



Policy Afvalfonds Verpakkingen (Packaging Waste Fund)

20 December 2018

Version 2.1

DISCLAIMER

This document is a translation from the original in Dutch and should be used for informational purposes only. In case of any discrepancies, the Dutch original shall prevail.

Version	Date	Changes from previous version
1.0	31-01-2013	First version of Afvalfonds Verpakkingen Policy, effective from 1 January 2013
1.1	14-11-2014	Policy update, effective from 1 January 2015
1.2	30-12-2015	Policy update, effective from 1 January 2016
1.3	15-12-2016	Policy update, effective from 1 January 2017
2.0	22-12-2017	Policy update, effective from 1 January 2018 under new ABBO
2.1	20-12-2018	<p>Policy update, effective from 1 January 2019</p> <p><i>Changes from previous version</i></p> <p>addition of definitions for Drink and Small Plastic Bottles; sub-paragraph 3.1.8 added, under which the Producer and/or Importer of Small Plastic Bottles must cooperate in the six-monthly monitoring of Small Plastic Bottles by the Afvalfonds Verpakkingen; sub-paragraph 3.3.6(2), (4) and (5) amended, under which an adjusted rate for indirect export will be applied to plastic Packaging; sub-paragraph 4.1.1. and 4.1.2 rates table updated; sub-paragraph 4.1.6 rates table updated; sub-paragraph 4.1.7 lower rate for readily recyclable plastic Packaging under Plastic Rate Eco-modulation Scheme added; sub-paragraph 4.1.8 adjusted indirect export plastic rate added; sub-paragraph 6.2 additional assessment authority brought into line with the ABBO; chapter 7 Plastic Rate Eco-modulation Scheme added.</p>

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1 Introduction

In the Netherlands, Producers and Importers of packed products are legally obliged to ensure the prevention, collection and recycling of packaging. This producer responsibility is set out in the Packing (Management) Decree 2014 (Besluit beheer verpakkingen 2014), which has arisen from European Directive 94/62/EC on packaging and packaging waste. The producer responsibility means (in brief) that businesses that are the first to make Packed products available to another party in the Netherlands and/or who remove the packaging on import, are individually responsible for the prevention, collection and recycling of used packing material. High recycling percentages are achieved in the Netherlands. The packaging chains thus provide a major and active contribution towards making the Dutch economy into a full circular economy, making it one of the leading economies in Europe.

On 27 June 2012 the Ministry of Infrastructure and Water Management (at that time the Ministry of Infrastructure and the Environment), the Association of Netherlands Municipalities (VNG) and the Packaging Industry signed the Packaging Framework Agreement (Raamovereenkomst verpakkingen) 2013-2022 which states, amongst other things, that businesses must recycle more packaging material and make the entire packaging chain sustainable. The collective implementation of the producer responsibility is also guaranteed in this via the Afvalfonds Verpakkingen. In order to cover the associated costs, the Afvalfonds Verpakkingen has a waste management contribution which is mandatory on the basis of a universally binding declaration.

In order to further elaborate on the Waste Management Contribution Agreement for Packaging (Afvalbeheersbijdrageovereenkomst Verpakkingen - ABBO), which has been declared universally binding, the Afvalfonds Verpakkingen has prepared this Policy which contains a further explanation of the ABBO as well as further rules in accordance with Article 2.8 of the ABBO. In the event of debate about the formulation, interpretation or the application of this Policy the final decision rests with the Afvalfonds Verpakkingen. The Policy can be amended if, in the opinion of the Afvalfonds Verpakkingen, there is reason to do so.

Further clarification and examples can be found on the website of the Afvalfonds Verpakkingen (www.afvalfondsverpakkingen.nl).

2 Definitions

In this Policy, unless explicitly stated otherwise, the following words when written with a capital letter have the meaning given below.

Reporting

The information that the Producer and/or Importer provides to the Afvalfonds Verpakkingen in order to fulfil its obligations within the framework of the ABBO, which serves as the basis for determining the Packaging Waste Management Contribution, as described in Annex 2 of the ABBO, as well as the additional information requested by the Afvalfonds Verpakkingen.

ABBO

The Packaging Waste Management Contribution Agreement, including annexes, as signed on 22 June 2017 by the Fast Moving Consumer Goods Packaging Association (SVF), the Non Food Packaging Association (SVN), the Netherlands Commercial Packaging Association (BVNL) and Packaging Waste Fund Association (Stichting Afvalfonds Verpakkingen). The Minister for Infrastructure and the Environment declared the ABBO generally binding with effect from 1 January 2018.

Packaging Waste Management Contribution

The amount that an individual Producer and/or Importer is obliged to pay to the Afvalfonds Verpakkingen on the basis of the ABBO in order to cover the costs of the Waste Management Structure.

Waste Management Structure

The collective structure as referred to in Article 2 of the ABBO which is financed from the Packaging Waste Management Contribution as provided for in the ABBO.

Afvalfonds Verpakkingen

Stichting Afvalfonds Verpakkingen (Packaging Waste Fund Association), with its registered office in The Hague.

Commercial Packaging

Packaging, as referred to in Article 1 of the Packaging Decree, which is intended to be discarded by business in their commercial waste, whereby it is only regarded as Commercial Packaging if the entire chain up to and including the end user who empties and discards the Packaging consists of commercial users. The end user that disposes of the Packaging pays for the collection and processing of this Packaging. Packaging that is a Logistic Resource is not regarded as Commercial Packaging.

Policy

The further rules, as referred to in Article 2.8 of the ABBO, that are adopted by the Afvalfonds Verpakkingen for the implementation of the ABBO and which are included in this Afvalfonds Verpakkingen Policy document, as well as changes and additions to this as adopted by the Afvalfonds.

