



# Report on the Consultations for the 2021 Schedule of Contributions

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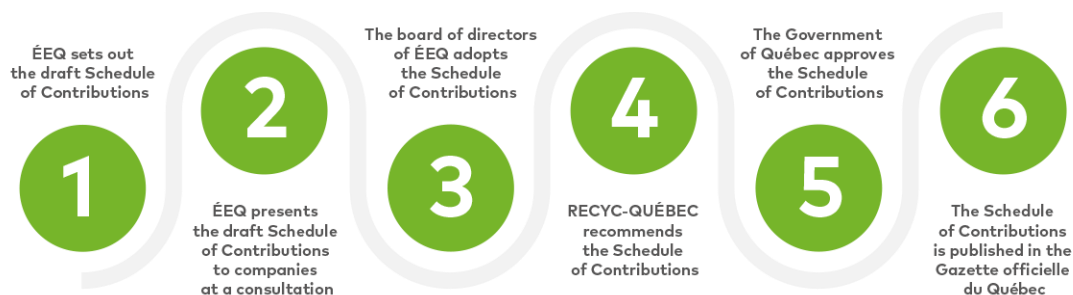
## 1. Background

The Environment Quality Act (EQA) and the Regulation respecting compensation for municipal services provided to recover and reclaim residual materials (Regulation on the compensation plan) stipulate rules for applying the compensation plan and create a legal obligation for targeted companies and organizations to financially compensate Quebec municipalities for the net costs of efficient and effective curbside recycling programs.

Éco Entreprises Québec (ÉEQ) is certified to represent companies required to compensate municipalities for materials produced in the “containers and packaging” and “printed matter” classes in order to meet the obligations established by the EQA.

ÉEQ is responsible for developing the Schedule of Contributions that determines the payments companies and organizations must make with regard to the classes it represents. The process for the 2021 Schedule of Contributions is the thirteenth implemented by the organization.

The Schedule of Contributions must be submitted to targeted companies and organizations for consultation. ÉEQ’s consultation program focuses on Schedule application rules, as well as on the contribution table applicable to designated materials. The objective of the official process is to inform and consult the greatest possible number of targeted companies and organizations at all steps leading to the adoption and coming into force of the Schedule of Contributions for a given obligation year.



The 2021 Schedule of Contributions compensates the net costs of efficient and effective municipal curbside recycling programs for 2020. Before presenting the Schedule, ÉEQ feels it is important to explain the context in which the document was prepared.

## The global pandemic's effects are added to those of the ongoing recycling crisis

The 2021 Schedule is prepared in a most particular context, generated by the global COVID-19 pandemic, which has unprecedented impacts for all contributing companies and the curbside recycling system.

On one hand, the recovery industry in Quebec, which was still struggling to restart since Chinese markets banned imports of recyclables, has not been spared. The drop in revenues from recyclable materials was felt throughout 2020, impacting revenues for MRFs and, consequently, increasing costs paid by municipalities and compensated by businesses. COVID has added additional pressure on upward costs, but also on the quantities of materials expected.

On the other hand, for all companies across all business sectors, economic activities and business models have been affected, and they have had to cope with new realities regarding consumption and work.

### Additional data to take the context into consideration

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 reports produced by ÉEQ with the aim of fully understanding the repercussions of recent upheavals on the curbside recycling and deposit systems, as well as on consumer habits in Quebec.

Three main observations included in the last report that deals specifically with the impacts of the pandemic on contributions from companies, have influenced the development of the 2021 Schedule of Contributions:



The impacts of COVID on system costs indicate an upward trend, but there is no confirmation that these costs will be transferred to municipalities, given the nature of the contracts between them and service providers. In an effort to mitigate those impacts, RECYC-QUÉBEC has improved its assistance program to counter the ensuing falling prices in order to "cover a portion of the costs for equipment and protective measures taken to limit the risk of spreading the COVID-19 virus".



With the health crisis, contributing companies who traditionally represent the largest proportion of contributions to the financing of curbside recycling (manufacturers and retailers of food products and consumer goods, including big box stores and manufacturers of chemical products (cleaners)), should see an increase in their estimated quantities to report and, consequently, in their contributions.



Certain sectors are more negatively impacted by COVID-19, for example, publishing, restaurants and clothing retailers. The level of their contribution to ÉEQ is less, but the higher costs to come could add to the load they already bear due to the pandemic.

The number of businesses seeking protection under the CCAA (Companies' Creditors Arrangement Act) or under the BFI (Bankruptcy and Insolvency Act) is higher than it was in recent years. ÉEQ will have to ensure that allowances for bad debts are sufficient to mitigate risks to the organization and to other companies.

## Curbside recycling in Quebec is going through a transformation

The development of the 2021 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 and materialized the announcement made to that effect by the Minister of the Environment and the Fight against Climate Change last February.

### **The request for modernization has been active for 10 years**

After 3 recycling crises, with effects of the last one still being felt, 4 Quebec government working groups, one policy and two action plans to manage residual materials announcing an upcoming modernization, significant cost increases for municipal curbside recycling programs in recent years resulting in considerable contribution increases, have acted as a catalyzer to encourage the modernization of the management and financing framework for curbside recycling.

Against the background of the current compensation plan, Quebec municipalities have been providing the curbside recycling service to their citizens. However, companies are offsetting 100% of the efficient and effective net costs to collect, transport, sort and process the containers, packaging and printed matter (C, P & PM) they market.

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-partnership), 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, companies will have to

find ways to better design their packaging through ecodesign and integrate more recycled content in it. In order to send a signal to government authorities and businesses 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 have been evaluated and three are subject to consultation by companies.

## 2. Development mechanism in the context of a global pandemic

Each Schedule of Contributions consists of application rules and a contribution table. In order to take into consideration the current context and avoid further adding to the severity of its impacts,

application rules have been modified only to reflect the new eco-modulation measures we will be presenting in the next sections.

Moreover, the 2021 contribution table is drafted in continuation with decisions made and actions taken previously, in addition to being aligned with the organization's strategic plan and supervised by ÉEQ's Board of directors.

## 2.1 Changes to the application rules

Beyond the modifications brought on by the eco-modulation, reference years, rates and lump sums for low-volume producers have also been updated.

## 2.2 Update of inputs used in the draft Schedule of Contributions

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 businesses.

Parameters	
1. Estimated municipal net costs for 2020	✓
2. Other costs: ÉEQ fees and other provisions, allowance to RECYC-QUÉBEC	✓
3. ÉEQ's total costs based on cost allocation among the three classes of materials	✓
4. Estimated quantities reported by businesses	✓

## 2.3 Curbside recycling system costs for 2021

### 2.3.1 Overall municipal net costs

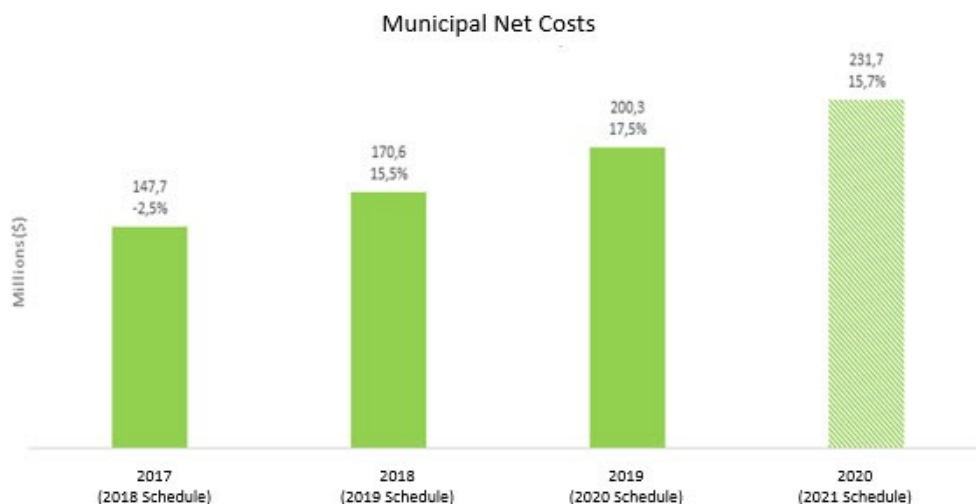
In order to develop its Schedule of contributions, ÉEQ must first estimate the costs of the municipal curbside recycling system. Although an estimate of costs to be compensated is carried out every year, the health crisis has added a degree of complexity to this estimate, especially as municipalities have been granted an additional month to report their actual net costs for 2019. The consultation on the 2021 Schedule of Contributions was postponed one month so that ÉEQ could be able to rely on the most recent data available. In order to mitigate the risks of differences, we have mobilized our teams once again this year in order to estimate the share of costs eligible for compensation during this volatile period.

