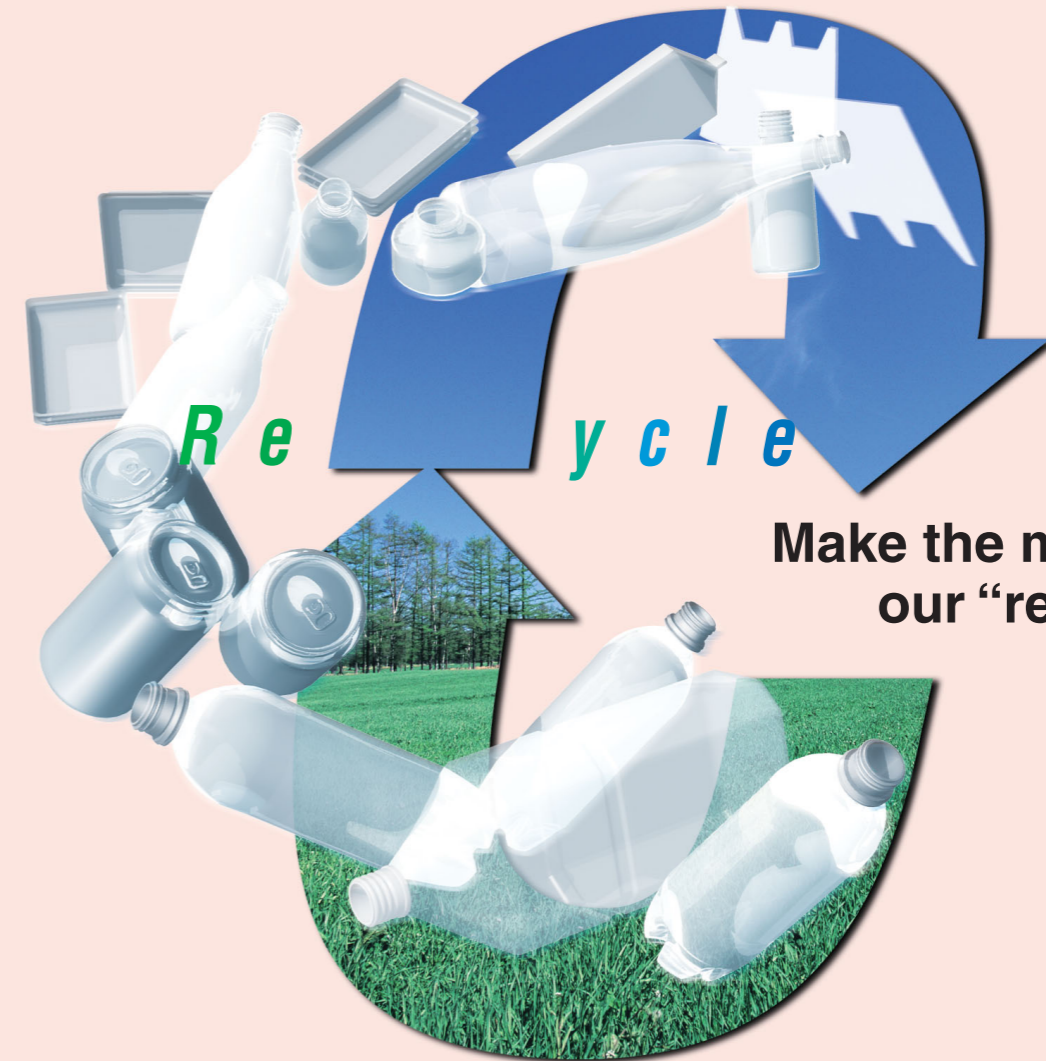


The Containers and Packaging Recycling Law



**Make the most of
our “resources!”**

▼ Sources for More Information

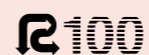
Bureau: Department, Section	Address	TEL
■ Hokkaido Bureau of Economy, Trade and Industry: Department of Environmental Protection and Natural Resources, Environmental Protection and Division	Kita Hachijo Nishi 2-1-1, Kita-ku, Sapporo-shi 060-0808	011-709-1754 (direct)
■ Tohoku Bureau of Economy, Trade and Industry: Department of Environmental Protection and Natural Resources, Environmental Protection and Recycling Division	Honcho 3-3-1, Aoba-ku, Sendai-shi 980-8403	022-263-1206 (direct)
■ Kanto Bureau of Economy, Trade and Industry: Department of Industrial Policy, Environmental Protection and Recycling Division	Kamiochiai 2-11, Saitama-shi, 330-9715	048-600-0293 (direct)
■ Chubu Bureau of Economy, Trade and Industry: Department of Industrial Policy, Environmental Protection and Recycling Division	Sannomaru 2-5-2, Naka-ku, Nagoya-shi 460-8510	052-951-2768 (direct)
■ Kinki Bureau of Economy, Trade and Industry: Department of Industrial Policy, Environmental Protection and Recycling Division	Otemae 1-5-44, Chuo-ku, Osaka-shi 540-8535	06-6966-6018 (direct)
■ Chugoku Bureau of Economy, Trade and Industry: Department of Environmental Protection and Natural Resources, Environmental Protection and Recycling Division	Kamihatchobori 6-30, Naka-ku, Hiroshima-shi 730-8531	082-224-5675 (direct)
■ Shikoku Bureau of Economy, Trade and Industry: Department of Environmental Protection and Natural Resources, Environmental Resource Division	Bancho 1-10-6, Takamatsu-shi 760-8512	087-834-3954 (direct)
■ Kyushu Bureau of Economy, Trade and Industry: Department of Environmental Protection and Natural Resources, Recycling Promotion Division	Hakataeki Higashi 2-11-1, Hakata-ku, Fukuoka-shi 812-8546	092-482-5471 (direct)
■ Okinawa General Bureau, Cabinet Office: Department of Economy, Trade and Industry, Environmental Resource Division	Maejima 2-21-7, Naha-shi 900-8530	098-866-0068 (operator)
■ Ministry of Economy, Trade and Industry: Industrial Science and Technology Policy and Environment Bureau, Recycling Promotion Division	Kasumigaseki 1-3-1, Chiyoda-ku, Tokyo 100-8901	03-3501-4978 (direct)

● Homepage: <http://www.meti.go.jp/>

Government-Designated Organization	Address	TEL
■ The Japan Containers and Packaging Recycling Association	Yusei Gojokai Kotohira Bldg. (3rd/8th Fl.), 1-14-1 Toranomon, Minato-ku, Tokyo 105-0001	General Affairs Division 03-5532-8597 Public Relations Division 03-5532-8604

● Homepage: <http://www.jcpra.or.jp/>

Ministry of Economy,
Trade and Industry, Japan



(2003.1 200,000)

Ministry of Economy,
Trade and Industry, Japan

Containers and wrapping waste is increasing ...that is why this law has been created.

