



## At a Glance

# EPR to modernize curbside recycling in Quebec

### Financing of curbside recycling in Quebec

Against the background of the current compensation plan, Quebec municipalities have been handling the curbside recycling service for their citizens. However, companies are the ones who offset 100% of the costs to collect, transport, sort and process the containers, packaging and printed matter (C, P & PM) they place on the market. Within the legal framework of the compensation plan, companies do not have a formal link with municipalities or the various partners of the recyclables value chain to ensure the system's efficiency. Companies are therefore financing a silo system that has no comprehensive view and no accountability.

### The recycling crisis underscores the need to modernize the system

The 2017 closure of Asian import markets to several classes of recyclable materials highlighted how dependent Western countries are on exports and the lack of local or neighbouring markets for materials generated, collected and sorted as well as the shortage of local or nearby market outlets. Although this situation made contributions shoot up for targeted companies, it was also an opportunity to rethink the business model for curbside recycling.

#### This modernization has been called for and announced for nearly 10 years

In 2011, when the Quebec Residual Materials Management Policy and action plan were adopted, the government announced that it would study the possibility of transferring responsibilities to businesses with a view to EPR and evaluate the advantages and disadvantages of that approach.

Since 2009, Éco Entreprises Québec (ÉEQ) has been analyzing EPR models and scenarios, examining issues related to curbside recycling in Quebec and determining optimization strategies and conditions for success and implementation.

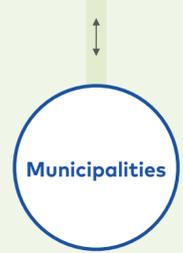
*First undertaken in 2020 by Benoit Charette, Minister of the Environment and the Fight against Climate Change,, the modernization of curbside recycling principally aims to give companies who market containers, packaging, printed matter and newspapers (C, P, PM & N) the responsibility of managing their materials, from design to recycling, across the entire Quebec territory.*

### Bill 65: A highly anticipated bill

Coming into effect on March 17, 2021, Bill 65, An Act to amend mainly the Environment Quality Act with respect to deposits and selective collection, has finally brought about the awaited modernization of the curbside recycling system using an Extended Producer Responsibility (REP) approach. Companies that put C, P, PM & N on the market will not just finance curbside recycling, as is the case under the current compensation plan, but will also be responsible for controlling and supporting the management of targeted C, P, PM & N throughout the province and the value chain.

They will be assigned performance goals for the recovery and recycling of their materials, with realistic recycling targets regarding market development. This responsibility means that companies will have to take steps to:

- Use ecodesigned materials
- Ensure recovery and recycling of their C, P, PM & N materials
- Integrate recycled content in their C, P, PM & N materials



## Current Curbside Recycling System

### 1. Companies:

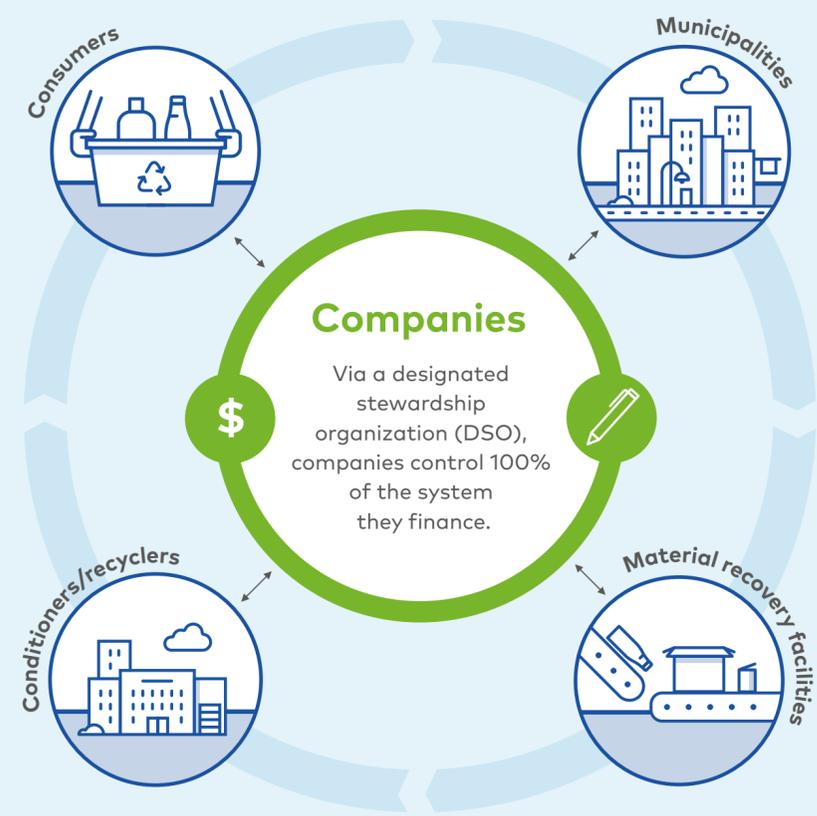
- Market containers, packaging and printed matter (C, P & PM);
- Annually report the quantities and weights of C, P & PM they market;
- Pay financial compensation in the amount according to their report.

