



Policy Afvalfonds Verpakkingen (Packaging Waste Fund)

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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.

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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 extended producer responsibility is set out in the Packing (Management) Decree 2014 (Besluit beheer verpakkingen 2014), which implements European Directive 94/62/EC on packaging and packaging waste. The extended producer responsibility means (in brief) that companies that are the first to make packed products available to another 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 in this respect.

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 Agreement (Raamovereenkomst verpakkingen) 2013-2022 which states, amongst other things, that companies must recycle more packaging material and make the entire packaging chain sustainable. The collective implementation of the extended producer responsibility is guaranteed via Afvalfonds Verpakkingen. In order to cover the associated costs, Afvalfonds Verpakkingen levies a mandatory packaging waste management contribution on the bases of the Waste Management Contribution Agreement for Packaging (Afvalbeheersbijdrageovereenkomst Verpakkingen/ABBO) which has been declared universally binding by the Minister of Infrastructure and Water Management.

Afvalfonds Verpakkingen has prepared this Policy Document 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 by Afvalfonds Verpakkingen,.

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.

Declaration (Aangifte)

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 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 Water Management declared the ABBO universally binding with effect from 1 January 2018.

Packaging Waste Management Contribution (Afvalbeheersbijdrage Verpakkingen)

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

Waste Management Structure (Afvalbeheersstructuur)

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 and Industrial Packaging (Bedrijfsverpakking)

Packaging, as referred to in Article 1 of the Packaging Decree, which is intended to be discarded by companies in their commercial and industrial waste, whereby it is only regarded as Commercial and Industrial Packaging if the entire chain up to and including the end user who empties and discards the Packaging consists of commercial and/or industrial users. The end user that disposes of the Packaging pays for the collection and processing of this Packaging. Packaging that is a "Logistiek Hulpmiddel" (see 3.1.3) is not regarded as Commercial and Industrial Packaging.

Policy (Beleid)

The further rules, as referred to in Article 2.8 of the ABBO, that are adopted by 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 Afvalfonds.

Obliged company (Bijdrageplichtige)

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

Biodegradable Plastic (Biodegradeerbaar kunststof)

Plastic Packaging that 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 (Buitenlandse ondernemer)

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

Consumer (Consument)

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

Beverage Cartons (Drankenkartons)

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.

Fiscal Unity (Fiscale eenheid)

Fiscal Unity in the sense of Article 7, fourth paragraph, of the VAT Act 1968.

Soft Drink (Frisdrank)

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.

Logistieke Hulpmiddelen

Packaging as included in subparagraph 3.1.3 of this Policy.

Co-Packer (Loonverpakker)

Person who, on the instructions of another company, 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 (Ondernemer)

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

Provisional Statement (Opgaaf)

The provisional information that the Producer and/or Importer provides to 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 to be determined in the next calendar year, as described in Annex 2 of the ABBO.

Producer and/or Importer (Producent en/of Importeur)

The party which, professionally, in the Netherlands:

- 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 that 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 when the substances, preparations or other products are 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)).

Deposit (Refund) System (Statiegeldregeling)

The mandatory deposit refund system 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 (Verkooppuntverpakkingen)

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

Packaging (Verpakkingen)

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 (Verpakkingenbesluit)

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.

3.0 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 made of any materials of any nature to be used for the containment, protection, handling, delivery and presentation of goods, from raw materials to processed goods, from the producer to the user or the consumer, including 'non-returnable' items used for the same purposes. Packaging' consists only of Sales packaging or primary packaging, Grouped packaging or secondary packaging and Transport packaging or tertiary packaging. The definition of 'packaging' shall be further based on the criteria set out below:*
- 1. Items shall be considered to be packaging if they fulfil the abovementioned definition without prejudice to other functions which the packaging might also perform, unless the item is an integral part of a product and it is necessary to contain, support or preserve that product throughout its lifetime and all elements are intended to be used, consumed or disposed of together.*
 - 2. Items designed and intended to be filled at the point of sale and 'disposable' items sold, filled or designed and intended to be filled at the point of sale shall be considered to be packaging provided they fulfil a packaging function.*
 - 3. Packaging components and ancillary elements integrated into packaging shall be considered to be part of the packaging into which they are integrated. Ancillary elements hung directly on, or attached to, a product and which perform a packaging function shall be considered to be packaging unless they are an integral part of this product and all elements are intended to be consumed or disposed of together.*
- b. *Sales packaging or primary packaging: packaging conceived so as to constitute a sales unit to the final user or consumer at the point of purchase;*
- c. *Grouped packaging or secondary packaging: packaging conceived so as to constitute at the point of purchase a grouping of a certain number of sales units whether the latter is sold as such to the final user or consumer or whether it serves only as a means to replenish the shelves at the point of sale; it can be removed from the product without affecting its characteristics;*
- d. *Transport packaging or tertiary packaging: packaging conceived so as to facilitate handling and transport of a number of sales units or grouped packagings in order to prevent physical handling and transport damage. Transport packaging does not include road, rail, ship and air containers.*

