



# Industry Green Guidance: Category I CD Packaging

# Industry Green Guidance: Category I, CD Packaging

## Summary

Julie's Bicycle (JB) has developed Industry Green status (Category I, CD Packaging) for CD packaging that conforms to specified environmental criteria. In the absence of comprehensive data and benchmarking for the full range of card-based packaging types, the Industry Green certification is in pilot phase with a limited boundary for environmental impacts assessed. It takes as its first reference points:

1. First Step: UK Music Industry Greenhouse Gas Emissions 2007 <sup>1</sup>
2. Impacts and Opportunities: Reducing the Carbon Emissions of CD Packaging <sup>2</sup>

The certification sits within the Industry Green Framework, an inclusive approach to emissions reductions and environmental planning for the creative industries. The framework incorporates international standards and is determined with the guidance of PAS 2050: 2008 (Specification for the assessment of the life cycle greenhouse gas emissions of goods and services) and the Greenhouse Gas (GHG) Protocol. <sup>3</sup>

In order to be eligible for Industry Green status, the CD packaging should meet a threshold of less than 400g of carbon dioxide equivalent (CO<sub>2</sub>e) per unit, according to industry averages reported in 'Impacts and Opportunities'. As a general rule, card packaging with a plastic tray (the digipack) and all 100% card packaging options meet the criteria. In order to fulfill the Industry Green criteria, the applicant will need to prove their commitment to the four principles of the GHG Protocol: engagement; measurement; reduction; and disclosure. Data required to fulfill the 'measurement' criteria extends beyond the boundary that currently determines the 400g threshold, including transportation of the package, paper and board sourcing and ink toxicity. This data will be used to revise and strengthen the Industry Green criteria and methodology in future years.

Where a CD package is submitted that contains a unique structure or material which falls outside of the range of products analysed in 'Impacts and Opportunities' additional assessment may be required, which may incur additional costs.

A CD package that has earned Industry Green status is entitled to carry the ig mark as specified in the Industry Green Licence agreement, Industry Green Branding Guidelines and Industry Green Communications Guidelines.

Definitions for terms used are found in the glossary at the back of this document.

## How it Works

Request for Industry Green status may come from two different sources:

- where a manufacturer has a patent or other similar rights to produce a particular CD package that meets the Industry Green criteria, or replicator with on-site printing capacity and therefore is always eligible for the ig mark. The manufacturer, replicator or broker may apply for and hold the licence to the ig mark, which can be printed on the package; inclusion of the mark on the package is the choice of the music company and artist.
- where a music company is releasing a title specific CD that is deemed eligible for the Industry Green certification and therefore the ig mark, and requests their manufacturer, replicator or broker to initiate application for the title specific release only. Music companies may request the certification, but the application must be made either by the manufacturer, replicator or broker.

<sup>1</sup> Bottrill, C., Lye, G., Boykoff, M., and Liverman, D. (2008). Julie's Bicycle First Step: UK Music Industry Greenhouse Gas Emissions for 2007. Environmental Change Institute, Oxford University, Oxford. [www.juliesbicycle.com/publications](http://www.juliesbicycle.com/publications); [www.eci.ox.ac.uk/publications/2008.php](http://www.eci.ox.ac.uk/publications/2008.php)

<sup>2</sup> Julie's Bicycle (ed.), Arup, Environmental Change Institute and Purchasing for Profit (2009). Impacts and Opportunities: Reducing the Emissions of CD Packaging. Julie's Bicycle, London. [www.juliesbicycle.com/publications](http://www.juliesbicycle.com/publications)

