## Rules and Procedures for

## the Extended Producer Responsibility Scheme

## as managed by

## the Tobacco Product Plastic Filter Group, CLG

## November 2022

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## Definitions

## The words and expressions used in the Scheme Rules and Procedures have the following meanings:

## “Agent” means any person, entity or body corporate that is representing and placing products associated with this Scheme on the market on behalf of another person, entity or body corporate;

## "Annual Renewal Charge” means the annual subscription or fee that is required to be paid to the TPPFG Scheme for membership renewal;

## “Annual Return Form (ARF)” means the annual form that each member of the Scheme completes detailing the volume of product associated with the Scheme that was sold for the year being reported;

## “Associate Member” means a person or entity whose application for membership of TPPFG CLG is accepted by TPPFG CLG and who has paid their membership subscription and any associated contributions towards the Scheme operating costs as may be due, unless or until such membership of the Scheme is revoked, resigned or surrendered in accordance with these Rules and Procedures and who has less than one percent share of the relevant market in the Republic of Ireland.

"**Calculation Equation**” means the equation as prescribed by the DECC to calculate the Tobacco Plastic Filter Contribution payment;

“**Contingency Reserve Fund (CRF)**” means the reserve funding the Scheme is required to maintain as specified by the Minister;

“**Contribution**” means the Tobacco Plastic Filter Contribution payment that is made toward the clean-up, transport and treatment of filters containing plastic and disposed of in public spaces within ROI;

## “Declaration” means the form that each member signs annually and returns to the Scheme confirming that all rules and procedures have been met for the year in review;

## "EPR Scheme” means Extended Producer Responsibility Scheme;

## "Member” means a person, entity or body corporate whose application for membership of TPPFG CLG is accepted by TPPFG CLG and who has paid their membership subscription and any associated contributions towards the Scheme operating costs as may be due, unless or until such membership of the Scheme is revoked, resigned or surrendered in accordance with these Rules and Procedures.

## "Minister” means the Minister for the Department of the Environment, Climate and Communications and any successors of such Minister;

## “Producer” means any natural or legal person, entity or body corporate established in a Member State that professionally manufactures, fills, sells or imports, irrespective of the selling technique used, including by means of distance contracts as defined in point (7) of Article 2 of Directive 2011/83/EU of the European Parliament and of the Council (21), and places on the market in Ireland tobacco products with filters containing plastic and plastic filters marketed for use in combination with tobacco products;

## "Regulations” means the Extended Producer Responsibility (Tobacco Products) Regulations 2022;

## "ROI” means the Republic of Ireland;

## “Scheme” means the TPPFG Extended Producer Responsibility Scheme;

## “TPPFG” means the Tobacco Product Plastic Filter Group, CLG;

## “Voting Member” means a Member with one percent or more than one percent share of the tobacco related market in the Republic of Ireland and can vote on matters pertaining to the Scheme.

