

Regulation to amend the Regulation respecting the limit on the number of credits that may be used by a motor vehicle manufacturer and the confidentiality of some information

Act to increase the number of zero-emission motor vehicles in Québec in order to reduce greenhouse gas and other pollutant emissions (chapter A-33.02, s. 9, 2nd par., and s. 15, 2nd par.)

1. The Regulation respecting the limit on the number of credits that may be used by a motor vehicle manufacturer and the confidentiality of some information (chapter A-33.02, r. 2) is amended in section 1

(1) by replacing “25% of the total of the credits it must accumulate for that period.” at the end of the first paragraph by “the maximum percentage of the total credits it must accumulate for that period indicated in the table below:

Period of 3 consecutive calendar years	Maximum percentage of the total credits that a manufacturer must accumulate
2022-2024	25%
2025-2027	20%
2028-2030	15%
2031-2033	10%
Subsequent periods	0%

”;

(2) by replacing “before the date set in the first paragraph of section 8 of the Act” in the second paragraph by “following the notification of the Minister’s decision with regard to the number of credits the Minister intends to enter in the register, in accordance with the second paragraph of section 12 of the Act”.

2. Section 3 is amended in paragraph 3

(1) by striking out “trademark, model, type of model,” and “model year,”;

(2) by adding “, except its trademark, model, type of model and model year” at the end.

3. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

105492

Draft Regulation

Act respecting the Ministère du Développement durable, de l’Environnement et des Parcs (chapter M-30.001)

Environment Quality Act (chapter Q-2)

Act to amend mainly the Environment Quality Act with respect to deposits and selective collection (2021, chapter 5)

System of selective collection of certain residual materials

Notice is hereby given, in accordance with sections 10 and 11 of the Regulations Act (chapter R-18.1), that the Regulation respecting a system of selective collection of certain residual materials, appearing below, may be made by the Government on the expiry of 45 days following this publication.

The object of the draft Regulation is to require certain persons to develop, implement and contribute financially to a system of selective collection of certain residual materials.

The draft Regulation determines the persons concerned by the requirement (referred to herein as “producers”), along with the containers, packaging and printed matter that generate residual materials that must be collected, transported, sorted and reclaimed through the system of selective collection following its implementation.

The draft Regulation also determines the terms and conditions that apply to the collection, transportation, sorting, conditioning and reclamation of the residual materials targeted including, in particular, those applicable to

— the collection, transportation, sorting, conditioning and reclamation of residual materials from the residential sector, institutions, businesses, industries and outdoor public spaces, and the entering into of the necessary contracts;

— measures to promote the eco-design of containers, packaging and printed matter, information, awareness and education activities, and research and development activities included in the system of selective collection implemented by producers;

— communications to make public information about the total quantity of containers, packaging and printed matter marketed, commercialized or otherwise distributed,

the quantity of residual materials generated by such containers, packaging and printed matter and recovered, and the quantity of residual materials reclaimed;

— the determination of the costs of recovering and reclaiming the residual materials targeted and the characteristics of containers, packaging and printed matter that must be taken into account to modulate those costs;

— the resolution of disputes that occur in connection with the entering into of the contracts needed to implement the system of selective collection.

The draft Regulation specifies that the Société québécoise de récupération et de recyclage (referred to herein as the “Société”) designates a body to assume the obligations of producers under the Regulation, within the time provided for in the draft Regulation. It also sets out the rules for designation, including the contents of an application for designation, the duration of designation, and the circumstance in which it can be terminated.

In addition to the obligations assumed in place of producers by the designated body, the draft Regulation sets out the body’s obligations, rights and responsibilities, including in particular

— an obligation to ensure that the composition of its board of directors and its general by-laws meet the conditions set out in this Regulation;

— an obligation to establish various committees, including a committee to monitor the implementation of local services and a committee to monitor the collection of materials, whose members must be in both cases independent from the board of directors;

— an obligation to submit an annual report with the Minister, not later than 30 April each year, detailing all the measures implemented for the system of selective collection and the indicators needed to assess system performance;

— an obligation to achieve minimum recovery and reclamation rates, including a local reclamation rate and, if the body is unable to achieve those rates, an obligation to submit a remedial plan to the Minister setting out the measures, including financial measures, that will allow the rates to be achieved;

— an obligation to enter into contracts with a body given responsibility, if such is the case, by a regulation made under section 53.30.3 of the Environment Quality Act (chapter Q-2), for developing, implementing and contributing financially to a deposit system in order to harmonize the system of selective collection with the deposit system;

— an obligation to pay an amount to the Société annually for the costs borne by the Société with respect to the system of selective collection, on the conditions determined by the draft Regulation;

— a right to require producers to provide all the documents and information it requests to allow the body to perform its responsibilities and obligations pursuant to the draft Regulation.

The draft Regulation includes an obligation for every institution, business and industry to participate in the system of selective collection by ensuring, in particular, that the residual materials generated by containers, packaging and printed matter, if used for their activities or by persons who attend it, can be dealt with by the system.

The draft Regulation also requires the owners or managers of multiple-unit residential complexes and syndicates of immovables under divided co-ownership to make recovery bins available to occupants and co-owners in the common areas, on the conditions set out in the draft Regulation.

Lastly, the draft Regulation includes monetary administrative penalties for failures to comply with the provisions of the Regulation and penal sanctions for offences, along with miscellaneous provisions.

The draft Regulation will have an impact on persons that commercialize, market or otherwise distribute products in containers or packaging or that commercialize, market or otherwise distribute containers, packaging and printed matter, due in particular to the new responsibilities entrusted to them. The new responsibilities, including the achievement of the minimum recovery and reclamation rates for the residual materials covered by the draft Regulation, mean that the persons develop, implement and contribute financially to a system of selective collection more efficient than those currently implemented.

Further information on the draft Regulation may be obtained by contacting Valérie Lephât, Direction adjointe du 3RV-E, Direction des matières résiduelles, Ministère de l’Environnement et de la Lutte contre les changements climatiques, édifice Marie Guyart, 9^e étage, boîte 71, 675, boulevard René-Lévesque Est, Québec (Québec) G1R 5V7; email: valerie.lephat@environnement.gouv.qc.ca.

Any person wishing to comment on the draft Regulation is requested to submit written comments within the 45-day period to Geneviève Rodrigue, Associate Director, 3RV-E, Direction des matières résiduelles, Ministère de l’Environnement et de la Lutte contre les changements climatiques, édifice Marie Guyart, 9^e étage, boîte 71,

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BENOIT CHARETTE
*Minister of the Environment
and the Fight Against Climate Change*

Regulation respecting a system of selective collection of certain residual materials

Act respecting the Ministère du Développement durable, de l'Environnement et des Parcs
(chapter M-30.001, s. 15.4.40, 1st par., subpar. 19)

Environment Quality Act
(chapter Q-2, s. 53.30, 1st par., subpar. 6,
and ss. 53.30.1, 53.30.3, 115.27 and 115.34)

Act to amend mainly the Environment Quality Act
with respect to deposits and selective collection
(2021, chapter 5, s. 20)

CHAPTER I GENERAL

1. The object of this Regulation is to require persons who commercialize, market or otherwise distribute products in containers or packaging or commercialize, market or otherwise distribute containers, packaging and printed matter to develop, implement and contribute financially to a system of selective collection of residual materials generated to allow them to be recovered and reclaimed.

2. In this Regulation, unless otherwise indicated by context,

“Aboriginal community” means any Aboriginal community represented by its band council; (*communauté autochtone*)

“conditioning” means any stage in the treatment of residual materials subsequent to sorting that involves dismantling, shredding, reassembling, cleaning or transforming them in any other way in order to reclaim them; (*conditionnement*)

“containers and packaging” means a product made of flexible or rigid material such as paper, cardboard, plastic, glass or metal, and any combination of such materials, excluding pallets designed to facilitate the handling and transportation of a number of sales units or grouped packagings, that

(1) is used to contain, protect, wrap, support or present products at any stage in the movement of the product from the producer to the ultimate user or consumer; or

(2) is intended for a single or short-term use of less than 5 years and designed to contain, protect or wrap products, such as storage bags, wrapping paper and paper or styrofoam cups, or to be used by the ultimate user or consumer to prepare or consume a food product, such as straws and utensils.

“establishment offering consumption on the premises” means any establishment that is not mobile that offers meals, snacks or drinks for sale for immediate consumption in or outside the premises, with no table service; (*établissement de consommation sur place*)

“municipal body” means a municipality, the metropolitan community of Montréal, the metropolitan community of Québec, an intermunicipal board or any group of municipalities; (*organismes municipaux*)

“printed matter” means any product made of paper and other cellulosic fibres, whether or not used as a medium for text or images, except books with a useful life of more than 5 years; (*imprimés*)

“trademark” means a sign or combination of signs that is used by a person for the purpose of distinguishing or so as to distinguish products or services manufactured, sold, leased, hired or performed by that person from those manufactured, sold, leased, hired or performed by others. However, “trademark” does not include a certification mark within the meaning of section 2 of the Trademarks Act (R.S.C. 1985, c. T-13). (*marque de commerce*)

In this Regulation, the use of the term “sorting, conditioning and reclamation” includes the transfers required for those operations, unless otherwise indicated by context.

CHAPTER II DEVELOPMENT, IMPLEMENTATION AND FINANCIAL SUPPORT OF A SYSTEM OF SELECTIVE COLLECTION

DIVISION I DEVELOPMENT, IMPLEMENTATION AND FINANCING OBLIGATION

3. In this Regulation, every person referred to in sections 4 to 6 or 8 to 9 is a “producer”.

The residual materials generated by the containers, packaging and printed matter referred to in sections 4 to 6 and 8 to 9 are “residual materials”.

§1. Containers and packaging

4. Every person that is the owner or user of a name or trademark and has a domicile or establishment in Québec is required to develop, implement and contribute financially to a system of selective collection of residual materials generated by

(1) the containers and packaging used in the commercialization, marketing or distribution of any other kind in Québec of a product under that name or trademark; and

(2) the containers and packaging identified by that name or trademark.

The obligations set out in the first paragraph apply to a person having a domicile or establishment in Québec who acts as the first supplier in Québec, other than the manufacturer,

(1) of a product the owner or user of the name or trademark for which has no domicile or establishment in Québec;

(2) of a product the owner or user of the name or the trademark for which has a domicile or establishment in Québec but commercializes, markets or otherwise distributes the product outside Québec, following which the product is commercialized, marketed or otherwise distributed in Québec;

(3) of a product that is commercialized, marketed or otherwise distributed without a name or trademark in a container or packaging; and

(4) of a container or packaging that is not identified by a name or trademark.