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

In its Policy, 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, Afvalfonds Verpakkingen shall decide whether or not a product is designated as Packaging.

3.1.1 Composite Packaging

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

The Obligated Company must pay the Packaging Waste Management Contribution on the various types of material of which the composite packaging consists and declare these material types separately on the Provisional Statement and Declaration.

3.1.2 Packaging Components

Packaging components and ancillary elements integrated into packaging shall be considered to be part of the packaging into which they are integrated. Ancillary elements hung directly on, or attached to, a product and which perform a packaging function shall be considered to be packaging unless they are an integral part of this product and all elements are intended to be consumed or disposed of together.:

3.1.3 Logistieke Hulpmiddelen

1. No Packaging Waste Management Contribution is due on Logistieke Hulpmiddelen.

Logistieke Hulpmiddelen 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 Logistieke Hulpmiddelen are defined in the Lijst Logistieke Hulpmiddelen which can be found on www.afvalfondsverpakkingen.nl.

2. Within Logistieke Hulpmiddelen a distinction is made between single use and reusable "Logistiek Hulpmiddelen".

- A Reusable "Logistiek Hulpmiddel" is any Logistiek Hulpmiddel 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 Logistiek Hulpmiddel can actually be used as a multi-trip Logistiek Hulpmiddel as referred to in the previous sentence.
- A Single Use Logistiek Hulpmiddel is any Logistiek Hulpmiddel that is not a Reusable Logistiek Hulpmiddel.

If a Logistiek Hulpmiddel 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 Declaration and Provisional Statement with regard to:
- a. Single Use Logistieke Hulpmiddelen 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 Use Logistieke Hulpmiddelen first imported into the Netherlands as product Packaging by the Producer and/or Importer and which the Producer and/or Importer has discarded; and
 - c. Single Use Logistic Resources made available as product Packaging to the Producer and/or Importer by another Producer and/or Importer who is obliged to provide a Declaration in respect of those Single Use Logistieke Hulpmiddelen, such being insofar as he, in turn, makes the Logistieke Hulpmiddelen available to another party outside of the Netherlands in that calendar year (comparable with indirect export).

3.1.4 Exempted Packaging

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

- hypodermic syringe;
- non-refillable lighter;
- non-refillable pen;
- felt tip 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 Obligated Company 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 Entrepreneur makes the filled Packaging available to another in the Netherlands for the first time, or discards the imported Packaging for the first time.

A Tax Entity concerns natural persons or entities in the sense of the Algemene wet inzake rijksbelastingen (AWR)) that reside or are established in the Netherlands who are Entrepreneurs for the purposes of VAT 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 Fiscal Unity for VAT by order of the Tax and Customs Administration. The order describes the Fiscal Unity and its elements. For the existence of a Fiscal Unity it is not important whether that entity also acts commercially as a single entity.

The fact that the collaboration form of Entrepreneurs' 'Fiscal Unity is regarded as a single Producer and/or Importer by Afvalfonds Verpakkingen means:

- that the entire Fiscal Unity is regarded as a single Obligated Company;
- that all activities of the Fiscal Unity should be included in the Declaration and Provisional Statement 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 Fiscal Unity;
- that a single Declaration and Provisional Statement must be filed for the calendar year for the entire Fiscal Unity and that there is a single right for one duty-free threshold, as described in sub-paragraph 3.3.5;
- that each Producer and/or Importer belonging to a Fiscal Unity is obliged, on behalf of the entire Fiscal Unity, to meet its obligations unless these obligations have already been met by another Producer and/or Importer belonging to this Fiscal Unity;
- that when registering as a Fiscal Unity the Obligated Company must submit to Afvalfonds Verpakkingen the most recent order from the Tax and Customs Administration as referred to in Article 7 of the Dutch VAT Act;
- that on the request of Afvalfonds Verpakkingen the Fiscal Unity must submit the most recent order from the Tax and Customs Administration, as referred to in Article 7 of the Dutch VAT Act;
- that the Producer and/or Importer providing the Declaration and Provisional Statement on behalf of the entire Fiscal Unity and who pays the Packaging Waste Management Contribution, is also responsible for notifying Afvalfonds Verpakkingen in writing of changes to the composition of the Fiscal Unity within three months of the change, or no later than when providing the Declaration or Provisional Statement. In addition, the Producer and/or Importer is/are to provide Afvalfonds Verpakkingen with the most recent order from the Tax and Customs Administration in accordance with Article 7 of the Dutch VAT Act.