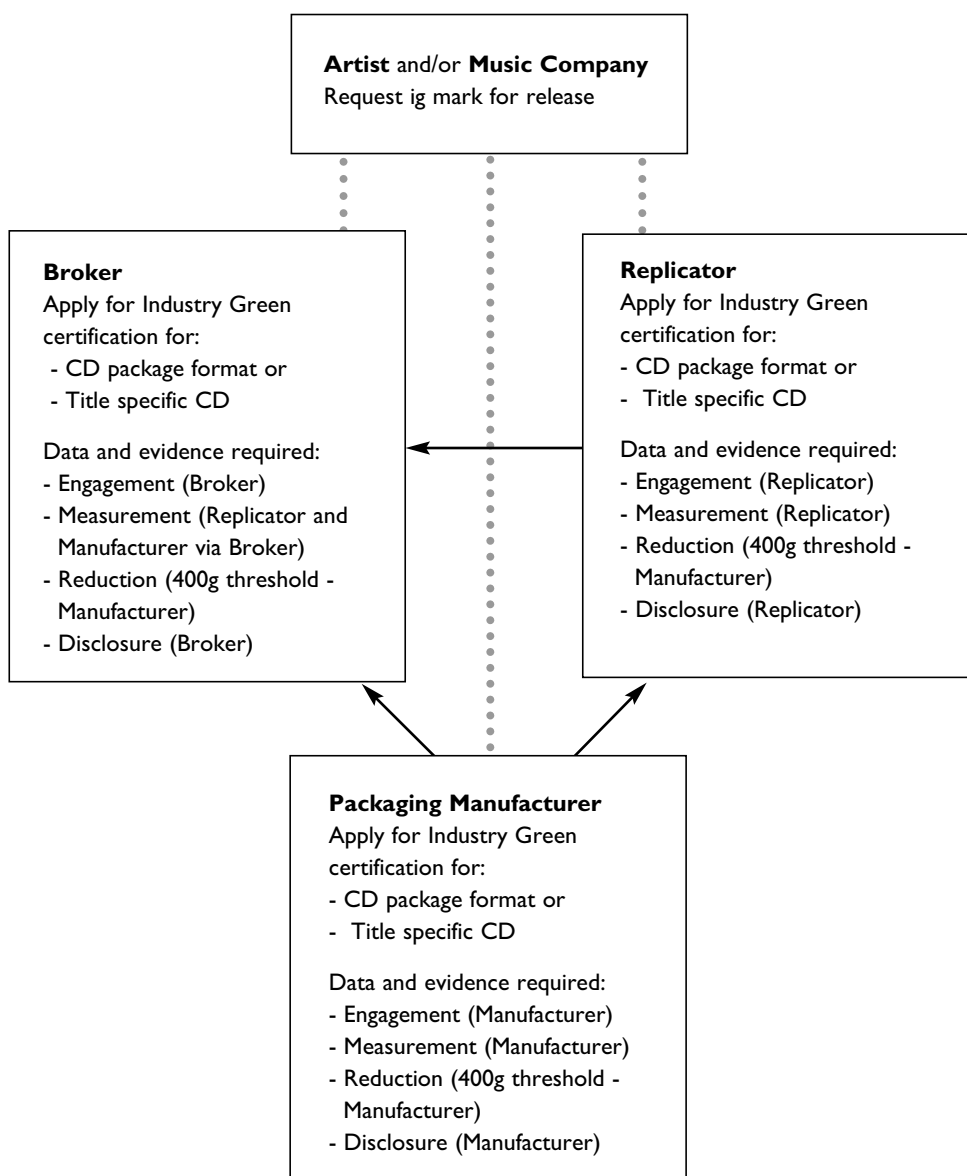
<sup>3</sup> PAS 2050 see [www.bsigroup.com/en/Standards-and-Publications/Industry-Sectors/Energy/PAS-2050/](http://www.bsigroup.com/en/Standards-and-Publications/Industry-Sectors/Energy/PAS-2050/)  
Greenhouse Gas Protocol see [www.ghgprotocol.org](http://www.ghgprotocol.org)

The applicant is assessed on two levels:

1. Eligibility: meet the 400g CO<sub>2</sub>e threshold. The CD packaging will be compared to industry average results reported in 'Impacts and Opportunities'. In comparison to these industry averages, the package's GHG emissions must be found to total 400g or less. The boundaries for the results reported in 'Impacts and Opportunities' are on a "cradle to gate" basis, where the "gate" is defined as the manufacturing facility that produces the CD packaging.

2. Fulfillment of Industry Green criteria. The applicant must also fulfill Industry Green criteria by providing information on GHG engagement, measurement, reduction and disclosure. The applicant must provide data about a range of issues including the package's material inputs, on-site energy use, ink toxicity and transportation. While this data is not used to directly calculate whether the package meets the 400g CO<sub>2</sub>e threshold, it will be used to revise and strengthen the Industry Green criteria and methodology in future years.

The applicant will be required to complete a questionnaire and supply evidence as detailed in the 'Criteria and Evidence' section of these guidance notes.



