# EESTI PANDIPAKEND OÜ



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# Version management

Version	Version / description of change	Date	Author
1.0	First public version	01.02.2011	EPP
1.1	Due to amendment of the terms and conditions of the Contract with Packaging Company	01.01.2012	EPP
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1.3	Due to amendment of the terms and conditions of the Contract with Packaging Company	01.10.2016	EPP
1.4	Due to amendment of the terms and conditions of the Contract with Packaging Company		EPP

#### 1. INTRODUCTION

### 1.1. Purpose

The purpose of this handbook is to serve as a practical aid for the companies that have joined Eesti Pandipakend OÜ (Retailers, Packaging Companies) to ensure environmentally friendly, efficient and lawful cooperation. The handbook describes all activities starting from signing the Contract. The handbook is intended to be used by the employees of a company, customers and cooperation partners. The Handbook consists of introduction and two chapters.

### 1.2. Overview of OÜ Eesti Pandipakend

Eesti Pandipakend (EPP) is a leading recovery organisation in Estonia, tasked with the administration of nationwide recycling system of deposit-subjected packaging of beverages. EPP was accredited by the Minister of the Environment on 11 March 2005. Based on the Packaging Act, the EPP is a recovery organisation of packaging created by manufacturers/importers and retailers, engaged in collection, logistics, counting, sorting and recycling of deposit-subjected packaging. Pursuant to the Packaging Act, it includes plastic, glass and metal packaging of water, soft drinks, syrup, beer, cider, *perry* and alcohol beverages.

Eesti Pandipakend collects ca 250 million units of single use deposit packaging a year.

OÜ Eesti Pandipakend operates in Tallinn and provides steady employment to ca 45 people, and to additional ca 15 people in summer season.

The companies that have joined Eesti Pandipakend (as of March 2022) include approximately 363 manufacturers and importers, over 1296 retailer collection and HoReCa pick-up points. Retailer collection points form 807 among all points, which constantly updated list of all active points is <a href="here">here</a>. 482 points are equipped with reverse vending machines (RVMs) and 814 (included Uno-type RVMs) points are managed manually.

In addition to retailer collection points there are 477 HoReCa and 12 office pick-up points. Eesti Pandipakend Packaging Register contains over 8812 active registered Packaging Articles.

The activities of the EPP are governed by:

- ✓ Packaging Act,
- ✓ Packaging Excise Duty Act,
- ✓ Waste Act.

The shares of the EPP are equally divided by the following non-profit associations (25% of shares each):

- ✓ Estonian Traders Association,
- ✓ Estonian Brewers Association,
- ✓ Soft Drink Manufacturers Association,
- ✓ Soft Drinks and Beer Importers Association.

OÜ EESTI PANDIPAKEND contact information:

Visase 18, 11415 Tallinn, Harjumaa

Telephone: +372 647 0010

E-mail: <a href="mailto:info@eestipandipakend.ee">info@eestipandipakend.ee</a>
<a href="https://eestipandipakend.ee/">https://eestipandipakend.ee/</a>



### / PACKAGING COMPANY

The retailer returns reusable packaging directly to the packaging company.

The packaging company reimburses the deposit to the retailer.

The packaging company pays the deposit to EPP for every packaging unit sold.

EPP counts single use packaging.

EPP pays the deposit to the retailer on the basis of the counted packaging.

**EESTI PANDIPAKEND** 

RETAILER /



/ The consumer pays the retailer the price of the product plus the deposit for the packaging RETAILER

The consumer returns the packaging to the retailer.

The retailer reimburses the deposit to the consumer.

CONSUMER /

Figure 1 – How EPP Deposit System works

### 1.3. Definitions used in EPP system

**Alcoholic beverages** Beer, alcoholic beverages with low ethanol content, cider or perry

products as defined in the Alcohol Act.

Reverse Vending Machine (RVM)

An EPP-approved automated machine that the Retailer can use for collecting deposit-subjected Packaging from end users and consumers. During the entire validity period of Retailer Contract, RVM must comply with all requirements established by EPP

during.

EPP online environment

Online environment on EPP website at <a href="https://eestipandipakend.ee/e-keskkond/">https://eestipandipakend.ee/e-keskkond/</a>, where the Packaging Company can submit to EPP registration applications of Packaging Articles and Sales Reports.

**EPP Handbook** This present document, which forms a part of the Contract and

which, inter alia, establishes the requirements and specifications for Packaging (including identification requirements) and for the use of the EPP Label, and current version of which is available on the EPP website at <a href="https://eestipandipakend.ee/kasiraamat/">https://eestipandipakend.ee/kasiraamat/</a>.

**EPP Label** EPP deposit label established with a regulation adopted on the

basis of the Packaging Act which the Packaging Act sets our as obligatory to be used by packaging companies that have transferred their obligations to a recovery organisation, or another label used by EPP to mark the packaging concerning which EPP is providing services to the Packaging Company as agreed in the Contract with Packaging Company, and concerning the use of which EPP has informed the Packaging Company as a

greed in the Contract with Packaging Company.

**EPP Packaging Register** An electronic register maintained by EPP with regard to Packaging

Articles concerning which EPP provides services to the Packaging Company as agreed in the Contract with Packaging Company.

**EPP Deposit System** A system managed by EPP and covering the whole of the Republic

of Estonia for the provision of services related to the collection and recovery of Single Use Packaging and Common Use

Packaging.

**Special Packaging** Packaging of goods placed on the market by the Packaging

Company which do not comply with the specification of Packaging provided for in applicable law or the EPP Handbook but which EPP nevertheless agrees to register in the EPP Packaging Register and concerning which EPP agrees to provide services to

the Packaging Company.

#### **HoReCa**

A person, whose economic activities consist in the operation of an accommodation or catering facility or in providing catering services, as a result of which the Retailer sells the goods packaged in the Deposit Packaging to end users and consumers, but does not take back empty Deposit Packaging from end users and consumers or return the Deposit to end users and consumers.

### Retailer

A person who sells the goods packaged in the Packaging to end users and consumers and delivers the used Packaging taken back from end users and consumers to EPP.

#### **Retailer Contract**

A contract entered into by and between EPP and Retailer with regard to delivery of packaging and related services.

### **Customer Code**

A unique customer code issued by EPP to a Retailer or a HoReCa, used for identification of the customer.

### **Agreed Packaging**

Packaging linked with the EPP Deposit System by agreement by the decision of EPP.

### **Handling Fee**

A monthly fee paid to EPP by the Packaging Company as a fee for the performance of EPP's obligations arising from the Contract with Packaging Company (including the right to put the EPP Label on the Packaging) for all the Packaging placed on the market in Estonia by the Packaging Company in the previous month.

### Contract

Contract with Packaging Company and/or Retailer Contract.

### **Unsuitable Packaging**

Packaging other than the Packaging defined in the Contract with Packaging Company or Special Packaging.

### Sales report

A report submitted to EPP by the Packaging Company for each calendar month on the quantity of Packaging which have been placed on the market by the packaging Company in the Republic of Estonia in the previous calendar month.

### **Packaging Article**

Registration of a Packaging in the EPP Packaging Register with the following properties distinguishing that Packaging Article from other Packaging Articles:

- shape,
- volume,
- material;
- barcode.

### **Packaging**

Packaging as defined in the Packaging Act:

 that is subject to Deposit pursuant to the applicable law; and

- that complies with the specification of Single Use Packaging or Common Use Packaging provided for in the EPP Handbook; and
- the Packaging Article of which is properly registered in the EPP Packaging Register.

### **Packaging Company**

Party to the Contract with Packaging Party who is not EPP.

### Contract with Packaging Company

Contract entered into by and between EPP and Packaging Company for:

- organising the collection and recovery of Packaging and Packaging Waste for the provision of services concerning Single Use Packaging and/or;
- organising the collection and recovery of Packaging and Packaging Waste for the provision of services concerning Common Use Packaging.

### Deposit

Deposit established on the basis of applicable law for Packaging placed on the market in the Republic of Estonia.

#### **International Barcode**

Barcode marked on a Packaging placed on the market both in Estonia and outside Estonia.

#### **National Barcode**

Barcode marked on a Packaging placed on the market only in Estonia.

### **Starter Package**

A set of accessories delivered to the Retailer upon joining the EPP Deposit System, the composition of which is specified in clause 2.3 of this present EPP Handbook.

#### Accessories

Collection containers distributed to the Retailer by EPP for free, the composition of which is specified in clause **Error! Reference s ource not found.** of this present EPP Handbook.

#### **Collection Point**

A place intended for collection of Packaging, located at the Retailer's sales facility or within its service area, and is accessible during the opening hours of the sales facility.

#### Carrier

A person chosen by EPP for transporting the Packaging from the Collection Point of the Retailer to the location indicated by EPP and for transporting the Accessories to the Retailer.

#### Barcode

Unique GTIN/EAN barcode registered with the organisation GS1, including any local offices of GS1, including MTÜ GS1 Estonia (registry code 80004087), marked on the Packaging and identifying the product.

### **Single Use Packaging**

Packaging of goods placed on the market by the Packaging Company that is single use packaging pursuant to applicable law, including any single use packaging considered packaging waste pursuant to applicable law.

# Common Use Packaging

Packaging of goods placed on the market by a Packaging Company:

- which is reusable packaging pursuant to the applicable law;
- which is in common use by several Packaging Companies;
   and
- which does not have any specific design elements or other additional elements indicating a specific manufacturer or product, making it essentially impossible or improper for other packaging companies to use the Common Use Packaging to package their own products.

