

# Guidance Notes

on the  
Producer Responsibility Obligations  
(Packaging Waste) Regulations 2010



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## Introduction

Under the Producer Responsibility Obligations (Packaging Waste) Regulations 2010, an obligated company is a company or group of companies who performs an 'activity' (see page 5 'Responsibilities') on packaging and meets **both** of the following thresholds:

- in the previous calendar year, handled over 50 tonnes of packaging around products that it supplied (and/or consumed if imported); and
- in the most recent audited accounts, exceeded a £2m turnover.

The purpose of the Regulations is to ensure that producers of packaging and packaging materials work toward reducing the amount of packaging waste they handle, and help in achieving a more sustainable approach to dealing with packaging waste by funding recovery and recycling in the UK.

All obligated companies are required to register with the Environment Agency, Scottish Environmental Protection Agency (SEPA) or Northern Ireland Environment Agency (NIEA). The options for registration are either;

- direct to the respective Agency (direct registration)
- through a registered Compliance Scheme (scheme membership)

Companies not registering with a Compliance Scheme have a number of responsibilities to meet for themselves and should seek advice to ensure all their obligations are met.

Most producers choose to register through a compliance scheme like Biffpack because once you have provided your companies packaging data and we have accepted it, the legal obligation to meet your companies recycling and recovery obligation transfers to us.

## Definition of a Scheme Member

A producer is regarded as a scheme member once it has provided:

- Corporate Information
- Packaging Data
- The relevant Scheme membership fee

Registration requires the submission of packaging data calculated from the previous calendar year's activities, **e.g. for registration in 2012, data is based upon packaging handled between 1 Jan - 31 Dec 2011. Registration with the Agencies is required by 15 April, but this deadline is for submission of data from direct registrants and Compliance Schemes. Biffpack members are required to submit their packaging data to us by the end of February each year in order that we have time to verify and accept it before April 15 deadline.** The data put forward on registration forms generates the basis for calculating each producer's recovery and recycling obligations for that calendar year, **e.g. data submitted in April 2012 based on the calendar year 2011 will generate the obligation a producer must meet by the end of 2012.**

## What has to be counted?

To qualify, packaging you handle has to meet the following criteria:

- it must be owned by you; **and**
- it has to be passed on to someone who carries out the next activity in the packaging chain (including throwing the packaging away (see page 5 'Responsibilities'); **and/or**
- it has been imported by you.

## What is obligated packaging?

Packaging is defined as any item which contains, protects, handles, delivers or displays goods which a company supplies.

The registration form covers six types of material; paper, glass, aluminium, steel, plastic and wood. There is also a category 'other' which covers packaging items such as hessian bags, rope, jute and ceramics.

Most packaging is obvious - bags, boxes, bottles (not forgetting the tops!), cans, pallets, shrink wrap and so on. However, there are some exceptions and some fairly grey areas.

### Exceptions

- Packaging which is designed to stay with the product for its life will be regarded as **long term** storage and will not be obligated, e.g. – boxes containing tools (drill cases), CD/DVD plastic jewel cases, first aid kit boxes, hat boxes, photograph wallets, boxes for board games and spectacle cases.
- Packaging which is **part of the product** – BBQ foil trays, grow bags, tea bags, tea lights (foil cups), toner cartridge, lyric/book inserts for DC's, lolly sticks and kebab skewers.
- **Freight (road, rail, ship and air) containers** are exempt from being tertiary (transit) packaging.

