Product Care Ontario Pesticide, Solvent and Fertilizer Industry Stewardship Program











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Steward Update Webinar

March 9, 2016



Webinar Staff Support

Product Care Association

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Webinar Agenda

- Program Approval & Launch Date
- Program Options for Stewards
 - Stewardship Ontario
 - Product Care Association
- Stewardship Ontario's Program
 - Exiting Stewardship Ontario
- Product Care Association Overview
- Product Care's PSF ISP Program
- Accepted Products in the PSF ISP
- PSF ISP EHF Rates
- No Visible Fees
- Product Care Registration and Reporting
- Member Support
- Timeline & Key Activities
- Resources & Contact Information
- Q & A



Program Approval & Launch Date

- On October 28, 2015, Waste Diversion Ontario (WDO) approved the Product Care Association (PCA) Industry Stewardship Plan (ISP) for the end-of-life management of pesticides, solvents and fertilizers (PSF).
- On December 17, 2015 WDO announced the effective date (start date) of the PCA PSF ISP as April 1, 2016.



Program Options for Stewards

- Stewardship Ontario's MHSW
 Program
 - Less than 50 % of stewards, by market share, in PSF categories
 - Quarterly reports
 - Cost Recovery, fluctuating fees as a result of Reg. 11/12
 - Annual true up

- Product Care Association's PSF ISP
 - Over 95 % of **pesticide** stewards, by market share,
 joining
 - Over 55 % of solvent stewards,
 by market share, joining
 - Over 90 % of **fertilizer** stewards, by market share,
 joining
 - Monthly reporting
 - Fixed Environmental Handling
 Fee (EHF) rates



PESTICIDES, SOLVENTS AND FERTILIZERS ISP WHAT STEWARDS NEED TO DO TO EXIT STEWARDSHIP ONTARIO

ORANGEDROP

March 9, 2016

TODAY'S PRESENTATION

 Explain the exiting process for pesticides, solvents and fertilizers (PSF) stewards

• We will cover:

- **Reporting and payment schedule** what reports and payments exiting stewards need to submit and make?
- Steward in 'good standing' what does this mean and what actions do stewards need to take?
- Steward Invoices what will they include and when are they due?

Reporting and Payment Schedule

Reporting Schedule

Report	Report Due Date		Data Included	in Report
Q1 Report	Jan 31	Q4 da	ata (Oct 1 – Dec 31)	
Q2 Report	April 30	Q1 data (Jan 1 – March 31)		
Payment Schedule				
Invoice Payment	Costs		Invoice Due Date	Summary
Q1 Invoice				
	Q4 material management & administrative costs (including half o the estimated pre-effective date cos		Feb 28	Q1 Invoice Q4 Report (Q3 data) Q4 Costs

ADJUSTMENTS

 All stewards, whether exiting or staying with Stewardship Ontario, have until May 31, 2016 to request an adjustment for PSF reports for the period up to the April 1, 2016 ISP effective date.

ENSURING YOU ARE A STEWARD IN 'GOOD STANDING'

WHAT IS A STEWARD IN GOOD STANDING?

- A steward is in good standing in the context of the ISP if their PSF reports and payments are submitted by the due dates specified in the Rules
- Also remember that the Waste Diversion Act (WDA) requires stewards to be in good standing at all times with the WDA and the program Rules (which it authorizes).
 - Section 31(1) explicitly requires stewards to pay their fees as specified in the Rules.
- A steward is in good standing with the Waste Diversion Act (WDA) and the Rules if:
 - All of a steward's MHSW reports are up-to-date
 - All of a steward's MHSW payments are up-to-date
- SO is required to report to WDO throughout transition process whether stewards wishing to join PCA ISP are in good standing