#### 2. RETAILER

### 2.1. Signing the contract

To join the EPP Deposit System, the Retailer must sign the Retailer Contract with EPP, which is available on the website of Eesti Pandipakend at:

https://eestipandipakend.ee/dokumendid/.

To enter into the Contract, you must fill in and sign the **cover page** and **Appendix 4** of the Retailer Contract. You do not have to sign the standard terms and conditions and other appendices of the Retailer Contract separately. The standard terms and conditions and other appendices of the Retailer Contract constitute a part of the Retailer contract. By signing the cover page of the Retailer Contract, you also agree to the provisions of the standard terms and conditions and the appendices of the Retailer Contract.

EPP must approve the Collection Point before commencing the collection of Packaging. In the case of manual collection, the representative of EPP may visit the Collection Point to make sure that the Collection Point complies with the requirements established in the Retailer Contract and EPP Handbook. In the case of manual collection, the collection of Packaging may commence after EPP has delivered required accessories to the Retailer. NB! If the Packaging are collected via RVM, then the collection of Packaging may not commence until the representative of EPP has approved the Collection Point with RVM.

# 2.2. Obligatory technical and Collection Point requirements for RVMs and Collection Points.

Technical requirements of RVM:

- ✓ Accepted by EPP https://eestipandipakend.ee/taaraautomaat/
- ✓ Conforming to the European Union requirements for technical appliances (CE marking);
- ✓ Connected to power supply;
- ✓ Ensured Internet connectivity;
- ✓ Installed by a supplier of RVMs;
- ✓ Issues a deposit slip to the consumer/end user, stating the packaging categories of Packaging entered and accepted by the consumer and the relevant deposit amounts, and the contact data of the Retailer/Collection Point issuing the deposit slip to the consumer;
- ✓ Has a front screen display that gives sufficient instructions to the consumer during the
  use of the RVM, incl. whether the Packaging is accepted in the EPP system, and also
  other messages helping the consumer to use the RVM;
- ✓ The personnel of the Collection Point is capable of emptying and restarting the RVM and has passed the relevant training;
- ✓ The personnel servicing a press-enabled RVM knows what to do with plastic and metal packaging which were not directed into the press module of the RVM due to technical or other reasons. Such Packaging must be deformed and added to other pressed Packaging. NB! It is forbidden to insert such Packaging into the RVM again;

- ✓ The RVM is used only during the opening hours of the relevant sales facility, i.e., the RVM may be started and used no more than five minutes before the opening of the sales facility and must be stopped and must not be used more than ten minutes after the closing of the sales facility;
- ✓ Packaging must be sorted according to the material types (plastic packaging, metal packaging, glass packaging), depending on the RVM's model;
- ✓ If the RVM has a press for plastic packaging, then the volume of pressed Packaging must be reduced to at least 50%;
- ✓ If the RVM has a press for aluminium and metal packaging, then the volume of pressed Packaging must be reduced to at least 50%;
- ✓ If the RVM has a press, then the volume of pressed Packaging must be intact after pressing and must not be made into smaller pieces;
- ✓ It must not be possible to restore any pressed Packaging in a manner that would allow inserting them into the RVM again;
- ✓ If the RVM has one or several presses, then the technological design of the RVM must preclude any physical access to the Packaging, starting from entry into the RVM at the customer area and ending after finishing the pressing operation.

### Requirements of Collection Point with RVM:

- ✓ The Collection Point is in a sales facility;
- ✓ The RVM must be located in a retail outlet of Packaging (incl. a store) or within its service area;
- ✓ The use of the RVM is unambiguous and intended only for receiving Packaging and Common Use Packaging from the end consumer;
- ✓ The RVM must be in good working order and usable during the opening hours of the sales outlet and the Collection Point must have relevant directions;
- ✓ The consumer must have easy access to the front of the RVM, whereas there must be a separate free customer space with the area of at least 1 x 1 metres in front of each RVM, allowing for the consumers to conveniently put down the Packaging and insert them into the RVM;
- ✓ The Retailer (administrator of the RVM) is obliged to ensure that the RVM can be accessed only during the opening hours of the sales outlet and that the RVM is not working and no Packaging can be inserted into it during other times;
- ✓ The Retailer (administrator of the RVM) is obliged to ensure that the employees of the Retailer (administrator of the RVM) are not inserting Packaging into the RVM in the sales outlet when performing their work duties;
- ✓ The customer space in front of the RVM and the back room of the RVM where Packaging are handled and stored, must be clearly separated from each other and lockable;
- ✓ The back room of the RVM must be accessible for only the employee and/or authorised representative of the Retailer (administrator of the RVM);
- ✓ If the Packaging are not stored in the back room of the RVM, then the relevant storage room must be lockable and accessible to only an authorised representative of the Retailer (administrator of the RVM);
- ✓ After inserting a Packaging into the RVM, it must not be possible to re-insert the Packaging again by any means;

- ✓ The Packaging identified and accepted by the RVM must be placed in transport packaging issued by the EPP (bag and/or container) and closed with a fastener issued by the EPP. Full transport packages must not be stored in the back room or storage room unless they are closed;
- ✓ The customer area of the RVM must be clean and equipped with hand cleaner and/or disinfectant and a trash bin;
- ✓ The customer area of the RVM must display a contact telephone number (of the responsible Retailer) which the consumer can call in case of any problems with the RVM.

### 2.3. Starter Package (for a new Retailer/HoReCa)

The EPP will issue to every Retailer a Customer Code and, where necessary, a Stater Package containing the following:

- ✓ 100 large transparent collection bags with EPP emblem;
- ✓ 1 containers with volume 240L or 660L for collecting single use glass bottles;
- √ 200 fasteners;
- ✓ 200 stickers, bearing the data of the Collection Point (Customer Code, company name, etc.);
- ✓ Information plaque in Estonian and/or Russian language in the customer space;
- ✓ EPP's instructions in Estonian and/or Russian for the personnel of the back room of the Collection Point

The EPP issues to every HoReCa a Customer Code and a suitable Starter Package including:

- ✓ 25 large transparent collection bags with EPP emblem;
- ✓ 1 container with volume 240L or 660L for collecting single use glass bottles;
- √ 25 or 50 fasteners;
- ✓ 25 or 50 stickers, bearing data of the Collection Point (Customer Code, company name, etc.);
- ✓ EPP's instructions in Estonian and/or Russian for the personnel of the back room of the Collection Point

The EPP has the right to change the quantities according to the needs of the customer. NB! Customer Code indicated on the Stickers is the basis for identifying the collection bags and counting the units of Packaging during additional counting carried out at the EPP counting centre.

### 2.4. Accessories

EPP provides the following accessories:

- ✓ Large collection bags (910 x 1500 mm) for <u>separate</u> collection of metal and plastic Packaging;
- √ Fasteners means for fastening a filled collection bag, to which a sticker is attached;
- ✓ Stickers, bearing the data of the customer and the Customer Code and a unique serial number;

✓ Holder, i.e., a frame ( Figure 2) for attaching the large collection bags. If necessary, the Retailer can get a holder from the EPP under a contract of use.



Figure 2 - Holder

The EPP Accessories belong to the EPP and are intended for purposeful use only, i.e., for collection of Packaging. It is strictly prohibited to use the EPP Accessories for any other purposes. The EPP monitors the balance of Accessories in a real-time system, meaning that in case of non-purposeful use or loss of Accessories, the EPP has the right to ask for a charge when replacement Accessories are ordered, corresponding to the price list published on the EPP website at:

https://eestipandipakend.ee/dokumendid/

If used purposefully, the Contracting Party may use the EPP Accessories free of charge.

### 2.5. Ordering Accessories

The Retailer can order the Accessories by contacting the EPP customer service, unless agreed otherwise. The orders can primarily be placed by sending them to e-mail address <u>tellimus@eestipandipakend.ee</u>. When placing an order, please indicate the following information:

- ✓ Customer Code:
- ✓ Large collection bags xx pcs;
- ✓ Large containers xx pcs;
- ✓ Small containers xx pcs;
- ✓ Stickers. Stickers are in a transparent plastic envelope;
- ✓ The Accessories are delivered to the Collection Point of the Retailer at the time of next collection (removal of collection bags).

Orders placed before 1 pm will be performed on the next business day at the earliest. Orders placed after 1 pm will be performed on the second business day at the earliest. Collection Point with ordered transport will receive the service within three to five business days. Collection Point with scheduled transport will receive the service on the agreed removal date.

Upon delivery and receipt of the Accessories, the representative of the Retailer is obliged to check the conformity of the quantity of Accessories indicated on the delivery note with the quantity of actually received Accessories. The boxes of Accessories must not be open, but

instead be fastened with a special tape bearing EPP logo. If the actual quantity of Accessories differs from the quantity indicated on the delivery note or if the boxes are open, please contact the EPP customer service immediately.

### 2.6. Breakdown of the Accessories

If the Accessories break down, such collection bags and/or fasteners must be returned to the EPP separately. EPP will replace all fasteners and collection bags one to one (e.g., we replace 25 defective fasteners with 25 new fasteners). If several fasteners or collection bags are broken in a row (i.e., it is likely that the Accessories do not comply with requirements), the customer must immediately inform the EPP customer service thereof. We will replace potentially defective batch at the earliest opportunity.

The Accessories must be stored in a manner that prevents access by unauthorised persons.

### 2.7. Sorting of the Packaging

The Packaging must be empty and sorted by packaging materials so that the Packaging of different type of material are placed in separate collection bags:

- ✓ Plastic packaging (Deposit emblems and b) large collection bag;
- ✓ Metal packaging (Deposit emblem ) large collection bag;
- ✓ Single use glass packaging (Deposit emblem ) large or small container;
- ✓ Common use glass packaging (Deposit emblem emblem on the manufacturer according to the manufacturer's terms.