## “Year” means a calendar year, commencing on 1 January.

## TPPFG Extended Producer Responsibility Scheme Introduction

* 1. This document sets out the Rules and Procedures for the Extended Producer Responsibility (EPR) Scheme, as mandated by the Extended Producer Responsibility (Tobacco Products) Regulations 2022 (hereinafter referred to as the Regulations) and operated by the Tobacco Product Plastic Filter Group, CLG (hereinafter referred to as the TPPFG). A key objective of the TPPFG is to contribute to the clean-up, transport and treatment of tobacco products containing plastic filters and filters containing plastic marketed for use in combination with tobacco products, placed on the market in the Republic of Ireland, and disposed of in public waste collection systems and is the subject of an approval under Part 3 of the Regulations. These Rules and Procedures are applicable to the Members of the TPPFG, and the companies, entities and individuals that seek to participate in the Scheme. Adherence to these Rules and Procedures shall be a condition of Membership of the TPPFG and of participation in the Scheme.
	2. These Scheme Rules and Procedures have been adopted by the Voting Members of the TPPFG in a General Meeting and they form part of the conditions of approval of the Scheme by the Minister under the Regulations. Any amendment to these Scheme Rules and Procedures must be adopted by the Voting Members of the TPPFG in a General Meeting in accordance with the procedures set out in the Constitution of the TPPFG.
	3. Subscribing Members / Guarantors
		1. The TPPFG is a not-for-profit company, limited by guarantee and registered in the Republic of Ireland. The TPPFG does not have share capital or shareholders, but instead has Subscribing Members who act as guarantors. The guarantors give an undertaking to contribute a nominal amount (€1) in the event of the winding up of the TPPFG. In addition to the guarantors, this company is owned by its Members, which comprise persons and companies involved in the business of manufacture of, and trade in, tobacco products containing plastic filters and filters containing plastic marketed for use in combination with tobacco products.
		2. The registered office of TPPFG is Charter House, 5 Pembroke Row, Dublin D02FW61. The office can be contacted directly on 01-661-0144 or by email at info@tppfg.ie.
	4. **Approval under the Extended Producer Responsibility (Tobacco Products) Regulations 2022**
		1. TPPFG has been designated as an Approved Body under Part 3 of the Regulations to operate a Scheme that contributes to the clean-up, transport and treatment of tobacco product filters containing plastic, legally placed on the market in the Republic of Ireland and disposed of in public spaces within the Republic of Ireland.
		2. The TPPFG offers compliance to producers[[1]](#footnote-1)who place tobacco products with filters and filters marketed for use in combination with tobacco products containing plastic on the market in the Republic of Ireland (ROI). Under these Regulations, producers that *satisfactorily participate* in the Scheme operated by TPPFG are afforded exemptions from their obligations under the Regulations concerning the supply and or trade of tobacco products with filters and filters marketed for use in combination with tobacco products containing plastic in the Irish market (i.e. the ROI).

## Objectives and functions of the TPPFG Scheme

* 1. The objectives of the Scheme which is the subject of these Rules and Procedures are to:-
		1. contribute to the clean-up, transport and treatment of tobacco filters containing plastic or filters containing plastic marketed for use in conjunction with tobacco products, placed on the market in the Republic of Ireland, and disposed of in public waste collection systems within the Republic of Ireland, and
		2. assist producers and other suppliers of tobacco products with filters and filters marketed for use in combination with tobacco products containing plastic to meet their obligations under the Regulations at a reasonable cost.
		3. In line with the requirements of S.I. No. 516/2021 (Paragraph 8(4)(a)), the TPPFG will put in place Awareness Raising Measures to inform adult smokers and incentivise responsible consumer behaviour with the objective of reducing litter from tobacco products with filters containing plastic and plastic filters marketed for use in combination with tobacco products.
		4. In accordance with the requirements of Article 8(a)(1)(c) of Directive 2008/98/EC, the TPPFG will provide for the costs of data gathering and reporting;
		5. The Scheme is for the express purpose of providing compliance with the Extended Producer Responsibility (Tobacco Products) Regulations 2022 and is not intended to fulfill the compliance obligations of the Member for any other product / product components.
	2. The TPPFG is comprised of its:-
		+ 1. Members comprised of Voting Members and Associate Members, and
			2. Board of Directors, and
			3. Scheme General Manager

## Eligibility for Membership

* 1. Membership of the Tobacco Product Plastic Filter Group CLG (TPPFG) Scheme is open to producers engaged in the supply and or sales, irrespective of the selling technique used, of tobacco products with filters containing plastic and plastic filters marketed for use in combination with tobacco products in the ROI.

