

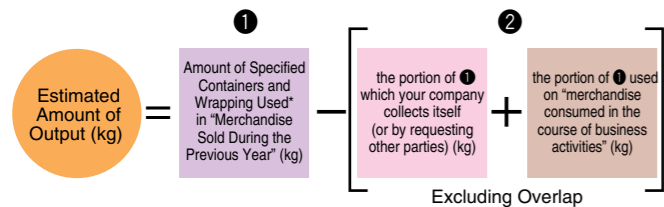
You can also fulfill your obligations by paying a recycling fee to the “Designated Organization.”

The “Recycling Fee” and Methods of Calculation

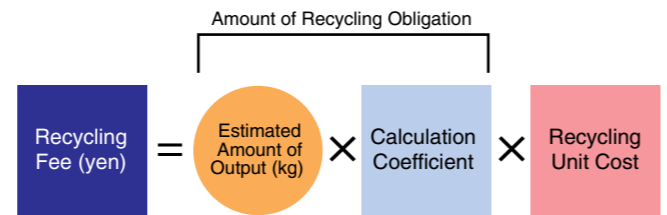
$$\text{“Estimated Amount of Output”} \times \text{“Calculation Coefficient”} \times \text{“Recycling Unit Cost”} = \text{“Recycling Fee”}$$

How much to pay as “recycling fees”—first, calculate the “estimated amount of output” based on the amount of output of the previous year. The point is to separate the amount passed on to the consumers from the amount ② collected by your company or consumed in the course of business activities, and declare only the portion which ultimately ended up as waste discarded from households (①-②). Business entities that can perform this calculation themselves should select the “ordinary calculation” and those that would have difficulty should select the “simplified calculation.”

In order to enable individual specified business entities to calculate with ease the amount of recycling which they are responsible for, a “calculation coefficient” is set. The “recycling unit cost” is calculated from recycling costs. Both of these values change each year. The amounts and ratios used as the basis for the coefficient are obtained from the Japanese government, and the recycling unit cost is announced by the Designated Organization. When these two figures are multiplied with the “estimated amount of output,” the figure obtained is the “recycling fee” payable to the Designated Organization.



*For “specified container manufacturers,” please substitute “manufactured” in place of “used.”



When and Where Is Application Made?

Application for and conclusion of recycling contracts can be done at the Chambers of Commerce or the Industry and Commerce and Industry Associations nationwide, which act on behalf of Designated Organizations. Please inquire at your nearest Chamber of Commerce and Industry or Commerce and Industry Association.

Recycling Operation Flowchart

Recycling Contract Procedures	Preceding Fiscal Year	December	Designated Organization commences acceptance of recycling contract applications (December)
Period of Recycling Operations	Current Fiscal Year	April	Commencement of recycling contract term with the Designated Organization/commencement of recycling operations.
		January	
Settlement of Recycling Fee	Next Fiscal Year	March	End of operations
		July	Settlement of recycling fee

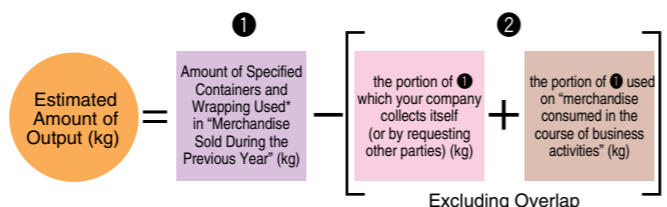
Payment May Also Be Made in Installments

When the recycling fee due to the Designated Organization exceeds 100,000 yen, payment may also be made in installments. Note that the number of installments and due dates differ depending on the size of the recycling fee.

Annual Recycling Fee	Number of Installments	April	July	October	January of subsequent year
100,000 yen or less	Total payment due	—	100%	—	—
100,000 ~ 30 million yen	Total payment due	—	100%	—	—
	3 installments	—	50%	25%	25%
30 million yen or more	2 installments	50%	50%	—	—
	4 installments	40%	30%	15%	15%

Let's calculate your recycling fee

Can you calculate your “estimated amount of output”?



*For “specified container manufacturers,” please substitute “manufactured” in place of “used.”