The estimated increase in collection and transportation costs therefore takes into account contract renewals as well as the increase in the consumer price index for transportation. For sorting and packaging costs, the estimate is based on contract renewals and reopenings between municipalities and MRFs known to date, as well as on average increases by category of municipalities.

Because a municipality's compensation is calculated based on its performance compared to that of its group, this approach has been preferred for two years now in order to monitor not only cost

variances for a municipality, but for other municipalities in its group. Thus, revenues for materials recovery facilities, which are still low, have contributed to the increase of expenses for municipalities. However, the variability of cost increases means that the deduction tied to the Performance and Efficiency (P&E) factor is anticipated to be higher compared to last year, i.e. \$23.5 M compared to \$11 M in 2019.

Municipal costs with taxes are estimated to be \$231.7 million, up 15.7% compared to actual net costs for 2019.



### 2.3.2 Municipal costs eligible for compensation

Taking into account the deduction for non-designated materials and the P&E factor and municipal management fees as provided under the rule, ÉEQ's share of costs eligible for compensation is estimated at \$197.1 million, an increase of 10.8% for the 2021 Schedule of contributions compared to the 2020 Schedule of Contributions.

	2020 Schedule	2021 Schedule
Estimated total municipal net costs	\$198.1M	\$231.7M
Deduction for non-designated materials (6.45%)	(\$12.8M)	(\$15.0M)
Deduction for P&E factor	(\$11.0M)	(\$23.5M)
Inclusion of municipal management costs (8.55%)	\$16.0M	\$16.6M
Deduction of the share for Newspapers (6.5%)	(\$12.4M)	(\$13.7M)
ÉEQ's efficient and effective eligible costs	\$177.9M	\$197.1M
Variation	+ 23.2%	+ 10.8%

## 2.4 Other costs to be considered in the calculation

Other costs need to be added to compensation costs to produce the total contribution payable by companies. If we consider the compensation to RECYC-QUÉBEC as provided for in the regulation, the costs for bad debts and the deduction from the expected fixed rates, the overall amount of \$11.2 million included in the calculation of the Schedule of Contributions is lower than other fees in the 2020 Schedule.

Please note that for the purposes of the draft Schedule of Contributions, ÉEQ's fees are estimated at 6 million dollars. This amount represents approximately 2.9% of total contributions.

In addition, following through on financial commitments provided for in the Innovative Glass Works Plan and allocation orientations selected by the Board, \$0.6 million is allocated to glass for costs incurred to support the participation of MRFs.

Moreover, given the ongoing pandemic and as per observations regarding bad debts, ÉEQ maintains the allowance for bad debts at 2% of anticipated contributions in order to cover the numerous company closures and bankruptcies.

	2020 Schedule	2021 Schedule
ÉEQ fees	\$6.0M	*\$6.0M
Provisions for bad debt	\$3.7 M	\$4.1M
Participation support: Innovative Glass Works Plan	\$0.6M	\$0.6M
Provision for recycled content credit	\$0.3 M	\$0.5M
Anticipated reports from low-volume producers	(\$1.8 M)	(\$2.9M)
Allowance paid to RECYC-QUÉBEC	\$2.8M	\$2.8M
Other total costs	\$11.6M	**\$11.2M
<i>Variation</i>	<i>0.9%</i>	<i>-4.3%</i>

\*Preliminary management fees for ÉEQ

\*\*Difference resulting from rounded figures

## 2.5 Summary of costs considered for the contribution calculation

With all previously mentioned elements taken into account, total costs to be factored into the fee structure formula are \$208.2 million, an overall increase of 9.9% from 2020, before the injection of funds to mitigate increases.

	2020 Schedule	2021 Schedule
ÉEQ's efficient and effective eligible costs	\$177.9M	\$197.1M
<i>Variation</i>	<i>+23.2%</i>	<i>+10.8%</i>
Other fees	\$11.6M	\$11.2M
Risk funds rebuilt according to policy	\$2.8M	-----
ÉEQ's total costs before assignments	\$192.3M	\$208.2M
<i>Variation</i>	<i>+23.3%</i>	<i>+9.9%</i>

However, the total cost variance to be factored into the 2021 Schedule of Contributions is amplified due to the \$12.3M injection to mitigate the rate increase for the 2020 Schedule last year. Thus, the total cost increase is 15.7%.

Amplified variation for the 2021 Schedule due to the injection of funds to mitigate the increase of the 2020 Schedule last year		
Injection to stabilize rates	(\$4.5M)	0
C&P permanent fund	(\$7.8M)	0
ÉEQ's total costs	\$180.0M	\$208.2M
<i>Variation</i>	<i>+18.6%</i>	<i>+15.7%</i>

## 2.6 Quantities of materials expected

Estimating expected quantities has been made more complex this year due to the postponement of the publication of the 2020 Schedule of Contributions by the government. However, other measures have been taken to monitor trends, the impacts of COVID and the generation of materials by companies.

The pandemic has also had an impact both on changes in consumption and on the transformation of the business activities of contributing companies, consequently impacting the materials they generate. After following the situation closely, we can make two observations:

- An accelerated trend regarding the reduction in generating printed matter.
- The overall increase in the marketing of containers and packaging, despite difficulties in certain business sectors.

This results in a 20% reduction in expected printed matter quantities and a 4% increase in containers and packaging, for a stable overall quantity i.e. 622 k tonnes for the 2021 Schedule of Contributions.



Detailed quantities used to develop the current Schedule of Contributions submitted for consultation are indicated in the following table.

Category and sub-category		Material	Estimated quantity (kg) for 2021
PRINTED MATTER			98,136,232
Printed matter	Newsprint inserts and circulars		65,368,143
	Catalogues and publications		5,387,249
	Magazines		3,004,659
	Telephone books		320,286
	General use paper		5,107,799
	Other printed matter		18,948,096
CONTAINERS AND PACKAGING			523 578 688
Paper and cardboard	Corrugated cardboard		58,408,389
	Kraft paper shopping bags		3,906,120
	Kraft paper packaging		2,207,517
	Boxboard and other paper packaging		92,654,395
	Gable-top containers		9,680,798
	Laminated paper		13,115,506
	Aseptic containers		5,539,041
Plastics	PET bottles		31,023,693
	Bottles, all sizes and containers <5L (HDPE)		20,311,442
	Plastic laminates		15,885,590
	HDPE/LDPE plastic film		20,483,854
	HDPE/LDPE film shopping bags		10,065,868
	Expanded polystyrene - food		3,369,379
	Expanded polystyrene - protection		1,085,035
	Non-expanded polystyrene		4,235,371
	PET containers		8,932,505
	Polylactic acid (PLA) and other degradable plastics		350,810
	Other plastics, polymers and polyurethane		37,245,542
Aluminium	Aluminium food and beverage containers		4,037,585
	Other aluminium containers and packaging		3,963,257
Steel	Steel aerosol containers		1,741,764
	Other steel containers		25,404,030
Glass	Clear (flint) glass		64,834,578
	Coloured glass		85,096,619
TOTAL			621,714,920

## 2.7 Materials rates

Taking into account the expected total ÉEQ contribution and expected quantities, the overall average rate is \$335/t, up 15.7% from last year.