* 1. The application for Membership must be made by completing the Membership Application Form on the TPPFG website, [www.tppfg.ie](http://www.tppfg.ie).
	2. Upon receipt of the application, TPPFG shall verify that it is complete and that the producer is precisely identified. If this is the case, TFFPG shall acknowledge receipt of the application, provide a 5 day[[2]](#footnote-2) notice to the TPPFG Board of Directors who will validate that the applicant meets the requirements for membership.
	3. As the running costs of the Scheme are allocated to members based on the volume of tobacco product filters containing plastic and or plastic filters marketed for use in combination with tobacco products placed on the market in the ROI, the General Manager will provide an initial calculation of the market share of the new applicant and determine to which category of membership they will be invited: Voting Member or Associate Member. If the Applicant’s market share is not evident based on the information provided, the General Manager may elect to send the application form and stated sales volumes to an independent third-party auditor of the Scheme who will determine the Applicant’s market share.
	4. Provided the applicant meets the criteria set out in Section 3 of the Regulations, the Scheme shall only be entitled to exclude an applicant from Membership if the admission of the applicant to Membership would threaten the continued effective operation of the Scheme.
	5. A proposed Member must be involved in one of the following sectors dealing with tobacco products with filters and filters marketed for use in combination with tobacco products containing plastic: -
		1. Production of product
		2. Importation, wholesale/distribution of the product to retailers, (including those acting in the role of Agents for manufacturers or distributors located outside the territory of the Republic of Ireland)
	6. In the event that a proposed Member has an interest in one or more of the above categories they must state at the onset on the written application for Membership which category they will be deemed to be associated with.
	7. Any persons, unincorporated associations or bodies, Agents and companies, which become a Member of the Company and the Scheme, shall observe the Scheme Rules and Procedures and such other conditions relating to the Membership of TPPFG as may be required. Failure to comply may result in revocation of membership.
	8. TPPFG shall maintain a register containing the name and principal place of business of each Member of the Scheme. A person nominated by the Member shall be listed as the contact name in the register. Each Member is required to notify TPPFG of any change in address of its principal place of business, change in email address and or change in contact name.
1. **Participation and Members’ Entitlements**
	1. On the successful completion of TPPFG’s Membership Application Form, a signature on a Notice of Consent to adhere to the TPPFG Constitution and to these Scheme Rules and Procedures, and payment of associated joining fees, the TPPFG will issue an individual registration number to the Member and such registration number shall be recorded in the Register of Members against the name of the Member concerned.
	2. Members who place a volume of product on the market that is greater than or equivalent to one percent of the tobacco market tobacco products with filters and filters marketed for use in combination with tobacco products market in Ireland will become a Voting Member of the TPPFG and will be able to vote on matters pertaining to the Scheme.
	3. Members who place a volume of product on the market that is less than one percent of the tobacco products with filters and filters marketed for use in combination with tobacco products containing plastic market in Ireland will become an Associate Member of the TPPFG and will not vote on matters pertaining to the Scheme.
	4. A Member’s market share will be determined by a third-party auditor who is authorised to calculate the share that a member has of the total market of tobacco products with filters containing plastic and filters marketed for use in combination with tobacco products containing plastic in the ROI.
	5. On receipt of the required Membership fee, a *Certificate of Satisfactory Participation* in the Scheme will be issued to the Member concerned, which shall be valid until the 31 December following the date of its issuance.
	6. On an annual basis, each Member will be required to submit to the TPPFG a Declaration Form, in a prescribed form, to the effect that they have complied with these Rules and Procedures in full during the preceding year. This Declaration shall be signed by an officer of the Member authorized to make this declaration on behalf of the Member.
	7. On receipt of this Declaration, and on payment of the annual renewal charge in the amount of €150 as well as their proportionate contribution to the operating costs of the TPPFG Scheme as determined by an independent third party provider for the Scheme, and subject to the Member continuing to comply with these Scheme Rules and Procedures, the Member will be issued with a further *Certificate of Satisfactory Participation* in the Scheme which shall be valid up until the 31 December following the date of its issuance.
	8. On an annual basis, Members will be required to apply for, and obtain, such *Certificate of Satisfactory Participation in the Scheme* in accordance with the procedure set out above.
	9. Only those Members that hold a valid *Certificate of Satisfactory Participation in the Scheme* will be considered compliant with the Obligations of Producers as set out in the Regulations.

* 1. Each Member shall be entitled to display the *Certificate of Satisfactory Participation* in the Scheme issued by the TPPFG at its premises and or on its website. The TPPFG may cancel a *Certificate of Satisfactory Participation* in the Scheme issued to a Member in the event that the Member is in breach of these Scheme Rules and Procedures.
1. **Appointment of an Agent**

