SCHEDULE 2

Regulation 4(4)

RECOVERY AND RECYCLING OBLIGATIONS

1.—(1) Except for a small producer who has elected to follow the allocation method, a producer's obligations to recover and recycle packaging waste in a relevant year are, in relation to each class of producer to which he belongs—

- (a) to recover an amount of packaging waste as provided in paragraph 3(1) below;
- (b) to recover by recycling a proportion of that packaging waste, as provided in paragraph 3(2) below; and
- (c) as part of the obligation to recover packaging waste as provided in paragraph (a) above, to recover by recycling an amount of packaging materials which is packaging waste, as provided in paragraph 3(3) below,

and are calculated by aggregating his obligations in relation to each class of producer to which he belongs in respect of that year.

2. Where a small producer has elected to follow the allocation method, his obligations to recycle packaging waste in a relevant year are to recycle an amount of packaging waste as provided in paragraphs 7 and 8 below.

3.—(1) The amount of packaging waste to be recovered by a producer in relation to a class of producer to which he belongs is calculated as follows—

 $\mathbb{P}\, n \, \mathbb{C}\, n \, X \, = \, \mathbb{Z}$

where----

"P" is the amount in tonnes to the nearest tonne of packaging and packaging materials handled in the United Kingdom by the producer in the preceding year;

"C" is the percentage prescribed in paragraph 4 below in relation to the class of producer;

"X" is the percentage prescribed in paragraph 5 below as the recovery target for the relevant year; and

"Z" is the amount by tonnage of packaging waste which is to be recovered within the relevant year.

(2) The proportion of the packaging waste referred to in sub-paragraph (1) above which is to be recovered by recycling, in relation to a class of producer to which the producer belongs in the years 2006, 2007, 2008, 2009 and 2010 is not less than 92% of the amount by tonnage of packaging waste represented by "Z" in sub-paragraph (1) above.

(3) Where in the preceding year the producer has handled any recyclable material (whether in the form of packaging or packaging materials), the producer shall recover by recycling an amount of packaging waste consisting of that material calculated as follows—

where---

 $M\times \mathbb{C}\times \Upsilon=\mathbb{Q}$

"M" is the amount in tonnes to the nearest tonne of the recyclable material (whether in the form of packaging or packaging materials) handled in the United Kingdom by the producer in the preceding year;

"C" is the percentage prescribed in paragraph 4 below in relation to the class of producer;

"Y" is the percentage prescribed in paragraph 6 below as the recycling target for the relevant year; and

"Q" is the amount by tonnage of packaging waste consisting of that material which is to be recycled in the relevant year.

(a)	manufacturer	6%;
(b)	convertor	9%;
(c)	packer/filler	37%;
(d)	seller	48%;
(e)	secondary provider	85%; and
(f)	service provider	85%.

4.—(1) The following percentages are prescribed as the percentages for the following classes of producer—

(2) The following percentages are prescribed for the class of importer—

- (a) the manufacturer's percentage, that is 6%—
 - (i) on Class A supplies, where the importer also carries out the functions of a convertor;
 - (ii) on Class B supplies, where the relevant packaging or packaging materials are supplied, by the distributor who receives them, to a convertor; and
 - (iii) on Class C supplies to a convertor;
- (b) the manufacturer's and the convertor's percentages aggregated, that is 6% + 9% = 15%—
 - (i) on Class A supplies, where the importer also carries out the functions of a packer/ filler;
 - (ii) on Class B supplies, where the relevant packaging or packaging materials are supplied, by the distributor who receives them, to a packer/filler;
 - (iii) on Class C supplies to a packer/filler; and
 - (iv) on Class G supplies;
- (c) the manufacturer's, the convertor's and the packer/filler's percentages aggregated, that is 6% + 9% + 37% = 52%—
 - (i) on Class A supplies where the importer also carries out the functions of a seller;
 - (ii) on Class B supplies where the relevant packaging or packaging materials are supplied, by the distributor who receives them, to a seller; and
 - (iii) on Class C supplies to a seller;
- (d) the manufacturer's, the convertor's, the packer/filler's and the seller's percentages aggregated, that is 6% + 9% + 37% + 48% = 100%—
 - (i) on Class F supplies; and
 - (ii) on Class A supplies, where the importer is also the final user or consumer.
- 5. The following is prescribed as the recovery target "X"—
 - (a) for the year 2006, 66%;
 - (b) for the year 2007, 67%;
 - (c) for the year 2008, 68%;
 - (d) for the year 2009, 69%; and
 - (e) or the year 2010, 70%.

6. The following percentages are prescribed as the recycling target "Y" in respect of the recyclable material specified in the first column in relation to the years indicated at the head of the subsequent columns—

Material	2006	2007	2008	2009	2010	
Glass	65	69.5	73.5	74	74.5	
Aluminium	29	31	32.5	33	33.5	
Steel	56	57.5	58.5	59	59.5	
Paper/Board	66.5	67	67.5	68	68.5	
Plastic	23	24	24.5	25	25.5	
Wood	19.5	20	20.5	21	21.5	

Table 2: Recycling targets

7.-(1) The amount of packaging waste to be recycled by a small producer who has elected to follow the allocation method is calculated as follows—

where----

 $A \times B = Z_0$

"A" = a/1,000,000;

"a" is the annual turnover of the producer in the last financial year in respect of which audited accounts are available before the relevant date, rounded up to the nearest ten thousand pounds;

"B" is the recycling allocation for the relevant year prescribed in paragraph 8 below; and

"Z_s" is the amount of packaging waste (in tonnes) which is to be recycled in the relevant year.

(2) For the purposes of this paragraph, a small producer shall carry out his recycling obligations by recycling the recyclable material he handled which is predominant by weight.

8. Table 3 prescribes the recycling allocation "B" in relation to a relevant year—

Table 3: Recycling Allocations

Relevant Year	Recycling Allocation	
2006	25	
2007	26	
2008	27	
2009	28	
2010	29	

9. Paragraph 4(2) of Schedule 1 applies for the purposes of this Schedule, but as though the words "For the purposes of paragraph 3(b) above," and the words "other than a Class A supply," were omitted.

10. Where the Department is satisfied that a producer has instituted a system of using reusable packaging which has a life of at least four years, the producer's obligations under this Schedule in relation to that packaging may be discharged by equal instalments over four years commencing with the year in which that packaging is first used.