### 2.8. Quality of Deposit emblem and Barcode

When placing received unpressed Packaging into collection bags, the Retailer must make sure that the Packaging bears EPP deposit emblem, Barcode is intact and undefective, and the Packaging has no other stickers attached to it (e.g., price label). It is important to understand that the Packaging counting is based on intact Barcode, as scanners are used for later identification of the Packaging.

### 2.9. Packaging not belonging to the EPP system

It is forbidden to put Unsuitable Packaging, unrelated items and trash into the EPP collection bags (paper, cups, plastic trash bags, food waste, food cans, etc.).

The Carrier is obliged to refuse to remove collection bags that, upon visual inspection, contain Unsuitable Packaging, items or trash. If such collection bag ends up at EPP, then EPP has the right to apply relevant sanctions (clause 2.2 of the Retailer Contract):

- ✓ accept the collection containing Unsuitable Packaging, but not pay any compensation or Deposit;
- ✓ refuse to accept the collection bag containing Unsuitable Packaging;
- ✓ demand payment of contractual penalty.

### 2.10. Filling the collection bags

Deposit-subjected Packaging comes in varying shape, size and weight, and it is impossible to establish a fixed number of units of Packaging per one collection bag. Thus, the quantity of material placed in the collection bags is regulated as follows:

- ✓ The collection bag for unpressed plastic and aluminium Packaging (Figures 5 and 6) must be filled to the extent that leaves a 10 cm "floret" above the fastener when the bag is closed, allowing the transport of collection bag and its optimal capacity and weight;
- ✓ The collection bag for pressed plastic Packaging (Figure 4) must be filled to the extent that leaves a 10 cm "floret" above the fastener when the bag is closed, allowing the transport of collection bag and its optimal capacity and weight;
- ✓ The collection bag for pressed metal Packaging (FigureFigure 3) must be filled to the extent that leaves a 10 cm "floret" above the fastener when the bag is closed, allowing the transport of collection bag and its optimal capacity and weight.

Wrongly filled collection bags are shown on Figures 7–9.

### **Pressed packaging**



Figure 3 – Metal packaging Figure 4 – Plastic packaging

### **Unpressed packaging**



Figure 5 – Metal packaging Figure 6 – Plastic packaging

### **NB!** Incorrectly filled collection bags

### Collection bags are too full



Figure 7 – Metal packaging Figure 8 – Plastic packaging

### Collection bag is too empty



Figure 9 – Metal packaging

### 2.11. Closing and storage of collection bags

After filling the collection bag with Packaging, it must be closed with a fastener and apply a sticker bearing special serial number issued to the Retailer by the EPP on that fastener. The

sticker must be applied to the fastener so that the sticker fits entirely to the surface of the fastener and is on the side visible when grabbing the bag (Figure 7). In the case of failure to (forgetting to) attach the sticker, the collection bag sent by the Retailer cannot be identified. It is forbidden to attach stickers on the fasteners before closing the bags, as the fasteners may break when closing the bag.



Figure 7 – Placement of label on the fastener

Completed collection bags must be stored in a place that prevents access from unauthorised persons.

Please utilise the storage facilities for collection bags at the Collection Point, thus ensuring environmentally friendly and cost-efficient transportation management. The more collection bags can be removed at one go, the more sustainable the entire transportation chain.

### 2.12. Transport or removal of collection bags

To order transportation, please contact EPP customer service, unless agreed otherwise.

The Carrier will load up to 50 collection bags that have been correctly filled by the Retailer, at the presence of the representative of the Retailer and up to ten metres from the tailgate of the vehicle. Loading must be performed in a manner that prevents glass packaging from breaking and other packaging from deforming.

NB! If the Retailer notices that the Carrier does not follow due diligence when handling the collection bags, then the Retailer is obliged to notify the EPP and the Carrier's representative thereof.

### 2.13. Preparing transportation documents (delivery notes) of collection bags

Upon delivery of the collection bags, the Carrier will issue to the Retailer a delivery note, which indicates the number of collection bags broken down by the type of materials.

The delivery note of the collection bags (Figure 14) must indicate the following information:

- ✓ Name of the Retailer;
- ✓ Customer Code;
- ✓ Collection bags filled with plastic packaging xx pcs;

- ✓ Collection bags filled with metal packaging xx pcs;
- ✓ Large glass containers filled with glass packaging xx pcs;
- ✓ Small glass containers filled with glass packaging xx pcs;
- ✓ Date of delivery;
- ✓ Name and signature of the person delivering the bags (the name must be as legible as possible);
- ✓ Name and signature of the driver;
- ✓ Vehicle licence plate number.

**NB!** It is crucial to check that the quantities on the delivery note correspond to the actual number of collection bags delivered. Both the driver as the recipient of the goods and the representative of the Retailer as the person delivering the goods must be present at the delivery of collection bags.

PANDIPAKENDITE TRANSPORDI SAATEL	LEHT Nr. 250 001
KLIENDI KOOD	KUUPÄEV
KLIENDI NIMI	AUTO NR
	HAAGISE NR
1. PLAST(SEGU)TAARA KOTT kogus	KOOREM POOLITATUD
2. ALUMIINIUMTAARA KOTT kogus	HAAGISE NR
3. 240L KLAASIKONTEINER kogus	_
4. 660L KLAASIKONTEINER kogus	_
MÄRKUSED	TAGASTATUD TARVIKUD
ÜLEANDJA/SAATJA	VEDAJA
NIMI	NIMI
ALLKIRI	ALLKIRI

Visase 18,11415 Tallinn, Harjumaa Tel. 647 0010 | Faks. 647 0024 info@eestipandipakend.ee



Figure 8 - Delivery note of the collection bags

NB! If your regular driver has been replaced without notifying you thereof, please contact the EPP customer service to remove any doubts.

### 2.14. Collection bags that the Carrier is not allowed to remove

- ✓ Wrongly sorted Packaging (one collection bag contains Packaging made of different materials);
- ✓ Collection bags contain Unsuitable Packaging (Packaging without the EPP Label, other packages, trash, etc.);
- ✓ Collection bag has no fastener;

- ✓ Collection bag has no sticker;
- ✓ Collection bag is broken.

### 2.15. Time for performing ordered transport

The EPP aims at removing the Packaging at the earliest opportunity. However, the Carriers are subjected to the following requirements, which must be considered when placing orders:

- ✓ In Tallinn, the Carrier is obliged to perform the trip within three business days after receiving the order;
- ✓ In other regions, the Carrier is obliged to perform the trip within five business days after receiving the order.

### 2.16. Problems with transport

In case of any transport-related problems, please contact the EPP customer service:

√ telephone: 647 0010;

✓ e-mail: tellimus@eestipandipakend.ee

### 2.17. Placing the Packaging on the market

Before placing a new Packaging or Common Use Packaging on the market, the Retailer is strongly recommended to check whether the Packaging is registered in EPP Packaging Register. The Packaging Company is prohibited from selling the Packaging and Common Use Packaging to the Retailer before registering such Packaging in the EPP Packaging Register, as the consumer cannot return such Packaging to the RVM or receive the Deposit amount. Furthermore, such Packaging cannot be identified in the EPP counting centre. EPP Packaging Register can be found at <a href="https://eestipandipakend.ee/eesti-pandipakend-register/">https://eestipandipakend.ee/eesti-pandipakend-register/</a>.

### *2.18.* FAQ

### ✓ When will the carrier arrive if I order it today?

- In Tallinn, the Carrier is obliged to perform the trip within three business days after receiving the order;
- In other regions the Carrier is obliged to perform the trip within five business days after receiving the order;

# ✓ We sent you 40 units of glass packaging, but two of them are unsuitable. What to do?

For example, among glass packaging the EPP is sometimes erroneously sent Common Use Packaging, which are presented in the report as unsuitable packaging. Common Use Packaging must be sent directly to the producer.

### ✓ When does EPP pay the money?

The money is paid on the 25<sup>th</sup> day of the month following the accounting month. If the 25<sup>th</sup> day falls on weekend or national holiday, then the money is paid on the first

business day following that day. For example, if the accounting month is March, the money is paid on  $25^{\text{th}}$  of April.

### √ How often is the report sent?

EPP prepares the report on the packaging returned in the previous month by the  $7^{th}$  day of the month at the latest.

### 3. PACKAGING COMPANY

### 3.1. Entry into/termination of the contract

In order to join the EPP Deposit System, you must sign the Contract with Packaging Company with EPP. Depending on the type of packaging you are planning to use, you must sign either a Single Use Packaging Contract or Common use Packaging Contract (or both). The Contract with Packaging Company and the documents related to it are available on EPP's homepage at:

### https://www.eestipandipakend.ee/dokumendid-ja-kujundusfailid/

In order to sign the Single Use Packaging Contract and/or Common Use Packaging Contract, you must fill out the blanks in the relevant contract online and sign the contract. You do not need to sign the standard terms and annexes of the Contract separately. Standard terms and annexes of the Contract with Packaging Company are a part of the Contract with Packaging Company. By signing the Contract with Packaging Company, you also agree to the standard terms and annexes of the Contract with Packaging Company.

Pursuant to the green office concept, EPP signs Contracts digitally. If the Packaging Company cannot sign the Contract with Packaging Company digitally, EPP will, in exceptional cases, also accept contracts in paper form with written signatures. You can find EPP online environment at:

### • <a href="https://www.eestipandipakend.ee/e-keskkond/">https://www.eestipandipakend.ee/e-keskkond/</a>.

After signing the Contract with Packaging Company, EPP will provide you with the user account you need to enter the online environment. The user account is created based on the information of the person signing the Contract; the person signing the Contract can add additional corporate user accounts. You can submit registration applications and Sales Reports of Packaging Articles to EPP via the EPP online environment.