5. Where a product is acquired outside Québec, as part of a sale governed by the laws of Québec, by a person domiciled or having an establishment in Québec that is not pursuing an organized economic activity, by a municipality or by a public body within the meaning of section 4 of the Act respecting contracts by public bodies (chapter C-65.1), for its own use, the obligation to develop, implement and contribute financially to a system of selective collection of residual materials generated, the containers and packaging used for its commercialization or marketing, or, where the product is a container or packaging, the residual materials generated by the container or packaging, applies to

(1) the person operating a transactional website used to acquire the product and which allows a person having no domicile or establishment in Québec to commercialize, market or otherwise distribute the product in Québec; and

(2) the person from which the product was acquired, whether or not that person has a domicile or establishment in Québec, in other cases.

6. Where the persons referred to in the second paragraph of section 4 do business under a single banner, whether pursuant to a franchise contract or another form of affiliation, the obligation set out in the first paragraph of section 4 applies to the owner of the banner if that owner has a domicile or establishment in Québec.

7. Despite sections 4 to 6, a person is not required to develop, implement and contribute financially to a system of selective collection of residual materials generated by containers or packaging for which

(1) the person is already required, pursuant to a regulation made under the Environment Quality Act (chapter Q-2), to develop, implement or financially contribute to measures to recover and reclaim the containers or packaging;

(2) the person is already required, pursuant to a deposit system established pursuant to another law in Québec, to implement or contribute financially to measures to recover and reclaim the containers covered by the system, such as non-returnable containers used for beer and soft drinks; or

(3) the person is able to show a direct contribution to another system to recover and reclaim the containers and packaging to which this Regulation applies that operates on a stable and regular basis in Québec and that

(a) ensures the recovery of the residual materials concerned throughout the province of Québec; and

(b) enables the recovery and reclamation rates provided for in this Regulation to be achieved, with the exception of the local reclamation rate.

§2. Printed matter

8. Every person who owns or uses a name or trademark and that has a domicile or establishment in Québec is required to develop, implement and contribute financially to a system of selective collection of residual materials generated by printed matter identified by that name or trademark.

Despite the first paragraph, the obligation it specifies applies to the person having a domicile or establishment in Québec that acts as the first supplier, in Québec,

(1) of printed matter identified by a name or trademark the owner of which has no domicile or establishment in Québec;

(2) of printed matter the owner or user of the name or the trademark for which has a domicile or establishment in Québec but sells the printed matter outside Québec, following which the printed matter is marketed, commercialized or otherwise distributed in Québec; or

(3) of printed matter that is not identified by a name or trademark.

9. Where printed matter is acquired outside Québec, as part of a sale governed by the laws of Québec, by a person domiciled or having an establishment in Québec that is not pursuing an organized economic activity, by a municipality or by a public body within the meaning of section 4 of the Act respecting contracts by public bodies (chapter C-65.1), for its own use, the obligation to develop, implement and contribute financially to a system of selective collection of residual materials generated by that printed matter, including the containers and packaging used for its commercialization or marketing, applies to

(1) the person operating a transactional website used to acquire the printed matter and which allows a person having no domicile or establishment in Québec to commercialize, market or distribute the printed matter; and

(2) the person from which the printed matter was acquired, whether or not that person has a domicile or establishment in Québec, in other cases.

10. Where the persons referred to in the second paragraph of section 8 do business under a single banner, whether pursuant to a franchise contract or another form of affiliation, the obligation set out in the first paragraph of section 8 applies to the owner of the banner if that owner has a domicile or establishment in Québec.

11. The obligations set out in sections 4 to 10 must be performed collaboratively by the persons concerned and they may only develop, implement and contribute financially to a single system of selective collection for all such persons.

DIVISION II SYSTEM CONTENT

12. Producers must, for the purpose of fulfilling their obligations for the development, implementation and financing of a system of selective collection with respect to the collection and transportation of residual materials,

(1) collect and transport, in accordance with the terms and conditions set out in Division III of this Chapter, residual materials from

(a) the residential sector, from institutions, businesses and industries whose residual materials and volumes are similar to those of the residential sector, from educational institutions, and from institutions, businesses and industries whose residual materials are collected and transported, on the date preceding the date of coming into force of this Regulation, by a municipal body or an Aboriginal community;

(b) not later than 5 years after the coming into force of this Regulation, all institutions and businesses;

(c) not later than 2 years after the submission of the plan referred to in section 56, two thirds of the outdoor public spaces identified in the plan;

(d) not later than 3 years after the submission of the plan referred to in section 56, all the outdoor public spaces identified in the plan; and

(e) not later than 10 years after the coming into force of this Regulation, all industries;

(2) define the terms and conditions for the collection and transportation of the residual materials from the places listed in paragraph 1 to the place where they are sorted and from there to a place where they are conditioned, reclaimed or disposed of;

(3) promote the entering into the contracts referred to in Division III of this Chapter with groups of municipalities when

(a) residual materials are collected in a territory with more than 25,000 inhabitants; or

(b) residual materials are collected in a territory from at least 10,000 dwellings, institutions or businesses;

(4) promote the entering into the contracts referred to in Division III of this Chapter, where they concern the collection and transportation of residual materials in the territory of Îles-de-la-Madeleine, in the territory governed by the Kativik Regional Government as described in paragraph v of section 2 of the Act respecting Northern villages and the Kativik Regional Government (chapter V-6.1), and in the territory of the James Bay Region as described in the Schedule to the James Bay Region Development Act” (chapter D-8.0.1) with, as the case may be, the agglomeration of Îles-de-la-Madeleine, the Kativik Regional Government or the Eeyou Istchee James Bay Regional Government;

(5) promote the entering into the contracts provided for in Division III of this Chapter with service providers operating at the time when a producer must take steps to enter into contracts pursuant to sections 18 and 20; and

(6) provide, with respect to services to collect and transport residual materials referred to in this Regulation, client services to allow, in particular, for the filing and processing of complaints from clients of those services.

13. Producers must in addition, for the purpose of fulfilling their obligations for the development, implementation and financing of a system of selective collection, with respect to the sorting, conditioning and reclamation of residual materials,

(1) manage residual materials in a way that gives priority to reclamation, with the choice of reclamation processes respecting the following order:

- (a) reuse;
- (b) recycling, with the exception of biological treatment;
- (c) any other form of reclamation by which residual materials are treated for use as a substitute for raw materials;

(d) energy production;

(2) define the places where residual materials may be stored for processing and reclamation;

(3) promote the local sorting, conditioning and reclamation of residual materials and give priority to, in the following order, maintaining, optimizing and developing players in the value chain in Québec;

(4) plan measures to facilitate participation by social economy enterprises within the meaning of section 3 of the Social Economy Act (chapter E-1.1.1); and

(5) sort and condition the residual materials recovered in accordance with the terms and conditions set out in Division IV of this Chapter.

14. Producers must ensure that the system of selective collection they develop, implement and finance allows residual materials to be traced from collection to final destination.

The traceability of residual materials involves using quantitative data to monitor quantities of residual materials covered by the system of selective collection throughout Québec and in each administrative region, at each stage in the collection, transportation, sorting and conditioning process until their final destination.

15. Producers must in addition, for the purpose of fulfilling their obligations for the development, implementation and financing of a system of selective collection, ensure that the system of selective collection they develop

(1) includes operating rules, criteria and requirements that all service providers, including subcontractors, must comply with for the purpose of the management of the residual materials recovered and provides for the establishment of measures to ensure compliance;

(2) includes measures to promote the ecodesign of containers, packaging and printed matter to ensure that they are compatible with the system of selective collection, in particular concerning

(a) their recyclability;

(b) the existence of market outlets for the residual materials;

(c) the inclusion of recycled materials in containers, packaging and printed matter;

(d) the effort made to reduce, at source, the materials used to manufacture containers, packaging and printed matter; and

(e) the quantities of containers, packaging and printed matter marketed;

(3) includes information, awareness and education activities, in particular to inform consumers about the environmental benefits of recovering and reclaiming the residual materials concerned and the types of residual materials targeted by the system of selective collection;

(4) includes a research and development component on

(a) techniques to recover and reclaim the residual materials generated by containers, packaging and printed matter;

(b) the development of market outlets allowing the reclamation of the materials, which must be situated in the following areas, by order of priority: Québec, regions adjacent to Québec, elsewhere in Canada and the United States; and

(c) the measures that may be implemented to ensure that the system of selective collection contributes to the fight against climate change, in particular by reducing the greenhouse gas emissions attributable to the system;

(5) includes a means of communication to make public the following information, each year, and ensure access for a minimum period of 5 years:

(a) the name of the person or body designated pursuant to section 31 to implement the system;

(b) the name of the system, if any;

(c) the quantity of materials making up the containers, packaging and printed matter covered by this Regulation, by weight and type of material;

(d) the quantity of materials referred to in subparagraph *c* that are recovered;

(e) the quantity of materials referred to in subparagraph *c* that are

i. reclaimed in a place referred to in subparagraph 1 of the first paragraph of section 77;

ii. reclaimed in a place referred to in subparagraph 2 of the first paragraph of section 77;

iii. otherwise reclaimed;

iv. stored for more than 30 days and the address of each storage site and the name of the person operating the site; or

v. disposed of;

(f) a description of the main activities completed during the preceding year pursuant to subparagraphs 3 and 4;

(g) if applicable, a description of the remedial plan referred to in the second paragraph of section 82, the amount of financing for the measures included in the plan, the implementation schedule and a list of the measures completed during the year;

(h) in the case of a system implemented by a body designated pursuant to section 31,

i. the name of the body;

ii. the names of the body's members;

iii. the composition of the body's board of directors;

iv. a list of the committees set up by the body, their composition and their mandate;

v. with reference to the information referred to in subparagraph *d* of this subparagraph, the recovery rate achieved during the preceding year and the gap between that rate and the minimum rate prescribed in section 73;

vi. with reference to the information referred to in subparagraph *e* of this subparagraph, the reclamation rate achieved during the preceding year and the gap between that rate and the minimum rate prescribed in section 75; and

vii. a report setting out the income resulting from the collection, from its members, of amounts to cover the costs of developing and implementing the system of selective collection and the costs themselves, detailed as follows:

(I) the costs relating to the collection and transportation of residual materials covered by this Regulation, including costs for client services;

(II) the costs relating to the sorting, conditioning and reclamation of the residual materials concerned;

(III) the costs referred to in subparagraphs *I* and *II*, per inhabitant and by industry, business or institution served;

(IV) the management costs of the designated body and the costs incurred by the Société québécoise de récupération et de recyclage (referred to herein as the "Société") for the system of selective collection;

(V) the costs for the collection and transportation of containers or residual materials not covered by the system of selective collection but nevertheless collected;

(VI) the costs for the activities referred to in subparagraphs 3 and 4;

(VII) the other costs;

(6) provides for the determination of the costs involved in the recovery and reclamation of residual materials generated by the containers, packaging and printed matter covered by this Regulation, after subtraction of any income or gain derived from those materials;

(7) provides for the modulation of the costs referred to in subparagraph 6 based on characteristics such as those referred to in subparagraphs *a* to *d* of subparagraph 2 and taking into account the percentage of recycled materials of which the containers, packaging and printed matter are made as certified by a certification body accredited under ISO 14040 by a member of the International Accreditation Forum in Canada;

(8) provides for the verification, by a person who meets any of the following conditions, of the management of the residual materials generated by the containers, packaging and printed matter covered by this Regulation and of compliance with the requirements of subparagraph 1:

(a) the person holds certification as an environmental auditor issued by a body accredited by the Standards Council of Canada;

(b) the person is a member of a professional order governed by the Professional Code (chapter C-26) and

i. holds a post-secondary diploma in a field relating to environmental protection or industrial ecology;

ii. holds an undergraduate degree and has a minimum of 5 years of experience in a field of activity related to the recovery and reclamation of residual materials; or

iii. holds a college diploma and has a minimum of 10 years of experience in a field of activity related to the recovery and reclamation of residual materials; and

(9) is not used for purposes for which it is not intended.

