#### **CHAPTER III**

#### MISCELLANEOUS AND FINAL PROVISIONS

- **7.** Every amount owed pursuant to this Regulation bears interest, from the 31st day following the date on which a notice of claim is served, at the rate provided for in the first paragraph of section 28 of the Tax Administration Act (chapter A-6.002).
- **8.** This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

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Gouvernement du Québec

#### **O.C. 1368-2023**, 23 August 2023

Environment Quality Act (chapter Q-2)

## Compensation for municipal services provided to recover and reclaim residual materials

—Amendment

Regulation to amend the Regulation respecting compensation for municipal services provided to recover and reclaim residual materials

WHEREAS, under the third paragraph of section 53.31.2 of the Environment Quality Act (chapter Q-2), the Government may, by regulation, as regards one or more designated materials or classes of materials, specify which persons from among the persons referred to in subparagraph 6 of the first paragraph of section 53.30 of the Act are required to pay a compensatory contribution as compensation to the municipalities;

WHEREAS, under the first paragraph of section 53.31.3 of the Act, the annual compensation owed to the municipalities is based on the cost of the services they provide during a year to deal with the materials or classes of materials subject to compensation, that is, the collection, transportation, sorting and conditioning costs, including an indemnity for the management of those services;

WHEREAS, under the second paragraph of section 53.31.3 of the Act, the Société québécoise de récupération et de recyclage determines annually the amount of the compensation, by calculating for each municipality, in accordance with the calculation method and the performance and effectiveness criteria determined by regulation of the Government, the costs of the services provided that are eligible for compensation and the management indemnity to which the municipality is entitled, and by aggregating all the costs and fees calculated for the municipalities;

WHEREAS, under the first paragraph of section 53.31.4 of the Act, for the purposes of section 53.31.3 of the Act, the Government prescribes by regulation the information and documents a municipality is required to send to the Société québécoise de récupération et de recyclage and the conditions, including the date, under which they must be sent, and whereas the regulation must also specify the penalties applicable if those obligations are not met;

WHEREAS, under the second paragraph of section 53.31.4 of the Act, should a municipality fail to send the required information or documents to the Société québécoise de récupération et de recyclage before the date prescribed by a regulation made under the first paragraph of that section, the cost of the services provided by the municipality that is eligible for compensation is determined in accordance with the rules set by regulation, and, for that purpose, the Société may estimate the quantity of materials subject to compensation that was recovered or reclaimed in that municipality's territory by using the data from other municipalities in accordance with that regulation;

WHEREAS, under the third paragraph of section 53.31.4 of the Act, such a regulation may also include specific calculation rules in the case where the Société québécoise de récupération et de recyclage deems that a municipality's failure to comply results from special circumstances beyond its control;

WHEREAS, under section 53.31.5 of the Act, the Government may, by regulation and for every material or class of materials it specifies, set the maximum amount of the annual compensation payable and limit the amount of the annual compensation payable to a percentage it sets;

WHEREAS, under the first paragraph of section 53.31.12 of the Act, the certified body must remit to the Société québécoise de récupération et de recyclage, in trust, the amount of the compensation owed to the municipalities and determined in accordance with the second paragraph of section 53.31.3 of the Act;

WHEREAS, under the second paragraph of section 53.31.12 of the Act, the certified body must also remit to the Société québécoise de récupération et de recyclage, in addition to the compensation owed to the municipalities, the amount payable to the Société under section 53.31.18 of the Act;

WHEREAS, under the third paragraph of section 53.31.12 of the Act, the Government may, by regulation, determine how the amounts identified in the first and second paragraphs of that section are to be paid, including any interest or penalties due in case of non-payment, and the Société québécoise de récupération et de recyclage and the certified body may make arrangements regarding payment, subject to the applicable regulatory prescriptions;

WHEREAS, under the first paragraph of section 53.31.12.1 of the Act, if, by regulation, the Government subjects newspapers to the compensation regime provided for in Division VII of Chapter IV of Title I of the Act, it may determine on what conditions the amount of the annual compensation owed to the municipalities that is allotted to that class of materials may be paid in whole or in part through a contribution in goods or services, and prescribe the characteristics newspapers must possess to benefit from that mode of payment;

Whereas, under section 53.31.17 of the Act, the Société québécoise de récupération et de recyclage distributes to the municipalities the amount of the compensation paid by a certified body, in accordance with the distribution and payment rules determined by regulation of the Government:

WHEREAS, in accordance with sections 10, 12 and 13 of the Regulations Act (chapter R-18.1), the draft Regulation to amend the Regulation respecting compensation for municipal services provided to recover and reclaim residual materials was published in Part 2 of the *Gazette officielle du Québec* dated 19 July 2023 with a notice stating that it could be made by the Government on the expiry of 15 days following that publication;

WHEREAS it is expedient to make the Regulation to amend the Regulation respecting compensation for municipal services provided to recover and reclaim residual materials with amendments:

WHEREAS, under section 18 of the Regulations Act, a regulation may come into force on the date of its publication in the *Gazette officielle du Québec* where the authority that has made it is of the opinion that the urgency of the situation requires it, and where the reason justifying such coming into force has been published with the regulation;

WHEREAS the Government is of the opinion that the urgency of the situation requires that the Regulation to amend the Regulation respecting compensation for municipal services provided to recover and reclaim residual materials come into force on the day of its publication in the *Gazette officielle du Québec* as warranted by the following circumstances:

(1) the Regulation respecting the development, implementation and financial support of a deposit-refund system for certain containers (chapter Q-2, r. 16.1) provides that

some of the obligations it imposes are applicable from 1 November 2023, and the persons required to comply are the same as those covered by the Regulation respecting compensation for municipal services provided to recover and reclaim residual materials (chapter Q-2, r. 10); taken as a whole, the obligations imposed by both regulations are, although distinct, complementary and the persons to which they apply need to be designated in the same way, which is not presently the case;

- (2) the amendments introduced by the Regulation to amend the Regulation respecting the development, implementation and financial support of a deposit-refund system for certain containers, made on the same date as this Regulation, must come into force before 1 November 2023 and some of them include provisions similar to those amended by this Regulation;
- (3) in addition, the Regulation respecting a system of selective collection of certain residual materials (chapter Q-2, r. 46.01) specifies obligations for the same persons as those to whom the Regulation respecting compensation for municipal services provided to recover and reclaim residual materials applies. The amendments introduced by the Regulation to amend the Regulation respecting a system of selective collection of certain residual materials, made on the same date as this Regulation, must come into force before 7 September 2023, and some of them include provisions similar to the provisions amended by this Regulation;
- (4) it is therefore important for this Regulation to come into force on the same date as the Regulation to amend the Regulation respecting the development, implementation and financial support of a deposit-refund system for certain containers and the Regulation to amend the Regulation respecting a system of selective collection of certain residual materials, to ensure that the provisions of all the Regulations concerned are consistent.

IT IS ORDERED, therefore, on the recommendation of the Minister of the Environment, the Fight Against Climate Change, Wildlife and Parks:

That the Regulation to amend the Regulation respecting compensation for municipal services provided to recover and reclaim residual materials, attached to this Order in Council, be made.

Dominique Savoie Clerk of the Conseil exécutif

# Regulation to amend the Regulation respecting compensation for municipal services provided to recover and reclaim residual materials

Environment Quality Act (chapter Q-2, ss. 53.31.2 to 53.31.5, 53.31.12, 53.31.12.1 and 53.31.17)

- **1.** The Regulation respecting compensation for municipal services provided to recover and reclaim residual materials (chapter Q-2, r. 10) is amended in section 3
  - (1) in the first paragraph
- (a) by replacing "owner of a brand, a name or a distinguishing guise" in the part preceding subparagraph 1 by "owner or, as the case may be, user of a name or trademark that has a domicile or establishment in Québec";
- (b) by replacing "that brand, name or distinguishing guise" in subparagraph 1 by "that name or trademark";
- (c) by replacing "that brand, name or distinguishing guise" in subparagraph 2 by "that name or trademark";
- (2) by replacing the second paragraph by the following paragraph:

"The requirement provided for in the first paragraph is incumbent on a person that has a domicile or establishment in Québec and that acts as the first supplier, other than the manufacturer of a product or containers and packaging of which the person that is the owner or user of the name of trademark has no domicile or establishment in Québec.";

- (3) in the third paragraph
- (a) in the French text, by replacing "ayant un domicile ou" by "domicilié ou ayant"
- (b) by replacing "first supplier in Québec of the products or of the containers and packaging, other than the manufacturer, is required to pay the contributions, whether or not that supplier is the importer" by "person having a domicile or establishment in Québec who acts as the first supplier in Québec of the products or of the containers and packaging, other than the manufacturer, is required to pay the contributions";
  - (4) by replacing the fourth paragraph by the following:

"For the purposes of this section,

"trademark" means a sign or combination of signs used by a person for the purpose of distinguishing or so as to distinguish products manufactured, sold, leased or hired, or services hired or performed, by the person from those manufactured, sold, leased or hired, or those hired or performed, by others, but does not include a certification mark within the meaning of section 2 of the Trade-marks Act (R.S.C. 1985, c. T-13);

"name" means the name under which any business is carried on, whether or not it is the name of a legal person, a partnership or an individual.".

