Text consolidated by Valsts valodas centrs (State Language Centre) with amending decisions of:

24 February 2022 [shall come into force on 1 March 2022].

If a whole or part of a paragraph has been amended, the date of the amending regulation appears in square brackets at the end of the paragraph. If a whole paragraph or sub-paragraph has been deleted, the date of the deletion appears in square brackets beside the deleted paragraph or sub-paragraph.

**Decision No. 1/8 of the Board of the Public Utilities Commission**

Adopted 2 July 2020

**Methodology for the Calculation of the Deposit System Participation Fee**

*Issued pursuant to*

*Section 9, Paragraph one, Clause 2 and Section 25, Paragraph one of the law On Regulators of Public Utilities and Section 18.7, Paragraph two of the Packaging Law*

**1. General Provisions**

1. The Methodology prescribes the procedures by which a deposit system operator (hereinafter – the merchant) shall calculate the draft deposit system participation fee (hereinafter – the draft participation fee) paid to the merchant by the deposit packager for the deposit system provision service (hereinafter – the deposit system provision service).

2. The merchant shall submit to the Public Utilities Commission (hereinafter – the Regulator) the original of the draft participation fee document (in paper format or signed by using an electronic signature in accordance with the procedures laid down in the laws and regulations) and the electronic form (if the original of the draft participation fee has been submitted in paper format). Along with the draft participation fee, the merchant shall submit data, calculation, and the documents justifying the costs forming the draft participation fee included in the draft participation fee calculation, which certify the justification for costs included in the calculation and specified in the decision of the Regulator on the justification for costs constituting the participation fee.

3. Upon submitting the draft participation fee for the current year, the merchant shall add an overview or scheme which, according to the types of a packaging material and according to the fact whether the packaging is intended for single use or reuse (hereinafter – the terms of use), shows the deposit packaging management procedure based on material flow, and also indicate the number of managed deposit packaging units in the previous and current year. If the merchant, upon submitting the participation fee document to the Regulator, has no data on the actual number of deposit units, costs, and revenues of the previous year due to objective reasons, it shall submit information for the period which is at the disposal thereof.

**2. General Provisions for the Calculation of the Draft Participation Fee**

4. The merchant shall calculate the draft participation fee in euros for one deposit packaging unit placed on the market according to the type of a packaging material and the terms of use, performing the calculation according to Annex 1 to the Methodology, adding the included explanation and justification documents regarding the quantity, costs, and revenues. The merchant may calculate the draft participation fee in addition to the types of a packaging material indicated in Annex 1 to the Methodology by dividing them into a more detailed manner, if it is economically justified.

5. The merchant shall use a cost assignment model the basic principles and specification of which shall be submitted together with the justification documents for the draft participation fee. During assessment of the draft participation fee, the Regulator may request the merchant to review and change the cost assignment model.

6. The costs planned in the draft participation fee for the current year, and also the quantity of the deposit packaging planned to be placed on the market, and the quantity planned to be collected for recycling or reuse shall apply to a period of twelve months. The participation fee determined shall remain effective until determination of a new participation fee.

7. The merchant shall accurately and clearly present the costs in the draft participation fee, including only the assets and activities related to the deposit system provision service therein.

8. The merchant shall include only such technologically and economically justified costs in the draft participation fee which are required for efficient provision of the deposit system service.

9. The merchant shall reduce the costs required for the provision of the deposit system service for the following revenues:

9.1. revenues from the part of the deposit fee unrepaid to the final user which are obtained thereby as a difference between the deposit fee which is transferred to the merchant by the deposit packager for the deposit packaging placed on the market and the deposit fee which is paid by the merchant to the deposit packaging seller or another individual for the deposit fee repaid to the final user, and also the deposit fee which has been repaid by the merchant to the final user or another individual which has submitted a deposit packaging according to the contract, adjusting the revenues in accordance with the adjustment of market obligations value determined in Paragraph 45 of the Methodology;

9.2. revenues which are obtained thereby from selling the deposit packaging collected which has been prepared for recycling and recovery;

9.3. other revenues, including the revenues which are obtained thereby from use of the infrastructure intended for the provision of the deposit system provision service, etc.

10. For calculating the draft participation fee, the merchant shall use the quantity of the deposit packaging planned to be placed on the market in the current year and the quantity of the deposit packaging planned to be collected in the current year.

11. The merchant shall include in the draft participation fee only the quantity of deposit packaging related to the provision of the deposit system provision service.