A fee must be paid to join the EPP Deposit System. The purpose of the accession fee is to cover the expenses incurred by EPP in relation to the Packaging Company joining the EPP Deposit System. The amount of the admission fee has been provided in Annex 1 to the Contract with Packaging Company.

Termination of the Contract by request of the Packaging Company is possible provided that the Sales Reports have been duly submitted and invoices have been paid.

In order to terminate the Contract, the representative of the Company is required to send a free format application to terminate the Contract to the e-mail address info@eestipandipakend.ee. The application must indicate the name and registration code of the company.

### 3.2. Products with established Deposit pursuant to the Packaging Act

A deposit is assigned to a Packaging for the value of one packaging which is added to the price of one sales unit.

- Deposit is established for the following reusable packaging of beer, alcoholic beverages with low ethanol content, cider, perry and soft drinks:
  - glass packaging;
  - o plastic packaging.
- A deposit is established for the following non-reusable packaging of beer, alcoholic beverages with low ethanol content, cider, perry and soft drinks:
  - o glass packaging;
  - plastic packaging;
  - metal packaging.

In addition, deposit may also be applied to non-reusable and reusable packaging of strong alcoholic beverages, low-alcohol beverages and syrup (see 3.2.1.).

Beer and alcoholic beverages with low ethanol content within the meaning of Section 2 of the Alcohol Act are deemed as follows:

- **Beer** (irrespective of ethanol content) means a beverage which is manufactured from malt, or malt and adjuncts, and hops and water by fermentation using yeast and which may be pasteurised.
- Alcoholic beverage with low ethanol content (alcoholic beverage up to 6% (incl.) means an alcoholic beverage with ethanol content of up to 6 (inclusive) per cent by volume.
- o NB! Beverages with ethanol content over 6%, are classified as low-alcohol and strong alcoholic beverages and their addition to the Deposit System is voluntary for the Packaging Company.
- o NB! Beer, cider and perry are subject to Deposit irrespective of their ethanol content.

Pursuant to Section 5 of Requirements for the Definition, Description and Presentation for Sale of Alcohol, cider and perry are deemed as follows:

- **Cider** (irrespective of ethanol content) is an alcoholic beverage made by the full or partial fermentation of apple juice or the juice produced by the dilution of concentrated apple juice or of a mixture of the above-mentioned juices. In cider manufacturing, a limited quantity of pear juice, water and sugar products may be added before or after fermentation or fresh or concentrated apple juice after fermentation. Cider may be carbonated by secondary fermentation or by adding carbon dioxide. Fortification of cider by adding distilled alcohol is not allowed.
- **Perry** (irrespective of ethanol content) is an alcoholic beverage made by the full or partial fermentation of pear juice or the juice produced by the dilution of concentrated pear juice or of a mixture of the above-mentioned juices. In perry manufacturing, a limited quantity of apple juice, water and sugar products may be added before or after fermentation or fresh or concentrated pear juice after fermentation. Perry may be carbonated by secondary

fermentation or by adding carbon dioxide. Fortification of perry by adding distilled alcohol is not allowed.

### Pursuant to Section 2 of the Packaging Excise Duty Act, soft drink is deemed as follows:

- **Soft drink** a beverage as defined by tariff headings 2009, 2201 or 2202 of the Combined Nomenclature (CN) pursuant to Council Regulation No. 2658/87/EEC on the tariff and statistical nomenclature and on the Common Customs Tariff (OJ L 256, 07.09.1987, pp. 1–675).
  - o Fruit juices (including grape must) and vegetable juices, unfermented and not containing added spirit, whether or not containing added sugar or other sweetening matter, the first four combined nomenclature digits of which are 2009.
  - o Waters, including natural or artificial mineral waters and aerated waters, not containing added sugar or other sweetening matter nor flavoured; ice and snow, the first four combined nomenclature digits of which are 2201.
  - o Or waters, including mineral waters and aerated waters, containing added sugar or other sweetening matter or flavoured, and other non-alcoholic beverages, the first four combined nomenclature digits of which are 2202.

### 3.2.1 Packaging that may be subjected to Deposit upon request

Deposit may also be applied to non-reusable and reusable packaging of strong alcoholic beverages, low-alcohol beverages and syrup.

Pursuant to the Alcohol Act, low-alcohol beverage and strong alcoholic beverage are deemed as follows:

- **Low-alcohol beverage (alcoholic beverage 6.1-22%)** means an alcoholic beverage with ethanol content of up to 22 (inclusive) per cent by volume.
- Strong alcoholic beverage (alcoholic beverage at least 22.1%) means an alcoholic beverage with ethanol content of more than 22 per cent by volume.

### Pursuant to the Packaging Act, syrup is deemed as follows:

Syrup is a juice concentrate or a beverage made from sugar syrup or other syrup.

### 3.3. Indication of the Deposit when selling a product

Pursuant to the Packaging Act, upon the sale of packaging with deposit, the amount of the deposit must be disclosed taking account of the requirements for disclosing the price of the goods. Sales price of the goods in such packaging must be indicated in two parts. Unit price and the amount of deposit added to it must be indicated separately.

NB! The above mentioned must be considered when selling packaging with deposit both in the sales point and when selling goods online.

### 3.4. Services provided to the Packaging Company

Depending on whether you and EPP have signed a Single Use Packaging Contract or Common Use Packaging Contract (or both), EPP shall provide you with the following services regarding Packaging registered in the EPP Packaging Register:

- Single Use Packaging Contract:
  - EPP performs the following obligation arising from the Packaging Act for the Packaging Company:
    - collect from Retailers the Single Use Packaging placed on the market in the Republic of Estonia by the Packaging Company;
    - organise the collection of the Single Use Packaging placed on the market in the entire territory of the Republic of Estonia, and the recovery the collected Single Use Packaging;
  - EPP performs the obligations arising from the Packaging Excise Duty Act for the Packaging Company, including:
    - the obligation to pay the excise duty on the Single Use Packaging in cases and pursuant to the procedure provided for in the applicable law;
- Common Use Packaging Contract:
  - EPP organises the use of Common Use Packaging, giving the Packaging Company using a specific Common Use Packaging:
    - a licence to use the Common Use Packaging;
    - directions for obtaining, transferring and disusing (including crushing)
       of Common Use Packaging.

Pursuant to the Common Use Packaging Contract, EPP shall not perform the contractual obligations Packaging Companies have pursuant to the Packaging Act, i.e., collecting, recovering or reusing Common Use Packaging (or organising the recovery or reuse of Common Use Packaging). Pursuant to the Common Use Packaging Contract, EPP only acts as the manager of the system of Common Use Packaging, with the purpose of keeping the quantity of Common Use Packaging optimal on the market and the costs related to the use of Common Use Packaging minimal for all market participants.

### 3.5. EPP Label

EPP Label is a deposit label established by the minister responsible for the area with a regulation adopted on the basis of the Packaging Act, which, pursuant to the Packaging Act, is obligatory to be used by packaging companies having transferred their obligations to a recovery organization, or another label used by EPP to mark the Packaging with regard to which EPP is providing services to the Packaging Company and concerning which EPP has informed the Packaging Company pursuant to the Contract that it shall be used.

EPP Label has been registered as a trademark under EPP's name. Based on this, EPP reserves the sole right to allow and deny the use of the EPP Label. If the EPP Label is used without legal basis, EPP reserves the right to demand from any person using the EPP Label without legal basis:

- the termination of the use of the EPP Label;
- the removal of the Packaging marked with the EPP Label without legal basis; and/or
- compensation for the damages caused to EPP by the violation of the trademark.

NB! In the case of a Packaging Company, EPP also has the right to use legal remedies arising from the Contract with Packaging Company in addition of the aforementioned, if the EPP Label is used without legal basis.

Pursuant to clause 6.2 of the Contract with Packaging Company, the Packaging Company is prohibited from placing on the market Packaging, if the packaging article corresponding to the packaging is not registered in the EPP Packaging Register but it carries EPP Label.

Pursuant to clause 6.2 of the Contract with Packaging Company, if the Packaging Company violates the aforementioned restriction, the Packaging Company is obligated to:

- pay EPP the Deposit and the Handling Fee for every such packaging; and
- apply for the registration of the packaging article in the EPP Packaging Register (if a
  Deposit has been established for the packaging and it is not a Packaging with an
  International Barcode or a Packaging of an Alcoholic Beverage); and
- pay EPP at the request of EPP contractual penalty for every such packaging amounting up to 3,000 euros.

Pursuant to clause 6.3 of the Contract with Packaging Company, if the Packaging Company does not fulfil its aforementioned obligations, the Packaging Company is required to remove from the market immediately all packaging violating the restriction.

The right and obligation of the Packaging Company to use the EPP Label arises from the Contract with Packaging Company:

- the Packaging Company is required to mark every Packaging with the special EPP Label, if the relevant Packaging Article has been properly registered in EPP Packaging Register (clause 5.4.1 of the Contract with Packaging Compony);
- it is prohibited for the Packaging Company to mark with EPP Label any packaging which does not belong to the EPP Deposit System (clause 5.4.2 of the Contract with Packaging Company);

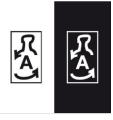
Pursuant to clause 5.4.1 of the Contract with Packaging Company, the Packaging Company is obligated to ensure that the EPP Label marked on the packaging, its location and size comply with the requirements provided for in the EPP Handbook. Pursuant to clause 1 of Annex titled Description and Emblem of the OÜ Eesti Pandipakend's Deposit Marking to the regulation Deposit Markings of Packaging established based on subsection 23 (6) of the Packaging Act, the ELL Label marked on a Packaging shall correspond to the following description:

• EPP Label is a rectangle, the smallest height of one side of which is 15 mm for Single Use Packaging and 17 mm for Common Use Packaging, and the smallest width is 9 mm. If the dimensions of the EPP Label are increased, it shall be done proportionally. The

colour of the EPP Label shall comply with the colour of the text and other graphics on the packaging and be distinguishable from the background colour. The EPP Label carries an emblem of a bottle with an arrow, a letter indicating the type of packaging, and a frame.