WDO CHECK POINTS

March 15, 2016	SO to provide 'In good standing' list to WDO related to Q1 payment status – due on Feb 28. WDO to review and establish initial approval to join the PCA ISP
March 31, 2016	Last day to register with PCA
April 1 – 15, 2016	WDO reviews steward registrations and on April 13 communicates approved and unapproved stewards to PCA, which then confirms registration with PCA to stewards on April 15
May 15, 2016	SO to provide 'In good standing' list to WDO related to Q2 reporting compliance – due on April 30
June 15, 2016	SO to provide 'In good standing' list to WDO related to Q2 payment status – due May 31
May 31, 2017 (TBC)	SO to provide 'In good standing' list to WDO related to the 2016 Annual True Up (ATU) payment status

12

INVOICING: ESTIMATING PRE-MARCH 31 COSTS

PRE-MARCH 31 COSTS WILL BE ESTIMATED

- Stewardship Ontario will estimate material management costs incurred prior to March 31 and will apply these costs to your Q1 and Q2 invoices
 - Service Providers will not be submitting their invoices for service up to March 31 before the transition date – hence the need to estimate costs
- Estimating costs and invoicing for them in Q1 and Q2 alleviates the need for any additional reporting and invoice payments

ESTIMATED COSTS BASED ON KNOWN DATA

- Material management costs received after the ISP effective date
- Administrative costs to process service provider reports and invoices
- Administrative costs to manage and process payments from stewards and payments to service providers and municipalities

SUMMARY OF KEY POINTS

- Deadlines to submit reports are Q1 was Jan 31 / Q2 April 30
- Payment deadlines are Q1 invoice was by Feb 28/ Q2 invoice by May 31
- Stewards will have to be in good standing with SO before exiting to join PCA ISP
- Invoicing estimated program costs added to Q1 and Q2 invoices, removing the need to submit further reports and payments
- Questions or further information Steward Services at 1-888-980-9549 or <u>WeRecycle@stewardshipontario.ca</u>

Product Care Association - Overview

Federal Non-profit Product Stewardship Association

Started 22 years ago in British Columbia



Program members are the 'producers' of legislated products – manufacturers, retailers, and distributors Product Care

Develops, implements and manages 16 product stewardship programs in 8 provinces in response to regulation, on behalf of industry



Product Care Association - Overview

Paint: BC, SK, MB, NB, NS, NL, PEI, ON



Flammable liquids/solvents, pesticides and other HHW products: BC, MB, **ON (April 1, 2016)**



Lighting: BC, MB, QC, PEI



Smoke and CO Alarms: BC

Small Appliances: BC, contracted by CESA



Major Appliances: BC, contracted by MARR

Outdoor Power Equipment: BC, contracted by OPEIC



Product Care & ReGeneration



- Corporate name
- Remains as the legal name that appears on all contracts and agreements



- Consumer-facing brand
- More intuitive and engaging to consumers
- ReGeneration is the umbrella brand under which all programs are represented (e.g. PaintRecycle, LightRecycle, and PSF etc.)



Product Care/ReGeneration Website

- The principal tool of PCA's ReGeneration communications platform is the website, **ReGeneration.ca**. It hosts consumer, **member** and program partner website pages, providing relevant information to each group
- Member Resources for Ontario Product Care members are available at: www.regeneration.ca/member-support/ontario/



Product Care's PSF ISP Program

- Developed with the support from industry partners and the Canadian Consumer Specialty Products Association (CCSPA)
- Aims to enable industry partners to meet their obligations with a program that offers
 - Cost predictability with fixed Environmental Handling Fees (EHFs)
 - Enables industry to play a more direct role in the program
 - Reduced program cost through the recovery of HST as an input tax credit
- As of April 1, 2016 Product Care will assume the end of life management for pesticides, solvents and fertilizers including the collection, transportation and processing
- As part of the ISP, PCA will adopt the end of life management system "as is"
- Product Care is currently working with service providers and municipalities to ensure a smooth transition



