A distinctive and collaborative approach to EPR for packaging and printed matter in Québec
Isabelle Laflèche

Director, 
Company services

- Various responsibilities over the years:
  - Managing Company Services and developing reporting tools
  - Managing the data reporting system
  - Developing application rules
  - Overseeing mandatory consultation processes regarding the Schedule of Contributions
Mathieu Guillemette

Senior Director
Services to municipalities

- Various responsibilities over the years:
  - Negotiating curbside recycling net costs
  - Calculating contributions
  - Waste auditing and activity-based costing management
  - Managing the Away from home recovery program, etc...
Québec Context
Curbside recycling in the province of Québec

- Population of 8.4 million
  - More than 99% of the population has access to door-to-door recycling
  - Quantity recovered per capita: 93 kg

- 780,000 tons recovered yearly
  - 63% recovery rate

- 1,100 municipalities
  - 557 municipalities and municipal bodies that manage curbside recycling contracts

- 22 sorting centres
  - Private, municipal, profit, non-profit
  - Various sizes (3,000 tons to 100,000 tons)
Legal Context and Obligation

- Recycling begins
- Voluntary program
- Legal obligation
- A new EPR model?

- 1980’s
- 1987 to 2005
- 2005
- 2020
The Compensation Plan

1,100 municipalities
Provide curbside recycling services

Payment

Cost reporting

Éco Entreprises Québec
Collect Contributions

Targeted companies
Costs to be offset

Municipal recycling programs, including multi-dwelling units and small businesses

Collection

Transportation

Sorting
Annual net costs of curbside recycling ($ millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Costs ( Millions $ )</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014 (2015)</td>
<td>153.8</td>
<td>-1.8%</td>
</tr>
<tr>
<td>2015 (2016)</td>
<td>153.9</td>
<td>0.0%</td>
</tr>
<tr>
<td>2016 (2017)</td>
<td>151.5</td>
<td>-1.5%</td>
</tr>
<tr>
<td>2017 (2018)</td>
<td>147.7</td>
<td>-2.5%</td>
</tr>
<tr>
<td>2018 (2019)</td>
<td>170.6</td>
<td>15.5%</td>
</tr>
<tr>
<td>2019 (2020)</td>
<td>198.1</td>
<td>16.1%</td>
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</tbody>
</table>

Municipal net costs
Designated Materials

Containers

Packaging

Printed Matter
ÉÉQ’s Role
Working both upstream and downstream of the curbside recycling value chain.

What really makes our mission?
Éco Entreprises Québec

Private, not-for-profit organization based in Montréal, Québec

Certified by the Québec government in June 2005
• Periodically renewable

Represents 3,400 companies that market containers, packaging and printed matter in Québec
Our governance is adapted to meet growing challenges

- An independent Board of directors made up of:
  - 10 representatives from contributing companies (reflecting industries and generated materials)
  - 4 representatives with competency and experience profiles related to the curbside recycling value chain
- An Annual General Assembly to present ÉEQ’s results and activities
How do we fulfill our mandate?

- Annually prepare a Schedule of Contributions to finance the Québec curbside recycling system

- Raise awareness and make companies accountable for the materials they generate
How curbside recycling is financed in Québec?
Hundreds of contributing companies generate close to 110 billion dollars in sales revenue in Québec.

- Manufacturers of durable goods: 3%
- Manufacturers of consumer goods: 34%
- Retailers and distributors: 56%
- General, services and others: 7%
What do they generate?

- Paper/cardboard: 27% 172 kt
- Plastic: 24% 147 kt
- Glass: 22% 138 kt
- Printed matter: 22% 135 kt
- Metal: 4% 24 kt
- Aluminium: 1% 6.3 kt
Companies’ contributions

- Based on the Schedule of Contributions, which is adopted and published every year
- Fee (in $/t) by type of material is established based on recycling performance, collection, transportation and treatment costs, as well as market value
  - The less recyclable the material, the more expensive it is
- Each company’s individual contribution is based on the quantity of materials marketed, times the specific rate for each material
  - The more materials a company generates, the more it pays
- Credit for recycled content since 2009 included in the Rules for printed paper, and since 2013 for PET and kraft paper containers
### Companies’ contributions: a few examples

<table>
<thead>
<tr>
<th>Material</th>
<th>2019 fee</th>
</tr>
</thead>
<tbody>
<tr>
<td>Newsprint inserts and circulars</td>
<td>$205</td>
</tr>
<tr>
<td>Corrugated cardboard</td>
<td>$184</td>
</tr>
<tr>
<td>PET bottles and containers</td>
<td>$285</td>
</tr>
<tr>
<td>Expanded polystyrene for food products; protective polystyrene</td>
<td>$793</td>
</tr>
<tr>
<td>Aluminium food and beverage containers</td>
<td>$181</td>
</tr>
</tbody>
</table>

1 CND = $1.31 USD
Specific approach for small businesses

- Take into account the administrative burden of reporting for small companies

- Develop a specific approach with associations
  - Exemption from paying a contribution for very small companies (< 1 ton of materials or < $1 million in revenues)
  - Flat fees for low-volume producers based on quantity (since 2007)
  - Flat fees for small companies based on revenues (between $1 million and $2 million) (since 2014)

- Periodical review by a working committee
Initiatives for better curbside recycling services
ÉEQ as an optimizer

- Rethink packaging, marketing and distribution
- Improve citizens’ understanding
- Develop eco-friendly materials and markets
- Modernize municipal practices
- Further the evolution of material processing techniques
- Adapt and transform sorting centres

What’s new in Québec for 2020
Eco-design and a circular economy

- Creation of an Eco-design and circular economy Board of directors Committee and Department
- Adoption of the first eco-design and circular economy plan for an EPR program in Canada
- Publication of the first study on circular economy in Québec with CPQ and CPEQ
- Associated Founder partner of quebeccirculaire.org circular economy portal of EDDEC
- Tools and services for companies
Market Development and Sorting Technologies

- Creation of a Market Development and Sorting Technologies Department
- Preparation of road map on plastic packaging in Québec
- Consultation with stakeholders
  - International Forum on plastics in Paris in 2019
Glass Works Plan

A concrete solution for 100% of the glass containers Quebecers place in their recycling bins

- $13 million invested on equipment for 6 sorting centres and on market development
- Sorting centres now reaching glass purity rate of 97%+
Best practices initiative for effective curbside recycling

- Presentation of best practices in curbside recycling to elected officials and municipal general managers
- Publication of tools and case studies
- For municipalities seeking to adopt best practices, free direct support to prepare specifications for their calls for tenders
Some benefits of EPR (actual)

1. Makes producers accountable for what they put on the market
2. Offers stability for municipalities in times of crisis
3. Provides municipalities with some information about others’ performance (emulation)
Increasing eco-design of materials marketed

Adapting the system to expanding e-commerce

Curbside recycling challenges
Helping consumers better understand what to place in recycling bins (improving recovery rate)

Improving the quality of materials placed in recycling bins (reducing contamination)
What contamination?
Improving the capture rate of recyclable materials in sorting centers

Improving the quality of outbound materials

Feeding “local” markets for recovered materials in a circular economy perspective

Developing new markets for hard-to-recycle materials

Improving the traceability of materials and increasing transparency to maintain public confidence in recycling

Curbside recycling challenges
ÉEQ : Working toward a better system
Our vision at ÉEQ is that now, more than ever, we must transform the curbside recycling system by working together with value chain stakeholders.

- Increased accountability for companies
- Higher quality / performance
- Increased traceability / transparency
Question period
Thank you