

ZERO WASTE EUROPE LIVE!

7 May 2019 - 2pm CET

SETTING UP A REUSE STRATEGY FOR THE CITY

CLARISSA MORAWSKI





Deposit Return:

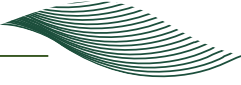
Just the Facts

Clarissa Morawski
June 3, 2019

Webinar hosted by:
Zero Waste Europe



5 Trend Considerations



1. **Rising share of financial obligation** for producers with greater EPR minimum requirements and litter clean up costs.

Per tonne costs of separate collection systems **will rise** with new costs for away-from-home collection.

2. Increasing need for **access to post consumer resin** to meet national recycled-content mandates. 25% recycled plastic by 2025, and 30% by 2030. (By member state)

3. Higher targets for PET Recycling



Voluntary Commitment/Pledges

- ✓ PET Industry target of 65% by 2030
- ✓ European Federation of Bottled Water commitment of 90% collection by 2025

Legislated

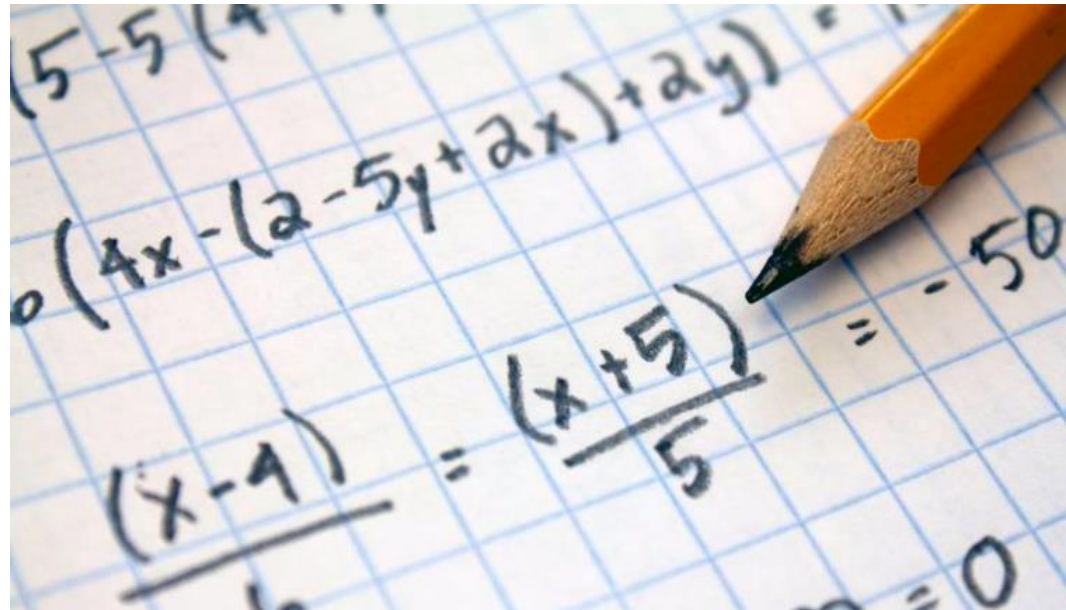
- ✓ PPWD: Plastic packaging recycling 55% by 2030
- ✓ SUPD Plastic beverage bottles with caps collected for recycling, 90% by 2029

Defined in SUPD as:

“Beverage bottles with a capacity of up to three litres, including their caps and lids”

4. New recycling calculation method to **net out contaminants in collection and** new rules on reporting weight of **packaging waste generated**. (by spring 2019).

New methodology for calculation and verification of **“collection for recycling” target for in SUPD**. (by spring 2020).



