

THE GERMAN PACKAGING ACT: **WHAT YOU NEED TO KNOW**

With the beginning of 2019, the To do's around the topic of packaging licensing for retailers and manufacturers selling their goods to German costumers have become more comprehensive. We explain everything you need to know.

**SALES PACKAGING
LICENSING:
AS EASY AS 1-2-3 AT
LIZENZERO.DE**

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Important: As a retailer or manufacturer you have to act.

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Important: As a **retailer or manufacturer** you have to act.

The German Packaging Act aims to make a key contribution to environmental protection by reducing packaging waste and ensuring higher rates of recycling for sales packaging. For retailers and manufacturers who are the first to place packaged goods on the market, the Act is associated with comprehensive obligations. Paid participation in a dual system and registration with the control authority Central Agency Packaging Register. These requirements apply to everyone, from the largest company down to the smallest business – such as a specialist online shop. There is no minimum amount per company: every piece of packaging has to be licensed. However, the cost of operating the overall

recycling system – and the fee companies pay – will fall as the volume of licensed packaging circulating increases. In the long term, licence fees should therefore decrease.

Important: Failing to comply with the law is a regulatory infringement, which can be punished with heavy fines or – in the worst-case scenario – a total ban on sales!

With its Lizenzero online shop, the dual system Interseroh+ is your competent and trusted partner for all of your licensing needs: www.lizenzero.de

What has changed with the Packaging Act?

Background information on the Act:

The Packaging Act¹ (VerpackG) has replaced the Packaging Ordinance (VerpackV) that had regulated take-back and recycling obligations in Germany since 1991. Now, the Packaging Act requires retailers and manufacturers “to register with the Central Agency before placing packaging with mandatory system participation on the market.”²

The duty of participation in a dual system – and payment of its ‘licence fee’ – continues as before. The Act is based on the principle of product responsibility, which states that the ‘first distributor’ of sales packaging should also be responsible for its disposal and/or recycling – and thereby motivating these companies to use less packaging or packaging that is at least more environmentally friendly.

Better recycling

A key pillar of the Packaging Act is the tightening of recycling targets, which are now increased for all of the materials used in sales packaging. For plastics, the old Packaging Ordinance prescribed a target for mechanical recycling of 36 percent, for example.

In 2019, this target increased to 58.5 percent and will rise even further in the future, to as much as 63 percent from 2022.



First distributors:

Retailers and manufacturers who are the first to fill packaging with goods and place it on the market – i.e. sell this filled packaging to private end-users.

¹ Ordinance Regulating the Avoidance and Recycling of Packaging Waste. Federal Ministry of Justice and Consumer Protection. Website: https://www.gesetze-im-internet.de/verpackv_1998/.

² PDF: Act Regulating the Placing on the Market, Take-Back and High-Quality Recycling of Packaging (Packaging Act – VerpackG). Bundesanzeiger Verlag: Federal Law Gazette 2017 Part I No. 45. URL: [https://www.bgbl.de/xaver/bgbl/text.xav?SID=&tf=xaver.component.Text_0&toctf=&qmf=&hlf=xaver.component.Hitlist_0&bk=bgbl&start=%2F%2F%5B%40node_id%3D%27264959%27%5D&skin=pdf&tlevel=-2&nohist=1\(12.09.2018\)](https://www.bgbl.de/xaver/bgbl/text.xav?SID=&tf=xaver.component.Text_0&toctf=&qmf=&hlf=xaver.component.Hitlist_0&bk=bgbl&start=%2F%2F%5B%40node_id%3D%27264959%27%5D&skin=pdf&tlevel=-2&nohist=1(12.09.2018))

Transparency and fairness guaranteed

The Central Agency Packaging Register has been established to monitor market participants. Retailers and manufacturers who distribute goods in sales packaging to private end-users must register with and report their packaging volumes to the LUCID register provided by the Agency. It regularly compares the data reported to it with the data provided by the dual systems and publishes a publicly accessible list of all registered participants on its website. Enjoy complete peace of mind for your licensing: as an accredited nationwide dual system, Interseroh+ complies in full with the requirements of the Central Agency Packaging Register and the Packaging Act.

Anyone making false statements regarding data reported to the LUCID register or failing to license their packaging properly is in breach of regulations and can expect to face onerous penalties, including written warnings, fines of up to EUR 200,000 and a ban on sales. The public list provided by the Central Agency also makes it very easy for companies to keep tabs on the competition – thereby promoting fairness in the market.

Visit
www.verpackungsregister.org
for the full list of requirements
for the Central Agency
Packaging Register.



Are you affected by the **Packaging Act**?

All retailers and manufacturers who sell packaged goods have a responsibility for their product and the waste that it generates. These 'first distributors' register with the Central Agency Packaging Register monitoring body and pay a licence fee to ensure that their sales packaging – which must ultimately be disposed of by private end-users – participates

in a dual system like Interseroh+. This basic assumption also applies to companies that ship goods from abroad to German end consumers. In this way, they finance the Dual System and bear their share of the disposal and recycling costs created by the packaging they place on the market.

Types of packaging that must be licensed

Mandatory licensing for sales packaging covers all packaging materials used for goods intended for private end-users and which is then disposed of by them as waste. First and foremost, this means the product packaging that the customer must remove to actually use or consume the goods.

But the definition of 'sales packaging' is wide-ranging, and also covers shipment and service packaging. This means that retailers who fill

packaging with goods to ship it to end users are using shipment packaging that must be licensed. Packaging that is merely used to hand over goods or products must also be registered. This is the 'service packaging' that is used at the baker's, the farmer's market or cafés, for example: every single paper bag or disposable coffee-to-go cup must be licensed before it can be sold together with its goods.