If a Producer and/or Importer is not part of a Fiscal Unity 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 not part of a Fiscal Unity for a part of the calendar year then the Producer and/or Importer is 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 levy-free threshold.

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

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

3.3 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) distance sales from Foreign Entrepreneurs (directly) to Consumers is the reason for amending the policy on this point. This growth has specifically caused a corresponding increase in Packaging waste. Furthermore, 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 making available packed products made available 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 Obligated Company. There is no shift of the Mandatory Contribution; only a Obligated Company category has been added for a flow that was previously exempted from 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 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 instructs another to dispose of the packaging, 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 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 Obligated Company

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 Fiscal Unity then in deviation from the first point the Packaging Waste Management Contribution shall be levied on the Fiscal Unity.
3. If a Producer and/or Importer referred to in the first point is a Co-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 party 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 Packaging Waste Management 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 has been 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 which Entrepreneur is responsible for the cups. Avalorfonds 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 Declaration 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 making available;
- b. when sub-paragraph 3.3.1, point 2, sub b, is applicable: at the moment of disposal.

3.3.5 Levy-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 Obliged Company 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 or 4.1.6.
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 or 4.1.6.
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 or 4.1.6 are to be regarded as separate Packaging Materials or types.
5. For the application of the levy-free threshold, the weight of "Logistieke Hulpmiddelen" 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 levy-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 levy-free threshold as referred to in sub-paragraph 3.3.5, an Obliged Company may, from the amount of the Packaging Waste Management Contribution due in a calendar year, reduce an amount for the Packaging of products which have been made available to it as such by a Producer and/or Importer and insofar as it, in turn, makes these available in that calendar year to another, 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 (by another Obliged Company). The export reduction is applied via the Declaration of indirect export 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, 4.1.2, or 4.1.6.
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, 4.1.2, or 4.1.6.
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, 4.1.2, or 4.1.6.

6. For the application of the export reduction, the weight of Logistieke Hulpmiddelen as referred to in sub-paragraph 3.1.3 and Exempted Packaging 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 Obligated Company when an indirect export refund is requested.
2. The payment request, referred to in the first point, is undertaken via the Declaration 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 an Obligated Company in the sense of sub-paragraph 3.3.2 but who has had packed products made available to him by a Producer and/or Importer which it, in turn, makes available to another by exporting it 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.

Mandatory Deposit Refund System

1. The Producer and/or Importer of Soft Drinks and/or Waters must, when selling these drinks in the Netherlands in plastic bottles with a capacity in excess of 0.75 litres, 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 Deposit Refund System was included in the Verpakingsverordening Productschap Dranken 2003 up to 1 January 2015 (to be read in conjunction with the Uitvoeringsbesluit Verpakingsverordening Productschap Dranken 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 Deposit Refund System 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 arrangement for glass bottles. The old system 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 system, the rate referred to in sub-paragraph 4.1.1 is applicable for these glass bottles.

4.0 Rates

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

The rates described below exclude Value Added Tax (VAT). The Afvalfonds Verpakkingen is subject to VAT and will therefore raise an invoice for the Obligated Company 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
Plastic	€ 0.3876	€ 0.6400
Biodegradable Plastic	€ 0.0212	€ 0.0200
Glass	€ 0.0595	€ 0.0560
Paper / Cardboard	€ 0.0233	€ 0.0220
Aluminium	€ 0.0212	€ 0.0200
Other metals	€ 0.0212	€ 0.0200
Wood	€ 0.0212	€ 0.0200
Other types of material	€ 0.0212	€ 0.0200

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

4.1.2 Rate for Beverage Cartons

For Beverage 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
Plastic	€ 0.12	€ 0.18
Biodegradable Plastic	€ 0.12	€ 0.18
Glass	€ 0.12	€ 0.18
Paper / Cardboard	€ 0.12	€ 0.18
Aluminium	€ 0.12	€ 0.18
Other metals	€ 0.12	€ 0.18
Wood	€ 0.12	€ 0.18
Other types of material	€ 0.12	€ 0.18

