

This Registry Procedure is incorporated by reference into the Blue Box Regulation made under the *Resource Recovery and Circular Economy Act, 2016*. This procedure sets out requirements for blue box supply data reporting, blue box management performance reporting and Brewers Retail Inc. and the Liquor Control Board of Ontario (LCBO) reporting.

Section 1, Blue Box Supply Data, establishes how producers:

- determine blue box supply data, and
- verify blue box supply data.

Section 2, Blue Box Management Performance, establishes how:

- producers, or producer responsibility organizations (PROs) on their behalf, will conduct third-party audits verifying the resources recovered from the management of blue box materials used and collected in Ontario.

Section 3, Brewers Retail Inc. and the Liquor Control Board of Ontario, establishes how these parties:

- determine blue box supply and management data, and
- will conduct third-party audits verifying the supply and management data submitted.

It is the intention of the Registrar to review this procedure on a periodic basis in a public consultation process with registrants and other interested parties.

Section 1 – Blue Box Supply Data

Determining Supply Data

The Blue Box Regulation requires producers to submit to the Authority the weight of the blue box materials they supply into Ontario.

Blue box producers are required to report their supply data to the Authority annually. Each blue box producer will report:

- a) the weight of blue box materials in each material category supplied to consumers in Ontario in the previous calendar year, and
- b) the weight of blue box material in each material category that is eligible for a deduction.

In the Blue Box Regulation there are seven material categories:

- 1) Beverage container
- 2) Glass
- 3) Flexible plastic
- 4) Rigid plastic
- 5) Metal
- 6) Paper
- 7) Certified compostable products and packaging

a) Determining the number of blue box material units

To determine the weight of blue box materials supplied into Ontario, the producer may need to determine how many units of blue box material are supplied into Ontario.

Blue box producers may choose one of the following methodologies to determine the number of units supplied into Ontario:

1. The actual number of blue box material units.
2. The number of blue box material units calculated using the formula set out in Appendix A to determine the Ontario portion of the blue box material units supplied into Canada.

The options described above do not reduce the obligation of a producer to provide complete and accurate supply data or limit the ability of an Authority inspector to review the data and related records for the purpose of determining compliance.

b) Determining blue box material weight

Blue box producers must provide the actual weight of the producer's blue box material supplied to consumers in Ontario rounded to the nearest 0.1 gram for each unit.

The regulation requires that the assignment of blue box material to material categories must be done in accordance with this procedure.

Where packaging is made up of two or more different material types and certain components of the package constitute a small proportion of the entire package, producers should apply the component threshold rule set out in Appendix B to determine in which material category the product should be reported.

c) Determining the weight of blue box materials eligible for deduction

Materials eligible for deduction include:

1. Materials deposited into a receptacle at a location that is,
 - a. not an eligible source, and
 - b. where the consumer both was supplied the product and used or consumed the product on site.

For example: A fast food restaurant.

2. Collected from an eligible source at the time a related product was installed or delivered.

For example: A technician installs new equipment in a consumer's home and the technician takes away all the blue box materials after installation.

Producers are required to report the weight of blue box material in each material category that is eligible for a deduction. Reported weights must be accurate and complete.

d) Certified compostable products and packaging standards

In the Blue Box Regulation, certified compostable products and packaging is defined as material that:

- is only capable of being processed by composting, anaerobic digestion or other processes that result in decomposition by bacteria or other living organisms, and

- is certified compostable by an international, national, or industry standard that is listed in this procedure.

All certified compostable products and packaging reported by producers must be certified under one of the following standards:

- a) CAN/BNQ 0017-088: Specifications for Compostable Plastics
- b) ISO 17088: Specifications for compostable plastics
- c) ASTM D6400: Standard Specification for Labeling of Plastics Designed to be Aerobically Composted in Municipal or Industrial Facilities
- d) ASTM D6868: Standard Specification for Labeling of End Items that Incorporate Plastics and Polymers as Coatings or Additives with Paper and Other Substrates Designed to be Aerobically Composted in Municipal or Industrial Facilities
- e) EN 13432: Requirements for packaging recoverable through composting and biodegradation - Test scheme and evaluation criteria for the final acceptance of packaging

Producers who are required to submit the weight of blue box material in the certified compostable products and packaging material category must provide the weight of blue box material certified under each applicable international, national, or industry standard. For example, a producer must provide the weight of blue box materials certified under CAN/BNQ 0017-088 separately from the weight of blue box materials certified under ISO 17088.

Verification of Blue Box Supply Data

The Blue Box Regulation requires blue box producers to verify the supply data they submit to the Authority, in accordance with this procedure.

Verification of the blue box material supply data reported for years 2021-2023 is not required.

This does not reduce the obligation of a producer to provide complete and accurate supply data or limit the ability of an Authority inspector to review the data and related records for the purpose of determining compliance.

Verification of supply data for blue box materials will be required starting in 2025, with regards to blue box materials supplied in 2024. All subsequent years of supply data are required to be verified when the data is reported.

The verification must include an opinion on the accuracy of the supply data and the qualifications of the verifier to provide the opinion. The verifier must:

- assess and document the reasonableness of the producer's methodology for determining the blue box material supply; and
- obtain and review supporting evidence as required, including verification of certification of certified compostable products and packaging.

Section 2 – Blue Box Management Performance

Management of Blue Box Materials

Where the Blue Box Regulation requires a producer to audit the practices and procedures implemented to comply with the management requirements in the applicable years, the audit must be carried out by an independent auditor who is licensed or holds a certificate of authorization under the *Public Accounting Act, 2004*. The audit report prepared by the auditor

must include an opinion on the accuracy of the reported data.

