

Producers' Financial Participation Policy

This **Producers' Financial Participation Policy** applies in the framework of EPR Curbside Recycling and it describes, in particular:

- The obligated Producers (criteria, etc.);
- The targeted materials;
- The terms, conditions and methodologies for reporting;
- The ecomodulated Financial Participation schedule;
- The ecomodulation criteria;
- The terms of payment of the Financial Participation;
- The collection procedures.

This Policy was adopted by the board of directors of ÉEQ on March 30, 2023, submitted to the Producers on April 20, 2023 and is effective as of April 20, 2023.

Producers are invited to consult ÉEQ website to see the tools available to assist them in the preparation of their Reports.

Scope

1. This Policy applies to all Producers.
2. The Small Producers' Policy describes the criteria for exemption, the conditions of eligibility for a simplified Report, the terms and conditions of a simplified Report and the resulting fixed Financial Participation.
3. This Policy applies to any Voluntary Producer provided it meets the conditions set out in the Voluntary Producers' Policy and is duly accepted by Éco Entreprises Québec (ÉEQ).
4. This Policy forms an integral part of the Membership Contract and the General Conditions, and it may be amended in accordance with the General Conditions to adapt to the evolving responsibilities of the Producers under the Regulation and changes to the System of Curbside Recycling and the Materials.

Policy

5. Definitions from the General Conditions that are specific to this Producers' Financial Participation Policy:
 - a) "**Brand**" means a brand used by a Producer to distinguish, or so as to distinguish, the Products manufactured, sold, leased, hired or put on the market as well as the Services hired or performed, by itself or by others. However, a brand does not include a certification brand as defined in section 2 of the Trademarks Act (R.S.C., 1985, c- T-13);
 - b) "**Container**" and "**Packaging**" are defined in the Regulation; these terms refer to a product made of flexible or rigid material such as paper, cardboard, plastic, glass or metal, and any combination of such materials which, as the case may be:
 - 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;
 - Is intended for a single or short-term use of less than five years and designed to:
 - Contain, protect or wrap products, such as storage bags, wrapping paper and paper or styrofoam cups,
 - Used by the ultimate user or consumer to prepare or consume a food product, such as straws and utensils.

- c) “**Data Reference Year**” means the period from January 1st to December 31st preceding the Reporting Year in which a Producer has generated quantities of Materials in Québec;
- d) “**Date of Request for Internal Records**” means the date a Producer received a request from ÉEQ to transmit its Internal Records relating to one or more Reports;
- e) “**Distinguishing Guise**” represents the shaping of the Material the appearance of which is used by a Producer to distinguish, or so as to distinguish, the Products manufactured, sold, leased, hired or put on the market or the services hired or performed by itself or by others;
- f) “**Ecomodulated Financial Participation Schedule**” means the list of ecomodulated rates established by ÉEQ for each of the Materials, taking into account, in particular, the type of material and its potential for recovery and reclamation. Additional ecomodulation measures may be added to enhance the schedule, resulting in the application of credits or penalties. The Ecomodulated Financial Participation Schedule is presented in this Policy;
- g) “**ÉEQ Portal**” means the online platform through which the Members join ÉEQ, file their Reports, are informed of their Financial Participation, access their billings and, as the case may be, pay their Financial Participation;
- h) “**First Supplier**” means a supplier that is domiciled or has an establishment in Québec and is the first to take ownership, possession or control in Québec of a Material or product that is covered by the Regulation;
- i) “**Franchise**”: this term should be understood broadly and it includes franchise operations in the framework of a chain of establishments, under a single banner or in the framework of another similar form of affiliation or group of businesses or establishments;
- j) “**Internal Records**” means the documents, working files, books, records and other data and information in support of the Producer’s obligations under the Contract, the General Conditions, the Policies and the Regulation;
- k) “**Material**” means “Containers,” “Packaging” and “Printed Matter”;
- l) “**Member**” means a Producer that becomes a member of ÉEQ and maintains that status in accordance with the Contract, the General Conditions, the Policies and the ÉEQ By-laws;
- m) “**Name**” means the name under which a business is operated, whether or not it is a legal person, a partnership or an individual;
- n) “**Obligation Year or Financial Obligation Year**” represents the year for which the Producer is required to pay a Financial Participation in accordance with the terms and conditions defined in this Policy;
- o) “**Practical Group Owner**” means a franchisor or a person with decision-making power over and actual control of a franchise, chain of establishments, banner or otherwise of an affiliation or group of businesses;
- p) “**Printed Matter**” is defined in the Regulation; this term means any product made of paper or 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. “**Printed Matter**” includes newspapers;
- q) “**Producers’ Financial Participation (PFP)**” means the contribution paid by the Members pursuant to the Regulation, based on the Ecomodulated Financial Participation Schedule and the other conditions described in the Producers’ Financial Participation Policy;
- r) “**Product**” means a material good destined for an Ultimate Consumer, whether sold or otherwise supplied, directly or indirectly;