## Who should apply

Manufacturers, replicators and brokers may apply for Industry Green status for a specific CD packaging type or for a single release.

## 400g Threshold – Definitions and Boundaries

This section describes which part of the GHG emissions life cycle of a CD release is analysed in 'Impacts and Opportunities' to identify the impacts of CD packaging. This provides the data which is used to assess a CD package's eligibility for Industry Green status which is determined by meeting the 400g threshold. The data provided by the applicant to fulfill Industry Green 'measurement' criteria does not directly determine whether a CD package meets the threshold – as analysis is based on the use of the industry averages reported in 'Impacts and Opportunities'.

CD packaging constitutes the cover and inserts that:

- encourage people to buy the contents;
- protect the contents in the distribution chain, the retail floor and the customers' ownership.

GHG emissions included in assessment of CD packaging (the assessment "boundary"):

- Sourcing and transporting of raw materials;
- Processing of raw materials (i.e. cardboard or plastic)<sup>4</sup>;
- Production of CD packaging<sup>5</sup>;

GHG emissions further down the supply chain currently excluded are:

- Transportation of CD packaging after it leaves the CD packaging manufacturing site;
- Manufacture of the CD;
- Assembly of finished product;
- Distribution and marketing;
- Recording studios, business travel and offices;
- Use of the CD by the consumer;
- Disposal of the CD packaging by the consumer.

Out of scope emissions may be included in updated revisions of the Standard. Emissions of methane and/or nitrous oxide that contribute more than 0.5% to the climate change impact of the packaging have been included. Therefore, results are provided on a "carbon dioxide equivalent" (CO<sub>2</sub>e) basis.

Definitions and boundaries are guided by the PAS 2050 and GHG Protocol methodologies.

## Industry Green Assessment

Once CD package eligibility has been confirmed by meeting the 400g threshold, the applicant will need to fulfill the Industry Green criteria which is based on the four principles that underpin the GHG Protocol:

- Principle 1: Company engagement
- Principle 2: GHG measurement
- Principle 3: GHG reduction
- Principle 4: Company disclosure

Criteria and evidence required around these four principles are detailed in the next section.

Please see the Industry Green Framework Guidance Notes as well as the Industry Green (ig) Communications Guidelines for more detailed explanation of the principles.

In addition to on-site energy and transportation, a range of environmental considerations such as the responsible sourcing of materials, recycling and levels of toxicity in inks are taken into account in the certification process. Applicants are encouraged to highlight any innovations in GHG and energy reduction practices or technologies above and beyond the Standard requirements. Exceptional achievements may be highlighted and used to update accreditation criteria. Julie's Bicycle and Industry Green reserves the right to strengthen the assessment criteria in successive years in line with international environmental targets, legislation, and industry best practice.

<sup>4</sup> Arup reports this stage as "manufacture of base product" Impacts and Opportunities, Appendix 1, p14

<sup>5</sup> Arup reports this stage as "turning the base product into CD packaging" Impacts and Opportunities, Appendix 1, p14

Your Industry Green Report will clearly state what claims can be made about the CD package's environmental credentials as acknowledged by the ig mark. Organisations accredited with Industry Green status must follow the Industry Green (ig) Communications Guidelines in communicating and reporting these claims.

## Criteria and Evidence

The following section describes the criteria and evidence for assessment of CD packaging. To provide measurement evidence you will be required to complete a questionnaire. At least two pieces of documentary evidence are required to prove 'engagement' and 'disclosure'. The rows with shading show the criteria and evidence that goes beyond the minimum, which outstanding companies may provide in the initial application.<sup>6</sup>

### Principle I: Engagement

*Information required from Industry Green applicant.*

*Minimum: two pieces of documentary evidence.*

TABLE I

<i>Level</i>	<i>Criteria</i>	<i>Evidence required</i>
Minimum performance	Company board member and staff member responsible	Meeting minutes, Environmental Policy
Examples of performance beyond the minimum	Internal staff engagement	Examples of GHG educational material provided to staff (e.g. intranet, emails, leaflets, events, posters) and evidence of feedback. Registration of staff for professional training in environmental sustainability.
	Supply chain engagement	Examples of related communications (e.g. contracts, emails, events) and evidence of feedback
	Customer / client engagement	Examples of communications (e.g. promotional materials, internet, events) and evidence of feedback

<sup>6</sup> All non-English evidence documents must be translated.

