

## From flower wrap to sachets or textile bags: defining and delineating between service packaging types

### 1. What are typical examples of service packaging?

Service packaging is packaging that is filled with goods at the point of sale so that these goods can be handed over to customers. These points of sale include places like

**pharmacies, amusement parks, jewellers, florists, garden centres, kiosks, opticians, stands at markets, etc.**

The person/company handing over the goods in its packaging to customers is referred to as the 'final distributor'. Typical examples of service packaging include the following:

- ◆ Ointment jars, cream jars, sachets or textile bags that are filled with goods and given to the customer at pharmacies, opticians or jewellers
- ◆ Nets, flower wrapping paper or foil, or other wraps used at florists or garden centres to hand over goods
- ◆ Trays for sausages, takeaway coffee cups, etc. used at kiosks to hand over goods to customers
- ◆ Conical or other bags, cups, etc. used at markets to hand over various kinds of products to customers
- ◆ Carrier bags of any kind

In the food and beverage industry (restaurants, hotels, snack bars, kiosks, etc.), service packaging is filled with food and drinks. Frequently asked questions – and answers – about service packaging at food and beverage businesses and the packaging law obligations that apply there can be found [here](#).



#### ! Please note:

- For something to be considered service packaging, it does not matter whether an employee or a customer fills the packaging.
- It also does not matter whether the customer pays for the service packaging, such as carrier bags.
- Furthermore, it is irrelevant what material the service packaging is made of (e. g. paper, plastic, metal, glass, etc.).

## 2. What packaging is not considered service packaging?

Examples of packaging that is not considered service packaging include the following:

- ◆ Reusable packaging that is part of a functional reuse scheme
- ◆ Packaging that is filled with goods somewhere else and then offered at the point of sale
- ◆ Packaging used to deliver goods to customers by either the company itself or via a commercial delivery service is considered shipment packaging under the Verpackungsgesetz (Packaging Act). It is not service packaging
- ◆ Packaging that only serves to transport the goods and is not handed over the customer, such as cool bags or thermal boxes

## Doing your part for the environment – questions about producer responsibility and system participation

### 1. What does producer responsibility mean?

In Europe, packaging is subject to so-called extended producer responsibility (EPR). In other words: companies that fill packaging with goods at the point of sale and distribute it must ensure that the packaging does as little damage to the environment as possible.

Regardless of whether it is a pharmacy, optician, market stand, amusement park, florist, kiosk, etc., service packaging is filled with goods there and handed over to customers.

That service packaging typically accumulates as waste with private final consumers. As such, the person handing the packaging over must meet statutory packaging requirements and pay for the packaging's recovery/recycling.

### 2. What are the systems and what is meant by 'system participation'?

In Germany, the (dual) systems take care of nationwide packaging collection, sorting and recycling. Private final consumers dispose of their packaging waste in yellow bags/bins, paper bins and paper/glass containers after use. The packaging is processed at sorting and recycling plants where as much high-quality material is recovered as possible.

To make it possible to perform these services, industrial and retail companies that place packaged goods on the German market pay a fee to one or more system(s). This is referred to as the 'system participation fee'. The obligation to contribute financially to the recovery and recycling of packaging is not something new for companies; they have had to do so for more than two decades.

Every company that fills packaging with goods and places it on the German market is free to decide which system(s) it would like to enter into an agreement with. In Germany, this market is organised around principles of competition. There are different service providers. A list with contact details and address, contact people and phone numbers can be found at <https://www.verpackungsregister.org/en/systems-overview>.

## Options and obligations – how to comply with the law

### 1. Is there a special provision for final distributors of service packaging? What should I do?

#### **i** Special provisions for service packaging

Do you run a restaurant, snack bar, dry cleaner? Are you a marketplace retailer, a baker, butcher, pharmacist, optician or jeweller? Or do you have another business in which you fill service packaging with goods and hand them over to your customers? If the answer is yes, then let us explain how you can be sure to fulfil your obligations under German packaging law.



#### **i** Purchasing pre-participated unfilled service packaging

You can buy 'pre-participated' service packaging from a supplier or wholesaler who has already paid for the packaging's recycling. This 'pre-participation' only applies to service packaging. You have to ensure that the invoice or delivery note confirms the pre-participation of the unfilled service packaging you have purchased; this will serve as evidence that you have fulfilled your obligations. The supplier or wholesaler is required to provide such a confirmation to you.

**✓ You choose to exclusively buy pre-participated unfilled service packaging from your supplier or wholesaler.**

You have to register with the LUCID Packaging Register and confirm that the packaging you place on the German market is pre-participated service packaging. To confirm this, check the box that says 'Exclusively pre-participated service packaging' when providing details on your packaging types.