- s) **“Report”** means the report of the Materials the Member has put on the market, which it must declare to ÉEQ pursuant to the Regulation, completed in accordance with the conditions and for the reference period indicated in the Producers' Financial Participation Policy or the Small Producers' Policy, where applicable;
- t) **“Reporting Year”** represents the year for which the Producer is required to submit a Report within the time frame established in this Policy;
- u) **“Service”** means a service that is not a material good and is destined for an Ultimate Consumer, whether sold or otherwise provided, directly or indirectly;
- v) **“Ultimate Consumer”** means the ultimate recipient or ultimate user of a Product or Service;
- w) **“Voluntary Producer”** means a natural person, corporation, cooperative or legal person whose domicile or establishment is outside Québec and which owns a brand, name or distinguishing guise and decides to assume the obligations, undertakings and responsibilities for and on behalf of all its First Suppliers in Québec and become a Member of ÉEQ.

6. Obligated Producers

6.1 The obligated Producers are the persons that:

- a. Are the owners of a name or, as the case may be, the users of a distinguishing guise or trademark;
 - i. When a Material is identified by more than one brand, name or distinguishing guise owned by separate owners, the obligated Producer is the owner of the brand, name or distinguishing guise that is most closely related to the production of the Product or Material.
- b. Put Products on the Québec market or offer Services that generate Materials;
- c. Have a domicile or establishment in Québec
 - i. If the Producer has no domicile or establishment in Québec, payment of the PFP is then incumbent on the First Supplier in Québec (other than the manufacturer) of such products or services or Materials, whether or not it is the importer thereof.
 - ii. Where the First Supplier in Québec is the operator of an establishment stocked or operated in the framework of a Franchise, the payment is then incumbent on the Practical Group Owner. If the latter party has no domicile or establishment in Québec, the payment of the PFP is then incumbent on the First Supplier in Québec (other than the manufacturer) of such products, services or Materials in question, whether or not it is the importer thereof.
 - iii. For greater certainty, some establishment scenarios are described in an appendix to this Policy.

6.2 Notwithstanding the foregoing, the following provisions apply to Containers and Packaging added at a point of sale:

- a) When a point of sale is stocked or operated in the framework of a Franchise,
 - i. If the Practical Group Owner has a domicile or an establishment in Québec, it is responsible for paying the PFP for such Containers and Packaging;
 - ii. If the Practical Group Owner has no domicile or establishment in Québec, the payment of the PFP is then incumbent on the person that made the addition of such Containers and Packaging at the point of sale;
- b) When a point of sale is not operated in the framework of a Franchise,

- i. If the total superficial area is $\geq 929 \text{ m}^2$, the payment of the PFP for such Containers and Packaging is incumbent on the person that added such Containers and Packaging at the point of sale;
- ii. If the superficial area is $< 929 \text{ m}^2$, no PFP is payable for the Containers and Packaging added at the point of sale, as provided in the Small Producers' Policy.

6.3 Where a Product or Materials are acquired outside Québec, as part of a sale governed by the laws of Québec, by a person domiciled or having an establishment in Québec who does not carry on an economic activity organized by a municipality or public body within the meaning of section 4 of the Act respecting contracts by public bodies (chapter C-65.1), for their own use, the payment of the PFP for the Materials used to commercialize, market or otherwise distribute such product in Québec is incumbent on:

- a) 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 distribute a Product;
- b) The person from which the Product or Materials were acquired, whether or not that person has a domicile or establishment in Québec, in other cases.