Mandatory Contributor

The Producer and/or Importer who is obliged to contribute according to the ABBO, as further detailed in this Policy.

Biodegradable Plastic

Plastic Packaging with the property that it is biologically degradable and which, as proof thereof, is certified in accordance with European standard EN 13 432 for recovery through composting and biodegradation. Often recognised by what is known as the 'seedling logo'.

Foreign Entrepreneur

Entrepreneur in the sense of Article 7, first and second paragraphs, of the Turnover Tax Act 1968 (Wet op de omzetbelasting 1968) who is not based in and does not have a permanent establishment in the Netherlands.

Consumer

A natural person who does not act in the operation of a profession or business.

Drink

Liquid intended for human consumption and primarily intended to be drunk.

Drink Cartons

Packaging, suitable for packing liquid foods, with a minimum paper and board content of 70%, with the remainder consisting of another material or other materials.

Tax Entity

Tax entity in the sense of Article 7, fourth paragraph, of the Turnover Tax Act 1968.

Soft Drink

Drink as referred to in Section 2202 of the Combined Nomenclature Regulation (EEC) No. 2658/87 of 23 July 1987 with the exception of fruit juices as referred to in Directive 2001/112/EC of 20 December 2001 and alcohol-free beer.

Small Plastic Bottles

Bottles made of plastic with a capacity of less than one litre in which a Drink is packed.

Logistic Resources

Packaging as included in sub-paragraph 3.1.3 of this Policy.

Contract Packer

Person who, on the instructions of another business, re-packs, packs or unpacks substances, preparations or other products that he has not produced himself and in respect of which he does not acquire ownership.

Entrepreneur

An entrepreneur in the sense of Article 7, first and second paragraphs, of the Turnover Tax Act 1968.

Statement

The provisional information that the Producer and/or Importer provides to the Afvalfonds Verpakkingen in order to fulfil its obligations within the framework of the ABBO, concerning the estimate of the volume of Packaging in the current calendar year which acts as the basis for determining the provisional payments for the Packaging Waste Management Contribution in the next calendar year, as described in Annex 2 of the ABBO.

Producer and/or Importer

The party, in the Netherlands, who professionally:

- is the first party to make substances, preparations or other products available in Packaging or together with Packaging to another party;
- is the first party to import substances, preparations or other products in Packaging and discards of the packaging;
- receives instructions from another party to apply the name, logo or trademarks of another party on the Packaging of substances, preparations or other products;
- makes substances, preparations or other products available to the user in Packaging or together with Packaging which is intended to be added to in order for the substances, preparations or other products to be made available to the user (including in any event: Packaging as referred to in Article 1, sub a, point 2, of the Packaging Decree (Point of Sale Packaging)).

Refundable Deposit Scheme

The refundable deposit scheme for large plastic bottles for Soft Drinks and Waters as was set out in the Drinks Marketing Board Packaging Regulation 2003 which was cancelled with effect from 1 January 2015 and in the Drinks Marketing Board Packaging Regulation Implementation Decree 2003, which was also cancelled on 1 January 2015, which has been continued since 1 January 2015 by the Afvalfonds Verpakkingen with due regard for Article 2.9 of the ABBO.

Point of Sale Packaging

Packaging as referred to in Article 1, paragraph 1, sub a, point 2 of the Packaging Decree.

Packaging

Packaging as defined in Article 1, paragraph 1, sub a, of the Packaging Decree, which is further specified in Article 1, paragraph 1 sub b, c, and d of the Packaging Decree. The full definition is quoted in paragraph 3.1.

Packaging Decree

Packing (Management) Decree 2014.

Water

Water: the drink as referred to in section 2201 of the Combined Nomenclature Regulation (EEC) No. 2658/87 of 23 July 1987.

3 General Policy

3.1 Explanation of the definition of Packaging

Packaging Decree – Article 1 paragraph 1 sub a to d (inclusive)

- a. *Packaging: all products, produced from material of any nature, which can be used for enclosing, protecting, shipping, delivering and offering other products, from raw materials to finished products, throughout the entire chain from producer to user or consumer, including disposable articles used for this purpose, whereby packaging only covers sales or primary packaging, grouped or secondary packaging and shipping or tertiary packaging and:*
- 1°. whereby products are regarded as packaging if they comply with the above, irrespective of other functions which the packaging can fulfil, unless the product forms an integral part of another product and it is necessary to contain, support or store that product during its life span and all elements are intended to be used, consumed or removed together;*
 - 2°. whereby products which are designed and intended for filling at the point of sale as well as disposable articles that are sold when filled or which are designed and intended for filling at the point of sale, are only regarded as packaging if they fulfil a packaging function; and*
 - 3°. whereby the packaging components and the associated elements incorporated in the packaging are regarded as part of the packaging in which they are incorporated and whereby the associated elements suspended from or attached to a packed product and which have a packaging function, are regarded as packaging, unless they form an integral part of this product and all elements are intended to be consumed or removed together;*
- b. *sales or primary packaging: packaging that is designed in such a way that it forms a sales unit for the end user or consumer at the point of sale;*
- c. *grouped or secondary packaging: packaging that is designed in such a way that it forms a group of sales units at the point of sale, irrespective of whether this is sold as such to the end user or consumer, or which only serves for replenishing the shelves at the point of sale and which can be removed from the product without it affecting the product characteristics;*
- d. *shipping or tertiary packaging: packaging that is designed in such a way that it simplifies the shipping and transport of a number of sales units or group packages in order to prevent damage during shipping and transport, excluding road, rail, shipping or aircraft containers;*

Source: Packaging Decree, Article 1 paragraph 1 sub a to d (inclusive): Definition of Packaging.

