by end of 2016
- Consultations on draft Strategy and details of new regulations and wind up plans will be ongoing

Recommendations

- Endorse the key advocacy principles
- Authorize Commissioner to submit letter of comment to Ministry supporting “made-in-Ontario” solution
- Circulate report to local councils and Ministry