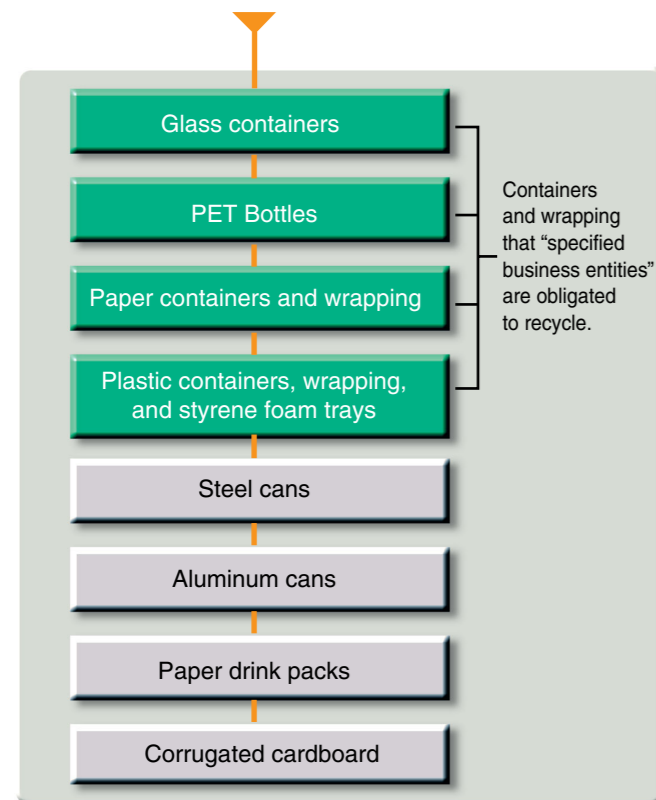
What is the "Containers and Packaging Recycling Law?"

Containers and Wrapping Account for 60% of Waste

Each year households in Japan discard about 51.45 million tons of waste (FY1999 figure). "Containers and wrapping waste" account for about 60% of this waste by volume. In order to promote the conversion of these discarded containers and wrapping into a "resource," the Containers and Packaging Recycling Law* was officially announced in June 1995 and implemented in April 1997. Consumers, municipalities, business entities, and each and every person all have a role to play in cooperating actively to build a recycling-oriented society.

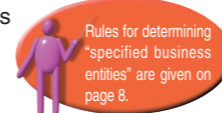
*Officially called the "Law for Promotion of Sorted Collection and Recycling of Containers and Packaging."

Containers and Wrapping Targeted for Selective Collection



Businesses Required to Recycle

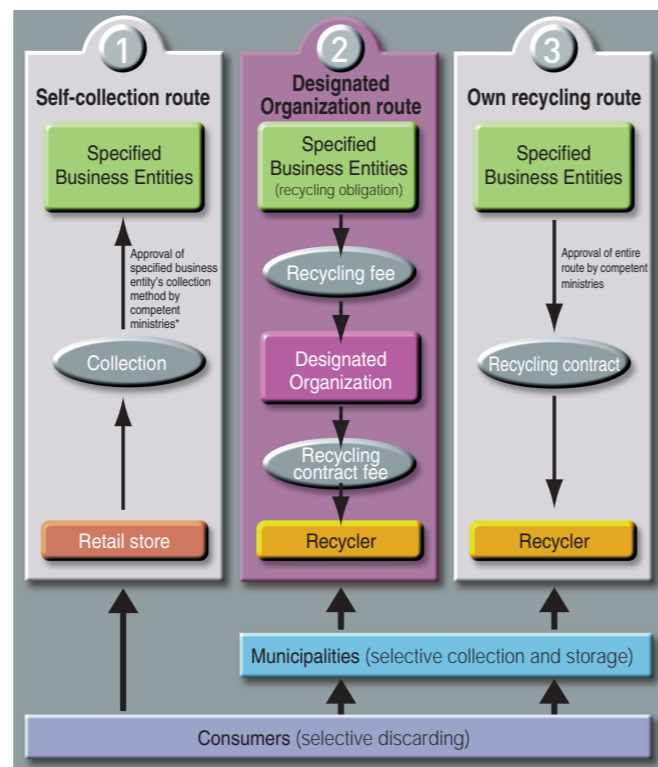
Medium or large-scale business entities of the following categories are, as a general rule, considered "specified business entities" under the Containers and Packaging Recycling Law and are obligated to recycle: 1) business entities that use "containers" or "wrapping" in manufacturing or selling merchandise, 2) business entities that manufacture "containers," and 3) business entities that import and sell "containers" or merchandise in "containers" or "wrapping." However, small-sized business entities meeting the requirements listed below are not subject to this law.



Definition of Small-sized Business Entities (those exempted from recycling obligations)

Type of Business	Sales	Number of Employees
Manufacturing	¥240 million or less	20 or fewer employees
Retail/Wholesale, Services	¥70 million or less	5 or fewer employees

The Three Recycling Routes



*Please see page 5 "Designated Organization"

Efforts to Recycle

Under the Containers and Packaging Recycling Law, recycling roles have been assigned to specified business entities for effective use of resources. The total amount of recycling obligation under the law is based on the amount of selective collection planned by municipalities and the amount which can be recycled, and is calculated by the competent ministries. The amount of selective collection and the recyclable amount are announced by the government in its five-year plans.

Amount of Selective Collection and Recyclable Amount

Estimated amounts of selective collection (unit: 1000 tons)

	2003	2004	2005	2006	2007
Glass bottles (colorless)	431	442	451	460	467
Glass bottles (amber)	372	381	387	395	401
Glass bottles (other colors)	197	202	206	210	214
PET bottles	214	229	243	259	273
Paper containers and wrapping	148	165	190	207	222
Plastic containers and wrapping	487	628	752	854	917

Recyclable amount (unit: 1000 tons)

	2003	2004	2005	2006	2007
Glass bottles (colorless)	270	270	270	270	270
Glass bottles (amber)	200	200	200	200	200
Glass bottles (other colors)	160	160	160	160	160
PET bottles	292	311	315	317	319
Paper containers and wrapping	313	505	505	505	505
Plastic containers and wrapping	591	655	776	835	892

The total amount of Recycling Obligation (Fiscal 2003)

Items included in the specified selective standard	Estimated amount of selective collection for FY2003 (= a) 1000 tons	Estimated amount of recycling obligation for FY2003 (= b) 1000 tons	The amount is calculated based on the smaller figure for (a) and (b) above 1000 tons	Ratio for which specified business entities are responsible %	Total amount of recycling obligation for FY2003 10,000 kg
Glass bottles (colorless)	431	270	270	90	24,300
Glass bottles (amber)	372	200	200	82	16,400
Glass bottles (other colors)	197	160	160	88	14,080
PET bottles	214	292	214	100	21,400
Paper containers and wrapping	148	313	*71	92	6,532
Plastic containers and wrapping	487	591	487	91	44,317

*The figure is arrived at by subtracting the amount independently disposed of by municipalities, which is about 77,000 tons according to a survey by the Ministry for the Environment, from the estimated total amount for selective collection.