THE TOP TEN

PLASTIC POLLUTERS 2018



#breakfreefromplastic

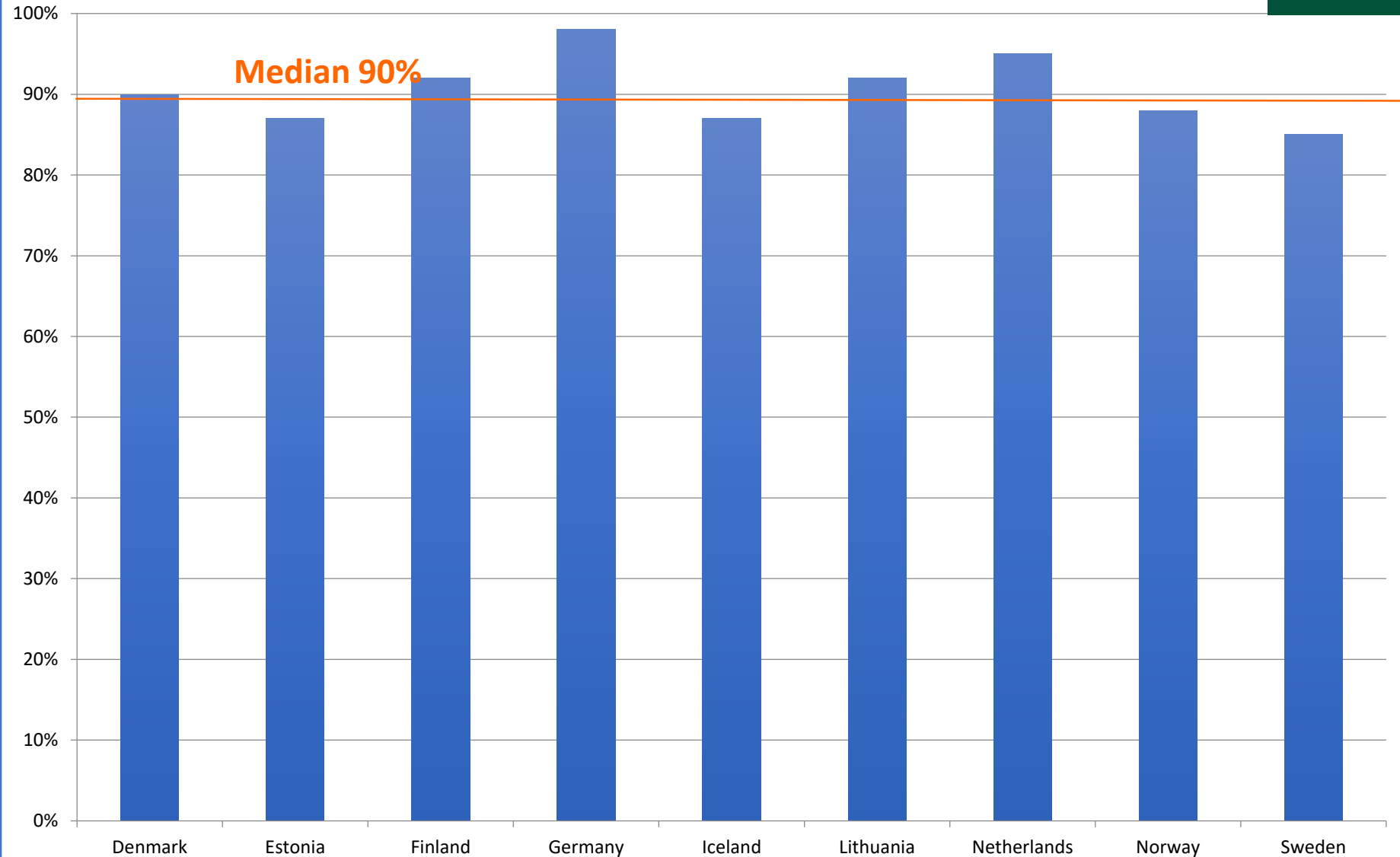


May 15, 2018

- ✓ Collect 90% of all PET bottles by 2025, as an EU average.
- ✓ Use at least 25% recycled PET (rPET) in its water bottles by 2025, as an EU average.
- ✓ Innovate and invest further in eco-design and research on non-fossil based **plastic materials**.