Such Producers cannot avail themselves of the PFP payment exemption described in the Small Producers' Policy.

7. Producers exempted from PFP

7.1 The Small Producers' Policy sets out all the terms, conditions and criteria leading to a PFP payment exemption.

7.2 Voluntary Producers, as indicated in the Voluntary Producers' Policy, cannot be exempted from payment.

8. Materials included, excluded or deductible from the Report

8.1 Producers are invited to consult the [Materials Guide](#), which can be found on ÉEQ website, which will guide them in the classification of the Materials included, excluded and deductible from the Report.

8.2 Essentially, as they are also presented in the definitions, the types of Materials to be reported are:

- a) Containers and Packaging:
 - i. Made of flexible or rigid material such as paper, cardboard, plastic, glass or metal;
 - ii. Designed to contain, protect or wrap products;
 - iii. Intended for a single or short-term use;
- b) Printed Matter, 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 five years;
- c) Short-lived Containers and Packaging sold as Products, and Printed Matter sold as Products;
- d) Shipping Containers and Packaging used in the movement of products to the Ultimate Consumer, such as paper, cardboard, polystyrene cushioning packaging, or plastic film.

8.3 The Materials to be excluded from the Report are:

- a) Containers or Packaging designed to accompany, protect or store a product throughout its lifetime, where that product is designed for a shelf life of five (5) years or more;

- b) Pallets, shipping containers and other tertiary and transportation packaging designed to facilitate the shipping and handling of a number of sales units or grouped packagings, so as to avoid their physical handling and damage in transit, which are not given to the consumers;
- c) Containers and Packaging sold as products implicitly intended to contain or wrap materials other than those covered by the Regulation, such as household waste, organic matter and biomedical waste;
- d) Containers or Packaging accompanying a product intended only for use or consumption by an Ultimate Consumer on the premises where the product is distributed or sold, where such Containers or Packaging are taken charge of on those same premises. Generally, without limitation, Containers and Packaging accompanying food inside a restaurant are excluded, but not those accompanying drive-through orders or take-out food;
- e) Materials for which the Ultimate Consumer is an industrial, commercial or institutional facility;
- f) Books and documents of a didactic nature having a lifetime of more than five years;
- g) Printed Matter serving as personal identification documents, official documents or containing personal information, such as birth certificates, passports and medical charts;
- h) Printed Matter generated by a service or accompanying a Product intended only for use or consumption by an Ultimate Consumer on the premises where the service or Product is distributed or sold, where such Printed Matter is taken charge of on those same premises.

8.4 The Materials that are deductible from the Report.

- a) Every deduction must be clearly described and justified in [ÉEQ Portal](#), otherwise the Materials must be included in the Report.
- b) The deductible Materials are, in particular:
 - i. Materials recovered at the time of home delivery;
 - ii. Returned Products that are part of a recall, expired, damaged, unable to be sold to a consumer or not distributed;
 - iii. Materials used or recovered in-house, not sold or not distributed;

9. Terms and conditions related to the annual Report

- a) Every Member of ÉEQ must file its annual Report in [ÉEQ Portal](#) at the latest on May 31st of the Reporting Year.
- b) The annual Report must include the following data and information:
 - i. The quantities of Materials put on the market, in kilograms, during the Reference Year covered by that Report (for example, for the 2024 Report, the Materials to be reported are those generated in 2023);
 - ii. Description of the methodology supporting the reported data;
 - iii. Description of the Materials excluded from the annual Report;
 - iv. Description of the Materials deducted from the annual Report and the number of kilograms or the percentage applied for each Materials;
 - v. The list of brands, names and distinguishing guises included in the Report, while distinguishing the status in respect of those brands: owner, user, first supplier or transactional website operator;