Rate increase percentage affected by the injection of funds in the 2020SoC		
	2020 Schedule	2021 Schedule
ÉEQ's total contribution	\$180.0M + 18.6%	\$208.2M + 15.7%
Estimated quantities reported	622 kt - 3.1%	621.7 kt 0.0%
Average rate	\$290/t* + 22.5%	\$335/t + 15.7%

\*Without the injection of funds in the 2020SoC, the average 2020 rate would have been \$305/t with an average increase of 31.2%. Thus, the increase of the average rate for 2021 compared to 2020 would have been 9.8%.

Once again, we point out that without the injection of funds in the 2020 Schedule, the average rate for last year would have been \$305/t, which would have generated average increase of 31.2% rather than 22.5%. Thus, the increase of the average rate for 2021 compared to 2020 would have been 9.8%.

### 2.7.1 Average rate per class of materials: Printed matter, containers and packaging

Costs are distributed by materials class, as per the Regulation on the compensation plan. For printed matter, 20.7% of costs are allocated to printed matter, and we see an increase of the average rate of 38.1%, for an average rate of \$463/t.

Amplified increase due to a drop in expected quantities		
	2020 Schedule	2021 Schedule
Total costs for printed matter	\$40.7M	\$45.2M
Provision for recycled content credit	\$0.2M	\$0.2M
Printed matter fund	\$0.0M	\$0.0M
Total contribution	\$40.9M + 23.9%	\$45.4M + 11.0%
Expected quantities reported	122 kt - 13.0%	98.1 kt - 19.6%
Average rate	\$335/t + 43.2%	\$463/t + 38.1%

In addition to the increase in net costs that applies to all, the rate increase for printed matter is attributable to the sharp drop in expected quantities, explained in part by the fact that certain food retailers have stopped printing their circulars during the pandemic or have considerably reduced their sizes, whereas other businesses have slowed or ceased all printing.

For containers and packaging, the cost share is 72.8%. The average rate is \$311/t, an increase of 11.7% over the 2020 Schedule.

Average increase lower due to an increase in expected quantities		
	2020 Schedule	2021 Schedule
Total costs for C&P share	\$146.7 M	\$162.4 M
Provision for recycled content credit	\$0.1 M	\$0.3 M
C&P fund	(\$7.8M)	\$0.0M
<b>Total contribution</b>	<b>\$139.0M</b> + 15.8%	<b>\$162.7M</b> + 17.1%
Expected reported quantities	499 kt - 0.6%	523.6 kt + 4.8%
<b>Average rate</b>	<b>\$278/t</b> + 17.3%	<b>\$311/t</b> + 11.7%

\*Without the injection of funds in the 2020SoC, the average 2020 rate for C&P would have been \$297/t. Thus, the increase of the average rate for 2021 compared to 2020 would have been 4.8%.

It should be noted that the increase in the expected quantities of containers and packaging, explained in part by the change in behaviour linked to the pandemic, has a downward impact on the average rate of these materials. The global increase of the container and packaging rate is, however, attributable to the net costs increase, but mainly because of the deferred effect of the funds injection last year. Without those funds, the increase would have been 4.8%.

## 2.8 Towards greater eco-modulation of the Schedule to better support the value chain

For several years, ÉEQ has worked on advancing its fee structure. The last year of those efforts has been dedicated to coming up with a structured fee modulation approach, called eco-modulation, in order to better support the value chain.

The [ecodesign and circular economy plan \(ECEP\)](#) and the [plastics action plan \(PAP\)](#), both adopted by ÉEQ's board of directors, are the fruit of those efforts and preparation. The approach started as a joint reflection along with the Ecodesign and circular economy and the Compensation Plan teams and considered the current context of the compensation plan and the transition to EPR-partnership.

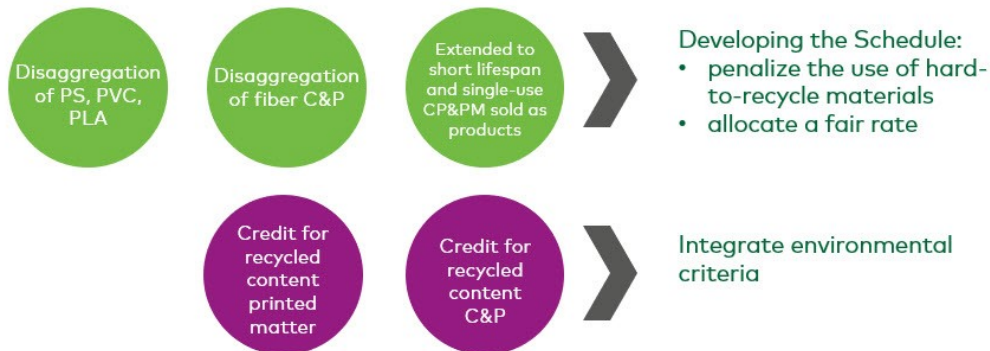
Three guiding principles support this orientation towards greater eco-modulation:

- Fostering packaging choices compatible with the system through ecodesign
- Contribute to improving the curbside recycling system for an overhauled end-of-life management process
- Close the loop for recyclable and recycled packaging by reflecting on the definition of recyclability.

However, the change in fee structure is not a new approach for ÉEQ. Indeed, starting with the 2009 Schedule, polystyrene containers and packaging were disaggregated from other plastics in order to support government guidelines and to demonstrate the difficulty of collecting and processing this packaging. It was also in 2009 that the credit for post-consumer recycled content was introduced for printed matter, then for some containers and packaging in 2013.

## Evolution of the Schedule from 2005 to 2020

Based on the data, simplified for SMEs and taking into account environmental criteria

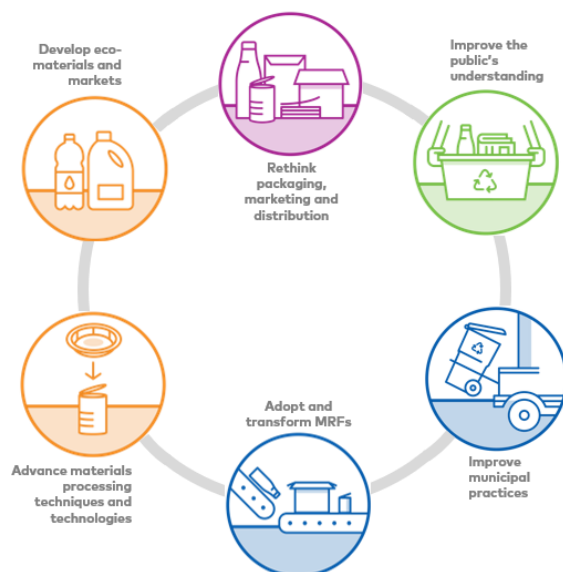


Disaggregation of PLA and PVC with other plastics was carried out in 2011 and 2017. Finally in 2018, the designated materials were broadened in order to include single-use or short-lived containers and packaging sold as products and printed matter sold as products in the contribution. Quebec was thus the first province to target these materials, for the sake of equity, of course, but also in order to promote reduction at source.

All these initiatives contributed to paving the way for preparing a vision statement on eco-modulation in the Schedule of Contributions, as adopted by the board of ÉEQ on October 2nd of last year. The current reflection on the Schedule's eco-modulation goes from the design phase all the way through to end-of-life management, and every other phase in between: processing, marketing, use, then collection and sorting, all the way to recycling.

### Vision statement on ecomodulation

"In order to transition to pricing that is more in line with the impact of the material across the value chain and in the context of the modernization of curbside recycling, where companies are responsible for the materials they place on the market, from their design to their recycling, eco-modulation measures will be gradually implemented starting in 2021."



The introduced eco-modulation measures will have to:

- Guide businesses regarding choice of materials, components or processes to be used.
- Recognize and support packaging ecodesign initiatives by companies.
- Take into account the performance and impact of the material on the entire value chain by discouraging the use of disruptive materials, substances or additives (malus),
- Encourage companies to increase the recyclability of packaging and foster a circular economy.