Plastic Bottle Return/Recycling Rate in 9 European Countries with Deposit Return



Article 9 collect separately for recycling, beverage bottles with a capacity of up to three litres, including their caps and lids

- no later than by **2025**, an amount of waste single-use plastic products listed in Part F of the Annex equal to **77%** of such single-use plastic products placed on the market in a given year by weight;
- no later than by **2029**, an amount of waste single-use plastic products listed in Part F of the Annex equal to **90%** of such single-use plastic products placed on the market in a given year by weight.

In order to achieve that objective MSs may inter alia:

- a) **establish deposit-refund schemes**, or
- b) establish separate collection targets for relevant extended producer responsibility schemes.



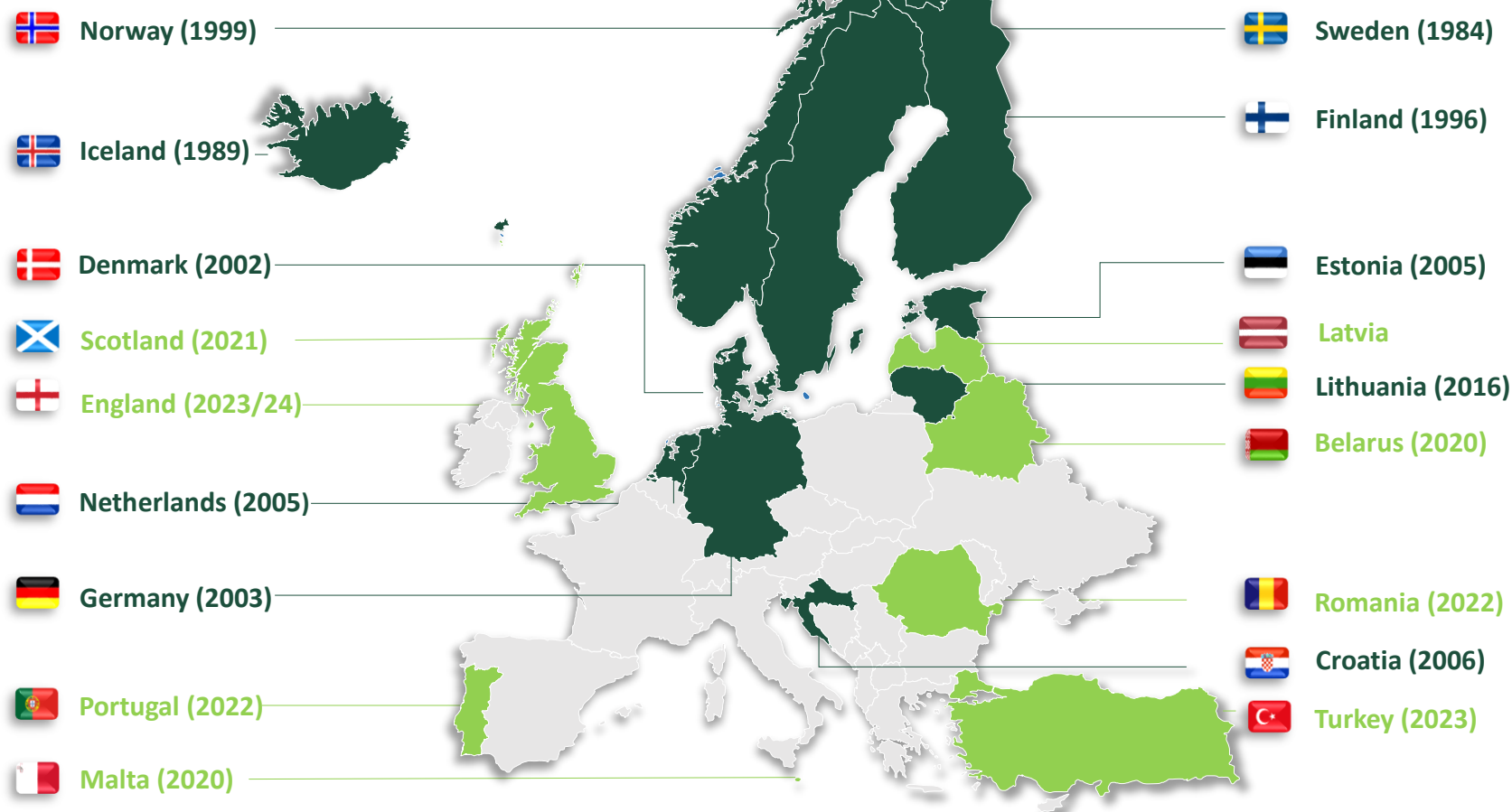
DRS Action Across the Globe

- The latest jurisdiction to implement a DRS was
- **NEW SOUTH WALES , DECEMBER 1, 2017**
- **QUEENSLAND, NOVEMBER 1, 2018**
- **WESTERN AUSTRALIA, EXPECTED BY 2020**
- **VICTORIA, LIKELY BY 2021.**