2. ÉEQ remits the compensation to RECYC-QUÉBEC.

### 3. RECYC-QUÉBEC

redistributes compensation to municipalities.

4. Municipalities grant contracts to offer the curbside recycling service to citizens and to ensure the sorting and conditioning of materials.



## Modernized Curbside Recycling system

EPR-curbside recycling system gives **companies** control over their materials (C, P, PM & N):

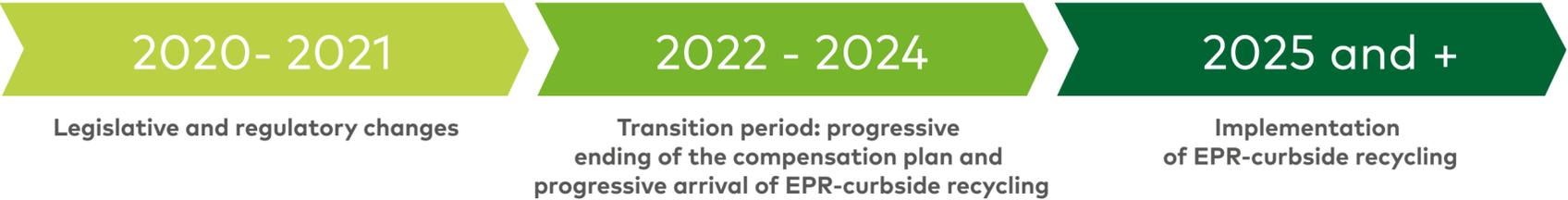
- **Monitor collection and transportation** through agreements with municipalities.
- **Implement a standard list of accepted materials** in the recycling bin for the whole province.
- **Develop awareness campaigns** for citizens.
- **Manage commercial agreements** with sorting centres.
- **Integrate quality standards** regarding collection and sorting.
- **Control and ownership** of recyclable materials.
- **Ensure traceability** of materials and transparency of **accountability**.
- **Develop new markets** for recyclable materials.
- **Innovate** and position the curbside recycling system as a true **economic lever**.

# Differences between the current and the modernized systems

	Compensation plan (current system)	EPR-curbside recycling (modernized system)
<b>Designated materials</b>	Containers, packaging and printed matter (C, P & PM) - ÉEQ Newsprint - RecycleMédias	Containers, packaging, printed matter and newsprint (C, P, PM & N) - DSO
<b>Curbside recycling system costs</b>	Through ÉEQ, 100% offset by companies who market C, P & PM in Quebec.	Through a DSO, 100% paid by companies who place on the market C, P, PM & N in Québec, based on compliance with the framework agreement concluded with the DSO.
<b>Control of the system</b>	Strictly financial responsibility, no control over the fate of materials throughout the value chain.	Responsibility for companies, via the DSO, to develop, implement and finance the system as regards collection, transportation, sorting, packaging, recycling, traceability, development of outlets, ecodesign, etc.
<b>Role of targeted companies</b>	<ul style="list-style-type: none"> <li>Reporting of the weight of materials that make up the C, P &amp; PM they place on the market;</li> <li>Contribution in the amount of their report to finance the net costs of curbside recycling.</li> </ul>	<p><b>With regards to the system:</b></p> <ul style="list-style-type: none"> <li>Supervision of the collection, transport, sorting and processing of recyclable materials;</li> <li>Traceability of materials and transparent accountability.</li> </ul> <p><b>With regards to their C, P, PM &amp; N:</b></p> <ul style="list-style-type: none"> <li>Recovery and recycling of C, P, PM &amp; N;</li> <li>Use of ecodesigned materials;</li> <li>Integration of recycled material in their C, P, PM &amp; N;</li> <li>Contribution corresponding to their reporting.</li> </ul>
<b>Relations between companies and municipalities</b>	Voluntary (no formal relations)	Signature of framework agreements including standard specifications that take regional specificities into account and include a list of standardized materials to be collected.
<b>Relations between companies and MRFs</b>	Voluntary (no formal relations)	Signature of contracts based on the volume of sorted materials and including preventive maintenance practices, types of bales to be produced, quality standards and consideration of local and adjacent markets.
<b>Relation with the deposit-refund system</b>	None	Coordination of the deposit-refund and curbside recycling systems established by contractual agreement.
<b>Public communications</b>	Municipalities and RECYC-QUÉBEC	<ul style="list-style-type: none"> <li>DSO for national campaign, list of standardized materials and sorting instructions, regional tools and green patrols, in collaboration with RECYC-QUÉBEC, municipalities and government organizations.</li> <li>Municipalities for local information and services (schedules, service, complaints, etc.).</li> </ul>



## Transition



To learn more about the modernization of curbside recycling

[eeq.ca/en/modernization/](http://eeq.ca/en/modernization/)