

REPORT TO COUNTY COUNCIL

Proposed Amendments to the Blue Box Regulation and the Resource Recovery and Circular Economy Act, 2016

To: Warden and Members of County Council

From: Director of Public Works

RECOMMENDATION

1. That County Council receive Report PW 2025-40 entitled “Proposed Amendments to the Blue Box Regulation and the *Resource Recovery and Circular Economy Act, 2016*” as information.

REPORT HIGHLIGHTS

- The purpose of this report is to advise County Council on the proposed legislative changes to the Blue Box Regulation and the *Resource Recovery and Circular Economy (RRCE) Act, 2016* posted on the Environmental Registry of Ontario (ERO) on June 4, 2025 for a 30-day and 47-day public review period, respectively.
- Most notably, the proposed regulatory amendments include delays and/or reductions to material recovery targets, removal of program expansion requirements to public spaces and other facilities, and allow energy recovery (incineration, renewable fuels) to be counted toward diversion targets up to 15% for non recyclable packaging material.
- The proposed legislative amendments to the *RRCE Act* would provide data collection to measure program effectiveness, financial transparency, and require Producer Responsible Organizations (PROs) to offer municipalities to service small businesses.

IMPLEMENTATION POINTS

County comments for ERO posting number 025-0009 (Blue Box Regulation) were circulated to the Municipal Waste Association on June 19, 2025, for consolidation with membership comments and submitted by staff to the Ministry of Environment, Conservation and Parks (MECP) on July 4, 2025 to meet the commenting deadline.

County comments for ERO posting number 025-0536 (*RRCE Act*) are due on July 21, 2025, and will also be submitted to the MECP. Comments were circulated to Waste to Resource Ontario (formally the Ontario Waste Management Association) on June 19, 2025, for consolidation with membership comments.

Financial Impact

The recommendation contained in this report will have no financial impact to the 2025 Waste Management Operating budget.

Communications


The proposed legislative amendments and staff comments were discussed and reviewed with Zero Waste Oxford (ZWO) during the June 18, 2025 meeting. ZWO supports staff's comments and is not in favour of delaying recovery targets and allowing energy recovery to meet diversion targets for non recycling material. Report PW 2025-41 will be circulated to the Area Municipalities as information.

2023-2026 STRATEGIC PLAN

Oxford County Council approved the [2023-2026 Strategic Plan](#) on September 13, 2023. The Plan outlines 39 goals across three strategic pillars that advance Council's vision of "Working together for a healthy, vibrant, and sustainable future." These pillars are: (1) *Promoting community vitality*, (2) *Enhancing environmental sustainability*, and (3) *Fostering progressive government*.

The recommendation in this report supports the following strategic goals.

Strategic Plan Pillars and Goals

PILLAR 1	PILLAR 2	PILLAR 3
		
Promoting community vitality	Enhancing environmental sustainability	Fostering progressive government
	Goal 2.2 – Preserve and enhance our natural environment	Goal 3.2 – Collaborate with our partners and communities Goal 3.5 – Advocate for Oxford County

See: [Oxford County 2023-2026 Strategic Plan](#)

DISCUSSION

Background

On June 4, 2025, the MECP posted proposed amendments to the Blue Box Regulation and the *Resource Recovery and Circular Economy (RRCE) Act, 2016* on the ERO for a 30-day and 47-day public comment period, respectively.

As County Council is aware, the new provincial blue box program makes Producers financially and operationally responsible for collection and processing of paper, packaging, and single use items. However, small businesses that have historically received recycling collection under municipal blue box programs will no longer receive this service under the Producer responsibility framework. To address the recycling collection service gap for this sector, County Council approved a collection program from non-eligible sources (NES) (Report [PW 2024-44](#)) that will be operated and fully funded by the County as part of contracted curbside collection services.

Since 2023, Ontario municipalities have been transitioning to the new provincial blue box program through a phased-in approach that will see all municipalities transitioned by the end of 2025. During the transition period (2023-2025), Producers and PROs have been required to match existing municipal collection programs and make 'best efforts' to maximize material recovery rates. As of January 1, 2026, when the transition period ends, Producers and PROs will be required to meet regulatory requirements including but not limited to compliance with material recovery targets and program expansion to public spaces, schools, not-for-profit long-term care, and multi-residential facilities that currently do not receive blue box collection.