## Principle 2: Measurement

Information from the Manufacturer (Table 2a) is required if the Industry Green applicant is a Manufacturer, Replicator or Broker.

Information from the Replicator (Table 2b) is required if the Industry Green applicant is a Replicator or Broker.

Minimum: questionnaires completed and supporting evidence submitted.

TABLE 2a (Manufacturer)

Criteria	Information to be supplied	Evidence examples
Packaging type	Description of packaging type	Physical example of the packaging
Total number of units	Total number of units of packaging type produced annually (on average)	Written confirmation of total units. Julie's Bicycle may request an audit of financial documents.
Manufacturing techniques	Description of manufacturing techniques	ISO9001 procedures if available, Factory photos
Weight of finished unit	Weight of each component (e.g. outer case, booklet, additional inserts)	Documented specifications of items bought
Weight of material inputs	Weight of each input (eg polythene, card, paper) per unit	Documented specifications of items bought
Energy used	kWh of electricity, gas and oil per unit	Utility bills, information about local renewable generation, process engineering data
Company certification such as ISO14001 certification or PAS 2050	Boundary (e.g. factory x) and time period (e.g. Apr 2008 – Mar 2009) of certification	Certificates and reports for relevant factories, products or processes
Recycled content	Source and % of recycled content for each relevant input	Purchasing specifications
Certification of paper and card sources	Type of certification and % of certified input	Certificates and invoices for relevant paper and card sources
Labour and health and safety issues	For factories outside the EU, attach relevant standards	Audit results, Sedex registration
Ink and sealer	Description of ink and sealer sources and processes	Purchase order specifications for inks and sealers, and any information on environmental performance of inks and sealers.
Transportation	Mode of transport and km travelled from (one or two most frequently used) packaging supplier(s) to (one or two most frequently used) replicator(s)	Logistics records or invoices
Innovation	Any	Whatever the company determines will best demonstrate their achievements

TABLE 2b (Replicator)

Criteria	Information to be supplied	Evidence examples
Packaging type	Description of packaging type	Physical example of the packaging, documented specification
Total number of units	Total number of units of packaging type produced annually (on average)	Written confirmation of total units. Julie's Bicycle may request an audit of financial documents.
Weight of finished unit	Weight of each component (e.g. disc, outer case, booklet, additional inserts)	Documented specifications of items bought
Shrinkwrapping	Yes or no	Documented specification of what is used
Energy used	kWh of electricity, gas and oil per unit	Utility bills, information about local renewable generation, process engineering data
ISO14001 certification	Boundary (e.g. factory x) and time period (eg Apr 2008 – Mar 2009) of certification	Certificates and reports for relevant factories
Labour and health and safety issues	For factories outside the EU, attach relevant standards	Audit results, Sedex registration
Transportation	Mode of transport and km travelled from (one or two most frequently used) replicator(s) to (one or two most frequently used) distribution centre(s)	Logistics records or invoices
Innovation	Any	Whatever the company determines will best demonstrate their achievements

### Principle 3: Reduction

*Fulfilling measurement criteria provides all information necessary to fulfill reduction criteria – no further evidence is required.*

Reduction targets are built into Industry Green certification via a fixed emissions threshold, which will be periodically revised to promote ongoing reduction in accordance with the Industry Green Framework. The current threshold for CD packaging is that its greenhouse gas emissions total 400g or less, in accordance with the measurement definitions and boundaries outlined above. According to best practice evidence acquired in this pilot phase evidence of ongoing reduction above and beyond the threshold mechanism may be required in future years. Applicants should ensure they communicate any reduction innovations and commitments as part of their measurement data submission.