12. Upon projecting the quantity of the deposit packaging planned to be placed on the market in the current year and upon projecting the quantity of the deposit packaging planned to be collected in the current year, the merchant shall take into account the actual quantities of deposit packaging of the previous year, the planned changes in the current year, and also the percentage of and time periods for the acceptance, collection, recycling, preparation for reuse, and return for reuse of the deposit packaging stipulated by the Cabinet. Along with the draft participation fee, the merchant shall submit an explanation and justification for the planned changes in the quantity of the deposit packaging placed on the market and the collected deposit packaging.

13. The merchant shall evaluate any profit from the draft participation fee as the resources required for the development, operational efficiency of the deposit system and for the attraction of current assets. The profit percentage may not exceed a fixed turnover profitability margin determined as the average variable rate of interest (hereinafter – the allowed rate of interest) for the previous six months for credits (for terms up to one year; new transactions) issued in euro currency to non-financial companies published by Latvijas Banka.

14. The merchant shall calculate the costs of the participation fee (Idal) as the difference between the planned costs of the merchant required for the provision of the deposit system and the planned revenues of the merchant in accordance with Paragraph 9 of the Methodology. The merchant shall calculate the costs of the participation fee with profitability (Irent), adding the planned profit to the costs of the participation fee.

15. The merchant shall include an adjustment for the financial result of the actual economic activity of the deposit system provision service of the previous period (Korrez) in the calculation of the draft participation fee, submitting a relevant calculation and justification documents.

16. Taking into account the adjustment for the financial result of the actual economic activity of the previous period (Korrez), the merchant shall show the financial result of the planned economic activity of the current year (Rezpl) in the draft participation fee, the financial result being equal to the profit planned in the draft participation fee (Prent).

17. The merchant shall justify the costs for the provision of the deposit system provision service to the Regulator regardless of whether the merchant performs all the processes for the provision of the deposit system service provision itself or hires another merchant for the fulfilment thereof (hereinafter – the outsourcing provider). If the merchant hires the outsourcing provider for the performance of the process for the provision of the deposit system provision service, the merchant shall justify to the Regulator that the economically most favourable solution has been chosen in comparison to alternative solutions. The merchant shall provide complete information on the costs or revenues constituting the fee (price) determined in the contract with the outsourcing provider.

18. If the quantity indicators of the managed deposit packaging (Q) used for the calculation of the effective participation fee change by more than 5 % or if the costs of the participation fee (Irent) included in the calculation of the effective participation fee change by more than 5 %, or the calculated adjustment for the financial result of the actual economic activity of the previous period (Korrez) exceeds 5 % of the costs of the participation fee with profitability (Irent) included in the calculation of the effective participation fee, the merchant shall submit to the Regulator a draft participation fee which has been calculated, based on an adjusted quantity and costs of the deposit packaging for each type of the deposit packaging material, or together with the annual report to be submitted to the Regulator on the quantity of the provided deposit system provision service, the costs and revenues, submit an explanation to the Regulator regarding the reasons for the changes.

19. If the costs of the deposit packaging management fee (Iapsaimn) used for the calculation of the effective participation fee change by more than 10 %, but other costs (Irent – Iapsaimn) included in the participation fee change by more than 5 % in comparison to the relevant costs included in the effective participation fee, then the merchant may submit a draft participation fee, keeping in the calculation the fixed costs of economic activity of the deposit system (Ifiks) and adjustment for the financial result of the actual economic activity of the previous period (Korrez) to the same extent as included in the calculation of the effective participation fee, not providing justifying documents for the fixed costs already assessed.

**3. Costs to be Included in the Draft Participation Fee**

20. The merchant shall calculate the costs of the participation fee (Idal) according to the following formula:

Idal = I ‒ Ien,

where

I – costs necessary for the provision of the deposit system (EUR);

Ien – revenues in accordance with Paragraph 9 of the Methodology (EUR).

21. The merchant shall calculate the costs (I) necessary for the provision of the deposit system according to the following formula:

I = Imain + Ifiks + Ind + Inod,

where

Imain – costs for accepting and collecting the deposit packaging (variable costs) (EUR);

Ifiks – costs of economic activity for the provision of the deposit system (fixed costs) (EUR);

Ind – fees (EUR);

Inod – taxes (EUR).

**3.1. Costs for Accepting and Collecting the Deposit Packaging (Variable Costs)**

22. Costs for accepting and collecting the deposit packaging (variable costs) (Imain) which are related to accepting the deposit packaging from final users, its collection and logistics shall depend on the quantity of the deposit packaging collected, and they shall be calculated according to the following formula:

Imain = Iapsaimn + Inoma + Isav + Iiepak,

where

Iapsaimn – costs of the deposit packaging management fee which are determined according to the type and terms of use of the deposit packaging (EUR);

Inoma – costs of renting reverse vending machines (EUR);

Isav – costs of collection and logistics of the deposit packaging (EUR);

Iiepak – costs of packaging materials and equipment for the storage and collection of the deposit packaging (EUR).