The measures identified must also take into consideration the regulatory context they are being applied to, the reduction / reuse / recyclability approach at the basis of ecodesign, the existing or developing sorting or recycling technologies, the availability for all made from recycled material when setting recycled content thresholds as well as the points of vigilance limiting the full deployment of eco-modulation measures.

#### Vigilance Points limiting the full deployment of eco-modulation measures:

- Perfectible current system
- Data availability and accessibility
- Notion of recyclability of materials and development of local markets will evolve
- Absence of control over the system ahead of the implementation of EPR-Partnership.

### 2.8.1 Three eco-modulation measures included in the 2021 Schedule

For the 2021 Schedule, three eco-modulation measures have been identified: two result from an evolution of the fee formula, i.e. the disaggregation of plastic laminates from HDPE and LDPE films, and one is linked to eco-design, i.e. the introduction of an incentive bonus for eco-design.

Evolution tied to availability of information



### 2.8.2 Eco-modulating by updating the fee formula

For eco-modulation via the fee formula, it should be noted that it is essential to have up-to-date and specific data for a material targeted by a measure in order to be able to obtain the desired signal, either to penalize materials that are more difficult to recycle or to favor materials that are more easily recyclable. Without adequate signals, ÉEQ could introduce bonus-malus factors in the future.



Indeed, the move to de-amalgamate plastic laminates from bags and film would increase its rate by 2.7% from \$619.30/t to \$635.76/t. Bags and films would thus see their rate drop from \$619.30/t to \$609.02/t.

Material	2020 Schedule \$/t	2021 Schedule \$/t	2021SoC Disaggregated \$/t	Variation (%) (disaggregated vs 2021)
HDPE/LDPE plastic film	543.38	619.30	610.10	-1.5%
Plastic laminates	543.38	619.30	637.00	2.9%

The measure affecting the extension of targeted materials to ceramic containers and packaging follows the extension of the fee structure to short-lived or single-use containers and packaging sold as products as well as to printed matter sold as products during the 2018 Schedule. This could also extend to other packaging, such as wood or textile-based products, which could be included in the future.

Ceramic is absent from the 2020 contribution grid and is allocated a rate of \$386.03/t for 2021.

Material	2020 Schedule \$/t	2021 Schedule \$/t	2021SoC with ceramic \$/t	Variation (%) (ceramics vs T2021)
Ceramic	0	0	386.03	
Clear (flint) glass	208.19	234.78	234.47	-0.13%
Coloured glass	209.35	236.10	235.79	-0.13%

The quantities of ceramic have therefore been added to the estimated quantities already presented and used in the preparation of the current Schedule of Contributions submitted for consultation. The quantities have therefore been updated in the following table:

Category and sub-category		Material	Estimated quantity (kg) for 2021
PRINTED MATTER			98,136,232
Printed matter	Newsprint inserts and circulars		65,368,143
	Catalogues and publications		5,387,249
	Magazines		3,004,659
	Telephone books		320,286
	General use paper		5,107,799
	Other printed matter		18,948,096
CONTAINERS AND PACKAGING			524 256 688
Paper and cardboard	Corrugated cardboard		58,408,389
	Kraft paper shopping bags		3,906,120
	Kraft paper packaging		2,207,517
	Boxboard and other paper packaging		92,654,395
	Gable-top containers		9,680,798
	Laminated paper		13,115,506
	Aseptic containers		5,539,041
Plastics	PET bottles		31,023,693
	Bottles, all sizes and containers <5L (HDPE)		20,311,442
	Plastic laminates		15,885,590

	HDPE/LDPE plastic film	20,483,854
	HDPE/LDPE film shopping bags	10,065,868
	Expanded polystyrene - food	3,369,379
	Expanded polystyrene - protection	1,085,035
	Non-expanded polystyrene	4,235,371
	PET containers	8,932,505
	Polylactic acid (PLA) and other degradable plastics	350,810
	Other plastics, polymers and polyurethane	37,245,542
Aluminium	Aluminium food and beverage containers	4,037,585
	Other aluminium containers and packaging	3,963,257
Steel	Steel aerosol containers	1,741,764
	Other steel containers	25,404,030
Glass	Clear (flint) glass	64,834,578
	Coloured glass	85,096,619
	Ceramic	678 000
<b>TOTAL</b>		<b>622,392,920</b>

### 2.8.3 Eco-modulating by introducing ecodesign measures

ÉEQ is aware that a signal must be sent to companies engaged in packaging eco-design initiatives in order to support them and encourage other companies to work on this too. In this spirit, an ecodesign incentive bonus pilot project with a one-million dollar budget, financed via the Containers and Packaging Permanent Fund, has been created.

The objectives of the bonus are to:

- Recognize a completed ecodesigned packaging initiative.
- Identify action levers, document challenges and define solution leads (information collection and experimentation) between ecodesign and recyclability.
- Measure environmental gains, including GHGs (positive social and economic windfalls, if applicable), and communicate business initiatives in the form of a case study.

The bonus will represent 10% of the contribution for the packaging of the product targeted by the ecodesign initiative and be granted to companies who meet the eligibility criteria. Moreover, several initiatives will be eligible for a single company, up to a cumulative incentive bonus of \$25,000.

To be eligible, companies must meet the criteria below, namely:

- Be a compliant contributing company as per ÉEQ.
- Have completed ecodesign process during the fee structure calendar year or the year before that.
- Have submitted the bonus request form in time.
- Collaborate with ÉEQ in order to document the initiative, identify the challenges and issues and give consent for their case to be published.

The ecodesign incentive bonus pilot project will help identify organizational and operational challenges and issues ahead of the implementation of an ecodesign recognition program in the coming years.

## 2.9 Eco-modulated Contribution table for the 2021 Schedule

With data (costs, quantities) updated and eco-modulation measures introduced, the 2021 contribution table submitted as part of the consultation process is as follows:

Material	2021 Schedule \$/t	Variation %
<b>Printed matter</b>	<b>463.01</b>	<b>38.1</b>
Newsprint inserts and circulars	398.59	36.4
Catalogues and publications, magazines, telephone books, paper for general use and other printed matter	591.53	38.9
<b>Containers and packaging</b>	<b>310.43</b>	<b>11.7</b>
Paper and carton	<b>269.86</b>	<b>12.9</b>
Corrugated carton and Kraft paper	245.26	12.6
Boxboard and other paper packaging	269.45	13.0
Gable-top containers	254.16	12.8
Aseptic containers	314.94	13.2
Laminated paper	386.33	13.4
Plastics	<b>458.19</b>	<b>12.3</b>
PET bottles	340.65	13.6
Bottles, all sizes and containers <5L (HDPE)	185.79	14.4
Plastic laminates	635.76	14.0
HDPE/LDPE plastic film	609.02	14.0
HDPE/LDPE film shopping bags	609.02	14.0
Expanded polystyrene - food	987.15	4.8
Expanded polystyrene - protection	987.15	4.8
Non-expanded polystyrene	987.15	4.8
PET containers	340.65	13.6
PVC, PLA and other degradable plastics	987.15	4.8
Other plastics, polymers and polyurethane	405.01	12.9
Aluminium	<b>221.64</b>	<b>8.3</b>
Aluminium food and beverage containers	221.64	8.3
Other aluminium containers and packaging	221.64	8.3
Steel	<b>194.51</b>	<b>10.7</b>
Steel aerosol containers	194.51	10.7
Other steel containers	194.51	10.7
Glass	<b>235.90</b>	<b>12.8</b>
Clear (flint) glass	234.47	12.8
Coloured glass	235.79	12.8
Ceramic	386.03	12.8
<b>Average rate</b>	<b>334.49</b>	<b>15.7</b>

### 2.9.1 Low-volume producers and lump sums

ÉEIQ had set up a working group for the 2020 Schedule of Contributions at the request of its board of directors and in consideration of contributing companies' concerns. The purpose of the group was to study the specific issues regarding low-volume producers in order to respond, among other things, to companies whose quantities or revenues slightly exceed the fixed price thresholds and whose contribution is significantly higher than the lump sums.