The cost of recovering and reclaiming residual materials generated by a container, packaging or printed matter referred to in subparagraph 6 of the first paragraph may only be allocated to a product commercialized, marketed or otherwise distributed using that container, packaging or printed matter, or to the container, packaging or printed matter, and must be internalized in the sale price as soon as it is commercialized, marketed or otherwise distributed.

This internalized cost may only be made visible on the initiative of the producer who commercializes, markets or otherwise distributes the product, container, packaging or printed matter, and in such a case the information must be disclosed as soon as its product is commercialized, marketed or otherwise distributed. The information must include a mention that the cost is used to ensure the recovery and reclamation of the residual materials covered by this Regulation and the address of the website where more information can be obtained.

16. Where the system provides for the management of the residual materials concerned in a territory referred to in paragraph 4 of section 12, the producer must ensure that the measures set out in this Division are adapted to the needs and particularities of that territory.

DIVISION III

CONTRACTS FOR THE COLLECTION AND TRANSPORTATION OF RESIDUAL MATERIALS

§1. *Object of contracts*

17. This Division concerns the time limits, terms and conditions that apply to the contracts entered into by producers for the collection and transportation of residual materials referred to in this Regulation and their minimum content.

§2. *Time limits, terms and conditions applicable to the entering into contracts*

18. Where, on (*insert the date of coming into force of this Regulation*), a municipal body or an Aboriginal community is a party to a contract for the collection and transportation of residual materials that ends not later than 31 December 2024, a producer must, not later than 8 months after (*insert the date of coming into force of this Regulation*), take steps to enter into, with that municipal body or Aboriginal community or with any other municipal body, a contract for, as a minimum, the collection and transportation of residual materials from the residential sector and from the territory covered by that contract with the minimum content set out in section 25.

Where, 14 months after (*insert the date of coming into force of this Regulation*), no contract has been entered into pursuant to the first paragraph, the producer and the municipal body or Aboriginal community, as the case may be, may, within 14 days after the time limit, begin a mediation process with a mediator selected from a list of mediators selected pursuant to section 53. The producer and the municipal body or Aboriginal community, as the case may be, pay the fees, expenses, allowances and indemnities of the mediator entrusted with the dispute jointly and in equal shares.

The Minister and the Société must be notified by the producer, within the same time limit, of the reasons of the dispute preventing the entering into the contract referred to in the first paragraph and of the selection of a mediator, if applicable.

The Minister and the Société must be notified in writing of the outcome by the mediator within 30 days of the end of the mediation process.

If the municipal body or Aboriginal community and the producer opt to begin the mediation process referred to in the second paragraph, it may not take longer than 2 months from the date of the notice sent to the Minister in accordance with the third paragraph.

19. If it is impossible for the producer and the municipal body or Aboriginal community, as the case may be, to enter into the contract referred to in the first paragraph of section 18 despite the mediation process undertaken pursuant to the second paragraph of that section, or if the municipal body or Aboriginal community has given the producer written notice that it does not wish to enter into such a contract, the producer may choose

(1) before the expiry date of the contract for the collection and transportation of residual materials to which the municipal body or Aboriginal community is a party, to enter into a contract containing, as a minimum the elements set out in section 25 with the exception of the elements listed in subparagraphs 8 to 9 and 15 to 17 of the first paragraph of that section, in order to ensure the collection and transportation of those residual materials; or

(2) starting on the date referred to in subparagraph 1, to undertake to collect and transport the residual materials itself.

Where, pursuant to the first paragraph, the producer enters into a contract for the collection and transportation of residual materials with a person, or undertakes to collect and transport the residual materials itself, the producer must send a notice to the municipal body or Aboriginal community, as the case may be, indicating the date from which the residual materials will be collected and transported by that person or by the producer.

The notice referred to in the second paragraph must be sent before the expiry date of the contract for the collection and transportation of residual materials to which the municipal body or Aboriginal community is a party and which is referred to in the first paragraph of section 18.

20. Where, on (*insert the date of coming into force of this Regulation*), a municipal body or an Aboriginal community is a party to a contract for the collection and transportation of residual materials that ends on a date after 31 December 2024, a producer must, not later than 18 months before 31 December 2024 choose to

(1) enter into, with the municipal body or Aboriginal community, as the case may be, a contract specifying compensation for the body or Aboriginal community for the services referred to in 53.31.1 of the Environment Quality Act (chapter Q-2), as it read prior to 31 December 2024 provided between 1 January 2025 and the end date of the contract for the collection and transportation of residual materials to which the municipal body or Aboriginal community is a party; or

(2) enter into, with the municipal body or Aboriginal community, as the case may be, a contract in which

(a) the municipal body or Aboriginal community agrees to cancel the contract for the collection and transportation of residual materials to which it is a party; and

(b) the producer undertakes to compensate the municipal body or Aboriginal community for the costs, penalties or other claims resulting from the cancellation referred to in subparagraph *a* of this paragraph.

Not later than 18 months before the expiry of a contract referred to in subparagraph 1 of the first paragraph, the producer must take steps to enter into, with the municipal body or Aboriginal community concerned, as the case may be, or with any other municipal body, a contract for, as a minimum, the collection and transportation of residual materials from the residential sector and from the territory covered by the contract with the minimum content set out in section 25.

Where the producer chooses to enter into a contract referred to in subparagraph 2 of the first paragraph, the producer must, not later than 18 months before the cancellation referred to in subparagraph *a* of that subparagraph takes effect, enter into, with the municipal body or Aboriginal community concerned, as the case may be, or with any other municipal body, a contract for, as a minimum, the collection and transportation of residual materials from the residential sector covered by the cancelled contract and in the territory covered by the contract with the minimum content set out in section 25.

21. Where, 12 months before the contract referred to in the portion before subparagraph 1 of the first paragraph of section 20 expires, no other contract has been entered into pursuant to that section, the producer and the municipal body or Aboriginal community, as the case may be, must, within 14 days, begin a mediation process with a mediator selected from a list of mediators selected pursuant to section 53. The producer and the municipal body or Aboriginal community, as the case may be, pay the fees, expenses, allowances and indemnities of the mediator entrusted with the dispute jointly and in equal shares.

The Minister and the Société must be notified, within the same time limit, of the reasons for the dispute preventing the entering into the contract referred to in section 20 and of the selection of a mediator.

The Minister and the Société must be notified in writing of the outcome by the mediator within 14 days of the end of the mediation process.

The mediation process referred to in the first paragraph may not take longer than 2 months from the date of the notice sent to the Minister in accordance with the second paragraph.

22. Where, 10 months before the contract referred to in the portion before subparagraph 1 of the first paragraph of section 20 expires, despite the mediation process undertaken in accordance with section 21, no other contract referred to in section 20 has been entered into by the producer and the municipal body or Aboriginal community, as the case may be, the producer must pay annually to the municipal body or Aboriginal community, as compensation for the services referred to in section 53.31.1 of the Environment Quality Act (chapter Q-2) as it read prior to 31 December 2024 and provided between 1 January 2025 and the end date of the contract for the collection and transportation of residual materials, an amount corresponding to the average compensation received by the body or community for services provided during the years 2022 to 2024 under the Regulation respecting compensation for municipal services provided to recover and reclaim residual materials (chapter Q-2, r. 10).

The amount corresponding to the average compensation paid annually by the producer pursuant to the first paragraph is determined using the information forwarded by the Société to the municipal body or Aboriginal community and to the producer at their request.

23. Where, on (*insert the date of coming into force of this Regulation*), no service to collect and transport residual materials covered by this Regulation is provided in the territory of a municipal body or Aboriginal community, a producer must, not later than 18 months prior to 31 December 2024, take steps to enter into a contract for the collection and transportation of residual materials on the conditions set out in subparagraphs 1 to 4 of the first paragraph of section 24 with the minimum content set out in section 25.

If it is impossible for the producer and the municipal body or Aboriginal community, as the case may be, to enter into the contract referred to in the first paragraph, section 19 applies, with the necessary modifications.

24. In addition to the collection and transportation of residual materials covered by a contract entered into pursuant to sections 18 and 20, a contract for the collection and transportation of residual materials entered into by a producer pursuant to this Division must cover the collection and transportation of the following residual materials:

(1) residual materials generated by containers, packaging and printed matter covered by this Regulation, with the exception of

(a) residual materials generated by single-use products used by the ultimate user or consumer to prepare or consume a food product, such as straws and utensils, and residual materials generated by products used to support or present products at any stage in their movement from the producer to the ultimate user or consumer; and

(b) residual materials consisting of

- i. rigid plastic belonging to the polystyrene category;
- ii. flexible plastic; or
- iii. compostable, biodegradable or biobased plastic;

(2) not later than 1 January 2027, residual materials consisting of rigid plastic belonging to the polystyrene category or flexible plastic, and residual materials generated by products used to support or present products at any stage in their movement from the producer to the ultimate user or consumer;

(3) not later than 1 January 2029, residual materials generated by single-use products used by the ultimate user or consumer to prepare or consume a food product, such as straws and utensils;

(4) not later than 1 January 2031, residual materials consisting of compostable, biodegradable or biobased plastic.

Despite the first paragraph, a contract for the collection and transportation of residual materials entered into by a producer pursuant to this Division must allow the collection of residual materials whose collection was provided for before the contract takes effect.