23. Costs of renting reverse vending machines (Inoma) are costs for renting the abovementioned vending machines, if they depend on the number of the deposit packaging units managed, but regardless of whether the vending machine, according to the conditions of a contract entered into with the merchant, is rented by the deposit packaging trader or the merchant itself.

24. Costs of collection and logistics of the deposit packaging (Isav) are costs which are related to the collection of the deposit packaging from people who have entered into an appropriate contract with the merchant. The costs shall include the costs for the transportation of the deposit packaging, including costs of the operation, maintenance, technical maintenance, and repair of vehicles, equipment, and mechanisms; costs of fuel, technical inspections, and insurance; costs for the renting of a vehicle, equipment, or mechanism (including operation leasing payments and leasing interest); costs for services which are procured by the merchant as an outsourcing service for this purpose and other similar costs. The abovementioned costs shall not include costs of transportation to the recycling company of the deposit packaging prepared for recycling and recovery, which are to be included in Sub-paragraph 36.3.

25. Costs of packaging materials and equipment for storage and collection of the deposit packaging (Iiepak) shall include the costs arising to the merchant upon providing transportation packaging materials and equipment for packaging, storage, and preparation of the deposit packaging for transportation (bags, disposable seals, labels, containers, boxes, accessories, etc.).

**3.2. Costs of Economic Activity for Providing the Deposit System (Fixed Costs)**

26. Costs of economic activity for providing the deposit system (fixed costs) (Ifiks) which do not depend or partially depend on the quantity of the managed deposit packaging shall be calculated according to the following formula:

Ifiks = Iaut + Inol + Ikr + Ipers + Itehn + Iadm + Iizgl + Ic,

where

Iaut – costs of reverse vending machines (EUR);

Inol – write-off of depreciation of the fixed assets of the centre for sorting, accounting, and preparation for recycling and recovery of the deposit packaging and of the value of intangible investments (EUR);

Ikr – credit interest payments (EUR);

Ipers – staff costs (EUR);

Itehn – costs of providing the technological processes for sorting, accounting, and preparation for recycling and recovery of the deposit packaging (EUR);

Iadm – administration costs (EUR);

Iizgl – costs of public outreach (EUR);

Ic – other costs (EUR).

27. Costs of reverse vending machines (Iaut) shall be calculated according to the following formula:

Iaut = Inol.aut + Irem.aut + Inoma.aut ,

where

Inol.aut– depreciation costs of reverse vending machines (EUR);

Irem.aut– costs of repair and maintenance of reverse vending machines in the balance of the merchant, if they are not included in the costs of the deposit packaging management fee (EUR);

Inoma.aut– costs of renting reverse vending machines, if the rent fee does not depend on the number of packaging units (EUR).

**3.2.1. Depreciation of Fixed Assets and Write-off of the Value of Intangible Investments**

28. Depreciation costs (Inol.aut) of renting reverse vending machines shall include the initial investment and installation costs of the capitalised deposit packaging reverse vending machines, and also the depreciation costs of the reverse vending machines, if they are entered in the balance sheet of the merchant and the costs are not included in the rental costs of reverse vending machines (Inoma) and (Inoma.aut) provided for in Paragraphs 23 and 27 of the Methodology. If the software to be used in reverse vending machines is recorded in the balance sheet of the merchant separately from the reverse vending machines, then the depreciation costs shall be indicated separately, dividing them according to the depreciation of fixed assets and the write-off of the value of intangible investments.

29. Depreciation of fixed assets of the centre for sorting, accounting, and preparation for recycling and recovery of the deposit packaging and the write-off of the value of intangible investments (Inol) shall be calculated according to the following formula:

Inol = Inol.pam + Inol.nem,

where

Inol.pam – depreciation of fixed assets (EUR);

Inol.nem – write-off of the value of intangible investment (EUR).

30. Depreciation of fixed assets shall be calculated according to the useful life of each fixed asset, using the linear method for depreciation of fixed assets. The calculation shall be done in accordance with the basic principles specified in the laws and regulations regarding maintaining of accounting.

31. Upon purchasing a fixed asset, the merchant shall assess its conformity with the requirements of the laws and regulations and the planned workload of the fixed asset. If the fixed asset is not being used for providing the deposit system provision service, then the depreciation calculated in the draft participation fee for accounting needs shall be adjusted accordingly.

32. The write-off of the value of intangible investments shall be calculated for the development costs of the merchant, the costs of concessions, patents, licences, trademarks, and other intangible investments (except for the intangible value of the merchant), using the linear method for depreciation of fixed assets.