* 1. The Member may designate an Agent to ensure compliance with its obligations regarding the Scheme, and to this end to execute the contract in the name and on behalf of the Member under the conditions as stated in the Scheme Rules and Procedures. Both the Member and the Agent must enter into these Scheme Rules and Procedures.
	2. The mandate contract between the Member and the Agent shall have no effect on TPPFG and the Scheme in all its provisions.
	3. The Agent agrees to comply with and to perform on behalf of the Member all obligations and shall observe the Scheme Rules and Procedures and such other conditions relating to the Membership of TPPFG as may be required.
	4. The Agent shall make the declarations of the Member and pay the financial contribution due to TPPFG.
	5. All communication relating to the adherence of the Agent to the Scheme Rules and Procedures and Scheme Membership Contract will be between the Scheme and the Agent. The Member agrees to provide the Agent with accurate information necessary to perform the obligations as required by the TPPFG.
	6. As an exception to the previous paragraph and given the solidarity between the Member and the Agent, the Scheme shall also send the Member any formal notice, suspension of the contract or cancelation letters.
	7. The Agent and the Member shall be jointly and severally liable for compliance with the obligations to the Scheme as set forth in the Scheme Rules and Procedures and Scheme Membership Contract.
	8. Change in Agent: Any change in Agent shall require the signature of an amendment to the Scheme Membership Contract, duly completed by the Member and the new Agent. The end of the mandate does not put an end to the obligations of the previous Agent arising before the end of its mandate, nor to the solidarity between the Member and its previous Agent.
1. **Membership Applications post 5th June 2023**
	1. In the event of an application for membership by the Member after the 5th of June2023, and to enable TPPFG to verify compliance with the Member's obligations prior to the date of application for membership, the Member shall communicate to TPPFG:
		1. proof, since the date of TPPFG's first approval, within the limit of three (3) years, that it has set up an individual system approved under the Extended Producer Responsibility (Tobacco Products) Regulations 2022 or that it has joined another EPR Scheme approved under this same article;
		2. or a declaration attesting that it has not placed any tobacco products with filters and filters marketed for use in combination with tobacco products containing plastic onto the Republic of Ireland (ROI) market since the date of TPPFG's first approval, within a limit of three (3) years. Otherwise, the Member's membership shall be considered late.
	2. In the event of late membership, the Member shall regularise, within a period of no more than sixty (60) days from the approval of the contract to become a Member of the TPPFG Scheme, the declarations of quantities of Tobacco Product Plastic Filters placed on the market since the date of TPPFG's first approval and up to three (3) years prior to the effective date of this contract. The reporting requirements of Section 10 of this document, other than the time limits, remain applicable.
	3. In the event of late membership, the Member shall pay, within sixty (60) days of receiving the corresponding invoices, the financial contribution due for the regularised declarations. This contribution is calculated on the basis of the scale in effect on the date the obligations were in effect.
	4. In order to preserve fairness among members, late penalties shall be applied to the Member, calculated in relation to the date on which the Member's financial contributions should have been paid.
	5. Late payments shall include the principal amount of the Contribution that is past due along with a penalty in the form of the interest on the overdue Contribution payments at the legal rate for the same period.