Accepted Products in the PSF ISP

- The definition of pesticides, solvents and fertilizers under the PSF ISP are the same as they were with Stewardship Ontario
- There is no change to the inclusions or exclusions in the PSF ISP
- The definitions and inclusions/exclusions lists for each product are available at <u>www.regeneration.ca/member-support/ontario</u> in Accepted Products & Fee Rates



PSF ISP EHF Rates

Product Category	PCA ON PSF ISP EHF Rates	
Pesticides	\$ 1.08 per kg or L	
Solvents	\$ 0.33 per L	
Fertilizers	\$ 0.07 per kg or L	



Paint ISP EHF Rates

- EHF rates will be applied to monthly sales reports (except for qualifying "small remitters")
- EHF rates are applied per unit of L or kg sold for pesticides and fertilizers or per L sold for solvents
- EHF rates were derived from a multi-year budget approved by PCA's Board of Directors with input from stewards
- At least 90 days notice will be given to members of any rate increase or decrease if required



No Visible Fees

- As a member of the ON PSF ISP you are required to have "no visible fees" displayed to the end-user of pesticide, solvent and fertilizer products
- Companies are allowed to display EHFs in business to business transactions provided the business is not the end-user





No Visible Fees

- During the member registration process, ON PSF members accept the Supplementary Letter of Agreement for the Ontario ISPs which includes the "no visible fee" requirement
- This requirement is meant to reduce consumer confusion which occurred in the past
- EHF rates are expected to be incorporated into the price of pesticide, solvent and fertilizer products when sold to the end-user in the same way as other costs (eg. manufacturing, transportation, retail operation, etc.)
- This requirement does not mean that EHF rates are a secret, in fact, EHF rates are publicly available on our website



Registering With Product Care

Registration system is now available at: www.ecofeereporting.com/EcoFee/Login.aspx

Existing Product Care Members

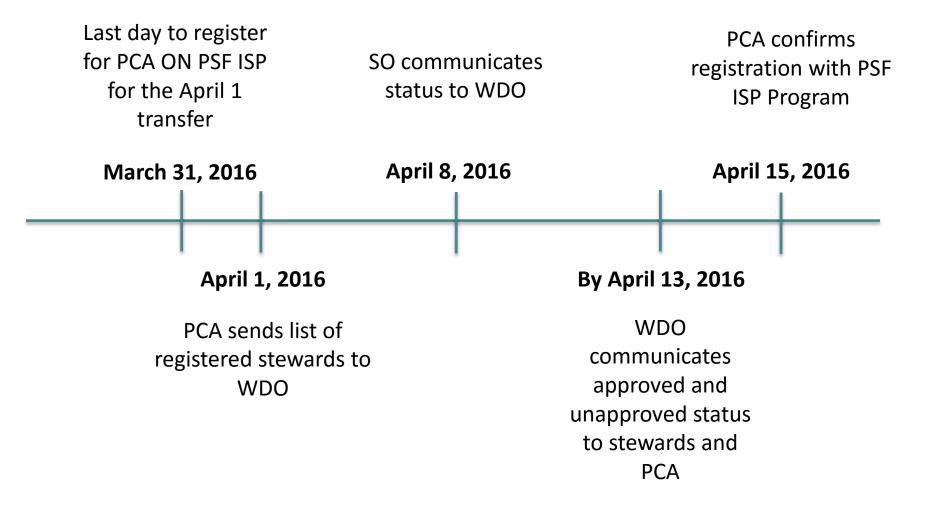
- Log in to your account
- Click "Add a new program/province to your PCA membership"
- Follow the Registration Steps which includes the Supplementary Letter of Agreement for Ontario ISPs

New Product Care Members

- Create a New Account
- Follow the Registration Steps which includes the Supplementary Letter of Agreement for Ontario ISPs



Registering With Product Care





Reporting To Product Care

- Product Care PSF ISP members approved for the April 1, 2016 launch will begin reporting to Product Care as of June 1, 2016
- Due to the 90 day notice commitment to members, PCA will not charge the fees to members for the first month of the program (no fees for April 2016)
- As a member, your first report and fee remittance will be in June for May 2016 sales

