

Ministry of the Environment  
and Climate Change

Ministère de l'Environnement  
et de l'Action en matière de  
changement climatique



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ENV1283MC-2018-228

February 8, 2018

Mr. Jeff Van Damme  
Chair  
Ontario Electronic Stewardship  
5750 Explorer Drive, Suite 301  
Mississauga ON L4W 0A9

**Re: Direction to Wind Up the Waste Diversion Program for Waste Electrical and Electronic Equipment (WEEE) and Ontario Electronic Stewardship (OES)**

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Dear Mr. Van Damme:

Pursuant to Section 14 of the *Waste Diversion Transition Act, 2016* (WDTA), I am directing Ontario Electronic Stewardship (OES) to wind up the waste diversion program for waste electrical and electronic equipment (WEEE) in full. OES must develop a plan to wind up the waste diversion program for WEEE and submit it to the Resource Productivity and Recovery Authority (the Authority) for approval no later than December 31, 2018. The waste diversion program for WEEE will cease operation on June 30, 2020.

As part of the plan, I am also directing OES to wind up its own operations once the waste diversion program for WEEE has ceased operation.

The development of the plan for winding up the waste diversion program for WEEE and OES must be conducted in accordance with this direction as well as the provisions of the WDTA and its regulations, including O. Reg. 357/17 (Industry Funding Organizations – Rules that Apply on Winding Up).

It is in the public interest that the plan is consistent with the following principles:

Demonstrate Transparent Communications and Meaningful Consultation

- The public, the Authority and affected stakeholders, including stewards, municipalities and service providers (e.g. collectors, haulers and processors), receive transparent and clear communications from OES on a regular basis during development and implementation of the wind-up plan.
- Affected stakeholders should be consulted and have opportunities for meaningful engagement during the development and implementation of the wind-up plan.

### Support Competition and Prevent Conflict of Interest

- The plan shall support competition in, and not adversely affect, Ontario's current and future marketplace for the collection and recovery of WEEE. The plan shall not provide for unfair or preferential treatment of the public or any affected stakeholders, or barriers to competition during or following the windup of the program.
- OES shall take all necessary steps to ensure there is no real, potential or apparent conflict of interest when developing and implementing the plan.
- OES' sharing of data and information to parties other than the Authority must be done through a fair, open and transparent process that does not result in preferential treatment of one person or group over another or release of any confidential information.

### Demonstrate Fairness to Stewards and Protect Consumers

- The assets, liabilities, rights and obligations of OES must be dealt with in a fair, open and transparent process in accordance with applicable law. Assets (other than OES data and information) must be disposed of for fair market value.
- OES shall ensure that any fees paid by stewards fairly reflect the proportion of the costs referred to in Section 33 of the WDTA that are attributable to them and that there is no cost cross-subsidization among stewards for electrical and electronic equipment (EEE) categories.
- All monies held in trust by OES shall be treated appropriately in accordance with the WDTA and its regulations.
- The interests of current and future consumers should be considered when developing options to deal with program surpluses and/or deficits in the wind-up plan.
- OES' spending should be limited to program expenditures necessary to maintain or exceed current program performance for both collection and processing until the WEEE program ceases operation.

### Maintain and Improve Program Performance

- There shall be no disruption in the operation of the waste diversion program for WEEE, including collection, transportation and processing of WEEE, while the program is operating.
- Ontarians' access to and experience with the waste diversion program for WEEE shall not be negatively impacted during windup.
- Current program performance for both collection and processing must be maintained or exceeded until the WEEE program ceases operation.

Mr. Jeff Van Damme  
Page 3.

An addendum to this letter provides specific direction related to the details that OES must include in its wind-up plan for the waste diversion program for WEEE and for OES.

The implementation of the wind-up plan shall begin on the date on which the Authority approves the wind-up plan, which I anticipate will be no later than June 30, 2019.

It is expected that OES will engage with the Authority, and consult with representatives of municipalities, stewards and other affected stakeholders, when developing its wind-up plan in accordance with my direction, the enclosed addendum, the WDTA and its regulations.

It is also expected that OES will engage with and work cooperatively with the Authority in implementing any policy direction issued to the Authority pursuant to Section 29 of the *Resource Recovery and Circular Economy Act, 2016* (RRCEA). In particular, OES will cooperate fully with the Authority on the activities set out in my policy direction to the Authority dated February 5, 2018, including providing the Authority with quarterly reports within four weeks of the end of each remaining quarter in 2018-2020 regarding OES' revenues and expenditures.

If it is in the public interest to do so, I will provide further direction at a later date related to the matters set out in this direction, or to provide clarification related to the windup of the waste diversion program for WEEE or OES.

Lastly, OES shall make publicly available on OES' website this wind-up direction letter, as well as the complementary policy direction letter issued to the Authority.

Sincerely,

A handwritten signature in black ink that reads "Chris Ballard". The signature is written in a cursive style with a large, looping initial "C".

Chris Ballard  
Minister

Attachment: Addendum

c: Mr. Paul Evans, Deputy Minister  
Ministry of the Environment and Climate Change

Ms. Glenda Gies, Chair  
Resource Productivity and Recovery Authority

