

GUIDELINES

DETERMINATION OF THE CONTRIBUTION FOR THE QUANTITY OF WASTE OF THE INDEPENDENT SYSTEM ENTRUSTED TO PUBLIC SERVICE

The guidelines indicate the procedural method and criteria applicable for the purposes of identification of:

1. the quantity of secondary and tertiary plastic packaging waste in the independent system entrusted to the public service of differentiated collection and withdrawn from COREPLA (hereinafter, Quantity);
2. the flow in which converge such waste and related costs of the collection based on the ANCI/CONAI agreement and, in case of authorization in which the Decree authorizing the independent system does not provide for the payment and recognition of collection costs alone, other industrial costs, net of sales of goods of the same type of waste (hereinafter Flows/Costs);
3. the contribution due from producers belonging to the independent system (hereinafter contribution).

1. Identification of Quantity

1.1 Analytical Method

The elective method for determining the Quantity, which should be used by preference as it offers the greatest level of assurance and punctuality of the calculation is based on analytical criteria and provides a timely measurement on the entire national territory of packaging waste of the independent system in differentiated collection from the public service. To this end we proceed through:

A. Commercial analysis, in contrast with the independent system that can be present any time considered appropriate and in sufficient number to ensure an adequate degree of confidence, performed on the occasion of those already carried out by COREPLA:

- a. on incoming collection at differentiation plants within the meaning of the Anci/Conai framework agreement. The analyses are carried out according to the annex to the Anci/Conai framework agreement (AQ14 Method);
- b. on fractions of outbound waste from the selection plants having product characteristics homogeneous with the packaging of the independent system. The analyses are carried out in accordance with the method used by COREPLA for quality control analysis of selected outgoing waste available on the website of the Consortium (RP015 Method);

i.e.



B. Accurate quantification of packaging of the independent system where, blending the characteristics of recognition and significant mass, a selection of such packaging is economically viable (e.g. boxes for fruit and vegetables).

1.1.2 For the use of the method based on analytical criteria, the following are required:

- (i) immediately identifiable characteristics of the independent packing system by size, type, structure, and provision of brand acknowledging recognition;
- (ii) significance of the amount of packaging of the independent system to be determined compared with the total collection (significant mass compared with total collection);
- (iii) without excessive burden, it being understood that any determination about "excessive burdens" shall be left to the independent system.

1.1.3 COREPLA undertakes to ensure maximum transparency, to establish a dedicated on-line link to the independent system through which that entity can know in advance the time, date and place of scheduled analysis of incoming collection on all national territory in order to participate.

1.2. *Alternative method*

If it is not applicable analytical method for the above reasons or because, however, it considers that autonomous system does not rely on, you use an alternative method based on calculation techniques and procedures that are based on analysis of quantitative macro data.

1.2.1 This method identifies all the data necessary for the determination of the quantity of packaging waste of the independent system entrusted to public collection service, or¹:

1. the amount entered for total consumption of packaging similar, in terms of merchandise, to that of the independent system, including the share belonging to the same independent system ("IS")²;
2. the amount entered for consumption of the independent system ("IA")³;
3. the quantity of product packaging waste similar to packaging of the autonomous system found in various streams of incoming diversified collection centres ("QS")⁴;
4. the quantity of packaging waste recovered from the independent system for the entered in consumption ("QRA")⁵.

¹ CONAI submits to validation of certification bodies recognised by ACCREDIA the determination procedures of relevant data for the purposes of sections) 1 and 4).

²Source: Plastic Consult; other persons can be identified and instructed similarly

³Source: independent system.

⁴Sources: trade analysis on incoming collection performed at the selection in accordance with the Anci/Conai framework agreement pursuant to the method attached to this Agreement (AQ14 Method). If applicable, the CSS input analysis can be supplemented with additional parameters, the costs of which, if these are ad hoc parameters for packaging similar to those of the independent system will be borne by the latter.

⁵ Source: independent system.



5. for the purposes of this clause (clause 2.1 and (ii) below) for correct identification of "similar range of product packaging," please refer to the table in ANNEX A to these guidelines.
6. all the data that will be used for the determination of the aforementioned factors will be made public, as soon as available, by CONAI and COREPLA on their respective websites.