33. Upon calculating the depreciation for fixed assets which have been funded from financial assistance or aid received from the State, local government, foreign country, European Union, another international organisation and authority, the value of fixed assets shall be reduced by the value of the relevant financial assistance or aid which has been indicated under the item “Deferred Revenues” of the balance sheet of the merchant and determined in accordance with the procedures stipulated by the Cabinet by which financial aid (financial assistance) received from the State, local governments, foreign countries, European Union, other international organisations and authorities, donations and gifts in cash or in kind shall be reflected in financial statements.

**3.2.2. Other Costs of Economic Activity**

34. The merchant shall include interest payments for a long-term credit, financial leasing, or other financial instruments (with a term longer than one year) in the draft participation fee, if the funding loaned is used for the creation of new fixed assets in relation to the provision of the deposit system provision service.

35. Staff costs (Ipers) shall be calculated in accordance with the laws and regulations governing the fields of employment relationships and social insurance. The staff is all employees of the merchant involved in the provision of the deposit system provision service (including the administration staff, contractors, and staff employed based on a rental agreement). Staff costs shall be calculated based on gross full-time monthly work remuneration divided according to the costs of the administration and production staff, using the appropriate workload for the regulated service according to the cost assignment model developed by the merchant and submitted together with the draft participation fee.

36. Costs (Itehn) for ensuring the technological processes of sorting, accounting, and preparation for recycling and recovery of the deposit packaging, including the costs if the merchant purchases any of the services as an outsourcing service, shall include the following groups of costs:

36.1. costs of the operation, maintenance, technical treatment, and repair of vehicles, equipment, mechanisms; costs of fuel and electricity necessary for ensuring the operation of equipment; costs of technical inspections and insurance; costs for the renting of a vehicle, equipment, or mechanism (including the operational leasing costs and leasing interest); costs of the materials for ensuring the recycling of the deposit packaging and other similar costs;

36.2. costs of the operation, maintenance, and repairs of structures and buildings; costs of electricity, heating, and other utilities; costs of renting a structure and building and other similar costs;

36.3. costs of transportation of the deposit packaging to the recycling and recovery site.

37. Administration costs not included in other items of costs (Iadm) shall include rent and maintenance costs of the administrative premises; costs of communications and postal services; costs for servicing of office equipment and maintenance of information technologies; costs of the preparation of an annual statement, audit, legal and advisory services; costs of financial security control and monitoring, costs of bank services; credit lines, costs of overdraft or other short-term loan (up to one year, included) interest which are assessed, applying the actual loan rate of the merchant, or, if the actual loan rate exceeds the permitted interest rate described in Paragraph 13, then the permitted interest rate shall be applied; costs of staff business trips, training, and workshop; costs of stationery, economy, office products, and representation; costs of renting (including operational leasing costs and leasing interest), repair, maintenance, and operation of administrative transport, and other similar costs.

38. Costs of public outreach (Iizgl) shall include costs for the planned measures for informing and educating the public according to a plan approved by the merchant. For the calculation of the abovementioned costs, the conditions specified in the laws and regulations are taken into account.

39. Other costs (Ic) shall include costs of the centre for sorting, accounting, and preparation for recycling and recovery of the deposit packaging which cannot be attributed to a specific technological process, including costs of land rent, security guard, fire safety and territory management; costs of electricity which are not included in other cost items; costs for purchasing labour protection means; costs for control and protection of the environmental situation; costs for health and accident insurance of employees; other production costs that are not included in the costs of the technological processes referred to in Paragraphs 24 and 36.

**3.3. Fees and Taxes**

40. The costs of fees (Ind) shall include the State fee for the regulation of a public service, the State fee for the business risk, fees for issuing an authorisation of a polluting activity, and other State fees of similar type.

41. The costs of taxes (Inod) shall include the following taxes calculated in accordance with the laws and regulations:

41.1. the immovable property tax for the buildings, structures, and land in the ownership, possession, and holding of the merchant which are used for the provision of the deposit packaging service;

41.2. the natural resources tax for the emission of polluting substances into the environment.

42. The merchant shall not include in the costs of the draft participation fee the natural resource tax to be paid in the case if the merchant does not reach the volumes of the deposit packaging management specified for the current year in accordance with the objectives stipulated by the Cabinet for the acceptance, collection, recycling, preparation for reuse, and return for reuse of the deposit packaging. The abovementioned costs in this item (Inod) shall be included in the calculation of the merchant of the financial result of the actual economic activity of the deposit system provision service (Rezfakt) in the previous calendar year which has been performed by submitting the annual report on the previous calendar year of the deposit system provision service according to the decision of the Regulator on the provisions for general authorisation, registration, and submission of information in the sector of deposit packaging management.