§3. Minimum content

25. A contract entered into pursuant to section 18 or 19, the second or third paragraph of section 20 or section 23 must contain, as a minimum, the following elements:

(1) the types of residual materials covered by the contract and their quantity;

(2) the clients to whom residual material collection services are provided;

(3) the locations in which residual materials are collected, including outdoor public places;

(4) the territory in which residual materials are collected;

(5) all the parameters for the collection and transportation of residual materials, such as those relating to

(a) the type of equipment used for collection and transportation and the parameters relating to its origin and maintenance; and

(b) the conditions for the storage and transfer of residual materials during transportation, if applicable;

(6) the destination of the residual materials collected and the conditions for their transfer, if applicable;

(7) the financial parameters of the contract, including prices and terms of payment;

(8) the duration of the contract and the conditions for its amendment, renewal or cancellation;

(9) the procedure for client service, in particular concerning complaint processing;

(10) the conditions for the awarding of contracts by the municipal body or Aboriginal community, if applicable, covering some or all of the collection and transportation of residual materials under its responsibility;

(11) the traceability of residual materials during their transportation to the place where they are sorted;

(12) the mechanism for resolving disputes arising from the performance of the contract, as selected by the parties;

(13) the conditions ensuring the health and safety of workers during the collection and transportation of residual materials;

(14) the parameters for communications between the parties;

(15) the quality control procedure for the collection and transportation of residual materials covered by the contract, including the methods used to characterize the residual materials, site visits, and reliance on audits or an external auditor;

(16) the terms and conditions for adding a party to the contract;

(17) the information, awareness and education measures that the municipal body or Aboriginal community intends to implement to garner the support of system of selective collection clients;

(18) the conditions for optimizing the procedure for collecting residual materials in order, in particular, to facilitate citizens' access to collection equipment.

Where a contract entered into pursuant to section 18 or 19, the second or third paragraph of section 20 or section 23 concerns the collection and transportation of residual materials in the territory governed by the Kativik Regional Government as described in paragraph v of

section 2 of the Act respecting Northern villages and the Kativik Regional Government (chapter V-6.1), in the territory of the James Bay Region as described in the Schedule to the James Bay Region Development Act (chapter D-8.0.1), or in the territory of the regional municipalities of Minganie, Caniapiscau and Golfe-du-Saint-Laurent, it must include as a minimum, in addition to the elements listed in the first paragraph,

(1) the conditions for the storage or conditioning of residual materials prior to transportation, if applicable;

(2) details on training for the local workforce; and

(3) consideration for cultural and linguistic particularities, in connection with the collection and transportation of residual materials, client service, and information, awareness and education measures.

DIVISION IV CONTRACTS FOR THE SORTING, CONDITIONING AND RECLAMATION OF RESIDUAL MATERIALS

§1. Object of contracts

26. This Division concerns the time limits, terms and conditions that apply to the entering, by producers, into contracts for the sorting, conditioning and reclamation of residual materials covered by this Regulation and their minimum content.

§2. Time limits, terms and conditions applicable to the entering into contracts

27. Producers must enter into all the contracts needed to ensure the sorting, conditioning and reclamation of residual materials covered by this Regulation.

Where, on (*insert the date of coming into force of this Regulation*), a municipal body or Aboriginal community is a party to a contract for the sorting or conditioning of residual materials, sections 18 to 22 apply, with the necessary modifications, to the entering into the contract referred to in the first paragraph.

28. No contract referred to in the first paragraph of section 27 may, for a period of 5 years beginning on (*insert the date of coming into force of this Regulation*), be entered into following a call for tenders.

On the expiry of the period provided for in the first paragraph, all contracts entered into pursuant to the first paragraph of section 27 must be entered into following a call for tenders.

29. In selecting a service provider to enter into a contract pursuant to section 27, a producer must take into account

(1) the ability of the service provider to meet the determined requirements for the sorting, conditioning or reclamation of the residual materials targeted and to ensure local management of the residual materials recovered;

(2) the presence of a service provider able to provide the necessary services in the territory concerned;

(3) the system's accessibility for various types of service providers; and

(4) the business model selected by the service provider and the benefits generated for the community.

In making a selection, the producer must, when entering into a contract pursuant to the first paragraph of section 28, give priority to service providers that are already operating when steps are taken to enter into the contract.

§3. *Minimum content*

30. A contract entered into pursuant to section 27 must contain, as a minimum, the following elements:

(1) the types of residual materials covered by the contract and their quantity;

(2) the origin of the residual materials;

(3) all the parameters for the sorting and conditioning of the residual materials, such as those relating to

(a) the type of equipment used to sort, condition or reclaim the residual materials and the parameters relating to their origin and maintenance;

(b) the types of bales of materials produced;

(c) the conditions for the storage and transfer of residual materials, at each state of sorting, conditioning or reclamation;

(d) the management of residual materials taken in charge by the system of selective collection without being covered by this Regulation;

(e) the expected quality of the materials following sorting or conditioning; and

(f) the traceability of residual materials at each stage leading from sorting to conditioning and from conditioning to reclamation;

(4) if applicable, the destination for the materials once sorted or conditioned;

(5) the management of containers on deposit in the residual materials transported;

(6) the financial parameters for the contract, including prices and terms of payment;

(7) the quality control procedure for the sorting, conditioning or reclamation covered by the contract, including the methods used to characterize residual materials, site visits, and reliance on audits or an external auditor;

(8) the duration of the contract and the conditions for its amendment, renewal or cancellation;

(9) the mechanism for resolving disputes relating to the performance of the contract selected by the parties;

(10) the conditions ensuring the health and safety of workers at the site where materials are sorted, conditioned or reclaimed;

(11) the parameters for communications between the parties.

CHAPTER III MANAGEMENT BODY

DIVISION I DESIGNATION

31. Within 3 months after the coming into force of this Regulation, the Société designates, to assume, in place of the producers, the obligations of developing, implementing and financially supporting a system of selective collection, a body that meets the requirements of section 32 and for which the requirements of sections 33 and 34 have been met and for which an application for designation has been sent. The Société must, without delay, send to the body and to the Minister a written confirmation of the designation.

32. Any body may be designated pursuant to section 31 if

(1) it is constituted as a non-profit legal person;

(2) its head office is in Québec;

(3) its board of directors has at least 10 members and at least two thirds of its elected members are producers having their domicile or an establishment in Québec;

(4) the number of members of the board of directors mentioned in paragraph 3 ensures a fair representation of all the sectors of activity to which the producers belong. Their representation is in proportion to the quantity and type of containers, packaging and printed matter commercialized, marketed or otherwise distributed in Québec by the producers in each sector and to the types and quantities of materials used to manufacture such containers, packaging and printed matter;

(5) it pursues its activities in the field of selective collection and the management of systems to recover and reclaim residual materials; and

(6) it is able to bear financial responsibility for developing a system of selective collection in accordance with this Regulation.

33. Every application for the designation of a body must be sent to the Société not later than (*insert the date occurring 2 months after the date of coming into force of this Regulation*) or, for a designation other than an initial designation, at least 2 months before the expiry of the current designation, and must include the following information and documents:

(1) a list of the members of the board of directors, with information allowing them to be identified;

(2) in the case of a first designation, a plan for the development and implementation of a system referred to in section 34;

(3) a copy of any document showing that the body meets the requirements of section 32;

(4) a list of the producers supporting the designation of the body and any document showing support from producers;

(5) a list of its members.

Every person sending an application under the first paragraph must forward a copy of the application to the Minister on the same date as the date on which the application has been sent to the Société.

In cases other than an initial designation, the Société designates a body that meets the requirements of section 32 and for which the requirements of sections 33 and 34 are met and for which an application for designation has been sent, within 30 days of receiving the application.

34. A plan for the development and implementation of a system of selective collection must contain

(1) a general description of the activities of the body's members;

(2) the terms and conditions of membership in the body, which may not require the payment of a contribution;

(3) a summary description of the planned system, covering the operational and financial components for the first 5 years of implementation;

(4) the model contracts that will be used by the body to comply with the obligations of Divisions III and IV of Chapter II of this Regulation;

(5) a list of the measures that the body plans to implement to promote ecodesign and the development of market outlets for various containers, packaging and printed matter;

(6) a list of the information, awareness and education measures the body plans to implement, in particular to facilitate the commissioning of the system of selective collection;

(7) a draft timeframe for the development and implementation of the system, detailing in particular the implementation stages referred to in paragraph 1 of section 12; and

(8) a proposal for harmonizing the system of selective collection with any deposit system developed and implemented pursuant to a regulation made under subparagraph *b* of subparagraph 6 of the first paragraph of section 53.30 and of section 53.30.2 of the Environment Quality Act (chapter Q-2), which must contain, without limiting the possibility to provide for other elements, the elements of section 90.

35. The Société may, if it notes that the development and implementation plan submitted to it with an application for designation pursuant to section 33 does not meet all the requirements of section 34, ask the applicant to make changes.

36. If, among the applications sent, more than one body meets the requirements of section 32, the requirements of sections 33 and 34 are met and the Société is satisfied with the development and implementation plan submitted for each body, it designates the body supported by the greatest number of producers.

37. On the expiry of the time limit set in section 33, if no application for designation has been sent, if no body for which an application has been sent meets the requirements of section 32, or if the requirements of sections 33 and 34 have not been met, the Société designates, within 30 days of the expiry of the time limit, any body which, in its opinion, is able to assume the obligations of subdivision 1 of Division II of this Chapter, even if the body, which must still be constituted as a non-profit legal person and have its head office in Québec, meets only some or none of the other requirements.

The Société must, before designating a body pursuant to the first paragraph, obtain its agreement.

38. If the Société has not designated a body within the time allowed in section 31 or the first paragraph of section 37, the obligation provided for therein falls, as of the expiry of the time, on the Minister, who must act as soon as possible.

39. A body is designated for a period of 5 years.

On expiry, it is automatically renewed for the same period, provided that the body has filed with the Société and with the Minister, not later than 6 months prior to expiry, a report on the implementation and effectiveness of the system of selective collection and that the Société has indicated that it is satisfied with the report not later than 4 months prior to expiry.

40. The report referred to in section 39 must contain at least the following information on the current designation period:

(1) an overview of the progress of the types of materials taken in charge by the system of selective collection;

(2) a description of the main problems encountered in the implementation of the system and the manner in which the designated body solved them;

(3) a description of the elements that, according to the body, allowed the system to generate positive benefits on the management of residual materials in Québec;

(4) a description of the progress of the percentages of recovery and reclamation achieved;

(5) an estimate of the quantities of greenhouse gas emissions that the measures implemented by the system of selective collection allowed to prevent;

(6) if applicable, a description of the measures contained in a remedial plan sent pursuant to section 82;

(7) the proportion of residual materials sent to a reclamation site within the meaning of section 77, per type of material, that were processed and transformed for reintroduction into an industrial process to manufacture new products within the meaning of subparagraph 1 of the first paragraph of section 77.

