



FACT SHEET

Handling fees in deposit return systems

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Handling fees in deposit return systems

- › Deposit return systems offer handling fees to retailers and/or redemption centres as compensation for collecting and sorting empty drinks containers
- › The presence of a handling fee is a critical part of how DRSs operate
- › Handling fees can vary depending on material type, type of redemption facility, whether the containers are commingled or compacted, and whether collection is manual or automatic

Introduction

A redemption network that is easy, accessible, and fair for all consumers is one of the key drivers of high return rates in a deposit return system (DRS). While a retail-based collection model is recognised as the gold standard of convenience, the next best option is a hybrid model, where privately owned redemption centres operate alongside retail stores to facilitate the return of empty containers.

In either model, retailers and/or redemption centres are typically paid for their take-back services in the form of a “handling fee.” Generally, these fees are paid by the system operator, or by the bottler or distributor directly to the collection point. In jurisdictions where the government is responsible for system operations, like in California, handling fees are sometimes paid by the state.

Aside from an effective minimum deposit value, handling fees are a critical part of what make deposit systems work well, particularly in jurisdictions where retailers face no legal obligation to take back containers. Handling fees are intended to act as compensation for the costs associated with collecting and sorting container returns, such as those related to investments in extra labour (for manual collection) or for the purchasing or leasing of reverse vending machines (RVMs), in the case of automated collection. On a long-term basis, they’re also intended to cover expenses related to space requirements or overhead costs like site maintenance and electricity.

In a best practice DRS, handling fees are:

- › Not fixed in legislation
- › Based on an assessment of retailer and redemption centre actual costs
- › Reviewed at set periods (annually or biannually) by the central system administrator (CSA) (whose board includes brand owner and retailer representatives), in consultation with retailers
- › Take into account the potential to generate efficiency savings for the system (consequently reducing brand owners' costs)
- › Differentiate between manual and automated services
- › Take into account that different container types have different storage costs

Handling fees calculated according to these best practice principles mean:

- › A collection network that allows for convenient local redemption
- › Retailer and redemption centre costs are covered
- › Sustainable, reasonable profits for redemption centres
- › Improved service for consumers
- › Ultimately higher return rates

What factors need to be considered when setting handling fees?

In Europe and other jurisdictions with high-performing deposit systems, CSAs are usually responsible for setting handling fees in a way that progressively encourages cost-efficient investments by the redemption location. In determining the handling fee, the key considerations centre on how the containers are recovered (i.e. manually or automatically), where they are recovered (i.e., retailer or redemption centre), and what materials the containers are made of. Each of these factors is examined in further detail below.

Container type

Like the level of the deposit, handling fees can vary according to the container type. Different containers take up different amounts of space at redemption locations (e.g. plastic vs. aluminium) or may be more difficult to handle (e.g., glass).

Retailer vs. depot

Retailer and redemption centre (depot) costs will vary according to their location, with differing wage rates and rents, and with their throughput, with higher volumes in urban areas delivering better economies of scale. In general, however, handling fees paid to stand-alone depots (which are more commonplace in Canada and the US) are much higher than those paid to retailers because they must compensate for the entire costs of the facility and labour, as opposed to the costs incurred by retailers which represent only a marginal increase in operating cost in terms of dedicated space, labour, etc.

In some jurisdictions, such as British Columbia (Canada) and Oregon (US), handling fees are not paid to retailers, which has resulted in a slow shift out of retail and towards depots and express drop-off locations, sometimes located near a retailer instead.

Commingling agreements

Commingling means the sorting of drinks containers by container type and size rather than by brand in accordance with the requirements of an approved commingling agreement.¹ Commingling saves redemption locations significant space and time, reducing the strain on space and staffing capacity, which helps to make their business economically viable.

In Vermont (US), retailers and redemption centre operators receive a handling fee of USD\$0.035 (€0.033) per unit for containers of brands that are part of an approved commingling agreement and a fee of USD\$0.04 (€0.038) per container for brands not participating in an approved commingling agreement.

