

1.0 DEFINITIONS

Environmental Handling Fee (EHF): The fee remitted on the supply of each obligated product.

Obligated Product: A new product, covered by the provincial program under any of the designated categories and is supplied in or into the province. Note that refurbished or other ‘second sale’ products, replacement parts or components are not EHF applicable. Obligated products may also be referred to as ‘designated products’.

Pay-on-Purchase (POP) Steward: A steward that is based, operates in, and supplies obligated product within a single province only; sources all obligated products from Remitters; does not assemble or manufacture obligated products; and has applied into the program and been approved to have suppliers report and remit the EHF on their supply to the POP, therefore the POP is not required to report or remit the EHF on any subsequent transactions.

Remitter Steward: A steward with the provincial program that is responsible for submitting regular reports on the supply of obligated products in or into the province, and remitting the appropriate EHF.

Product Return: When the consumer takes back an obligated product to the supplier within the established return/warranty period and the consumer is reimbursed the total cost of the product including the EHF.

Supply: Any sale, distribution or other supply of obligated products in or into the province (including rental, lease, donation, internal company use, etc.)

2.0 PROGRAMS

Program	Phase*	Date of Obligation	Obligated Products	Notes
EPRA British Columbia	PI	August 1, 2007	Obligated Products & EHF	<i>** Expansion of covered electronic toy categories</i>
	PII	July 1, 2010		
	PV	July 1, 2012 & August 1, 2013**		
EPRA Saskatchewan	PI	February 1, 2007	Obligated Products & EHF	
	PII	April 1, 2010		
EPRA Manitoba	PI & PII	August 1, 2012	Obligated Products & EHF	<i>Includes microwaves</i>
EPRA-Québec	PI	October 1, 2012	Obligated Products & EHF	<i>Some variances in typical Phase I & II products</i>
	PII	August 1, 2013		
EPRA Nova Scotia	PI	February 1, 2008	Obligated Products & EHF	
	PII	February 1, 2009		
EPRA Prince Edward Island	PI & PII	July 1, 2010	Obligated Products & EHF	
EPRA Newfoundland and Labrador	PI & PII	August 1, 2013	Obligated Products & EHF	

*Obligated product categories by implementation phase – consult detailed program definitions for official listing

PI = Phase I products: computers, monitors, televisions, printers, keyboards, mice

PII = Phase II products: portable/home/vehicle audio video, selected telecommunication products

PV = Phase V products: medical/laboratory products, gaming devices, toys, GPS, floor-standing printers/photocopiers, musical instruments, etc.

3.0 STEWARD OBLIGATION

At the time of registration, the Steward must indicate which provincial programs the Steward operates under. The Steward is responsible for maintaining records of all transactions regarding obligated products, and submitting reports of obligated product supply in or into the province and remitting the appropriate EHF to EPRA.

When the Steward:

- Is based, operates in, and supplies obligated product within a single province only;
- Sources all obligated products from Remitters; and
- Does not assemble or manufacture obligated products;

the Steward may apply to the program for **Pay on Purchase (POP)** steward status to be exempt from reporting and EHF remittance responsibilities. The POP will be required to maintain records of all transactions regarding obligated products and annually confirm their registration with the program.

4.0 RULES FOR APPLYING THE ENVIRONMENTAL HANDLING FEE (EHF)

By default, the first supply of obligated product in or into the province is subject to reporting and EHF remittance, and the EHF is only remitted once per obligated product.

In the instance the supply of an obligated product is to another Remitter in the applicable province, the supplying Remitter is exempt from reporting the supply or remitting the EHF. Instead, the Remitter receiving the product accepts full responsibility for reporting and remitting the EHF on their subsequent supply of the product.

In order to exempt a Remitter from the EHF, the supplier must maintain evidence of the receiving Remitter's status (i.e. Remitter number) at the time of supply and the amount of the EHF exempted. The list of Remitters subject to this exemption is maintained by program; refer to Section 2.0 above for the link to each program.

The Remitter and POP may choose to recover the EHF by charging it to their customer.

See Appendix A: [Remittance Flow Diagram](#)

5.0 FEE COMMUNICATION

For any supply of obligated product, the Steward may choose to charge the EHF or build the EHF into the cost of the product**, however, the Steward must:

- Indicate the EHF on the invoice or;
- Provide other means of notification to the customer of the EHF or;
- For sales to a Remitter, indicate that the supply is "EHF exempt".

**In Québec, as per the [Regulation](#), the cost related to the recovery and reclamation of a product must be internalized in the price asked for the product as soon as it is put on the market. Those internalized costs may be rendered visible only on the initiative of the regulated enterprise that markets the product; in such case that information must be disclosed as soon as it puts the product on the market.

6.0 REPORTING

Remitters are required to submit regular reports indicating all obligated products supplied during the reporting period, any returns of obligated product in that period, and remit payment on net quantity supplied (total supply less product returns) within 30 days following the close of the reporting period.

Nil or \$0 reports must also be filed.

Frequency of reporting and remitting is determined by the annual remittance amount due as follows:

Annual EHF Remittance Due	Reporting Frequency	Reporting Periods	Reporting and Remittance Due
Greater than \$6 000	Monthly	Monthly	Within 30 days of the close of the reporting period
\$2 000 to \$6 000	Quarterly	January 1 – March 31 April 1 – June 30 July 1 – September 30 October 1 – December 31	Within 30 days of the close of the reporting period
Less than \$2 000	Annually	January 1 – December 31	Within 30 days of the close of the reporting period

7.0 APPLICABLE TAXES

As the tax situation for each province and Steward may differ; Remitters should seek professional tax advice to ensure applicable taxes are correctly applied.

8.0 FAILURE TO REPORT AND REMIT

Failure to report and remit EHF and any applicable taxes may result in any or all of the following actions:

- The application of interest on overdue amounts;
- The application of administrative fees;
- Legal proceedings to collect amounts owed;
- Audit of the Steward;
- Cancellation of Steward's National Stewardship Agreement and notification to provincial enforcement.

The following administrative fees and interest will apply to late EHF reports and/or late EHF remittance.

- Overdue remittances will bear interest at the rate of 1% per month (12% per annum)
- At its option, EPRA may charge administration fees on overdue reports as follows:
 - a) Initial reminders will have no charge – up to 30 days overdue
 - b) Written, formal reminder issued 30 days after the due date: \$100
 - c) Next reminder for same report issued 10 or more days after b): \$200
 - d) Next reminder for same report issued 10 or more days after c): \$625

9.0 STEWARD AUDITS

As per section 2.1d of the National Stewardship Agreement, stewards must permit EPRA, from time to time, to audit the records of the Steward, with respect to Supplied Obligated Products and the remittance to EPRA of the Steward Fees pursuant to the EPRA Policies. The Steward shall make available to EPRA all records and information relating to Supplied Obligated Products and remittances to EPRA of Steward Fees provided the records and information are reasonably required to perform an accurate audit.

Stewards must keep records of obligated product supply and EHF remittances for audit purposes for 5 years plus the current year.

If the Steward has under-remitted fees, administrative fees and interest may apply. In the case of over-remittances as determined by audit, EPRA will credit the Steward for the overpaid amount.

APPENDIX A REMITTANCE FLOW DIAGRAM