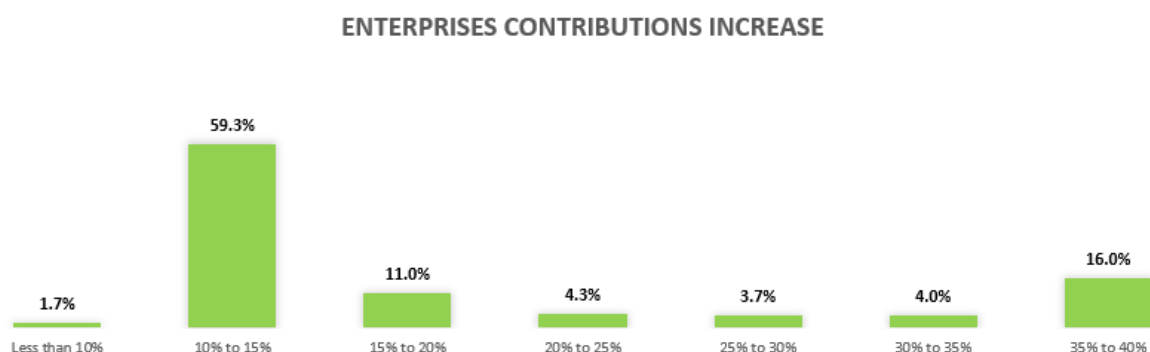
The group had submitted recommendations to the Board of ÉEIQ, who accepted to review the lump sum calculation method using an allocation method of over a period of two years.

The catch-up measure for flat fees is therefore completed this year, placing the rate of flat fees in the upper band of the average rate of materials for their estimated quantities.

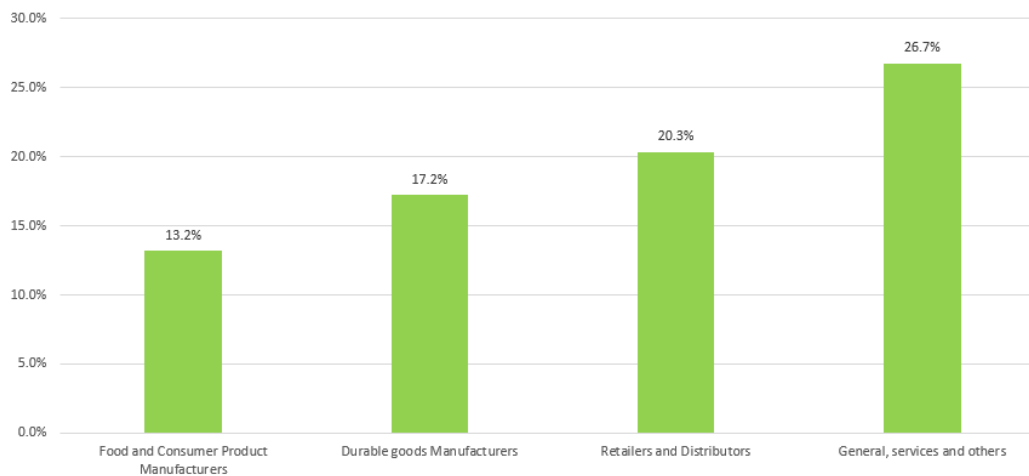
Eligibility criteria	2020 Schedule	2021 Schedule
> 1 MT and < 2.5 MT	\$650	\$830
> 2.5 MT and < 5 MT	\$1,340	\$1,660
> 5 MT and < 10 MT	\$2,675	\$3,320
> 10 MT and < 15 MT or between \$1M and \$2M	\$4,280	\$4,985

## 2.9.2 Impact analysis for contributing companies

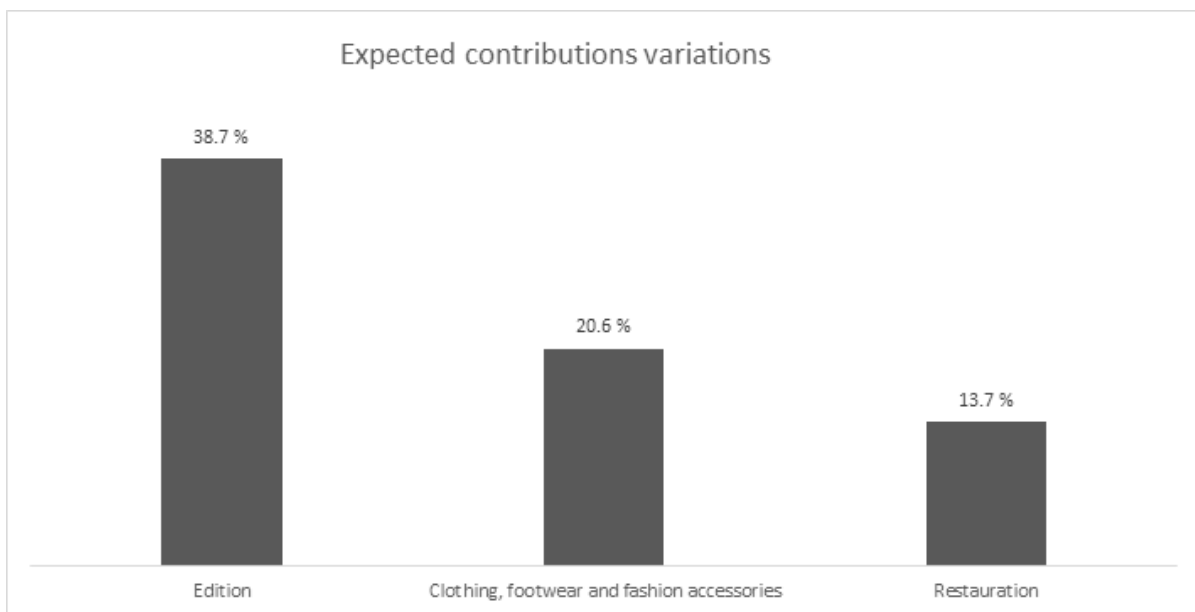
Impacts of each new Schedule of Contribution on companies are systematically analyzed as part of the Schedule's internal development process. Following an average rate hike of 15.7%, we find that nearly 60% of companies would have a below-average increase.



When we analyze the impacts on businesses according to industry, we see that the more a sector generates printed matter, the higher its increase. As a result, food and consumer product manufacturers, who generally have little or no printed matter, have a slightly lower than average increase, whereas the general, services and other sectors, which include financial institutions and publishers and generate more printed matter, bear a greater impact.



We paid particular attention to three sectors that have been hit harder by the pandemic, namely, publishing, clothing retailers and the restaurant industry. We therefore see that the increase is directly correlated with the quantity of printed matter generated.



## 2.10 Validation of the 2021 Schedule of Contributions

The 2021 Schedule has been validated by RCGT, which has reviewed the calculation method for estimating municipal net costs for curbside recycling and rate orientations for 2021, and indicates that the hypotheses and data sources used for net cost estimates are plausible and the file is adequate. Regarding the integrity of the Schedule calculation file, RCGT indicates that the Board of Directors' business rules and decisions are applied as they should be.

RCGT mentions that the current regulatory framework calls for costs to be estimated by ÉEQ and that sorting centres and municipalities are not required to submit contractual agreements to ÉEQ. The related letter is presented in Appendix 1.

### 3. Consultation with companies and organizations

In accordance with the company and organization consultation program for the 2021 Schedule of Contributions, ÉEQ held two consultation webinars last November 24, in French and English respectively. A summary was also sent to the registrants ahead of [the webinar and made available on ÉEQ's website](#).

