

There's no time to

waste!

European Union packaging waste regulations are tightening up. This does affect your business.

This fact sheet gives an overview of the EU regulations on packaging and how Sage Enterprise Solutions can help take away the pain.



You are responsible!

European Union packaging waste regulations are tightening up.

Do you have both an annual turnover of over £2 million and handle 50 tonnes or more of packaging each year?

Then you are directly affected by stringent regulations governing the disposal of packaging.

You need to be aware of the key facts that could affect your business. *Read on for more information...*

Waste management

The European Union regulations on packaging waste:

- Apply to all industrial and domestic packaging sold in the EU, regardless of the materials used (wood pulp, plastic, sheet metal etc.)
- Aim to harmonise legislation across EU national boundaries to:
 - Protect public health and the environment
 - Remove any trade obstacles or competitive restrictions that having different national policies for packaging waste would create
- Cover four key areas to:
 - Enforce conditions on the make-up or content of packaging; for example there are strict limitations on the use of heavy metals
 - Provide measures to control the production of packaging waste
 - Promote the take-back, reuse and recovery of packaging and packaging waste
 - Plough investment back into waste management

If you don't comply with these regulations, you risk incurring fines.

What's more, auditors are increasingly refusing to sign off company accounts without the required information on packaging waste being readily available.

Since coming into force in 1997, regulations on disposing of packaging waste are being tightened up even more. Challenging targets now mean that by 2003:

- At least 90% of all packaging waste must be 'recovered' (conversion of waste to energy usually via incineration with recovery of heat), and at least 60% of this recovered material must be 'recycled'
- No more than 10% of all packaging waste can be disposed of in landfill
- All EU member states must have take-back systems for used packaging, for the purpose of forwarding onto appropriate recovery and recycling functions

To help achieve these goals, all packaging must have appropriate markings clearly indicating that the packaging should be returned either for reuse or recovery. Two methodologies for meeting packaging waste disposal obligations have emerged: one for the UK and one for Germany. The majority of EU members are adopting the German approach.

Who is responsible for disposing of waste? You are!

In the UK, consultations between the Government and the business community have led to an approach of 'shared producer responsibility'; all parties in the packaging chain contribute towards meeting the recycling target. If any part of your product packaging or transit packaging ends up in the UK

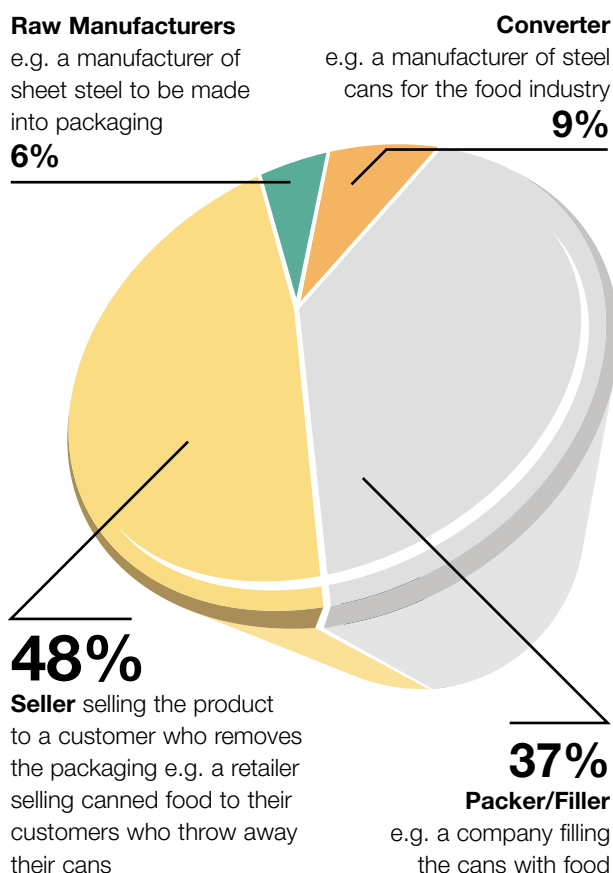
waste stream, you may have to recycle a percentage of that waste, in line with the type of activity that you undertake on the packaging.