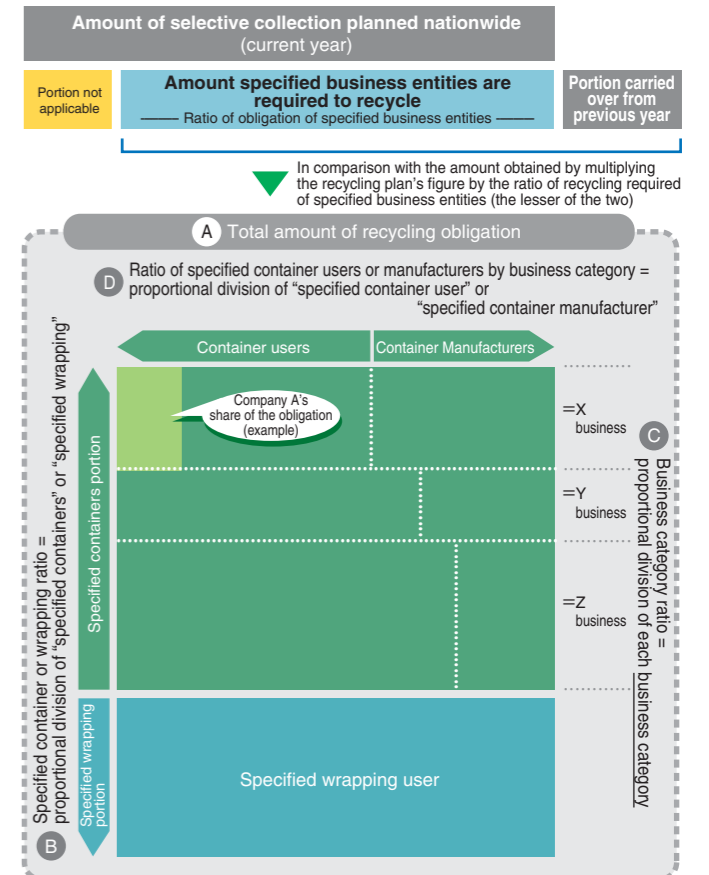
Notes on Terminology

- In this pamphlet, the term "containers" is used to mean bottles, boxes or the like into which merchandise is placed, and "wrapping" to mean wrapping paper or the like in which merchandise is wrapped; and the term "containers and packaging" is used to mean both only in the names of the Law and the designated organization.
- The term "selective collection" or "sorted collection" means collection of sorted packaging waste or collection and sorting of commingled packaging waste by municipalities, which is similar to the curbside collection in the U.S.A.

How to Calculate Amount of Recycling Obligation

Each specified business entity will have its own respective "amount of recycling obligation" in accordance with its category of business and the types of containers and wrapping involved. In addition, the amount used or manufactured will be taken into account when calculating the amount of recycling obligation.

Model for Calculating Amount of Recycling Obligation



Company A's Case (specified container users)

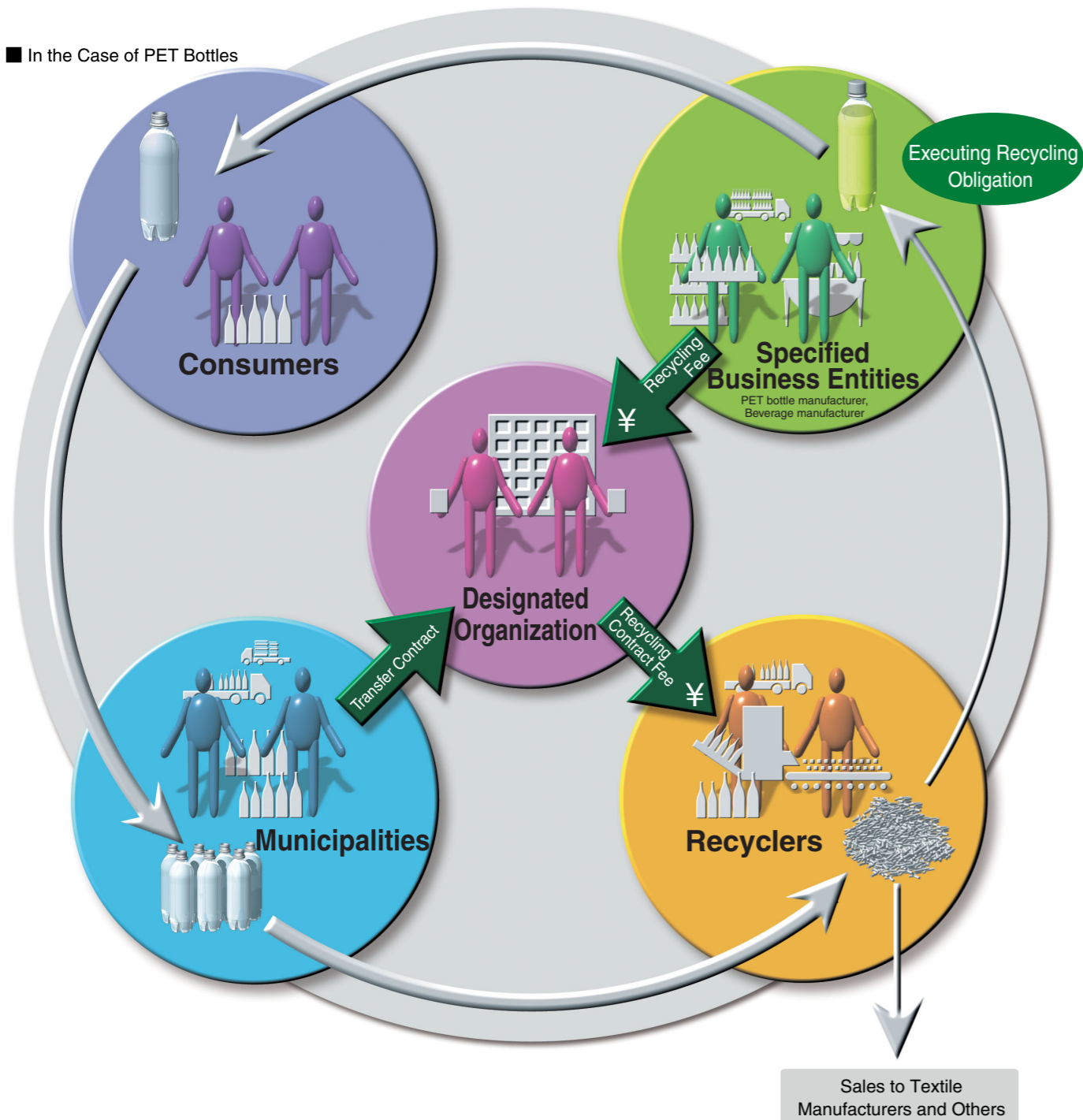
$$\text{Amount of recycling obligation} = A \times B \times C \times D \times \frac{\text{estimated output of individual container user}}{\text{estimated total output of all container users in that business category}}$$

Transforming “waste” into “resources” once again.