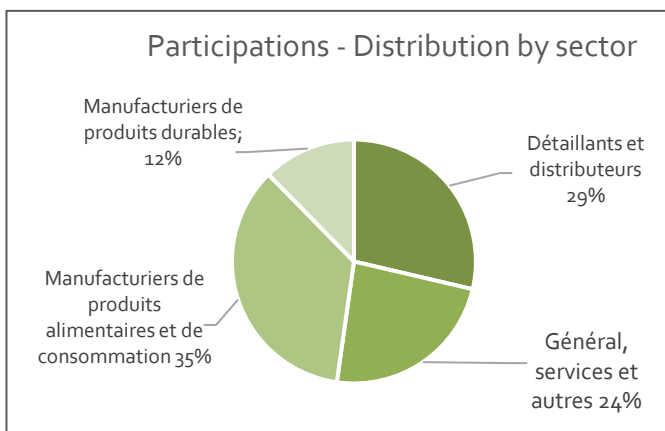
#### 3.1 Announcement of consultations

As always, and more specifically taking into account the current pandemic context, ÉEQ has implemented various communication methods personalized with companies and organizations targeted as well as with their association representatives. Official invitations were therefore sent electronically, followed by a few reminders, both by email and phone, to all contacts registered with ÉEQ, including company contacts not subscribed to the newsletter, given the official aspect of the consultation process.

#### 3.2 Participation in consultations

In total, 245 participants joined in the consultation meetings in French and in English. Attendance, although lower than last year, remains at a higher level than face-to-face encounters for previous Schedules. Of the 344 registrations, the participation rate was 71%, which is quite representative of the participation rate in past years.

Webinar	
Participants (French)	122
Participants (English)	123
<b>TOTAL</b>	<b>245</b>



Among participants, 228 were from 185 targeted companies, 10 were from consultants representing some 30 companies, and others were employer association representatives. When comparing the distribution of participants by activity sector to that of contributing companies, we see that it is relatively similar.

#### 3.3 Questions and Comments about the Schedule

Participants who wanted to ask questions could do so throughout the webinar, which gave them an opportunity to voice any concerns or questions regarding the discussed topics specifically. A question period was set aside at the end to reply to the companies' questions and concerns.

Participating companies also had the opportunity to submit comments by filling out an online form prepared for the event, or by submitting a letter regarding subjects they wished to address.

### 3.3.1 Questions submitted by targeted companies during the consultation

Few questions were submitted during the webinars. They can be separated into three categories:

- Develops the Schedule of Contributions 2021
- Eco-modulation measure: Eco-design training
- Other

The ecodesign bonus has drawn interest and companies have been informed that a webinar will be offered in the first quarter to share additional information on eligibility criteria for this 2021 Schedule of Contributions eco-modulation measure.

The complete list of questions received as part of this consultation is included in Appendix 2.

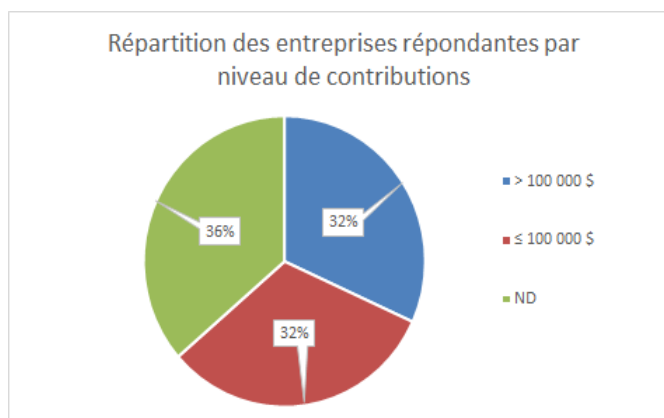
### 3.3.2 Questionnaire on the 2021 Schedule of Contributions

As required by the consultation program, a questionnaire (see Appendix 3) was sent electronically to participants after the webinars. It was also posted on ÉEQ's website for contributing companies in order to collect their comments. The questionnaire on the 2021 Schedule was in three parts: the first evaluated the level of comprehension regarding the impacts of the pandemic and recycling crisis on net costs, the second pertained to the application rules and development methodology for the 2021 Schedule, and the third was to identify respondents (sector, sub-sector, contribution level). The second and last parts included space for participants to indicate their comments and suggestions.

As for questions about the 2021 Schedule specifically, companies had to define their level of agreement regarding the following items, proposed in the draft Schedule submitted for the consultation process:

Considering the vision statement on ecomodulation in order to transition to a fee structure that is more closely related to the impact of materials across the entire value chain:

- Disaggregate laminates to recognize that they are hard to recycle
- Broaden the fee structure to include ceramic containers, which are disruptive to the value chain
- Recognize and support companies in their eco-design initiatives by introducing an eco-design incentive bonus for an amount of \$1 million financed by the Permanent Containers and Packaging Fund.



44 participants filled out and returned the questionnaire. Given that the answer to the question regarding the contribution level is optional, we know that a third of respondents have contributions over \$100K, another third have contributions under \$100K, with the last third declining to answer the question. The vast majority (87%) of questionnaire returned indicated a favourable (Somewhat agree or Completely agree) with regard to each of the three changes made to the 2021 Schedule of Contributions and submitted for consultation.

Although the number of respondents is low compared to the total number of participants, which makes its statistical representation of little significance, we can nevertheless say that the guidelines presented meet the expectations of companies overall. After analysis, it seems overall that 95% of participants (Completely agree, Somewhat agree, No opinion) feel that this consultation helped them fully understand the context in which the Schedule of Contributions has been developed?

### **3.3.3 Correspondence and Comments Received**

As part of the consultation period, only one letter was received from the Association québécoise des éditeurs de magazines (AQEM).

#### **The increase of rates for magazines is significant for the publishing industry**

The association wrote to us denouncing the rate hike for magazines, believing it would have a major financial impact on industry members. Although it appreciates that the recycling industry is going through serious difficulties and that the pandemic requires adjustments to be made, it considers that the situation for magazine publishers is different from that of other Quebec businesses. It feels that their situation is unfair, as newspapers enjoy a different status with RecycleMédias and that the latter has received \$7 million from the Quebec government towards reimbursing recycling costs. The association wants the industry to be recognized as Quebecer content companies that the current situation has greatly weakened.

As part of the consultation, ÉEQ explained that the rate increase for magazines is impacted both by higher costs and lower quantities of materials, and underscored that the publishing industry has also been affected by the pandemic, adding to the existing economic burden. ÉEQ exchanged communications with the AQEM in order to underscore the limits of the regulatory framework and of its ability to act differently regarding a type of material or an industry compared to all the materials or contributing companies. In its consultation report from last year, ÉEQ pointed out that it can act by class of materials, as it has done in the past for printed matter, by injecting monies from the permanent Printed Matter fund, or for all materials in order to mitigate the impact of the rate increase for all materials. ÉEQ cannot, however, invest an amount from a class of materials for only one material. In order to mitigate the impact of contributions on smaller businesses, ÉEQ is also reviewing its eligibility criteria for fixed rates. This is how in its 2014 Schedule of Contributions, it introduced a new criterion based on revenues of up to \$2 million to support this sector, which had been included in the Printed Matter class in 2010 following a legislative change. Since 2014, reported quantities for magazines fell from 4,600 tons to 3,000 (tons) anticipated for the 2021 Schedule. This considerable reduction in quantities demonstrates the attrition happening in the sector. Finally, it should be noted that companies in this sector will have to pay \$2 million.

#### **Eco-modulation measures deemed interesting**

In addition to the overall support of companies in the questionnaire on eco-modulation measures, some comments (3) were also sent via the questionnaire regarding these measures, which are considered interesting in order to help companies minimize the impact of their containers and packaging on the environment. However, one company would like the proposed changes to be deferred to the 2022 Schedule in order to give companies time to make changes to their packaging, while another feels that the incentive bonus for ecodesign should result in a reduction in rates and, therefore, in the contribution to be paid rather than being financed by a fund. Finally, container and packaging manufacturers' role in the ecodesign process was raised as being important, and that subsidizing them would encourage them to modify their production.