In its Policy, the Afvalfonds Verpakkingen uses the term Packaging as defined above. Examples of products that are and are not designated as Packaging can be found in the packaging catalogue on www.afvalfondsverpakkingen.nl. In the event of doubt, the Afvalfonds Verpakkingen shall decide whether a product is designated as Packaging.

3.1.1 Combined Packaging

Combined Packaging is Packaging that consists of several, non-separable types of materials (for example laminates).

The Mandatory Contributor must pay the Packaging Waste Management Contribution on the various types of material from which the combined packaging consists and notify these material types separately on the Statement and when Reporting.

3.1.2 Components of Packaging

The components of Packaging and the associated elements incorporated into the Packaging are regarded as being part of the Packaging in which they are incorporated. The associated elements suspended from or attached to a packed product and which have a packaging function are regarded as being Packaging unless they form an integral part of this product and all elements are intended to be consumed or removed together.

3.1.3 Logistic Resources

1. No Packaging Waste Management Contribution is due on a Logistic Resource.

Logistic Resources are exclusively:

- pallets, including pallet collars, pallet boxes and insert sheets, intended to be used in combination with a pallet and which have the same surface area as the pallet;
- glazing carriers;
- Intermediate Bulk Containers;
- roller containers;
- drums, jerrycans and gas bottles with a capacity of 20 litres or more;
- crates with a capacity of 8 litres or more;
- boxes with a capacity of 1 m³ or more;
- big bags with a capacity of 250 litres or more; and
- drums, spools and reels with a length of 50 cm or more.

The aforementioned Logistic Resources are defined in the List of Logistic Resources which can be found on www.afvalfondsverpakkingen.nl.

2. Within Logistic Resources a distinction is made between single-trip and multi-trip Logistic Resources.

- A Multi-trip Logistic Resource is any Logistic Resource that is intended and designed to make a minimum number of trips during its life span and which is intended to be re-filled or re-used for the same purpose for which it was designed. To be designated as a Multi-trip Logistic Resource the Producer and/or Importer must be able to demonstrate the existence and use of a system which ensures that the Logistic Resource can actually be used as a multi-trip Logistic Resource as referred to in the previous sentence.
- A single-trip Logistic Resource is any Logistic Resource that is not a multi-trip Logistic Resource.

If a Logistic Resource can be reasonably divided into components that can be used individually then those components must be assessed individually against the aforementioned definitions. For example, dividing an Intermediate Bulk Container (IBC) into the cage and the container.

3. From 2016, the Producer and/or Importer must provide a Statement and Reporting with regard to:
- a. Single-trip Logistic Resources made available as Packaging for products for the first time to another party by the Producer and/or Importer in the Netherlands; and
 - b. Single-trip Logistic Resources first imported into the Netherlands as product Packaging by the Producer and/or Importer and which the Producer and/or Importer must dispose of or have disposed; and
 - c. Single-trip Logistic Resources made available as product Packaging to the Producer and/or Importer by another Producer and/or Importer who is obliged to provide Reporting in respect of those Single-trip Logistic Resources, such being insofar as he, in turn, makes the Logistic Resources available to another party outside of the Netherlands in that calendar year (comparable with indirect export).

3.1.4 Exotics

No Packaging Waste Management Contribution is due on special products, also known as exotics. These exotics are exclusively:

- hypodermic syringe;
- non-refillable lighter;
- non-refillable pen;
- felt pen;
- marker pen;
- correction roller; and
- toner and ink cartridges.

3.1.5 Point of Sale Packaging

At the moment of sale some products are packed or offered in disposable objects, known as Point of Sale Packaging. Within the framework of the ABBO, the Mandatory Contributor is liable for paying the Packaging Waste Management Contribution for this.

3.1.6 Envelopes

Envelopes with a size equal to or smaller than C5 are not regarded as Packaging within the framework of the ABBO. Envelopes with a size larger than C5 are regarded as Packaging within the framework of the ABBO unless they are used for sending individually addressed letters, invoices, bank statements, legal advice and similar individual correspondence addressed to the addressee.

This means that the Packaging Waste Management Contribution will be due if envelopes are used for sending goods such as magazines, books, CDs, brochures, folders and suchlike or if there is an envelope designed in such a way that it is clearly intended for the Packaging of products, such as padded envelopes.

3.1.7 Multi-use

The Packaging Waste Management Contribution is only levied once for Packaging that is used multiple times. The levy is imposed at the moment that an Enterprise makes the filled Packaging available to another party in the Netherlands for the first time, or discards the imported Packaging for the first time.

3.1.8 Small Plastic Bottles

The Producer and/or Importer who is a mandatory contributor for Small Plastic Bottles must cooperate in the six-monthly monitoring of Small Plastic Bottles placed on the market as laid down by the Afvalfonds Verpakkingen and is obliged to make itself known to the Afvalfonds Verpakkingen for this purpose. The monitoring relates to the packaging weight of the Small Plastic Bottles for which the Producer and/or Importer concerned is a mandatory contributor in the six months in question.

Explanation of sub-paragraph 3.1.8

Having regard to the agreements made between the packaging industry and the State Secretary of Infrastructure and Water Management, as set out in the letter to the Lower House of 10 March 2018, reference IENW/BSK-2018/54182, concerning a recycling target of 90 per cent on Small Plastic Bottles and a reduction target for Small Plastic Bottles in litter of 70-90%, coupled with the possible introduction of a refundable deposit system in 2021, the Afvalfonds Verpakkingen will be responsible up to the first half of 2020 for six-monthly monitoring of the recycling percentage of Small Plastic Bottles achieved.