Are considered packaging	Not considered packaging
Biodegradable Packaging	
Carrier Bags	Carrier Bags sold to the end-user as a product (e.g. bag for life).
Coat hangers that are supplied with goods or the option to have the hanger is given.	Hangers sold as a product .
Cups – disposable, in which drinks are provided (e.g. tea/coffee)	Cups (plastic) supplied with bottles/cans/packaged drink.
Glue – this needs to be declared when applied at conversion or pack/fill stage. At other stages it will be included in the overall weight of the packaging material.	
Ink should be declared separately when applied at the conversion or pack/fill stage but later activities should be included in the overall weight of the product.	
Jewellery/watch boxes	Jewellery /watch Boxes in exceptional circumstances may not be considered packaging, where it is specifically designed and bespoke and may be long-term storage.
Labels that perform a presentation function to the end user of the product, such as those with a description of the product; with a picture of the product; or with the company name.	Labels containing a barcode only; barcode plus number; Hazchem label only.
Plant pots are generally packaging	Plant pots that are biodegradable and are intended to be planted with the plant or where sold containing a plant intended to stay in the pot, e.g. a house/patio plant.
Postal packaging – if the contents are acquired as part of a contract (e.g. mail order goods, catalogues which have been paid for, free catalogues that have been requested).	Where the contents of the package are not part of a sales contract (e.g. unsolicited mail, correspondence, statements and invoices).
Silica gel bags (desiccants) perform a protection function.	
Sterile medical packaging performs a protection function.	
Stillages (e.g. metal open crates used in automotive industry are not considered to be freight containers and are obligated on their first trip.	

## Accuracy

Packaging data supplied is required to be 'as accurate as reasonably possible'. This means that the Agencies are looking for your data to be obtained by sample weighing and building weight records rather than from estimates and assumptions.

The Agencies believe that it is reasonably possible in the long-term for all packaging weights to be recorded and units supplied counted - producers should be mindful of this goal and work towards it. It is expected that all obligated companies will achieve year-on-year improvements in the completeness of their packaging data.

Obligated companies will also be expected to have auditable systems in place which link unit packaging weights to sales or purchase records. Data should increasingly be based upon a robust sampling regime, which may be supplemented by reliable data obtained from suppliers. In order to check the reliability of supplier data, information obtained from them should be verified (check weighed) from time to time and be supported by a description of how it was obtained.

Some businesses with large product ranges or significant imports may not be able to account for every item. In this case extrapolations from other data may be acceptable - but they should always be justifiable. Please feel free to discuss this in further depth with us

**All activities (e.g. importing, pack/filling and selling, etc.) must be accounted for. This is a fundamental requirement of data reporting and any omission of activity will require data to be resubmitted to include the missing activity.**

Group companies must account for all obligated subsidiary companies that are registered with the group. The entire group turnover should be reported, and all packaging handling subsidiary companies (regardless of tonnage handled) should be registered with the relevant Agency. The Agencies will expect to be provided with, on request, disaggregated data for each subsidiary when monitoring.

## Responsibilities

The UK operates a system of '**Shared Producer Responsibility**' which entails that at each stage of the packaging supply chain, producers will attract a proportion of responsibility for the environmental impact of packaging prior to its becoming waste.

**There are four main 'ACTIVITIES' in the packaging chain, each of which takes responsibility for a percentage of the packaging:**

Activity		Responsibility
Raw Material	Manufacturer of packaging raw material	6%
Convertor	Turns the raw material into Packaging	9%
Pack / Filler	Places goods into packaging	37%
Seller	Supplies packaging on to the final user or consumer	48%

Together, these total 100% responsibility to all packaging. A company has to perform at least one of these functions on packaging to be obligated.

- for a can of baked beans, the manufacturer of the steel takes a 6% responsibility for the weight of the can, the company that turns the steel into a can takes 9%, the company that puts the beans in the can takes 37% and the supermarket that sells the can takes 48%.
- for a box of copier paper, the manufacturer of the cardboard takes 6% responsibility for the weight of the cardboard box, the company that turns the cardboard into the box takes 9%, the company that puts the paper in the boxes takes 37%, the stationary company who sells the box of copier paper to a business takes 48%.

**The responsibility does not demand that companies recover a proportion of the actual packaging they have handled.** It simply means that companies have to purchase 'proof of recovery' (obtain PRNs - see page 7) of an equivalent proportion of their responsibility percentage(s) multiplied by the national recovery and recycling targets.

Therefore, a company who manufactures 'y' tonnes of cardboard in a given calendar year will have a responsibility to have proof of recovery of 'y' x 6% x the recovery target for that year.

A company can perform more than one activity on packaging, e.g. a company that places products inside packaging that their customer removes has both a PACK/ FILLER AND SELLER RESPONSIBILITY for the packaging.

