



## Summary of 2018 Changes to Membership Agreements, Rules and Policies

- Early in 2017, each program initiated a comprehensive review of their respective Membership Agreements, Rules and Policies that govern steward registration, reporting, invoicing and compliance/enforcement
- The primary objectives of the review were to continue administrative harmonization and improve clarity for stewards
- This summary outlines the main proposed changes, why they are being made and what they will mean to stewards
- Changes are organized here by minor and key changes affecting all programs followed by program-specific changes
- Changes are expected to take effect on January 1, 2018, with the exception that Voluntary Steward provisions have already been implemented
- Documents and policies for each program are available [here](#)
- Stewards are invited to participate in an October 17 webinar and to submit any comments or questions about the changes to [stewardfeedback@cssalliance.ca](mailto:stewardfeedback@cssalliance.ca) by November 10, 2017.

Nature of Change	Rationale	How it impacts stewards	References
<b>Minor Changes for ALL programs</b>			
<b>Voluntary Stewards</b> Voluntary steward notification date changed from Dec 31 <sup>st</sup> to Dec 1 <sup>st</sup>	Bringing the date forward ensures that CSSA can validate and publish the steward list sooner each reporting year	Any existing Voluntary Stewards wishing to exit a program must notify National Steward Services by December 1, 2017, if they do not wish to report in May 2018.  Any brand owner who is eligible to join a new program as a Voluntary Steward must execute their VSAs by December 1, 2017, if they wish to report May 2018	See Policy and Voluntary Steward Agreement

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<p><b>Primary Contacts</b> New policy requiring that primary contacts be appointed by a senior officer within their organization who has the authority to bind their organization</p>	<p>Since the submission of an Annual Steward Report commits the steward to a financial liability, the Primary Contact needs to have the authorization of a senior officer (who can bind the steward corporation) within each steward's organization.</p>	<p>PCs for new stewards joining a program for the first time will register on the portal and then NSS will reach out to confirm approval from a senior officer with the authority to bind the steward's organization to appoint the PC Note: The process to change the existing Primary Contact is not affected.</p>	<p>See Policy (Form will be available by January 1, 2018)</p>
<p><b>Affiliated organizations</b> Affiliated organizations who wish to report separately must first seek approval from the stewardship programs</p>	<p>Ensures stewards can set up their accounts in a way that best suits their own internal record keeping and financial structures so long as it does not conflict with de minimis principles.</p>	<p>Going forward, any parent company or affiliate that wants to report their affiliated organization(s) under a separate steward account must contact National Steward Services and provide detailed information on affiliated/parent organizations after completing registration.  National Steward Services will be able to identify parent companies and their affiliates in the case of compliance issues or in the case of bankruptcies, etc.</p>	<p>BC MA – sec. 2. (e) i. SK MA – sec. 2 (d) i. MMSM Rules – sec. 22 SO Rules – sec. 22</p>
<p><b>Adjustments</b> Minor revisions to the steward adjustment policy</p>	<p>Provides clarification that stewards who are entitled to a credit will have their credit immediately applied against their steward account. The credit can be applied by the steward against their next program invoice(s).</p>	<p>No action required by stewards – credits will be available on your account once approved and processed.</p>	<p>See Policy</p>
<p><b>Onboarding</b> New onboarding policy harmonized for all programs</p>	<p>Supports existing language in Rules and MAs that ensures stewards pay fees for all periods for which they supply obligated material.</p>	<p>New Onboarding Policy will be posted on all websites. There is no change to onboarding process for new stewards who are required to do their first report based on estimates (that can be adjusted later once actuals are known) so that invoices can be issued in the first year they are supplying designated PPP. The NSS team is available to provide assistance with onboarding.</p>	<p>See Policy</p>
<p><b>Key Changes for ALL Programs</b></p>			

Nature of Change	Rationale	How it impacts stewards	References
<p><b>Dispute Resolution</b> Harmonized Dispute Resolution Policy (DRP) for all programs that simplifies the steps</p>	<p>Programs and stewards benefit from clear direction describing the manner in which disputes will be resolved. In addition, the revised approach is more efficient and less costly to both parties.</p>	<p>If a dispute does arise, the policy focuses on resolution at the staff level. Then, if senior members of the two organizations cannot resolve the dispute, the process no longer includes a mediation step. The final step of arbitration is limited to a maximum of four hours, with the costs to be borne equally by the program and the steward.</p>	<p>See Policy</p>
<p><b>Parallel Importation</b> New Parallel Importation Policy requires first importers who obtain goods via parallel importation to include PPP generated from those goods in their reports – even if the brand owner is on the steward list</p>	<p>Ensures un-stewarded tonnes from the grey market are reported by the correct party. This is proposed for all programs in the interests of harmonization and fairness.</p>	<p>If a first importer has imported goods obtained through parallel importation, they must report all PPP from the supply of such goods, regardless of whether the resident brand owner or voluntary steward is listed on the program’s list of registered stewards</p> <p>For audit purposes, first importers must have evidence that they have obtained their branded products from the distribution network of a brand owner.</p> <p>First importers can no longer only rely on the steward list to the exclusion of also reporting on PPP supplied from parallel importation of goods.</p>	<p>See Policy</p>
<p><b>Gross Weights</b> New Reporting and Deductions Policy requires all stewards to report the gross amounts of PPP supplied to consumers</p>	<p>This proposed change supports a more level playing field among stewards. Ensures individual stewards and programs have more accurate and verifiable data if requested by a regulator.</p>	<p>All 2018 steward reports must include gross kgs supplied to consumers for each material sub-category. PPP which is supplied to consumers is not eligible for deductions, except for on-site consumption and disposal of PPP in restaurants/food service establishments and plastic bags that are returned to retail in Manitoba.</p> <p>Eligible food services/restaurant and Manitoba plastic bag stewards will need to identify deduction requests and provide sufficient substantiation using the new Deductions Request form that will be available on each program’s website in 2018.</p>	<p>See Policy</p>