**3.4. Revenues for which the Costs Required for the Provision of the Deposit System are Reduced**

43. Revenues in accordance with Paragraph 9 of the Methodology (Ien) shall be calculated according to the following formula:

Ien = Iendep ‒ Iendep.kor+ Ienpard + Ienc,

where

Iendep – revenues from the unrepaid deposit fee (EUR);

Iendep.kor– adjustment of the value of market obligations (EUR);

Iendep.kor– revenues from sales of the deposit packaging prepared for recycling and recovery (EUR);

Ienc – other revenues (EUR).

44. Revenues of the merchant from the unrepaid deposit fee (Iendep) shall consist of the difference between the deposit fee transferred to the merchant by the deposit packager in accordance with the amount stipulated by the Cabinet for each deposit packaging unit in which the beverage has been placed on the market, and the deposit fee which is paid by the merchant to the deposit packaging seller or another individual for the deposit fee repaid to the final user, and also the deposit fee which has been paid by the merchant itself to the final user or another person who has returned the deposit packaging according to the contract.

45. The merchant shall adjust the planned revenues from the unrepaid deposit fee (Iendep) considering the adjustment of the value of market liabilities (Iendep.kor) by which the revenues from the unrepaid deposit fee are reduced or increased. The merchant shall, according to the basic principles specified in the accounting policy, make savings for the costs of the deposit fee for the deposit packaging units which have been placed on the market in the current year and for which the merchant has received a deposit fee from the deposit packager, but the costs of which cannot be recognised in the revenues for the current year because the merchant will settle accounts for them with other individuals in the next period. Adjustment of the value of market liabilities (Iendep.kor) shall characterise the changes planned by the merchant in the value of market liabilities during the current year.

46. Revenues of the merchant from sales of the deposit packaging prepared for recycling and recovery (Ienpard) according to the type of the material of the deposit packaging are obtained by selling on the market the materials of the deposit packaging prepared for further recycling and recovery, choosing the economically most favourable solution for obtaining the highest possible sales price.

47. Other revenues of the merchant (Ienc) shall consist of the revenues which are obtained by the merchant from using the infrastructure intended for the provision of the deposit system provision service, the services provided, fines, and similar revenues.

**4. Calculation of the Draft Participation Fee**

48. The merchant shall calculate the profit (Prent) in the draft participation fee which is provided for in Paragraph 13 of the Methodology, according to the following formula:

Prent = Idal × rkred,

where

Idal – costs of the participation fee (EUR);

rkred – the profitability rate of turnover chosen by the merchant which does not exceed the fixed turnover profitability standard referred to in Paragraph 13 (%).

49. The merchant shall calculate the costs of the participation fee with profitability (Irent) according to the following formula:

Irent = Idal + Prent.

50. For the calculation of the draft participation fee, the merchant shall adjust the costs of the participation fee with profitability (Irent) for the financial result of the actual economic activity of the merchant from the deposit system provision service of the previous period, obtaining the costs of the deposit system participation fee after adjustment to be calculated according to the following formula:

Idalkor = Irent ‒ Korrez,

where

Korrez – adjustment of the financial result of the actual economic activity from the deposit system provision service of the previous period (EUR);

Idalkor – costs of the participation fee after adjustment (EUR).

51. The merchant shall calculate the adjustment of the financial result of the actual economic activity from the deposit system provision service of the previous period (Korrez) according to the following formula:

|  |  |  |
| --- | --- | --- |
| Korrez = Σ | n | (Rezfakt.i – Rezpl), |
| i=1 |

where

Rezfakt – the financial result of the actual economic activity of the deposit system provision service of one calendar year which has been calculated in accordance with the annual report on the deposit packaging provision service in the previous calendar year specified in the decision of the Regulator on the provisions for the general authorisation, registration, and submission of information in the sector of deposit packaging management and to be submitted to the Regulator (EUR);

Rezpl – the financial result (EUR) of the economic activity of the current year planned in the calculation of the effective participation fee;

n – period (in years) that has not yet served as the basis for the calculation of the effective participation fee of the relevant item – adjustment for the financial result of the actual economic activity of the previous period (Korrez).

52. The merchant shall calculate the financial result of the economic activity of the current year planned in the draft participation fee (Rezpl) according to the following formula:

Rezpl= Prent ‒ Korrez.

53. The merchant shall use the financial result of the actual economic activity of the deposit system provision service for the calculation of the adjustment of the financial result of the actual economic activity of the deposit system provision service of the previous year (Rezfakt).

54. The merchant shall, upon performing the calculation in accordance with Annex 1 to the Methodology, indicate all the costs and revenues (EUR) with accuracy up to two decimal places, rounding the calculation to the nearest integer.