### Conversion Activity

Further clarification has always been sought from the Agencies as there are many different types of processes which may be classed as conversion.

In 2010, DEFRA clarified the position with regard to conversion activity at the point of pack filling. Previously, the Regulations provided that where the functions of a convertor and a pack/filler are performed by a person at the same time as part of the same pack/filling process, that person will only pick up the pack/filler obligation and not the convertor e.g. a crisp manufacturer where bags are formed from a continuous roll of film at the same time that crisps are being added to bags.

Clarification has been sought because in the blowing of pre-form bottles and the subsequent filling of the blown bottles, a strict interpretation of the Regulations would lead the pack/filler picking up both obligations, as the pack/filler has to inflate the bottle before filling it (and so perform the final conversion).

This was not the intention of the Regulations. Those undertaking the conversion activity (i.e. the manufacturer who converts plastic pellets in to pre-forms) should pick up the conversion activity, not the company who fills the bottles.

Assembly – where packaging is assembled from several component manufacturers, the component manufacturers supplying to the pack/fillers will be regarded as the converter and NOT the pack/filler

Glass Etching – if etching is carried out as an integral part of the bottle formation, the etching process is the final conversion stage. Any frosting/etching undertaken as a subsequent activity to the bottle formation is not the final conversion stage.

Air filled plastic pillows – the converter is the business blowing air into and heat sealing the pillows.

### Other Activities

**Service Provider** – if you hire out packaging for others to use, you are obligated for both the pack/filling and selling obligation on this. It is classed as a separate activity along side the four main activities, but is reported in the same way as pack/filling and selling.

**End User** – if you are the final user of goods purchased from a UK supplier then you do not pick up an obligation on this packaging, as your supplier and businesses further up the chain will have done so.

**Internal Supply** – where you wrap or pack goods to send to another part of your business (it must be within the same legal entity, not within a group of companies) then this packaging can be discounted.

**Second - hand or re-used packaging** – where you have received goods in packaging for which you are the final user, you may re-use that packaging for supply of other goods and this will not attract an obligation as the obligation that packaging will have been picked up in its previous supply. However, if you have directly imported these goods then you must ensure you have first of all picked up the importing obligation whether or not it is new or second-hand when it enters the country.

## Small Producer Allocation

From January 2005 Small Producers (companies with a turnover between £2-5 million) have been given an alternative to gathering the packaging data in order to calculate their obligation. This is intended to help simplify data gathering for small businesses and reduce the burden. This will enable businesses in the £2-5m turnover bracket to opt to use a 'tonnes per million pounds of turnover' formula instead of having to calculate their data 'as accurately as reasonably possible'. In addition, this simplified obligation will only apply for a single material, whichever is deemed to be the predominant type of packaging they use.

**For 2012, the allocated tonnage per £1 million turnover is 29 tonnes.**

For example a company with a turnover of £3.2 million would have an obligation of 86 tonnes ( $£3.2 \times 29t = 92.80$ , which rounded to the nearest whole tonne is 93 tonnes) and declare it to be in plastic, if, for instance, most of their packaging was polythene.

However, companies who fluctuate around £5 million turnover will need to ensure that they still gather data if they are likely to go above the threshold in the following year. Companies who opt to use this allocated tonnage must choose to do so for a minimum period of 3 years, unless their turnover exceeds £5 million during that time, in which case they will have to revert to the previous data collation method.

A separate page has been introduced into the Data Form to report this data. If this 'Allocation' is the preferred method for calculating the obligation, then the company will no longer need to report their data in the tables as before.

The Environment Agency fee for Small Producers opting to use the allocation method is £345, instead of the normal £564 – this is due to the Agencies believing there is a reduced demand on their compliance monitoring.

## Small Subsidiary Companies and the Allocation Method

A small group subsidiary company with a turnover of less than £2 million may be obligated because the group of companies to which the subsidiary is affiliated is obligated. From 2011 onward, small subsidiary companies who do not meet the threshold criteria individually are permitted use the allocation method.