- c) In the case of Printed Matter, a Producer must include the list of Printed Matter it converted from a physical format during a Reference Year to a digital format it owns and offers throughout the Reference Year, if any, in order to document the Printed Matter reduction measures that have been implemented.
 - d) For every Material generated by a Product put on the market in Québec, the Member must be able to specify, on request:
 - i. The trademark or name associated with it, if any;
 - ii. Its status in respect of the product, i.e., to specify whether it is the owner, the user of the trademark or name associated with it, the first supplier, or the transactional website operator through which a Product is acquired.
 - e) The quantities of Materials that were put on the market must take into account the combined operations in Québec at all of the points of sale or establishments stocked or operated in the framework of the same Franchise.
 - f) A Member must keep and maintain up-to-date and accurate documentation, books, records and other data in support of its obligations under the Contract, the Policies and the Regulation so as to justify the content of every Report, every credit request due to an ecomodulation measure and the amount of every PFP for a period of 5 years from the filing of its Report.
 - g) A Member must notify ÉEQ promptly if it becomes aware that the information contained in the Report on ÉEQ Portal is incorrect or incomplete. Within 30 days of such discovery, it must also submit an amendment request to ÉEQ, explaining the inaccuracy and/or incompleteness of the information, and provide corrected and/or completed information as provided in the Audit Policy.
 - h) Methodologies used to extract the data to be included in the Report
 - i. ÉEQ encourages the use of actual data to prepare the annual Report of Materials;
 - ii. The methodology used must be able to support the data entered in the Portal and show, in particular:
 - Product identification data, such as UPC (SKU);
 - A description of each Product or Product group;
 - The Product size;
 - The weight and type of each constituent of the Product.
 - iii. The studies carried out by the Producer or by a Producer association justifying the deductions applicable in Québec.
 - i) The data reported will be used to prepare the Ecomodulated Financial Participation Schedule for the next Obligation Year and the billing of the resulting PFP.
 - j) ÉEQ reserves the right to revise the Report at any time and issue a revised PFP invoice in accordance with the Audit Policy.
10. Time frame for requesting an amendment to the Report in accordance with the Audit Policy
- a) Any Producer that believes it has grounds that could justify a revision of its Report has a period of two (2) years following the due date of such Report. The admissible grounds are set out in the Audit Policy.
 - b) If a Producer is no longer a Member of ÉEQ, it must transmit its Report amendment request within 30 days of its withdrawal. No amendment requests will be accepted after that time period.
 - c) All relevant documents and information enabling ÉEQ to proceed with a full analysis of the amendment request and render an informed decision must be submitted within the same time frame.

11. Ecomodulated Financial Participation Schedule and ecomodulation measures

- a) The Ecomodulated Financial Participation Schedule and the ecomodulation measures:
- i. Are considered as a lever to promote circular economy, to meet the commitments of ÉEQ and the Members described in the General Conditions, and to facilitate the achievement of the performance targets identified in the Regulation;
 - ii. Are updated annually and appended to this Policy;
 - iii. Will be presented to the Members for consultation prior to their final adoption by the board of directors, in accordance with the General Conditions;
 - iv. Must allow the financing of the costs of the System and the related expenses, as provided in the General Conditions.
- b) Ecomodulated Financial Participation Schedule
- i. Under the Contract, the General Conditions and the Regulation, the Ecomodulated Financial Participation Schedule is dynamic, in order to take into account, in particular, the following factors, as the data justifying the measures introduced gradually become available:
 - The recyclability of the Materials
 - The presence of outlets for the Materials
 - The incorporation of recycled materials in those Materials
 - The reduction efforts at source in the manufacturing of those Materials
 - ii. The Ecomodulated Financial Participation Schedule contains a list of the Materials to be reported and the rates ÉEQ has set for each of the Materials.
- c) Ecomodulation measures
- i. In accordance with the Contract and the General Conditions and with a view to extended producer responsibility, ÉEQ makes an effort to encourage the Producers to choose Materials that are compatible with curbside recycling or to dissuade them from choosing less compatible Materials by instituting ecomodulation measures in support of its Ecomodulated Financial Participation Schedule.
 - ii. The ecomodulation measures are dynamic, and they are updated annually so as to keep up with developments in the Materials generated, the capacities of the System of Curbside Recycling to process and recycle the Materials, and the potential for introducing recycled content in the Materials with a view to a circular economy.
 - iii. The ecomodulation measures are presented in an [Ecomodulation roadmap](#), which is available on ÉEQ website.
 - iv. The ecomodulation measures that apply to a given Report are presented in an appendix to the Ecomodulated Financial Participation Schedule for that Obligation Year.
 - v. The Producers that are eligible for credits due to ecomodulation measures are hereinafter described:
 - The Producers that are eligible for credits and other ecomodulation measures are those that have:
 - ✓ Generated Materials in the Reference Year;
 - ✓ Submitted a detailed Report, including a Small Producer that has chosen to make a detailed Report of its Materials, even if it is eligible for a simplified Report leading to a fixed PFP;