## Members’ Obligations

* 1. Members of TPPFG agree to comply with the rules of the TPPFG as set out in its Constitution and these Scheme Rules and Procedures, and the specific arrangements for the application of the Tobacco Plastic Filter Contribution (to accurately declare (retroactively) all placement on market of tobacco products with filters and filters marketed for use in combination with tobacco products containing plastics placed on the market in the Republic of Ireland market).
	2. Members agree to the payment of an initial TPPFG Scheme registration fee in the amount of €150 and subsequently on an annual basis, an annual renewal charge of €150.
	3. Members agree to the payment of a contribution towards the running costs of the TPPFG Scheme itself which shall be approved by the TPPFG Board on an annual basis. The amount of the Contribution per Member is based on the Scheme operating budget apportioned by the market share of the Member as calculated by a designated third-party auditor for the TPPFG Scheme.
	4. Members agree to complete and submit to a designated agent of the TPPFG Scheme an Annual Return Form, which requires the provision of detailed information in relation to tobacco products with filters and filters marketed for use in combination with tobacco products containing plastics placed onto the ROI market for the preceding 12-month period. The designated third-party firm will calculate the Tobacco Plastic Filter Contribution owed per member for clean-up, transport and treatment of associated products of the Scheme and amalgamate numbers to determine the total market and the relevant market share.
	5. Members agree to payment of the Tobacco Plastic Filter Contribution due on placement of tobacco products with filters and filters marketed for use in combination with tobacco products containing plastic onto the ROI market to TPPFG as defined in the requirements in Section 5 of the Obligations of Producers of the Regulations.
	6. Members of TPPFG and the Scheme are entitled to identify their participation in the Scheme on their customer invoices, statements and credit notes with the TPPFG logo and a statement confirming their compliance.
	7. Members of the TPPFG commit to submitting to the requirements of the Scheme’s auditors in their work to ensure compliance by members with the Scheme Rules and Procedures. This will include, but not be limited to, the admission of the appointed Scheme auditors to the member’s premises, the provision of books, records (including electronic records howsoever stored) related to the volume of tobacco products with filters containing plastic placed on the market and other written or oral explanations in a timely fashion as requested by the Scheme’s auditors.
	8. Revisions and amendments to these Scheme Rules and Procedures may be required from time to time arising out of changes to the terms of the Approval of the Scheme by the Minister under the Regulations or arising out of operational necessity as determined by the Board of TPPFG. Such amendments to these Scheme Rules and Procedures shall be approved by the Voting Members of the TPPFG.
1. **Fees: Tobacco Plastic Filter Contribution (the Contribution)**
	1. The Contribution is payable by Members on a net 60 basis upon receipt of invoice from the TPPFG Scheme.
	2. The Contribution is to be calculated using the calculations as defined in the Approval and will be reviewed and verified by a designated independent third-party provider of the TPPFG Scheme.
	3. The Contribution is payable by Members net 60 after receiving an invoice from the TPPFG for the placement of product onto the Republic of Ireland market in the year immediately preceding (i.e. N-1).
	4. Members of TPPFG are required to contribute towards a Contingency Reserve Fund based on market share from the previous year. The Contingency Reserve Fund provides for 6 months running costs of the TPPFG. If approval of the TPPFG lapses, all reserves including the contingency must be used to wind down the scheme or be transferred to a charitable organisation as selected by the TPPFG Board or transferred to a body approved by the Minister.
	5. The Contingency Reserve Fund (CRF) should be sufficient to cover the running costs of the TPPFG for a period of 6 months from the date of notice and should be built up to the specified balance over a 2-year period. Top-ups to the Contingency Reserve Fund may be required from time to time in order to meet increased costs over time. This will be reviewed and approved by the Board. Any required top-ups will be included in the TPPFG annual budget review and communicated to Members accordingly.
2. **Reporting: Annual Return Forms for Tobacco Product Filters Placed On Market**
	1. On an Annual basis, Members or Agents must complete and return an Annual Return Form to an independent third-party agent of the TPPFG. The Annual Return Form shall show quantities of tobacco products with filters containing plastic product placed on market during the preceding year (N-1) and be clearly reported by product category. The Annual Return Form must be submitted no later than of the 20th of January and be signed by the officer of the Member or Agent authorised to make this declaration on behalf of the Member.
	2. The information returned on the TPPFG Annual Return Form and on invoices issued to Members by the Scheme will be dealt with in the strictest confidence by a third-party auditor and will not be disclosed to the general membership or the Board.
	3. On receipt of the completed Annual Return Form, the designated third-party provider of the Scheme will check the information for numerical accuracy and will calculate the Contribution as well as a contribution toward the Contingency Reserve Fund and the TPPFG running costs based on market share. These calculations will be shared with the General Manager of the TPPFG who will issue invoices for the Contribution(s) to the Member or Agent based on declarations from their Annual Return Form.
	4. Even when a Member has not placed any tobacco product filters on the market, the member must make a Nil declaration and complete an Annual Return Form.
	5. The Annual Return Form can be obtained from the Scheme’s website ([www.tppfg.ie](http://www.tppfg.ie)), requested from the Scheme General Manager via telephone or via email at info@tppfg.ie.
	6. Members agree to use standard nomenclature as specified by the TPPFG referring to product categories on the Annual Return Form and Declaration Form. A full list of terms can be found in the members section on the TPPFG website.
	7. As specified in clause 10.6 and in order to facilitate the audit from time to time of the Member or Agent’s declarations on the Annual Return Form, each declared product must be identified according to the standard nomenclature as specified by the TPPFG Scheme as well as the internal reference of the Member thereby facilitating cross-check with the internal accounting of the Member or Agent.
	8. Where a Member is in breach of these Scheme Rules and Procedures and it is considered necessary, in the opinion of the Chairman of the Board of Directors of TPPFG that information supplied by a Member or Agent should be disclosed in order to remedy this breach, the extent of any such disclosure will be restricted to the Non-industry Independent Board Members, the General Manager of TPPFG, and an appointed external auditor as required. Confirmed breaches should be reported by the General Manager to the entire Board, excluding any competitively sensitive information.
	9. Where a Member or Agent fails to return their Annual Return Form in respect of product placed on market in the preceding year (N-1), properly completed and signed, to the Scheme within the specified time period, TPPFG shall issue an invoice for the Contribution due to the Member or Agent which shall be based on the Annual Return Form supplied by the Member or Agent for the year preceding the preceding year (N-2). The amount of the Contribution included on this invoice shall become due and owing as if the invoice were based on the actual quantity of product placed on market in the preceding year (N-1) and the Member and or Agent shall be in breach of these Scheme Rules and Procedures and shall be liable to the penalties and sanctions as set out in Clause 12.6 of these Scheme Rules and Procedures.
3. **Financial Contribution of the Member**
	1. Amount of the Annual Contributions per Member will be include the following:
		* 1. the annual renewal charge (subscription);
			2. the amount owed for Scheme operations;
			3. the amount owed to the Contingency Reserve Fund (if the fund is not at the 6 month level sufficient to cover the Scheme operating costs);
			4. the amount owed as specified in the Regulations for clean up, disposal and treatment resulting from tobacco product filters containing plastic and plastic filters for use in combination with tobacco products disposed of in public spaces, as well as awareness raising measures, data gathering and reporting.