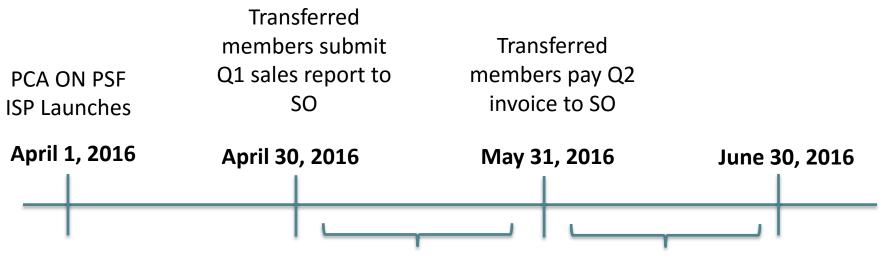


Reporting To Product Care

- Reports and fee remittance are due within **30 days** of a calendar month end
- Fee reports and remittances are required monthly, except for qualifying "small remitters"
- Once a monthly report is submitted, an invoice is automatically generated based on the EHF rates plus HST



Reporting To Product Care



PCA does not charge fees for ON PSF ISP members. PCA PSF ISP members do not report or pay fees for April 2016 sales PCA ON PSF ISP members report sales and remit fees to PCA for May 2016 pesticide, solvent and fertilizer sales

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"Remitter" & "Reporter" Arrangements

- PCA allows stewards within the supply chain (e.g. supplier, distributer, retailer) to determine who reports and pays
 - the "remitter" does not have to be the actual obligated steward
 - must be documented (e.g. remitter agreement b/w the two parties)
 - the steward party to the agreement must be a PCA member
- "Reporting Steward" concept is still an option in the ON PSF ISP. This requires:
 - pre-approval by PCA to grandfather the existing SO reporting relationship into PCA (please contact holly@productcare.org asap)
 - both parties to be PCA members
 - the completion of the Reporter-Supplier agreement by both parties
 - a reporter account set up for each reporter/supplier pairing

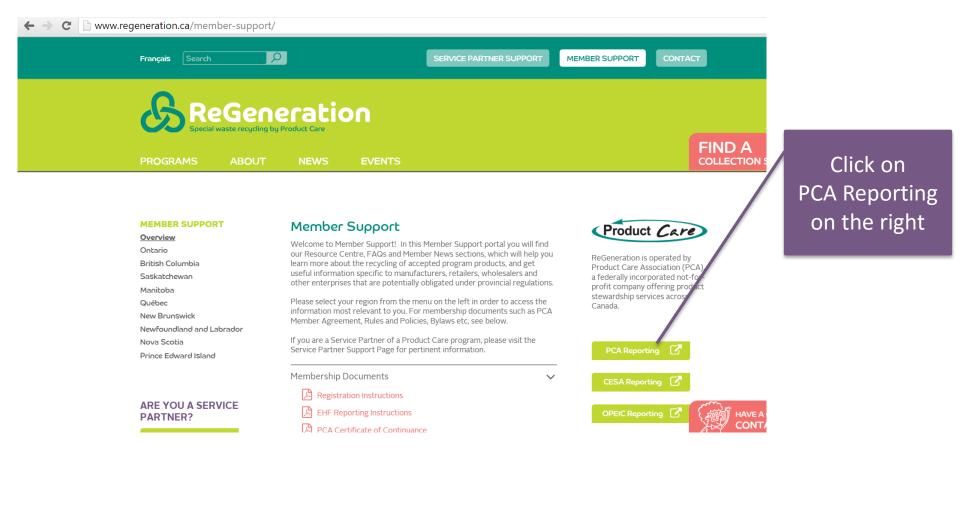


Small Remitter Policy

- Small remitter policy exist for those that:
 - have reported and remitted for 1 year in the program (or satisfactory sales history provided)
 - remit less than \$20,000 per year for all Product Care programs
 - are in good standing with PCA for all programs
- If you wish to start on quarterly reporting for ON PSF:
 - please submit your last 4 quarters of SO pesticide, solvent and/or fertilizer sales reports to <u>holly@productcare.org</u> by March 31, 2016
- If approved as a small remitter, your first reporting period will begin July 1, 2016 for May and June 2016 sales