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

4.1.3 Deposit Refund rate

The Deposit Refund rate is applicable to bottles where the Producer and/or Importer complies with the Deposit Refund System 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 deposit refund system. The Deposit Refund rate was € 0.0212 per kilogram in 2013, 2014 and 2015 irrespective of the material type. In 2016, 2017 and 2018 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 Deposit Refund System

With due regard for paragraph 3.4, if a plastic bottle larger than 0.75 litres is not eligible for the Deposit Refund rate, the rate in 2015, 2016 and 2017 for these plastic bottles is € 7.50 per kilogram. In 2018 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 and 2018 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 and industrial Packers Scheme

Different rates are applicable for Producers and/or Importers registered for the Commercial and Industrial Packer Scheme referred to in sub-paragraph 7.2. For this Scheme, the following rates apply in euro per kilogram of Packaging material:

Material type	Rate 2013, 2014 and 2015	Rate 2016/2017/2018
Plastic	€ 0.0790	€ 0.1222
Biodegradable Plastic	€ 0.0130	€ 0.0106
Glass	€ 0.0199	€ 0.0171
Paper / Cardboard	€ 0.0134	€ 0.0110
Aluminium	€ 0.0130	€ 0.0106
Other metals	€ 0.0130	€ 0.0106
Wood	€ 0.0130	€ 0.0106
Other types of material	€ 0.0130	€ 0.0106

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

5 Payment terms and other obligations

5.1 Administration obligation

1. The Obligated Company 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 Obligated Company 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 Obligated Company 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 is responsible for less than the duty-free threshold of 50,000 kilograms, as described in sub-paragraph 3.3.5, is obliged to be able to demonstrate this by means of an administration. The Producer and/or Importer must provide this information to Afvalfonds Verpakkingen when requested to do so by Afvalfonds Verpakkingen.

5.2 Registration obligation

A Producer and/or Importer that is responsible for more kilograms of Packaging than the duty-free threshold of 50,000 kilograms in a calendar year, as described in sub-paragraph 3.3.5, as well as every Producer and/or Importer who does not comply with the Deposit Refund System 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 Logistieke Hulpmiddelen and the Exemptions are not taken into account.

5.3 Reporting obligation

The Obligated Company is obliged to complete its Declaration correctly and fully, to sign it (digitally) and to submit it before 1 April of the following calendar year.

The Declaration may only be postponed in exceptional circumstances and after permission has been obtained from Afvalfonds Verpakkingen. A request for postponement must be submitted to 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 Afvalfonds Verpakkingen. A request for postponement must be submitted to 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 submit an objection within four weeks with the Director of 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 Declaration 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 fine imposed, within 4 weeks after the date of the fine;
 - against a repayment order for Indirect Export, within 4 weeks after the date of the order;
 - against an opinion (decision) adopted by Afvalfonds Verpakkingen, within 4 weeks after notification of this opinion by 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 an 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 Fiscal Unity 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 may be asked to provide a translation into Dutch at its own expense.
5. On receiving the notice of objection Afvalfonds Verpakkingen shall send a confirmation of receipt to the submitter.
6. 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 fine can also be imposed when an additional assessment is imposed. The authority to raise an additional assessment ceases to exist after five years following the end of the calendar year in which the Packaging Waste Management Contribution fell due or a refund was granted.

6.3 Fines

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

7 Collective agreements

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 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 to take these agreements into account when determining the weight volume of the Packaging.

In addition to sector agreements, Afvalfonds Verpakkingen also has schemes. Unlike sector agreements, a scheme can have consequences for the rates and a Producer and/or Importer can only participate in one scheme at a time, insofar as it complies with the scheme conditions.

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 Commercial and Industrial Packers Scheme

The Commercial and Industrial Packers Scheme is intended for the Producer and/or Importer that almost exclusively introduces Commercial and Industrial Packaging into the market. The Commercial and Industrial Packers Scheme further defined the cases in which a Producer and/or Importer is eligible for application of the Commercial and Industrial Packers Scheme and the conditions applicable in that case.

For the Producer and/or Importer who is registered for the Commercial and Industrial 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

Afvalfonds Verpakkingen can enter into a tailored agreement with an Obligated Company on the request of the Obligated Company. This tailored agreement is intended to provide clarity for the Obligated Company 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.