

## EFBW Position Paper

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### Position Paper on beverage packaging collection systems in Europe

EFBW welcomes the European Commission's initiative to revise the Waste Directives towards achieving the Circular Economy objectives. For the bottled water sector, the ultimate goal of the Circular Economy is to phase out the landfilling and incineration of all of its recyclable materials, especially PET bottles. In reaching this goal, high collection and recycling rates should clearly be the focus.

For a long time the industry has been contributing to both Extended Producer Responsibility (EPR) and Deposit Refund Systems (DRS) in many European countries.

Both systems, alone or in combination, have demonstrated good collection and recycling performance in some countries, while in others there is room for improvement.

#### Extended Producer Responsibility (EPR)

The EPR is the most implemented system amongst European countries for collection and recycling of beverage packaging. According to PCI Wood Mackenzie<sup>1</sup> the collection of PET bottles in EU varies amongst the different Member States. There are good examples, in countries using EPR, like in Belgium (86%), Austria (73%), Ireland and Spain (both at 70%) while other countries using the same system underperform. This is valid for Bulgaria (14%), Latvia (17%) and Greece (26%).

That indicates great variation in EPR efficiency amongst Member States. Another study<sup>2</sup> commissioned by DG Environment, on the collection of household packaging, has not found any correlation between the costs charged under the EPR schemes and the packaging recovery and recycling performance of the Member States. Some relatively "inexpensive" schemes demonstrated high levels of recovery/recycling (e.g. Belgium and Luxembourg) while some "expensive" ones demonstrated low levels of recovery/recycling (e.g. Poland and Estonia).

The success of the Belgian EPR system can be attributed to having one single accredited producer responsibility organisation with solidarity amongst producers, close cooperation between all the actors involved in the packaging/packaging waste chain), good communication with – and active participation of – citizens, and a gradual roll-out of the scheme across the country to ensure its successful application. The performance of Belgium was considered as best in terms of "value for

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<sup>1</sup> PCI Wood Mackenzie "RPET Study – 2016 West Europe". Remark from EFBW: PCI Wood Mackenzie data refers to all PET used in Europe and not only drink PET bottles.

<sup>2</sup> Development of Guidance on Extended Producer Responsibility, Bio by Deloitte, May 2014, p. 50 (Eurostat data 2010)

money”, with 6,50 euros per inhabitant in 2010, due to the amount of packaging waste recovered and recycled compared to the cost of contributions to the scheme<sup>3</sup>.

EPR not only covers high value beverage packaging (glass, PET, aluminium and steel) but can also be considered as a good system towards an overall improvement of post-consumer packaging waste management performance.

### Deposit Refund Systems (DRS)

To date the DRS has been implemented in eight European countries (Denmark, Estonia, Finland, Germany, Lithuania, Netherlands, Sweden, Croatia), either alone or in combination with an EPR scheme, with generally high collection results achieved. According to PCI Wood Mackenzie<sup>4</sup>, the collection of PET in EU, achieved with DRS, also varies in different Member States. Very high collection rates are achieved in Germany (92%), Estonia (88%) and Sweden (83%) while there is a room for improvement in Croatia (53%), Finland (45%) and Lithuania (35%).

DRS covers beverage packaging (glass, PET, aluminium and steel) and usually demonstrates high collection performance for these items. Its major advantage for beverage packaging can be the quality of the collected materials which results in more opportunities for applications of those recycled materials. However, consideration should also be given to how other non-beverage materials are recycled in the local market.

### EFBW position

The bottled water industry recognizes its shared responsibility for the end-of-life phase of its packaging and contributes, financially and/or organizationally, to the collection systems in Europe. The industry’s vision is to achieve, in every European country, the highest collection and recycling rates for its materials. The means to achieve it should be left to the national / regional authorities to identify which collection system suits them best, considering that European countries have different cultures and waste management performances.

EPR and DRS need to be environmentally, socially and economically viable for all stakeholders to be successful. The EPR and DRS schemes must involve all relevant actors from the industry, the government, the local authority, the consumers and the waste management industry.

Any complementary initiative to increase collection, needs to not compromise existing waste management efficiency, or cost.

EFBW believes that the financial contributions for the collection schemes paid by each actor should be proportionate to its actual role and responsibility. The producers’ contribution should not cover the entire cost of packaging waste but rather its proportion in reaching the waste management targets.

Apart from efficient and tailor-made collection systems, EFBW is convinced that plastic PET beverage packaging should neither be put into landfill nor incinerated, but instead recycled to fuel the circular economy in every country across Europe.

EFBW members continuously work with plastic recyclers to ensure their products can be easily

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<sup>3</sup> Use of Economic Instruments and Waste Management Performances, Bio by Deloitte, April 2012, p. 119

<sup>4</sup> PCI Wood Mackenzie “RPET Study – 2016 West Europe”. Remark from EFBW: PCI Wood Mackenzie data refers to all PET used in Europe and not only drink PET bottles.

recycled. EFBW is a founding member of the European PET Bottle Platform (EPBP) which has created recycling guidelines to help maintain the high quality of recycled PET. EFBW believes that improving the economics of recycling streams through long term visibility regarding legislation, would have a positive impact on making recycled materials of high quality available, and affordable. This would foster growth in the recycling industry, bring certainty to the users of the recycled materials and boost circular economy.

EFBW fully supports the aspirations of the European Commission's circular economy package in seeking to develop efficient waste management systems, to promote products' eco-design and to educate consumers regarding valuable resources. As producers, we are ready to work with governments and other value chain stakeholders to make sure that our common aspirations are achieved.