



Member's guide

Presented by the Quebec beverage container recycling association

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Welcoming word:

As you know, the first phase of the new modernized deposit system was launched by Consignaction on November 1st, 2023. As a member of the QBCRA whose products are marketed in returnable containers, you find yourself at the heart of this new project. And, thanks to the participation of our members and our partners – just like you – the project of modernizing the deposit system can continue to move forward. We thank you for your contribution towards this major environmental project representing the new modernized deposit system.

This guide aims to introduce new members to the new, modernized deposit system. It provides information on the new processes, modalities, and tools put in place by the QBCRA to ensure and facilitate the involvement of our members in this major project. This guide will help you obtain many answers to your questions and may serve as a reference in the future. It also aims to ensure that you have the necessary tools to remain compliant with the new regulations and to successfully integrate the new modernized deposit system into your company.



Who is targeted by the new regulation?

According to articles 5 and 6 of the Regulation respecting the development, implementation, and financial support of a deposit-refund system for certain containers, the different persons required to develop, implement, and financially support the new deposit system are:

- 1. Producers, owners or users of a name or trademark domiciled or having an establishment in Quebec.
- 2. Distributors; importers; wholesalers with an address or establishment in Quebec and whose products are marketed in returnable containers are all, or in part, acquired outside Quebec. The latter are considered the **"primary suppliers**" of these products in Quebec and have the same obligations as the producers, owners or users of a name or trademark.
- 3. The person operating a transactional website used to acquire the product and which allows a person having no domicile or establishment in Quebec to commercialize, market or otherwise distribute the product in Quebec.

Who are our members?

- Beer, soft drink, cider, wine, water, sparkling water, tea, coffee, kombucha or any other drinks marketed in returnable containers in Quebec producers.
- Trademark owners or users who market beers, soft drinks, ciders, wines, spirits, sparkling waters, teas, coffees, kombuchas or all other drinks marketed in returnable containers in Quebec.
- Distributors, wholesalers, or importers acting as primary suppliers of beer, soft drink, cider, wine, water spirit, sparkling water, tea, coffee, kombucha or any other drinks marketed in returnable containers in Quebec.
- Transactional website operators, for sites used to acquire the product, and which allows a person having no domicile or establishment in Quebec to commercialize, market or otherwise distribute the product in Quebec.

* Please note that all these people covered by the new regulation are called "producers" in this guide to simplify the text. *



Our members' main obligations:

Obligations:

- Producers are required to actively participate in the modernization of the deposit system by participating in the development, implementation, and they must financially support the deposit system. (Art 5–6)
- Producers have the regulatory obligation to become a member of the QBCRA (Art 137) and to provide the following information: company name, company number (NEQ), address, phone number, representative's name and contact details, and a list of marketed products. (Art 139)
- Producers have the regulatory obligation to monthly remit the number, in units, of containers targeted by the regulation in which a product is marketed, placed on the market, or otherwise distributed in Quebec. (Art 141)
- Producers are required to pay the QBCRA the deposit amount for each returnable container placed on the market. (Art 97)

Sanctions:

The regulation provides administrative monetary and even criminal sanctions for the organization that does not fulfill its obligations, that of remitting the products marketed or communicating other information requested by the QBCRA. For more details, please see Chapter VI of the regulation.

Returnable containers:

Targeted containers:

- The new modernized deposit system is separated into 2 phases. The first, in place since November 1st, 2023, aimed to extend the deposit to all aluminum cans, representing an increase of approximately 300,000 containers per year. The second phase, in place on March 1st, 2025, aims to expand to all ready-to-drink beverage containers between 100 ml and 2 L, representing an increase of 2.5 billion containers.
- These expansions target both single and multiple fill containers.
- If you have any doubts about your products, do not hesitate to contact us to obtain clarification regarding your containers.

Phase 1 targeted containers:

- All returnable aluminum, glass and plastic containers that were already returnable before November 1st, 2023.
- All aluminum beverage containers between 100 ml and 2 L.



Phase 2 targeted containers:

- All returnable beverage containers that were refundable before March 1st, 2025 (aluminum, glass, and plastic).
- All ready-to-drink beverage containers between 100 ml and 2 L in aluminum, plastic, glass, and multi-layer cardboard:
 - Ex: Bottles of wine, cider, and spirits (glass).
 - Ex: Bottles of water (glass and plastic).
 - Ex: Milk, and juice cartons (multi-layer).

Containers NOT covered by the new expanded deposit system.