#### **2.** Section 3.1 is amended

- (1) in the first paragraph
- (a) by replacing "have a brand, a name or a distinguishing guise" by "have a trademark or name";
- (b) by replacing "identified by a brand, a name or a distinguishing guise" by "identified by a trademark or name";
- (c) by replacing "the first supplier in Québec of that product or service, or those containers or packaging is required to pay a contribution pursuant to a schedule of contributions established under section 53.31.14 of the Act, whether or not that supplier is the importer" by "person having a domicile or establishment in Québec who acts as the first supplier in Québec of that product or service, or those containers and packaging, other than the manufacturer, is required to pay a contribution pursuant to a schedule of contributions established under section 53.31.14 of the Act;
- (2) by replacing " "brand", "name" and "distinguishing guise"" in the third paragraph by " "trademark" and "name"".

#### **3.** Section 6 is amended

- (1) by replacing "The owner of a brand, a name or a distinguishing guise identifying material included in the newspapers or printed matter class of materials" in the first paragraph by "The owner or, as the case may be, user of a name or trademark identifying material included in the newspapers or printed matter class of materials that has a domicile or establishment in Québec";
- (2) by replacing the second paragraph by the following paragraph:

"The requirement provided for in the first paragraph is incumbent on a person that has a domicile or establishment in Québec and that acts as the first supplier, other than the manufacturer, of the materials concerned, where the person that is the owner or user of the name of trademark identifying the materials has no domicile or establishment in Québec.";

- (3) by striking out ", whether or not that supplier is the importer" in the third paragraph;
- (4) by replacing ""brand", "name" and "distinguishing guise" "in the fourth paragraph by ""trademark" and "name"".

#### 4. Section 6.1 is amended

- (1) in the first paragraph
- (a) by replacing "a brand, a name or a distinguishing guise" by "a trademark or name";
- (b) by striking out ", whether or not that supplier is the importer";
- (2) by striking out ", whether or not that supplier is the importer" in the second paragraph;
- (3) by replacing ""brand", "name" and "distinguishing guise" " in the third paragraph by "trademark" and "name"".

#### **5.** Section 6.3 is amended

- (1) in the first paragraph
- (a) in the French text, by y replacing "engendrés" in the part preceding subparagraph 1 by "générés";
- (b) in the French text, by replacing "conclut" in subparagraph 2 by "conclu";
  - (c) by replacing "nature" in subparagraph 3 by "type";
  - (2) by adding the following paragraph at the end:

"Where a contract referred to in the first paragraph replaces a contract that has expired and is intended to provide services in addition to or different from those covered by the expired contract, or is intended to provide the same type of services to more persons than under the expired contract, the costs generated in either situation are not considered to be supplementary costs for the purpose of calculating the compensation owed to the municipality that has entered into the new contract."

#### **6.** The following is inserted after section 6.4:

**"6.4.1.** Despite section 6.4, for 2025 and any subsequent year, any correction to a declaration sent by a municipality before 1 September of the year for which compensation is owed to it must be received by the Société québécoise de récupération et de recyclage not later than 31 December of the same year.

The conditions provided for in the fourth paragraph of section 6.2 apply to the corrected declaration.

Adjustments arising from a correction made to a declaration referred to in the first paragraph are applied to the amount of the compensation owed to the municipality for the year during which the declaration is sent, in accordance with the terms and conditions in subparagraph 2 of the third paragraph of section 8.10.".

- **7.** Section 8.8.2 is amended, in the French text, by replacing "engendrés" in the definition of the variable "S" in the second paragraph by "générés".
- **8.** The following is inserted after section 8.8.3:
- **"8.8.3.1.** Despite section 8.8.3, when the compensation rate of a municipality for the year 2023 referred to in the second paragraph of section 8.8.2 is zero, the rate used for each of the following years is the average rate for the municipalities of the group to which the municipality belongs pursuant to section 8, for each of those years.
- **"8.8.3.2.** For the purpose of calculating the compensation rate of a municipality for 2023 referred to in the second paragraph of section 8.8.2, section 8.7 does not apply."