With the exception of the annual renewal charge, the contributions will be divided between the Members based on market share as determined by the third-party auditor of the Scheme.

* 1. In the event that the contract comes into force or expires during year N-1, the quantities of Tobacco Product Filters taken into account for the calculation of the financial contribution of the Member shall be those placed on the market during the period in which the contract was in force. In the event that the contract comes into force or expires during the month, the quantities of Tobacco Product Filters placed on the market during that month shall be calculated pro rata temporis on the basis of the quantities of Tobacco Product Filters placed on the market during the entire month.
	2. Payment Method – the Member undertakes to make all Annual Renewal Charges, the Contribution payments, contributions to the CRF, contribution to costs to operate the TPPFG Scheme and any other payments into the Scheme in euros by bank transfer to the account designated by TPPFG.
1. **Audits on declarations of tobacco product filters placed on market**
	1. The TPPFG may have the declarations of the Member verified by an independent third party at its expense. The audit may be documentary or carried out on the Member’s premise.
	2. Members of the TPPFG commit to submit to the requirements of the Scheme’s auditors in their work to ensure compliance by members with the Scheme Rules and Procedures. This will include, but not be limited to, the admission of the appointed Scheme auditors to the member’s premises, the provision of books, records (including electronic records howsoever stored) and other written or oral explanations in a timely fashion as requested by the Scheme’s auditors.
	3. The audit may cover the last three (3) Annual return forms. Procedure:
		1. The TPPFG Scheme shall inform the Member sixty (60) days in advance of its intention to carry out an audit, and of the third party auditor appointed by the TPPFG to conduct the audit. The Member shall immediately inform the TPPFG if there is a serious reason to appoint another independent third party. The Member the TPPFG shall jointly agree on the date of this audit.
		2. Before communicating it to the TPPFG, the third party in charge of the audit shall give the draft audit report to the Member, which shall have a period of fifteen (15) days to make its observations. The third party shall append the Member’s comments to its report and may consider those comments if they have a significant impact on the audit conclusions.
		3. When the audit report confirms the accuracy of the declaration, the TPPFG shall inform the Member that the audit is definitively closed.
	4. Any audit that results in a difference from the Member’s declaration will result in the adjustment of contributions within thirty (30) days of the audit’s completion. The calculation of the Member’s arrears or overpayments made by the Member in error is based on the calculation equation for the period in which the the contributions should have been paid or were paid. Interest at the legal rate for the same period, calculated from the date the payment in question would normally have been due, will be applied.
	5. Where an audit confirms that an overpayment in the Contribution has occurred, the overpayment collected by the TPPFG will be offset against the payment due for product placed on market for year N. The DECC will be notified of the overpayment if the Contribution has already been sent to the Department.
	6. Any Member found to be in breach of any of the conditions of membership of the Scheme shall be subject to penalties and sanctions which may include, but not be limited to any or all of the following:
		1. Payment within sixty (60) days of the Contribution due on under declaration of product
		2. Interest on overdue Contribution payments at the legal rate for the same period
		3. Additional or exceptional auditing
		4. Obligation to meet the costs of additional or exceptional audit
		5. In the event that the Board is of the opinion or has brought to its attention that a Member is in breach of the Scheme Rules then the Board shall write to the Member requesting that the breach be remedied within 30 days. If the breach is not remedied the Board will write to the Member giving 10 days’ notice that a resolution will be put to the Board to remove the Member. The Member will be entitled to attend the Board meeting at which the resolution will be discussed. The TPPFG will notify the DECC of removal of any members for breaches of the Scheme Rules & Procedures.
	7. A resolution to remove a Member from the Scheme must be passed by a two-thirds majority of the Board. If the Member in question is represented by a Director on the Board, then that Director is not entitled to vote on the resolution and in such circumstances the number required to pass the resolution will be adjusted accordingly.
	8. TPPFG is required to be consistent in the application of sanctions and penalties to members in respect of breaches of the Scheme Rules and Procedures.
2. **TPPFG Obligations**
	1. The TPPFG undertakes to meet the legal and regulatory obligations as set out in the Regulations.
	2. The TPPFG undertakes to transmit annually no later than 31 May to the Department of the Environment, Climate and Communications the information required by “The Code of Corporate Governance for Compliance Schemes, November 2020”.
	3. Should the TPPFG decide not to apply for the renewal of its approval, it shall notify the Member at the latest six (6) months before the expiration of the current approval.
	4. The producers adhere to the TPPFG according to a signature on these Scheme Rules and Procedures and contribute financially to the TPPFG according to a published scale. The Member expressly agrees that these provisions presume objective and transparent membership terms.
	5. The TPPFG uses an independent third-party accountancy firm to ensure compliance with statutory accounting obligations as required by Irish Law and on-going management accounting practices to ensure tracking and transparency of the Scheme operations.
	6. The Member expressly acknowledges that no provision of the Regulations obliges the TPPFG to evaluate, even approximately, the quantities of waste from the product categories.
3. **Protection of Personal Data - Confidentiality**

