



**Call for Expression of Interest**

**Proposals for the Design and Operation of a  
Packaging Recovery Certification Service**

**Malta Environment and Planning Authority**

**8<sup>th</sup> February 2010**

## 1. Background

The Malta Environment & Planning Authority (MEPA) is responsible for land use planning and environmental regulation in Malta ([www.mepa.org.mt](http://www.mepa.org.mt)). Amongst other responsibilities, MEPA acts as the Competent Authority for the implementation of the Waste Management (Packaging and Packaging Waste) Regulations, LN 277 of 2006, which transposes EU Packaging and Packaging Waste Directive (94/62/EC, as amended by Directive 2004/12/EC and by Directive 2005/20/EC) into Maltese Law.

The LN 277 of 2006 **places obligations on producers of packaging to recover a percentage of packaging and packaging waste placed on the market**. In order to fulfill these obligations, producers (or collective compliance schemes acting on their behalf) are required to 1) register annually with MEPA and provide a declaration of the amount of packaging or packaging waste placed on the market and 2) provide proof to the Competent Authority that a specified amount of packaging waste has been collected and recovered/recycled.

## 2. Scope

MEPA intends to develop systems to facilitate verification of compliance of packaging producers with their obligations. It is envisaged that such systems would subsequently be administered by an independent firm working on behalf of MEPA. Such systems shall ensure:

1. A true audit trail of recovered separated waste;
2. Verification of the percentage of recovered separated waste when compared with the amount of packaging placed on the market; and
3. Assurance that any quantity of waste is not double-counted and reported as recovered/recycled by producers.

**The scope of this call for Expression of Interest (EoI) is to obtain proposals from suitably qualified service providers, which may subsequently be engaged through appropriate tendering procedures to provide the requested services. The exact scope of the services and terms of engagement will be formulated on the basis of the proposals received through this EoI.**

**The following proposals are hereby requested:**

1. **PACKAGE 1: A comprehensive proposal for the verification of information submitted in producers' annual registration with MEPA, including the verification of the correctness of producers' declaration on the amount of packaging placed on the market and the amount recovered/recycled;**
2. **PACKAGE 2: A comprehensive proposal for the establishment of the Packaging Recovery Certification System (PRCS), including a financial feasibility assessment and risk analysis;**
3. **A proposal for the operation of the systems mentioned in the two packages above for a period of five years.**

**In formulating their proposals, entities participating in this EoI must consider and reflect the following parameters.**

In the case of Package 1, the system must satisfy the following parameters:

1. The verification system should be designed in a manner that ensures the verification of the reporting obligations of Producers of packaging and packaging material as required by Legal Notice 277 of 2006, and in particular should audit and verify the correctness of producers' declarations on the amount of packaging placed on the market;

2. The proposed system should be based on a detailed verification of a representative sample of all producers, across all business sectors and varying scales of operation. It is envisaged that the audit and verification procedures should be performed on a minimum of 20% of the market as directed by the Competent Authority (MEPA);
3. The proposal should clearly indicate the cost of the operation of this verification system which is to be paid annually by MEPA to the contracted provider. It is intended that MEPA recovers these costs via an annual registration fee imposed on producers, hence the proposal should indicate the appropriate level of fees to be charged on producers to recover these costs;
4. The system should seek to minimize administrative burden on the Regulator (MEPA) and on the subjects of regulation (packaging producers);
5. The system must incentivise membership in collective compliance schemes, particularly by smaller producers;
6. The system would be assessed and revised according to recommendations after 1 year of operation;
7. The proposal must contain a detailed financial offer net of VAT for the provision of this verification service to MEPA.

In the case of Package 2, the system must satisfy the following parameters:

1. The PRCS should be designed in a manner consistent with the requirements of the Packaging and Packaging Waste Directive (94/62/EC, as amended by Directive 2004/12/EC and by Directive 2005/20/EC);
2. The system would subsequently be operated by private operators and must be completely self financing, to cover for the administrative fees (including full cost recovery of administrative fees incurred by MEPA);
3. The system should seek to minimize administrative burden on the Regulator (MEPA) and on the subjects of regulation (packaging producers);
4. Amongst other outputs, the system should provide a single document as proof of recovery for compliance with LN 277 of 2006;
5. The system must incentivise membership in collective compliance schemes, particularly by smaller producers;
6. The system would be assessed and revised according to recommendations after 1 year of operation.