- Beverage containers of LESS THAN 100 ml and MORE THAN 2 L.
- Detergent and soap containers.
- Concentrates, ready-to-mix products, condiments (e.g., bouillon, sauces).
- Medicinal syrups.
- Beverages sold in flexible pouch-type packaging (e.g., bag-in-box-type beverages).
- Beverage containers served at the point of sale (e.g., cardboard coffee cups).

Deposit amounts :

Type of returnable containers	Format	Example(s)	Deposit
Aluminum	100 ml to 2 L	All beverage containers	\$0.10
Plastic (PET) already returnable	100 ml to 2 L	Soft drink	\$0.10
Single and multiple use glass containers that were already refundable before November 1 st , 2023	100 ml to 499 ml	Beer/Soft drink	\$0.10
Single and multiple use glass containers that were already refundable before November 1 st , 2023	500 ml and more	Beer/Soft drink	\$O.25



Containers approval by the QBCRA:

- Since November 1st, 2023, you no longer need to send your product labels for approval, due to the end of the deposit mention requirements on containers.
- Provided that the new regulation does not require any mention to affix on the containers concerning the deposit, apart from the presence of the product barcode (SKU) which must be visible and readable. The QBCRA does not need to validate the labels before producers market the products.
- However, a list of all your products marketed in returnable containers must be imported and updated on the QBCRA member portal using the available template. It is very important to have a complete and up-to-date list of all products (current and new).
- Like what was done before November 1, 2023, the AQRCB asks not to use plastic sleeves or labels on aluminum containers since their presence can prevent recycling material under the best conditions. If a producer chooses to use this type of labeling and a devaluation of the material ensues, this devaluation could be re-invoiced to the producer concern.

Deposit mention on the containers:

- Since November 1st, 2023, it is no longer required to affix the words "Consignée Quebec XX ¢ Refund" on returnable containers. In fact, the new regulation does not require any mention to be affixed on the containers concerning the deposit apart from the product barcode (SKU) which needs to be visible.
- The term "Consigné là où la loi le prescrit" is an accepted generic term.
- It will be possible to sell all containers, labels and cans tops leftover stock that bear the deposit notice after November 1st. However, producers are asked not to order lids and labels bearing this mention after this date.

QBCRA members portal:

The QBCRA members portal is the main platform on which our members can manage their deposit-related operations. The portal will be helpful to:

- Provide company contact details in the Member> Company Information section.
- Communicate company's contact person in the Member> Contacts section.
- Submit and update the list of returnable products that are marketed by the member. The members' product list can be managed in the *Product Management* > *Products* section.



- Complete and submit monthly declarations. Declarations are made in the *Declaration Management> Declarations* section.
- Gain quick access to various regulatory documents related to the new modernized deposit system. These resources are available in the *Member> Information* section.

Returnable product lists:

The list of products must be submitted and updated directly in the QBCRA members portal, under the *Product Management> Products* section. A template is available in this section to facilitate and standardize the product lists' format.

What needs to be included in the list:

This list must contain all the company products that are marketed in returnable containers.

The list must include the following:

- Product barcode (SKU)
- Trademark
- Product name
- Flavour (if applicable)
- Volume (ml)
- Weight (g) of the blank container which is free of caps, sleeve or label and moisture.
- Classification (Examples: beer and malt product; soft drink; alcoholic beverage; juice; water, carbonated water; milk or milk substitute; any other non-alcoholic beverage)
- Material (aluminum, plastic [PET], glass, fibre/multilayers, other metal, other breakable material)
- Type of container (multiple fill container, single fill container)
- Member's relationship with the product (first supplier, transactional website, user, or trademark or brand user)
- Product availability (active product, discontinued product, upcoming product)

Update frequency:

• The list of products marketed by the producer must be updated at least 30 days **before** a new product is marketed. The QBCRA will periodically ask producers to check that their file list is up to date.



 This process allows for new products, and their SKU barcodes, to appear in the container database which feeds the reverse vending machines. This ensures for all new products are accepted for returns at retailers as soon as they are released. This process is also a great way for the QBCRA to know company's marketed products, which are also subject to monthly declarations.

Monthly declaration:

How to do it?

- Monthly declarations are done directly in the <u>QBCRA Members Portal</u>, where you can file and submit all monthly declarations. All this can be found under the *Declaration management* > *Declarations* section.
- To create a new declaration, simply click on the green button "+ Create new declaration."
- For all sales made during the previous month, declarations must be completed between the 10th and 15th of each month. It will be very important to respect the deadlines since creation and submission of new declarations will be unavailable outside of this period.