The applicant's Industry Green Report will identify the extent to which the CD packaging emissions are below the threshold.

n.b. using a green tariff for electricity or purchasing carbon offsets will not constitute a reduction unless there are changes to the regulation of these markets

### Principle 4: Disclosure

*Fulfilling measurement criteria provides all information necessary to fulfill reduction criteria – no further evidence is required.*

TABLE 3

<i>Level</i>	<i>Criteria</i>	<i>Evidence required</i>
Minimum performance	Disclosure of the Industry Green Report to board/directors, senior management and shareholders	Examples of communications (e.g. contracts, emails, events), evidence of feedback, meeting minutes and official responses
Examples of performance beyond the minimum	Disclosure of the Industry Green Report to staff	Examples of educational material provided to staff (e.g. intranet, emails, leaflets, events, posters) and evidence of feedback
	Disclosure of the Industry Green Report to supply chain	Examples of communications (e.g. contracts, emails, events) and evidence of feedback
	Full public disclosure of the Industry Green Report	Examples of communications (e.g. promotional materials, media, internet, events) and evidence of feedback

Your Industry Green Report will clearly state what claims can be made about the CD package's environmental credentials as acknowledged by the ig mark. Organisations accredited with Industry Green status must follow the Industry Green (ig) Communications Guidelines and Industry Green (ig) Brand Guidelines in communicating and reporting these claims.

## Use of the ig mark

A licence to use the ig mark is granted on completion of an assessment of the product and evidenced commitment to the four principles and a signed licence agreement. For a full explanation of uses of the ig mark please see the Industry Green Licence agreement and Industry Green (ig) Communications Guidelines.

## External Assessment and Verification

Industry Green Reports will be externally assessed by the Environmental Change Institute, Oxford University. Additionally, an Expert Review Board will annually verify that Julie's Bicycle procedures and assessments are of the highest scientific, accounting and procedural standards.

## Relevant international and national standards

The Industry Green Framework is based upon methodologies developed within PAS 2050 and the GHG Protocol. There is a range of other international and national standards that are also relevant to CD packaging, which the Industry Green certification takes into account during the accreditation process:

- ISO (International Standards Organisation) schemes, including 9001, 14001, 14040, 14044;
- BS (British Standards) schemes, such as 8555;
- Voluntary environmental management systems such as EMAS;
- Material specifications such as Forest Stewardship Council or Programme for the Endorsement of Forest Certification and proportions of post-consumer recycled content.

Julie's Bicycle is regularly updating information regarding relevant international and national standards.

# Industry Green Licence Model

## How it works

This outlines the business model supporting the collection of royalties from ig mark licence-holders who have achieved the Industry Green status for CD Packaging. It assumes that eligibility for using the ig mark has been satisfied and identifies the mechanisms and procedures required to ensure the appropriate royalty is correctly accounted for and paid. This process needs to ensure an audit trail which can reconcile usages of the ig mark with royalty payment made.

This document should be read in conjunction with the Industry Green (ig) Communications Guidelines for the use of the ig mark.

## Approving a Manufacturer, Replicator or Broker

All successful applicants will be set up and provided with a licence authorising them to incorporate the ig mark into their product. Setting up will cover the following:

- Use of the ig mark
- Approved locations where manufacturing can take place
- Processes for managing sub contracted work
- Tracking schedules
- Audit requirements
- Support

Once the applicant has achieved the Industry Green certification they will be advised that the mark can be included on eligible products under licence. The length of this licence will be two years.

If the licence-holder wishes to incorporate the ig mark into a release which varies from the specification of the approved package in their Industry Green Report, Julie's Bicycle must be advised in advance. If the changes are not found to be substantial and do not constitute a new package, no further assessment or licence agreement will be required. Ongoing authorisation will be dependent on adherence to Julie's Bicycle terms and conditions of use.

## When is a royalty due?

Once a package or release has been authorised for the ig mark, a royalty is due each and every time that product is sold by the Manufacturer to the Replicator or Broker as an ig marked product. The buyer of the product (i.e. the Replicator, Broker or Music Company) will specify when a product should carry the ig mark. This notification will be incorporated within the specification of the product and documented on the purchase order.

The ig mark does not necessarily have to be included within the artwork and printed; it is the recognition that the product is Industry Green certified which is the key point to determine when a royalty is due. However, it is likely that in most cases the ig mark will be printed on the product.

Table I below is an example of a reconciliation table, with illustrative data. A template of table I will be available to licensees in Excel format.

Table I

Reconciliation of the use of the ig mark for Julie's Bicycle Ltd.