The report referred to in the first paragraph must set out the aims and priorities of the designated body for the following 5 years, which must describe in particular, for those years, the elements referred to in subparagraphs 3 to 7 of the first paragraph of section 34.

The report must also state the comments and recommendations made by environmental groups, in particular during the consultations held pursuant to section 65. Where the body decides not to act on certain recommendations, it must justify its position in the report.

41. The Société may, within the month following the submission of the report referred to in the second paragraph of section 39, suggest changes to the body that submitted the report.

The Société informs the Minister, within the time limit set in the first paragraph, of the changes it has suggested to the body.

The body has 2 weeks from the receipt of the proposed changes from the Société to make changes to the report or justify its decision not to make a suggested change.

42. If the Société has not ruled on a report within the time limit, the report is deemed to be satisfactory to the Société and the body's designation is automatically renewed on expiry with no further notice or time limit.

The Société must, without delay, send to the body and to the Minister written confirmation of the renewal of the designation.

43. A body's designation is not renewed if

(1) the body has failed to submit its report within the time limit set in the second paragraph of section 39; or

(2) the body has submitted a report within the time limit set in the second paragraph of section 38, but the Société has stated that it is not satisfied with the report within the time limit set in the second paragraph of that section.

Where a designation is not renewed for a reason set out in the first paragraph, the Société must, at least 6 months before the expiry of the designation, notify the body and the Minister, giving the reason for non-renewal.

The Société must also, as soon as possible, post on its website a notice informing producers that the body's designation has not been renewed.

44. Where a body's designation will not be renewed on expiry, the Société must begin a process that will allow it, in the 6 months prior to expiry, to designate, to ensure the implementation and financing of a system of selective collection developed and implemented by another body, any body that meets the requirements of section 32, for which the requirements of sections 33 and 34 have been met and for which an application for designation as a management body for the system of selective collection has been filed. It sends confirmation of the designation to the body and to the Minister without delay.

If the Société has not designated a body within the time limit in the first paragraph, the obligation provided for therein falls, as of the expiry of the time limit, on the Minister, who must act as soon as possible.

45. The Société may terminate a current designation if

(1) the designated body fails to comply with a provision of this Regulation or of its general by-laws;

(2) the designated body ceases operations for any reason, including bankruptcy, liquidation or the assignment of its property;

(3) the designated body has filed false or misleading information with the Société or has made false representations; or

(4) more than 50% of the members of the designated body request termination.

For this purpose, the Société sends written notice to the body and to the Minister stating the reason for the termination of designation.

If termination is for a reason provided for in subparagraph 1 of the first paragraph, the body must remedy its failure within the time limit set in the notice, failing which its designation is terminated by operation of law on the expiry of the time limit. If termination is for a reason provided for in subparagraph 2, 3 or 4 of the first paragraph, its designation is terminated by operation of law on the date of receipt of the notice by the body.

The Société must post on its website, as soon as possible, a notice informing producers that the body's designation has been terminated.

46. Where the Société sends a notice referred to in the second paragraph of section 45, it must take steps, within 6 months of sending the notice, to designate any body which, in its opinion, is able to assume the obligations of subdivision 1 of Division II of this Chapter, even if the body, which must still be constituted as a non-profit legal person and have its head office in Québec, meets only some or none of the other requirements.

The Société must, before designating a body pursuant to the first paragraph, obtain its agreement.

A designation under the first paragraph takes effect from the date on which a notice informing the body of the designation is received by the body.

47. Despite section 46, an application for designation as management body may be filed with the Société at any time after a notice has been sent under the second paragraph of section 45.

Sections 31 to 36 apply, with the necessary modifications, to any application filed pursuant to the first paragraph.

The designation of a body whose application was filed pursuant to the first paragraph and which meets the conditions of section 32 must be given priority over the designation of a body pursuant to the first paragraph of section 46.

48. If the designation of a body ends prior to expiry or is not renewed, the body must continue to meet its obligations until a new body has been designated.

A body whose designation is terminated must take all necessary steps to ensure that the body that will take its place is able to fulfill all its obligations under this Regulation as soon as possible. The 2 bodies may, for that purpose, enter into a contract to determine the terms and conditions that apply, in particular, to the management of contracts entered into by the body whose designation is terminated.

DIVISION II **OBLIGATIONS, RIGHTS AND RESPONSIBILITIES**

§1. Of the designated body

49. Every body designated pursuant to Division I of this Chapter must assume, in place of the producers, the obligations of those producers under this Regulation.

§§1. Rules of governance

50. A designated body must, within 8 months after its designation, ensure that

(1) in addition to the conditions set out in paragraphs 3 and 4 of section 32, the board of directors of the body has enough members to ensure representation in proportion to the financial contribution made by producers to the system of selective collection;

(2) each producer is entitled to only one seat on the board of directors;

(3) each member of the board of directors who is not a member of the body pursues or has pursued activities in the field of selective collection.

51. A body must, within 8 months after its designation, adopt general by-laws providing for

(1) rules of ethics and professional conduct for the members of the board of directors and employees, addressing compliance with laws and regulations, the confidentiality of information obtained in the performance of their duties, conflicts of interest and apparent conflicts of interest;

(2) the procedure for convening meetings, making decisions and ensuring the necessary quorum at meetings of the board of directors;

(3) the contents of the minutes from meetings of the board of directors, which must record the decisions made and their approval by the board of directors;

(4) the inclusion of any topic raised by a member of the monitoring committee established pursuant to section 66 on the agenda at the next ensuing meeting of the board of directors, at the member's request, and the presence of the member to present it.

The body must also implement measures, within the same time limit, to ensure that data gathered for the development, implementation and management of the system of selective collection are used in accordance with the applicable laws and regulations and ensure protection for the personal and confidential information of its members.

52. The following items must be entered on the agenda for each annual general meeting of the members of a designated body:

(1) a presentation of the body's activities during the preceding calendar year;

(2) changes in the implementation of the system and the costs incurred;

(3) the possibility for members to give their opinion on those topics.

53. Within 15 days following its designation, the designated body must establish a committee to select mediators pursuant to the second paragraph of section 18 or section 21.

The committee referred to in the first paragraph must include 2 persons chosen by the Union des municipalités du Québec and the Fédération québécoise des municipalités locales et régionales (FQM), and 2 persons who are members of the designated body, chosen by the body.

The selection committee must, within 2 months of its establishment, draw up a list of 20 mediators accredited by the Institut de médiation et d'arbitrage du Québec.

If training on the operation of the system of selective collection is needed to allow the mediators referred to in the third paragraph to perform their duties, the costs of the training are borne jointly and equally by the designated body and the municipal federations referred to in the second paragraph.

54. The list of mediators drawn up pursuant to section 53 is sent to the Minister, the Société and the Institut de médiation et d'arbitrage du Québec within 14 days of being drawn up.

55. Within 3 months after its designation, the designated body must set up a contingency fund that allows it to meet its obligations under this Regulation, and maintain it for the duration of its designation.

Within the same time limit, the body must establish the terms and conditions for contributions to the contingency fund by its members.

§§2. Submission of plans and reports and monitoring committees

56. Not later than 2 years following its designation, the designated body must submit a plan to the Société describing how it intends to fulfill its obligation to collect and transport residual materials from all outdoor public spaces in municipalities of over 25,000 inhabitants referred to in subparagraphs *c* and *d* of paragraph 1 of section 12, when those public spaces are not covered by a contract to collect and transport residual materials entered into pursuant to sections 18 to 24.

57. The plan referred to in section 56 must contain

- (1) an identification and a map of all the outdoor public spaces concerned; and
- (2) a description of the way in which the designated body intends to collect and transport residual materials from the outdoor public spaces, which must have a minimum of 2 phases.

58. Not later than 30 April each year, the designated body must send to the Société and the Minister, with respect to the system of selective collection, a report on its activities for the preceding calendar year along with its audited financial statements.

The financial statements must be audited by an independent third person who is a professional within the meaning of section 1 of the Professional Code (chapter C-26) and authorized by the order of which the professional is a member to complete an audit mission. The financial statements may also be audited by any other person legally authorized to perform such an activity in Québec.

59. The report referred to in the first paragraph of section 58 must contain

- (1) the name and professional contact information of each of its directors;
- (2) a list of its members and of the persons referred to in section 7;
- (3) the name of the system of selective collection, if any;
- (4) a description of the selective collection services, detailing the collection services provided for the residential sector, industries, businesses and institutions as well as public spaces;
- (5) the information referred to in subparagraph *c* of subparagraph 5 of the first paragraph of section 15, by type of material, by administrative region and by inhabitant;
- (6) the information referred to in subparagraphs *d* and *e* of subparagraph 5 of the first paragraph of section 15 by type of material, by administrative region and by inhabitant;
- (7) the quantity of residual materials generated by containers, packaging and printed matter covered by this Regulation that was disposed of or used to produce energy, by administrative region and by inhabitant;

(8) the recovery and reclamation rates referred to in sections 73, 75 and 79 that are achieved;

(9) the final destination of the residual materials referred to in subparagraph *c* of subparagraph 5 of the first paragraph of section 15 and the name and address of the persons who recovered them, conditioned them, stored them, reclaimed them or disposed of them;

(10) for each type of container, packaging and printed matter, the criteria for modulating the cost of collecting, transporting, sorting, conditioning and reclaiming them, taking into account criteria such as those set out in subparagraphs *a* to *d* of subparagraph 2 of the first paragraph of section 15;

(11) the amounts charged to producers by the designated body, which must correspond to the net costs of implementing the system in cost per kilogram of material involved and, if the costs are internalized in the sale price of a product, the cost of recovering, recycling and reclaiming the containers concerned whose cost is internalized in the sale price of the product; and

(12) the quantity of compostable, biobased or degradable materials referred to in the first paragraph of section 86 and, if applicable, the amount of the sum paid pursuant to the second paragraph of section 86 and the measures the body put in place to discourage the use of those materials.