Each party shall be responsible for the processing of personal data (within the meaning of European Regulation No. 2016/679) collected during and for the purposes of the creation and execution of the membership contract. Each party shall ensure:

* the deployment of appropriate technical and organizational measures to ensure the security, confidentiality and integrity of the other party's personal data, in particular against any risk of destruction, loss, corruption, misappropriation or unauthorized disclosure,
* the deployment of appropriate protection within its own subcontractors and IT tools and
* the supervision of any cross-border flows in accordance with the regulations.
1. **Conduct of Business**
	1. At each Annual General Meeting (AGM) of Members of the Scheme, the TPPFG will present a report to Members containing the financial performance of the Scheme, the performance of the Awareness Raising Campaign if the campaign has been measured within the year in review, and any other information as may be pertinent to the Members of the Scheme regarding Scheme performance and adherence to the requirements as defined by the Regulations. This report will include, but not be limited to, information on:
* total quantity of product on which the Tobacco Plastic Filter Contribution has been collected for the year being reported (N-1), broken down between the tobacco product filter categories.
* total quantity of product on which the Tobacco Plastic Filter Contribution has been collected for the year preceding the year being reported (N-2), broken down between the various tobacco product categories.
* the costs and expenses of running the Scheme both for the year being reported (N-1) and the preceding year (N-2).
* the amount and adequacy of cash reserves available to run the Scheme for the current year (N).

**Meetings of the TPPFG**

* 1. Meetings of the TPPFG: The Rules dealing with the notice for, procedures at, voting and the use of proxies at AGMs are set out in the Constitution of TPPFG. The Constitution should be read in conjunction with the Rules set out below dealing with meetings the Scheme.
	2. All meetings of Board Members or the AGM shall be held in the Republic of Ireland and may be held either in person or via video or voice conference.

#### **Notice**

* 1. A general meeting of the Company, other than an adjourned meeting, shall be called in the case of the AGM, by not less than 21 days’ notice.
	2. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting.