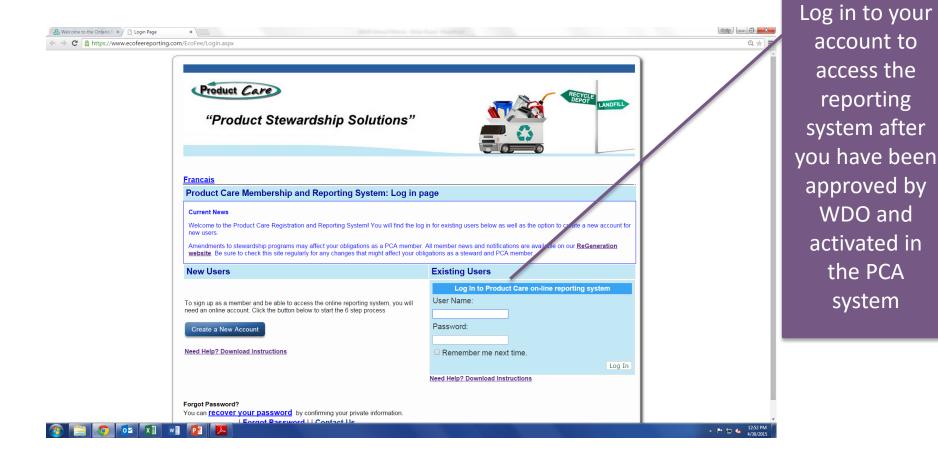


Reporting Navigation



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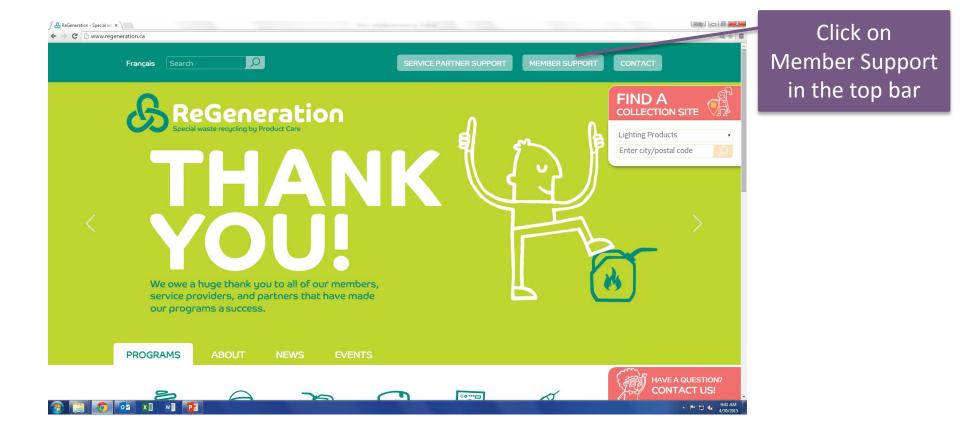
Reporting Navigation



