

2021 Schedule - Consultation program for companies

Background

In accordance with section 53.31.14 of the Environment Quality Act, contributions must be established in a Schedule of Contributions that has been the subject of consultations with targeted entities. ÉEQ's certification agreement stipulates that the organization must submit to RECYC-QUÉBEC the contribution table along with a detailed report on the results of the consultation, comments received and the way in which the organization takes such comments into consideration in the Schedule.

As part of its mission, ÉEQ is required to “develop draft Schedules of Contributions and submit them to targeted companies and organizations in the framework of a consultative process.” For each Schedule of Contributions, ÉEQ's Board of Directors adopts a consultation process that is transparent and reaches as many stakeholders as possible in order to provide them with information and receive their input at each step leading to the adoption and coming into force of the Schedule of Contributions in any given year. The process for the 2021 Schedule of Contributions is the thirteenth implemented by the organization.

The 2021 Schedule during the pandemic and the modernization of curbside recycling

The 2021 Schedule is prepared in a most particular context. Indeed, the worldwide COVID-19 pandemic has unprecedented impacts on many levels. On the one hand, the recovery industry in Quebec, which was still struggling to restart since Chinese markets banned imports of recyclable materials, has not been spared. On the other hand, economic activities and business models for companies across all sectors have been affected and have had to be adapted according to the new reality regarding consumer habits and work. In both cases, contributions from companies will be impacted.

The 2021 Schedule was therefore developed while closely monitoring the situation and taking into account a series of factors based, among other things, on the findings of four ÉEQ reports presenting the impacts of COVID-19 on the curbside recycling and deposit systems, as well as on consumer habits in Quebec. The last [report](#) has just been published and deals specifically with the impacts of COVID on companies' contributions.

The development of a Schedule of Contributions includes seven inputs that are obtained either via studies (rate of recovery, distribution of costs per class of materials, net costs per material), or via estimates (municipal net costs, quantities expected to be reported by companies) or known data (RQ allowance, ÉEQ fees). Among the four inputs updated this year, two have a preponderant influence on material rates, namely municipal net costs and quantities expected to be reported by companies, which present particular challenges during this pandemic. Although an estimate of costs to be compensated is carried out every year, the health crisis has added a degree of complexity to this estimate, especially as municipalities have been granted an additional month to report their actual net costs for 2019.

This data source is essential to the assessment to be completed. The ensuing chain of delays has an influence on the timing of the consultation period.

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Expected quantities of materials also affect companies' contributions. On one hand, the confinement period forced significant changes that lead to a marked increase of residential consumption, and on the other, the transformation of business activities for contributing companies has impacted the materials they place on the market. By monitoring the situation, ÉEQ aims to produce the most accurate assessment possible.

The Schedule rules have undergone a simplified update and will be adjusted according to directions the board will select regarding fees.

The development of the Schedule of Contributions is also happening along with the transformation of the curbside recycling system. Indeed, on September 24, the Quebec government tabled a bill that confirmed its intention to modernize curbside recycling, pursuant to the announcement made to that effect by the Minister of the Environment and the Fight against Climate Change last February.

The modernization aims to give companies that produce and market containers, packaging, printed matter and newsprint (C, P, PM & N) control of the system based on the principle of Extended Producer Responsibility (EPR), in partnership with municipalities. With EPR-Partnership, companies that market C, P, PM & N will be responsible for their products from the beginning to the end of those products' life cycles. In being accountable for the materials they market, companies will have to find ways to better design their packaging through eco-design and integrate more recycled content in their C, P, PM & N. In order to send a signal to government authorities and companies in a perspective of transitioning towards EPR-Partnership that focuses on the circularity of C, P, PM & N, various modulation measures relating to the Schedule will be evaluated and submitted to companies for consultation.

THE CONSULTATION PROCESS INCLUDES A VARIETY OF CONSULTATION MECHANISMS. AND COVERS APPLICATION RULES FOR SCHEDULES OF CONTRIBUTIONS AND THE METHODOLOGY FOR DEVELOPING THE CONTRIBUTION TABLE.

Entities subject to the Environment Quality Act are companies and organizations that own a brand, name or distinguishing guise and market “containers and packaging” and “printed matter” in Quebec. When the brand owner does not have an establishment in Quebec, the first suppliers of their products in Quebec must assume those obligations.

Through the consultation process for the Schedule of Contributions, ÉEQ aims to reach, inform and consult with as many of the companies and organizations that are subject to the Environment Quality Act as possible via a series of channels and mechanisms.

Communications with targeted companies and organizations

In developing the Schedule of Contributions, and more specifically in taking into account the current recycling crisis and its impacts on company contributions, ÉEQ that will implement various communication methods personalized with companies and organizations targeted as well as with their association representatives.