3.2 Explanation of Tax Entity for turnover tax

A Tax Entity concerns natural persons or entities in the sense of the State Taxes Act (AWR) that reside or are established in the Netherlands who are Entrepreneurs for the purposes of turnover tax and who, from a legal point of view, are independent however from a financial, organisational and economic point of view are so closely related that they form a single entity. Such persons and entities are designated as a Tax Entity for turnover tax by order of the Tax and Customs Administration. The order describes the Tax Entity and its elements. For the existence of a Tax Entity it is not important whether that entity also acts commercially as a single entity.

The fact that the Entrepreneur 'Tax Entity' form of collaboration is regarded by the Afvalfonds Verpakkingen as a Producer and/or Importer means:

- that the entire Tax Entity is regarded as a single Mandatory Contributor;
- that all activities of the Tax Entity should be included in the Statement and Reporting and therefore be included when determining the total weight of Packaging;
- that no Packaging Waste Management Contribution is due on the weight of Packaging supplied internally within the Tax Entity;
- that a one-off Statement and Reporting must be undertaken for the calendar year for the entire Tax Entity and that there is a one-off right for the duty-free threshold, as described in sub-paragraph 3.3.5;
- that each Producer and/or Importer belonging to a Tax Entity for turnover tax is obliged, on behalf of the entire Tax Entity, to meet its obligations unless these obligations have already been met by a Producer and/or Importer belonging to this Tax Entity;
- that when registering as a Tax Entity the Mandatory Contributor must submit to the Afvalfonds Verpakkingen the most recent order from the Tax and Customs Administration as referred to in Article 7 of the Turnover Tax Act;
- that on the request of the Afvalfonds Verpakkingen the Tax Entity must submit the most recent order from the Tax and Customs Administration, as referred to in Article 7 of the Turnover Tax Act;
- that the Producer and/or Importer providing the Statement and Reporting on behalf of the entire Tax Entity and who pays the Packaging Waste Management Contribution, is also responsible for notifying the Afvalfonds Verpakkingen in writing of changes to the

composition of the Tax Entity within three months of the change, or no later than when providing the Statement or Reporting. In addition, the Producer and/or Importer is/are to provide the Afvalfonds Verpakkingen with the most recent order from the Tax and Customs Administration in accordance with Article 7 of the Turnover Tax Act.

If a Producer and/or Importer is/are not part of a Tax Entity it is to comply with the obligations arising from the ABBO on its own behalf and exclusively for itself.

If a Producer and/or Importer is/are not part of a Tax Entity for a part of the calendar year then the Producer and/or Importer is/are to comply with the obligations arising from the ABBO on its own behalf and exclusively for itself for that part of the calendar year, whereby there is an entitlement to the duty-free threshold.

On the joint request of two or more Producers and/or Importers that belong to a group but not to the same Tax Entity, the Afvalfonds Verpakkingen can decide to treat these Producer and/or Importers as if they were a Tax Entity.

When the Afvalfonds Verpakkingen establishes that the conditions of a Tax Entity as set out in the Turnover Tax Act have been met, the Afvalfonds Verpakkingen can decide to treat two or more Producers and/or Importers as a Tax Entity despite the fact there is no order issued by the Tax and Customs Administration within this framework.

3.3 Principle of Mandatory Contribution

3.3.1 Levy

1. The Packaging Waste Management Contribution is levied on (1) Entrepreneurs that are established in the Netherlands or which have a permanent establishment there, and on (2) Foreign Entrepreneurs who are the first to make available to Consumers in the Netherlands substances, preparations or other products in or together with Packaging.

Explanation of point 1 of sub-paragraph 3.3.1

Previously, no Packaging Waste Management Contribution was paid by Entrepreneurs that were not established in or who had no permanent establishment in the Netherlands. The substantial growth in (direct) remote selling to Consumers is the reason for amending the policy on this point. This growth has specifically caused a corresponding increase in Packaging waste. Furthermore, the Afvalfonds Verpakkingen wishes to create a level playing field between - on the one hand - Entrepreneurs that are established in the Netherlands or who have a permanent establishment there and - on the other hand - Foreign Entrepreneurs. For this reason, with effect from 1 January 2018, the Mandatory Contribution will also apply to these Foreign Entrepreneurs. This specifically concerns the making available of packed products to Consumers (B2C). For business to business (B2B) supplies the Entrepreneur established in the Netherlands or with a permanent establishment in the Netherlands shall remain the Mandatory Contributor. There is therefore no mention of a diversion of the Mandatory Contribution; only a Mandatory Contributor category has been added for a flow that was previously outside of the levy.

2. The Packaging Waste Management Contribution is levied in relation to:
 - a. the Packaging of products made available, insofar as those products are made available for the first time to another party in or together with Packaging by a Producer and/or Importer in the Netherlands; and
 - b. the Packaging of imported products, insofar as those products are imported in Packaging for the first time by a Producer and/or Importer and the Producer and/or Importer disposes of the Packaging or has it disposed of, whereby importing (or

‘importing’ as referred to in the definition of ‘Producer and/or Importer’) means the importing into the Netherlands from countries outside of the Netherlands.

3. The second paragraph, sub a, is not applicable if the packed product is not yet released into free circulation within the European Union.
4. The second paragraph, sub a, is only applicable to Foreign Entrepreneurs insofar as the Packaging concerns products that they make available to Consumers in the Netherlands.
5. That which is stipulated in this sub-paragraph 3.3.1 does not affect that which is stipulated in the first sentence of sub-paragraphs 3.1.3 and 3.1.4.