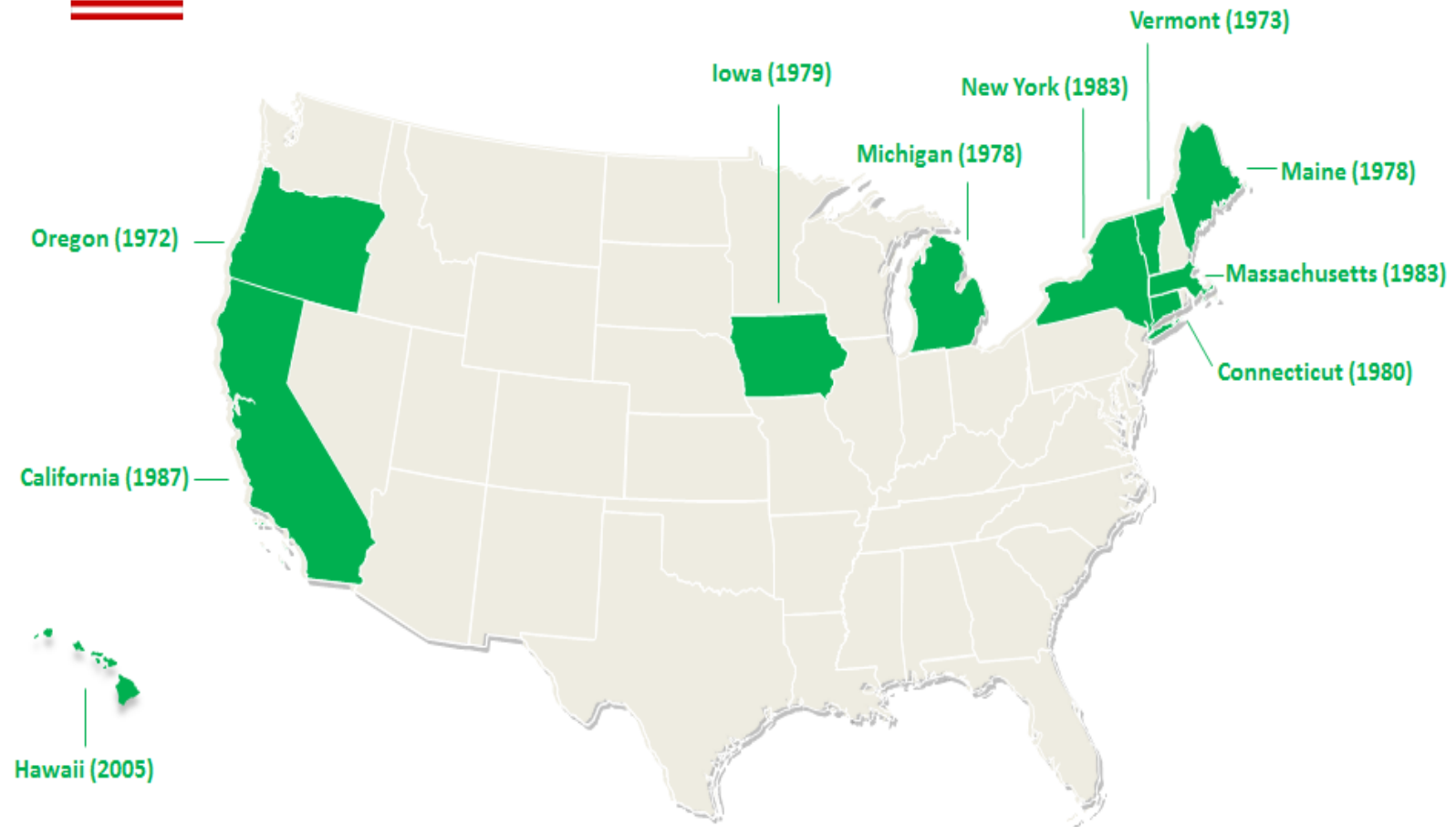
Deposit systems in Europe

Deposit return systems in operation and planned

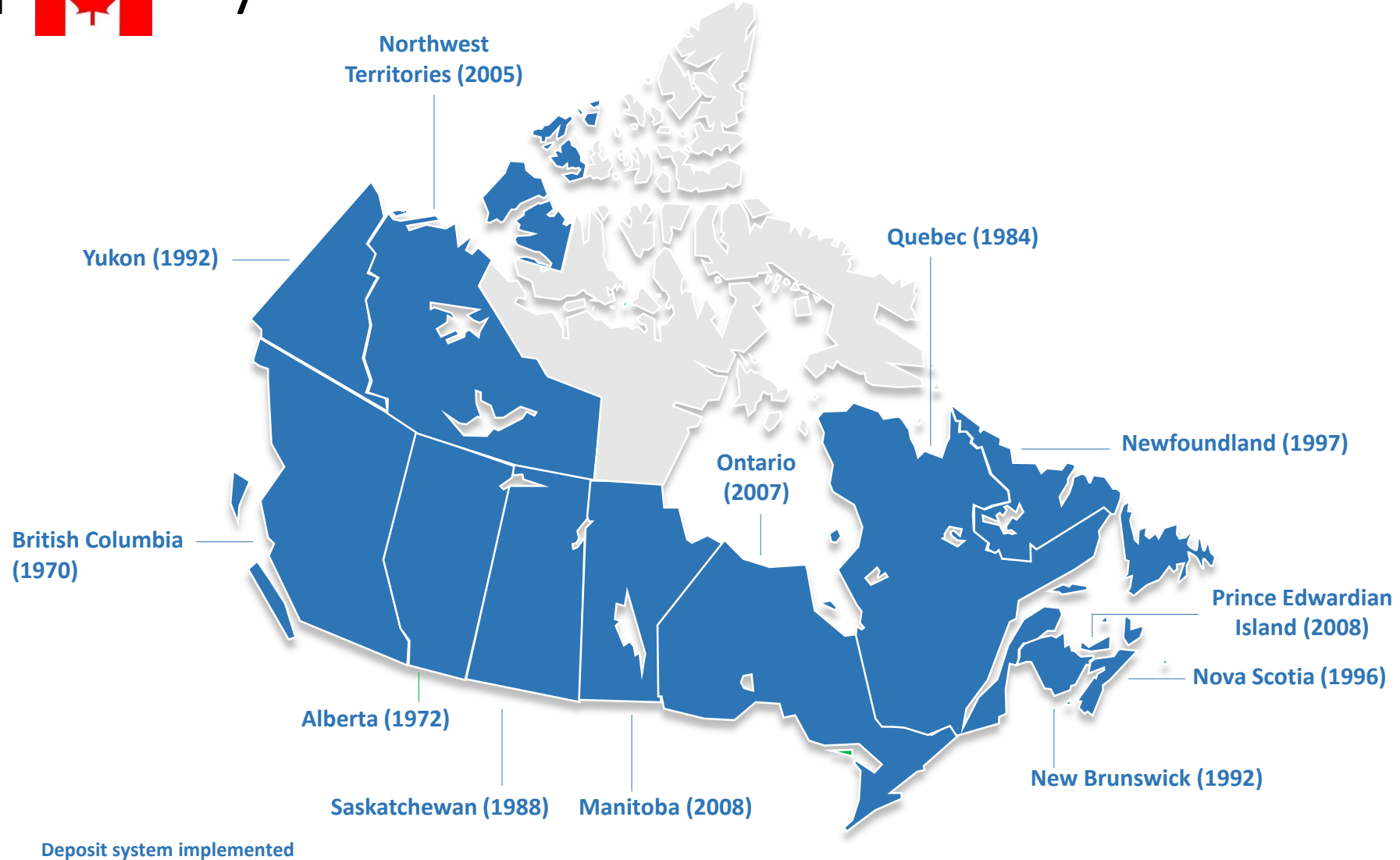


More and more countries implement deposit schemes. At least for one way PET and cans.

USA



Deposit systems – Canada





FREQUENTLY

QUESTIONS

ASKED

**Why charge a deposit on
beverage containers and not
other packaging?**

- ✓ Purchased and consumed quickly **on the go** – approximately 25%-40% of all drinks sold are consumed away from home
- ✓ Consume large amounts of **energy** in manufacturing & they comprise significant **volume** in the waste stream