Are there any exemptions to registration?

- **Shipping goods in the original packaging?**

If you receive goods and then ship these in their original packaging, you are not required to license this packaging – this must be done by the manufacturer or supplier. Note that you must be able to prove that the manufacturer has registered the packaging. Always request proof from your supplier or manufacturer. You can also search the Central Agency database yourself.

- **Goods shipped from abroad?**

The Act applies throughout the whole of Germany, meaning that its regulations also apply to packaging waste that is created in the country through the import of goods which are sent with packaging. Responsibility for appropriately disposing of the packaging is in this case to be borne by the person who is responsible for the goods when they cross the border. Usually this is the importer, but those involved are advised to ensure that this has been clearly set out in contractual terms.

Important note: The person/organisation who is legally required to arrange licensing is responsible for all packaging brought into the country – both for product packaging and for shipment packaging, including filling and cushioning materials. If you send your goods to end-users in Germany without the help of an intermediary, then you are in all cases obliged to license the packaging which is sent with the goods (product and shipment packaging) yourself.

- **Goods sold on platforms?**

If you sell your goods on an industry platform like Amazon or eBay but ship the goods yourself, you must ensure your shipment packaging participates in a dual system like Interseroh+. If you are also the manufacturer of the goods, this also applies to the product packaging used. If you use drop shipping, however, and have no physical contact with the goods, you do not need to acquire a licence. In this case, system participation is mandatory for the product manufacturer (primary product packaging) and the distributor (shipment packaging).

Is your packaging covered by the **Packaging Act**?

As a general rule, all sales packaging that is typically disposed of as waste by private end-users must be licensed by a dual system like Interseroh+ and registered with the Central Agency.

All of this packaging and shipping material must be licensed – from boxes, filling materials and parcel tape to the service packaging used in high street retail.

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Packaging materials that must be licensed:



Paperboard, paper and cardboard: e.g. shipping cartons, folding cartons, packing paper and paper bags



Aluminium and other metals:
e.g. bottle caps, foil for chocolate, tubes for cream



Glass:
e.g. non-reusable bottles and jars (coloured or colourless)



Composite beverage cartons:
Laminated cardboard and plastic/aluminium composites



Plastics:
e.g. plastic bags, wrap, bottles, blister packs and pots



Other composite packaging:
Consisting of at least two different materials bonded across their entire surface, e.g. vacuum packaging for coffee



Ferrous metals:
e.g. beverage and food cans, tubes



Other materials:
e.g. cotton, wood, rubber, copper or ceramics

Recycling targets according to the VerpackG:

Material	Until 2018	from 2019	from 2022
Glass	75 %	80 %	90 %
Paperboard, paper, cardboard	70 %	85 %	90 %
Ferrous metals	70 %	80 %	90 %
Aluminium	60 %	80 %	90 %
Composite beverage cartons	60 %	75 %	80 %
Other composite packaging	60 %	55 %	70 %
Plastics	36 %	58,5 %	63 %



Easy weight calculations from lizenzero.de

The law does not define minimum licensing volumes: participation in a dual system is required from the first piece of sales packaging that is filled and placed on the market. To calculate the total weight of packaging used per annum that you need to report as a first distributor, you can use the handy Calculation Assistant offered by Lizenzero, the on-line shop of Interseroh+.

To do so, you simply select from a range of standard packaging types, enter the number of units per type and the Calculation Assistant instantly converts this to a weight figure.

Quick and simple **packaging licensing** with the **dual system Interseroh+**

The German Packaging Act entered into force in the beginning of 2019. Accordingly, retailers and manufacturers of packaged goods must ensure their sales packaging participates in a dual system and must also register in the LUCID register of the Central Agency Packaging Register, which acts as a supervisory authority.

The law applies regardless of company size and from the very first piece of packaging that a retailer or manufacturer places on the market. In addition, companies that ship goods from abroad to German end consumers are also affected. **Anyone failing to comply with the law can expect to pay a heavy fine or face a sales ban.**

What do I need to do?

1

Get licensed

- Sign a contract with a dual system like Interseroh+ (by using the Lizenzero online shop at www.lizenzero.de/en)
- Specify the volume of packaging and materials sold per annum (easy to do with the Lizenzero online Calculation Assistant)

2

Register

- Report your packaging volumes and dual system to the Central Agency Packaging Register via LUCID (<https://lucid.verpackungsregister.org/>)
- Notify your dual system of the registration number issued by the Central Agency

3

Report data

- Continually report any adjustments to the reported packaging quantities in the same way to both bodies:
 - A) dual system (easily possible via the Lizenzero customer account)
 - B) LUCID register

Interseroh+: your trusted partner for packaging licensing

As an accredited system the dual system Interseroh+ developed its user-friendly Lizenzero online shop especially for retailers and manufacturers with little to no experience of packaging licensing who want to complete the dual system sign-up process

as quickly and as easily as possible. The Lizenzero website (www.lizenzero.de/en) takes you step by step through the participation process and tells you everything that you need to know about packaging licensing.



As an accredited nationwide dual system pursuant to section 18 of the German Packaging Act, **Interseroh+** fulfils the requirements of both the Central Agency Packaging Register and the Act itself.

The Lizenzero service promise:

- User-friendly tools for calculating volumes and costs
- Participation in the dual system Interseroh+ ensures 100% compliance with the Packaging Act
- Flexible adjustment of your packaging volumes
- Simple, quick and affordable

Your benefits:

- Seal of quality for your web shop / web site
- Resources SAVED certificate

Complete the licensing agreement quickly and easily - job done!
For more information go to www.lizenzero.de/en

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