#### **9.** Section 8.8.4 is amended

- (1) in the French text, by replacing "engendrés" in the first paragraph by "générés";
  - (2) in the second paragraph
- (a) in the French text, by replacing "engendrés" in the definition of the variable "S" by "générés";
- (b) by inserting "types of" after "Only the" in the definition of the variable "ENC".
- **10.** Section 8.8.6 is amended by replacing "30 June of the year that follows the year for which compensation is owed" in the third paragraph by "31 December 2025 for compensation owed for the year 2025 or 31 December of each following year to the compensation owed for each of those years".
- **11.** Section 8.12.1 is amended by adding the following paragraph at the end:

"Where the contribution in goods or services consists of disseminating a message referred to in the second paragraph, the dissemination must be carried out not later than eighteenth months following the dissemination of the schedule in the *Gazette officielle du Québec.*".

**12.** This Regulation comes into force on the date of its publication in the *Gazette officielle du Québec*.

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Gouvernement du Québec

#### **O.C. 1369-2023**, 23 August 2023

Environment Quality Act (chapter Q-2)

Act respecting certain measures enabling the enforcement of environmental and dam safety legislation (chapter M-11.6)

### Recovery and reclamation of products by enterprises —Amendment

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

WHEREAS, under subparagraphs 1 and 2 of the first paragraph of section 53.30 of the Environment Quality Act (chapter Q-2), the Government may, by regulation, classify recoverable and reclaimable residual materials and prescribe or prohibit, in respect of one or more classes of residual materials, any mode of recovery or reclamation;

WHEREAS, under subparagraph b of subparagraph 6 of the first paragraph of section 53.30 of the Act, the Government may, by regulation, require any person, in particular any person operating an industrial or commercial establishment, who manufactures, markets or otherwise distributes containers, packaging or packaging materials, printed matter or other products, who markets products in containers or packaging acquired for that purpose or, more generally, whose activities generate residual materials, to develop, implement and contribute financially to, on the terms and conditions fixed, programs or measures to reduce, recover or reclaim residual materials generated by the containers, packaging, packaging materials, printed matter or other products, or generated by their activities, with the goal of extended responsibility of these persons, all while taking into account basic principles of the circular economy and taking into account the social economy within the meaning of the Social Economy Act (chapter E-1.1.1);

Whereas, under subparagraph c of subparagraph 6 of the first paragraph of section 53.30 of the Act, the Government may, by regulation, require those persons

to keep registers and furnish to the Minister of the Environment, the Fight Against Climate Change, Wildlife and Parks or the Société québécoise de récupération et de recyclage, on the terms and conditions fixed, reports on the quantity and composition of the containers, packaging, packaging materials, printed matter or other products, on the residual materials generated by their activities, and on the results obtained in terms of reduction, recovery or reclamation;

Whereas, under subparagraph a of subparagraph 7 of the first paragraph of section 53.30 of the Act, the Government may, by regulation, exempt from all or any of the requirements prescribed pursuant to subparagraph 6 of the first paragraph of the section any person that is a member of an organization, except the requirements prescribed under both subparagraph b of that paragraph and, as the case may be, section 53.30.1 or 53.30.2 of the Environment Quality Act, the purpose or one of the purposes of which is to develop and implement, as a measure, a system to recover or reclaim residual materials, or to contribute financially to the development and implementation of such a system, in both cases in accordance, in particular, with the provisions of the regulation;

Whereas, under subparagraph 11 of the first paragraph of section 95.1 of the Act, the Government may make regulations to establish measures providing for the use of economic instruments, including tradeable permits, emission, effluent and waste-disposal fees or charges, advance elimination fees or charges, and fees or charges related to the production of hazardous residual materials or the use, management or purification of water, with a view to protecting the environment and achieving environmental quality objectives for all or part of the territory of Québec;

WHEREAS, under subparagraph 12 of the first paragraph of section 95.1 of the Act, the Government may make regulations to establish any rule that is necessary for or relevant to carrying out measures referred to in subparagraph 11 of the first paragraph of the section and that pertains, in particular, to the determination of persons or municipalities required to pay the fees or charges referred to in that subparagraph, the conditions applicable to their collection and the interest and penalties payable if the fees or charges are not paid;

Whereas, under subparagraph 21 of the first paragraph of section 95.1 of the Act, the Government may make regulations to prescribe the reports, documents and information that must be provided to the Minister of the Environment, the Fight Against Climate Change, Wildlife and Parks by any person or municipality carrying on an activity governed by the Environment Quality Act or the regulations, and determine the terms and conditions governing their sending;