35

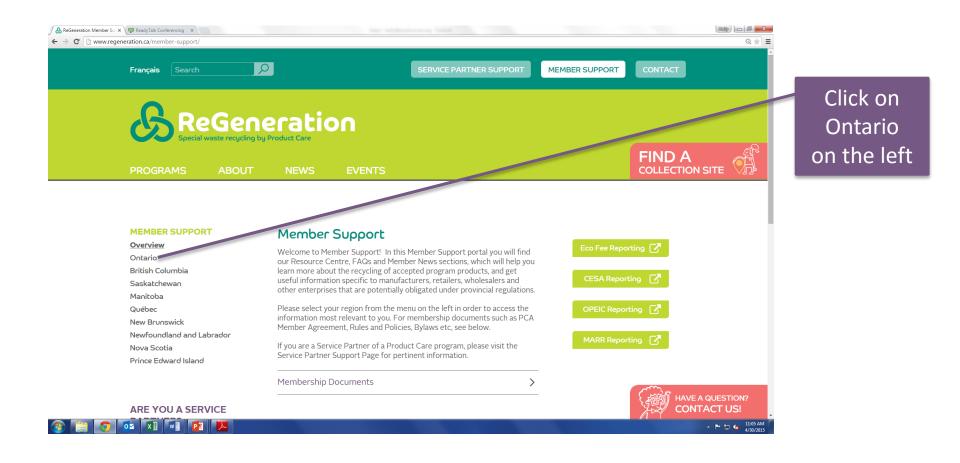
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Member Support



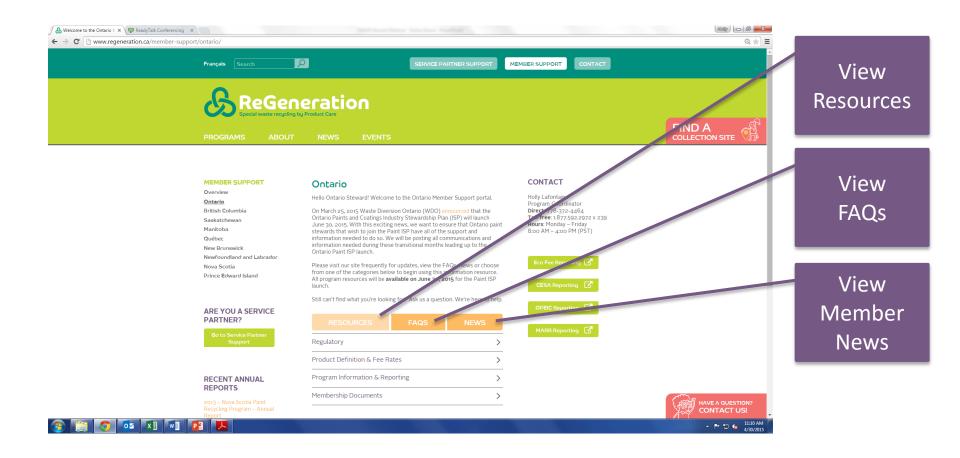


Member Support





Member Support





Timeline & Key Activities

Activities	Dates
Stewards register for PCA ON PSF ISP	On or before March 31, 2016
PCA sends list of stewards registered in the ON PSF ISP to WDO PCA PSF ISP launches	April 1, 2016
SO informs WDO of "good standing" status	April 8, 2016
WDO determines approved and unapproved PSF stewards to transfer to PCA	By April 13, 2016
PCA informs approved and unapproved PSF stewards	April 15, 2016
Transferred stewards submit Q1 sales report to SO	April 30, 2016
Transferred stewards are not charged April 2016 fees by PCA	May 1 – May 31
Transferred stewards pay Q2 invoice to SO	May 31, 2016
Transferred stewards report May 2016 sales and remit fees to PCA	June 1 – June 30



Resources & Contact Information

Member resources and FAQs can be found on the ReGeneration website at: www.regeneration.ca/member-support/ontario

For additional program support, contact:

Patrick Chauvet Ontario Program Director patrick@productcare.org Toll free: 1.877.592.2972 x 356 Direct: 416.307.2886 Holly Lafontaine Ontario Program Coordinator holly@productcare.org Toll free: 1.877.592.2972 x 239 Direct: 778.372.4464

40

SO Steward Services WeRecycle@stewardshipontario.ca Toll free: 1.888.980.9549



Thank you!

Q&A