## Proof of Recovery – PRNs

Regardless of a producer registering a full packaging data set by activity, or using the small producer allocation method, all producers data will generate an 'obligated tonnage' which it must offset in each compliance year.

To provide a recognisable, auditable trail of evidence of recovery the UK has operates a recycling evidence system using Packaging Recovery Notes (PRNs). These notes are issued by accredited reprocessors (e.g. steel mill, glass smelter or waste to energy plant) and they can issue a PRN for every tonne of packaging waste they reprocess.

Obligated companies, or Compliance Schemes on their behalf, must obtain sufficient PRNs to meet their obligated tonnage each year. PRNs are traded and so have a market value - the cost of obtaining them is passed on by Compliance Schemes to their members. Packaging waste exported for recovery can be used to produce Packaging Waste Export Recovery Notes (PERNs). These have the same status as PRNs.

PRNs are issued relating specifically to the material that has been recycled - paper, glass, aluminium, steel, plastic and wood. Recovery processes like energy-from-waste are not material specific.

If you are currently recycling some of your waste, you **will not** be able to deduct this from your obligation. You would have to investigate whether this material has a value and if there is the possibility of obtaining PRNs. Remember PRNs can only be issued for the recovery of Packaging Waste. Weighbridge tickets from waste contractors showing a company has had waste collected for recycling are not accepted as evidence.

## Franchise Obligation for Licensors and Pub Operating Businesses

From January 2005 an obligation is placed on Franchisors. The term Franchisor is defined by two terms; 'Licensor' and 'Pub Operating Business' (combined are referred to as 'head organisations'), the definitions for which are below. The Franchisor will be obligated for packaging supplied by their franchisees and pubs (further referred to as 'members') that was supplied to them as part of their License or Operating Agreement.

The head organisation itself will have to meet the turnover threshold, but the tonnage threshold will be the aggregate of itself and its members.

Schedule 9 of the Regulations also recognises that the head organisation may have difficulties in obtaining the necessary packaging information relevant to its members' activity. The head organisation is expected to use its 'best endeavours' to obtain such information, but where it has been unsuccessful despite using its 'best endeavours' it must still produce the information using its 'best estimate'.

### Licensor & Licence Agreements

A person is a **licensor** where he is a party to a licence agreement in or under which he grants a licence to use a trademark to another.

A "**licence agreement**" means an agreement or number of related agreements in or under which the licensor grants the licensee a licence that allows the licensee to use a trade mark as the name under which the licensee sells from premises goods that are associated with that trade mark, and includes an obligation (whether expressed as a positive or as a negative obligation) on the licensee that relates to the presentation of those premises;

### **Obligated Packaging under a Licence Agreement**

If a Head Organisation grants one or more of its members to use a trademark under their licence agreement, then the obligated packaging shall include:

- Packaging or packaging materials that bear a trademark; and
- Packaging associated with goods that bear a trademark.

Also packaging or packaging materials, where a member is obliged to-

- purchase goods in packaging;
- purchase goods and associated packaging or packaging materials to be used to contain or protect such goods or to facilitate the handling of or for the presentation of such goods.
- purchase packaging or packaging materials to be used to contain or protect such goods or to facilitate the handling of or for the presentation of such goods

from the head organisation or, where the head organisation has negotiated some or all of the terms of the supply, a supplier nominated or authorised by the head organisation under the licence agreement.

### Summary for Licensors

**Under the new Regulations, a Licensor is basically obligated for packaging around products sold by its Licensee where those products have been supplied to the Licensee under the terms of the licence.**

### **Pub Operating Businesses**

A person is a Pub operating Business where:

- (a) *he is a party to a pub operating agreement in or under which he grants a lease or tenancy of premises to another; and*
- (b) *the premises to which the pub operating agreement relates—*

(i) in England or Wales, are used by the tenant in order to carry on the licensable activity of—

(aa) the sale by retail of alcohol for consumption on the premises or both on and off the premises; or  
(bb) the supply of alcohol by or on behalf of a club to, or to the order of, a member of the club or both, for consumption on the premises or both on and off the premises,

and in respect of which a premises licence is in force; or

(ii) in Scotland, are used by the tenant for the sale by retail or supply of alcoholic liquor for consumption on the premises or both on and off the premises, and in respect of which a relevant licence is in force, or such premises are occupied by a registered club.