3.3.2 Defining the Mandatory Contributor

1. The Packaging Waste Management Contribution is levied on the Producer and/or Importer.
2. If the Producer and/or Importer referred to in the first point forms part of a Tax Entity then in deviation from the first point the Packaging Waste Management Contribution shall be levied on the Tax Entity.
3. If a Producer and/or Importer referred to in the first point is a Contract Packer then the Packaging Waste Management Contribution shall be levied on the party on whose instructions the products are re-packed, packed or unpacked, unless the client giving the instruction is based abroad and the buyer is not the Consumer. In the latter case, the Packaging Waste Management Contribution will be levied on the client’s buyer based in the Netherlands.
4. The party that makes available for the first time in the Netherlands empty Point of Sale Packaging combined with a self-service vending machine or vending machines whereby this Point of Sale Packaging is filled by the user is, irrespective of the underlying financing and/or service contract relating to the self-service vending machine or machines, deemed to be the Producer and/or Importer as referred to in the first point with regard to the Point of Sale Packaging.

Explanation of point 4 of sub-paragraph 3.3.2

The Mandatory Contribution for Point of Sale Packaging is the responsibility of the party that makes this available to the user filled with a product. However, there appears to be confusion about the Producer and/or Importer responsible for, in particular, disposable cups which are filled by the user via a vending machine. In practice, these vending machines are often supplied in conjunction with empty cups and service contracts. Various financing structures for this are possible, whereby the question arises about which Entrepreneur is responsible for the cups. The Afvalfonds Verpakkingen wishes to end the uncertainty about this flow in a practical manner and thus maintain a level playing field. Therefore, with effect from 1 January 2017, the Policy has included clarification that the Entrepreneur that makes empty Point of Sale Packaging available in conjunction with a self-service vending machine, must include this Point of Sale Packaging in the Reporting for the Packaging Waste Management Contribution.

3.3.3 Contribution criterion

The Packaging Waste Management Contribution is calculated on the Packaging materials and types per calendar year.

3.3.4 **When the Mandatory Contribution arises**

The Packaging Waste Management Contribution is due:

- a. when sub-paragraph 3.3.1, point 2, sub a, is applicable: at the moment of availability;
- b. when sub-paragraph 3.3.1, point 2, sub b, is applicable: at the moment of disposal.

3.3.5 **Duty-free threshold**

1. A reduction of up to a maximum of the amount of the Packaging Waste Management Contribution is applied on the amount of the Packaging Waste Management Contribution that a Mandatory Contributor is due to pay in a calendar year.
2. If the amount of the Packaging Waste Management Contribution due relates to a single Packaging material or type, the amount of the reduction is: 50,000 kilograms multiplied by the rate for that Packaging material or type, as referred to in sub-paragraph 4.1.1, 4.1.2, 4.1.3, 4.1.5, 4.1.6 or 4.1.7.
3. If the amount of Packaging Waste Management Contribution due relates to two or more Packaging materials or types, the amount of the reduction is the sum of the reductions for each Packaging material or type, whereby the reduction for each Packaging material or type amounts to: 50,000 kilograms multiplied by the weight share of the Packaging material or type in the total weight of all Packaging materials and types combined, multiplied by the rate for the relevant Packaging material or type, as referred to in sub-paragraph 4.1.1, 4.1.2, 4.1.3, 4.1.5, 4.1.6 or 4.1.7.
4. For the application of the duty-free threshold, all Packaging materials and types for which a rate is defined in sub-paragraph 4.1.1, 4.1.2, 4.1.3, 4.1.5, 4.1.6 or 4.1.7 are to be regarded as separate Packaging Materials or types.
5. For the application of the duty-free threshold, the weight of Logistic Resources as referred to in sub-paragraph 3.1.3 and Exotics as referred to in sub-paragraph 3.1.4 is to be excluded.
6. The duty-free threshold is not applicable on bottles referred to in point 4 of paragraph 3.4. No reduction is therefore applied to the rate contained in sub-paragraph 4.1.4.

3.3.6 **Indirect export**

1. After applying the duty-free threshold as referred to in sub-paragraph 3.3.5, a Mandatory Contributor may, from the amount of the Packaging Waste Management Contribution due in a calendar year, reduce an amount for the Packaging of products that it packs as such as and which have been made available to it by a Producer and/or Importer and insofar as it, in turn, makes these available in that calendar year, whereby the products are exported outside of the Netherlands for the first time (export reduction). The export reduction is only applicable for Packaging for which a Packaging Waste Management Contribution has already been paid earlier in the chain. The export reduction is undertaken via the Reporting for the relevant calendar year.
2. The export reduction amount is calculated by multiplying the weight of the relevant Packaging materials and types, measured in kilograms, by the rates for each Packaging material or type, as referred to in sub-paragraph 4.1.1 (except for plastic), 4.1.2, 4.1.6 and 4.1.8.
3. A reduction of up to a maximum of the export reduction is applied on the amount of the export reduction.

4. If the export reduction relates to a single Packaging material or type, the amount of the reduction, referred to in point 3, is: 50,000 kilograms multiplied by the rate applicable for that Packaging material or type, as referred to in sub-paragraph 4.1.1 (except for plastic), 4.1.2, 4.1.6 or 4.1.8.
5. If the export reductions relates to two or more Packaging materials or types, the amount of the reduction, referred to in point 3, is the sum of the reductions for each Packaging material or type, whereby the reduction for each Packaging material or type amounts to: 50,000 kilograms multiplied by the weight share of that Packaging material or type in the total weight of all of the Packaging materials and types combined, multiplied by the rate applicable for the relevant Packaging material or type, as referred to in sub-paragraph 4.1.1 (except for plastic), 4.1.2, 4.1.6 or 4.1.8.
6. For the application of the export reduction, the weight of Logistic Resources as referred to in sub-paragraph 3.1.3 and Exotics as referred to in sub-paragraph 3.1.4 is to be excluded.

