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The most important questions on exchangeability

The world's largest pallet association, which has stood for quality assurance in the open exchange pool of Euro pallets since 1991, URGENTLY recommends that UIC pallets are not accepted any longer in order to maintain the safety of staff, products and processes. There is an increased risk in particular from <u>UIC pallets</u> from these countries: Ukraine, Czech Republic, Slovakia, Hungary, Romania and Bulgaria.

The agreement on exchangeability with the UIC was terminated in February 2017 – with good reason.

QUALITY and SAFETY need structure and reliability. The international structure of EPAL, which has a presence in 20 countries with its National Committees and represents licensees in over 30 countries, inspecting <u>all</u> regularly, guarantees consistent SAFETY and QUALITY worldwide, which you need for your processes.

To avoid disruption to your processes and above all to keep them as simple as possible, we will try to answer your most important questions on pallet exchange. **Please do not hesitate to contact us directly at any time, we are happy to help with your specific issues.** Our colleagues at EPAL General Secretariat, your local National Committee and at the EPAL Academy are here for you!

Situation No 1: Pallet exchange

1. What do I need to consider in future when accepting pallets?

To make it nice and easy: When assessing pallets, focus on one single mark: Pallets bearing this marking in any position are considered exchangeable without limitation. For assessing the suitability of pallets in terms of quality, the current standards and criteria naturally apply. You can find these in detail here:

http://www.epal-pallets.org/eu-en/load-carriers/product-downloads/

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2. What about pallet exchange documentation?

There is no need for changes to the documentation. However, it might be helpful and worthwhile for you, if you separately list the UIC pallets on the corresponding pallet vouchers and deduct them, if you have determined this with your exchange partner.

3. How will 'old' exchangeability agreements be dealt with?

Concluded exchangeability agreements remain valid. Therefore, you might find that now is a good time to review your agreements to see what exactly they say. We also recommend that in future agreements, you consider stating that exchange is explicitly restricted to EPAL Euro pallets. Only by doing this can you be sure of receiving the quality that you need for your processes.

4. When does the revised exchangeability start?

The EPAL Board decided in February 2017 to terminate the agreement on exchangeability with the UIC. As for the reasons – which you might have guessed by the evident quality faults you see during your everyday work – you will find more detailed information about how to do this on the EPAL website: www.epal.eu.

The recommendation to stop exchange between EPAL Euro pallets and UIC pallets applies from 01/05/2017. The previously effective recommendation that also pallets bearing the "EUR" marking (UIC, MAV, CD, ADIF, GreenCargo etc.) can be exchanged, to continue to apply, but however to be limited in duration until 31/12/2021 and restricted to pallets that have been produced by 28/02/2017 in strict compliance with the UIC leaflets 435-2 to 435-6.

The definitive transitional period for each case will depend on the duration of the agreements which you have with your various partners. We would also recommend, updating exchangeability agreements as soon as possible, in order to avoid any problems in the future.

5. What should an agreement that protects against risk and disputes contain?

Clearly state in your agreements that you accept only EPAL Euro pallets as exchangeable pallets. If you have any specific queries, please don't hesitate to contact us – we will be happy to help.



6. How does EPAL envisage the sorting and handling and any associated additional expenditure?

To be able to guarantee the process stability at your operation, you must systematically assess the pallets which are used. For assessments, we recommend considering a single

additional criterion: the mark

With immediate effect, only pallets bearing this mark are exchangeable. With respect to the additional criteria according to which you sort pallets and determine suitability for use in your activities, nothing will change. Defective is still defective, fit for purpose is still fit for purpose; that's what EPAL quality assurance stands for.

Situation No 2: Ordering new pallets

1. How can I be certain of receiving original, exchangeable EPAL Euro pallets when reordering pallets?

A complete list of all approved producers and repairers, who are subject to EPAL's quality assurance, can be found here: http://www.epal-pallets.org/eu-en/licensee-search/

When ordering pallets make sure that the wording 'exchangeable EPAL Euro pallets' appears in the ordering process. This applies regardless of whether you are ordering new or used pallets.

2. For how long and which pallets may be supplied?

Existing orders and supply agreements remain effective during the agreed contractual term. For renegotiations and new orders, we recommend using the above suggested wording.