

This Registry Procedure is incorporated by reference into the Hazardous and Special Products (HSP) Regulation made under the *Resource Recovery and Circular Economy Act, 2016*.

Section 1, HSP Supply Data Verification, establishes how producers:

- determine supply data; and
- verify HSP supply data.

Section 2, HSP Management Performance, establishes how:

- HSP processors will calculate and verify the recycling efficiency rate (RER) of their processing facilities; and
- producers, or producer responsibility organizations (PROs) on their behalf, will conduct third-party audits verifying the resources recovered from the management of HSP used and collected in Ontario.

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

Section 1 – HSP Supply Data Verification

Determining Supply Data

Where the HSP Regulation requires producers to submit to the Authority the total weight of each applicable type of HSP within each applicable category of HSP they supply into Ontario, they must do so in accordance with this procedure.

When reporting their supply of antifreeze, paints and coatings, pesticide or solvent, the producer must include the weight of the products' primary packaging, except for primary packaging that has a capacity of greater than 30 litres or 30 kilograms. For the purposes of this Regulation, primary packaging does not include the following: corrugated and boxboard boxes, plastic film, shrink wrap or printed materials. For all other types of HSP, the weight of product packaging should not be reported by the producer.

Producers may choose from the following options for reporting:

1. Producers can choose to report their supply data for each type of HSP as it was previously reported to an Industry Funding Organization (IFO) (Stewardship Ontario) or Industry Stewardship Organization (ISO) (Automotive Materials Stewardship, Product Care Association) under the *Waste Diversion Transition Act, 2016*. This option is only available to producers who reported their historical supply to an IFO/ISO.
 - If reporting data that was historically reported to an IFO/ISO, producers will report in the same manner as they reported to the IFO/ISO. For example, producers will report oil filters in units and will report antifreeze in litres. Where products were reported in kilograms,

producers will continue to report in kilograms.

- Where HSP supply was historically reported to an IFO/ISO in measurements other than kilograms, the Authority will apply a weight conversion factor to those products to calculate the total weight supplied into Ontario. These weight conversion factors will be made available to producers prior to reporting.
2. Producers may report using their units (determined through one of the two methodologies below) and actual weights.
 3. For reporting in 2022 and subsequent years, producers may report using their units (determined through one of the two methodologies below) and weight conversion factors approved by the Authority. These weight conversion factors will be made available to producers prior to reporting.

To determine the number of units of each type of HSP supplied into Ontario under options 2 or 3 above, HSP producers may choose one of the following methodologies:

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

The options described above do not reduce the obligation of a producer to provide 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 HSP Supply Data

The HSP Regulation requires HSP producers to verify the supply data of each type of HSP they submit to the Authority, in accordance with this procedure.

Verification of the supply data for each type of HSP reported in 2021 is not required.

This does not reduce the obligation of a producer to provide 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 each type of HSP will be required starting in 2022. 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 supply of each type of HSP; and
- obtain and review supporting evidence as required.

It is the intention of the Registrar to develop more detailed verification procedures in a public consultation process with registrants and other interested parties.

Section 2 – HSP Management Performance

Definitions and Background

A “HSP processor”, as defined in the HSP Regulation, means a person who processes, for the purpose of resource recovery, HSP used by a consumer in Ontario.

“Recycling efficiency rate” (RER), as defined in the HSP Regulation, means the ratio of the weight of recovered resources from a type of HSP recovered at a facility by an HSP processor to the weight of that type of HSP received at that facility by that HSP processor.

“Category A”, as defined in the HSP Regulation, means any of the following types of materials:

1. Non-refillable pressurized containers.
2. Oil filters.

“Category B”, as defined in the HSP Regulation, means any of the following types of materials:

1. Antifreeze.
2. Oil containers.
3. Paints and coatings.
4. Pesticides.
5. Refillable pressurized containers.
6. Solvents.

“Category C”, as defined in the HSP Regulation, means any of the following types of materials:

1. Barometers.
2. Thermometers.
3. Thermostats.

For Category A, B and C products, for the purposes of this procedure, recovered resources that can be counted towards meeting management requirements include:

- materials used or destined to be used by a person for the making of new products or packaging; and
- products that are reused by a person; and
- with respect to paints and coatings, up to 15 per cent of the weight may be counted as recovered resources with respect to concrete and landscaping applications.

For Category A, B, and C products, for the purposes of this procedure, recovered resources that can be counted towards meeting the RER requirements under the HSP Regulation include:

- materials used or destined to be used by a person for the making of new products or packaging; and
- with respect to paints and coatings, up to 15 per cent of the weight may be counted as recovered resources with respect to concrete and landscaping applications.

For Category A, B and C products, the following cannot be counted towards meeting management or RER requirements under the HSP Regulation:

- materials that are land disposed;
- materials that are incinerated;
- materials that are used as fuel or a fuel supplement; and
- materials that are stored, stockpiled, used as a daily landfill cover or otherwise deposited on land.

Calculation and Verification of RER

Where the HSP Regulation requires processors to calculate their RER for a type of HSP, they must do so in accordance with this procedure.

a) Calculation of RER

The RER for a calendar year is calculated for oil filters as follows:

$$(R / TW) \times 100\%$$

Where:

“R” is the weight of the recovered resources derived from all oil filters received by the processor at a facility in the same calendar year, net the weight of oil which is captured, recaptured, extracted, collected or diverted during processing.