The proposed operators of both packages must have a demonstrated experience in the management of similar assignments in the field of environment, specifically in Waste Management and must have a sound background in environmental and business auditing and certification. The proposed operators should also have a track record in project management as well as excellent coordinating, reporting and communication skills. The proposed operator's team must include a certified auditor.

**Important Note: the actual engagement of the operator/s of the scheme will take place through a separate tendering process, which will be formulated on the basis of the proposals received as a result of this EoI.**

### **3. Additional information**

Appendix 1: provides a list of general principles of operation of the PRCS system in Malta

Appendix 2: provides information on the UK legal system which may be used as a basis for the implementation of a similar system in Malta

Appendix 3: provides information on the state of play in relation to packaging waste in Malta

Appendix 4: provides a copy of the Packaging and Packaging waste directive (94/62/EC, as amended by Directive 2004/12/EC and by Directive 2005/20/EC) as transposed by LN 277 of 2006

Appendix 5: provides a copy of LN 227 of 2006

Appendix 6: provides a sample of the information requested by MEPA during the annual registration of producers as well as other information that producers or schemes acting on their behalf are required to keep. .

#### **4. Submission requirements**

Interested and suitably qualified entities / consortia are invited to submit the following:

1. Detailed proposals for packages 1, 2 and 3 as prescribed in section 2 above;
2. A profile of the entity / consortium submitting an EoI, including:
  - a. Information on the company (or, in the case of consortia – for each member of the consortium), its background, year of establishment, description of relevant past assignments;
  - b. Proof of technical, economic and financial capacity to carry out the services proposed under the 3 packages (note that the companies would not be engaged / contracted through this EoI) – this should include description of technical expertise, CVs of key experts, latest balance sheets or financial statements, a description of the measures employed to ensure the quality of the services, and a description of the firm's facilities essential for the provision;

The above documentation should be deposited in sealed envelopes to the tender box at the MEPA premises in Floriana, before 12:00pm on Friday, 26th February 2009. Any technical questions concerning this call for quotations should be addressed to the Director of Environment Protection Mr. Martin Seychell on email [martin.seychell@mepa.org.mt](mailto:martin.seychell@mepa.org.mt). Late submissions will not be considered.

#### **5. Special Conditions**

1. MEPA will use the proposals received in response to this EoI in order to formulate the appropriate tender package for the procurement of the service through a separate tendering procedure at a later stage at its discretion;
2. MEPA will not shortlist the entities participating in this EoI;
3. MEPA reserves the right not to issue any follow up tenders concerning the subject matter of this EoI.

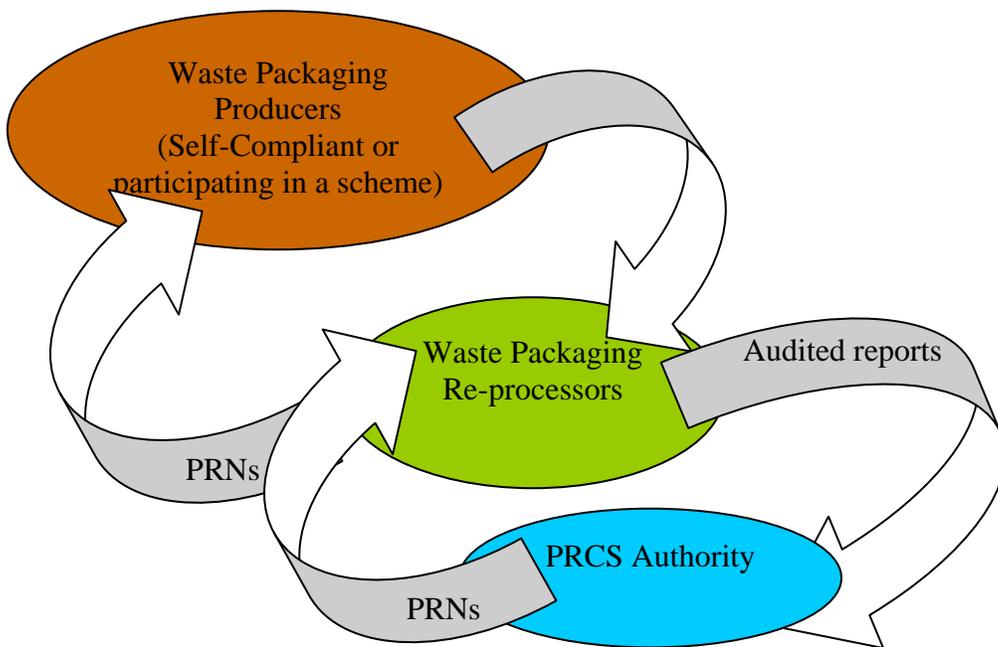
## Appendix 1:

### Envisaged operation of the PRCS

- Producers of waste who are obliged to recover a percentage of the packaging waste placed on the market are obliged to give proof of recovery to the competent authority. This system would enable producers to give the necessary proof of compliance.
- Producers of waste who are obliged to recover a percentage of packaging waste placed on the market may also join compliance schemes which are permitted by MEPA to take over responsibility of a group of producers.
- Producers or third parties acting on their behalf are required to obtain certified PRNs from re-processors or licensed waste brokers as evidence of achieving their obligations.
- Following the carrying out of an audit, Packaging Waste Re-processors (including exporters of packaging waste) would be issued with a Packaging Recovery Note (in the form of a secure and authenticated certificate), against a fee covering the audit and the full administrative cost.
- Packaging Waste Re-processors may hand over such notes to producers who are obliged to meet obligations of the Waste Management (Packaging and Packaging Waste) Regulations.
- The charge imposed on each PRN issued shall be fixed and minimal in order to recover administrative costs for the carrying out of the audit, which proposed charge is to be stated in the proposal.
- The Malta Environment and Planning Authority is responsible for the Registration & Auditing of Packaging Producers, for the processing of permits and monitoring of compliance of facilities, the permitting and auditing of schemes, and in regulating the PRN exchange.
- The PRCS Authority operating under the regulation of MEPA would be responsible for the issue of PRNs (representing tonnes of waste recovered) to reprocessing facilities or other waste facilities who export waste for recovery, following the auditing of the reports. The amount to be issued to a particular facility would depend on the amount the facility/broker requests, and the PRCS would be responsible for auditing the facilities/brokers in order to ensure veracity of declarations.
- The PRCS Authority would also be responsible for registering any transfer of ownership of any PRN it issues such that each PRN could be traced at any point in time within the given year.
- The primary role of the reprocessing facilities is to deal with the recovery of packaging waste. These facilities would be audited and in turn handed over a PRN as proof that they recovered a specified amount of packaging. Producers who are obliged to meet the obligations of the Waste Management (Packaging and Packaging Waste) Regulations, would in turn obtain a copy of the PRN as proof that these have been met. The facilities would need to provide proof of recovery or export to the PRCS before they are issued with PRNs.
- The producer would retain his/her obligations to recover a percentage of the packaging waste placed on the market. Producer could either be self-compliant (i.e. collect their own waste and eventually in turn be provided with a PRN as proof of recovery or export to prove compliance with recovery

obligations) or else join a compliance scheme (the scheme would in turn obtain PRNs on the producer's behalf).

Collective compliance schemes can be permitted by MEPA to take over responsibility of a group of producers as is currently the case. It is further recommended that the minimum amount of waste to be covered by a PRN would be 1 metric tonne. This would act as an incentive for small producers who produce less than 1 tonne to join collective compliance schemes.



## **Appendix 2:**

Malta's Waste Management (Packaging and Packaging Waste) Regulations are very similar to that under the UK's legal system. In fact the UK has a regulated procedure for the issue of Packaging Recovery Notes (PRNs), which system could be amended for our requirements. A Packaging Recovery Note is a document that provides evidence that a waste re-processor has actually recovered the packaging waste generated. These PRNs would in turn be utilised by obliged producers, as evidence that their legal responsibility to recover and recycle has been fulfilled. Infact the UK system also caters for Packaging Waste Export Recovery Notes (PERNs) that covers waste that is recovered outside the UK. The UK system is administered by the Environment Agency. More information on the UK system is available on the Defra website on:

<http://www.defra.gov.uk/ENVIRONMENT/waste/topics/packaging/compliance.htm>.

