CCES 2025 Session Summary

Unifying Efforts to Advance a Circular Economy: A Case Study on Collaboration within Canada's Resource Recovery Sector

The "Unifying Efforts to Advance a Circular Economy" session at CCES 2025 focused on the crucial role of collaboration and harmonization among various actors in establishing an efficient and effective circular economy across Canada, particularly concerning resource recovery for packaging and paper products. The session was moderated by **Isabelle Faucher**, Managing Director of the Carton Council of Canada, and featured a panel consisting of:

- Allen Langdon, CEO, Circular Materials
- **Maryse Vermette**, President & CEO, Éco Entreprises Québec (EEQ)
- **Erik Grisé**, Director, Circular Economy Development, Cascades
- **Marie-Anne Champoux-Guimond**, Senior Manager, Sustainability, Keurig Dr. Pepper Canada
- **Sophie Langlois-Blouin**, Project Director, Deposit & Circular Economy, Machinex
- **Catherine O'Brien**, Senior Vice President, Corporate Affairs, Regulatory, Government Relations & Sustainability, Nestlé Canada

Date / Location: Wednesday, April 16, 2025 / Montreal, Canada

Canada's vast geography and current patchwork of recycling policies and regulations requires new models of collaboration and harmonization across value chains to enable an efficient and effective circular economy across the country. This engaging session shone a spotlight on a unique partnership between two of Canada's largest producer responsibility organizations (PROs), Circular Materials and Éco Entreprises Québec (EEQ), including in areas such as material management and infrastructure investment.

The session also brought forward a discussion amongst value chain actors highlighting what can be learned from collaborative approaches to systems change, including eco-design, that accelerate a more circular economy, while digging into some of the challenges that have yet to be overcome.

SUMMARY

The session began with a fireside chat featuring Allen Langdon, CEO of Circular Materials, and Maryse Vermette, CEO of Éco Entreprises Québec (ÉEQ), two of Canada's Producer Responsibility Organizations (PROs) for packaging and paper products.

They discussed the Memorandum of Understanding (MOU) signed between Circular Materials and ÉEQ in April 2023, two years prior to the session. The MOU aims to formalize collaboration, leverage scale, and avoid duplication, especially for producers common to both PROs, thereby helping manage costs.

Despite different regulatory models in various provinces, the PROs work together to advocate for streamlined regulations, infrastructure investment, and more effective EPR implementation. The objective is to foster human relationships and ensure collaboration at all levels.

The MOU has three main objectives:

1. Information Sharing: Understanding each other's distinct regulatory systems and operational models to explain their realities and approaches.
2. Joint Advocacy: Collaborating on advocating with the federal government, particularly concerning the plastic registry, and finding solutions for managing difficult materials like mixed fibers.
3. Collaboration on Initiatives: Encouraging their teams to work together on various topics, including producer communication, harmonizing policies, and material list alignment.

Allen noted that while initial meetings were frequent, the collaboration has now matured, with teams regularly working together on specific projects, demonstrating the MOU's success in fostering ongoing cooperation.

Deep Dive into Collaboration and Harmonization:

Maryse elaborated on the importance of harmonization in producer communication, policies, and material lists, essential for aligning efforts across different regulatory environments. She highlighted ÉEQ's 15-year experience with ecodesign, emphasizing shared best practices and the development of mutual eco-design tools. Both Circular Materials and ÉEQ are members of EXPRA, an international PRO organization based in Brussels, representing Canada and sharing global expertise.

Allen detailed the Resource Recovery Initiative (RRI), a first in North America, involving Circular Materials, ÉEQ, and Recycle BC. The RRI formally identifies and assesses plastic sorting, mechanical, and advanced/chemical recycling technologies based on environmental and economic performance. This initiative is crucial for meeting aggressive flexible recycling targets in Ontario (40% by 2030) and Quebec

(50% by 2030), a significant challenge given current low rates. Phase one involved receiving submissions, and phase two is assessing approximately 20 submissions on technical and economic performance.

Allen also mentioned PR Flex, a broader initiative including more organizations, focused on understanding the baseline data for flexible plastic packaging collection and recycling, identifying infrastructure gaps, and proposing new technologies to improve capture rates and produce higher quality post-consumer recycled content. The learnings from PR Flex will inform the installation of new equipment in facilities over the next two years.