- ✓ **Litter**: An average of land-based 14%-40% of litter is from beverage containers
- ✓ **75%-90%** of 10 most littered packaging items in the marine environment (**by volume or weight**) are beverage containers.



**Can't municipal separate collection
achieve the same
high rates as deposit return?**

- **Curbside can't recycle what it doesn't target.** Away-from-home beverage consumption is about 25%-40% of the total depending on the type of beverage. For example, water bottles comprise a higher share of away from home.
- **Not everyone has access to separate collection:** multi-family homes and rural areas are frequently left out of curbside routing.
- **Not everyone participates.**
- **Losses from collection, sorting, and processing** can be as high 50% depending on the method of collection.
- **Public space recycling is very expensive** and has low capture rates.

Be realistic about recycling



- Best case scenario:
- 95% of households have collection facilities
- 90% of those households participate and contribute 90% of recyclables
- 90% material is left after removal of contamination
- **maximum** amount of material that can be recycled is **69%**
(90% of 90% of 90% of 95%)
- Optimise recycling, increase quality and quantity

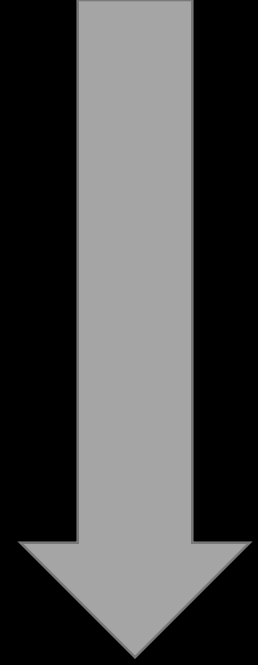
**What is the impact on
municipal recycling?**