What do we need to declare?

- We declare the quantities of returnable containers marketed during the previous month.
- Only the containers targeted by the regulation.
- The quantities declared must be in units and not in cases.
- Quantities must be declared by the type of returnable containers, as presented below:

Container (material and format)	Quantity	Deposit (¢)	Subtotal (\$)
Metal - 100 ml to 450 ml	0	10¢	0,00 \$
Metal - 451 ml to 2 L	0	10¢	0,00 \$
Plastic - 100 ml to 1 L	0	10¢	0,00 \$
Plastic - 1,01 L to 2 L	0	10¢	0,00 \$
Glass - 100 ml to 499 ml	0	10¢	0,00 \$
Glass - 500 ml to 2 L	0	25¢	0,00 \$
TOTAL	0		0,00 \$



Multiple-fill containers:

- Producers, trademark owners or users who market multi-fill containers must report the quantities of multi-fill containers used to market, put on the market, or otherwise distribute a product for which a deposit must be required or collected. These quantities must be entered in the *Multiple Fill Containers* declaration form section.
- Given that those who market multiple fill containers are responsible for the recovery, cleaning and refilling of these containers, no deposit needs to be reimbursed to the QBCRA.

Deposit reimbursements to the QBCRA:

Payment method:

- Deposit reimbursements are made at the same time as the monthly declaration, between the 10th and 15th of each month.
- Payments are only intended to reimburse the deposit amounts collected by members during the month covered by the declaration. The amount owed is the amount displayed on the *Balance Due (Refund)* line of the *Summary* in your monthly declaration.
- Payments are made by electronic transfer (EFT/ACH) to the Association québécoise de récupération des contenants de boissons.
- Payments by check, cash or Interac transfer are not accepted.
- Don't forget to include your member number when sending payment.

Transit number:	98000
Branch number:	815
Bank account number:	1000892
Name of the payee:	Association québécoise de récupération des contenants de boissons — MEMBER #
Address:	3100 boul. de la Côte-Vertu, Bureau 500, Montréal, Québec, Canada, H4R 2J8
Email:	recevables@consignaction.ca

Banking information:



Members' contribution:

- The regulation specifies that if one type of beverage container cause a system deficit, the QBCRA may require from producers as contributions, to fulfill their obligation to ensure the financing of the deposit system, the sums necessary to do so. (Art 94)
- Consequently, a contribution could be requested from members if the deposit system becomes in deficit. If necessary, communications would be sent, and everything would be presented on the website.
- The Regulation also specifies that, in determining the amount payable, the designated management team must consider the type of returnable containers used by the producer (during the year concerned), to market, place on the market or otherwise distribute a product.

Transition recuperators:

Monthly recuperator declarations:

- Returnable containers' recuperators must complete a monthly declaration on the QBCRA Member Portal. This declaration aims to submit the quantities of containers recovered by the recuperator.
- Recovery data is automatically integrated into recuperator's monthly declarations. Thus, when the recuperator opens his new declaration, the quantities of containers recovered, as well as the applicable handling fees, are already in the declaration.
- It is important to fill the quantities of containers recovered without handling fees (if applicable).
- We advise recuperators, as a good practice, to verify recovery data and ensure that it matches the data they received from material conditioners.

Deposit and handling fee reimbursments:

Recuperators' deposit refunds are made on the 25th of the month in accordance with the dynamics in place before the start of the new modernized deposit system.



Communication tools:

- As members of the QBCRA, all can participate in communications efforts by relaying information to supply chain partners.
- Members will be informed of upcoming changes and other information using different communication channels such as:
 - Through the Consignaction website, at <u>www.consignaction.ca</u>, which is updated regularly.
 - Through members' newsletters. To subscribe to the newsletter, <u>click</u> <u>here</u>.
 - Through communication transmitted to the media, which, therefore will inform the public.

Useful links:

Regulation

- <u>Regulation respecting the development, implementation and financial support</u> of a deposit-refund system for particular containers
- August 30, 2023, regulation modifications
- Other government information

Other links

- Member's FAQ
- <u>Targeted and non-targeted containers</u>
- Monthly declaration presentation
- Important elements of the new deposit system
- <u>Presentation on monthly déclarations</u>
- List of returnable containers

Contact us:

- For more precise questions regarding monthly declarations, please contact retailers@consignaction.ca.
- For any other questions, you can contact us at <u>members@consignaction.ca</u>.
- You can also contact us by phone at 1–877–Canette (226–3883).