### **Obligated Packaging under a Pub Operating Agreement**

Packaging and packaging materials shall be obligated where they contain goods that are the subject of the obligation, which have either been purchased from the head organisation or from a party nominated or authorised by the head organisation under the pub operating agreement, whether or not the goods have been packed or filled in the packaging or packaging materials when they are purchased by the member.

### **Summary For Pub Operating Businesses**

A pub operating business will be obligated for packaging and packaging materials supplied by their tenanted pubs in a similar way to their own managed houses, but the obligation will only be on packaging supplied to them by the pub operating business or authorised 3<sup>rd</sup> party as part of their agreement.

### **Leased Packaging**

From January 2005 an obligation was placed on those who hire out or lease packaging for others to use. The Lessor picks up both the Pack/Filler and Seller obligation on this packaging, which ensures that the full 100% obligation is picked up on the piece of packaging. The Activity is known as 'Service Provider' and carries an 85% responsibility (basically 37% pack/filling and 48% selling obligations).

There is no obligation on the party that hires the packaging and uses it to supply their goods.

### **Offshore Platforms**

From 2011 onward, Offshore oil platforms operating on the UK continental shelf will be required to register under the Regulations.

## The Data Form

The Data Form that you are required to complete in the submission of your packaging data to either a compliance scheme or the Agencies form part of the Regulations (Schedule 4). It is a requirement for all businesses registering to be able to complete the form and understand how the figures in the form relate to the packaging they handle as the Agencies will expect the data to be auditable.

### THE DATA MUST BE REPORTED IN METRIC TONNES ONLY.

The Data Form comprises of six main data boxes, each relating to specific activity.

<b>Table 1</b>	Relates to all 'Activities' carried out in the UK
<b>Table 2a</b>	Relates to all export activity carried out on UK sourced packaging by the obligated company.
<b>Table 2b</b>	Relates to all export activity carried out on UK supplied packaging by a third party on products supplied by the obligated company.
<b>Table 3a</b>	Relates to imported packaging to which a further packaging activity is performed in the UK e.g. Pack/Filling or selling (not including exports)
<b>Table 3b</b>	Relates to imported packaging for which you are the end user or consumer.
<b>Table 3c</b>	Relates to imported packaging, which is subsequently exported whether or not further 'Activities' were performed.

In addition, there are a number of further boxes.

<b>Main Activity</b>	The box relates to the main <u>Packaging Activity</u> carried out by the obligated company. That is the activity, which handles to most packaging, for example if the majority of your packaging is reported in Tables 3a & b your main activity would be Importer.
<b>Table 4 – Statement of Obligations</b>	This table shows the calculated targets for the relevant year.

EACH OF THESE TABLES RELATE TO ACTIVITIES **PERFORMED BY YOUR COMPANY IN THE PREVIOUS CALENDAR YEAR** TO THE YEAR FOR WHICH YOU ARE REGISTERING. THEREFORE, FOR 2012 REGISTRATION, THEY SHOULD INCLUDE ALL PACKAGING HANDLED FROM 1 JAN 2011 TO 31 DEC 2011.

See next page for an explanation of each of the boxes below.

**Table 1: Packaging/Packaging Materials supplied (in tonnes)**

	Paper	Glass	Al	Steel	Plastic	Wood	Other
Raw Material Manufacturing	(i)	(i)	(i)	(i)	(i)	(i)	(i)
Conversion	(ii)	(ii)	(ii)	(ii)	(ii)	(ii)	(ii)
Pack/filling	(iii)	(iii)	(iii)	(iii)	(iii)	(iii)	(iii)
Selling	(iv)	(iv)	(iv)	(iv)	(iv)	(iv)	(iv)