ÉEQ receives comments and specifies, as mentioned during webinars, that eco-modulation measures have been introduced in order to send a signal to businesses. Measures will follow, in the coming years, to support the value chain and guide businesses in their choices regarding containers,

packaging and printed matter. With regard to the comments on manufacturers, the ecodesign and circular economy team is already supporting both packaging manufacturers and distributors to offer a range of eco-designed containers and packaging as well, as marketing companies that provide creative guidance to companies as they design their products.

#### **Rate hikes hard to absorb given the pandemic context**

Two companies indicate that the anticipated rate increases represent an added financial burden in the context of the pandemic, which has already weakened several areas. These companies are part of sectors that have already been identified during consultation and in its report on the impacts of COVID-19 as being among those hardest hit by the pandemic, i.e. clothing retailers and the restaurant sector. Although the shares of total expected contributions they represent are not large, with nearly \$2.7M for clothing retailers and \$6.2M for restaurant businesses, respectively, these sectors include various sized businesses, with different economic situations, and many experiencing financial difficulty. As indicated for magazines, ÉEQ cannot intervene specifically for an activity sector, as it develops a Schedule of Contributions for materials. Finally, it should be noted that these sectors are eligible for the payment exemption for small retail businesses (including restaurants) that have only one point of sale.

## **4. Position of the Board of Directors on the 2021 Schedule of Contributions**

ÉEQ's Board of Directors wishes to thank companies for participating in the consultation meeting webinars for the 2021 Schedule of Contributions. The board further underscores the participation of businesses and organizations in this important consultation process in spite of the pandemic context that mobilizes the efforts and energy of all company representatives who are working to adjust to it.

The board members took note of the questions asked as well as the comments and correspondence sent on time and thank the companies and organizations that took the time to present their point of view.

#### **A year marked by the pandemic on top of the ongoing recycling crisis**

The Board estimates that the 2021 Schedule of Contributions is developed against the background of the global COVID-19 pandemic, which has unprecedented impacts for all contributing companies and all activity sectors, as well as on the recovery industry in Quebec, which was still having a tough time getting back on its feet since the Chinese markets blocked imports of recovered materials.

The cost increases seen last year and mitigated by the injection of funds have been smaller this year. However, the board of directors announced last year that this mitigation would carry over into this year. Hence, rather than seeing an average rate increase of 9.8%, the figure announced this year was 15.7%. For packaging containers, which had received over \$7.8M in funds, they saw an increase of 11.7% instead of 4.4%. The board of directors emphasizes, however, that again this year, printed matter is the class most affected by the increases in costs and decrease in quantities generated, resulting, for a second consecutive year, in an increase of nearly 40%.

In that regard, the board appreciates the situation this creates for magazine publishers. Although board members recognize that the legal framework limits specific interventions regarding a topic or sector, they are of the opinion that, failing to recognize this sector for its cultural contribution as the industry has asked for several years now, the government of Quebec could support this industry, which is also struggling due to the effects of the pandemic. Contributions from that sector for the 2021 Schedule of Contributions are expected to be \$1.8 million.

Measures offered by the government to support clothing retailer and restaurant sectors could be broadened exceptionally in order to cover their contributions to curbside recycling financing. Overall, these two sectors combined contribute close to \$8 million.

There were no comments pertaining to e-commerce this year. However, the board would like to point out that management continues to intervene whenever necessary to correct the situation and ensure fairness between companies. Also, as part of the modernization of curbside recycling, the board formally asked that the bill take into account the preoccupations of companies who want the regulatory framework of the EPR-Partnership to ensure not only flexibility, agility, simplicity, financial predictability, but also fairness among companies, specifically for e-commerce.

### **Maintaining eco-modulation measures**

Considering the comments received regarding Schedule of Contributions elements submitted for consultation using the Questionnaire for 2021 and the support for the vision statement on eco-modulation in order to transition to a fee structure that is more closely related to the impact of materials across the entire value chain, the board maintains the following decisions:

- Disaggregate laminates to recognize that they are hard to recycle
- Broaden the fee structure to include ceramic containers, which are disruptive to the value chain
- Recognize and support companies in their eco-design initiatives by introducing an eco-design incentive bonus for an amount of \$1 million financed by the Permanent Containers and Packaging Fund.

### **The request to modernize the system has been active for 10 years**

The board highlighted that the development of the 2021 Schedule of Contributions is also taking place during the transformation of curbside recycling, whereas the Quebec government tabled a bill on September 24th of last year, confirming its intention to modernize curbside recycling and materializing the announcement made to that effect by the Minister of the Environment and the Fight against Climate Change last February.

The board is of the opinion that the extended producer responsibility (EPR) approach advocated by the government will finally place businesses at the heart of the curbside recycling system. After working for more than 10 years towards being part of the solution and stop signing blank cheques, EPR will enable companies to be responsible for their containers, packaging, printed matter and newsprint (C, P, PM & N) from design to recycling, with a view to developing the circular economy. The "partnership" component put forward in Quebec will benefit from the expertise of municipalities that have been managing this system for the past 25 years and know their citizens.

To follow the work of the government which will lead to the regulation and the transition period towards the EPR-partnership, the Board has set up an inclusive governance structure, involving both members of its board and representatives of associations employers as well as representatives of companies subject to an enlarged curbside recycling modernization committee. The employers' associations sitting on the associative committee are also involved in the process and participate in discussions in order to guide positioning. The board thanks everyone for their involvement and commitment to representing you faithfully and seriously in order to work towards true change management in order to work together on transforming Quebec's curbside recycling system.

With EPR-Partnership, 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. The signal to businesses, with the adoption of a vision statement on the eco-modulation of the Schedule of Contributions and the integration of three eco-modulation measures, is only the first milestone on a roadmap that will definitively enable us to focus on circularity for C, P, PM & N. The measures will be presented to you

during the coming year so that businesses can adjust and guide their strategies regarding upcoming responsibilities.

Finally, the Board would like to thank all company and organization representatives who took the time to join in the consultation process. Their participation is important and essential to drive the evolution of the Schedule of Contributions and guide decisions made by board members.

## Appendix 1 — Letter of Validation of the fee structure



Le 20 janvier 2021

Madame Marie Julie Bégin  
Vice-présidente, Régime de compensation  
Éco Entreprises Québec  
1600, boulevard René-Lévesque Ouest, bureau 600  
Montréal (Québec) H3H 1P9

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Raymond Chabot  
Grant Thornton S.E.N.C.R.L.  
Bureau 200  
140, Grande Allée Est  
Québec (Québec)  
G1R 5P7  
T 418 647-3151

**Objet : Avis sur l'estimation des coûts nets et la grille de contribution 2021**

Madame,

Nous avons le plaisir de vous présenter notre avis à l'égard de l'estimation des coûts nets et de la grille de contribution 2021.

Dans le cadre de la détermination et de la tarification de ces coûts, Éco Entreprises Québec (ci-après « ÉEQ ») nous avait mandatés pour :

- valider l'approche d'estimation des coûts nets municipaux de collecte sélective;
- évaluer le caractère plausible de la grille tarifaire relativement aux hypothèses et aux sources de données qui la soutiennent.

Pour ce faire, nous avons appliqué des procédures en vue d'apprécier la plausibilité des hypothèses utilisées par ÉEQ, en plus de valider le fonctionnement technique des fichiers de calculs utilisés.

Voici le sommaire de nos principaux constats.

**Approche d'estimation des coûts nets municipaux à compenser de la collecte sélective**

- Hypothèses :
  - Les hypothèses retenues aux fins d'estimation des coûts nets municipaux à compenser de la collecte sélective nous apparaissent plausibles;
- Intégrité des fichiers de calculs :
  - Les données sources sont correctement reportées dans les fichiers de calculs;
  - À l'exception de points d'amélioration, nos tests d'intégrité appliqués par échantillonnage nous ont permis de constater que les règles d'affaires dictées par le règlement et les décisions du conseil d'administration sont appliquées de façon conforme dans les fichiers de calculs.