- ✓ Fully paid the PFP related to that Report, by the stipulated date, unless there was a prior written agreement with ÉEQ;
 - ✓ Transmitted the form and the information required for the credit or ecomodulation measure by the stipulated date.
 - The Producers that are not eligible for credits or other ecomodulation measures are those that are PFP-exempted or have availed themselves of a fixed Financial Participation under the Small Producers' Policy.
- vi. Ecomodulation measures may result in the granting of credits (bonus) or the charging of penalties (malus) following an analysis and validation by ÉEQ.
- ÉEQ has the authority to review all requests for credits, bonuses and other ecomodulation measures and to request additional supporting documentation if necessary;
 - Further to its analyses and reviews, ÉEQ has the authority to generate a full or partial credit or to grant no credit at all for the ecomodulation measure in question;
 - Credits are granted by means of a separate invoice issued in the year following the deadline for submission of the Report;
 - Credits resulting from an ecomodulation measure are applicable against the PFP for the following year;
 - Penalties are applicable on the amount of the PFP for a given Obligation Year and are included in the billing for the Report.
12. Coming into force of the Ecomodulated Financial Participation Schedule and the ecomodulation measures
- a) The Ecomodulated Financial Participation Schedule and the ecomodulation measures shall come into force following the adoption of the rates by ÉEQ's Board of directors.
 - b) The Ecomodulated Financial Participation Schedule for a given Financial Obligation Year shall be in force for a period of three full calendar years following the date when the balance is due. They will remain appended to this Policy throughout the period they are in force.
13. Determination of PFP
- a) The amount of the PFP for a given Financial Obligation Year is determined by:
 - i. Multiplying:
 - The quantity, in kilograms, of each of the Materials generated during the Reference Year;
 - By the rate applicable to each under the Ecomodulated Financial Participation Schedule for the Financial Obligation Year,
 - ii. Adding up all these amounts;
 - iii. Adding the penalties resulting from ecomodulation measures for that Financial Obligation Year, if any;
 - b) The credits resulting from an ecomodulation measure that are obtained by a Producer are applicable against the PFP for the following year.
14. Taxes applicable to the PFP
- a) The taxes in force in Québec under the Act respecting the Québec sales tax apply to the Producers' Financial Participation

15. Billing and payment of the annual PFP

- a) Any Producer submitting a Report may, at its option, choose to pay its PFP in a single instalment or four equal instalments.
- b) Once the Ecomodulated Financial Participation Schedule comes into force, all Producers will receive an email with the invoice or invoices for the PFP based on the information contained in the Report submitted by no later than May 31st of the Reporting Year, with or without amendments, as applicable.
- c) All annual PFP payments must be paid in full, by the due date, in the year following the Report, based on the following schedule and terms:

Payment schedule	Payment due dates for the Financial Obligation Year
Quarterly payment option	
1st payment due (25%)	January 31st
2nd payment due (25%)	April 30th
3rd payment due (25%)	July 31st
4th payment due (25%)	October 31st
Single payment option	
Annual PFP (100%)	January 31st

- d) All payments of the annual PFP must be made in the lawful currency of Canada.
- e) Payments may be made by either:
 - i. Direct deposit: ÉEQ’s banking details are available on every invoice issued and, ÉEQ prioritizing this payment option, a written notice must be sent to (recevables@eeq.ca). Failure to send the notice will release ÉEQ of any liability with respect to the allocation of the payment.
 - ii. Credit card via the Moneris platform, available through the ÉEQ Portal if the total amount owing is less than \$10,000.
 - iii. A cheque made to the order of ÉEQ sent to 1600 René Lévesque Blvd. West, Suite 600, Montréal, Québec H3H 1P9. In the latter case, kindly allow enough time for mailing in order to meet the payment due dates and avoid charges being applied.
- f) Any past due sums shall bear interest in accordance with the terms, conditions and rates listed in the Interest, Penalties and Sanctions Policy.