	Study Title, Author and Year	Summary of Findings
	recycling and councils ^{xxii} Mike Ritchie & Associates (prepared for Local Government Association of NSW), 2012	\$62M/year (\$3,010 to \$8,115 per 1,000 pop.) ^{xxiii}
13	Understanding the Impacts of Expanding Vermont's Beverage Container Program ^{xxiv} CM Consulting (prepared for Vermont Public Research Interest Group (VPIRG)), 2012	<ul style="list-style-type: none"> Increased material revenues: \$2.3M (\$3,674 per 1,000 pop.)^{xxv} Reduced garbage, recycling, and litter management costs: beyond the scope of this study, however, materials management in Vermont is estimated to cost \$90/ton to \$108/ton for disposal and \$1,200/ton to \$2,300/ton for litter collection.
14	Examining the Cost of Introducing a Deposit Refund System in Spain ^{xxvi} Eunomia Research & Consulting (prepared for Retorna), 2012	<ul style="list-style-type: none"> Total savings to municipality: €57M/year to €93M/year (€1,237 to €2,019 per 1,000 pop.)^{xxvii}. 76% to 81% of these savings are derived from the reduction in costs associated with residual waste collection; ~20% come from reduced litter collection costs; and <1% come from reduced puntos limpios.
15	Packaging Impacts Consultation Regulation Impact Statement ^{xxviii} Standing Council on Environment and Water 2011	<p>Over 20 years, a CDS is estimated to result in:</p> <ul style="list-style-type: none"> Avoided collection, transport and recycling costs: \$2.72 billion (\$112,933 per 1,000 pop.)^{xxix} Other avoided costs (landfill and litter clean up): \$247M (\$10,255 per 1,000 pop.)
16	Turning Rubbish into Community Money: The Benefits of a 10 cent Deposit on Drink Containers in Victoria ^{xxx} Office of Colleen Hartland MLC 2014	<ul style="list-style-type: none"> Reduced recycling/MRF processing costs: \$6,577,919 (\$1,102 per 1,000 pop.)^{xxxi} Reduced waste costs (landfill gate fee and levy): \$5,070,851 (\$850 per 1,000 pop.) Reduced litter collection costs: \$8.8M (\$1,475 per 1,000 pop.)