3.3.7 Indirect export refund

1. If a negative amount remains after applying sub-paragraph 3.3.6, this amount will be paid to the Mandatory Contributor when an indirect export refund is requested.
2. The payment request, referred to in the first point, is undertaken via the Reporting for the relevant calendar year.
3. The request for payment, referred to in the first point, is to be made no later than five months after the end of the calendar year to which the request relates.
4. For a party that is not a Mandatory Contributor in the sense of sub-paragraph 3.3.2 but who has had packed products made available from a Producer and/or Importer which it packs and which it, in turn, makes available and this results in exports outside of the Netherlands for the first time in a calendar year, paragraph 3.3.6 and paragraph 3.3.7, points 1 up to and including 3, are correspondingly applicable.

3.4 Refundable Deposit Scheme

1. When selling drinks in plastic bottles in the Netherlands which have a capacity in excess of 0.75 litres, a Producer and/or Importer of Soft Drinks and/or Waters must provide a separate breakdown of the refundable deposit on the receipt or at the same time as settlement with the buyer, charge its customers € 0.25 per bottle as well as clearly state (or have stated) on the label of these bottles that the bottles are subject to a refundable deposit.
2. The Producer and/or Importer, referred to in the point above, or its buyer who resells bottles in the Netherlands that are subject to the refundable deposit, must – on return of undamaged, properly sorted and non-contaminated bottles that have originated from it, as referred to in the previous point – pay the refundable deposit that it has received.
3. The rate referred to in sub-paragraph 4.1.3 is applicable for bottles with regard to which the Producer and/or Importer complies with the provisions set out in point 1 and point 2.
4. The rate referred to in sub-paragraph 4.1.4 is applicable for bottles with regard to which the Producer and/or Importer does not comply with the provisions set out in point 1 and point 2.

Explanation of paragraph 3.4

The obligation to participate in the Refundable Deposit Scheme was included in the Drinks Marketing Board Packaging Regulation 2003 up to 1 January 2015 (to be read in conjunction with the Drinks Marketing Board Packaging Regulation Implementation Decree 2003 as published on 31 December 2014 as well as the exemptions in force at that time). Against the background of the Framework Agreement, the Packaging Industry wishes to continue the Refundable Deposit Scheme after 2014 for large plastic bottles for Soft Drinks and Waters until these can be released under the Framework Agreement. This is also consistent with the wish of the State Secretary. The Framework Agreement has no scheme for glass bottles. The old scheme for glass bottles can be continued on a voluntary basis. For Producers and/or Importers where the glass bottles are not included in the old scheme, the rate referred to in subparagraph 4.1.1 is applicable for these glass bottles.

4 Rates

4.1 Rates for 2013, 2014, 2015, 2016, 2017, 2018 and 2019

The rates described below exclude Value Added Tax (VAT). The Afvalfonds Verpakkingen is subject to VAT and will therefore raise an invoice for the Mandatory Contributor which includes VAT.

4.1.1 Rate per type of material

The following rates apply in euro per kilogram of Packaging material:

Material type	Rate 2013/2014/2015	Rate 2016/2017/2018	Rate 2019
Plastic	€ 0.3876	€ 0.6400	€ 0.6400
Biodegradable Plastic	€ 0.0212	€ 0.0200	N/A (counts as plastic)
Glass	€ 0.0595	€ 0.0560	€ 0.0560
Paper / Cardboard	€ 0.0233	€ 0.0220	€ 0.0220
Aluminium	€ 0.0212	€ 0.0200	€ 0.0200
Other metals	€ 0.0212	€ 0.0200	€ 0.0200
Wood	€ 0.0212	€ 0.0200	€ 0.0200
Other types of material	€ 0.0212	€ 0.0200	€ 0.0200

Table 1 – Packaging Waste Management Contribution rates per kilogram of Packaging material, excl. VAT.

4.1.2 Rate for Drink Cartons

For Drink Cartons there is a separate rate for the materials used. This rate is also applicable to any cap and spout on the Drink Carton. The following rates apply in euro per kilogram of Packaging material:

Material type	Rate 2015	Rate 2016/2017/2018	Rate 2019
Plastic	€ 0.12	€ 0.18	€ 0.38
Biodegradable Plastic	€ 0.12	€ 0.18	N/A (counts as plastic)
Glass	€ 0.12	€ 0.18	€ 0.38
Paper / Cardboard	€ 0.12	€ 0.18	€ 0.38
Aluminium	€ 0.12	€ 0.18	€ 0.38
Other metals	€ 0.12	€ 0.18	€ 0.38
Wood	€ 0.12	€ 0.18	€ 0.38
Other types of material	€ 0.12	€ 0.18	€ 0.38

Table 2 –Packaging Waste Management Contribution rates for Drink Cartons per kilogram of Packaging material, excl. VAT.

4.1.3 Refundable Deposit rate

The Refundable Deposit rate is applicable to bottles where the Producer and/or Importer complies with the Refundable Deposit Scheme as referred to in point 1 and point 2 of paragraph 3.4 as well as for glass bottles where the Producer and/or Importer participates in an existing refundable deposit system. The Refundable Deposit rate was € 0.0212 per kilogram in 2013, 2014 and 2015 irrespective of the material type. In 2016, 2017, 2018 and 2019 the Refundable Deposit rate is € 0.0200 per kilogram irrespective of the material type. The Refundable Deposit rate also applies with effect from 2018 to labels, screw caps and swing-tops which, in practice, are collected with the bottle within the refundable deposit system. The Refundable Deposit rate does not apply to crown caps and other bottle components which, in practice, are not collected with the bottle within the refundable deposit system. The normal rate per material type applies for these, as referred to in sub-paragraph 4.1.1.