With the end of the transition period fast approaching, Producers and PROs have identified challenges with meeting regulatory requirements and concerns with escalating costs since the regulation was passed in 2021. In response, concurrent amendments to the Blue Box Regulation and the *Resource Recovery and Circular Economy (RRCE) Act, 2016* are being proposed by the Province with the intent of controlling costs and improving program implementation.

The Province is also acknowledging the service gap with the provincial common collection system (CCS) to small businesses that have historically been part of municipal blue box programs at the municipalities expense since these locations have not been eligible for funding under the old model and are therefore not eligible for collection under the new Producer Responsibility framework.

The proposed legislative changes generally include:

- delaying material recovery targets from 2026 until 2031 and reducing recovery targets for flexible plastic;
- allowing energy recovery (incineration, renewable fuels) to count towards diversion targets (up to 15%) for packaging material that can not be recycled;

- removal of program expansion requirements in public spaces and other facilities that currently do not receive blue box collection;
- clarification on multi-residential facilities and other collection requirements;
- program changes regarding printed promotional material, data collection and financial transparency, and;
- a requirement for Producers/PROs to make offers to municipalities for servicing small businesses.

Comments

Staff has reviewed proposed legislative amendments and submitted comments to the MECP on July 4, 2025 in response to the proposed changes to the Blue Box Regulation and will submit comments by July 21, 2025 for the proposed changes to the *RRCE Act*, as summarized below.

Proposed Amendments to the Blue Box Regulation (O.Reg.321/91)

Proposed amendments to the Blue Box Regulation include, reducing and delaying material recovery targets from 2026 to 2031 which will result in a greater likelihood of recyclable material ending up in landfills, negatively impacting landfill diversion rates, and taking up valuable landfill space at a time when there is a shortage of landfill capacity in the province.

The proposed amendment also proposes removing planned expansion for multi-residential buildings, schools, not-for-profit long-term care homes and retirement homes from receiving blue box collection services means these facilities will have to rely on private collection services and un-enforced recycling programs that will result in lower landfill diversion rates and could leave a significant amount of Ontario residents without blue box collection services. Under the Blue Box Regulation, Producers are required to provide collection services from residential sources and removing program expansion from new residential developments is contrary to the promotion of a circular economy. No change is anticipated for multi-residential, schools, long-term care homes or retirement homes that currently have service.

Staff is not supportive of the proposed amendment to allow the use of energy recovery towards diversion targets up to 15% for non recyclable material since it is simply an alternative disposal option to landfilling and eliminates the incentive for Producers to consider recyclable packaging material. Staff would support this proposal as a temporary measure to allow Producers additional time to change product material/packaging and/or develop new technologies for resource recovery.

A number of technical changes are recommended, of which staff support as long as the MECP takes measures to enforce existing regulatory requirements. O. Reg. 103/94 identified that facilities are required to implement and demonstrate the success of a source separation program. As this regulation is not actively enforced, most businesses are either not aware of the regulation or understand the need to comply with the regulation.

Proposed Amendments to the Resource Recovery and Circular Economy Act, 2016

Staff is supportive of a more transparent process where stakeholders have access to information needed to make informed program decisions and for long-term program oversight. Supporting these initiatives, however, does not suggest that the County fully supports providing additional time for Producers to implement processes and new technologies for end-of-life management of blue box materials.

Of the changes proposed, requiring PROs to make an offer to municipalities to provide recycling curbside collection services to small businesses may positively impact the County's NES recycling collection program if co-collection of residential (eligible) and NES blue box materials is permitted. This aligns with the County's preferred solution, which is that co-collection reduces confusion over collection schedules and cuts carbon emissions. While it is anticipated that blue box collection for small businesses will be at the municipalities cost, allowing co-collection as part of the provincial program will offer greater efficiencies and reduce the number of collection vehicles on the road.

It is difficult to quantify at this time what, if any, impact this proposed change will have on the County's current and new curbside collection contracts and it will need to be further assessed once proposed legislative amendments have been finalized. Staff has had initial discussions with the County's curbside collection contractor (Emterra) regarding potential impacts, and any subsequent contractual amendments as a result will be presented to County Council for approval.

CONCLUSIONS

Staff is concerned with proposed regulatory changes that will see material recovery targets delayed for an additional five years and potentially impact landfill diversion rates. Concerns also include the potential loss of incentive for Producers to consider alternative packaging material and/or prolong development of resource recovery technologies to promote a circular economy.

Requiring PROs to offer blue box collection to small businesses may benefit the County's NES collection program if co-collection with residential (eligible) material is permitted, thus reducing the number of collection vehicles on the road.

SIGNATURES

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