The packer/importer of packed or filled packaging is under obligation to ensure that regulations for disposal are complied with and fulfilled when the packaged goods are placed on the market.

To comply with regulations, packaging details must be submitted annually.

Share of responsibility

Please note: your business could fall into multiple categories.



Fact If any part of your product packaging or transit packaging ends up in the UK waste stream, you may have to recycle a percentage of that waste.

What do the regulations demand of manufacturers/distributors?

Common sense dictates that it may be impossible to retrieve the actual packaging that you handled. So, under the regulations, you must ensure that **an equivalent amount of packaging waste** has been recovered and recycled to meet your obligation.

The Government requires manufacturers to submit, on a yearly basis, data on the amount of tonnage of recycled materials. But you do not have to have recovered this yourselves. There are third-party companies that will dispose of your packaging waste and can supply the required forms to confirm its safe disposal.

How Sage Enterprise Solutions can help

Sage Enterprise Solutions is a division of the Sage Group plc, the world's leading supplier of accounting and business management software. Both medium and large-scale manufacturers throughout the UK are already relying on **Sage Enterprise** and **Sage CS/3** from Sage Enterprise Solutions to deliver outstanding consolidated control of their finance,

distribution, manufacturing and services processes and to help them stay ahead of global competition.

With **Sage Enterprise** (Windows NT® based/Windows® 2000 platform) or **Sage CS/3** (UNIX platform) in place, your business could:

- **Increase** user productivity and reduce administrative costs
- **Achieve** full international coverage (multilanguage, multicurrency and multicompany)
- **Benefit** from powerful monitoring and reporting tools
- **Optimise** your cash flow and maximise the value of your supply chain
- **Minimise** materials, processing and inventory cost
- **Easily extend** online to capitalise on eBusiness opportunities

Now a new module, tightly integrated with the core **Sage Enterprise** Version 2 or **Sage CS/3** Version 4 business management system, provides comprehensive support to help you meet EU Waste Management regulations.

Existing Sage Enterprise Solutions customers who are upgrading to these new releases will also be able to benefit fully from implementing this module.

Module highlights

- It helps you to meet your **legal and fiscal** requirements
- Despite the complexity of the regulations, the module itself is **simple** to operate
- It's **future-proofed** against further legislation, by handling both tax and eco tax
- It can consolidate and manage **all** your multicompany responsibilities within the one module
- It provides **specific** packaging definitions by customer and by supplier
- It supports **both** the German and UK systems concurrently



For more information on this new module

Contact Sage Enterprise Solutions on **0845 600 5999** [UK ONLY] or +44 (0) 118 927 0100 or visit **www.sage.com/ses**. Existing customers, please contact your Sage Enterprise Solutions partner for information.

This fact sheet gives an overview of the EU regulations on packaging. It's a complex subject. For full details, please visit the Government's website at **www.dti.gov.uk**

Essential requirements

In essence, the essential requirements cover:

- Minimising packaging volume and weight in line with safety, hygiene and product/consumer acceptance
- Designing packaging to permit its reuse and/or recovery and to minimise the impact of packaging waste on the environment
- Manufacturing packaging to minimise the presence of hazardous substances in emissions, ash or leachate when packaging waste is incinerated or landfilled

There are also limits on the concentration levels of lead, cadmium, mercury and hexavalent chromium which packaging can obtain.

Offences and penalties

These Regulations introduce the following offences:

- 1.** Contravening or failing to comply with the Essential Requirements and Heavy Metal limits, penalised by a fine up to level 5 on the standard scale (currently £5,000) on summary conviction or an unlimited fine on conviction on indictment.
- 2.** Failing to submit compliance documentation at the request of the enforcement authorities, penalised by a fine up to level 5 on the standard scale.
- 3.** Contravening a suspension notice, penalised by up to three months' imprisonment or a fine up to level 5.
- 4.** Intentionally obstructing the enforcement authorities, penalised by a fine up to level 5.
- 5.** Knowingly or recklessly making a false statement of compliance, penalised by a fine up to the statutory maximum on summary conviction (currently £5,000) or an unlimited fine on conviction on indictment.

Taken from the powers based on the Consumer Protection Act 1987, these Regulations refer to the following offences:



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