Mechanism for Recycling Containers and Wrapping (flowchart of recycling by the Designated Organization route)

Each person has a role to play in recycling from his or her respective position—that is the basic idea expressed in the Containers and Packaging Recycling Law. In other words, if any of the parties involved—the “specified business entity” that bears recycling obligation, the “municipality” that undertake selective collection, or the “consumer” who undertakes selective discarding of their waste—fails to fulfill their roles, waste cannot be transformed back into resources again.

In the Case of PET Bottles



Recycling Methods

Type	Recycling methods	Examples of recycled products
Glass containers	Making cullet, etc.	<ul style="list-style-type: none"> Glass containers Construction and civil engineering materials, and others
PET bottles	<ul style="list-style-type: none"> Pelletization, etc. Polyester materials, etc. 	<ul style="list-style-type: none"> Fibers Sheet plastic PET bottles and others
Paper containers and wrapping	<ul style="list-style-type: none"> Selected pulp and waste paper + Refuse Derived Fuel Construction materials, recycled and shredded paper, textiles, etc. + Refuse Derived Fuel 	<ul style="list-style-type: none"> Paperboard Solid fuel Recycled and reused boards, etc.
Plastic containers and wrapping Styrene foam trays	<ul style="list-style-type: none"> Materials for plastics Synthetic oil Coke substitute for pig iron production Synthetic gas Coal substitute for coke production 	<ul style="list-style-type: none"> Stationery supplies, household sundries and other plastic products Materials for industrial use

Specified Business Entities

- Business entities which use “containers” or “wrapping” in manufacturing or sale of merchandise
- Business entities which manufacture “containers”
- Business entities which import and sell merchandise placed in “containers” or “wrapping”

*These businesses are called “specified business entities” and have the recycling obligation (This does not apply to small-sized businesses).

Rules for determining “specified business entity” status are given on page 8.

Consumers (selective discarding)

Recycling begins with good manners and the due consideration of individual consumers. Please follow the “discarding rules” set forth by the respective municipalities. In addition, make an effort to choose products with simpler packaging and make active use of refillable containers. With everyone’s understanding and cooperation, we can take that first, crucial step in recycling.

Municipalities (selective collection)

Municipalities play two roles: 1) conducting collection, sorting and washing of containers and wrapping in accordance with “sorting standards” specified under the law, and 2) storing in appropriate storage facilities. Containers and wrapping waste clearing both 1) and 2) are called “items meeting sorting standards.”

Items meeting sorting standards collected by municipalities which have concluded transfer contracts with the Designated Organization are received by the Designated Organization, which proceeds to the next step in recycling.

Recyclers

Recyclers transport items meeting sorting standards and process them, transforming them into “resources” once more.

Designated Organization

The Japan Containers and Packaging Recycling Association is a Designated Organization appointed by the five competent ministries (Finance; Health, Labor and Welfare; Agriculture, Forestry and Fisheries; Economy, Trade and Industry; and the Environment). It promotes smooth and appropriate recycling of items meeting sorting standards.

What are the “containers” and “wrapping” that specified business entities are obligated to recycle?

What are Containers and Wrapping?

“Containers” can be thought of as things into which merchandise is placed (this includes bags), and “wrapping” as materials in which merchandise is wrapped. Further, under the Containers and Packaging Recycling Law, containers and wrapping are defined as “things that become unnecessary once the merchandise has been consumed or otherwise separated from them.”

Materials and Shapes

Glass Containers	<ul style="list-style-type: none"> Containers made primarily of glass (excluding those made of silicate glass or milk glass) and which are listed here. 	<ol style="list-style-type: none"> Bottles, 2) cups and cup-shaped containers, 3) plates and trays, 4) containers having a structure or form similar to 1) to 3), and 5) stoppers, lids and caps for containers or items resembling these.
PET Bottles	<ul style="list-style-type: none"> Containers made mainly of polyethylene terephthalate (to be filled with beverages and soy sauce) and which are listed here. 	<ol style="list-style-type: none"> Bottles, 2) other containers having a structure or form similar to 1).
Paper Containers and Wrapping	<ul style="list-style-type: none"> Containers or wrapping made mainly of paper (excluding paper drink packs and items consisting mainly of corrugated cardboard) and which are listed here. 	<ol style="list-style-type: none"> Boxes and cases, 2) cups and cup-shaped containers, 3) plates and trays, 4) bags, 5) containers having a structure or form similar to 1) to 4), 6) stoppers, lids and caps for containers or items resembling these, 7) containers used as a part of a main container, which are processed or glued to the container so as to protect or immobilize the merchandise placed in this container, and 8) wrapping.
Plastic Containers and Wrapping	<ul style="list-style-type: none"> Containers or wrapping made mainly of plastic (excluding the above PET bottles) and which are listed here. 	<ol style="list-style-type: none"> Boxes and cases, 2) bottles, 3) casks and buckets, 4) cups and cup-shaped containers, 5) plates and trays, 6) containers consisting of a sheet with indentations, 7) tube-shaped containers, 8) bags, 9) containers having a structure or form similar to 1) to 8), 10) stoppers, lids and caps for containers or items resembling these, 11) containers used as a part of a main container, which are processed or glued to the container so as to protect or immobilize the merchandise placed in this container, and 12) wrapping.

Method for distinguishing containers and wrapping composed of two or more materials

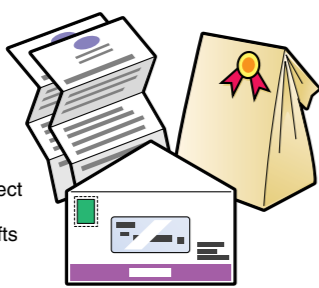
Classify them according to the heaviest of the materials of which they are composed (the material that has the largest percentage of all in terms of weight)

Items not listed above are exempt from the law.

Exemption 1

When the item contained is not merchandise:

- Envelopes containing letters and direct mail
- Paper bags and boxes containing gifts
- Containers and wrapping placed in households, etc.



Exemption 2

When they are used for “supply of services,” not “merchandise:”


- Dry cleaning bags
- Containers and wrapping with coupons, gift certificates, etc.



Exemption 3

Items which do not become unnecessary when removed from the contents or which are a part of the merchandise:

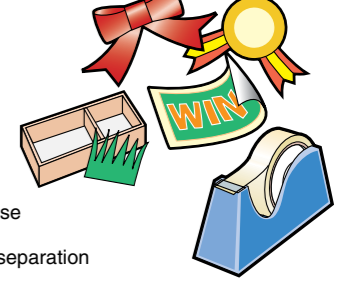
- CD cases
- Book jackets
- Cases for musical instruments, cameras, and others.
- Glass display cases for dolls, etc.