### 3.5.1 EPP Label emblems:

Single Use Plastic Packaging with volume up to 0.5 litres:



Single Use Plastic packaging with volume over 0.5 litres:



Single Use Metal Packaging:



Single Use Glass Packaging:





Refillable Common Use Glass Packaging:





Layout files are available on the EPP homepage at:

• <a href="https://eestipandipakend.ee/dokumendid-ja-kujundusfailid/">https://eestipandipakend.ee/dokumendid-ja-kujundusfailid/</a>

### 3.6. Registering Packaging

As data in ca 670 RVMs is updated in the case of every added package, registering Packaging in the EPP Packaging Register is a paid service.

In order to register a Packaging in the EPP Packaging Register, you must first fill in the registration application in the EPP online environment (select left menu bar "Packaging" → "Registering Packaging", see Figure 9).

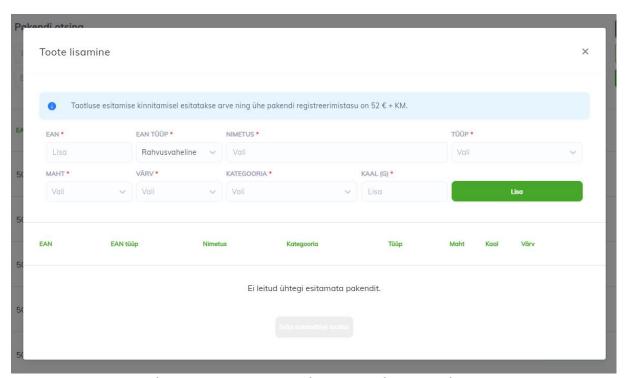


Figure 9 – Packaging registration application in the EPP online environment

The following fields are to be filled in on the Packaging registration application:

### ✓ Barcode:

o GTIN / EAN code of the product.

### ✓ Barcode type:

- Packaging with a National Barcode or a Packaging that is only placed on the market in Estonia.
- Packaging with an International Barcode or a Packaging placed on the market both in Estonia and outside Estonia.

### ✓ Name of the product:

• Maximum number of characters is 50.

### ✓ Packaging type:

- A\_PET up to 50cl;
- B PET over 50cl;
- C\_CAN\_steel;
- C\_CAN\_aluminium;

- D\_single use glass;
- K refillable glass;

### ✓ Packaging volume:

Product volume (cl);

### ✓ Packaging colour:

- Metal packaging ("C") colourless.
- Plastic and glass packaging ("A", "B", "D", "K") transparent, light blue, green, blue, brown, red, other.

### ✓ Product category:

- Beer;
- Cider;
- Alcoholic beverage up to 6% (incl.);
- Alcoholic beverage 6.1%-22% (incl.)
- Alcoholic beverage over 22.1%
- Water;
- Juice;
- Energy drink;
- Other soft drink.

### ✓ Weight:

- o Empty packaging weight in grams.
  - NB! Plastic and glass bottles with cap, tin cans with lid.

Pursuant to clause 4.2.2 of the Contract with Packaging Company, EPP shall not register the new packaging article in the EPP Packaging Register if:

- the application submitted by the Packaging Company to register a new packaging article does not comply with the requirements provided for in the contract and the EPP Handbook;
- the packaging corresponding to the packaging article being registered does not comply with the requirements provided for the Packaging in the Contract and the EPP Handbook;
- the Packaging Company has not paid to the EPP the Accession Fee established in the Contract with Packaging Company and/or Registration Fee; or
- the Barcode of the packaging article being registered is already registered in the EPP Packaging Register or has been registered there and deleted from there (except in the case provided for in clause 14.3.2.2 of the Contract with Packaging Company);

Pursuant to clause 4.2.3 of the Contract with Packaging Company, EPP has the right to refuse to register the packaging article in the EPP Packaging Register, if:

- the Packaging Company is indebted towards EPP, e.g., overdue invoice or failure to submit sales report;
- the Packaging Company is violating any contract signed with EPP;
- earlier frauds concerning the packaging article being registered have occurred in the EPP Deposit System; or

• EPP has information that the sales of goods packaged into packaging corresponding to the packaging article being registered have ceased.

Once the application to register a packaging has been submitted in the EPP online environment, you must send physical packaging samples to EPP. The physical samples of each different Packaging Article sent for testing must include three samples of glass and plastic packaging and two samples of tin cans. The packaging sample shall be identical to the packaging that will be placed on the market.

As practice shows, if EPP has previously verified the layout of the emblem of the packaging, the emblem is water resistant and scratch proof, and there are no problems with the printing quality, then after sending a physical packaging sample to EPP, the packaging can be ready for sale in 2 weeks. Therefore, if possible, it is recommended to coordinate the design of the packaging emblem with EPP prior to printing the corresponding emblems in order to avoid inconveniences in the future.

After receiving the packaging sample, EPP will carry out the primary visual check using the metrics issued according to the international standard of GS1. After the primary visual check, EPP has the right to determine whether the packaging will be sent to Reverse Vending Machine and/or GS1 Estonia for testing or not.

Testing the packaging in GS1 Estonia (the Barcode size, legibility, contrast, and location of the Barcode are tested):

Quality parameters measured	Passed/failed quality parameters	
4, 3, 2, 1, Fail		
<ul> <li>Decoding capacity</li> </ul>	• Encoding	
<ul> <li>Modulation</li> </ul>	• Edge Contrast (EC)	
<ul> <li>Symbol Contrast (SC)</li> </ul>	Min. & max. reflectivity	
• Defects	Existence of white area	

Figure 10 – Testing the packaging in GS1 Estonia

### 3.6.1. If a packaging passes a test

If a packaging passes the RVM test and/or the GS1 Estonia test, EPP shall pass the results of the test on to the Packaging Company. The Packaging Company shall immediately be informed of the successful passing of the test by an e-mail that shall also indicate the date starting from which the Packaging Company may place the package on the market.

If there is no EPP Label on the emblem of the package that has passed a test, then the Packaging Company shall order a sticker with the EPP Label from the EPP. For that purpose, the Packaging Company must place an order with the EPP, indicating details on the type and quantity of the EPP Labels it wants to buy. In general, EPP has a certain reserve of already

printed stickers with EPP Labels. The EPP Labels are equipped with special security features. Thus, the Packaging Company is prohibited from printing the EPP Labels itself.

After passing either the RVM test and/or the GS1 Estonia test, RVMs are set up in a way that allows all the RVMs across Estonia to accept the Packaging. The RVM checks whether the Barcode matches the shape of the packaging. Therefore, the sample of the packaging must also be submitted to the operators of the RVMs. The samples of the packaging are delivered to the operators of the RVMs by EPP.

### 3.6.2. If a packaging fails to pass the test

If a packaging fails to pass the RVMs test and/or the GS1 Estonia test, the Packaging Company shall immediately be sent an e-mail stating that the Packaging failed to pass the test and it cannot be placed on the market in its current form, as it cannot be returned to the RVMs. As a solution, EPP offers that option of applying to the product a Barcode sticker that complies with the standard.

### There are three types of stickers:

- ✓ If the manufacturer has already placed an EPP Label on a packaging but the Barcode does not meet the current standard, it is possible to cover just the Barcode with a new one (Figure 18);
- ✓ If a packaging has no EPP Label and the Barcode does not meet the standards, the Packaging Company can order a sticker with an EPP Label and a Barcode complying with the standard (Figures 17 and 19);
- ✓ If a packaging does not have an EPP Label, its Barcode does not meet the standards and text in Estonian is needed then there is an appropriately sized sticker that can be ordered (Figures 20 and 21).

NB! The stickers are printed on a filmy material (*RP White*) that can withstand moisture and light so that the text and Barcode printed on a sticker will not fade or disperse in moist conditions.



Figure 11 - Sticker 30 x 40mm Figure 12 - Stricker 40 x 18mm Figure 13 - Sticker 30 x 40mm

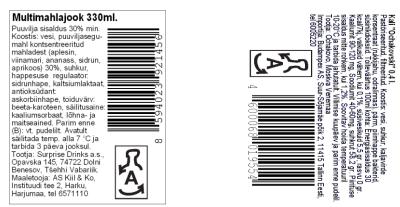


Figure 14 – Sticker 50 x 60mm

Figure 15 - Sticker 68 x 38mm

Prices of the stickers can be found in the price list located on the homepage of EPP at:

https://eestipandipakend.ee/dokumendid-ja-kujundusfailid/.

NB! Pursuant to the Contact with Packaging Company, a Packaging Company shall not place on the market any Packaging that have on them a Barcode that is registered in the EPP Packaging Register but does not meet the requirements provided in the Contract with Packaging Company or in the EPP Handbook.

If the Packaging Company violates the above prohibitions, then the Packaging Company shall, pursuant to clause 6.2 of the Contract with Packaging Company:

- Pay a Deposit and a Handling Fee to EPP for every such Packaging; and
- Apply for a registration of the packaging article in the EPP Packaging Register (if a
  Deposit has been set to the Packaging and the Packaging does not have an
  International Barcode, nor is it a Packaging of an Alcoholic Beverage); and
- Pay a contractual penalty up to 3,000 euros to EPP for every such packaging, should the EPP decide to collect it.