16. Reporting terms and conditions for new Members

- a) In the interest of fairness, every Member should pay for the Materials put on the market during an Obligation Year. New Members are required to submit their first annual Report within 60 days of joining ÉEQ;
- b) As mentioned in the Contract, a Producer that becomes a Member retroactively must submit its Reports for the three previous calendar years, in addition to the Report for the current year, in ÉEQ Portal. The Policies in force at that time and the Ecomodulated Financial Participation Schedules specific to each of the Financial Obligation Years shall then apply. Charges and penalties shall also apply under the Interest, Penalties and Sanctions Policy.

- c) Any Member that commences its operations in the course of an Obligation Year must submit a Report of Materials and pay a PFP for the Materials put on the market during that Obligation Year. If that new Producer becomes a Member after May 31st, it will have two Reports to file.
- i. A first Report for the Obligation Year in which it began to put Materials on the market
 - The first annual Report is based on the number of months of operations for the Obligation Year and will be used to generate an invoice for that year.
 - New Producers may need to use estimates such as sales forecasts, historical data or another type of information that is acceptable to ÉEQ to file their first Report.
 - The PFP generated must be paid within 30 days of receipt, otherwise charges and penalties shall apply under the Interest, Penalties and Sanctions Policy.
 - ii. Annual Report for the following Obligation Year
 - New Producers must file their annual Report by May 31st, as stipulated in this Policy, or within 60 days of joining ÉEQ, whichever is later.
 - Such annual Report will generate one or more invoices for the coming Obligation Year depending on the date the Report was filed, and the terms and conditions set out in this Policy.
 - The Report must be representative of a full year of operation.
 - To generate the report, Producers may extrapolate the data they used in their first Report to represent 12 full months by using sales forecasts, historical data or another type of information that is acceptable to ÉEQ.
 - iii. Annual Report based on the cycle described in this Policy
 - As soon as it is possible to do so, a Producer is bound to comply with the Reporting terms and conditions and the due dates stipulated in this Policy.

17. Establishment of a special PFP

- a) ÉEQ reserves the right to ask for a special PFP in the following instances:
- i. The constitution of a reserve fund that will allow it to assume the obligations incumbent upon it, as provided in the Regulation;
 - ii. An adjustment to a given Ecomodulated Financial Participation Schedule, due to significant changes in the System of Curbside Recycling or its context.
- b) If a special PFP is called for, a special Ecomodulated Financial Participation Schedule will be developed to cover the necessary costs.
- c) In accordance with the Contract and the General Conditions, the special Ecomodulated Financial Participation Schedule and the conditions justifying its implementation will be presented to the Members for consultation.
- d) Such special PFP will be payable in the time frame indicated on the invoice. However, the minimum time frame will be at least 30 days following receipt of the invoice.
- e) Any past due sums shall bear interest in accordance with the terms, conditions and rates listed in the Interest, Penalties and Sanctions Policy.

18. Collection procedure for outstanding balances

- a) Any balance outstanding on the PFP due date stipulated in this Policy shall be subject to collection measures up to and including legal recourse, as provided in the Interest, Penalties and Sanctions Policy.
- b) The collection measures may be taken by ÉEQ or by a third party on behalf of ÉEQ.

19. Producers in default

- a) Any Producer that is in default under the Contract, the General Conditions, the Regulation or this Policy must notify ÉEQ promptly if it becomes aware that the information contained in its Report is incorrect or incomplete.
- b) Any Producer that is in default under the Contract, the General Conditions, the Regulation or this Policy shall incur charges, penalties or sanctions, in accordance with the Interest, Penalties and Sanctions Policy.