Date of customer's purchase order	Customer name	Music label	Type of packaging	Artist	Title	Quantity purchased by the customer
05/04/2009	Replicator A	Label A	Package A	Various	Compilation X	50,000
05/04/2009	Replicator A	Label B	Package B	New signed band	First album	15,000
Total						65,000

## How much is the royalty?

The royalty payment is point three of a Euro cent (€0.003) per eligible product (or sterling equivalent). This is subject to VAT / Sales tax. The location where the packaging is produced determines which currency is used for the calculation. This fee is fixed until the end of 2009 when it will be reviewed.

## On what quantity is the royalty due?

The payment is due on the quantity stated on the customer's purchase order.

This is the easiest number to select because

1. it is easy to audit
2. it is recognised that there is waste in the printing and finishing process so more products will be manufactured to compensate for this.

Music Companies are improving their estimation of the number of products required therefore the over payment of products that are scrapped rather than sold to the ultimate customer is insignificant considering the level of the individual royalty.

## When is the royalty due for payment?

Each quarter (conforming to the financial year each company uses) the schedule shown in table I must be submitted to Julie's Bicycle. Using a self billing system the licence-holder should raise an invoice and submit the royalty within 30 days following the end of the quarter. Ongoing authorisation will be dependent on the correct royalty payments being made in a timely manner.

## Julie's Bicycle

Julie's Bicycle is a not-for-profit company established in 2007 to unite, lead and support the UK music industry in tackling climate change. We have brought together a coalition of scientific experts and senior figures across the industry to map the industry's carbon footprint and take practical steps to reduce it.

Julie's Bicycle offers products and services that can support a company seeking to establish ongoing greenhouse gas (GHG) measurements to fulfil Industry Green criteria. JB delivers GHG and Energy Audits, which provide independent and scientific verification of an organisation's GHG performance. An audit will assist in establishing customised energy management and GHG measurement systems that can adapt to commercially sensitive GHG thresholds over coming years.

See [www.juliesbicycle.com/about-us/products-and-services](http://www.juliesbicycle.com/about-us/products-and-services).

## References

Bottrill, C., Lye, G., Boykoff, M., and Liverman, D. (2008). Julie's Bicycle First Step: UK Music Industry Greenhouse Gas Emissions for 2007. Environmental Change Institute, Oxford University, Oxford. [www.juliesbicycle.com/publications](http://www.juliesbicycle.com/publications); [www.eci.ox.ac.uk/publications/2008.php](http://www.eci.ox.ac.uk/publications/2008.php)

GHG Protocol see [www.ghgprotocol.org](http://www.ghgprotocol.org)

Julie's Bicycle (ed.), Arup, Environmental Change Institute and Purchasing for Profit (2009). Impacts and Opportunities: Reducing the Emissions of CD Packaging. Julie's Bicycle, London

International Standards Organisation (for example for ISO14001, 140040 and 140044). see [www.iso.org](http://www.iso.org)

PAS 2050 (Publicly Available Specification 2050:2008 Specification for the assessment of the life cycle greenhouse gas emissions of goods and services) see [www.bsigroup.com/en/Standards-and-Publications/Industry-Sectors/Energy/PAS-2050/](http://www.bsigroup.com/en/Standards-and-Publications/Industry-Sectors/Energy/PAS-2050/)

Programme for the Endorsement of Forest Certification see [www.pefc.org](http://www.pefc.org)

## GLOSSARY

The following words are defined to clarify their meaning in the context of using the ig mark.

**Broker** – a company that sells CD production that they in turn purchase from one or more Replicators. Commonly used by smaller buyers or those who need a lot of support in getting production parts ready who individually do not have the quantity leverage or credit to get a good price direct from a Replicator.

**Manufacturer** – a company that takes paper and board and from these materials converts them into CD packaging.

**Music Company** – a generic term referring to an organisation that develops, promotes and markets recording artists and sells their music via a range of distribution channels. One of these channels involves the sourcing of physical compact discs and accompanying packaging.

**Package** – a generic piece of paper and / or board packaging that is typically a trade marked product ready to be customised with artwork designed by the Music Company.

**Product** – a generic term to refer to either a package or a release.

**Release** – an artist and album title specific package containing a unique bar code.

**Replicator** – a company that manufactures audio compact discs and inserts them into packaging they have received from the Manufacturer. (The CD packaging may have been purchased by the Replicator or supplied free issue by the Music Company).



**JULIE'S BICYCLE** \* \*\* \*  
TAKING THE HEAT OUT OF MUSIC

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