

Right to self-monitor production of EPAL pallets (Level 2)

General information

The right to self-monitor (Level 2) includes permission to mark the new EPAL pallets produced with EPAL control staples and to put them into circulation without prior inspection and acceptance of the pallets by the EPAL inspection company. Self-monitoring by the producer of EPAL pallets replaces inspection of EPAL pallets by the EPAL inspection company.

Licensees' obligations as part of self-monitoring

Self-monitoring includes the following obligations in accordance with the EPAL Technical Regulations:

- continuous inspection of random samples of material (boards, blocks, nails)
- constant monitoring of error-free functionality of production equipment (machines and tools)
- inspection of random samples of EPAL pallets produced: one pallet must be taken from current production at intervals of no more than 20 minutes and inspected to check whether the EPAL pallet complies with all the EPAL Technical Regulations requirements (including quality, component dimensions and distances, nail positioning, main dimensions, marking and appearance of the EPAL pallet).
- if faults are identified on the EPAL pallet inspected as part of the random sample, production is to be halted and the error or cause of the error resolved
- regular random sample inspection using Statistical Quality Control to be documented and made available on request.

Preconditions for approval of the right to self-monitor

EPAL will usually approve the right to self-monitor if

- the licensee has produced at least 30,000 EPAL pallets in the six months prior to receipt of the application and there have been no breaks in production of EPAL pallets,
- no significant quality faults have been identified,
- there have been no significant breaches of other terms of the Licensing Agreement by the licensee and no infringements of EPAL's rights and interests have been established,
- the licensee has demonstrated the requisite reliability in autonomous quality assurance (self-monitoring).

The licensee has no right for the right to self-monitor to be approved.

In the event of failure to meet one of the above preconditions after the right to self-monitor has been approved (e.g. production of less than 30,000 EPAL pallets in the previous 12 months, significant infringement of quality and licence terms), EPAL can unilaterally withdraw the right to self-monitor.

Process for approval of the right to self-monitor

The right to self-monitor is approved following a request by the licensee.

The licensee is to use the form prepared by EPAL 'Request for approval of the right to self-monitor production of EPAL pallets' for this purpose. The licensee will receive a written confirmation from EPAL with information on the purchase of EPAL control staples and the process for this after receipt of the application.

The inspection company will check the details given in the application as part of the next Level 1 acceptance. In the event of a positive evaluation of the application, EPAL will then grant the right to self-monitor.

Costs for the process of approving the right to self-monitor

In principle, there are no underlying costs associated with the procedure of approving the right to self-monitor. EPAL will charge for the activities of the inspection company if the applicant requests the information in the application is checked at a time other than a Level 1 acceptance (chargeable). Costs are currently EUR 280.00.

Purchasing EPAL control staples

EPAL pallets may only be produced as part of the right to self-monitor if the licensee has an adequate supply of EPAL control staples. To this end, the licensee must order the necessary control staples from EPAL, taking into consideration the anticipated production volume (yellow control staples for EPAL Euro pallets and EPAL 2 / EPAL 3 / EPAL 6 / EPAL 7 pallets, and purple EPAL control staples for EPAL CP pallets).

These can be ordered by email (info@epal-pallets.org) or online.

Once the order has been received, it will be checked by EPAL and an invoice sent to the licensee. The cost to licensees with the right to self-monitor for EPAL control staples is currently EUR 0.009.

As soon as the invoice has been paid, EPAL will instruct the manufacturer of the EPAL control staples to deliver to the licensee the EPAL control staples ordered. Licensees should allow for a period of at least two weeks between order and delivery.

EPAL control staples may not be sold or forwarded in any other manner to third parties. If a significant shortfall of EPAL control staples is identified by EPAL as part of a regular inventory check, fees will be charged for this. The right to impose a contractual penalty is reserved.

Inspection company inspections

Licensees with the right to self-monitor are inspected at least once per calendar month by the EPAL inspection company. In the event of average monthly production exceeding 20,000 EPAL pallets, two inspections are carried out each month. If average monthly production exceeds 100,000 EPAL pallets, three inspections are carried out each month.

Each individual inspection currently costs EUR 280.00 (inspection fee).

EPAL will invoice the inspection fees together with the license fees on a monthly basis.

Reporting the number of EPAL pallets produced

The licensee is obliged to report to EPAL the number of EPAL pallets produced each month. This report is to be submitted to EPAL via the website using the online process by the 10th day of the following month. EPAL will invoice the licence fees for the EPAL pallets produced together with the inspection fees on a monthly basis.