For any assistance understanding your obligations, preparing your Report, classifying materials or others, including the ecomodulation measures, do not hesitate to:

➤ **Consult the tools and information made available to you on ÉEQ website:**

- **Materials Guide**
- **Methodology sheets by activity sector**
- **Excel file for the classification of Materials**

➤ **Contact a Company services agent who will be pleased to assist you:**

service@eeq.ca

514-987-1700 or 1-888 – 987-1491

Appendix 1

Ecomodulated Financial Participation Schedule and Ecomodulation Measures

Financial Participation Schedule

Sub-categories of Materials	Materials	2023 Special PFP ¢/kg	2024 PFP ¢/kg	2025 PFP ¢/kg
Printed Matter	• Newspapers	N/A	TBD	TBD
	• Newsprint inserts and circulars	5,673	TBD	TBD
	• Magazines, catalogues and publications	7,112	TBD	TBD
	• Telephone books		TBD	TBD
	• Paper for general use and other printed matter		TBD	TBD
Paperboard Containers and Packaging	• Corrugated cardboard	6,397	TBD	TBD
	• Kraft paper shopping bags		TBD	TBD
	• Kraft paper packaging		TBD	TBD
	• Boxboard and other paper packaging	8,029	TBD	TBD
	• Gable-top containers	9,021	TBD	TBD
	• Laminated paper	10,855	TBD	TBD
	• Aseptic containers	10,240	TBD	TBD
	• Wood and cork	12,550	TBD	TBD
Plastic Containers and Packaging	• Polyethylene terephthalate (PET) bottles	11,177	TBD	TBD
	• High-density polyethylene (HDPE) bottles and containers < 5L	6,193	TBD	TBD
	• Plastic laminates	17,107	TBD	TBD
	• HDPE and low-density polyethylene (LDPE) plastic film	17,802	TBD	TBD
	• HDPE/LDPE film shopping bags		TBD	TBD
	• Expanded polystyrene - food	29,694	TBD	TBD
	• Expanded polystyrene - protection		TBD	TBD
	• Non-expanded polystyrene		TBD	TBD
	• PET containers	11,177	TBD	TBD
	• Polyvinyl Chloride (PVC)	29,694	TBD	TBD
	• Polylactic acid (PLA) and other degradable plastics		TBD	TBD
	• Polypropylene (PP)	10,275	TBD	TBD
	• Other plastics, polymers and polyurethane	11,695	TBD	TBD
Aluminium Containers and Packaging	• Aluminium containers for food and beverage	6,752	TBD	TBD
	• Other aluminium containers and packaging		TBD	TBD
Steel Containers and Packaging	• Steel aerosol containers	6,059	TBD	TBD
	• Other steel containers		TBD	TBD

Sub-categories of Materials	Materials	2023 Special PFP ¢/kg	2024 PFP ¢/kg	2025 PFP ¢/kg
Glass Containers and Packaging	• Clear glass	6,653	TBD	TBD
	• Coloured glass	6,762	TBD	TBD
	• Ceramic and porcelain	11,556	TBD	TBD

Ecomodulation measures applicable for the 2023 Financial Obligation Year

1. Post-consumer recycled content credit (PCRCC)

- a) A Producer that has generated Materials for which the post-consumer recycled content percentage reaches or surpasses the threshold presented below is eligible for a credit of 20% of the PFP payable for the Materials in question if the Report has been filed on time.

Materials eligible for a credit	PCRCC Thresholds 2023 FPS	PCRCC Thresholds 2024 FPS	PCRCC Thresholds 2025 FPS
• Newsprint inserts and circulars	80%		
• Magazines, catalogues and publications	50%		
• Telephone books	80%		
• Paper for general use and other printed matter	80%		
• CP: Kraft paper shopping bags	100%		
• CP: Kraft paper packaging	100%		
• CP: Laminated paper	100%		
• CP: Polyethylene terephthalate (PET) bottles	100%		
• CP: High-density polyethylene (HDPE) bottles and containers < 5 L	100%		
• CP: PET containers	100%		

- b) The supporting documents required to determine such post-consumer recycled content must be forwarded to ÉEQ sixty (60) days following the Reporting deadline.