- **Personalized approaches**

- Personalized approaches with strategic contacts and senior executives from the **principal contributors** will be implemented in order to keep them informed of upcoming variations.
- Personalized approaches with respondents and strategic contacts from contributing companies who will feel the greatest impact will also take place.
- Personalized approaches are also held with strategic contacts in order to exchange on the organization's future orientations.

In all cases, clear messages on anticipated variations will be sent to all respondents in order to raise awareness regarding impacts and encourage their participation in consultation meetings. **These approaches are meant to enhance preparedness overall, so that companies can anticipate upcoming changes, tell us about the impacts the changes will have on their operations, and we can in turn support them as needed to adjust their internal processes.**

Mass communications on the consultation process

- **Electronic newsletter**

- ÉEQ's electronic newsletter is a communication tool used to announce consultation meetings, provide information on consultation mechanisms and invite targeted entities to participate in the consultation process.
- Given the formal context of the consultation, both companies who have accepted to receive communications from ÉEQ in accordance with the Canadian anti-spam law as well as those who have refused will be advised. The latter, however, will only receive one notification.

- **Website**

- ÉEQ uses its website, eeq.ca, to provide targeted entities with easy access to information, a means to submit questions and information requests regarding Schedules of Contributions and the consultation process, comment on Schedule application rules and send in replies to consultation questionnaires.
- Moreover, the website will highlight news regarding ÉEQ, in particular, consultation meetings on the Schedule of Contributions.

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- **A summary of the Schedule of Contributions development process**
 - In the context of the ongoing crisis for recyclable materials markets worldwide, this summary will provide targeted entities with information on the situation and steps being taken by the organization in order to follow the evolution of municipal net costs.
 - Published a few days ahead of the consultation, this summary will inform companies about the following:
 - Basis for the estimates of net costs
 - Schedule of Contributions development process
 - Rates for each material
 - Explanations on rate variations
 - This document is sent directly to companies and organizations who have registered for the consultations so that they may read it and prepare any questions.
 - The summary is also published on ÉEQ's website in addition to other documents from the consultation process (PPT presentation, Excel spreadsheet of the contribution table, questionnaire, etc.).
- **Consultation questionnaire**
 - The questionnaire is ÉEQ's main consultation tool. While other means are used to announce upcoming meetings or convey their outcome, the questionnaire gives targeted entities the opportunity to provide their point of view about any new directions proposed regarding the Schedule of Contributions and to comment on application rules or the methodology used to develop related contribution tables.
 - In order to gather the highest possible number of returns, the questionnaire is posted online as of the first consultation meeting held with companies and organizations, for a period of three weeks. It is also sent to participants and published via newsletter during that period.
- **Questions and Comments**
 - Companies and organizations can send us their questions and comments after the consultations or by letter, if they wish to elaborate on their point of view.
- **Information relay agents**
 - In order to reach as many companies as possible, ÉEQ also calls on its vast network of association contacts to relay information to target audiences.
- **Consultation meetings with representatives of targeted companies and organizations**
 - Meetings with targeted entities constitute a major step in the company consultation process. For the second year in a row, now, the consultation meetings will be held as webinars only. Although the pandemic forces us to do so, the format, which was implemented last year, was very well-received. Two meetings will be available for all representatives of targeted companies and organizations once ÉEQ's Board of Directors adopts the draft of the 2021 Schedule of Contributions.
 - The object of these meetings is to:
 - Inform companies on the situation and the evolution of curbside recycling in Québec.
 - Submit a draft Schedule of Contributions for consultation that includes the fees applicable by material as well as application rules.

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- Explain the process steps leading up to the development of the contribution table to company and organization representatives in clear and everyday language to ensure their full understanding of the issues.
- It should be noted that application rules for the 2021 Schedule of Contributions are posted on ÉEQ's website in both official languages one week ahead of the meetings to give participants time to read them beforehand.
- Finally, files pertaining to the development of the contribution table will be published in French and in English after the consultation meetings.

Consultation meetings on the 2021 Schedule of Contributions will be held on November 24 or 26, 2020, and presented via simultaneous webcasts:

French	English
9:30 a.m. to 11:30 a.m.	2:00 p.m. to 4:00 p.m.

Extended committee on the modernization of curbside recycling

On June 18, ÉEQ held a webinar on the modernization of curbside recycling to exchange with companies regarding the project's genesis, their upcoming responsibilities and the next steps. The webinar was also an opportunity to present the governance structure ÉEQ implemented and determine the direction of efforts set up by the government of Quebec.

Although we plan to have a specific webinar on the modernization in early 2021, the topic will be upgraded during the consultation meeting, from the eco-design, circular economy and eco-modulation angles, in order to introduce and present actions taken by ÉEQ to work towards the circularity of C, P, PM & J placed on the market.