#### Grille tarifaire

■ Hypothèses :

- Les hypothèses retenues aux fins d'évaluation de la grille tarifaire nous apparaissent plausibles;

■ Intégrité des fichiers de calculs :

- Les données sources sont correctement reportées dans les fichiers de calculs;
- À l'exception de points d'amélioration quant à l'application des bonnes pratiques de modélisation financière, nos tests d'intégrité appliqués par échantillonnage nous ont permis de constater que les règles d'affaires dictées par le règlement et les décisions du conseil d'administration sont appliquées de façon conforme dans les fichiers de calculs.

Il est important de tenir compte du fait que les municipalités et les centres de tri n'ont aucune obligation de transmettre à ÉEQ les ententes contractuelles.

Les procédures appliquées ne constituent pas un audit du calcul des coûts liés au projet de relocalisation et, par conséquent, nous n'exprimons pas d'opinion sur ce calcul.

De plus, la vérification et la validation du prix des services n'ont pas été conduites en fonction des normes d'audit ou des normes d'examen généralement reconnues décrites dans le *Manuel de CPA Canada – Comptabilité*.

La présente lettre doit être utilisée uniquement dans le contexte de notre rapport à l'égard de l'avis sur l'estimation des coûts nets et la grille de contribution 2021.

Nous vous remercions de la confiance que vous nous témoignez et nous demeurons à votre disposition pour vous fournir toute assistance supplémentaire nécessaire ou pour vous accompagner dans la poursuite de vos objectifs.

Pour toute information complémentaire, n'hésitez pas à communiquer avec le soussigné au 581 319-7307.

Veuillez agréer, Madame, nos salutations distinguées.

*Raymond Chabot Grant Thornton & Co. S.E.N.C.R.L.*

Ghyslain Cadieux, CPA, CMA  
Associé – Conseil en management

/ms

## Appendix 2 — Questions received as part of the 2021 Schedule of Contributions special consultation

Participating company	Questions on the Schedule of Contributions
<b>Costco</b>	Can you clarify whether ceramic will be included? Are we talking about cups, plates, plant pots?
<b>Sushi Taxi</b>	What is the deadline for submitting the 2020 report?
<b>AQDFL</b>	How will ecodesign bonuses be affected?
<b>Sushi Taxi</b>	If for 2-3 years we have managed to make 80% of our packaging recyclable? Would we be entitled to the bonus?
<b>Les Industries Rive Sud South Shore</b>	Regarding ecodesign, we are the users of the packaging, but shouldn't the suppliers be handling ecodesign? What incentive should be presented?
<b>Canada Bread</b>	Just to be clear, if the 2019 data submission with 2020 rates (not published yet) is due by mid Feb 2021 after the 6-month extension, when will the 2020 data submission with this new 2021 rate schedule of contributions be due? Will we be paying 2 years of fees in 2021?
<b>3M Canada</b>	Can we use 2018 data to report for 2020 Contributions, like the other provinces allowed? This would help companies tremendously at this time of COVID.

## Appendix 3 — Questionnaire on the 2021 Schedule of Contributions

### Questionnaire

1. The recycling crisis has an impact on net costs compensated, whereas the pandemic affects net costs and generated quantities. These two factors both influenced the rates presented as part of the consultation.

	Not at all	Some what disagree	No opinion	Some what agree	Completely agree
1. Did the information presented during the consultation allow you to fully understand the context in which the Schedule of Contributions has been developed?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

2. Do you agree with the amendments to the 2021 Schedule of Contributions provisionally approved by ÉEQ's Board?

Application rules and methodology for the Schedule development	Not at all	Some what disagree	No opinion	Some what agree	Completely agree
1. Considering the vision statement on ecomodulation in order to transition to a fee structure that is more closely related to the impact of materials across the entire value chain:					
a. <b>Disaggregate laminates to recognize that they are hard to recycle</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. <b>Broaden the fee structure to include containers made of ceramic, which is a disruptive material to the value chain</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. <b>Recognize and support companies in their ecodesign initiatives by introducing an incentive bonus for ecodesign for an amount of \$1M financed by the Permanent Containers and Packaging Fund</b>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Please provide comments or suggestions:					

## Questionnaire respondent identification

1. Did you participate in a company consultation meeting on the 2021 Schedule of Contributions? ☐ yes ☐ no

2. Check the box next to the sector and sub-sector that best describe your company:

☐ Retailer/Distributor ☐ Manufacturer ☐ Service provider ☐ Other: \_\_\_\_\_

<input type="checkbox"/> Insurance, finance, real estate	<input type="checkbox"/> Construction and gardening materials	<input type="checkbox"/> Hardware
<input type="checkbox"/> Publishing	<input type="checkbox"/> Food and food products	<input type="checkbox"/> Food service and accommodations
<input type="checkbox"/> Electronics	<input type="checkbox"/> Automotive parts	<input type="checkbox"/> Public utilities
<input type="checkbox"/> Public institution	<input type="checkbox"/> Chemical products (cleaners)	<input type="checkbox"/> Clothing and accessories
<input type="checkbox"/> General merchandise	<input type="checkbox"/> Health/Beauty products and pharmaceuticals	<input type="checkbox"/> Other: _____

3. What is your company's or organization's contribution level for the last submitted Schedule? ☐ NA ☐ ≤ \$100,000 ☐ > \$100,000

Name (optional): \_\_\_\_\_ Tel.: \_\_\_\_\_

Company: \_\_\_\_\_ E-mail: \_\_\_\_\_

## Appendix 4 — Correspondence received as part of the 2021 Schedule of Contributions



Le 25 novembre 2020

Marie Julie Bégin, MBA  
Vice-présidente, Régime de compensation  
Éco Entreprises Québec - [mjbegin@eeq.ca](mailto:mjbegin@eeq.ca)

Bonjour madame Bégin,

Nous avons participé aux consultations sur la tarification 2021 afin de faire part de nos besoins et dénoncer l'augmentation prévue qui aura encore une fois, tout comme en 2020, un impact financier majeur pour les membres de notre industrie.

Nous comprenons que l'industrie de la récupération et du recyclage au Québec connaît des graves difficultés depuis 2017 et que la pandémie mondiale de la COVID-19 a nécessité un ajustement, tout comme pour d'autres secteurs de l'économie. Cependant, la situation des éditeurs de magazines québécois est distincte des autres entreprises qui financent le système de collecte sélective par l'intermédiaire de Éco Entreprises Québec (ÉEQ).

En effet, nous avons pris connaissance des principaux facteurs pris en compte pour l'élaboration du Tarif 2021 lesquels, selon vous, justifieront la hausse. Les membres de l'AQEM ne peuvent plus adhérer à ce système inéquitable qui fait en sorte que le contenu québécois des magazines est non seulement juxtaposé aux entreprises de plastique, mais aussi associé à la tarification de l'industrie du plastique. Les journaux, nos comparables en termes de contenu québécois, bénéficient d'un autre statut, soit celui d'être placé sous la responsabilité de Recycle Médias. Cet organisme vient de recevoir un appui de 7 millions de dollars pour les coûts de recyclage de sept entreprises reliées aux journaux. Tel que le fait valoir le président de la FPJP, monsieur Michaël Nguyen, « il faut dire que cette période n'est vraiment pas facile... il faut des médias pour départager le vrai du faux. »

C'est pourquoi nous désirons faire entendre notre voix unique sur cette chaîne de recommandations qui seront présentées au gouvernement québécois quant aux prochaines décisions prises au sujet de la tarification 2021. Tout comme nos confrères, consœurs, nous souhaitons être reconnus à titre d'entreprises de contenu québécois très fragilisées par la situation actuelle.

Je vous prie de recevoir mes salutations les meilleures,

Caty Bérubé  
Présidente de l'AQEM