Pursuant to clause 6.3 of the Contract with packaging Company, a Packaging Company shall, in the case it fails to fulfil the obligations described above, immediately remove all packaging that violate the prohibition described above from the market.

# 3.7. Requirements of Packaging

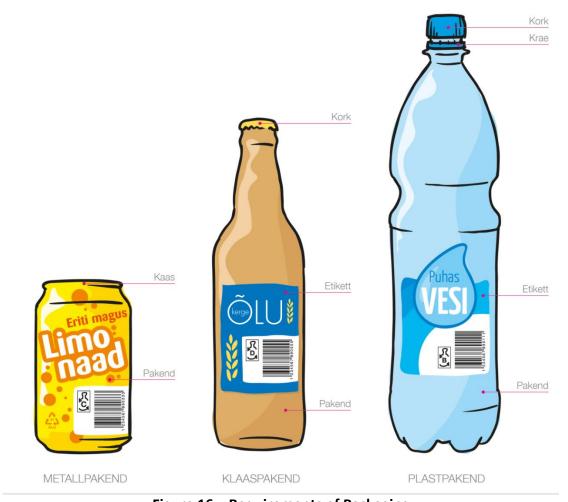


Figure 16 – Requirements of Packaging

# 3.7.1. Metal Packaging

		OBLIGATORY	RECOMMENDED
(CAN)	Material – metal packaging	<ul> <li>Height: 80–200 mm</li> <li>Diameter: 50–100 mm</li> <li>0.1 litres<volume<3.0 li="" litres<=""> </volume<3.0></li></ul> • Material of the Packaging: aluminium, steel	<ul> <li>It should be possible to rotate the Packaging around its axis – i.e., it should be round in shape. An angular Packaging 'jumps' when being rotated and the Barcode is hard to read from such a Packaging. Revolving around its axis is also affected by the height of the main part of the Packaging in relation to the rest of the Packaging – i.e., the placement of the centre of gravity of the Packaging should allow the Packaging to retain balance while in a horizontal position (e.g., such situation is caused by too long neck).</li> <li>Additional external details of the Packaging (handles, etc.) make it harder or even impossible for such Packaging to be pressed and move through the RVM. Movement through an RVM is also affected by the height of the main part of the Packaging in relation to the rest of the Packaging and by considerable variations in the diameter of the Packaging.</li> <li>The density of the material of the Packaging being compressed influences the lifespan and capability of the machines used to handle them.</li> <li>The recommended density of Packaging is as follows</li> </ul>
Metal packaging (CAN)	Material – lid and	Material of the lid and bottom: aluminium, steel	[Wright of the packaging (g)/volume ratio (cl)]: Packaging <50 cl - ratio from 0 to 0.8 Packaging >50 cl - ratio from 0 to 0.4
Metal p	bottom label	<ul> <li>Material of the label: paper, OPP, PE, PET. Must not be rough (makes it harder to read the Barcode)</li> <li>Glue used for the label: separates when washed at +70 °C</li> </ul>	
	EPP Label		It is recommended to place the EPP Label in proximity of the Barcode and it is also recommended to place the EPP Label vertically on the Packaging.
	Barcode	<ul> <li>Placement: vertical in relation to the Packaging, except when the Barcode has a scale ratio of 100% and it passes the RVM test – if that is the case, the Barcode can be placed horizontally as well.</li> <li>Size: scale ratio of at least 80%, except when the Barcode is positioned horizontally on the Packaging – in that case the scale ratio shall be 100%.</li> </ul>	before printing, in order to ensure that all requirements set for the Barcode are met.

Figure 17 – Requirements of metal packaging

# 3.7.2. Glass Packaging

		OBLIGATORY	RECOMMENDED
	size /	• <b>Height:</b> 85–380 mm	• It should be possible to rotate the Packaging
	shape	• <b>Diameter:</b> 50–130 mm	around its axis – i.e., it should be round in nature.
	Single	• 0.1 litres <volume<3.0 litres<="" th=""><th>An angular Packaging 'jumps' when being rotated and the Barcode is hard to read from such a Packaging. Revolving around its axis is also affected by the height of the main part of the Packaging in relation to the rest of the Packaging — i.e., the centre of gravity of the Packaging should be located in a way that enables the Packaging to retain balance while in a horizontal position (e.g., such situation is caused by too long neck).  • Additional external details of the Packaging (handles, etc.) make it harder or even impossible for such Packaging to be pressed and move through the RVM. Movement through an RVM is also affected by the height of the main part of the Packaging in relation to the rest of the Packaging</th></volume<3.0>	An angular Packaging 'jumps' when being rotated and the Barcode is hard to read from such a Packaging. Revolving around its axis is also affected by the height of the main part of the Packaging in relation to the rest of the Packaging — i.e., the centre of gravity of the Packaging should be located in a way that enables the Packaging to retain balance while in a horizontal position (e.g., such situation is caused by too long neck).  • Additional external details of the Packaging (handles, etc.) make it harder or even impossible for such Packaging to be pressed and move through the RVM. Movement through an RVM is also affected by the height of the main part of the Packaging in relation to the rest of the Packaging
			and by considerable variations in the diameter of the Packaging.
(5)	Material – bottle	Material of the Packaging: glass	
Glass packaging (OWG)	Material – cap	• Material of the cap: PET, PP, PE, metal	
)	label	• Material of the label: paper, OPP, PE, PET.	
Jg J		Must not be rough (makes it harder to read	
gi		the Barcode)	
(a)		• Glue used for the label: separates when	
2		washed at +70 °C	
ba		• Material of the <i>sleeve</i> (a label that covers	
S		the entire Packaging): PE, OPP, PET	
as		o NB! The Barcode area must not	
9		'undulate' when using a sleeve	
	EPP Label	• D – all volumes of a Single Use Glass	• It is recommended to place the EPP Label in
		Packaging.	proximity of the Barcode and it is also
		• K – all volumes of Common Use Glass	recommended to place the EPP Label vertically on the Packaging.
		<ul><li>Packaging</li><li>Position: must not be placed on the cap,</li></ul>	the rackaging.
		bottom, bead (i.e., the EPP Label must be	
		on smooth surface). Other places are	
		allowed.	
	Barcode	• Placement: must be placed on a smooth	• Every new label designed should be checked at
		surface, vertical in relation to the	EPP before printing, in order to ensure that all
		packaging, except when the Barcode has a	requirements set to a Barcode are met.
		scale ratio of 100% and it passes the RVM	• It is advisable not to use a scale ratio greater than
		test - if that is the case, the Barcode can be	115% in the case of a Barcode.
		placed horizontally as well. The Barcode	
		must not be located at a point where the ends of the label are glued together.	
		• Size: scale ratio of at least 80%, except	
		when the Barcode is positioned	
		horizontally on the packaging - in that case	
		the scale ratio shall be 100%.	
		Figure 19 Dequirement	

Figure 18 – Requirements of glass packaging

### 3.7.3. Plastic Packaging

		OBLIGATORY	RECOMMENDED
	size / shape	<ul> <li>Height: 85–380 mm</li> <li>Diameter: 50–130 mm</li> <li>0.1 litres<volume<3.0 li="" litres<=""> </volume<3.0></li></ul>	<ul> <li>It should be possible to rotate the Packaging around its axis – i.e., it should be round in nature. An angular Packaging 'jumps' when being rotated and the Barcode is hard to read from such a Packaging. Revolving around its axis is also affected by the height of the main part of the Packaging in relation to the rest of the Packaging – i.e., the centre of gravity of the Packaging should be located in a way that enables the Packaging to retain balance while in a horizontal position (e.g., such situation is caused by too long neck).</li> <li>Additional external details of the Packaging (handles, etc.) make it harder or even impossible for such Packaging to be pressed and move through the RVM. Movement through an RVM is also affected by the height of the main part of the Packaging in relation to the rest of the Packaging and by considerable variations in the diameter of the Packaging.</li> </ul>
Plastic packaging (PET	Material - bottle	Material of the Packaging: PET     PET     PET	<ul> <li>The density of the material of the Packaging being compressed influences the lifespan and capability of the machines used to handle them.</li> <li>The recommended density of Packaging is as follows [Wright of the packaging (g)/volume ratio (cl)]: Packaging &lt;50 cl - ratio from 0 to 0.8 Packaging &gt;50 cl - ratio from 0 to 0.4</li> </ul>
ast	Material - cap, collar	• Material of the cap/collar: PET,PP,PE	
Ы	label	<ul> <li>Material of the label: paper, OPP, PE, PET. Must not be rough (makes it harder to read the Barcode). Must not be PVC</li> <li>Glue used for the label: separates when washed at +70 °C</li> <li>Material of the sleeve (a label that covers the entire Packaging): PE, OPP, PET         <ul> <li>NB! The Barcode area must not 'undulate' when using a sleeve</li> </ul> </li> </ul>	
	EPP Label	<ul> <li>A - Plastic Single Use Packaging of up to 0.5 I (including 0.5 I)</li> <li>B - Plastic Single Use Packaging of more than 0.5 I (excluding 0.5 I)</li> <li>Placement: must not be placed on the cap, bottom, bead (i.e., the EPP Label must be on smooth surface). Other places are allowed</li> </ul>	It is recommended to place the EPP Label in proximity of the Barcode and it is also recommended to place the EPP Label vertically on the Packaging.
	Barcode	<ul> <li>Placement: must be placed on a smooth surface, vertical in relation to the packaging, except when the Barcode has a scale ratio of</li> </ul>	Every new label designed should be checked at EPP before printing, in order to ensure that all requirements set to a Barcode are met.

