

2026 EPR OVERSIGHT FEE GUIDE

1.0 GENERAL

1.1 Introduction

Divert NS is a not-for-profit corporation championing recycling in Nova Scotia for 30 years. We've helped build a culture of recycling through environmental education, funding for innovative research and strategic partnerships to reduce waste. Divert NS operates two stewardship programs - the beverage container deposit-refund program and the used tire management program. Through those programs, Divert NS funds education and awareness programs, municipal waste diversion activities, and innovative research initiatives.

In August 2023, the provincial government announced the Extended Producer Responsibility for Packaging, Paper Products and Packaging-Like Products (EPR for PPP) Regulations.

Divert NS was appointed by the province to administer the Regulations, which includes oversight of compliance with the regulations and enforcing the obligations of producers, processors, and producer responsibility organizations. Divert NS has developed an electronic Registry to receive information from obligated parties as part of its compliance and enforcement activities.

1.2 Cost Recovery for EPR Oversight

Divert NS has created an EPR Oversight Division responsible for overseeing and enforcing the EPR for PPP Regulations. Costs associated with oversight of the Regulations include building and maintaining the registry, data analysis and management, compliance monitoring, and other activities to ensure all parties meet their obligations. As noted in Section 14.1 of the Regulations, the Administrator is authorized to recover its costs for oversight.

1.3 Key Principles

In developing Divert NS' fee setting methodology, multiple approaches were analyzed. The analysis resulted in two foundational principles:

Principle #1. Divert NS will base fees on actual costs incurred in the prior fiscal year (April 1 to March 31). Using actual costs means that cost adjustments from previous fee setting cycles will not be required.

Principle #2. Producers will submit supply data based on a calendar year (January 1 to December 31).

2.0 CALCULATION OF EPR OVERSIGHT FEES

2.1 Cost Recovery Goal

The goal is to generate total fee revenue that covers Divert NS' EPR Oversight costs from a given fiscal year.

2.2 Direct Oversight and Shared Corporate Costs

The cost of EPR Oversight activities includes both direct oversight and shared corporate costs.

Direct Oversight Costs

These include operational expenses specific to EPR Oversight. Examples of direct costs include:

- Staff employed 100% in EPR Oversight
- Registry development and operations
- Compliance and enforcement activities
- Stakeholder engagement and communication
- Direct financing costs specific to EPR Oversight

Shared Corporate Costs

These include costs incurred by Divert NS that support both the EPR Oversight division and stewardship operations. Shared corporate costs will be allocated to EPR Oversight based on an allocation formula.

Examples of shared costs include:

- Corporate staff who provide support to EPR Oversight.
- Board fees and expenses
- Corporate insurance
- Office space
- Other costs such as corporate professional development and general IT licenses

2.3 Cost Categories

Divert NS' EPR Oversight cost Framework includes the following categories:

- a. **Operating costs** – includes both direct oversight and shared corporate costs from April 1, 2025 to March 31, 2026.
- b. **Capital costs** – capital assets are amortized over the useful life of the asset. As an example, the Registry will be amortized over seven (7) years.
- c. **Operating reserve** - a financial reserve built over time to manage unexpected costs or revenue shortfalls. (*Not included in 2026 fees*)

2.4 Use of Producer Supply Data

EPR Oversight costs are allocated based on producers' supply data reported annually to Divert NS. If discrepancies are identified in reported data or if free riders are discovered, after fees are set, Divert NS will evaluate their significance and make any adjustments in the following fee setting period.

3.0 COST RECOVERY SCHEDULE

3.1 EPR Oversight Fee Setting Activities

Each year, Divert NS will undertake key fee setting activities according to the general timelines below:

Timeframe	Activity
March to May	Consultation on Proposed EPR Oversight Fees
June - July	Approval and Posting of EPR Oversight Final Fees
October	Invoicing of EPR Oversight Fees

3.2 Fee Setting Schedule

Each fee setting cycle will recover costs for a specific fiscal year. The costs will be allocated based on Nova Scotia supply data reported to Divert NS.

	2026 Invoice	2027 Invoice	2028 Invoice	2029 Invoice
EPR Oversight Costs	Fiscal 2026	Fiscal 2027	Fiscal 2028	Fiscal 2029
Supply Data	Calendar 2024	Calendar 2025	Calendar 2026	Calendar 2027

*Fiscal year runs April 1 – March 31.

4.0 INVOICING

4.1 Parties to be Invoiced

Obligated producers are responsible to pay EPR Oversight fees.

4.2 Invoice Dates

Invoices will be issued to producers on October 1 each year. The invoice will be available in the EPR Portal.

Producers that submit supply reports after Oct 1 will be invoiced by Divert NS once the supply report has been reviewed. Fees will not be prorated for producers who report mid-way through a calendar year.

4.3 Payment Terms

Invoice payment is due in full net 60 calendar days from the date of the invoice.

4.4 Late Payment

Divert NS will charge interest at a rate of 1.5% per month (18% per annum) on outstanding invoices that are not paid in full by the due date.

4.5 Payment Options

Invoices must be paid by a producer directly to Divert NS.

For producers located within Canada, or those outside Canada holding a bank account with a Canadian financial institution, the following payment options are available:

- Electronic Funds Transfer (EFT): Divert NS invoices will provide banking information to support EFT payment set up or contact eprsupport@divernts.ca for information.
- Online Bill Payment – In online banking, select “Divert NS - EPR for PPP”.
- Cheque, money order or bank draft payable to:
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