“TW” is the total weight of all oil filters received by the processor at that facility in the same calendar year, net the weight of oil which is captured, recaptured, extracted, collected or diverted during processing.

The RER for a calendar year is calculated for all other types of HSP (excluding oil filters) as follows:

$$(R / TW) \times 100\%$$

Where:

“R” is the weight of the recovered resources derived from all of that type of HSP received by the processor at a facility in a calendar year.

“TW” is the total weight of all of that type of HSP received by the processor at that facility in the same calendar year.

If the processor’s facility processes several different products, the RER must be calculated separately for each product which is processed.

If any portion of a type of HSP is received by an HSP processor and transferred as intact or unprocessed HSP to another entity for processing, that portion of that type of HSP is not to be included in the calculation of the RER by the HSP processor transferring the HSP. Instead, that portion of that type of HSP is to be included in the calculation of the RER of the

HSP processor receiving and processing that type of HSP. An HSP processor must include the resources recovered from a downstream processor in its RER.

b) RER requirements and timing considerations

For the 2021-2022 performance period, producers may choose to meet their resource recovery obligation using the services of an HSP processor, directly or through a PRO, as long as the HSP processor is registered with the Authority.

The HSP Regulation requires that, beginning in 2023, HSP processors for HSP listed below, as defined in the regulation, must have an average RER calculated and verified in accordance with this procedure of at least:

- 90%, with respect to antifreeze;
- 90%, with respect to barometers, thermometers and thermostats;
- 95%, with respect to non-refillable pressurized containers;
- 95%, with respect to oil containers;
- 95%, with respect to oil filters;
- 75%. with respect to paints and coatings;
- 95%, with respect to refillable pressurized containers; and
- 10%, with respect to solvents.

A registered HSP processor must submit a verified RER for the 2021 calendar year for each of the above types of HSP that they process to the Registrar no later than July 31, 2022.

The list of HSP processors that meet the RER threshold for each type of HSP, based on this first report, will be published on the Registry and communicated to registered producers and PROs by October 1, 2022, as noted in the chart below:

Annual report	Year reported on	Approved processor list published	Processor approval period
July 31, 2022	2021	October 1, 2022	2023-2024

For the 2023 and 2024 performance periods, producers, and PROs on behalf of producers, who are meeting HSP management obligations using recovered resources from HSP processing, may only do so with an HSP processor that meets the RER calculation for each type of HSP and verification requirements described in this procedure, and that is on the list published on October 1, 2022.

This list will be updated to reflect new market entrants.

If an HSP processor did not process HSP in 2021, the HSP processor must contact the Registrar, by email to registry@rpra.ca, to confirm the appropriate RER data to be used in place of 2021 RER data.

The verified RERs will be averaged by the Registrar every two years and an updated list of HSP processors that meet the RER requirements, based on this average, will be published on the Registry and communicated to registered producers and PROs by October 1st of

every second year, as noted in the chart below:

Annual report	Years reported on	Approved processor list published	Processor approval period
July 31, 2023 July 31, 2024	2022 and 2023 (two-year average RER)	October 1, 2024	2025 and 2026
July 31, 2025 July 31, 2026	2024 and 2025 (two-year average RER)	October 1, 2026	2027 and 2028
And so on			

For each two-year period, producers, and PROs on behalf of producers, who are meeting HSP management obligations using recovered resources from HSP processing, may only do so with an HSP processor that meets the RER calculation for each type of HSP and verification requirements set out in this procedure, and is on the list for that period.

The list of HSP processors will be updated to reflect new market entrants.

If an HSP processor is a new entrant at any time after 2021, the HSP processor must contact the Registrar in writing at registry@rpra.ca to confirm the appropriate RER data to be used to establish the HSP processor's average RER.

c) Verification of RER

The RER for each type of HSP must be verified by a licenced engineering practitioner who holds a licence, limited licence or temporary licence under the Professional Engineers Act. The verifier must prepare a verification report that must include:

- a description of the methodology used by the verifier;
- the information reviewed by the verifier; and
- the results of the verification.

The HSP processor must submit the verification report on or before July 31 of each reporting year as part of their annual report.

It is the intention of the Registrar to develop more detailed verification procedures in a public consultation process with registrants and other interested parties.

Management of HSP

Audits of management requirements are required for producers of each type of HSP in Category A, Category B and Category C. Where the HSP 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. 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, but a separate report must be submitted for each type of HSP.

In reaching an opinion, the auditor is expected to:

- assess and document the reasonableness of the 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.

The first audit report is due July 31, 2023 for the performance periods Oct 1, 2021 to December 31, 2022.

Beginning July 31, 2026, and by July 31st of every third calendar year after that, an audit report must be submitted for any of the 3 immediately preceding calendar years.

It is the intention of the Registrar to develop more detailed verification procedures in a public consultation process with registrants and other interested parties.

Date	Revisions	Next review
May 19, 2021	N/A	May 2022

Appendix A

The estimated number of units of each type of HSP 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 that type of HSP, as reported by Statistics Canada in the most recent official census.

“Canada national sales” is the total units of that type of HSP the producer sold in Canada in the calendar year.