- 100% and it passes the RVM test if that is the It is advisable not to use a scale ratio greater case, the Barcode can be placed horizontally as well. The Barcode must not be located at a point where the ends of the label are glued together.
- Size: scale ratio of at least 80%, except when the Barcode is positioned horizontally on the packaging - in that case the scale ratio shall be 100%.
- than 115% in the case of a Barcode.

Figure 19 – Requirements of Plastic Packaging

## 3.8. Requirements of the Barcode on a Packaging

A Packaging Company that has signed the Contract with Packaging Company with EPP is obliged to ensure that the Barcode placed on a packaging meets the specifications and standards put in place by the non-profit association GS1 Estonia.

The aim of the non-profit association GS1 Estonia is to issue Barcodes that meet the GS1 standards and enable to identify products, and to promote the use of such Barcodes in Estonian fields of production, retailing and wholesale trade, and to support the creation of stock accounting systems.

The main fields of activity of the non-profit association GS1 Estonia are:

- ✓ Registering numeric codes (GTIN/GLN numbers) that meet the GS1 standard;
- ✓ Generating Barcodes:
- ✓ Introducing the standards of the GS1 system;
- ✓ Training and Consulting related to Barcodes;
- ✓ Managing the GS1 Product Register.

The RVMs read the Barcode on the packaging and compare it to the shape of the packaging. A standard compliant Barcode ensures that a packaging can be returned to an RVM without problems. This, in turn, ensures that consumers are happy with the process of returning and with the product being returned.

### 3.8.1. EAN13 Barcode

An EAN13 code must correspond to a scale ratio of at least 80% when compared to the original (Figure 20) (this is the smallest acceptable size) and be positioned vertically on the Packaging (

Figure 21).

An EAN13 code can be placed horizontally when the EAN13 code has a scale ratio of at least 100%. NB! As a horizontally positioned code is harder to read for the RVM, the suitability of a horizontally positioned code can be determined after passing the RVM test.



Figure 20 – EAN13, 80% scale ratio (millimetres)



Figure 21 - Placement of EAN13 code on a Packaging

It is advisable to use a 100% scale ratio if there is enough room. Below are shown the measurements of a 100% scale ratio for EAN13 code (Figure 22).



Figure 22 - EAN13, 100% scale ratio (millimetres)

Other scale ratios starting from 80% are also allowed, e.g., 85%, 90%, up to 115%. A scale ratio of more than 115% is not recommended as it is too large for the RVMs and may cause problems with reading the Barcode.

The table below lists the different acceptable scale ratios and their precise dimensions (mm):

The table belov	V 11363 CI	Left	Right	Width of EAN13	Width of EAN13	,
SCALE RATIO		white area (x 11)	white area (x	Barcode INCLUDING the white areas	Barcode from the first black stripe to the last	Height of EAN13
80%	0.264		1.848	29.83	25.08	20.73
85%	0.281	3.091	1.967	31.7	26.64	22.02
90%	0.297	3.267	2.079	33.56	28.21	23.32
95%	0.313	3.443	2.191	35.43	29.80	24.61
100%	0.33	3.63	2.31	37.29	31.35	25.91
105%	0.346	3.806	2.422	39.15	32.92	27.21
110%	0.363	3.993	2.541	41.02	34.49	28.5
115%	0.379	4.169	2.653	42.88	36.06	29.8

#### 3.8.2. EAN8 Barcode

An EAN8 code must correspond to a scale ratio of at least 80% when compared to the original (Figure 23) (this is the smallest acceptable size) and be positioned vertically on the Packaging. An EAN8 code can be placed horizontally when the EAN8 code has a scale ratio of at least 100%. As a horizontally positioned code is harder to read for the RVM, the suitability of a horizontally positioned code can be determined after passing the RVM test.

The smallest acceptable size for an EAN8 code is given below (80% scale ratio).

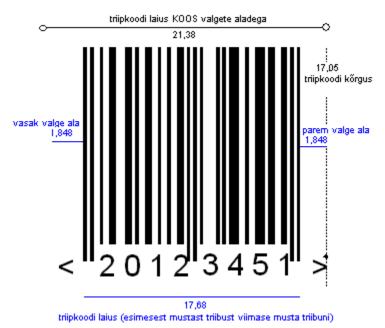


Figure 23 - EAN8, 80% scale ratio (millimetres)

It is advisable to use a 100% scale ratio if there is enough room (Figure 30). Below are shown the dimensions of an EAN8 code with a 100% scale ratio.

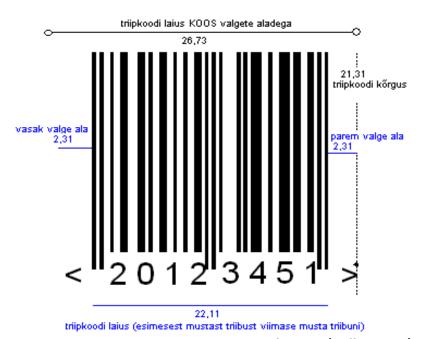


Figure 24 - EAN8, 100% scale ratio (millimetres)

Other scale ratios starting from 80% are also allowed, e.g., 85%,90%, up to 115%. A scale ratio of more than 115% is not recommended as it is too large for the RVMs and may cause problems with reading the Barcode.

The table below lists the different acceptable scale ratios and their precise dimensions (mm):

				Width of EAN8		
				Barcode	Width of EAN8	
		Left	Right	INCLUDING	Barcode from the	Height
		white	white	the white	first black stripe	of
SCALE RATIO		area (x 7)	area (x 7)	areas	to the last	EAN8
80%	0.264	1.848	1.848	21.38	17.68	17.05
85%	0.281	1.967	1.967	22.72	18.79	18.11
90%	0.297	2.079	2.079	24.06	19.90	19.18
95%	0.313	2.191	2.191	25.39	21.01	20.24
100%	0.33	2.31	2.31	26.73	22.11	21.31
105%	0.346	2.422	2.422	28.07	23.23	22.38
110%	0.363	2.541	2.541	29.40	24.32	23.44
115%	0.379	2.653	2.653	30.74	25.43	24.51

## 3.8.3. Barcode UPC-A

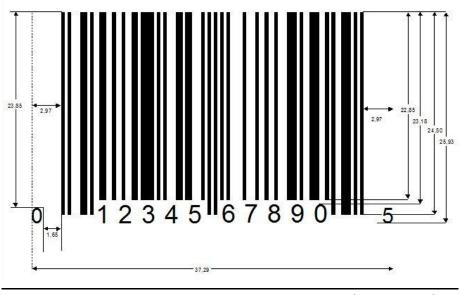


Figure 25 UPC-A – 100% scale ratio (millimetres)

# 3.8.4. Barcode UPC-E

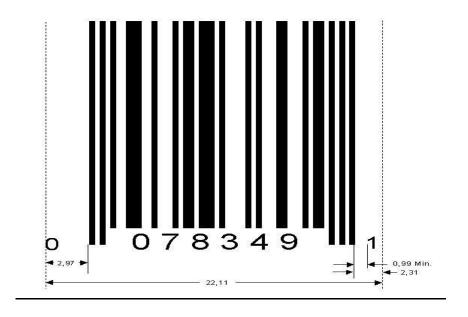


Figure 26 - UPC-E, 80% scale ratio (millimetres)

# 3.8.5. Choice of colours, quality

In addition to the size of the Barcode, the colours used on a Barcode are just as important.

Below are shown permitted (BEST/YES) and forbidden (NO) colours on a Barcode (Figure 27). NB! Black stripes are the best.



Figure 27 – Permitted and forbidden colours on a Barcode

NB! White is the best background. Below are shown permitted (BEST/YES) and forbidden (NO) background colours on a Barcode (Figure 28).

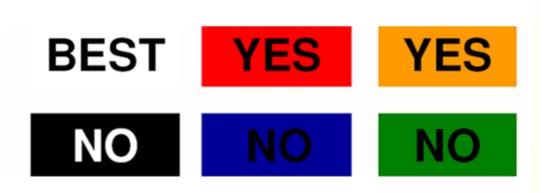


Figure 28 - Background colours of a Barcode

There must be sufficient contrast between the dark stripes and the light background for the scanner to read a Barcode correctly.

The best combination is black stripes on white background, but depending on the colour of the Packaging, other colour combinations are also allowed. In general, light and warm colours (white, red, orange, yellow) are better suited for background and dark colours (black, blue, green) for stripes.

There must be some empty light background (without printed symbols) before the first and after the last bar of a Barcode in order for it to be readable by a scanner. The light background can be the same colour as the background of the Barcode. Whether a Barcode is legible or not is conclusively determined by the RVM test and/or the GS1 Estonia test.

Some examples of low-quality Barcodes:



Figure 35 – Barcode on the surface of a transparent packaging



Figure 36 – Barcode with low contrast

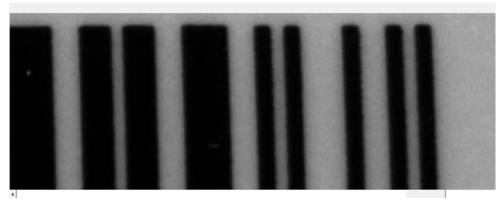


Figure 37 – Barcode with curved stripes



Figure 38 – Defective printed barcode, where an additional white stripe hinders reading of Barcode

## 3.8.6. IMPORTANT

# Placement of a Barcode and the EPP Label on a Packaging, material of the label

- The Barcode must not be placed on a conical surface, i.e., on the neck of a bottle, unless the Barcode is vertically positioned and has a scale ratio of 100%. The suitability of Barcode placement is determined by the RVM test / GS1 Estonia test.
- The Barcode must not be located a point where the ends of the label are glued together.
- The Barcode and the EPP Label must not be placed on the cap, bottom or bead of the Packaging (i.e., the Barcode and the EPP Label must be located on a smooth surface of the Packaging).
- Material of the label or the material under the label must not be rough or uneven in any other way.
- Material of a Barcode placed on the label or the surface of the Packaging must be scratch resistant and waterproof and not fade.
- The Barcode must have straight stripes.
- The black-white stripes of the Barcode must have corresponding width.
- Barcode stripes/background must not be directly on the packaging surface.