Addressing Fees and Costs:

Both PROs acknowledged that fees and costs are the number one issue for producers in EPR. They are addressing this through:

- Efficiencies of Scale: Utilizing national reporting platforms for producers and service providers and investing in technology improvements.
- Regional Approach to Infrastructure: Instead of jurisdictional-specific infrastructure, they are exploring regional solutions (e.g., in Atlantic Canada) for sorting technologies to achieve greater economies of scale.
- Governance and Producer Engagement: Supporting producers and advocating for framework adjustments to reduce cost pressures. Allen cited the example of working with Alberta to delay verification procedures, providing producers more time to comply. He criticized the current system in some parts of Canada (implicitly Ontario) where producers are paying for other actors in the system, arguing it is unfair and needs reform to align with the core objective of producers paying their fair share.

Maryse added that the transition to the new full EPR system, inherited from a 30-year-old system, presented immense pressure due to short timelines and unexpected discoveries. ÉEQ faced a "shock" with significant fee increases for producers in 2025. In response, ÉEQ is working with the Quebec government to mitigate this financial pressure, particularly by postponing new obligations (like ICI management in 2027) to allow more time for system development.

Opportunities for EPR in Canada:

- System Optimization: Maryse highlighted the need to optimize the system, emphasizing that recyclable materials lead to lower costs and better market value. She stressed the importance of ecodesign and ecomodulation of fees to incentivize producers to manage materials more effectively, especially problematic ones.
- New Infrastructure: The need for significant investment (billions of dollars) in new sorting and recycling infrastructure for materials lacking sufficient tonnage or end markets was emphasized.
- Harmonized Regulations: Allen called for greater harmonization across Canada's unique provincial regulations to create a more seamless system for producers.
- Unified Material Lists: The need for standardized material lists across provinces, building on BC's existing model, starting with Ontario and then extending to New Brunswick and Nova Scotia.
- Material Access Program: Allen also discussed Circular Materials' program to ensure recycled material returns to producers, enabling them to close the loop by reintroducing post-consumer recycled content into packaging.

Producer and Innovator Perspectives on EPR's Impact

The second segment of the session brought in producers and innovators to share their experiences with EPR.

Erik (Cascades) noted that while the recycler side hasn't seen immediate massive changes, EPR is crucial for "pulling the bottom higher" – increasing the performance of poorly performing materials and underperforming MRFs. As a vertically integrated company focused on fiber, Cascades welcomes EPR for forcing a "forest-for-the-trees" perspective, enabling them to build solutions with more confidence due to greater supply chain ownership and accountability. His wish list: higher quality, more volume, and longer contracts, which he believes EPR will eventually deliver.

Sophie (Machinex) highlighted the opening of the new Montreal MRF, operated by GFL (Matrec), as a state-of-the-art facility adapting to EPR requirements and future needs. She stressed the importance of good communication with ÉEQ and GFL to ensure timely delivery and adaptability of such facilities.

Marie-Anne (KDP Canada) emphasized that EPR has given producers a "seat at the table," moving beyond just paying fees to actively influencing the transition. Harmonization, enabled by EPR, has had a concrete impact on her products being accepted province-wide (Quebec this year, Ontario next), unlocking effective consumer education. She also praised the collaboration fostered by EPR, citing the hand-in-hand work between PROs and impactful initiatives like the Circular Plastics Taskforce.

Catherine (Nestlé Canada) stated that EPR enables Nestlé to meet its ambitious internal targets for reducing packaging, ensuring recyclability, and establishing necessary recycling systems. She highlighted the crucial opportunity to gain access to high-quality recycled material, which is vital for meeting their goals and closing the loop. She believes EPR will increase the quantity and quality of recycled materials, making the circular economy tangible for consumers and beneficial for producers.

Experimentation and Collaboration: The Path Forward

The panelists continued to elaborate on specific achievements due to EPR:

- Catherine (Nestlé Canada): EPR enables experimentation with new solutions. She cited a pilot project in London, Ontario, with Circular Materials and Nespresso, for collecting coffee capsules via blue box, separating grounds from aluminum for recycling. This demonstrates how producer involvement can build scalable solutions.
- Marie-Anne (KDP Canada): Emphasized the vital collaboration with PROs like Recycle BC, ÉEQ, and Circular Materials. Good producer relations, transparent communication, and regular meetings provide essential information and foster a sense of involvement. She praised ÉEQ's unique eco-design team and eco-branding as powerful levers for internal packaging changes, driven by potential financial rewards.
- Erik (Cascades): Reiterated the importance of collaboration with clients and PROs in staying updated on technologies and cost-effective solutions for meeting targets. He stressed that EPR has forced different actors to understand each other's "pain points," centralizing accountability and communication across the value chain, leading to better KPIs for MRF performance.

The session collectively underscored that while challenges like cost, regulatory complexity, and legacy systems persist, the new EPR landscape in Canada is fostering unprecedented collaboration, innovation, and a shared commitment to building a more circular economy.