**Table 2a:(where applicable) Packaging/Packaging Materials exported by the producer (in tonnes)**

	Paper	Glass	Al	Steel	Plastic	Wood	Other
Raw Material Manufacturing	(v)	(v)	(v)	(v)	(v)	(v)	(v)
Conversion	(vi)	(vi)	(vi)	(vi)	(vi)	(vi)	(vi)
Pack/filling	(vii)	(vii)	(vii)	(vii)	(vii)	(vii)	(vii)
Selling	(viii)	(viii)	(viii)	(viii)	(viii)	(viii)	(viii)

**Table 2b: (where applicable and if known) Packaging/Packaging Materials exported by a third party (in tonnes)**

	Paper	Glass	Al	Steel	Plastic	Wood	Other
Raw Material Manufacturing	(ix)	(ix)	(ix)	(ix)	(ix)	(ix)	(ix)
Conversion	(x)	(x)	(x)	(x)	(x)	(x)	(x)
Pack/filling	(xi)	(xi)	(xi)	(xi)	(xi)	(xi)	(xi)
Selling	(xii)	(xii)	(xii)	(xii)	(xii)	(xii)	(xii)

**Table 3a: (where applicable) Tonnage of Packaging/Packaging Materials imported for the purpose of the named activity (in tonnes)**

	Paper	Glass	Al	Steel	Plastic	Wood	Other
Conversion	(xiii)	(xiii)	(xiii)	(xiii)	(xiii)	(xiii)	(xiii)
Pack/filling	(xiv)	(xiv)	(xiv)	(xiv)	(xiv)	(xiv)	(xiv)
Selling	(xv)	(xv)	(xv)	(xv)	(xv)	(xv)	(xv)

**Table 3b: Imported packaging for which you are the end user (in tonnes)**

Paper	Glass	Alu	Steel	Plastic	Wood	Other
(xvi)	(xvi)	(xvi)	(xvi)	(xvi)	(xvi)	(xvi)

**Table 3c: Imported packaging which is subsequently exported (in tonnes)**

Paper	Glass	Alu	Steel	Plastic	Wood	Other
This data does not enter into the calculation to obtain your targets						

**Table 4: Statement of obligations for 2012 (based on 2011 tonnages above)**

Individual Material Recycling Obligations	Paper	Glass	Alu	Steel	Plastic	Wood
	(xvii)	(xviii)	(xix)	(xx)	(xxi)	(xxii)
Total Recovery Obligation	(xxiii)					
Total Recycling Obligation	(xxv)					

## Packaging Flow Tables

### Explanation of what to fill in for each box under each material type

<b>TABLE 1 Packaging/packaging materials supplied</b>	
<b>Box No.</b>	
(i)	The tonnage of packaging raw material manufactured in the UK less any process waste that comes off during the conversion process
(ii)	The tonnage of raw material that gets converted into packaging less any process waste
(iii)	The tonnage of packaging into which products are placed including transit packaging such as pallets, cardboard outers and stretch wrap plastic film
(iv)	The tonnage of packaging around products that are supplied to the final user including transit packaging

### Do imports or exports go in Table 1?

**Imports** should only be entered into Table 1 if you perform an activity on it, such as 'selling' –but the packaging must stay in the UK (You would therefore enter the weights in both Table 3a and Table 1)

**Exports** should only be entered into Table 1 if you sourced it in the UK, if you imported it and are now exporting it, then you should only put it in Table 3c.

<b>TABLE 2a Packaging/packaging materials exported by the producer</b>	
<b>Box No.</b>	
(v)	The tonnage of raw material included in Table 1 that the manufacturer directly exports
(vi)	The tonnage of converted packaging included in Table 1 that the convertor directly exports
(vii)	The tonnage of filled packaging included in Table 1 that the packer/filler directly exports
(viii)	The tonnage of packaging included in Table 1 that the obligated company sold to an end-user over seas.