**✗ You choose not to buy pre-participated service packaging and/or place other packaging types, such as retail, shipment<sup>①</sup>- or grouped packaging, on the German market.**

In both cases you have to fulfil your obligations under packaging law yourself:

- + Register with the LUCID Packaging Register and indicate there that you place retail, grouped or shipment packaging as well as service packaging (included in retail packaging) on the German market. This is done by ticking the uppermost category of packaging subject to system participation.
- + Conclude a system participation agreement with one or more system(s).
- + Provide the exact same packaging volume report that you provide to a system to the LUCID Packaging Register (including when entering into the agreement).

<sup>①</sup> Packaging used by restaurants or delivery services to bring food or beverages to customers, for example, is not service packaging. The law classifies this packaging as shipment packaging.

#### What is service packaging?

Service packaging is packaging that is not filled until it reaches the final distributor and is used to enable or support handing goods over to the final consumer. The 'final distributor' is the retailer giving the goods to the final consumer.



Service packaging typically accumulates as waste with private final consumers. That is why they are subject to system participation – without exception!

#### Examples of service packaging include:



**As a final distributor of service packaging, you have two ways to fulfil your obligations:**

- a. **If you exclusively place service packaging on the German market: you can take advantage of a special provision and purchase 'pre-participated packaging' from your supplier or wholesaler.** In this situation, the supplier or wholesaler has already paid for the packaging's recycling. That is called 'pre-participation'. This option is only available for service packaging. You must ensure that your invoice or delivery note includes a confirmation that shows that you purchased pre-participated packaging. That is how you evidence that you are fulfilling your obligations. Your supplier/wholesaler is required to provide that confirmation to you.

#### **! Please note:**

If you buy exclusively pre-participated service packaging, you must register in the LUCID Packaging Register. When registering, tick the '**exclusively pre-participated service packaging**' box to show that you are taking advantage of this special provision. To find out more, please watch our [explanatory film about service packaging](#).

**b. If you decide not to purchase only pre-participated packaging, or if you also place other retail or shipment packaging on the German market with your goods: then you must fulfil all of the statutory packaging obligations yourself and**

- register with the LUCID Packaging Register,
- indicate there that you place retail, grouped, shipment and service packaging on the German market. This is done by ticking the uppermost category of 'Packaging subject to system participation',
- enter into a system participation agreement with one or more system(s) and
- provide the exact same packaging volume reports ('data reports') to the LUCID Packaging Register that you provide to your system.

We have published the ['3 steps to fulfilling registration and system participation requirements' guideline](#) with more detailed information about what you need to do. Need help during registration? Watch our [explanatory film about first-time registration](#).

## **2. What provisions are there since 1 July 2022 and what are the impacts on final distributors of service packaging?**

If you are a final distributor of service packaging or hand over other types of packaging to customers, you must be registered in the LUCID Packaging Register since 1 July 2022, regardless of packaging type. This new provision also applies to companies that purchase pre-participated packaging.

When registering, you must indicate what type of packaging you place on the German market, e.g. service packaging and/or reusable packaging. If a company or a commercial delivery/courier service uses packaging to deliver goods to a customer, this packaging is not considered service packaging. Under the law, this packaging is shipment packaging.

### **Examples: what packaging law obligations arise in the following situations?**

#### **1. A company (e. g. pharmacy, optician, kiosk) has a number of branches/stores. Is every single branch required to register in the LUCID Packaging Register? Are there other obligations?**

The packaging law obligations depend on the legal status of the branch or store in question. If your branches

- are separate legal entities with their own entry in the commercial register, and
- they fill service packaging with goods and place it on the German market,

they each need their own registration in the LUCID Packaging Register.

Whoever places packaging subject to system participation on the German market (including service packaging) is required to fulfil both the registration requirement and the system participation requirement. Please see pages 3 and 4 of this document to learn more about how to fulfil the registration and system participation requirements, and how to use the special provision that allows you to purchase pre-participated packaging. You can also take a look at this [graphic](#).

## 2. What legal obligations apply to pharmacies located in hospitals if they are placing packaging on the German market? Who is required to register in that situation?

Under the Verpackungsgesetz (Packaging Act), the party under obligation is the party operating the pharmacy. If this is the hospital itself, it must register in the LUCID Packaging Register, indicating the packaging types that are being placed on the German market.

If it is not the hospital that operates the pharmacy, then the registration requirement applies to the party that does. If the pharmacy is a branch, please see 'What packaging law obligations arise in the following situations?' and 'Is every single branch required to register in the LUCID Packaging Register?' on the previous page.

If the pharmacy is placing packaging subject to system participation, e. g. service packaging, on the German market, the packaging also must participate in one or more systems. Please see pages 3 and 4 of this document to learn more about how to fulfil the registration and system participation requirements, and how to use the special provision that allows you to purchase pre-participated packaging. You can also take a look at this [graphic](#).

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