##### **Voting**

* 1. Every Voting Member shall have one vote and shall cast that vote having regard to the best interests of the integrity of the TPPFG Scheme.
	2. Resolutions are passed via simple majority of Voting Members.
1. **Anti-Bribery & Corruption Clause**
	1. All Parties acknowledge they will not tolerate any form of bribery or corruption in any of the activities related to the TPPFG. All parties shall comply fully with this position as a condition of membership. All parties agree:
		1. they shall not engage in any activity, practice, or conduct which may constitute a breach of any anti-bribery and corruption laws applicable in performing this contract or membership duties of the TPPFG (“applicable ABC laws”);
		2. they shall not use any payments received from Members, Agents or the TPPFG itself to procure, directly or indirectly, an improper benefit from any public official or for any other purpose that would be in violation of any applicable ABC laws;
		3. they shall ensure that each of its directors, employees, representatives, or subcontractors acting on behalf of all parties review and comply with the standards of conduct set out in this SCHEME RULES AND PROCEDURES document;
		4. they shall immediately notify all parties of any act of bribery and corruption, committed while performing activities related to the TPPFG.
	2. All Parties agree that involvement in bribery or corruption could be considered as a material breach of these Scheme Rules and Procedures and that the parties may terminate this agreement with immediate effect if it determines that a party has been involved in bribery or corruption.
2. **Termination of Membership**
	1. Any Member may, on giving six (6) months’ notice in writing to the TPPFG, terminate its membership of the Scheme and the Company.
	2. The TPPFG will be entitled to terminate the membership of any Member if that Member commits a breach of any of these Scheme Rules and Procedures and in the case of a breach capable of remedy, fails to remedy same on receipt of written notice giving full particulars of the breach and requiring it to be remedied within the time period specified in Article 47 of the Constitution of the TPPFG. The detailed procedures to be adopted by the Board in seeking to remove from membership a Member are as set out in Sections 12.6 and 12.7 of this document.
	3. All amounts owing to the TPPFG in respect of the Contribution payment to the running costs of the TPPFC Scheme and or the Contribution and or contribution to CRF due on supplies of product up until the date of termination of Membership shall be payable by the Member to the Scheme. No refunds will be provided for contributions already paid.
	4. All rights, obligations, privileges of membership cease on the date of cessation of membership. In particular, the Member concerned shall not be entitled to a return of any registration fee, membership subscription, contingency fund amounts or the Contribution paid to the TPPFG Scheme prior to cessation of membership. The member company must surrender its Certificate of Satisfactory Participation in the Scheme to TPPFG on cessation of its membership.
	5. The fact of the termination of a Member’s membership of the TPPFG will be disclosed to the general membership of the TPPFG, the Department of the Environment, Climate and Communication and to any Local Authorities as may be required.
3. **No Liability**

The TPPFG, its servants or agents shall have no liability whatsoever or howsoever arising to any Member in respect of any claim for damages, expenses or other compensation relating to any act or omission in or about any proceedings under the Scheme, and without prejudice to the respect of or in connection with any termination or proposed termination of membership under the Scheme.

1. **Membership not Transferable**

No company/entity Member shall be at liberty to transfer its membership to any other individual or company, unless with the prior and explicit approval of the Board of the TPPFG. Companies/Entities who are members of the TPPFG are entitled to send a representative to TPPFG meetings.

1. **Conflict and Governing Law**
	1. In the event of a conflict between the Scheme Rules and Procedures and the Constitution of the TPPFG, the Constitution shall prevail.
	2. All disputes between the TPPFG and the Member arising out of or in any way relating to the Scheme Rules and Procedures or any other disputes between the Parties in any way connected with the subject matter shall be governed by the laws of Ireland.
	3. The TPPFG and Members submit to the exclusive jurisdiction of the Irish Courts for the purpose of any proceedings arising out of or in any way relating to the Scheme Rules and Procedures, the Membership Application, the TPPFG Company Constitution or any other proceedings in any way connected with the subject matter.

**Appendix 3 TPPFG Board of Directors**

The Tobacco Product Plastic Filter Group (TPPFG) will be governed by a Board of Directors who will exercise full and effective control over the activities of the company.



**Large Producer Sector**

* Rosalind O’Sullivan: P.J. Carroll and Company
* Elisha Collier O’Brien: JTI Ireland Limited
* Deirdre Healy: Imperial Tobacco John Player
* Ed Simkiss: Philip Morris Limited

**Small Producer Sector**

Vacancy

**Independent Directors**

* Liam Moloney: expertise in compliance schemes
* Michael O’Reilly: expertise in finance and marketing

**General Manager *(Company Secretary)***

Percy Foster

1. A producer is defined as any natural or legal person established in a Member State that professionally manufactures, fills, sells or imports, irrespective of the selling technique used, including by means of distance contracts as defined in point (7) of Article 2 of Directive 2011/83/EU of the European Parliament and of the Council (21), and places tobacco products with filters and filters marketed for use in combination with tobacco products containing plastic on the market in Ireland. [↑](#footnote-ref-1)
2. To mean 5 business days. [↑](#footnote-ref-2)