



Webinar

Regulation to amend the Regulation respecting the recovery and reclamation of products by enterprises.

GoRecycle is listening

The objective of today's webinar:

- Present the main regulatory changes.
- Collect your questions and comments to better guide our representations to the Ministry.

Main regulatory changes

- Inclusion of online sales and enterprises outside Quebec.
- Broadening of targeted product categories.
- Elimination of parallel markets.
- Products and materials traceability.
- Gradual increase of the minimum recovery rates.
- Remedial plan.
- Publication of an additional annual report.
- Visibility of ecofees – Status quo.

Inclusion of online sales and enterprises outside Quebec

As of December 30, 2022, all companies marketing new products will be covered by the regulation, including

- Online retailers.
 - Enterprises outside Quebec selling targeted products in the province.
-
- ✓ *No changes for members.*
 - ✓ *To ensure fairness, GoRecycle will take the necessary steps towards targeted companies.*

Broadening of targeted product categories

The extended producer responsibility is now applicable to all electrical and gas-powered appliances designed and intended for domestic, commercial or institutional purposes that qualify as “household appliances and air conditioners” (s. 53.0.1).

Products that are not used for cooking, storing, washing or drying dishes, fabrics or clothing, as well as products that regulate ventilation, temperature or humidity of a room or dwelling, must be covered by a **R**ecovery and **R**eclamation **P**rogram (RRP) by 30 June 2023 (s. 53.0.3, par. 2).

- ✓ *GoRecycle will seek additional clarification from the Ministry.*
- ✓ *Communications providing further details will follow.*

Elimination of parallel markets

All products targeted by the Regulation must be managed through an RRP.

An enterprise that recovers and reclaims a targeted product other than through a RRP may receive a monetary administrative penalty of \$3,500 (s. 53.4) or a fine of up to \$1,500,000 (s. 56.1).

- ✓ *As a result, carriers and scrap metal dealers could be fined if targeted products are not recycled or reused under GoRecycle's RRP.*
- ✓ *Communications providing further details will follow.*

Products and materials traceability

GoRecycle must now allow for the traceability of products and materials from their recovery to their final destination (s. 5, par. 4) when they:

- Are made available for reuse.
 - Are undergoing the final stage of their treatment.
 - Are used for energy recovery purposes.
 - Are eliminated.
-
- ✓ *No changes for members.*
 - ✓ *GoRecycle is already working on the implementation of traceability measures.*

Gradual increase of the minimum recovery rates

The new regulations provide for a more gradual increase in the minimum recovery rates to be achieved:

Subcategory 1 - 70% as of 2024

- 5% raise every 3 years, until the rate reaches 90%.

Subcategory 3 - 25% as of 2024

- 5% raise every 2 years, until the rate reaches 50%.
- Followed by an increase of 5% every 3 years until the rate reaches 70%.

Subcategory 4 - 70% as of 2026

- 5% raise every 3 years, until the rate reaches 90%.

- ✓ *No changes for members.*
- ✓ *GoRecycle continues its lobbying to reduce targets and eliminate subcategory 4.*

Remedial plan

According to our understanding, when the targets are not attained, the program must present and implement a remedial plan that must provide for investments equivalent or exceeding the penalties. The recovery plan should

- Allow to achieve the prescribed minimum recovery rate within 2 years.
 - Provide expenditures equivalent or exceeding the values provided by the Regulation multiplied by the missing quantity of products recovered to attain the minimum recovery rate for a given year (s. 14).
 - Take into account the measures contained in a previous remedial plan.
- ✓ *No direct impact for members.*
- ✓ *Failing to obtain a reduction minimum recovery rates, GoRecycle will have to present a remedial plan as early as 2024.*

Publication of an additional annual report

GoRecycle will be required to disclose and make public, for a minimum period of 5 years, information regarding their activities (s. 5, par. 8.1), including

- Recovery rates per product subcategories.
 - The management methods, proportion and destination of recovered products.
 - The main information, awareness and education activities conducted.
 - If applicable, a description of any remedial plan.
 - The quantity of products marketed by all members.
 - The quantities of materials reused, recycled, recovered, stored or eliminated.
 - An assessment of the costs related to the implementation of the program and the revenues related to the recovered products and materials.
-
- ✓ *No direct impact for members.*
 - ✓ *GoRecycle will be required to produce a second annual report, which will be made public.*

Visibility of ecofees – Status quo

Status quo remains, ecofees remain invisible per GoRecycle's Recognition Agreement.

In the event that this obligation is lifted, any company choosing to make these internalized costs visible must, at the time of sale:

- Indicate to the purchaser the address of a website where it is possible to consult information on the RRP in charge of the product.

✓ *No changes for members.*



Questions ?

members@gorecycle.com



Thank you!