<b>TABLE 2b Packaging/packaging material exported by a third party</b>	
<b>Box No.</b>	
(ix)	The tonnage of raw material included in Table 1 that is exported by someone further down the Packaging Chain
(x)	The tonnage of converted packaging included in Table 1 that is exported by someone further down the Packaging Chain
(xi)	The tonnage of filled packaging included in Table 1 that is exported by someone further down the Packaging Chain
(xii)	This would not apply as a company would not have a selling obligation if it supplied on to another part of the chain or to someone else selling to the final consumer

<b>TABLE 3a Primary Packaging/packaging materials imported into the UK</b>	
<b>Box No.</b>	
(xiii)	The tonnage of raw material imported directly by the obligated company for the purpose of converting into packaging by that company or by another party
(xiv)	The tonnage of converted packaging imported directly by the obligated company for the purpose of filling with products by that company or by another party
(xv)	The tonnage of filled packaging imported directly by the obligated company for the purpose of selling by that company or by another party

<b>TABLE 3b Imported packaging for which you are the end user</b>	
<b>Box No.</b>	
(xvi)	The amount of packaging around the products imported by the obligated company that they will remove as the end user or consumer.

<b>TABLE 3c Imported packaging which is subsequently exported</b>	
	The amount of packaging, which is imported and subsequently exported whether or not further 'Activities' are performed. These figures will not be entered into the obligation calculation; therefore do not enter the data in any other tables.

## Table 4 Statement of Obligations

Table 4 must be completed and shows the targets that will relate to the tonnage placed in Tables 1 - 3b.

The method to undertake the calculations is shown below, but Internet users can use the Online Obligation Calculator at [www.biffpack.co.uk](http://www.biffpack.co.uk)

### CALCULATING THE OBLIGATED TONNAGE FOR EACH MATERIAL (including wood and other)

In each material column:

$$\begin{aligned} & [ [(i) - (v) - (ix) ] \times 0.06 ] + [ ( (ii) - (vi) - (x) ) \times 0.09 ] + [ ( (iii) - (vii) - (xi) ) \times 0.37 ] \\ & + [ [(iv) - (viii) - (xii) ] \times 0.48 ] + [ (xiii) \times 0.06 ] + [ (xiv) \times 0.15 ] + [ (xv) \times 0.52 ] + [ (xvi) \times 1 ] \end{aligned}$$

The TOTAL obligated tonnage is the sum of the separate material obligated tonnages.

### CALCULATING THE MINIMUM RECYCLING TARGET FOR EACH MATERIAL (for Paper, Glass, Aluminium, Steel, Plastic and Wood only)

The Obligated Tonnage for each of the above materials should be multiplied by the relevant minimum recycling target set by DEFRA, which for 2012 are:

Paper	68.5%
Glass	80.0%
Aluminium	38.0%
Steel	71.0%
Plastic	32.0%
Wood	21%

For example, if the OBLIGATED tonnage for Glass was 100 tonnes after applying the calculations above, the Minimum Recycling Target for glass would be  $100 \times 80\% = 80$  tonnes.

### CALCULATING THE TOTAL RECOVERY TARGET

The OBLIGATED tonnage for each material including other should be added together and the sum multiplied by the overall recovery target of 74%.

### CALCULATING THE TOTAL RECYCLING TARGET

The Total Recovery Target should be multiplied by 68.1%.

(N.B. Because the Overall Recovery Target has been set at a higher level than some materials, if your only obligated material is one which is higher you will end up with the Overall Recovery Target being lower than the Minimum Recycling Target. In this case, your Recycling Target would count as your Overall Recovery Target)

## Other Points

- The tonnages included in the tables must only relate to packaging owned by the obligated company.
- Records must be kept relating to the basis of calculation for tonnages supplied for a minimum of 4 years, along with the data form that was finally submitted to the Agency.
- Composite packaging should be included under the category of packaging that forms the predominant material by weight.
- Companies should ensure that the data used in the calculation of packaging tonnages is robust and can withstand scrutiny by the relevant Agency through the necessary support documentation.
- Data must be reported to the nearest metric tonne.

## Summary

You have reached the end of our Guidance Notes. We hope you now have a greater understanding of what you need to do as an obligated business.