55. The merchant shall calculate the participation fee (Mdal) for one deposit packaging unit (EUR/unit) according to each type of the material and terms of use of the deposit packaging according to the following formula:

Mdal = Idalkor / Qap,

where

Qap – deposit packaging planned to be placed on the market according to the type of the material and terms of use of the deposit packaging.

55.1If the costs of the participation fee after adjustment (Idalkor) are less than a zero for any of deposit packaging materials, the participation fee (Mdal) shall be determined as zero. The management costs of the relevant packaging material in the deposit system shall be covered in full amount by the planned revenues of the merchant in accordance with Paragraph 9 of the Methodology.

[*24 February 2022*]

56. The merchant shall calculate the participation fee for a deposit packaging unit (Mdal) with accuracy up to four decimal units.

**5. Accounting of Costs and Revenues**

57. For the calculation of the draft participation fee, the merchant shall use the accounting records of costs and revenues which conform to the provisions laid down in the law On Regulators of Public Utilities that the merchant shall keep separate accounting records for each type of a public utility. The accounting records of costs shall be separated from the total accounting records by the merchant, using accounts, sub-accounts, or other indications which are ensured with the help of the accounting program and internal accounting system of the merchant.

58. The merchant shall arrange the accounting records in a way the Regulator may keep track of all economic transactions related to the deposit system provision service from the beginning until the end thereof.

59. The merchant shall separate the following revenue accounts in the accounting for the justification of the draft participation fee:

59.1. revenues from the participation fee according to each type of the material of the deposit packaging;

59.2. revenues from the unrepaid deposit fee;

59.3. revenues from sales of the deposit packaging prepared for recycling and recovery;

59.4. other revenues in relation to the deposit system provision service;

59.5. other basic revenues from economic activity of the merchant (if necessary, the merchant shall ensure a more detailed subdivision).

60. If the merchant incurs costs which at the moment of accounting cannot be directly attributed to the provision of the deposit system provision service, they shall be divided, using the cost assignment methods indicated in the cost assignment model specified in Paragraph 5 of the Methodology.

61. The merchant shall include information in the accounting policy in accordance with Annex 2 to the Methodology on the accounts, sub-accounts, and other indications of costs and revenues which are ensured with the help of the accounting program and internal accounting system of the merchant and which are used for the calculation of the participation fee.

**6. Closing Provision**

62. The Methodology shall come into force on the day following its publication in the official gazette *Latvijas Vēstnesis*.

Acting Chairperson, Board Member of the Public Utilities Commission I. Mantiņš

**Annex 1**

Decision No. 1/8 of the Public Utilities Commission

2 July 2020

[*24 February 2022*]