60. The report referred to in the first paragraph of section 58 must, in addition, contain

- (1) a list of the contracts entered into by the designated body and a summary of their contents and, if applicable, a list of any changes made to current or renewed contracts;
- (2) a description of the measures put in place to promote the eco-design of containers, packaging and printed matter and to allow the system of selective collection to contribute to the fight against climate change, in particular by reducing the greenhouse gas emissions attributable to the system;
- (3) a description of the way in which the body has ensured, with respect to the management of the residual materials generated by containers, packaging and printed matter that have been recovered, that the selection of a form of reclamation complies with the order of priority set out in paragraph 1 of section 13, or a justification for failing to respect that order;
- (4) a description of the way in which the body has, in developing and implementing the system of selective collection, taken into account the principles forming the

basis for the circular economy and the social economy within the meaning of section 3 of the Social Economy Act (chapter E-1.1.1);

(5) a description of its information, awareness and education activities and of the research and development activities completed during the year or scheduled for the following year;

(6) the results of all the studies carried out during the year, in particular the studies of the sampling of residual materials carried out pursuant to section 81;

(7) a list of its committees, the mandate of each committee and the names of its members;

(8) more specifically, with respect to the monitoring committees, their composition, the name of their members, the dates of their meetings, the topics on the agenda at each meeting, and the recommendations made by the committees to the board of directors;

(9) the actions taken on the recommendations made by the monitoring committees and, if applicable, the reason for which no action is taken on a recommendation;

(10) a list of the mediators selected pursuant to section 53;

(11) a report containing the information listed in subparagraph *vii* of subparagraph *h* of subparagraph 5 of the first paragraph of section 15;

(12) any change made to the system and any change planned for the following year; and

(13) the way in which the system of selective collection has been harmonized with a deposit system developed and implemented pursuant to a regulation made under subparagraph *b* of subparagraph 6 of the first paragraph of section 53.30 and section 53.30.2 of the Environment Quality Act (chapter Q-2).

61. The financial statements referred to in the first paragraph of section 58 must contain

(1) the contributions required from the producers for the financing of the system;

(2) any form of income from the operation of the system and, if applicable, of a deposit system developed, implemented and financed under a regulation made pursuant to subparagraph *b* of subparagraph 6 of the first paragraph of section 53.30 and section 53.30.2 of the Environment Quality Act (chapter Q-2);

(3) the expenses associated with the recovery and reclamation of the residual materials referred to in the Regulation;

(4) the expenses associated with the information, awareness and education activities aimed in particular at informing consumers on the environmental benefits of recovery and reclamation of the residual materials concerned and on the types of residual materials involved in the system of selective collection;

(5) the expenses associated with the research and development activities on the elements referred to in subparagraph 4 of the first paragraph of section 15;

(6) the expenses paid by the Société for fulfilling its obligations under this Regulation; and

(7) any other expenses associated with the implementation of the system of selective collection.

62. Where a remedial plan referred to in the second paragraph of section 82 must be produced by the designated body, the annual report must also contain a detailed description of the measures in the plan that have been implemented during the year covered by the report, along with the costs incurred and that have not yet been incurred for the implementation of the measures.

63. The Société must, within 3 months after receipt of the designated body's annual report, send to the body the results of its analysis of the report including

(1) a list of the information required by sections 59 to 62 that do not appear; and

(2) any other obligation provided for in this Regulation that has not been complied with by the body and the time limit set for indicating how the situation is to be remedied and the schedule to do so.

It must also, in the same time limit as that set in the first paragraph, send to the Minister a written summary of the results of the analysis it made of the body's annual report, which must include the list provided for in subparagraph 1 of the first paragraph, and formulate its recommendations on the manner in which the system of selective collection could be improved.

64. The information in the annual report is public information.

65. At least every 5 years, the designated body must consult with environmental groups and consumers to present the development of the system of selective collection and gather their comments and recommendations.

66. During 2025, the designated body must establish a committee to monitor the implementation of local services and a committee to monitor the collection of materials.

The members of the committees must be independent from the members of the designated body's board of directors.

67. The designated body must ensure that the members of each committee meet at least twice during the first year of development of the system of selective collection and at least 3 times per year thereafter.

68. The members of the committee monitoring the implementation of local services represent the following persons and bodies, taking regional or territorial particularities into account:

(1) municipal bodies that are parties to contracts entered into pursuant to Divisions III and IV of Chapter II of this Regulation;

(2) the suppliers of services to collect and transport residual materials covered by this Regulation.

A person or body referred to in the first paragraph may only be represented on the committee by a single person.

Three seats as observers on the monitoring committee are held by the designated body, the Ministère du Développement durable, de l'Environnement et des Parcs and the Société.

69. The members of the committee monitoring the collection of materials represent the following persons and bodies having a domicile or establishment in Québec, taking into account the range of business models and the various types of material making up the containers, packaging and printed matter:

(1) the managers of sorting centres for the sorting of residual materials;

(2) residual material conditioners;

(3) residual material reclaimers;

(4) persons acting as intermediaries in the buying or selling of residual materials, such as brokers;

(5) if applicable, a member of the board of directors of a body designated pursuant to a regulation made under subparagraph *b* of subparagraph 6 of the first paragraph of section 53.30 and section 53.30.2 of the Environment Quality Act (chapter Q-2).

A person or body referred to in the first paragraph may only be represented on the committee by a single person

Three seats as observers on the monitoring committee are held by the designated body, the Ministère du Développement durable, de l'Environnement et des Parcs and the Société.

70. Every 2 years, one third of the members of each committee referred to in sections 68 and 69 must be replaced by new members who meet the conditions in those sections.

71. The monitoring committees are responsible for

(1) monitoring the implementation and management of the system;

(2) anticipating the issues that may arise when implementing and managing the system; and

(3) raising the issues with the designated body and recommending ways to resolve them.

72. The designated body must follow up on all the issues raised and all ways to resolve them recommended by a monitoring committee.

The designated body must send to the monitoring committees, at their request, any operational and financial information for the system that they need to fulfill their mandate.

§§3. *Recovery and reclamation rates*

73. Recovery rates - A body designated pursuant to section 31 is required to achieve the recovery rates specified in this section from the residual materials generated by containers, packaging and printed matter referred to in sections 4 to 6 and 8 to 9.

The rates specified in this section are determined by type of material.

The minimum rates to be achieved beginning in the year 2027 are as follows:

Type of material	Minimum annual recovery rate to be achieved beginning in year 2027
1- Cardboard	85%, increased to 90% after 5 years
2- Printed matter, containers and packaging made of fibres other than cardboard	80%, increased to 85% after 5 years
3- Rigid plastics of the high-density polyethylene (HDPE) type	80%, increased by 5% every 5 years until the rate reaches 90%
4- Rigid plastics of the polyethylene terephthalate (PET) type	80%, increased by 5% every 5 years until the rate reaches 90%
5- Other rigid plastics	75%, increased by 5% every 5 years until the rate reaches 85%
6- Flexible plastics	50%, increased by 5% every 5 years until the rate reaches 65%
7- Glass	70%, increased to 75% after 5 years
8- Metals other than aluminum	75%, increased by 5% every 5 years until the rate reaches 90%
9-Aluminum	55%, increased by 5% every 5 years until the rate reaches 70%

74. The recovery rates for residual materials listed in section 73 are calculated by dividing, for each type of material, the weight of the materials recovered by the weight of the materials of which the containers, packaging and printed matter covered by this Regulation are made multiplied by 100.

For the purposes of the first paragraph, the weight of the materials recovered is determined by the designated body through sampling carried out in accordance with the conditions of section 81 and the weight of the materials of which the containers, packaging and printed matter are made concerns only the weight of materials collected and transported under a contract entered into pursuant to Division III of Chapter II of this Regulation in the year for which the rate is calculated.

Only materials that are traced may be considered in the calculation referred to in the first paragraph.

75. A body designated pursuant to section 31 is required to achieve the reclamation rates specified in this section from the residual materials generated by containers, packaging and printed matter referred to in sections 4 to 6 and 8 to 9.

The rates specified in this section are determined by type of material.

The minimum rates to be achieved are as follows:

(1) for the years 2027 to 2029:

Type of material	Minimum annual reclamation rate to be achieved for years 2027 to 2029
1- Cardboard	75%
2- Printed matter, containers and packaging made of fibres other than cardboard	70%
3- Rigid plastics of the high-density polyethylene (HDPE) type	65%
4- Rigid plastics of the polyethylene terephthalate (PET) type	70%
5- Other rigid plastics	65%
6- Flexible plastics	40%
7- Glass	65%
8- Metals other than aluminum	70%
9-Aluminum	50%

(2) for the years 2030 and following:

Type of material	Minimum annual reclamation rate to be achieved beginning in the year 2030
1- Cardboard	75%, increased by 5% every 5 years until the rate reaches 85%
2- Printed matter, containers and packaging made of fibres other than cardboard	70%, increased by 5% every 5 years until the rate reaches 85%
3- Rigid plastics of the high-density polyethylene (HDPE) type	65%, increased by 10% every 5 years until the rate reaches a minimum of 85%
4- Rigid plastics of the polyethylene terephthalate (PET) type	65%, increased by 10% every 5 years until the rate reaches 85%
5- Other rigid plastics	65%, increased by 10% every 5 years until the rate reaches 85%
6- Flexible plastics	50%, increased by 10% every 5 years until the rate reaches 80%

Type of material	Minimum annual reclamation rate to be achieved beginning in the year 2030
7- Glass	65%, increased by 10% every 5 years until the rate reaches 85%
8- Metals other than aluminum	70%, increased by 10% every 5 years until the rate reaches 80%
9-Aluminum	50%, increased by 10% every 5 years until the rate reaches 80%

76. The reclamation rates for residual materials listed in section 75 are calculated as follows:

(1) for the rates referred to in subparagraph 1 of the third paragraph of section 75, by dividing, by type of material, the weight of the materials sent after sorting to a conditioner by the weight of the materials of which the containers, packaging and printed matter covered by this Regulation are made multiplied by 100;

(2) for the rates referred to in subparagraph 2 of the third paragraph of section 75, by dividing, by type of material, the weight of the materials sent by a conditioner to a reclamation site by the weight of the materials of which containers, packaging and printed matter covered by this Regulation are made multiplied by 100.

For the purposes of the first paragraph, the weight of materials sent to a conditioner or to a reclamation site, as the case may be, is determined by the designated body through sampling carried out in accordance with the conditions of section 81 and the weight of the materials of which the containers, packaging and printed matter are made concerns only the weight of materials collected and transported under a contract entered into pursuant to Division III of Chapter II of this Regulation in the year for which the rate is calculated.

Only materials that are traced within the meaning of section 14 may be considered in the calculation referred to in the first paragraph.

77. The following sites are reclamation sites for the purposes of section 76:

(1) sites where the materials sent are processed and transformed for reintroduction into an industrial process to manufacture new products;

(2) sites where the materials sent are processed to be used as a substitute for raw materials.