Exemption 4

In accordance with what is commonly understood as such:

- Wrapping which covers less than one half of the surface of merchandise
- Labels, stickers, seals and tapes
- Items which are used after physical separation from “containers” or “wrapping”
- Partitions in boxes of sushi, etc.



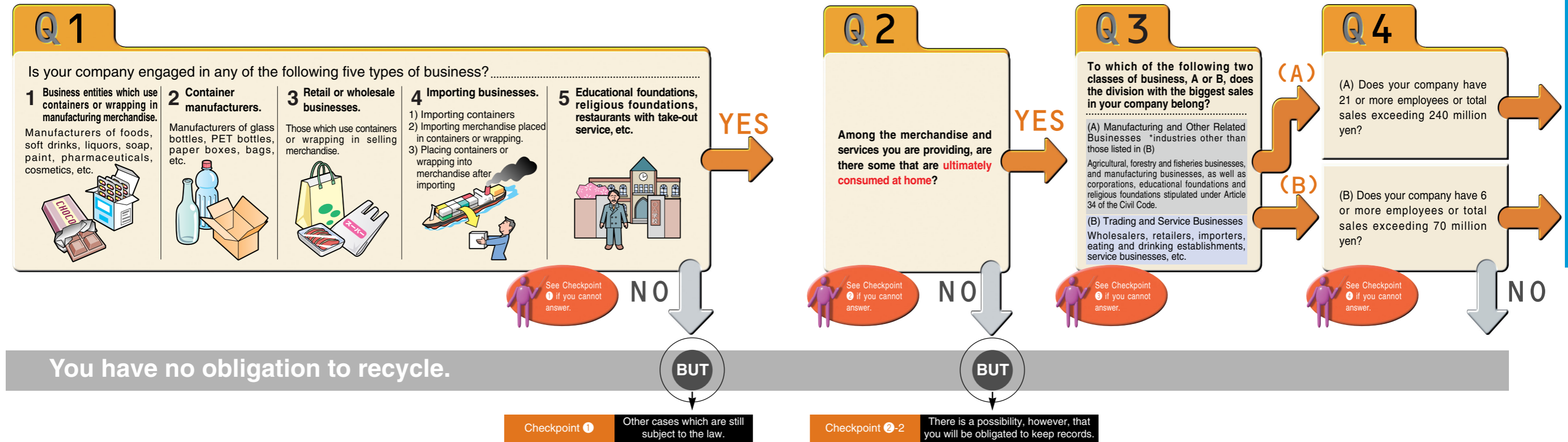
“Determining Criteria” and “Main Examples” of Containers and Wrapping

Examples of Containers	Containers which become unnecessary when removed from the included merchandise <ul style="list-style-type: none"> - Boxes for candy or toys - Boxes for shoes or household electronics - Pocket-sized bag for tissue paper - Containers for lipstick or stick glue - Multi-packs containing beverages or natto - Outer shrink-film for a packet of cigarettes - Plastic or paper bags received at supermarket check-out counters - For package of multiple-roll toilet paper - Outer shrink-film for cup noodles - Bag for straws that come with beverage packs - Bag for chopsticks that come with box lunches, etc. 	Other Items Generally Considered as Containers or Wrapping	Lids, caps and other items forming a part of containers <ul style="list-style-type: none"> - Stoppers and lids for containers (lids on cup noodles, pudding, etc.) - Caps (tops to aerosol cans) - Pumps and trigger-style nozzles on shampoo and other bottles - Inner lids (on bottles of liquid cosmetics) - Container mouth seals (seals on the mouths of tubes containing flavoring agents)
	Wrapping which becomes unnecessary when removed from the included merchandise <ul style="list-style-type: none"> - Wrapping paper at department stores and other retailers - Wrapping film for covering fresh food products on trays - Paper and film used to wrap hamburgers, caramels, etc. - Stretch-film for wrapping lunches sold at convenience stores, etc. <p><small>*This applies to wrapping that exceeds one half of the minimum area necessary to cover the entire item of merchandise. Thus, tape for binding vegetables in bunches, the band label on socks and similar bands are exempt from the law.</small></p>		Items used to protect or immobilize merchandise or resembling lids or trays <ul style="list-style-type: none"> - Molded material to contain machine parts - Crayon case inner sheets - Shock absorbing materials made of expanded polystyrene materials - Soft sheets or nets for wrapping merchandise - Film or other items resembling lids which cover the surface of butter or strawberries placed in packs - Cardboard inserts for maintaining the shape of shirts

Chart for determining whether or not you are obligated to recycle.

Method for Determining Specified Business Entity Status

* Please refer to the respective checkpoints below when you cannot answer the questions or are uncertain of your status.



Checkpoint 1
If your company has a division that handles containers or wrapping, please proceed to Q2.

Checkpoint 2
<1> Cases in which merchandise is not consumed at home.
Even when containers and wrapping are used, they are not consumed at home in the following cases. Even in these cases, though, there is still a record keeping obligation. For information regarding keeping these records, please see pages 14-15.

- Plastic bags containing sauces made available at restaurants (because they are consumed in the course of business activities at the restaurant, and not considered to become household waste).
- Containers or wrapping placed solely for the purpose of shipping merchandise (because they should be normally disposed of properly at the shop or place of business, as business waste which ① are placed as part of a delivery service, ② are not provided to the customers as part of the merchandise, and ③ will not require the customer to bear waste disposal obligation).

- Glass and other containers containing pharmaceuticals shipped solely to hospitals and disposed of at the hospitals after their use.
- A case in which a business entity is selling "rice balls" (dried rice), for example, to be used in overseas travel, 90% of which, according to the results of its own survey, are generally consumed overseas (items disposed of overseas are not considered to be consumed at households).

<2> Regarding "Record Keeping Obligation"
Even if you do not belong to the example given in <Q2>, if you answer YES to <Q4>, you will be responsible for keeping records. It is important to keep records in order to calculate accurately the amount of recycling obligation and to perform follow-up confirmation. Records must be closed each year and retained for a period of five years after closing. For more detailed information, please see pages 14-15.

Checkpoint 3
If your company has two or more divisions with approximately equal sales, please choose A or B based on an overall determination of which division is largest considering ① sales, ② number of employees, and ③ scale of facilities. If your company has a division which manufactures or sells merchandise, you are engaged in that kind of business, even if the main division is construction, transport, communications, real estate or the like.

