



COMPLYPAK

REGISTRATION GUIDANCE NOTES 2009

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1. 2009 DATA SUBMISSION

WHAT IS THE DEADLINE FOR SUBMISSION TO COMPLYPAK?

Your packaging data must be submitted to Complypak by Friday 20nd Feb 2009. If you are having difficulty, contact Complypak in advance of this date. Members submitting data after this date may not be registered with the Environment Agency by the legal deadline. Producers who are not registered by the legal deadline may be charged an additional "late registration fee" or face other enforcement action by the Environment Agency.

HOW ACCURATE AM I REQUIRED TO BE?

The data is required to be as "accurate as reasonably possible". This means that the data entered onto the form should be supported with some primary documentation, for example purchasing records, sales records or information from suppliers. Reasonable steps must be shown.

WHAT YEAR SHOULD I SUBMIT DATA FROM?

The information you are required to submit to Complypak for 2009 should be based upon the tonnage of packaging that you handled in the calendar year 1st January 2008 to 31st December 2008. This then forms your 2009 packaging data submission.

WHAT ARE THE 2009 RECOVERY AND RECYCLING TARGETS?

The recovery and recycling targets for 2009 are as follows:

TOTAL RECOVERY	73%
RECYCLING TARGETS	
PAPER	68.5%
GLASS	80.0%
ALU	38.0%
STEEL	68.5%
PLASTIC	27.0%
WOOD	21.0%

SMALL PRODUCERS

Small Producers are defined as those with a turnover between £2m and £5m. This means that companies with a turnover of less than £2m that are obligated because they are part of a group of companies must now register as part of a group registration.

ENVIRONMENT AGENCY FEES

The Environment Agency fees for 2009 are as follows:

Registration	
Standard Scheme Member	£564
Small Producer Allocation Method	£345
Subsidiary companies (additional fee)	
1 st – 4 th subsidiaries	£180 each
5 th – 20 th subsidiaries	£90 each
21 st + subsidiaries	£45 each
Other fees	
Resubmission of data	£220
New member joining after deadline	£110



2. IMPORTANT POINTS FOR CONSIDERATION

i) ALLOCATION METHOD FOR SMALL PRODUCERS

The regulations allow for optional simplified registration procedure for 'small producers'.

Small Producers are not required to submit data on the amount of packaging handled in the previous year, but may simply submit evidence of turnover and then calculate their recycling obligation via a simple formula based on turnover; this is called the Allocation Method. In addition Small Producers will pay a reduced Environment Agency fee.

The main points of the Small Producer Allocation Method are as follows:

- Small Producers are those with a t/o of between £2m and £5m at the last audited accounts submitted to Companies House
- Small Producers may elect to follow the Allocation Method, but if they elect to do so they must register via the Allocation Method for a minimum of 3 years.
- The Small Producer registration fee for those electing to follow this method is £345.
- Small Producers electing to follow this method will not be required to submit data on packaging handled in the previous year, but will only be required to demonstrate that their turnover was £5m or less.

The Allocation Method for calculating the Recycling Obligation is as follows:

$$A \times B = Z$$

Where:

'A' is turnover in millions, rounded up to the nearest £10,000 (e.g. £3,464,320 would be 3.47);

'B' is the Recycling Allocation taken from the table below; and

'Z' is the Recycling Obligation in tonnes, in the predominant material by weight handled by the Small Producer.

Relevant Year	Recycling Allocation (tonnes)
2008	27
2009	28

Small Producers in Groups of companies

Small Producer subsidiaries of Groups may take advantage of the Small Producer Allocation Method. The Regulations are being amended so that a Small Producer registering as part of a Group will not have to pay the Subsidiary fee.

How to register via the Small Producer Allocation Method

Simply complete Section 3 on Form 1 relating to Small Producers

ii) LESSORS OBLIGATIONS

Lessors are businesses that lease/hire out packaging, such as wooden or plastic pallets, to other companies (lessees). Lessors will pick up a new "service provision" activity (85%) for all **first trip** leased packaging. The remaining 15% should already be picked up by the businesses manufacturing the raw materials (6%) and converting materials into packaging (9%);

iii) FRANCHISORS AND LICENSORS

Franchisors and other “licensors”, pub operating companies and companies operating under similar business models are now obligated for certain packaging bearing their trade mark or associated with goods that bear their trade mark or provided by an agreement between themselves and their non-obligated (i.e. do not meet the threshold tests in the 2005 Regulations) licensees or tenanted pubs;

Contact the help line for further information.

iv) IMPORTED TRANSIT PACKAGING

All imported transit packaging (e.g. packaging that is used to facilitate handling and transport of a number of sales units) that will end up in the UK waste stream (irrespective of whether it is being, or is capable of being reused) should be included in your return, unless it can be shown that a similar amount has been exported.