All 27 Studies show “net savings” for municipalities



Price Elasticity

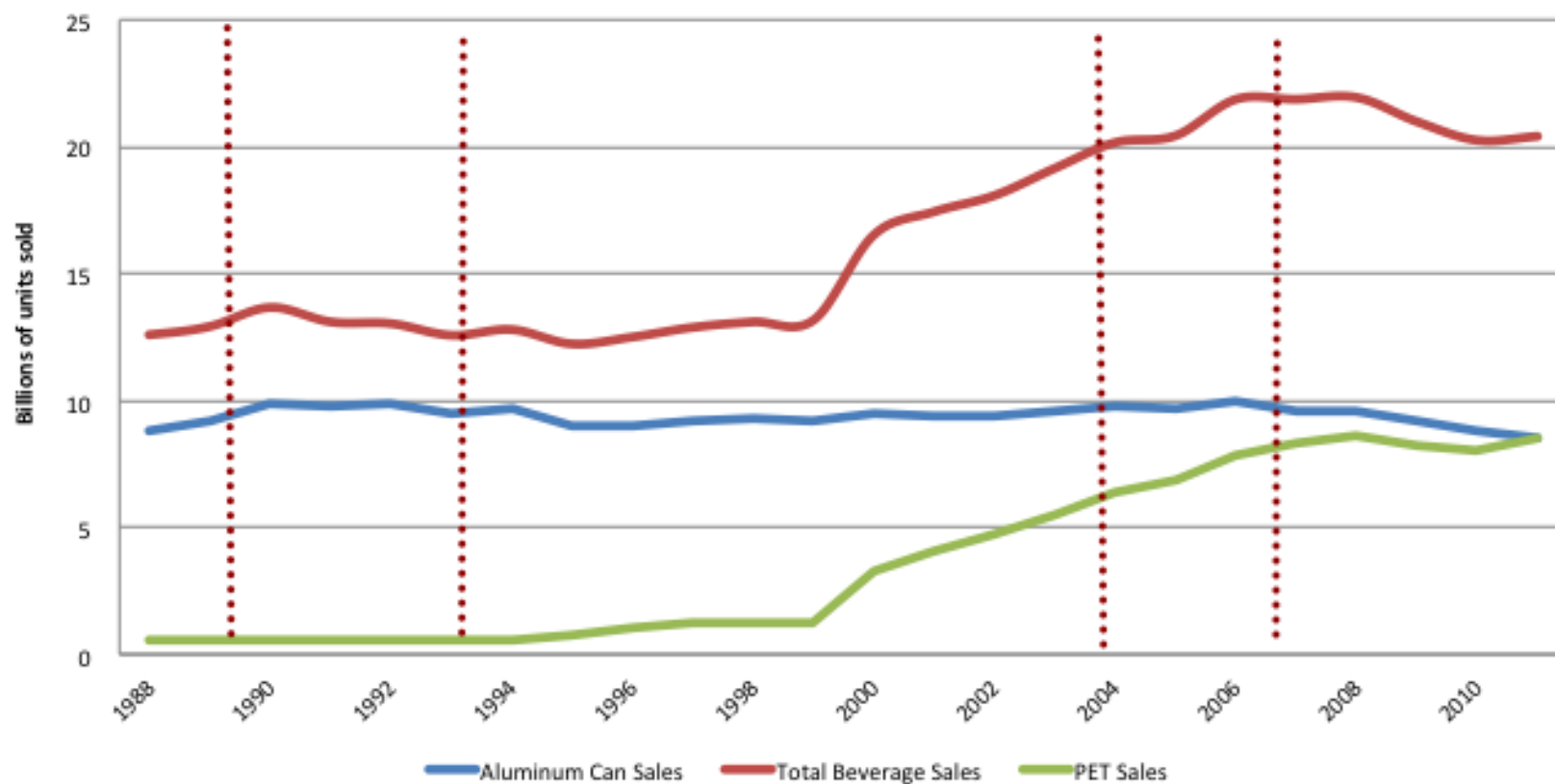


Will deposits cause sales to decline?

- ✓ **Other variables:** Seasonal temperatures, economic climate and sales tax benefits in neighboring countries/states can independently or collectively affect sales of beverages
- ✓ To date, there is **no credible research** available that **attributes a direct decline in sales** as a result of a new deposit program.
- ✓ Studies that purport to make these correlations should be **carefully considered in terms of assumptions**, units of measurement, and methodologies used.
- ✓ **You get your deposit back** – net zero spending gain/loss on the deposit.

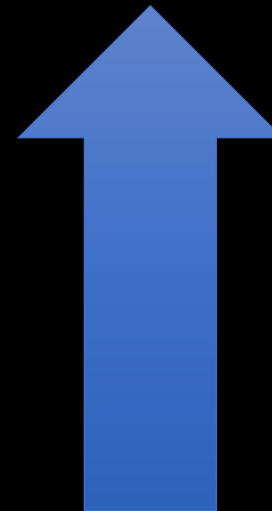
Beverage Sales in California (1988-2011)

Dotted lines in time represent when deposit increases were introduced:
1989: 1 to 2-cents; 1993: 2 to 2.5-cents; 2004: 2.5 to 4-cents; 2007: 4 to 5-cents





**Will Green Dot Fees
Increase?**



- ✓ There is **no evidence** of cost increases **to producers** in terms of their existing EPR obligation (stewardship fees), where a deposit return program was introduced.
- ✓ Cases studies: After the introduction of deposit return system, by-weight green fees did not go up.
 - ✓ **Germany**
 - ✓ **Ontario, Canada**
 - ✓ **Lithuania**



- Mandated **Minimum recycled content** in products and packaging
- Increased market share of **reusable packaging (B2B and B2C)**
- Effective implementation of new rules for **reuse & recycling calculations**
- Introduction of **deposit return systems** for beverage containers
- Increased **collection and sorting** system



THANK YOU!

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resources remain resources