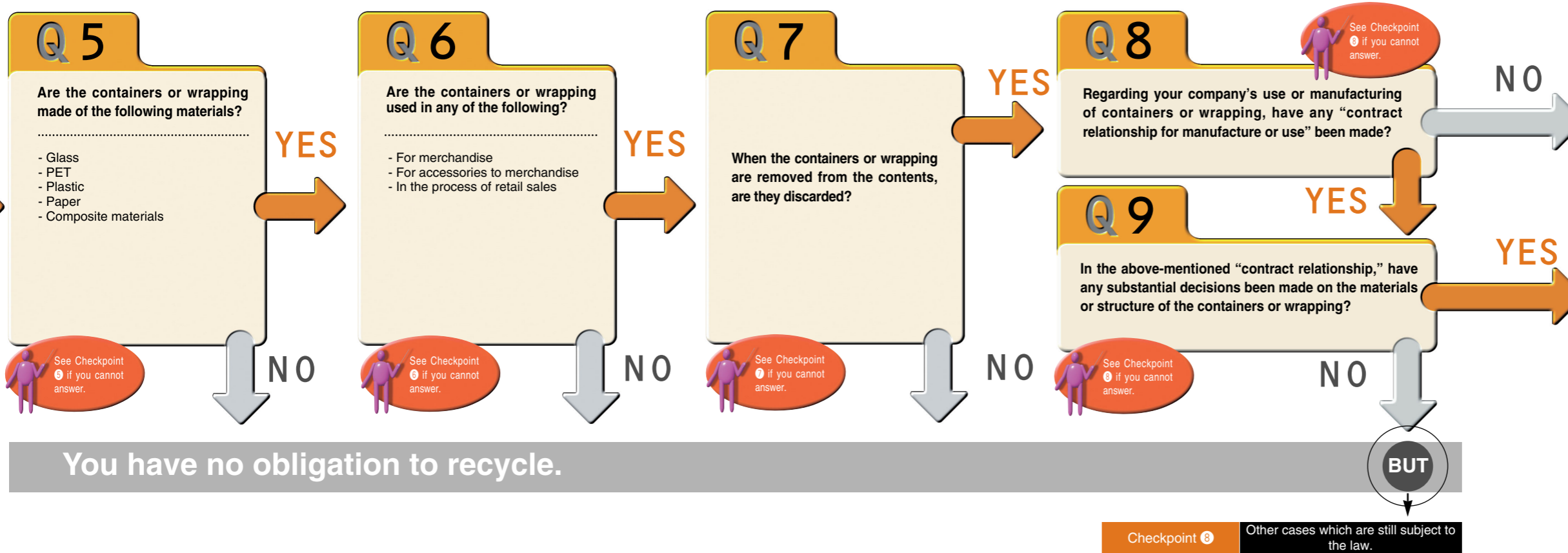
Checkpoint 4
<1> Calculating number of employees
Please consider the total number of employees at your company, not just the number of employees in separate divisions. Specifically, employees are considered as follows:
① For multiple branches, the total number of employees overall,
② judged as the "number of persons normally employed."
Here, the "number of persons normally employed" is decided in accordance with the construction of the Labor Standards Law and Basic Law on Small and Medium Businesses. In general, this does not include part-time or temporary workers, but here "part-time or temporary workers" means "person not requiring advance notice of discharge," as follows
● Daily hired,

- (excluding, however, those who continued to be employed beyond a one-month period)
- Persons employed for a term of two months or less, (excluding, however, those who continued to be employed beyond a two-month period)
- Seasonal workers employed for a term of four months or less (excluding, however, those who continued to be employed beyond a four-month period)
- Persons employed for a probation period (excluding, however, those who continued to be employed beyond a fourteen-day period)

<2> Calculating total sales
Here, "total sales" means the sales that is commonly understood as such. For this reason, you can use whatever your company itself uses in settling its accounts. Also, as the purpose is to determine how much income your company has earned overall and how much economic power it possesses, please consider the sales of your company overall. In counting sales by business category, the following procedures are normally followed.
● Mining and manufacturing business: counting sales of merchandise,
● Transport and service business: counting the value of the services provided,
● Wholesale and retail businesses: counting sales of merchandise,
● Agriculture, forestry and fisheries businesses: counting sales of merchandise.

Method for Determining Specified Business Entity Status

* Please refer to the respective checkpoints below when you cannot answer the questions or are uncertain of your status.



Checkpoint 5

<1> Meaning of glass, PET, plastic and paper materials
The "materials" of the containers and wrapping of <Q5> indicate those defined on page 6.

<2> Composite materials

Regarding containers and wrapping made of multiple materials which would be hard to separate, please determine the type of containers or wrapping on the basis of the material of the highest ratio by weight.

- Example of a composite material: trays formed from fillersheet (50% or more calcium carbonate content) are considered to be calcium carbonate containers, and thus non-plastic containers and wrapping, and are exempt from the law.

Checkpoint 6

The use of containers and wrapping in <Q6> is for merchandise or its accessories.

- Gifts and services (rental videos, dry cleaning) do not fall within the scope.
- Regarding samples (for trial use, etc.), if they are clearly distinguishable from merchandise to be sold, then they are exempt from the law, but if they are indistinguishable from merchandise being sold, then even if they are being called samples and distributed free of charge, they are subject to the law.
- For other examples, please see page 7 "Main Examples of Containers and Wrapping."

Checkpoint 7

For judging whether or not containers or wrapping will be discarded once removed from the contents, please see page 7 "Main Examples of Containers and Wrapping."

Checkpoint 8

Entities that are entrusted with the manufacture of containers or wrapping from entities that use the containers or wrapping will be considered specified business entities, regardless of whether or to what degree they have received manufacturing instructions or materials from the users.

Checkpoint 9

Regarding the obligations under the Containers and Packaging Recycling Law, please see pages 4-5.

The obligations under the Container and Packaging Recycling Law apply to you.

Specified Business Entity

If any points remain unclear, please consult with us.
* Our contact information is listed on the back cover of this booklet.

*** If you fail to fulfill your obligations, you will be subject to penalties.**
(For details, please see page 14.)

Checkpoint 9

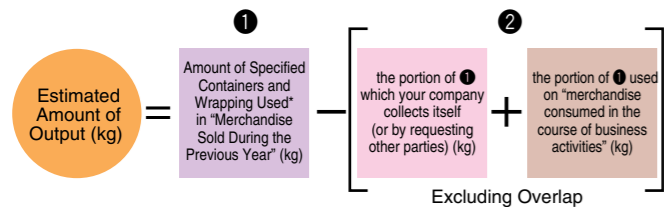
You can also fulfill your obligations by paying a recycling fee to the “Designated Organization.”