The following sites are not reclamation sites for the purposes of section 76:

(1) sites where the materials sent are used to produce a fuel, heat or any other form of energy;

(2) sites where the materials sent are used as backfill or cover or for the landscaping of a landfill site;

(3) sites where the materials sent are subjected to biological processing, except those situated in the territories referred to in paragraph 5 of section 12.

78. The rates listed in sections 73 and 75 that are achieved by a producer must be audited by an independent third person who is a professional within the meaning of section 1 of the Professional Code (chapter C-26) and authorized by the order of which the professional is a member to complete an audit mission. They may also be audited by any other person legally authorized to perform such an activity in Québec.

79. A body designated pursuant to section 31 is required to achieve the local reclamation rates specified in this section from the residual materials generated by containers, packaging and printed matter referred to in sections 4 to 6 and 8 to 9.

The rates specified in this section are determined by type of material.

The minimum rates to be achieved beginning in 2030 are as follows:

Type of material	Minimum annual local reclamation rate to be achieved beginning in 2030
1- Cardboard	90%
2- Printed matter, containers and packaging made of fibres other than cardboard	90%
3- Rigid plastics of the high-density polyethylene (HDPE) type	90%
4- Rigid plastics of the polyethylene terephthalate (PET) type	80%
5- Other rigid plastics	75%
6- Flexible plastics	50%
7- Glass	70%
8- Metals other than aluminum	50%
9-Aluminum	50%

80. The local reclamation rates listed in section 79 are calculated by dividing, by type of material, the weight of the materials sent by a conditioner to a local reclamation site by the weight of the materials sent to any reclamation site referred to in the first paragraph of section 77 multiplied by 100.

A local reclamation site within the meaning of the first paragraph is a reclamation site referred to in section 77 and situated in Québec.

81. To determine the weight of materials needed to calculate the rates referred to in sections 74 and 76, the designated body samples residual materials in sorting facilities and with conditioners in compliance with the following conditions:

(1) sampling in a sorting facility is conducted before and after the sorting of the materials;

(2) sampling with a conditioner is conducted when the materials are sent, by the conditioner, to the reclamation site or, if the conditioner is also the person who reclaims the materials, once conditioning has been completed;

(3) the materials are sampled at least once every 3 years in each sorting facility and with each conditioner;

(4) sampling is conducted in accordance with a sampling plan approved by a statistician.

82. The designated body must, each year and for each type of material referred to in sections 73, 75 and 79, determine if the recovery, reclamation and local reclamation rates have been achieved.

Where one or more prescribed rates have not been achieved, the body must, within 3 months after the date for submitting the annual report referred to in section 58, submit a remedial plan to the Société and to the Minister detailing the measures that will be implemented to achieve the rates.

83. The measures in the remedial plan must

(1) ensure that the minimum rates covered by the remedial plan can be achieved within 2 years; and

(2) take into account the measures contained in any remedial plan previously submitted to the Société and to the Minister.

The remedial plan must specify that the body must finance the measures it contains and the amount of the financing calculated in accordance with section 84.

In the case of a failure to achieve the minimum rate for local reclamation, the measures in the remedial plan must, in addition to the measures specified in the first paragraph,

(1) detail what the designated body plans to do to stimulate the development of local market outlets for the materials concerned; and

(2) specify that if the local reclamation rate is not achieved during 5 consecutive years, the increase in the financing of measures that the body has implemented for the local reclamation of materials and that is specified in the remedial plan referred to in the second paragraph of section 82 will double until the rate is achieved.

84. The amount of financing for the measures referred to in the second paragraph of section 83 is established

(1) using the equation

$$MFm = Pmm \times M$$

where:

MFm = the amount of the financing for the measures for the year concerned;

Pmm = the weight, in kilograms and by type of material, of the materials of which the containers, packaging and printed matter covered by this Regulation are made that are needed to achieve the prescribed rates for the year concerned;

M = an amount equivalent to the amount that the body required its members to pay during the previous year as a contribution to finance the costs of recovering and reclaiming materials for which the rate was not achieved; and

(2) when neither the recovery rate nor the reclamation rate is achieved, in a given year, for a type of material, by adding together the amount used to finance the measures in the remedial plan and multiplying by 0.75.

85. Where, for a given type of material, the recovery and reclamation rates, except the local reclamation rate, do not achieve the prescribed rates for a period of 5 consecutive years, despite the implementation of the remedial plans sent to the Société and to the Minister during that period, the body must pay to the Minister of Finance, not later than 30 April following the last of those years, an amount equivalent to the amount of the financing for the measures targeting that type of material that were included in the last remedial plan sent to the Minister pursuant to the second paragraph of section 82. If, for the last of those years, the gap between the rate prescribed and rate achieved is less than 5%, the amount to be paid is reduced by half.

The sums paid pursuant to the first paragraph are paid into the Fund for the Protection of the Environment and the Waters in the Domain of the State established under the Act respecting the Ministère du Développement durable, de l'Environnement et des Parcs (chapter M-30.001).

Any sum not paid within the prescribed time bears interest, from the date of default, at the rate determined pursuant to the first paragraph of section 28 of the Tax Administration Act (chapter A-6.002).

In addition to the interest payable, 15% of the unpaid amount is added to the sum owed if the failure to pay exceeds 60 days.

86. The designated body must determine each year, for the preceding year and by type of materials, the quantity of compostable, biobased or degradable materials of which the containers and packaging referred to in this Regulation are made and the quantity of those materials that are recovered under the system of selective collection.

The body must, not later than 30 April each year, pay to the Minister of Finance a sum the amount of which is calculated using the following equation:

$$M_{cbd} = \frac{C_{rv}}{Q_m} \times Q_{mr}$$

where:

M_{cbd} = the amount of the sum to be paid for compostable, biobased or degradable materials for a given year;

C_{rv} = the costs for the recovery and reclamation of compostable, biobased or degradable materials of which the containers and packaging are made, for the preceding year;

Q_m = the quantity of compostable, biobased or degradable materials of which the containers and packaging referred to in this Regulation are made;

Q_{mr} = the quantity of compostable, biobased or degradable materials of which the containers and packaging referred to in this Regulation are made and that have been recovered under the system of selective collection.

The second, third and fourth paragraphs of section 85 apply to any sum referred to in the second paragraph.

§§4. *Inter-system harmonization*

87. A body designated pursuant to Division I of Chapter III must enter into any contract with a body designated under a regulation made under subparagraph *b* of subparagraph 6 of the first paragraph of section 53.30 and

section 53.30.2 of the Environment Quality Act (chapter Q-2), allowing to harmonize the systems developed, implemented and financially supported under both Regulations.

The contract referred to in the first paragraph must be entered into within 5 months after the designation of the bodies given responsibility for, respectively, developing, implementing and contributing financially to a system of selective collection and a deposit system.

88. Any dispute preventing the entering into, within the time limit set in the second paragraph of section 87, a contract between the bodies referred to in the first paragraph of that section must be submitted to a mediator within 14 days following the expiry of the time limit set in that second paragraph.

The Minister and the Société must be notified by the bodies, within the same time limit, of the reasons for the dispute preventing the entering into the contract referred to in the first paragraph of section 87 and of the selection of a mediator, who must be a member of the Institut de médiation et d'arbitrage du Québec.

The Minister and the Société must be notified in writing of the outcome by the mediator within 14 days of the end of the mediation process.

The maximum duration of the mediation process is 3 months.

89. If, on the expiry of the time limit set in the fourth paragraph of section 88, the mediation process has not led to an agreement between the bodies, they must submit their dispute to arbitration.

Arbitration pursuant to the first paragraph is governed by the rules of Title II of Book VII of the Code of Civil Procedure (chapter C-25.01).

90. A contract entered into pursuant to section 87 must contain, without limiting the possibility that the persons that are parties to the contract provide for other elements:

(1) an identification of the types of containers or residual materials that each system may be required to deal with despite them not being covered by any of the system, including in particular

(a) with respect to containers on deposit that the system of selective collection may be required to deal with, the types of containers on deposit, including their caps, labels and shrink sleeves; and

(b) with respect to containers or residual materials that the deposit system may be required to deal with, cardboard, containers not covered by the deposit system, recipients and plastic film used to transport containers on deposit;

(2) the methods used to determine the quantities of containers or residual materials not covered by a system that must be dealt with by the other system, including the criteria used for sampling, and an identification of the persons responsible for determining the quantities and the persons responsible for providing follow-up;

(3) the terms and conditions applicable to the management of containers or residual materials not covered by a system that must be dealt with by the other system, in particular concerning traceability to their final destination and, if applicable, the way in which they will be dealt with by the system that covers them;

(4) the financial terms and conditions for the performance of the obligations in the contract;

(5) the terms and conditions for communications between the parties to the contract;

(6) the duration of the contract and the conditions for its amendment, renewal or cancellation;

(7) the dispute resolution mechanism selected by the parties.

91. A copy of a contract entered into pursuant to section 87 must be sent to the Minister and the Société within 15 days of signing.

§§5. Exchanges with another body

92. The designated body must undertake steps to exchange with any body designated in accordance with a regulation made under section 53.30.3 of the Environment Quality Act (chapter Q-2) and with any body referred to in subparagraph 7 of the first paragraph of section 53.30 of that Act on the means to optimize the use of their resources.

§§6. Costs borne by the Société

93. The designated body must pay annually to the Société an indemnity corresponding to its management costs and other expenses incurred to fulfill its obligations under this Regulation.

For the purpose of allowing the designated body to make the payment provided for in the first paragraph, the Société must send to the body, not later than 1 September each year, a detailed list, for the current year, of the costs referred to in that paragraph that it has incurred up to that

date and those it expects to incur until the end of the year. It must also send, after reception, the report of the Auditor General provided for in section 30 of the Act respecting the Société québécoise de récupération et de recyclage (chapter S-22.01), with its report of activities and financial statements for the year concerned by the payment.

Not later than 31 December of the year concerned by the payment, the designated body pays to the Société, as indemnity, an amount corresponding to 75% of the costs and other expenses that appear in the list required in the second paragraph. After the other documents provided for in that paragraph have been received, if the amount of the indemnity already paid to the Société does not cover all the costs and other expenses actually incurred by the Société for the year concerned, the designated body pays the difference to the Société within 30 days after receiving the documents. If the amount already paid is greater than the management costs and other expenses actually incurred for the year concerned, the amount of the indemnity owed for the following year is reduced by an amount equivalent to the overpayment.

The indemnity is calculated using the activity-based costing method.

94. Any amount still owing to the Société on the date referred to in section 93 bears interest at the rate determined pursuant to the first paragraph of section 28 of the Tax Administration Act (chapter A-6.002).