*Under the Containers and Packaging Recycling Law, “ordinary calculation” is used as a general rule. Please make an effort to understand ② of the formula.

Able to calculate ▶

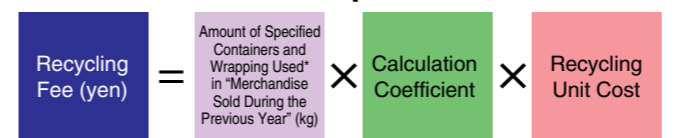
“Ordinary Calculation”



*Please see “Recycling Fee Calculation Methods” (separate paper).

Unable to calculate ▶

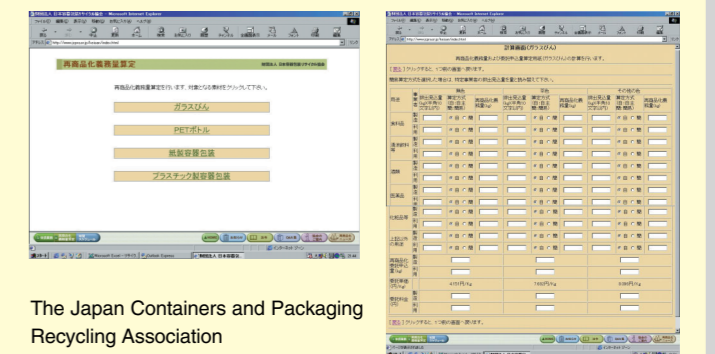
“Simplified Calculation”



Please see “Recycling Fee Calculation Methods” (separate paper). Specified containers and wrapping used in “merchandise sold in the previous year” (kg) is calculated. *For “specified container manufacturers,” please substitute “manufactured” in place of “used.”

Calculation and application can be made on our Website

On the Website of the Designated Organization, the Japan Containers and Packaging Recycling Association, we have provided a “calculation page” to assist calculating the “recycling obligation amount.” You can also make an application for a recycling contract online. Please feel free to make use of this service.



The Japan Containers and Packaging Recycling Association
<http://www.jcpa.or.jp/>

Regarding Record Keeping and Examples

Record Keeping

1	Recycling obligation amount	
2	Estimated amount of output used in calculating recycling obligation	
3	■ User Estimated amount of use of specified containers and wrapping for the current year	① Amount of specified containers and wrapping used in merchandise sold during the previous fiscal year ② Estimated amount of specified containers and wrapping to be used in merchandise (for the year of commencing use of specified containers and wrapping or discontinuing use) ③ (amount of specified containers and wrapping used in merchandise in the initial year/number of months during which merchandise was sold in the initial year) x 12 (for the second year after use of specified containers and wrapping commenced, or for the third year after commencement, if the amount of the second year is not fixed)
	■ Manufacturer Estimated amount of sales of specified containers for the current year	① Amount of specified containers and wrapping sold during the previous fiscal year ② Estimated amount of specified containers and wrapping sold (for the year of commencement of manufacturing of specified containers and wrapping or discontinuing use) ③ (amount of specified containers and wrapping sold in the initial year/number of months during which merchandise was sold in the initial year) x 12 (for the second year after manufacturing of specified containers and wrapping commenced, or for the third year after commencement, if the amount of the second year is not fixed)
4	In the case that the ordinary calculation method was used to obtain the estimated amount of output in 2.	① Amount of specified containers and wrapping collected by your company or by requesting other parties for collection, calculated according to stipulations by the competent ministries ② Amount of specified containers and wrapping not disposed of as containers and wrapping household waste, calculated according to stipulations by the competent ministries
5	■ User In the case that merchandise placed in specified containers and wrapping is exported	① Types of specified containers and wrapping ② Amount of specified containers and wrapping ③ Export destination of merchandise placed in containers and wrapping
	■ Manufacturer In the case specified containers are exported	① Types of specified containers ② Amount of specified containers ③ Export destination of specified containers
6	In the case approval has been received for own collection	① Types of specified containers and wrapping for which approval has been received ② Amount of specified containers for which approval has been received ③ Collection method for specified containers for which approval has been received
7	In the case that the estimated amount of output is obtained by ordinary calculation	① Type and collection method for specified containers and wrapping which your company is collecting ② Type and collection method for specified containers and wrapping which your company is requesting another company to collect
8	Terms and conditions of recycling contract if concluded with the Designated Organization	① Date of conclusion of recycling contract ② Amount of containers or wrapping meeting sorting standards for recycling under the recycling contract ③ Due date of recycling fee under the recycling contract and date this was paid

Note: please do not mix usage of "ordinary calculation" and "simplified calculation" on the same page.