WHAT IS “PACKAGING”?

The regulations say that it is anything used for the “containment, protection, handling, delivery and presentation of goods”. It excludes “life-long” packaging that stays with the product for the length of its life and/or essentially forms part of the product (e.g. CD case). Also excluded are products which package items that are not goods (e.g. envelopes). The Environment Agency have produced a leaflet to help companies if they are not sure.

Examples:

PACKAGING	NOT PACKAGING
Pallets	CD Case
Envelopes containing goods	Envelopes containing letters
Coat hangers	Large long life packaging (ISO containers)
Labels	Tea bags
Tape (when used to pack goods)	

WHAT ABOUT RE-USABLE PACKAGING?

Re-usable (or multi-trip) packaging should be counted for the first trip only. Each time that it is subsequently re-used, it should not be included in your packaging data returns. For example, you should only include new pallets in your return. Second-hand or reconditioned pallets should be excluded as they attract no obligation. If you use reconditioned pallets, you should obtain a letter from your supplier stating that the pallets are not new.

If you have changed to a multi-trip packaging system, you may offset the obligation over 4 years – contact Complypak for more information.

WHAT NOT TO INCLUDE:

Packaging you do not carry out an activity on.

Re-usable packaging on its 2nd or subsequent trip.

Packaging you do not own.

Process waste.

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3. COMPLETING THE REGISTRATION FORMS

FORM 1: COMPANY INFORMATION

We have partially completed Form 1: Company Information with information that we already hold. Please can you check this information and sign and return to Complypak with any amendments or corrections.

Company information. Please give details of the Registered Address, Company registration number, Country of registration, SIC Code and turnover at the last available accounts.

SIC Code (2003)	Your SIC code can be found at www.statistics.gov.uk/statbase/Product.asp?vlnk=14012
Member Company Type	Sole Trader, Partnership or Individual Co.
Sub Type	N/A, Holding Company or Subsidiary Company
Company Registration No.	As registered at Companies House
Registration Country	England, Scotland, Wales or Northern Ireland
Turnover	As at last available accounts
Group registrations	If 'yes', you need to provide a list of subsidiary companies included in the application.

Declaration. Please complete the declaration to indicate that the information you have provided is accurate.

Once Form 1 has been completed, print a copy and email a copy to info@complypak.com or Fax 01424 202983.

FORM 2: PACKAGING DATA FORM

(Small Producers electing to register via the Allocation Method are not required to complete this form)

TABLE 1

Table 1 is for packaging that you supply to your customers upon which you have carried out one of the activities.

For example, a company that packs cornflakes into 100 tonnes of cardboard cartons would put the figure "100" into the "pack/filling" box under the "paper" column. If the same company also used 10 tonnes of shrink-wrap to supply the cartons of cornflakes to stores, this would count as "pack/filling" and also "selling" because that company is selling the shrink-wrap to an end user. The figure "10" would be placed in the "pack/filling" and also "selling" cells in the "plastic" column.

You should include in this table packaging that you have imported and supplied on (where you have carried out another activity). This type of packaging should be included in table 3a and 1.

Include in this table: packaging supplied, exports, and imports that you then carry out an activity on.

Exclude from this table: Imported transit packaging

TABLE 2A

Include in this table packaging that you have supplied (so it will be included in table 1) which you have directly exported.

**TABLE 2B**

Include in this table packaging that you have supplied (so it will be included in table 1) which is exported by a third party (e.g. one of your customers).

TABLE 3A

Include in this table packaging that is imported for another activity. For example:

- i) Import for conversion: Import of packaging raw materials for the purpose of conversion (either by you or another party) into packaging in the UK. *E.g. Import of granules for manufacture of plastic bags.*
- ii) Import for Pack/filling: Import of converted (but not yet pack/filled) packaging for the purpose of pack/filling in the UK. *E.g. import of empty plastic bags.*
- iii) Import for Selling: Packaging around goods imported for onward sale (either by you or a third party) to an end user in the UK. *E.g. Import of bottles of wine for sale in the UK.*

TABLE 3B

This table is for imported transit packaging. Include in this table packaging around imported goods, components or raw materials where you use the product and discard (including recycle or re-use) the packaging.