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<b>Administrative Fees</b> A harmonized Administrative Fees, Interest and Penalties Policy for all programs	This proposed change promotes greater compliance with the programs' deadlines and defrays the costs to the program for managing non-compliant stewards. Application of a harmonized policy brings a standardized approach to all CSSA supported programs.	Compliant stewards who report accurately and on time will not experience any impact. Stewards who are non-compliant (e.g. submitting late or inaccurate reports) will be subject to administrative fees and/or interest charges and/or penalties as outlined in the policy (in accordance with each program's Rules, MA and/or Program Plan).	See Policy
<b>Program-Specific Changes</b>			
<b>Recycle BC and MMSW only</b>			
References to Policies included in MAs	Ensures stewards are aware of all existing and new policies	Links to policies will be incorporated into the MA; policies will also be available on program websites	Recycle BC Policies here  MMSM Policies here
May 1 <sup>st</sup> exit process clarified in the MAs	To ensure stewards understand the importance of providing notice of their exit from the program(s).	Stewards who exit a program prior to May 1 <sup>st</sup> will have no financial obligation for future years – they will still be required to pay any remaining invoices for that year within 30 days of exit.	Recycle BC MA – sec 7.(a) ii.  MMSW MA – sec 7.(a) ii.
<b>MMSM and SO only</b>			
New index and headings and plain language used throughout Rules	Improves clarity and harmonization between the two Rules-based programs.	Rules now easier to navigate for all stewards.	MMSM Rules here – p. 1  SO Rules here – p. 1
Not-for-profit organizations, including charities, now have access to the same de minimis thresholds as for-profit organizations	Ensures fairness for all stewards in MMSM and SO to have access to de minimis thresholds.	Going forward, small charities can access the de minimis exemption thresholds in Manitoba and Ontario.  Note that Regulations in British Columbia and Saskatchewan exempt all charities from stewardship obligations.	MMSM Rules – Part V  SO Rules– Part V

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A new provision obligates non-resident franchisors for the PPP generated by their resident franchise system, thereby capturing all PPP supplied by all franchisees.	Supports a level playing field and harmonizes with other programs (already in place for MMSW and Recycle BC, proposed for MMSM). Reduces un-stewarded tonnes	Non-resident franchisors will be contacted and supported by National Steward Services to meet their stewardship obligations on behalf of their franchisees in the province.	MMSM Rules here – sec. 13  SO Rules here – sec. 14
Removal of proxy reports in the MMSM and SO programs for late/non-reporters to align with other programs	Ensures non-compliant stewards can be more efficiently escalated and reduces the administrative burden for the programs to manage proxy reports and adjustments. Also harmonizes with the approach for Recycle BC and MMSW.	Late reporters will be contacted and supported to submit their reports. Stewards unable to do so within a reasonable timeframe will be escalated for compliance and subject to additional administrative fees, penalties and interest as per the new policy.	N/A – removed from Rules
<b>MMSM only</b>			
New definitions in Rules	Improves clarity and harmonization between the two Rules-based programs.	Rules now easier to navigate for all steward organizations. New terms also link clearly to new and/or revised policies.	MMSM Rules– p. 1
New requirement for Stewards to notify MMSM of changes occurring within its organization	Ensures MMSM has the most up to date information on stewards' status.	Within 30 days of changes such as mergers, acquisitions etc. steward must contact National Steward Services to update their records.	MMSM Rules– sec. 6
<b>SO only</b>			
Introduction of January 1 <sup>st</sup> billing cycle	Meets requests from national stewards to align with other PPP Programs Provides increased efficiencies for stewards' accounting departments and allows financial liabilities to be booked at the start of each calendar year.	SO stewards' first quarterly invoice will be due January 31 All quarterly invoices will also be issued on January 1 and will be due: <ul style="list-style-type: none"> <li>• April 30</li> <li>• July 31</li> <li>• October 31</li> </ul> Stewards can also select a billing preference to receive one annual invoice which will be due January 31.	SO Rules– Appendix C