1.2.2 The Quantity (Q) is determined through a calculation procedure based on the above elements or summary of the following formula:

$$\frac{QS}{IS - QRA} \times (IA - QRA) = Q$$

1.3. Flat-rate method

If an alternative to the method cannot be applied due to lack of data regarding one or more elements of the above formula, a flat-rate method applied based on data available and any additional data, information or useful items obtainable from third-party sources (e.g. Ispra, Minister for the environment, ISTAT, European Commission, etc.).

2. Identification of Costs/Flows

In the case that the authorization Decree of the independent system does not provide for the payment of collection costs alone, in which case the independent system to pay only such costs as identified in paragraph 2.1 below, the identification of management costs takes place as referred to in paragraph 2.2. and, as a result, the determination of the total net costs.

2.1 Collection flows and costs

In light of the ANCI-CONAI agreement currently in force:

- (i) identify if possible (e.g. crates for fruit and vegetables), the quantity of packaging waste of the independent system present in each collection flow based on analytical data detected in commodity analysis on collection entering selection centres. Thus is determined the cost for overall combined weight (average monthly-€t) supported by COREPLA related to that type of packaging;
- (ii) If it is not possible to proceed to the quantification according to point (i), and identify the quantity of packaging waste from products similar to those in each independent system present in the collection flow based on analytical data detected in commodity analysis entering diversified collection centres and other analytical data available. The costs are determined by composite combined weight (average monthly-€t) supported by COREPLA pertinent to that type of packaging⁶;

⁶ For example, if the packaging subject to the independent system falls into the category of so-called Tracers disciplined by the Framework Agreement, the product analysis of incoming waste measures, flow by flow, the percentage presence of tracers. Based on additional analytical evidence, the weight percentage is available.

(iii) If the above methods cannot be used because of the impossibility of quantifying pro rata, for each collection flow, packaging in the independent system, similar to those in the independent system, it applies the total average cost to municipalities or their delegates, based on analytical accounting of COREPLA,

2.2 Industrial management cost

The industrial management cost includes diversified selection and, in the case of packaging not able for recycling, startup costs for energy recovery. This does not include management costs generated. Costs (monthly average-€t) are determined based on the COREPLA analytical accounting sum.

Costs are deducted from the proceeds from the sale of selected waste of the same type of packaging as that of the independent system (monthly average-€t) resulting from COREPLA analytical accounting.

2.3 Total net cost

The net cost and result of the sum of the costs of collection and the net industrial management.

If, according to the market for selling of recyclables, the proceeds from the sale of selected waste of the same type of packaging as that of the independent system should be higher than the costs of selection; the collection costs borne by the autonomous system will suffer a corresponding reduction equal to the difference between sale proceeds and cost of selection.

2.4 Cost Verification

The cost of collection, industrial management cost and revenues from sales, as resulting from COREPLA analytical accounting, may be subject to verification by a top audit company certified by the independent system and the costs are its responsibility.

3. Identification of the Contribution

Only in the case that the authorization Decree of the individual independent system provides for the payment and acknowledgment of collection costs alone, the contribution is determined by multiplying the cost of collection referred to in paragraph 2.1. that comes from the quantity in tonnes of packaging constituting the Quantity identified in point 1 above.

In all other cases, the contribution is determined by multiplying the total cost compared to net unit weight (€t) identified in point 2 for the quantity in tonnes of packaging constituting the Quantity identified in point 1 above.

of each type of tracer on the total number of tracers. Based on this information, it is possible to establish for every tracer type its quantity in each collection stream type.

ANNEX A
GUIDELINES 2

<i>FLEXIBLE PACKAGING</i>	1	Thermal shrink and stretch film
	2	Industrial sacks
	3	Big Bags
	4	Bubble wrap and similar
	5	Other
<i>RIGID PACKAGING</i>	1	Box
	2	Foam boxes
	3	Agricultural/industrial crates and bins
	4	Cases
	5	Tanks-capacity over 5 litres
	6	Buckets-capacity of more than 5 litres
	7	Tanks (IBC) or parts thereof
	8	Pallet
	9	Layer pads
	10	Rolls, tubes and cylinders on which flexible material is
	11	Strapping
	12	Elements of foam protection
	13	Other

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