#### A new Barcode must be obtained if:

- The material and volume of the Packaging changes.
- The shape and/or weight of the Packaging changes by more than 20% (subject to evaluation by the EPP).
- Single Use Glass Packaging becomes Common Use Glass Packaging or vice versa.
- Colour of glass Packaging changes.

# Requirements of the dimensions of a Barcode

- The height of a Barcode can be reduced to 15 millimetres. This means that when the height of, e.g., EAN13 according to 80% scale ratio standard is 20.73 mm, it can be reduced to 15 millimetres.
- Such reduction may be carried out in the case of all scale ratios, except in the case of a horizontally positioned Barcode. The height of a horizontal Barcode must be at least 20 millimetres (Figure 39).



Figure 39 – Height of a Barcode in millimetres

A Barcode must not be lower than 15 mm as the scanner of the RVM is not able to detect
a lower Barcode without issues. Figure 40 illustrates how the rays of the scanner read the
Barcode:

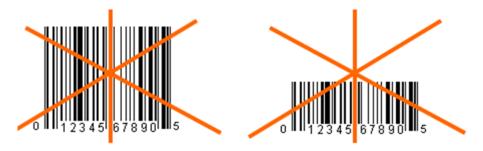


Figure 40 – Positioning of the rays of the scanner

# Other requirements of the Packaging

- The shape of a Single Use Packaging Article must be visually distinguishable from the Common Use Packaging Articles already registered in the EPP Packaging Register.
- The shape of a Common Use Packaging Article must be visually distinguishable from the Single Use Packaging Articles already registered in the EPP Packaging Register.
- One Packaging must not have two different visible Barcodes.
- In order to reduce the possibility of issues during testing, we recommend sending the label
  design files to the EPP e-mail address at <a href="info@eestipandipakend.ee">info@eestipandipakend.ee</a> before commencing the
  testing. After being reviewed by our specialist, it is possible to give an initial assessment of
  whether the label complies with established requirements.

#### 3.9. Special Packaging

According to the EPP, Special Packaging includes all Packaging that does not meet the requirements listed in clause 3.7 of the EPP Handbook. EPP reserves the right to make exceptions.

#### 3.10. Reporting

Every calendar month, a Packaging Company shall submit to EPP a report on the units of Packaging placed on the market in the Republic of Estonia during the preceding calendar month, indicating quantities by different packaging articles and their Barcodes ('Sales Report') (Figure 41). NB! The Sales Report must also contain data on Packaging that:

- √ has been written off by a Packaging Company;
- ✓ has exceeded their expiry date;
- ✓ has been used by the Packaging Company for own consumption, advertising and/or as presents.

The Sales Report must be submitted to EPP by the seventh day of every calendar month at the latest via online environment of the EPP.

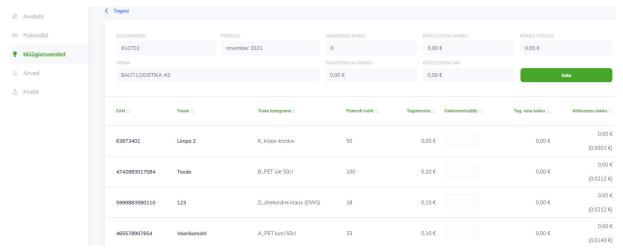


Figure 41 – Form for submitting the Sales Report in the EPP online environment

#### 3.11. FAQ

# How much does it cost to join the EPP Deposit System?

Accession Fee is provided in Annex 1 of the Contract with Packaging Company.

# - What to do if I want to add an agreed packaging to the Deposit System, but its shape seems too complicated?

If, prior to registering the packaging, you have a reason to believe that the packaging may be too flat, unsymmetrical or long for an RVM, then please send the photos of the packaging to our e-mail address info@eestipandipakend.ee. We will do our best to assess, based on the photos, whether such a packaging can be registered in the Deposit System or not. If the photos are insufficient for providing such evaluation, we will ask you to send a sample of the packaging. If the packaging is suitable for the system, you may then start the registration process.

### How much does it cost to register a packaging?

Packaging registration fee is provided in Annex 1 of the Contract with Packaging Company.

## How can I learn the product category of particular beverage?

Product category is determined by the Combined Nomenclature, information about which can be obtained from the Estonian Customs Tariffs (ETT) of the Tax and Customs Board.

## How long does it take to register a packaging?

Provided that the parameters, dimensions of the Barcode and the EPP Label meet the requirements established in the Handbook, the packaging shall be registered in the following chronological order, unless the EPP informs otherwise:

- Packaging Company has delivered to the EPP office (Visase 18, 11415, Tallinn) required number of packaging samples and submitted relevant packaging registration application online by 2 pm on Wednesday at the latest.
- Packaging is subjected to RVM testing on Thursday.
- Test results will be sent to the e-mail address of the Packaging Company by Friday morning at the latest. With that e-mail, the Packaging Company will be notified of the date the marketing authorization will come in force.
- On Friday, the service manager of the Packaging Company adds the packaging that passed the test in the EPP Packaging Register.
- The packaging that passed the test can be returned in all collection stations in Estonia starting next Thursday.

#### What to do if the packaging fails the test?

Contact the EPP Packaging Company service manager, who will explain the reasons why the packaging failed the test.

## - What to do if the Barcode on the packaging does not pass a test?

If a package does not pass a test, the Barcode on the Label must be replaced with a new Barcode that complies with the requirements. As an alternative, the Barcode on the packaging can be covered with a Barcode that complies with the requirements. In order to avoid any mistakes when making the Barcode compliant, be sure to consult with the Packaging Company service specialist of EPP.

## Where can I order a Barcode that complies with established requirements?

Please submit your order of Barcode stickers by sending relevant e-mail to info@eestipandipakend.ee, and we will forward it to our partner company for printing.

## - What is the permitted location of the EPP Label on the packaging?

The EPP Label must be placed on the packaging so that it is visible for the consumer. The EPP Label must not be placed on the bottom, cap and Barcode of the packaging. See also clause 3.7 of this document.

#### Where can I order EPP Labels?

If there is no EPP Label on the label of a Packaging, then the stickers of EPP Labels with special security features can be ordered only from EPP. It is forbidden to print such stickers yourself.

### - How to remove registered packaging from own product list?

In order to remove the packaging in the system, inform the Packaging Company service manager. According to the last declared date of selling the product, we will remove your packaging from the list of packaging. That removes the option to add the packaging in sales reports in the future. Pursuant to the Packaging Act, the consumers have the right to return packaging to collection stations and receive deposit for the packaging for 24 months after the termination of placing the packaging on the market.

## - How to reintroduce removed packaging to the list again?

The packaging removed from the product list can be reintroduced later on without paying the registration fee only if the parameters of the packaging have not changed. However, the packaging must undergo the usual registration process, please inform the Packaging Company service manager if you wish to do so.

#### Where can I obtain the consolidated statement of sales reports submitted to EPP?

The consolidated statement of sales reports submitted to the EPP by the Packaging Company can be downloaded in our online environment. The instructions on downloading the consolidated report can be found in online environment user manual section 'How to download mass and consolidated report?'

## - What is the rate of excise duty?

Main objective of Eesti Pandipakend is to ensure that all the manufacturers and importers who have joined the Deposit System are exempt from packaging excise duty by meeting relevant target rates for collection of deposit-subjected packaging of beverages provided for in the Packaging Excise Duty Act. We have managed to meet that objective in the past and we will continue working on meeting that objective in the future.

Pursuant to the annex of the Packaging Excise Duty Act, the following excise duty rates apply:

Taxable packaging	Excise duty rate in Euros		
	per kg		
Glass	0.60		
Plastic	2.5		
Metal	2.5		
Paper and cardboard, including layered cardboard	1.2		

### No excise duty rate applies to:

- ✓ A packaging to which a Deposit applies according to the Packaging Act, except a metal packaging of beverage, and in the case of which at least 85% of every type of packaging material is recovered;
- ✓ Metal packaging of beverage of which at least 50% is recovered;
- ✓ Other packaging used to the extent provided in Section 36 of the Packaging Act.

Pursuant to Section 1 of the Packaging Excise Duty Act, excise duty on packaging shall be imposed on packaging of goods placed on the market in Estonia or acquired in and imported from another Member State of the European Union. Section 11¹ of the Packaging Excise Duty Act provides that a payer of excise duty can transfer the obligations provided for in the said Act to a recovery organisation under a written contract.

## 3.12. CONTACTS

# **Customer Service (Retailer's primary contact):**

✓ telephone: 647 0010

✓ e-mail: <u>tellimus@eestipandipakend.ee</u>

# **Entry into Contracts and registering Packaging (Packaging Company's primary contact):**

✓ telephone: 5452 0190

√ e-mail: <a href="mailto:helen@eestipandipakend.ee">helen@eestipandipakend.ee</a>

# **Accounting:**

✓ telephone: 647 0017

✓ e-mail: <u>jelena@eestipandipakend.ee</u>