Where a producer has retained the services of a PRO, the PRO can arrange for the independent auditor to undertake the audit report on the producer's behalf. Where that PRO has more than one producer client, a single audit report may be submitted on behalf of all their producer clients.

In reaching an opinion, the auditor is expected to:

- assess and document the reasonableness of the blue box producer's methodology, or the PRO's methodology where a producer has retained a PRO, to develop the data that is required to be prepared and submitted to the Authority; and
- obtain and review supporting evidence, as required.

Section 3 – Brewers Retail Inc. and the Liquor Control Board of Ontario

Determining Supply and Management Data

Alcoholic beverage product and packaging is defined as:

- a. the following products with their primary packaging:
 - i. alcoholic beverages that are supplied by any person,
 - ii. non-alcoholic beer and wine that is supplied by any person,
 - iii. products that are imported or supplied by Brewers Retail Inc. or for which Brewers Retail Inc is the brand holder,
 - iv. products that are imported or supplied by the Liquor Control Board of Ontario, or for which the Liquor Control Board of Ontario is the brand holder,
- b. convenience and transport packaging if it is used exclusively for products referred to in clause (a),
- c. paper products, packaging-like products, and products included in the definition of "blue box packaging" that are imported or supplied by Brewers Retail Inc. or the Liquor Control Board of Ontario, or for which Brewers Retail Inc. or the Liquor Control Board of Ontario is the brand holder.

The Blue Box Regulation requires Brewers Retail Inc. and the Liquor Control Board of Ontario to submit to the Authority the following information:

1. The weight of alcoholic beverage products and packaging distributed to businesses or supplied to consumers in the previous calendar year. Weights must be reported separately for clauses (a), (b) and (c) of the definition of alcoholic beverage products and packaging.
2. The weight of recovered resources recovered in the previous calendar year from alcoholic beverage products and packaging reported in paragraph 1. Weights must be reported separately for clauses (a), (b) and (c) of the definition of alcoholic beverage products and packaging.
3. If, in respect of materials described in clause (a) of the definition of "alcoholic beverage products and packaging", the weight required to be reported under paragraph 2 is less than 85 per cent of the weight required to be reported under paragraph 1, an explanation

of why the weight required to be reported under paragraph 2 is less than 85 percent of the weight required to be reported under paragraph 1, and how the Brewers Retail Inc. or the Liquor Control Board of Ontario, as applicable, could improve the recovery percentage.

4. A description of how the Brewers Retail Inc. or the Liquor Control Board of Ontario, as applicable, recovered alcoholic beverage products and packaging.

In addition to the information described in subsection (1) of the regulation, an annual report required to be prepared by Brewers Retail Inc. under subsection (1) shall contain the following information:

1. A list of all brewers participating in its container return program in the previous calendar year.
2. A list of addresses of the return locations that operated in the previous calendar year.

The Blue Box Regulation requires Brewers Retail Inc. and the Liquor Control Board of Ontario to audit their reports submitted in accordance with Section 64(6). The audit must be carried out by an independent auditor who is licensed or holds a certificate of authorization under the *Public Accounting Act, 2004*. The audit report prepared by the auditor must include an opinion on the accuracy of the reported data.

In reaching an opinion, the auditor is expected to:

- assess and document the reasonableness of the Brewers Retail Inc. or the Liquor Control Board of Ontario's methodology to develop the data that is required to be prepared and submitted to the Authority; and
- obtain and review supporting evidence, as required.

The first report is due April 30, 2027 for the 2026 calendar year. Thereafter, reports must be submitted no later than April 30 of each year for the immediately preceding calendar year.

Appendix A

The estimated number of units of a blue box product supplied into Ontario can be determined by using the formula:

$$(P1/P2) \times \text{Canada National Sales}$$

“P1” is the population of Ontario, as reported by Statistics Canada in the most recent official census.

“P2” is the total population of provinces and territories in Canada in which the producer sells the blue box product in, as reported by Statistics Canada in the most recent official census.

“Canada national sales” is the total units of blue box product that a producer sold in Canada in the calendar year.

Appendix B - Component Threshold Rule

For the purpose of the component threshold rule, the following definitions apply:

- **A component** is an integrated part of the packaging, packaging-like product, or paper product, and is attached to the package when supplied to the consumer.

Examples of components include the label on a water bottle, the steel lid on a glass bottle, staples holding together a calendar, tape holding together a cardboard box or the plastic window in an envelope.

- **An ancillary component** is defined as packaging, packaging-like product, or paper product items that help the consumer use the product and are attached to the packaging.

Examples of ancillary components include 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.

The component threshold rule only applies to components and ancillary components as defined above. The component threshold rule cannot be applied to products in which several items are packaged together using different packaging materials. For example, the plastic film around a pack of juice boxes or water bottles or samples provided in a magazine must be reported separately.

The component threshold rule is applied as follows:

- If a component or the ancillary component weighs less than 5% of the overall weight of all packaging components combined, then the producer is required to report the weight of the component or the ancillary packaging under the material category that represents the majority of the package's weight.
- If the component or the ancillary component weighs more than 5% and remains attached to the packaging when the consumer discards the packaging, then the producer is required to report the packaging component or ancillary packaging under the material category that represents the majority of the package's weight.
- If the component or ancillary component weighs more than 5% and will not remain connected to the packaging when the consumer disposes of it, then the producer is required to report the packaging component or ancillary packaging under the specific material category associated with the packaging component or ancillary packaging.