TABLE 3C

This table is for imported packaging that is re-exported. Include all packaging materials and packaging that you have imported which is subsequently re-exported. The data should not be entered in any other table.

TABLE 4

This table is where you indicate your recovery and recycling obligations. The Complypak spreadsheet calculates your Table 4 obligations for you, but for those who wish to do the calculations themselves, it should be done as follows:

Total Recovery calculations

Tonnage supplied (less exports) X Activity obligations X UK Recovery target = Total Recovery Obligation

This calculation needs to be carried out for each activity, and the obligation aggregated.

Recycling calculations

Tonnage supplied of each material (less exports) X Activity obligations X UK Recycling target for each material = Recycling Obligation for that material

This calculation needs to be carried out for each activity by material and the obligations aggregated by material.

METHOD STATEMENT

Please enter in a brief summary of how you arrived at the data you have submitted.

DECLARATION

It is a legal requirement that the Packaging Data Form is certified by a Director of the company. Without this your registration will be invalid.

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4. ACTIVITIES & ACTIVITY OBLIGATIONS

Often the most critical part of the data collection round is identifying what activities you carry out on what packaging. Although many businesses have a clear “main activity”, it is usual for producers to conduct a number of activities. In addition, it is possible (for example in the case of a wholesaler) for packaged goods to be supplied but for no obligation to arise because no activity has been carried out on the packaging. Therefore, understanding the activities is important to completing the data form.

The concept is that there are various parties involved in the manufacture of packaging, and they should share responsibility for production of packaging and for the recovery of packaging waste. The parties involved fall into one of four main stages in the packaging chain (set out below). However, each stage is not equally responsible for the production of packaging. The regulations assign a percentage responsibility according to the table below. It is this percentage (called the “Activity Obligation”) that is used to calculate a producers individual recovery targets each year.

Activity	% Activity Obligation
Raw materials manufacturing	6%
Conversion	9%
Pack/filling	37%
Selling	48%
Service Provider	85%*
Importing	Variable

* Service Provider obligation is a combination of Pack/filling and Selling

DESCRIPTION OF PACKAGING ACTIVITIES

Raw materials manufacturing

This refers to the manufacture of materials that are to be converted into packaging (e.g. manufacture of plastic granules, or aluminium sheets, or rolls of cardboard). Production waste should not be included in the total, only the net amount supplied on for conversion.

Conversion

This means conversion of packaging raw materials into a packaging product. Typically this could include manufacture of bags, boxes, cans, bottles etc. It can also include the manufacture of wooden cases or pallets for the transport of bulky items.

Sometimes one piece of packaging can pass through more than one convertor e.g. a convertor may manufacture plastic film, and then pass the film on to another convertor who converts the film into a bag. In this case it is the last convertor who picks up the conversion obligation.

Pack/filling

This is relatively self-explanatory. If you put goods in packaging, or wrap packaging around a product, then you are pack/filling. Typical examples are putting products in boxes, plastic bags, on pallets or wrapping with pallet wrap. Adding strapping or tape would also constitute pack/filling.



Selling

“Selling” means supplying packaged goods to the “end-user” or “consumer”. In essence this is when you sell your packed goods to a customer who then uses the product and discards the packaging.

Use this rule of thumb: If your customer uses your product and throws away the packaging then you are the seller; if your customer passes on the packaged goods, then you are not the seller.

Secondary provider of transit packaging

This refers to the use of “transit packaging” (grouped or transport packaging) around goods used in order to get them to the next stage in the chain. Secondary providers of transit packaging pick up a combined “pack/filler” and “seller” obligation of 85% (37% + 48%).

For example a converter manufactures bottles. In order to get them to the packer/filler, he packs the bottles on cardboard trays and wraps them in shrink-wrap. He is therefore a “secondary provider” of the cardboard trays and shrink-wrap, and picks up a combined “pack/filler” and “seller” obligation of 85%.

Service Provider

This is a new activity intended to capture leased packaging that previously fell outside the scope of the regulations. Service Provider means “a person who supplies reusable packaging to a user of that packaging where the supply is made by hiring out or lending the packaging”. Therefore the activity obligation falls upon the lessor, and not the user of the packaging.