The “Recycling Fee” and Methods of Calculation

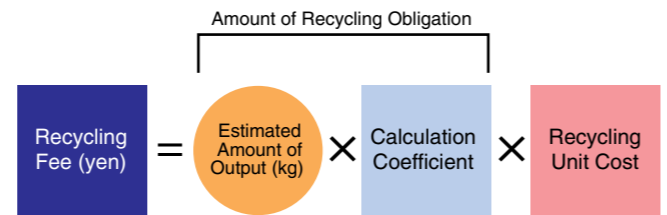
$$\text{“Estimated Amount of Output”} \times \text{“Calculation Coefficient”} \times \text{“Recycling Unit Cost”} = \text{“Recycling Fee”}$$

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

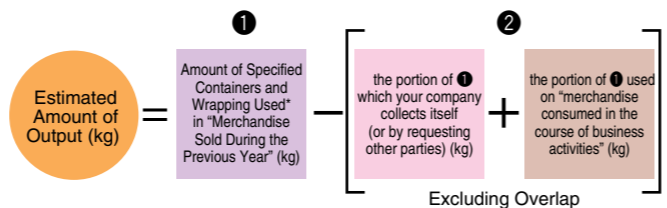
Payment May Also Be Made in Installments

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 ▶

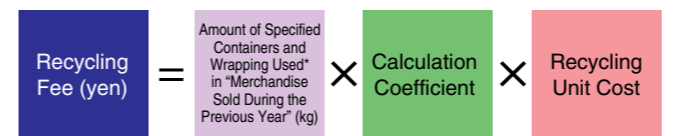
“Ordinary Calculation”



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

Unable to calculate ▶

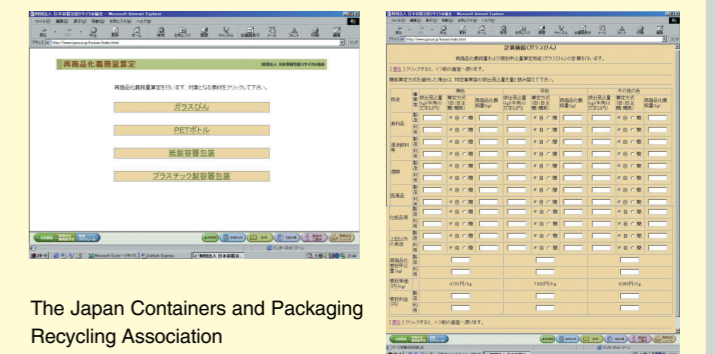
“Simplified Calculation”



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)	Same as to the left	Same as to the left
⑦: Weight of portion of ⑤ consumed in the course of business operations (kg)	Same as to the left	Same as to the left
⑧: In the case that ⑥ or ⑦ cannot be calculated, the ratio of containers and wrapping discarded as household waste	Same as to the left	Same as to the left
⑨: Estimated amount of containers and wrapping discarded as household waste ⑤ - (⑥ + ⑦) or ⑤ x ⑧ (kg)	Same as to the left	Same as to the left
⑩: Coefficient used in ordinary calculation <Note2>	Same as to the left	Same as to the left
Weight of recycling obligation ⑨ x ⑩ (kg)	Same as to the left	Same as to the left

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).

Please display "Identification Marks"

The purpose of the identification markings is to facilitate the sorting of discarded items by consumers when they put out the waste and to promote selective collection by municipalities. Based on the Resource Effective Use Promotion Law (official name: Law Concerning Promotion of Effective Use of Resources) before its revision, there has already been an obligation to display identification marks on steel or aluminum cans for alcoholic or non-alcoholic beverages and PET bottles for alcoholic, non-alcoholic beverages or soy sauce, but from April 2001, this obligation has been extended to plastic and paper containers and wrapping.

			PET bottles for beverages and soy sauce
			Steel can for beverages
			Aluminum can for beverages

Plastic containers and wrapping, excluding above PET bottles for beverages and soy sauce

Paper containers and wrapping, excluding paper drink packs (using no aluminum) and corrugated cardboard

Business Entities Subject to the Law, and Targeted Containers and Wrapping

- Business entities using containers or wrapping, business entities manufacturing containers or wrapping and business entities importing and selling containers or wrapping bear the Identification Marking obligation.
- Note that even small-sized business entities, unlike in the case of recycling obligation, are not exempt from the Identification Marking obligation.
- Recycling obligation and Identification Marking obligation, as a general rule, do not apply to containers and wrapping of merchandise consumed for the purpose of business activities.

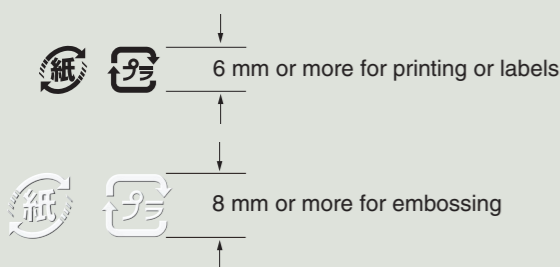
▼ For inquiries regarding Identification Markings...

	TEL	FAX	Homepage
Ministry of Economy, Trade and Industry: Industrial Science and Technology Policy and Environment Bureau, Recycling Promotion Division	03-3501-4978		http://www.meti.go.jp/
Designated Organization Japan Containers and Packaging Recycling Association: Research and Planning Division	03-5532-8591 / 8558	03-5532-9698	http://www.jppra.or.jp/
Printing Pattern Plastic Containers and Packaging Recycling Promotion Council	03-3501-5893	03-5521-9018	http://www.pprc.gr.jp/
Paper Containers and Packaging Recycling Promotion Council	03-3501-6191	03-3501-0203	http://www.kami-suisinkyo.org/
Plastic Material Indication for Plastic Packaging Japan Plastic Industries Federation	03-3586-9761	03-3586-9760	http://www.jpif.gr.jp/
Voluntary Marking Paper Drink Packs Council	03-3264-3903	03-3261-9176	
Corrugated Cardboard Recycling Council	03-3248-4851	03-5550-2101	
Markings for Steel or Aluminum Cans and PET Bottles Steel Can Recycling Association	03-5550-9431	03-5550-9435	http://www.rts.or.jp/steelcan/
Aluminum Cans Recycling Association	03-3582-9755	03-3505-1750	http://www.alumi-can.or.jp/
PET Bottles Recycling Promotion Council	03-3662-7591	03-5623-2885	http://www.petbottle-rec.gr.jp/

Method of Identification Markings (plastic marking and paper marking)

① Marking Rules

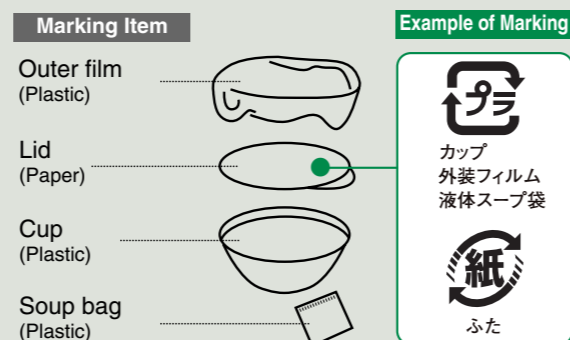
- **Design**
The design of the Identification Marks shall basically be as per the marks shown herein. As long as Marks remain easily recognizable and conspicuous, minor modification or decoration is allowed to the prescribed design.
- **Size**
The vertical length of the Identification Mark shall be:



- **Marking Method**
Identification Marks shall be indicated on the surface by printing, embossing or labels.

