



The clear path to fully circular beverage packaging

Joint Position Paper | October 2022

Circular beverage packaging is packaging (single use or refillable) which is collected separately at a high rate, refilled or recycled multiple times in a closed loop. When recycled, it should contain a high percentage of recycled material, originating from beverage packaging, thereby contributing to material resource efficiency and litter prevention.

The European Commission's revision of Directive 94/62/EC on Packaging and Packaging Waste (PPWD) aims to further increase prevention, reuse, recycling, and design for reuse and recyclability. This is an opportunity to further unlock the potential of circular beverage packaging by implementing the measures necessary to facilitate the shift towards closed-loop recycling and more reuse.

With this position paper, we aim to highlight our ambition and the importance of setting a 90% separate collection for recycling target by 2029 for beverage container packaging, and of adopting deposit return systems (DRS) in Member States whose collection performance fails to meet interim milestones needed to attain the 90% target. We recognise that in some exceptional cases, where market distortions may have occurred as a result of recent global crises (i.e. Covid-19 and the war in Ukraine), some Member States may warrant some flexibility on a case by case basis.

Our dual proposal: 90% separate collection target + DRS offers a proven solution which is good for the economy, jobs and Europe's resilience when it comes to securing resources and saving energy. This is an opportunity to significantly reduce the demand for virgin resources in a meaningful way.

Bottle-to-bottle and can-to-can recycling has an annual positive environmental impact which increases exponentially year after year, due to the power of circularity from closed loop recycling. The benefits from this circularity are needed now at an unprecedented time when we must plan for large reductions in greenhouse gases and demand for virgin resources and energy.

Dual Proposal: Target of 90% separate collection for all beverage containers and DRS

The evidence is clear and compelling: achieving a 90% separate collection for recycling rate offers a myriad of benefits in terms of reduced litter, a lower carbon footprint, and exponential growth of resource efficiency. Based on this evidence:

- We propose the introduction of an EU-wide 90% separate collection for recycling target for recyclable beverage packaging, including plastic bottles, metal cans, glass bottles and other recyclable beverage containers. All beverage containers should be effectively and efficiently reused or recycled (at scale) into secondary raw material to be used as primary substitutes across the EU. A 90% separate collection target will ensure higher recycling rates and recycled content in packaging when it includes provisions that channel the containers back into close loop (bottle-to-bottle and can-to-can) applications.

- We also support the adoption of DRS for plastic bottles (PET and HDPE) and metal cans. For glass bottles, circularity can be achieved through high separate collection, high levels of recycled content, and a high or increasing rate of refillable bottles. If these three criteria for circularity are being met, glass beverage bottles could be exempt from a national DRS. The decision to collect glass bottles in addition to plastic bottles and aluminium cans should be made at the national level, based on national circumstances. Furthermore, any new DRS should be built based on a series of mandatory minimum requirements to maximise their efficiency and performance. Existing DRS systems with collection rates of 90% and beyond should be allowed to continue in their current set up if they so wish.

Why a Target of 90%?

This ambitious target is based on recycling rates achieved in best-in-class DRSs that are already in place in countries like Denmark, Finland, Germany, Norway, and Lithuania.

Setting a 90% target for all beverage packaging will ensure that each country introduces a robust separate collection system focused not only on attaining the targets and reducing litter, but also at re-circulating the materials into closed loops, thereby preventing waste and supplanting virgin inputs with secondary recycled content several times over.

Consider that for every 10 beverage packages placed on the market, nine are collected and recycled back into new bottles or cans that can be sold again. Of those, another 90% are collected for closed-loop recycling, and the cycle continues. This effectively means that we can derive new containers from the used containers multiple times, on condition that priority access to those materials is guaranteed.

DRS drives 90% separate collection and full circularity

In most EU countries, DRS is the only means of getting beyond 90% collection of beverage containers. These systems have consistently proven to out-perform non-DRS programmes in terms of recycling rates and the quality of material that is collected.

In recognition of these benefits, more and more countries are committing to DRS, either by passing new legislation to introduce it for the first time, or by amending existing legislation to expand the scope of their programs. This year alone saw the expansion of existing programs in Netherlands and Germany and the introduction of new DRSs in Slovakia (January 2022), Latvia (February 2022) and Malta (November 2022), with several other countries planning for introductions over the next two to three years, including Romania, Hungary, Republic of Ireland, Portugal, Cyprus, Greece and Austria.

As consumer demand grows and more companies commit to using recycled materials in their products and packaging, a paradox is created in which there isn't enough high-quality material being collected and recycled for beverage manufacturers to meet the increased demand. DRS offers a solution to this paradox by ensuring a clean stream of materials fit for closed-loop recycling, by collecting and managing materials in a way that minimises contamination and ensures high-quality outputs.

DRS as a Gateway for Reuse

In addition to driving high recycling rates, DRS can serve as a gateway to more returnable refillable beverage packaging because it establishes an interface that favours return by consumers for recycling or refilling. As experienced in a number of countries like Germany, Estonia, Finland, Lithuania and the Netherlands, return infrastructure and other DRS functionalities for single-use and refillable containers can live together. When feasible and where it makes sense, this can support the collection of returnable refillable packaging (referred to as "return on-the-go" by Ellen MacArthur Foundation [1]) because consumers have to return both types of packaging to the same return points.



[1] Reuse – rethinking packaging | Shared by New Plastics Economy (thirdlight.com): <https://emf.thirdlight.com/link/rzv910prtxn-tfiulo/@/#id=1>

DRS Reduces Litter

Another key benefit of DRS—and one that cannot be achieved without it—is a reduction in littering. There are many independent studies conducted in Europe, America and Australia that have measured the impact of DRS on litter. They all show a significant decrease in beverage packaging littering after DRS is introduced.

The Time is Now

The world is in a climate crisis and our oceans are being choked with single-use waste. Beverage containers have embodied energy which can be conserved to its maximum amount through closed-loop recycling and reuse.

Now is the time to implement measures that have proven to work, are supported by industry, governments, and the public. A separate collection target of 90% and DRS are proven solutions which are good not only for the environment, but for Europe's economy, jobs, and resource security.

We support DRS because in most Member States there is no other means to achieve 90%+ separate collection for recycling in a short timeframe with sustained performance. Most EU Member States already know this, as demonstrated by the 18 countries already on track to have their DRSs up and running by 2025. In addition to driving high recycling rates and maximal circularity, DRS can enable a transition to more refillables, when it makes environmental sense.

The evidence is clear and validates the multiple benefits of a 90% target and DRS for beverage packaging in terms of less litter, less waste, reduced carbon intensive virgin inputs, and exponential growth of resource efficiency over time. The European Commission has a perfect opportunity to be ambitious and lead the world with a 90% separate collection target and DRS for beverage packaging.

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