The Service Provider picks up the pack/filling and selling obligations that would otherwise be excluded from the obligations. Service Provider obligation is 37% (pack/filling) + 48% (selling) = 85%. For the purposes of completing the Data Form, Service Providers should enter the relevant tonnage in both the ‘pack/filling’ and ‘selling’ rows in Table 1. Only packaging on its first trip should be counted.

Import for another activity

The principle with imports of packaging or packaging materials is that the importing company picks up the “rolled up” obligations for the activities that occurred outside the UK.

A company importing packaging raw materials for conversion (either by himself or another company) would pick up the 6% raw material manufacturing obligation that occurred outside the UK. The following obligations apply to imports:

Import for...	% Activity Obligation
Conversion	6%
Pack/filling	15%
Selling	52%

Imported transit packaging

This refers to packaging that you import and discard (even if you subsequently re-use or recycle it). Imported transit packaging attracts a 100% activity obligation because all of the activities occurred outside the UK. As a rule of thumb, if you import goods, any of the packaging that you take off the goods and discard is “imported transit packaging”.

5. DATA COLLECTION AND RECORD KEEPING

There are a number of ways in which businesses may collect their packaging data. Each business is different, so the methods used to collect packaging data will vary. The main factors that will govern the best method for you are:

Total amount of packaging handled
Number of product lines
Activities carried out
Size of company

Below are some of the ways that you may collect data.

i) Information from suppliers

If you receive packaging or goods from a supplier (particularly a UK supplier) it may be useful to write to them to ask for details of the packaging supplied to you in the relevant year. As the supplier may also be obligated, they may have this information readily to hand.

For example, if you are a pack/filler you could ask your packaging supplier for this information. This would be a good basis to calculate the weight of packaging that your subsequently packed and supplied.

ii) Sales records x unit packaging weight

Clearly if you are looking to identify the weight of packaging supplied to customers, an important record will be sales according to product line. If this can be combined with the unit weight of packaging per product line, then an accurate estimate of the amount of packaging supplied can be produced.

Example:

Data in grammes		PRODUCT PRIMARY PACKAGING			TRANSIT PACKAGING (GROUPED)			
PRODUCT	CODE	UNITS SOLD	CARD	PLASTIC	STEEL	UNITS PER CARTON	CARD	PLASTIC
Product A	198756	23,980	48g	18g		20	1450g	
Product B	123455	14,100	53g	17g		20	1400g	
Product C	098765	9,800	45g	18g		10	1000g	50g
Product D	135791	12,600	50g	17g	1g	20	1200g	

In this example table, the primary packaging weights are combined with units sold, and transit packaging weights can be calculated because the number of units per carton are known.

However, if you have a large number of product lines each with a slightly different weight of packaging a modified approach may be required. For example, products could be grouped according to similar categories (e.g. a clothing retailer could group products under “shirts”, “jackets”, “trousers” etc). This could be combined with average unit packaging weights identified by sampling.

iii) Information from sampling

Sometimes it is necessary to undertake sampling in order to obtain packaging weights. This is particularly the case for imports and imported transit packaging. There are two main methods: sampling for a given timescale and sampling product lines. For example, a company could sample the amount of imported transit packaging for a typical week, and scale up to represent one year.



Alternatively, if a company imported components, a sample could be taken of the packaging around each type of component. This could then be combined with information on numbers of components imported.

Details of dates and methods of sampling should be kept on file.

iv) Pareto analysis (80/20 rule)

Pareto analysis is based on the premise that 80% of problems are due to 20% of the possible causes. It can be used in the calculation of a packaging data on the basis that 20% of product lines are responsible for 80% of its packaging supplied. If you have a large number of product lines you could, for example, concentrate on the top selling 20%. An estimate could be used for rest, which only account for 20% of the packaging weight.

RECORD KEEPING

The agencies plan to monitor companies about once every three years. It is important that you keep records of how you have arrived at your packaging data. Therefore we recommend that you keep a record of the methodology you used to arrive at your packaging data. A simple one page statement may suffice.

You should keep a record of your data records and methodology for at least 3 years. The records may be required by the Environment Agency or by Complypak for auditing purposes.

Need further assistance with your packaging data collection? Contact:

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