2. Eco-design incentive bonus

- a) A bonus of up to 50% of the PFP payable for the Product Containers or Packaging concerned by an eco-design measure may be granted to an eligible Producer that has implemented an eco-design measure for Containers or Packaging and that demonstrates that its measure meets the established requirements as described on the ÉEQ website.
- b) A Producer may submit a bonus request for several Products to ÉEQ. A separate request must be submitted by the Producer for each container or packaging concerned by an eco-design measure.
- c) The form and the supporting documents needed to justify the request for an eco-design incentive bonus must be forwarded to ÉEQ sixty (60) days following the Reporting deadline.
- d) A Producer may obtain a credit of up to \$25,000 per bonus request and may combine several credits up to a maximum of \$60,000 per obligated person.
- e) A minimum amount of \$5,000 per Producer will be granted to any Producer whose single or multiple bonus requests are deemed admissible by ÉEQ. That minimum amount will be capped at the total amount of the PFP in the Reference Year if the PFP is less than \$5,000.

- f) The eco-design bonus is granted exclusively for the reported quantities of eco-designed Containers and Packaging put on the market in the Reference Year.

3. Ecomodulation measure specific to newspapers

- a) A Producer which, in the Reference Year, has put newspapers on the market having a total weight \geq fifteen (15) metric tonnes, must demonstrate that, throughout the Reference Year, it has had and offered one or more digital products.
- b) Otherwise, ÉEQ may invoice an amount corresponding to 1% of that Producer's PFP as additional PFP (malus).

Appendix: Examples of Establishments in Québec

A Producer that does not have its head office in Québec, which constitutes its domicile, may have one or more establishments in Québec. Here are a few non-exhaustive examples provided strictly as a guideline for determining whether a Producer has an establishment in Québec for purposes of the Financial Participation.

1. The Producer lists in its registrations with the Québec Enterprise Registrar, under the “Establishments” heading, that it has an address in Québec or in its articles of incorporation.
 - Caution: a person acting as the “attorney” of a legal person listed with the Québec Enterprise Registrar does not constitute a sufficient indication to find that the person in question has an establishment in Québec.
2. Insurance companies or financial institutions:
 - A company offering insurance or financial products in Québec which has a licence issued by the Autorité des marchés financiers (AMF) is deemed to have an establishment in Québec.
3. Owner of an immovable property in the province:
 - Where a company has an immovable property in Québec which it owns, that immovable property is deemed to be an establishment.
4. Company using equipment or machinery in the province:
 - If a company has no fixed place of business in the province, it could have an establishment at the location where it uses a significant quantity of machinery or equipment at a given time in a Reference Year. It is then deemed to have an establishment at that location.
5. Commercial operations in the province involving raw materials:
 - Where a company’s operations consist in producing, growing, excavating, mining, creating, manufacturing, improving, processing, preserving or building, in whole or in part, anything whatsoever in Québec, regardless of whether the sale of that thing is completed in Québec or elsewhere, that operation permits the conclusion that the company has an establishment in Québec in the year when the operation was carried on.
6. A representative in Québec:
 - The establishment of a company means a fixed location or the main location where it carries on its operations. An establishment also includes an office, residence, branch, mine, oil or gas well, agricultural operation, woodlot, factory, warehouse or shop.
 - Where a company is operated or represented by an intermediary, being an employee, agent or mandatary, who is established at a given location, who has general authority to contract for their employer or principal or who has a supply of goods owned by the latter which supply is used to regularly fill the orders they receive, the company is deemed to have an establishment at that location, even though at times the orders may be processed at a distribution centre located outside Québec.
7. Commission agent, broker, other independent agent or subsidiary:
 - A company is not deemed to have an establishment based on the sole fact that it has business relations with someone else through a commission agent, broker or other independent agent or based on the fact that it maintains an office or warehouse for the sole purpose of buying goods; nor is it deemed to have an establishment at a location based on the sole fact of its control over a subsidiary that carries on a business in the province.