4.1.4 Rate for plastic bottles larger than 0.75 litres that are not part of the Refundable Deposit Scheme

With due regard for paragraph 3.4, if a plastic bottle larger than 0.75 litres is not eligible for the Refundable Deposit rate, the rate in 2015, 2016 and 2017 for these plastic bottles is € 7.50 per kilogram. In 2018 and 2019 the rate is € 0.25 per bottle. With effect from 2018, bottles that are subject to this rate are excluded from the duty-free threshold of 50,000 kilogram per calendar year as referred to in sub-paragraph 3.3.5 and paragraph 5.2.

4.1.5 General rate

If the Producer and/or Importer is unable or unwilling to make a breakdown by Packaging material or type then it can apply the general rate. In 2013, 2014 and 2015 the general rate per kilogram of Packaging was € 0.47. In 2016, 2017, 2018 and 2019 the general rate is € 0.77 per kilogram of Packaging. The general rate may not be used as an alternative for the rate in sub-paragraph 4.1.4.

4.1.6 Rates for Commercial Packers Scheme

Different rates are applicable for Producers and/or Importers registered for the Commercial Packer Scheme referred to in sub-paragraph 7.3. For this Scheme, the following rates apply in euro per kilogram of Packaging material:

Material type	Rate 2013/2014/2015	Rate 2016/2017/2018	Rate 2019
Plastic	€ 0.0790	€ 0.1222	€ 0.1222
Biodegradable Plastic	€ 0.0130	€ 0.0106	N/A (counts as plastic)
Glass	€ 0.0199	€ 0.0171	€ 0.0171
Paper / Cardboard	€ 0.0134	€ 0.0110	€ 0.0110
Aluminium	€ 0.0130	€ 0.0106	€ 0.0106
Other metals	€ 0.0130	€ 0.0106	€ 0.0106
Wood	€ 0.0130	€ 0.0106	€ 0.0106
Other types of material	€ 0.0130	€ 0.0106	€ 0.0106

Table 3 –Packaging Waste Management Contribution rates for Commercial Packers per kilogram of Packaging material, excl. VAT.

4.1.7 **Plastic Rate Eco-modulation Scheme Rate**

The Producer and/or Importer registered for the Plastic Rate Eco-modulation Scheme referred to in paragraph 7.2 can apply a lower rate to the plastic Packaging, including plastic caps and other plastic components of this Packaging, that is eligible for this under the Plastic Rate Eco-modulation Scheme. The lower rate in 2019 is € 0.38 per kilogram.

4.1.8 **Adjusted Indirect Export Plastic Rate**

To limit the administrative burden and having regard to the underlying principles of the Plastic Rate Eco-modulation Scheme referred to in paragraph 7.2, for the purposes of the export reduction referred to in sub-paragraphs 3.3.6 and 3.3.7, an adjusted rate is applied to all plastic Packaging, based on the share of plastic Packaging expected by the Afvalfonds Verpakkingen that is eligible for the lower rate referred to in sub-paragraph 4.1.7. For 2019 the adjusted rate for indirect export of plastic Packaging is € 0.58 per kilogram.

5 Payment terms and other obligations

5.1 Administration obligation

1. The Mandatory Contributor must maintain an administration and archive the associated books, documents and other data carriers in such a way that the rights and obligations relating to the Packaging Waste Management Contribution are always clear from these.
2. The Mandatory Contributor is obliged to archive these data carriers for a period of 7 calendar years.
3. The data contained on a data carrier can be transferred to and stored on another data carrier provided that this transfer is undertaken with correct and complete reproduction of the data and this data remains available during the entire archive period and can be made legible within a reasonable period of time.
4. The administration must be configured and kept in such a way and the data carriers must be archived in such a way that they can be inspected within a reasonable period of time. To that end, the Mandatory Contributor shall provide assistance, including the provision of the required insight into the configuration and operation of the administration.
5. The obligations referred to in points 1 up to and including 4 are also applicable to the Entrepreneur, as referred to in sub-paragraph 3.3.7.
6. A Producer and/or Importer that makes less than the duty-free threshold of 50,000 kilograms available in the Dutch market, as described in sub-paragraph 3.3.5 and who discards on import, is obliged to be able to demonstrate this by means of an administration. The Producer and/or Importer must provide this information to the Afvalfonds Verpakkingen when requested to do so by the Afvalfonds Verpakkingen.

5.2 Registration obligation

A Producer and/or Importer that is subject to the Mandatory Contribution in a calendar year for more kilograms of Packaging than the duty-free threshold of 50,000 kilograms, as described in sub-paragraph 3.3.5, as well as every Producer and/or Importer who does not comply with the Refundable Deposit Scheme as referred to in point 1 and point 2 of paragraph 3.4 is, within the framework of the ABBO, obliged to register with the Afvalfonds Verpakkingen. When determining the volume of Packaging of a Producer and/or Importer for the purposes of that which is stipulated in the previous sentence, the Logistic Resources and the Exotics are not taken into account.

5.3 Reporting obligation

The Mandatory Contributor is obliged to complete its Reporting correctly and fully, to sign it (digital) and to submit it before 1 April of the following calendar year. Reporting may only be postponed in exceptional circumstances and after permission has been obtained from the Afvalfonds Verpakkingen. A request for postponement must be submitted to the Afvalfonds Verpakkingen in writing no later than three working days before 1 April.

5.4 Payment terms

The payment terms for the Packaging Waste Management Contribution, as described in Article 4 of the ABBO, are set out in the Payment Terms (Annex 2 of the ABBO).