### Appendix 3:

The obligations of Malta concerning packaging and packaging waste are set out in Directive 94/62/EC of 20 December 2004, which aims to harmonize national measures concerning the management of packaging and packaging waste.

Legal Notice 277 of 2006 obliges producers of packaging to register with the Malta Environment and Planning Authority, and to declare the amounts put on the market in the previous year.

MEPA sought the assistance of a private company to conduct a study on the gathering of data on packaging and packaging waste. The data collected through MEPA's administrative system, together with data on "Green list waste" exported for recycling or incineration, and other data available on packaging waste passed on to local exporters or reused locally amongst others, allowed for the gathering of data on the quantities of packaging waste recovered and/or recycled during the period 2004 to 2006 as follows:

2004

Material	Packaging waste generated (tonnes)	Recycling rate (%)	Rate of recovery or incineration at waste incineration plants with energy recovery (%)
<b>GLASS</b>	9,812.13	3.5	3.5
<b>PLASTIC</b>	6,307.20	3.0	3.0
<b>PAPER AND BOARD</b>	14,816.09	8.5	8.5
<b>METALS</b>	Aluminium	0.0	0.0
	Steel	0.0	0.0
	<b>Total</b>	106	2.8
<b>WOOD</b>	5,029.21	10.4	10.4
<b>OTHER</b>	1,405.93	0.0	0.0
<b>TOTAL</b>	41,196.37	5.9	5.9

2005

Material	Packaging waste generated (tonnes)	Recycling rate (%)	Rate of recovery or incineration at waste incineration plants with energy recovery (%)
	(a)		
<b>GLASS</b>	10,078.32	7.9	7.9
<b>PLASTIC</b>	6,472.62	5.4	5.4
<b>PAPER AND BOARD</b>	15,252.96	10.8	10.8
<b>METALS</b>	Aluminium	0.0	0.0
	Steel	0.0	0.0
	<b>Total</b>	3,931.55	4.8
<b>WOOD</b>	5,179.02	8.4	8.4
<b>OTHER</b>	1,419.03	0.0	0.0
<b>TOTAL</b>	42,333.49	8.1	8.1

2006

Material	Packaging waste generated (tonnes)	Recycling rate (%)	Rate of recovery or incineration at waste incineration plants with energy recovery (%)
	(a)		
<b>GLASS</b>	10,367	14.3	14.3
<b>PLASTIC</b>	6,652	7.4	7.4
<b>PAPER AND BOARD</b>	15,728	11.2	11.2
<b>METALS</b>	Aluminium	0.0	0.0
	Steel	0.0	0.0
	<b>Total</b>	4,046	7.0
<b>WOOD</b>	5,342	12.7	12.7
<b>OTHER</b>	1,433	0.0	0.0
<b>TOTAL</b>	43,568	10.8	10.8

## Appendix 4:

## Appendix 5:

## Appendix 6:

### Requested Details:

Applicants Details

Contact Details

VAT Number

NACE code

Company Registration Number

Number of Employees

Packaging and Packaging Waste Data

**Additional information** as provided in Regulation 15 of the Legal Notice 277 of 2006, that is to be kept readily available by all producers or by schemes acting on their behalf, namely the following:

- a description of any systems used or set up to provide for the return and/or collection of used packaging and/or packaging waste from the consumer, other final user, or from the waste stream in order to channel it to the most appropriate waste management alternatives; the reuse or recovery including recycling of the packaging and/or packaging waste collected; and the use of materials obtained from recycled packaging waste for the manufacturing of packaging and other products;
- details of any deposit-refund scheme or other scheme adopted in order to ensure the return of packaging by consumers;
- how the packaging waste in each category was reused, recovered and/or recycled, and how the balance was disposed of;
- information about concentration levels of heavy metals present in packaging material put on the market, and the presence of any noxious and other hazardous substances and materials;
- information about packaging waste considered as hazardous due to contamination by product contents in particular if it is not suitable for recovery;
- an up-to-date list of all authorised waste management undertakings;
- proof of reuse, recycling, recovery or incineration at waste incineration plants with energy recovery, and/or disposal;
- data on production, exports and imports of empty packaging, data on reusable packaging; and specific sub-fractions of packaging such as composite packaging which may also be provided **on a voluntary basis**.