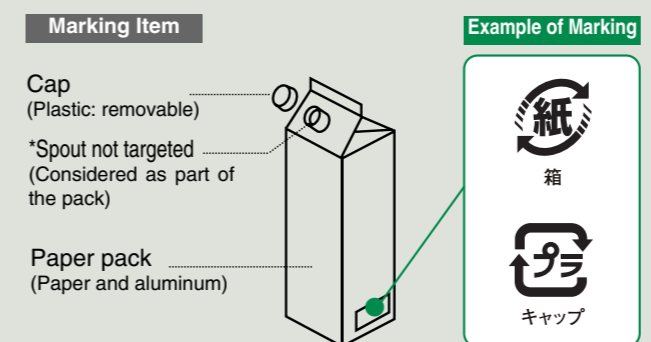
② Multiple Packaging and Collective Marking

- In case of so-called multiple packaging which consists of separable components, such as cups for instant noodles (the cup, a lid, outer film and soup bag), or shampoo bottles (the bottle, cap and pump), or which consists of outer packaging and inner packaging contained therein, such as cake box (inner bag and outer box), each component (other components are called "integrated containers and wrapping" in the rules and regulations) is regarded to be one container or wrapping, and the Identification Mark shall basically be placed directly on each of them.
- However, the marks for respective components may be collectively placed on one of them if they are to be discarded at almost the same time. In this case, the names of components (called "role names" in the rules and regulations) shall be indicated near their respective Marks.



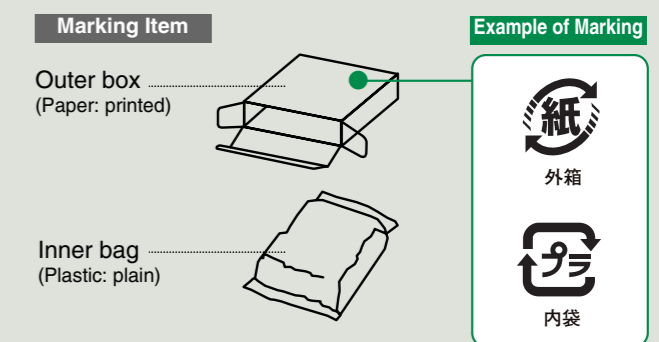
③ Composite Packaging

- In case of plastic spouts on paper packs of Japanese sake (which also contain aluminum) and paper labels glued on plastic bottles not separable from glass bottles, or laminated film of plastic and aluminum, the inseparable unit is regarded to be one container or wrapping. The Identification Mark to be placed on such a unit is decided by the heaviest material in the unit.
- However, the plastic shrink labels surrounding PET bottles used for beverages or soy sauce, many of which come with perforations to make it easy to remove them, are treated as a separable component in multiple packaging, as discussed ② on the left.



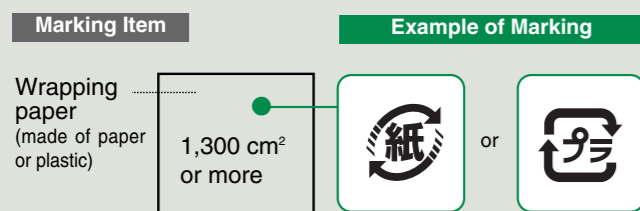
④ Plain Containers and Wrapping and Those on which Markings Cannot be Made

- Items on which labels have been glued or those made by a molding process in which it is possible to engrave markings do not qualify as plain.
- For plain containers and wrapping and those on which the marking is not physically possible but which come with other structural parts that can be removed (the "integrated containers and wrapping" of ② on the left) including one or more for which there is Identification Markings obligation (steel or aluminum beverage cans; beverages or soy sauce PET bottles; plastic or paper containers and wrapping: called "related containers and wrapping" in the rules and regulations), the Identification Marks along with the role name will be displayed on one of the "integrated containers and wrapping." In this case, if there is a piece of "integrated containers and wrapping" which will be discarded at almost the same time as the plain containers and wrapping, or that on which the marking is not physically possible, the marking will be displayed on that.
- If there are no "related containers and wrapping" among the other structural parts, or if there are, but they are all plain or cannot be marked on, there is no Identification Markings obligation.



⑤ Wrapping Paper

- Wrapping paper (made of paper or plastic) to be used by retail stores is exempt from the Marking requirement if its size is 1,300 square centimeters or less. However, the Identification Marking is preferred even for such small sized paper if the cutting shape is known when the paper is ordered.
- Wrapping paper manufactured to wrap a specific merchandise is not exempted regardless of its size.



⑥ Imported Goods

- Importers assume the obligation of the Identification Markings in the following cases:
- They provide directions regarding specification of materials or structure of containers and wrapping or use of their trademarks.
 - Japanese language is used on containers and wrapping by printing, embossing or labels.

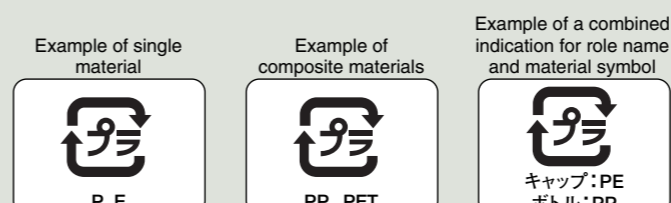
Penalties

Any entities designated as "indication identification entities" or that have the obligation to make identification markings that fail to make the necessary indications or comply with the specified requirements will be subject to government "penalties" through a process of guidance, public announcements, and injunctions in accordance with the provisions of the Law for the Promotion of Effective Utilization of Resources.

* Smaller enterprises as stipulated in the Small and Medium Enterprise Basic Law or designated by government ordinances will be not be the target of such guidance, if the amount of their receipts corresponds to government-designated requirements.

⑦ Material Indication

- Regarding plastic containers and wrapping, there is no legal obligation to indicate the type of plastic used or the presence of other materials, but it is still desirable to do so.
- Even when displaying them voluntarily, one must follow guidelines in JIS K 6899-1200 (ISO1043-1 1997) regarding symbols for materials.
- For composite materials, two or more materials are to be indicated, and the most prevalent material is to be underlined.
- A combined indication will have a colon separating the name of the role from the symbol for the material, as in the example below right.



⑧ Marking Guidelines

- In order to facilitate implementation of Identification Markings, it is expected that industrial organizations establish guidelines for each industry and member companies follow these.

⑨ Voluntary Marking

- There is no legal obligation for Identification Markings for paper drink packs (not using aluminum) and corrugated cardboard packaging, but related industrial organizations have voluntarily adopted markings for these and are displaying them.