If a Specified Business Entity Fails to Fulfill Its Obligations, It Will Be Subject to Penalty.

If for any reason a specified business entity with the recycling obligation does not fulfill that obligation, the business entity will be subject to penalties through "guidance and advice," "recommendation," "publication," and "orders" of the government.

- When there is failure to fulfill recycling obligations
- When records are not kept, when records contain false statements and when records are not retained
- When upon request from the competent ministries for a business report, a report is not provided or the report contains false statements
- When the business entity refuses inspection by the competent ministries or obstructs it

*For ①, if "guidance and advice," "recommendation," "publication," and "orders," are not complied with, a fine not exceeding 500,000 yen will be imposed.

For ② - ④, in case of non-compliance, a fine not exceeding 200,000 yen will be imposed.

Record-Keeping Example (case of a specified container user using the ordinary calculation method)

Business classification	Food manufacturing industry: soft drink manufacturing, tea or coffee manufacturing industry; alcoholic beverage manufacturing industry; oil and fat processing, soap, toiletries, synthetic detergents, surfactants and paints manufacturing industry; pharmaceuticals manufacturing industry; cosmetics, toothpaste and other manufacturing industry; retail sales industry; other industries	
Classification of containers or wrapping	Glass bottles (colorless, amber or other colors), PET bottles (for beverages or for soy sauce), other paper containers, <u>other plastic containers</u>	

"Items" in records will differ

	For a specified container manufacturer	For a specified wrapping user
Same as to the left	* Change containers to "wrapping"	* Change containers to "wrapping"
①: Weight of one specified container <Note1> (g)	Delete this item	①: Amount of specified wrapping received (kg)
②: Number of units sold of the merchandise placed in the specified containers (*) during the current fiscal year (number of units)	* Change containers to "wrapping"	* Change containers to "wrapping"
③: Weight of the specified containers used with the merchandise sold during the current fiscal year ① x ② = ③ (kg)	Delete this item	Delete this item
In the case the merchandise placed in the specified containers (*) is exported	④: Amount exported (kg)	* Change containers to "wrapping"
④: Weight of those containers (*) (kg)	Same as to the left	* Change containers to "wrapping"
⑤: Weight of specified containers (*) used for the merchandise sold within Japan ③ - ④ = ⑤ (kg)	⑤: Amount of specified containers sold within Japan (kg)	* Change containers to "wrapping"
⑥: Weight of portion of ⑤ collected by your business entity or by requesting other parties (kg)		
⑦: Weight of portion of ⑤ consumed in the course of business operations (kg)		
⑧: In the case that ⑥ or ⑦ cannot be calculated, the ratio of containers and wrapping discarded as household waste		
⑨: Estimated amount of containers and wrapping discarded as household waste ⑤ - (⑥ + ⑦) or ⑤ x ⑧ (kg)		
⑩: Coefficient used in ordinary calculation <Note2>		
Weight of recycling obligation ⑨ x ⑩ (kg)		

Items regarding recycling contracts with the Designated Organization

1. Date of conclusion of contract	year	month	day	3. Due date of recycling fee	year	month	day
2. Amount of estimated recycling	kg			4. Date of payment of recycling fee	year	month	day

<Note 1>: For the weight per unit of specified containers (or wrapping), use the figure obtained by weighing several of the specified containers (or wrapping) together (generally, ten units or more), then calculating the average weight per unit in grams (rounding the figure to the nearest gram). However, in the event that this figure is a single digit or lower, round the number to two significant figures (rounding to the nearest tenth or hundredth gram). If handles or other items are attached to the specified containers or wrapping in question and it would be difficult to separate them, the weight should include them.

<Note 2>: Use the coefficient for each fiscal year to make the calculations (refer to the "Recycling Fee Calculation Method" on the insert).