|  |  |
| --- | --- |
| Name of the merchant: |  |

|  |  |
| --- | --- |
| Unified registration number: |  |

**Calculation of the Draft Deposit System Participation Fee**

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| **No.** | **Item** | **Designation** | **Unit of Measurement** | **Calculation of the Draft Fee\*** |
| Single-use deposit packaging | Reusable glass | Total |
| PET (clear) | PET (coloured) | Metal (AL) | Metal (Fe) | Glass | Universal design | Individual design |
| **1.** | **Managed Quantity of the Deposit Packaging in the Current Year** | Q |  |  |  |  |  |  |  |  |  |
| 1.1. | Number of units placed on the market | Qap | unit |  |  |  |  |  |  |  |  |
| 1.2. | Number of units collected | Qsav | unit |  |  |  |  |  |  |  |  |
| 1.3. | Percentage of returned deposit packaging (1.2./1.1.) |  | % |  |  |  |  |  |  |  |  |
| **2.** | **Costs for Accepting and Collecting the Deposit Packaging (Variable Costs)** | **Imain** | **EUR** |  |  |  |  |  |  |  |  |
| 2.1. | Costs of the deposit packaging management fee | Iapsaimn | EUR |  |  |  |  |  |  |  |  |
| *2.1.1.* | *Automated acceptance point* |  | EUR |  |  |  |  |  |  |  |  |
| 2.1.1.1. | compressed packaging |  | EUR |  |  |  |  |  |  |  |  |
| 2.1.1.2. | uncompressed packaging |  | EUR |  |  |  |  |  |  |  |  |
| *2.1.2.* | *Manual acceptance point* |  | EUR |  |  |  |  |  |  |  |  |
| 2.2. | Costs of renting reverse vending machines | Inoma | EUR |  |  |  |  |  |  |  |  |
| 2.3. | Costs of collection and logistics of the deposit packaging | Isav | EUR |  |  |  |  |  |  |  |  |
| 2.4. | Costs of packaging materials and equipment for storage and collection of the deposit packaging | Iiepak | EUR |  |  |  |  |  |  |  |  |
| **3.** | **Costs of Economic Activity for Providing the Deposit System (Fixed Costs)** | **Ifiks** | **EUR** |  |  |  |  |  |  |  |  |
| 3.1. | Costs of reverse vending machines | Iaut | EUR |  |  |  |  |  |  |  |  |
| *3.1.1.* | *Costs of depreciation of fixed assets and write-off of the value of intangible investments* | *Inol.aut* | *EUR* |  |  |  |  |  |  |  |  |
| 3.1.1.1. | Depreciation of fixed assets |  | EUR |  |  |  |  |  |  |  |  |
| 3.1.1.2. | Write-off of the value of intangible investments |  | EUR |  |  |  |  |  |  |  |  |
| *3.1.2.* | *Repair and maintenance costs* | *Irem.aut* | *EUR* |  |  |  |  |  |  |  |  |
| *3.1.3.* | *Rent costs* | *Inoma.aut* | *EUR* |  |  |  |  |  |  |  |  |
| 3.2. | Costs of depreciation of fixed assets of the centre for sorting, accounting, and preparation for recycling and recovery of the deposit packaging and of write-off of the value of intangible investments | Inol | EUR |  |  |  |  |  |  |  |  |
| *3.2.1.* | *Depreciation of fixed assets, including:* | *Inol.pam* | EUR |  |  |  |  |  |  |  |  |
| 3.2.1.1. | buildings, structures |  | EUR |  |  |  |  |  |  |  |  |
| 3.2.1.2. | equipment, machinery |  | EUR |  |  |  |  |  |  |  |  |
| 3.2.1.3. | other |  | EUR |  |  |  |  |  |  |  |  |
| *3.2.2.* | *Write-off of the value of intangible investments* | *Inol.nem* | EUR |  |  |  |  |  |  |  |  |
| 3.3. | Credit interest payments | Ikr | EUR |  |  |  |  |  |  |  |  |
| 3.4. | Staff costs | Ipers | EUR |  |  |  |  |  |  |  |  |
| *3.4.1.* | *Work remuneration* |  | *EUR* |  |  |  |  |  |  |  |  |
| *3.4.2.* | *Social insurance costs* |  | *EUR* |  |  |  |  |  |  |  |  |
| 3.5. | Costs of providing the technological processes for sorting, accounting, and preparation for recycling and recovery of the deposit packaging | Itehn | EUR |  |  |  |  |  |  |  |  |
| *3.5.1.* | *Repair and maintenance of vehicles, equipment* |  | *EUR* |  |  |  |  |  |  |  |  |
| *3.5.2.* | *Maintenance of buildings and structures, rent, utilities* |  | *EUR* |  |  |  |  |  |  |  |  |
| *3.5.3.* | *Transporting of the deposit packaging to the recycling and recovery site* |  | *EUR* |  |  |  |  |  |  |  |  |
| 3.6. | Costs of administration which are not included in other cost items | Iadm | EUR |  |  |  |  |  |  |  |  |
| 3.7. | Costs of public outreach | Iizgl | EUR |  |  |  |  |  |  |  |  |
| 3.8. | Other costs | Ic | EUR |  |  |  |  |  |  |  |  |
| **4.** | **Fees** | **Ind** | **EUR** |  |  |  |  |  |  |  |  |
| **5.** | **Taxes** | **Inod** | EUR |  |  |  |  |  |  |  |  |
| **6.** | **Costs Necessary for Providing the Deposit System (2.+3.+4.+5.)** | **I** | **EUR** |  |  |  |  |  |  |  |  |
| **7.** | **Revenues according to Paragraph 9 of the methodology****(7.1-7.2+7.3+7.4)** | **Ien** | **EUR** |  |  |  |  |  |  |  |  |
| 7.1. | Revenues from the unrepaid deposit fee | Iendep | EUR |  |  |  |  |  |  |  |  |
| 7.2. | Adjustment of the value of market liabilities | Iendep.kor | EUR |  |  |  |  |  |  |  |  |
| 7.3. | Revenues from sales of the deposit packaging prepared for recycling and recovery | Ienpard | EUR |  |  |  |  |  |  |  |  |
| 7.4. | Other revenues in relation to the deposit system provision service | Ienc | EUR |  |  |  |  |  |  |  |  |
| **8.** | **Costs of deposit system participation fee****(6-7)** | **Idal** | **EUR** |  |  |  |  |  |  |  |  |
| **9.** | **Profitability of Turnover** |  |  |  |  |  |  |  |  |  |  |
| 9.1. | Profitability rate | rkred | % |  |  |  |  |  |  |  |  |
| 9.2. | Profit (8×9.1) | Prent | EUR |  |  |  |  |  |  |  |  |
| **10.** | **Costs of the Deposit System Participation Fee with Profitability (8.+9.2)** | **Irent** | **EUR** |  |  |  |  |  |  |  |  |
| 11. | Adjustment for the financial result of the actual economic activity of the previous period\*\* | Korrez | EUR |  |  |  |  |  |  |  |  |
| 12. | Financial result of the planned economic activity in the current year (9.2-11.) | Rezpl | EUR |  |  |  |  |  |  |  |  |
| **13.** | **Costs of the Deposit System Participation Fee after Adjustment (10.-11.)** | **Idalkor** | **EUR** |  |  |  |  |  |  |  |  |
| **14.** | **Deposit System Participation Fee (13./1.1.)**  | **Mdal** | **EUR/unit** |  |  |  |  |  |  |  |  |