In case you missed anything, here are some main points again:

- The thresholds are 50 tonnes of packaging handled per year (in the previous calendar Year) and £2 million turnover.
- Your data should now be 'as accurate as reasonably possible' - you will need to justify any assumptions or extrapolations.
- If you have chosen to follow the allocation method for Small Producers then you must ensure you have correctly identified your predominant material and have proof as to your turnover, especially if you do not have audited accounts.
- From your data you can calculate the Targets you will need to meet in that year.
- Meeting the targets means obtaining PRNs or their equivalent.
- If you register with a compliance scheme the obligation to obtain PRNs passes to the scheme.
- You should keep all records for at least four years.
- The appropriate Agency aims to visit each producer once every three years.

## **APPENDIX 1**

### **EXAMPLE OF POTENTIAL PACKAGING RESPONSIBILITIES**

**(Relating to diagram overleaf)**

◇ **Computer Chip Supplier**

Will have no obligation as they are not a UK registered company.

◇ **Monitor Manufacturer**

Will have:

- a pack/filler obligation (37%) on the primary packaging (plastic and cardboard) around the monitor; **and**
- a pack/filler and seller obligation (85%) on the transit packaging (pallets and shrink wrap).

◇ **UK Boxes Ltd**

Will have:

- a convertor obligation (9%) for converting the cardboard into flat packed boxes; **and**
- a pack/filler and seller obligation (85%) on any transit packaging supplied, wood and plastic).

◇ **PC International**

Will have:

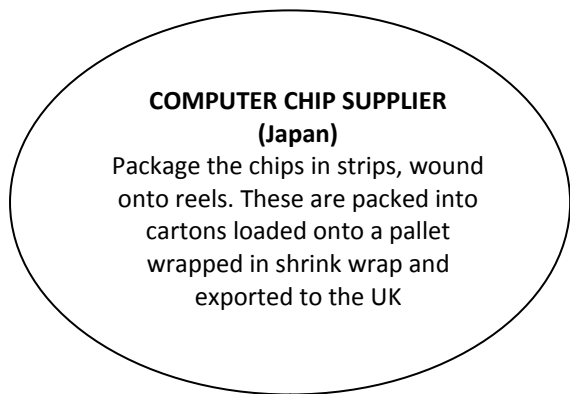
- an importer obligation (100%) on the direct imports of computer chips from Japan (paper, plastic and wood), as they discard all the packaging they receive;
- a pack/filler and seller obligation (85%) on the primary packaging around the computers sold by mail order (paper and plastic); and
- a pack/filler obligation (37%) on the primary packaging around the computers sold to Staple World (paper and plastic);
- a seller obligation (48%) on the primary packaging around the monitors sold by mail order (paper and plastic);
- no obligation on the monitors supplied to Staple World;
- pack/filler and seller obligation (85%) on transit packaging (not wood as pallets are second hand) they use to supply the monitors and computers (paper and plastic). This will include the shrink-wrap to Staple World and any boxes used for direct mail order.

PC International will also need to enter any primary and transit packaging exported as a pack/filler and seller (paper, plastic). They should also inform the monitor supplier how many have been exported.

◇ **Staple World**

Will have:

- a seller responsibility (48%) on the primary packaging around the computers and monitors (paper and plastic).



*Direct Imports*

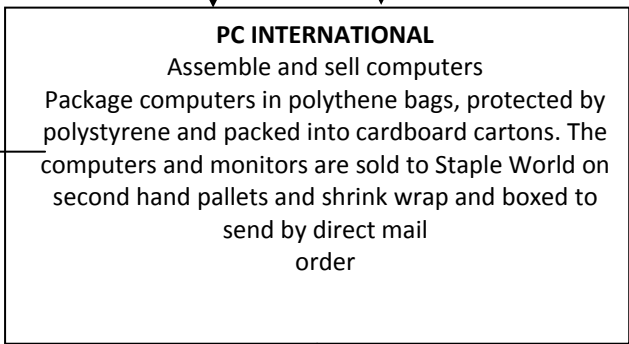
*UK Supply*

PC International discard all packaging from the computer chip supplier and use the chips in their own assembly process

PC International un- pack and discard the transit packaging (pallets & shrink wrap) and then sell the monitors on in the same packaging in which they arrived



PC International buy the flat packed boxes in which to pack their finished computers



Direct delivery by mail order