§2. Of producers towards the body

95. A producer must be a member of the designated body not later than the end of the third month following the date of designation.

96. As a member of the designated body, the producer must provide

(1) its name, address, telephone number and electronic address;

(2) its Québec business number if it is registered under the Act respecting the legal publicity of enterprises (chapter P-44.1);

(3) the name and contact information of its representative;

(4) for each container, packaging or printed matter covered by this Regulation that it commercializes, markets or otherwise distributes, the associated trademark or name, if any; and

(5) its status in connection with the product, in other words if it is the owner or user of the trademark or name associated with it, the first supplier of the product in Québec, or the operator of a transactional website referred to in section 5 or 9.

97. Every member of the designated body is bound to comply with the terms and conditions determined by the body with respect to every stage in the system of selective collection. It is also bound to pay to the body, within the time limit it sets, as a contribution, the amounts needed by the body to finance the costs of recovering and reclaiming residual materials referred to in subparagraph 6 of the first paragraph of section 15.

The amounts referred to in the first paragraph are modulated in accordance with the conditions of subparagraph 7 of the first paragraph of section 15 and must match the cost per kilogram of the material concerned.

98. A producer must provide to the designated body, within the time it indicates, all the documents and information it requests to allow the body to perform its responsibilities and obligations pursuant to this Regulation.

§3. *Of other persons covered by the system of selective collection*

99. Every institution, business and industry must, not later than 1 year following the date on which a producer begins to collect residual materials from it in accordance with subparagraph 1 of the first paragraph of section 12, participate in the system of selective collection implemented pursuant to this Regulation by ensuring, in particular, that the residual materials generated by containers, packaging and printed matter covered by this Regulation, if used for its activities or by persons who attend it, can be dealt with by the system.

For the purposes of the first paragraph, participation in the system of selective collection means in particular, with respect to establishments offering consumption on the premises, providing clients with recovery bins clearly marked with the residual materials covered by this Regulation that must be placed in them. The bins must be easily locatable, clearly identified and situated directly in the establishment or in clear view near the establishment.

100. The owner or manager of a multiple-unit residential complex and the syndicate of an immovable under divided co-ownership must, within 1 year from the date on which a producer starts to collect residual materials from them in accordance with paragraph 1 of section 12, make recovery bins available to occupants and co-owners, clearly marked with the residual materials covered by this Regulation that must be placed in them. The bins must

be placed in the common areas, clearly identified, and be situated in the building or close to and clearly visible from the building.

101. A municipal body or an Aboriginal community which, on (*insert the date of coming into force of this Regulation*), is a party to a contract for the collection, transportation, sorting or conditioning of residual materials covered by this Regulation must, within 2 months after the designation of a body pursuant to section 31, send the following information to the body:

- (1) the identification of the parties to the contract;
- (2) the identification of the residual materials covered by the contract;
- (3) the territory covered;
- (4) the end date of the contract and the conditions that may lead, as the case may be, to its amendment, renewal or cancellation.

CHAPTER IV
MONETARY ADMINISTRATIVE PENALTIES

102. A monetary administrative penalty of \$250 in the case of a natural person or \$1,000 in other cases may be imposed on any person who fails

- (1) to file with the Minister a copy of an application referred to in the first paragraph of section 33, in contravention of the second paragraph of that section;
- (2) to include in its annual report the information listed in sections 59 to 612;
- (3) to send any notice or to provide any study, information, report, plan or document, or to comply with the time limit for sending them, if no other monetary administrative penalty is otherwise specified for that contravention by the Environment Quality Act or by this Chapter.

103. A monetary administrative penalty of \$350 in the case of a natural person or \$1,500 in other cases may be imposed on any person who fails

- (1) to send an annual report to the Minister at the frequency and on the conditions provided for in the first paragraph of section 58 or to send the financial statements contained in the report for an audit mission as provided for in the second paragraph of that section;
- (2) to establish any committee required by this Regulation;

(3) to send to a designated body the information referred to in section 101;

(4) to comply with a clause in a contract entered into pursuant to this Regulation, in contravention of section 114.

104. A monetary administrative penalty of \$750 in the case of a natural person or \$3,500 in other cases may be imposed on any person who fails to put in place the measures of a remedial plan submitted to the Minister pursuant to the second paragraph of section 82.

105. A monetary administrative penalty of \$1,000 in the case of a natural person or \$5,000 in other cases may be imposed on any person who

(1) fails to take steps to enter into contracts for the collection and transportation of residual materials referred to in section 20, within the time limits and according to the conditions set out in sections 21 to 25;

(2) fails to take steps to enter into contracts for the sorting, conditioning and reclamation of residual materials referred to in section 27, within the time limits and in accordance with the conditions set out in sections 28 to 30;

(3) enters into a contract referred to in the first paragraph of section 27 following a call for tenders during the period defined in the first paragraph of section 28, in contravention of that section;

(4) enters into a contract referred to in the first paragraph of section 27 otherwise than as required by the second paragraph of section 28, in contravention of that section;

(5) designates a body without the conditions of the first paragraph of section 32 being met;

(6) fails to comply with the obligations set out in sections 49 to 52, sections 55 to 56, section 81 and the first paragraph of section 86;

(7) fails to pay to the Minister of Finance the sums referred to in section 85 or the second paragraph of section 86, in contravention of those sections;

(8) fails to enter into any contract referred to in section 87, within the time limits and in accordance with the conditions set out in that section and in sections 88 to 91;

(9) fails to participate in the system of selective collection implemented pursuant to this Regulation, in contravention of the first paragraph of section 99, or to make recovery bins available, in contravention of the second paragraph of that section or of section 100.

106. A monetary administrative penalty of \$2,000 in the case of a natural person or \$10,000 in other cases may be imposed on any person who fails

(1) to meet the obligations of sections 4 to 6 or 8 to 10 collaboratively with the other persons mentioned to develop, implement and contribute financially to a single system for all such persons, in contravention of section 11;

(2) to meet any of the requirements concerning the content of the system of selective collection set out in sections 11 to 15;

(3) to designate a body, in contravention of section 31;

(4) to be a member of a body designated in accordance with section 95.

CHAPTER V OFFENCES

107. Every person who fails

(1) to send to the Minister a copy of an application referred to in the first paragraph of section 33, in contravention of the second paragraph of that section,

(2) to include in its annual report the information listed in sections 599 to 62,

(3) to send any notice or to provide any study, information, report, plan or document, or to comply with the time limit for providing them, if no other monetary administrative penalty is otherwise specified for that contravention by the Environment Quality Act or by this Chapter,

commits an offence and is liable, in the case of a natural person, to a fine of \$1,000 to \$100,000 and, in other cases, to a fine of \$3,000 to \$600,000.

108. Every person who fails

(1) to send an annual report to the Minister at the frequency and on the conditions provided for in the first paragraph of section 588 or to send the financial statements contained in the report for an audit mission as provided for in the second paragraph of that section,

(2) to establish any committee required by this Regulation,

(3) to send to a designated body the information provided for in section 101,

(4) to comply with a clause in a contract entered into pursuant to this Regulation, in contravention of section 114,

commits an offence and is liable, in the case of a natural person, to a fine of \$2,000 to \$100,000 and, in other cases, to a fine of \$6,000 to \$600,000.

109. Every person who fails to implement the measures of a remedial plan submitted to the Minister pursuant to the second paragraph of section 82 commits an offence and is liable, in the case of a natural person, to a fine of \$4,000 to \$250,000 and, in other cases, to a fine of \$12,000 to \$1,500,000.

110. Every person who

(1) fails to take steps to enter into contracts for the collection and transportation of residual materials referred to in section 20, within the time limits and according to the conditions set out in sections 21 to 25,

(2) fails to take steps to enter into contracts for the sorting, conditioning and reclamation of residual materials referred to in section 27, within the time limits and in accordance with the conditions set out in sections 28 to 30,

(3) enters into a contract referred to in the first paragraph of section 27 following a call for tenders during the period defined in the first paragraph of section 28, in contravention of that section,

(4) enters into a contract referred to in the first paragraph of section 27 otherwise than as required by the second paragraph of section 28, in contravention of that section,

(5) designates a body without the conditions of the first paragraph of section 32 being met,

(6) fails to comply with the obligations set out in sections 49 to 52, sections 55 to 56, section 81 and the first paragraph of section 86,

(7) fails to pay to the Minister of Finance the sums referred to in section 85 or the second paragraph of section 86, in contravention of those sections,

(8) fails to enter into any contract referred to in section 877, within the time limits and in accordance with the conditions set out in that section and in sections 8888 to 91,

(9) fails to participate in the system of selective collection implemented pursuant to this Regulation, in contravention of the first paragraph of section 9999, or to make recovery bins available, in contravention of the second paragraph of that section or of section 100,

commits an offence and is liable, in the case of a natural person, to a fine of \$5,000 to \$500,000 or, despite article 231 of the Code of Penal Procedure (chapter C-25.1), to a maximum term of imprisonment of 18 months, or both, and, in other cases, to a fine of \$15,000 to \$3,000,000.

111. Every person who

(1) fails to meet the obligations of sections 4 to 6 or 8 to 10 collaboratively with the other persons mentioned to develop, implement and contribute financially to a single system for all such persons, in contravention of section 11,

(2) fails to meet any of the requirements concerning the content of the system of selective collection set out in sections 11 to 15,

(3) fails to be a member of a body designated in accordance with section 97,

(4) for the purposes of this Regulation, makes a declaration, files information or produces a document that is false or misleading,

commits an offence and is liable, in the case of a natural person, to a fine of \$10,000 to \$1,000,000 or, despite article 231 of the Code of Penal Procedure (chapter C-25.1), to a maximum term of imprisonment of 3 years, or both, and, in other cases, to a fine of \$15,000 to \$3,000,000.

112. Every person who contravenes any other obligation set out in this Regulation commits an offence and is liable, if no other sanction is provided for by this Chapter or the Environment Quality Act, to a fine of \$1,000 to \$100,000 in the case of a natural person and to a fine of \$3,000 to \$600,000 in other cases.

CHAPTER VI MISCELLANEOUS

113. Any document and any information obtained pursuant to this Regulation must be forwarded to the Minister not later than 15 days following a request to that effect.

114. Every person who is a party to a contract entered into pursuant to this Regulation must comply with each of its clauses.

115. Producers are exempted from the obligations of Chapter II of this Regulation until the expiry of the time limit the Société has to designate a body pursuant to section 31 or, as the case may be, until the expiry of the time limit set in section 37.

CHAPTER VII FINAL

116. This Regulation comes into force on the fifteenth day following the date of its publication in the *Gazette officielle du Québec*.

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