Payment may only be postponed in exceptional circumstances and after permission has been obtained from the Afvalfonds Verpakkingen. A request for postponement must be submitted to the Afvalfonds verpakkingen in writing no later than three working days before the payment term expires.

6 Objection, additional assessment and penalty

6.1 Objection

The Producer and/or Importer can raise an objection within four weeks with the Director of the Afvalfonds Verpakkingen against the Packaging Waste Management Contribution that has been determined.

1. The possibility of objecting is available in the following situations:
 - against the Reporting made, within 4 weeks after the date of submission;
 - against the additional assessment imposed, within 4 weeks after the date of the additional assessment;
 - against a penalty imposed, within 4 weeks after the date of the penalty;
 - against a repayment order for Indirect Export, within 4 weeks after the date of the order;
 - against an opinion (decision) adopted by the Afvalfonds Verpakkingen, within 4 weeks after notification of this opinion by the Afvalfonds Verpakkingen.
2. A notice of objection submitted after the end of the period will not be considered unless exceeding the period is excusable.
3. The Producer and/or Importer can only submit the notice of objection in writing.
4. The Producer and/or Importer is to sign the notice of objection, which must contain the following as a minimum:
 - name and address of the Entrepreneur and/or Tax Entity raising the objection;
 - date of the notice of objection;
 - Chamber of Commerce registration number;
 - description and date of the decision against which the objection is being raised;
 - ground(s) for the objection;
 - the relevant calendar year or the relevant calendar years;
 - if the notice of objection is drawn up in a language other than Dutch, the submitter must provide a translation into Dutch at its own expense.
5. On receiving the notice of objection the Afvalfonds Verpakkingen shall send a confirmation of receipt to the submitter.
6. The Afvalfonds Verpakkingen will take a decision with regard to the submitted notice of objection as soon as possible, in any event no later than 3 months after the notice of objection has been received. If it is not possible to make a ruling within this period, another period will be agreed in consultation with the submitter.

6.2 Additional assessment

The imposition of additional assessments by the Afvalfonds Verpakkingen is possible in the following situations:

- due to no or partial payment of the Packaging Waste Management Contribution;
- due to a change in the weight volumes;
- due to a Packaging Waste Management Contribution incorrectly received by the company.

A penalty can also be imposed when an additional assessment is imposed. The Afvalfonds Verpakkingen can verify the correctness of Reporting up to five years after the time at which this Reporting was done and, if this verification so gives rise, impose an additional assessment.

6.3 Penalty

For application of a penalty please refer to Article 6 and Annex 3 (Penalty Regulations) of the ABBO.

7 Schemes

7.1 Sector agreements and schemes

A sector agreement is only applicable for the Packaging and/or activities listed in the relevant agreement. A Producer and/or Importer with various operational activities can make use of several sector agreements, provided that it complies with the conditions contained therein. Both members and non-members of a sector association can participate in a sector agreement.

A sector agreement may be used by a Producer and/or Importer if it has confirmed to the Afvalfonds Verpakkingen in writing that it participates in the sector agreement and includes a signed declaration of acceptance with the written confirmation. When determining the weight volume of Packaging in the Reporting, the Producer and/or Importer is/are to take these agreements into account when determining the weight volume of the Packaging.

In addition to sector agreements, the Afvalfonds Verpakkingen also has schemes. Unlike sector agreements, a scheme can have consequences for the rates.

The Afvalfonds Verpakkingen evaluates the sector agreements and schemes annually and amends these in relevant cases. The most recent content of sector agreements and schemes can be found on www.afvalfondsverpakkingen.nl.

7.2 Plastic Rate Eco-modulation Scheme

The Plastic Rate Eco-modulation Scheme is designed to encourage the use of readily recyclable Packaging and to take greater account of the position of the Producer and/or Importer who pays a Packaging Waste Management Contribution for Packaging with a positive market value after sorting, which therefore lead to lower net costs for the Afvalfonds Verpakkingen. The Plastic Rate Eco-modulation Scheme sets out in more detail in which cases a Producer and/or Importer is eligible for application of the lower rate and what conditions apply in this regard.

The Producer and/or Importer who is registered for the Plastic Rate Eco-modulation Scheme can apply the lower rate given in sub-paragraph 4.1.7 to the plastic Packaging that is eligible for it under the Plastic Rate Eco-modulation Scheme. Full details of the Plastic Rate Eco-modulation Scheme can be found at www.afvalfondsverpakkingen.nl.

7.3 Commercial Packers Scheme

The Commercial Packers Scheme is intended for the Producer and/or Importer who almost exclusively introduces Commercial Packaging into the market. The Commercial Packers Scheme further defines the cases in which a Producer and/or Importer is eligible for application of the Commercial Packers Scheme and the conditions applicable in that case. Participation in the Commercial Packers Scheme rules out participation in other schemes. Participation in the Commercial Packers Scheme does not rule out the application of sector agreements.

For the Producer and/or Importer who is registered for the Commercial Packers Scheme different rates are applicable, as shown in sub-paragraph 4.1.6. These lower rates are also applicable for the export reduction if these are claimed further along the chain. Full details of the Commercial Packers Scheme can be found on www.afvalfondsverpakkingen.nl.

8 Tailored agreements

The Afvalfonds Verpakkingen can enter into a tailored agreement with a Mandatory Contributor on the request of the Mandatory Contributor. This tailored agreement is intended to provide clarity for the Mandatory Contributor about the way in which it has to configure its Packing administration.

A tailored agreement concluded after 1 January 2016 is only valid if the relevant tailored agreement has been explicitly approved in writing by the Director of the Afvalfonds Verpakkingen.