



JOINING THE DEPOSIT-BASED RETURN SYSTEM

This guide contains instructions on the key responsibilities of beverage manufacturers, contract manufacturers and beverage importers (hereinafter “Company”) registered in Suomen Palautuspakkaus Oy’s (hereinafter “Palpa”) deposit-based return system.

1 COMPANY REGISTRATION

1.1 BEVERAGE CONTAINER TAX

A beverage container tax in the amount of €0.51/litre is collected on all beverage containers belonging to customs tariff group 22. Containers that belong to a functional deposit-based return system and can be recycled as raw material or refilled are exempt from tax. The administrator of the return system (Palpa) publishes the producer database extracts it obtains from the administrator of the producer data file (the Pirkanmaa ELY Centre) on its web pages. The producer database extract allows a producer subject to tax (beverage manufacturer, contract manufacturer or beverage importer) to show the Tax Authority that it is a member of the return system.

1.2 MEMBERSHIP APPLICATION

A company may register as a member with one or more return systems by filling in a membership application in Palpa’s extranet (www.palpa.fi). The applicant fills in the application, prints and signs it, and sends it to the following address:

Suomen Palautuspakkaus Oy

P.O. BOX 119

or

tuoterekisterointi@palpa.fi

00241 HELSINKI, FINLAND

1.3 PLEDGING SECURITY

A company that joins the deposit-refund system must provide Palpa with a security. The amount of the security depends on the company’s (estimated) annual sales in accordance with the security table. The amount of a group security is determined according to the combined annual sales of all the companies that belong to the group.

Palpa will submit a security contract to the company to be signed. The security contract states the amount of the required security and a bank account number for depositing the security. The signed contract should be returned to Palpa.

Palpa returns the security at the end of the membership, once all membership obligations have been met.

1.4 APPROVAL

Once the company joining the return system has submitted its application and its security contract to Palpa and deposited a security, Palpa approves the company's membership in the return system. Palpa sends an email notification of the approval to the official contact person/applicant named in the company's application.

A company registered as a member of the return system agrees to follow the system's rules and instructions.

1.5 EXTRANET USER NAME

The person identified as the main user in the company registration application receives a user name and password to access Palpa's extranet via email. The member company can use the extranet to register products and report sales declarations.

2 PRODUCT REGISTRATION

The company whose membership in the return system has been approved should register its products by filling in a product registration application in Palpa's extranet and by submitting authentic sample containers to both Palpa and the vendors of a reverse vending machine for the purposes of testing to secure package identification on RVMs. Palpa approves the product if the application has been filled in and the instruction-specific package samples have been delivered to the recipients no later than two business days prior to the creation of the identification data.

Only beverage packages that meet the design guidelines are approved. The contact person named in the product registration application receives a notification of the product approval via email. If a product is rejected, Palpa informs the contact person of the reason for the rejection in writing. Palpa delivers the identification data concerning approved packages to the vendors of reverse vending machines twice a month—every 15th and last day of the month (or the weekday preceding them). After this, the reverse vending machines can identify the package and consumers can get the deposit back when they return the package.

3 REPORTING SALES

Members of the return system report their monthly item-level sales to PALPA via the extranet within the first five working days of the following month. The member company is responsible for ensuring that it or its contract partners report the sales. If the supply chain consists of several companies, the aforementioned reporting obligation lies primarily with the holder of the last tax-exempt inventory.

4 FEES

4.1 MEMBERSHIP FEE

The beverage manufacturer, contract manufacturer or beverage importer deposits the membership fee when becoming a member of the deposit-refund system. Each deposit-refund system (can, recyclable PET bottle, glass bottle) is subject to a separate registration and registration fee. Palpa invoices the membership fee once the company has been accepted as a member of the return system.

4.2 BARCODE FEE

Palpa collects a barcode fee for each product approved in the return system. The fee is collected for every new article/barcode registered in return system.

4.3 DEPOSIT AND RECYCLING FEE

Palpa collects deposit and recycling fees from members each month on the basis of their report of sales. The deposit and recycling fee is collected for each product item sold (€/bottle or can).

OTHER RELATED INSTRUCTIONS

- Rules of the return system (beverage cans, PET bottles, glass bottles)
- Pledge agreement (beverage cans, PET bottles, glass bottles)
- Table of securities (beverage cans, PET bottles, glass bottles)
- Price list (beverage cans, PET bottles, glass bottles)
- Design guidelines (beverage cans, PET bottles, glass bottles)
- Instructions for sending samples
- User instructions for the extranet