

## REPORTING AND DEDUCTION POLICY

### KEY FEATURES:

- All stewards must report the gross weights of their obligated material, without deduction, in their Annual Steward Report.
- There are no permitted deductions from the Annual Steward Report, other than as provided for in this Policy.
- All Steward deduction requests must be approved by National Steward Services before a deduction is permitted.

### I. Overview

1. This policy outlines:

- Stewards' obligation to report their Gross Weights of Obligated Material; and
- the scope of Permitted Deductions in Annual Steward Reports.

### II. Purpose

2. The Policy:

- promotes fairness and consistency for all stewards; and
- supports stewards in their obligation to produce Annual Steward Reports which are auditable by the program(s) and by provincial regulators.

### III. Scope

3. This Policy is effective January 1, 2018 for all stewards meeting their regulatory stewardship obligations with one or more of the following paper and packaging programs (the "Programs"):

- Recycle BC (formerly MMBC);
- Multi-Materials Stewardship Western (MMSW);
- Multi-Material Stewardship Manitoba (MMSM); and
- Stewardship Ontario (Blue Box Program)

## IV. Policy

### (a) Definitions

4. “**Annual Steward Report**” is the annual report Filed by all Stewards and Voluntary Stewards, which describes the aggregate amount of Obligated Material, expressed in kilograms or units by category, Supplied by the steward and its franchisees or affiliates during the Data Year.
5. “**Consumer**” means an individual (other than a Person in the Industrial, Commercial, or Institutional (IC&I) sector) to whom Obligated Material is Supplied, regardless of whether the Obligated Material is disposed of by the Consumer in the Residential Waste System.
6. “**Gross Weight**” means the total weight of all Obligated Material Supplied to Consumers, without deduction.
7. “**Jurisdiction**” means the provincial jurisdiction in which the Program operates.
8. “**Obligated Material**” means paper, packaging, and service packaging which is obligated pursuant to one or more of the programs.
9. “**On-Premise Waste Management Program**” means a Restaurant’s own on-premise waste management program, which results in Obligated Material never entering the Residential Waste System and which is managed entirely at the Steward’s own expense.
10. “**Permitted Deductions**” means the deductions that may be claimed by Stewards on receipt of Program’s approval with respect to Obligated Material in accordance with this Policy. For Recycle BC, MMSW and Stewardship Ontario (Blue Box), other than the Permitted Deductions in section 17 of this Policy, there are no other Permitted Deductions.<sup>1</sup>
11. “**Residential Waste System**” means a system of waste collection which services residential dwellings, including all single family and multi-family dwellings, regardless of whether the service is provided by a municipal government or by private contractors.

---

<sup>1</sup> As provided for in the MMSM Approved Program Plan, there is one additional Permitted Deduction for MMSM relating to return to retail for Service Packaging (Plastic Bags) as permitted by section 25 of the MMSM Rules.

12. **“Restaurant”** for the purposes of this Policy, means an establishment which Supplies prepared food and beverages directly to Consumers, and includes take-home, drive-through or delivery services, but does not include Restaurants on site at grocery retailers, general merchandise retailers, drug and pharmacy retailers, convenience and gas station retailers, club, wholesale, cash-and-carry retailers.
13. **“Supplied”** means sold, leased, donated, disposed of, used, transferred the possession of or title of, or otherwise made available to a Consumer in the Jurisdiction or distributed for use by a Consumer in the Jurisdiction. Supply and Supplies have similar meanings.
14. **“Validation Data”** means data such as SKU, UPC or other product categorization information, including:
- (a) descriptions of each product item or group;
  - (b) product sizes;
  - (c) packaging materials and weight;
  - (d) sales volumes
- that may be requested by the Program to:
- (i) substantiate quantities reported by Stewards in their Annual Steward Report; or
  - (ii) assess a Steward’s request for a Permitted Deduction.

**(b) Annual Steward Report**

15. A Steward must provide the following information in its Annual Steward Report:
- (a) report on the Gross Weight of Obligated Material Supplied to Consumers;
  - (b) identify the Gross Weight of the Obligated Material, by material type, without deduction;
  - (c) for those Restaurant Stewards requesting a deduction:
    - (i) complete and submit a Permitted Deduction form [[insert link](#)] identifying the objective method by which the deduction was derived, which must include Validation Data;
    - (ii) provide the Validation Data upon which the Steward relies for the Permitted Deduction;
    - (iii) maintain the Steward’s records in support of the Permitted Deduction for at least five years and make these records available to the Program upon request; and
    - (iv) receive approval from the Program for the Permitted Deduction before the Steward can claim the Permitted Deduction.

**(c) Deemed Obligated Materials Are Not Eligible for Deductions**

16. All Obligated Material Supplied to Consumers through the following sales and distribution channels:

- (a) grocery retailers;
- (b) general merchandise retailers;
- (c) drug and pharmacy retailers;
- (d) convenience and gas station retailers;
- (e) club, wholesale, cash-and-carry;
- (f) product sales utilizing the Internet;
- (g) on-premise factory stores for public or employees;
- (h) direct home sales; and
- (i) unsolicited paper delivered directly to households,

is deemed to be Obligated Material, and is not eligible for any deduction, regardless of whether the Obligated Material is disposed of in the Residential Waste System.

**(d) Permitted Deduction: Restaurant's On-Premise Waste Management**

17. A Restaurant Steward that has established its own On-Premise Waste Management system for portions of its Obligated Material may apply for a deduction to the Program for that portion of the Obligated Material that:

- (a) is managed by the Restaurant's own On-Premise Waste Management Program; and
- (b) does not enter the Residential Waste System.

Unless or until the deduction is approved by the Program, the Steward may not take this deduction.

**(e) Restaurants that Supply Consumers Using Take-Out, Drive-Through or Home Delivery**

18. A Restaurant Steward that Supplies Obligated Material to Consumers through take-out, drive-through, or home delivery of products is required to report on the total quantities, without deduction, of Obligated Material that are not managed exclusively through the Steward's own On-Premise Waste Management Program, regardless of whether the Obligated Material Supplied through take-out, drive-through, or home delivery is disposed of in the Residential Waste System.