

## **EFFECTS OF PALPA'S RECYCLING SYSTEM ON THE PRICING OF ALCOHOLIC BEVERAGES**

Before submitting an offer, the offeror must already know whether the product will be registered into the recycling system (= product will come with a deposit) or whether the product is left without deposit, in which case it will be subject to a beverage container tax. Offerors must take the deposit/no deposit question into consideration on their offers. The producer/importer is responsible for the measures required for the registration of the product and for the charges related to it. Recycling charges and the EAN code registration charges will be defined by PALPA ([www.palpa.fi](http://www.palpa.fi)).

### **Products using Alko's import service or delivery terms TOP Alko's central warehouse**

Most of the products offered for Alko's import service will be registered into PALPA's recycling system. Only the smallest purchase quantities will not be registered. By this we mean products that we buy for our flagship shop's special assortment, reservable lottery products and products whose search text includes an indication that the product will not be registered into the recycling system. Likewise, products that do not fulfil PALPA's requirements concerning material or other qualities, or products without an acceptable EAN code for the reverse vending machines for empty bottles, cannot be registered into the system.

In the pricing of Alko imported products the 'import service EAN coding cost' consists of the costs that Alko pays to PALPA for the registration of both new products and changed EAN-codes.

PALPA's deposit symbol will not be applied for products using Alko's import service. Instead, for offerors supplying to Alko's central warehouse it may be an option, and this option is available in the price calculator menu. When offering for Alko's import service or if TOP Alko's central warehouse terms are used, the purchase price must not include deposit. Suppliers offering delivery to Alko's central warehouse must themselves take care of PALPA's charges for registrations.

Alternatives in 'precision of container type' menu:

The screenshot shows the 'PRICE CALCULATOR 2013' interface with the 'PRODUCT SPECIFICATIONS' section. The 'Precision of container type' dropdown menu is highlighted with a green oval, showing the selected option: 'Palpa's recyclable glass bottle, 0.5 litres or smaller, without Palpa's recycling symbol'. Other visible options include 'Glass bottle' and 'Palpa's recyclable glass bottle, 0.5 litres or smaller, with Palpa's recycling symbol'. The interface also includes navigation buttons for 'PREVIOUS' and 'NEXT', and a link for 'Instructions for the recycling system'.

Palpa's recyclable glass bottle, 0.5 litres or smaller, without PALPA's recycling symbol	Product is packed in a glass bottle; the size of sales unit is half a litre or less. Product is NOT provided with an EAN-code and relating deposit symbol, which work only in PALPA's system and are reserved only for the Finnish market.
PALPA's recyclable glass bottle, over 0.5 litres, without Palpa's recycling symbol	Product is packed in a glass bottle; the size of sales unit is more than half a litre. Product is NOT provided with an EAN-code and relating deposit symbol, which work only in PALPA's system and are reserved only for the Finnish market.
PALPA's recyclable glass bottle, 0.5 litres or smaller, PALPA's recycling symbol (possible for offerors using TOP Alko's central warehouse terms)	Product is packed in a glass bottle; the size of sales unit is half a litre or less. Product is provided with an EAN-code and relating deposit symbol, which work only in PALPA's system and are reserved only for the Finnish market.
PALPA's recyclable glass bottle, over 0.5 litres, Palpa's recycling symbol (possible for offerors using TOP Alko's central warehouse terms)	Product is packed in a glass bottle; the size of sales unit is more than half a litre. Product is provided with an EAN-code and relating deposit symbol, which work only in PALPA's system and are reserved only for the Finnish market.
Deposit-based can, aluminium, PALPA's recycling symbol	Can made of aluminium and belonging to PALPA's recycling system. Product is provided with the deposit symbol.
Deposit-based can, steel, PALPA's recycling symbol	Can made of steel and belonging to PALPA's recycling system. Product is provided with the

	deposit symbol.
PALPA's recyclable deposit-based plastic bottle, under/or 0.35 litres, clear	Product is packed in a plastic bottle made of clear plastic. The size of the bottle is 0.35 litres or less.
PALPA's recyclable deposit-based plastic bottle, over 0.35 – under 1 litres, clear	Product is packed in a plastic bottle made of clear plastic. The size of the bottle is more than 0.35 litres but less than 1 litre.
PALPA's recyclable deposit-based plastic bottle, 1 litre or bigger, clear	Product is packed in a plastic bottle made of clear plastic. The size of the bottle is one litre or more.
PALPA's recyclable deposit-based plastic bottle, size in litres, coloured	Product is packed in a plastic bottle, but some other material than plastic is used at places, e.g. metal capsule in bottle closure.  Choose the correct size alternative: <ul style="list-style-type: none"> <li>• under (or =) 0.35 litres</li> <li>• over 0.35–under 1 litres</li> <li>• 1 litre or bigger</li> </ul>
PALPA's recyclable deposit-based plastic bottle, size in litres, mixed material	Product is packed in a plastic bottle, but some other material than plastic is used at places, e.g. metal capsule in bottle closure.  Choose the correct size alternative: <ul style="list-style-type: none"> <li>• under (or =) 0.35 litres</li> <li>• over 0.35 – under 1 litres</li> <li>• 1 litre or bigger</li> </ul>
No deposit, with tax on retail containers (not in PALPA's system)	This category includes all products that are not registered into PALPA's recycling system. The material of a non-deposit product has no importance; it can be a glass, plastic or ceramic bottle or a can. Also bag-in-boxes and mini bottles or other bottles that are unfit for the return machine fall into this category. Additional information on size and other limitations is available at <a href="http://www.palpa.fi">www.palpa.fi</a> .
No deposit, no tax on container, not in PALPA's system	Products with over 5-litre package size and products that are in packages made of liquid packaging board have no deposit and no beverage container tax. This category also includes products that are exempted from container tax on other grounds (certificate approved by customs authorities is required).

Container alternatives for delivery terms "delivered to Alko shops" are explained in Finnish at <http://www.alko.fi/alko-palvelee/tavarantoimittajille/hintalaskuri/>