\* final amounts included in the calculation of the draft participation fee are itemised according to positions in the justification of the costs forming the draft participation fee

\*\* the calculation is done, based on the report on the deposit system provision service in the previous calendar year submitted to the Regulator which has been submitted in accordance with the decision of the Regulator on the provisions for the general authorisation, registration, and submission of information for the data provided in the sector of deposit packaging management

Date \_\_\_.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.\_\_\_\_\_\_\_

|  |  |
| --- | --- |
| Person entitled to represent the merchant |  |
|  | signature and full name |

Note. The details of the document “date” and “signature” need not be completed, if the electronic document has been prepared in accordance with the laws and regulations regarding drawing up of electronic documents.

**Annex 2**

Decision No. 1/8 of the Public Utilities Commission

2 July 2020

[*24 February 2022*]

|  |  |
| --- | --- |
| Name of the merchant: |  |

**Accounts, Sub-accounts, and Indications Used for the Calculation of the Draft Deposit System Participation Fee**

|  |  |  |
| --- | --- | --- |
| **No.** | **Cost and Revenue Items Forming the Membership Fee\*** | Account, sub-account No. or other indications ensured with the help of the accounting program and the internal accounting system of the merchant |
| 1. | 2.1. Costs of the deposit packaging management fee |  |
| 2. | 2.1.1. Automated acceptance point |  |
| 3. | 2.1.2. Manual acceptance point |  |
| 4.  | 2.2. Costs of renting reverse vending machines |  |
| 5. | 2.3. Costs of collection and logistics of the deposit packaging |  |
| 6. | 2.4. Costs of packaging materials and equipment for storage before collection and for collection of the deposit packaging |  |
| 7. | 3.1. Costs of reverse vending machines |  |
| 8. | 3.1.1. Costs of depreciation of fixed assets and write-off of the value of intangible investments |  |
| 9. | 3.1.2. Repair and maintenance costs |  |
| 10. | 3.1.3. Rent costs |  |
| 11. | 3.2. Costs of depreciation of fixed assets of the centre for sorting, accounting, and preparation for recycling and recovery of the deposit packaging and of write-off of the value of intangible investments |  |
| 12. | 3.3. Credit interest payments |  |
| 13. | 3.4. Staff costs |  |
| 14. | 3.5. Costs of providing the technological processes for sorting, accounting, and preparation for recycling and recovery of the deposit packaging |  |
| 15. | 3.5.1. Repair and maintenance of vehicles, equipment |  |
| 16. | 3.5.2. Maintenance of buildings and structures, rent, utilities |  |
| 17. | 3.5.3. Transporting of the deposit packaging to the recycling and recovery site |  |
| 18. | 3.6. Costs of administration which are not included in other cost items |  |
| 19. | 3.7. Costs of public outreach |  |
| 20. | 3.8. Other costs |  |
| 21. | 4. Fees |  |
| 22. | 5. Taxes |  |
| 23. | 7.1. Revenues from the unrepaid deposit fee |  |
| 24. | 7.2. Adjustment of the value of market liabilities |  |
| 25. | 7.3. Revenues from sales of the deposit packaging prepared for recycling and recovery |  |
| 26. | 7.4. Other revenues in relation to the deposit system provision service |  |
| 27. | 12. Revenues from the deposit system participation fee according to each type of the material of the deposit packaging |  |
| 28. | 1.1. Number of deposit packaging units placed on the market |  |
| 29. | 1.2. Number of deposit packaging units collected |  |

\* Numbering and names correspond to the items specified in Annex 1

Date \_\_\_.\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.\_\_\_\_\_\_\_

|  |  |
| --- | --- |
| Person entitled to represent the merchant |  |
|  | signature and full name |

Note. The details of the document “date” and “signature” need not be completed, if the electronic document has been prepared in accordance with the laws and regulations regarding drawing up of electronic documents.