Manual vs. automated collection

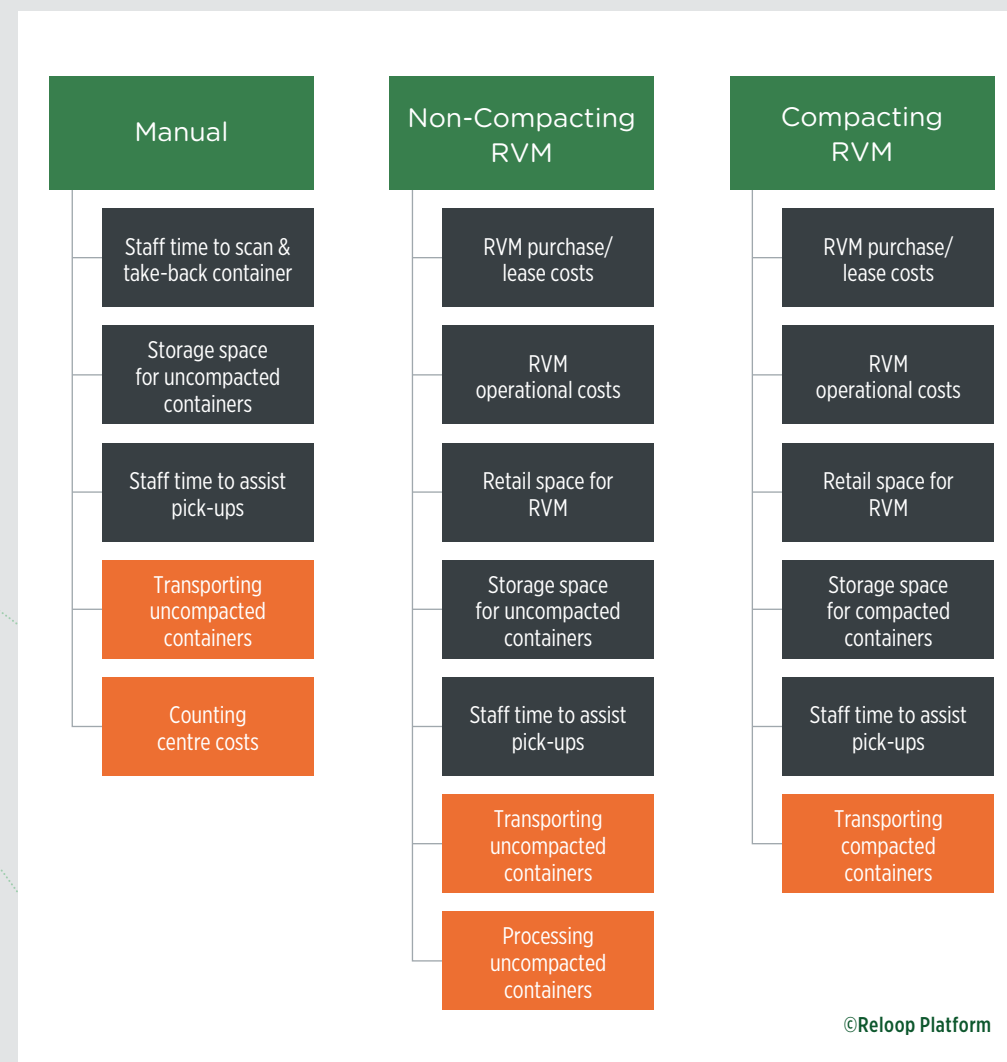
Because of its impact on overall system cost and effectiveness, one of the most important factors to consider when setting handling fees is the method by which empty containers are recovered; that is, whether they are collected manually or automatically. Figure 3 presents a summary of the factors to consider when calculating the handling fee in manual, non-compacting RVM, and comparing RVM scenarios. The blue boxes contain the costs to retailers that need to be covered by the handling fee. The red boxes are wider system costs that are affected by a retailer's manual or RVM choice. Manual redemption results in lower costs to retailers, but significantly higher system-wide costs. The opposite is true with an RVM-based system.

In a modern **automated system**, consumers place their empty containers into a RVM, which counts and compacts the containers and provides the customer with a receipt (either electronic or paper), which they can then redeem at the checkout. The compacted containers are securely stored in bags until they are collected to be brought to the processing plant. Modern RVMs offer a number of additional services for consumers and include an online connection so that returns data can be transmitted to the CSA, which allows accounts to be reconciled more quickly.

In a **manual system**, customers return their empties to retail staff who reimburse the deposit and bring the containers to the store's dedicated storage space. Because the containers are not compacted, it is important that these are stored securely to prevent people from taking these containers and redeeming them again. These un-compacted containers, which take up more space in a collection vehicle, are then transported to a processing plant to be counted and compacted. Only then can accounts be reconciled and retailers reimbursed for the deposits they have paid out.

Aside from the costs associated with each collection method, there are also important benefits, particularly when it comes to RVMs. While these would not necessarily be included in calculations for determining handling fees, since they are not part of the costs of collecting and transporting used containers, it is worth identifying the further advantages and savings that can be derived from using RVMs, such as fraud prevention. For producers and distributors, one of the key benefits of modern RVMs is their ability to prevent or at least minimise fraud. Given that system revenues are used to fund the handling fee, fraud ultimately costs the drinks producers and distributors. A move towards a modern RVM system could greatly reduce the level of fraud and, consequently, the costs of the DRS.

Figure 1
Calculating Handling Fees Based on Cost Coverageⁱⁱ





A bottom-up approach

Handling fees should be calculated using a “bottom-up” approach, based on the costs incurred to retailers in relation to:

› **Space:**

based on the average rental cost per square metre, with assumptions made on the floor space taken up by take-back infrastructure (for RVM installation and for storage of collected containers)

› **Labour:**

based on average hourly wages, with assumptions made on the additional labour time required for taking back containers, processing receipts, and potentially cleaning RVMs and emptying bins when they are full

› **RVM investment and maintenance/service costs:**

based on annualised costs associated with their purchase, installation, and ongoing servicing (in cases where retailers are provided RVMs free of charge by the DRS operator, the handling fee would be reduced)

› **Cost of consumables:**

Based on annualised costs related to the purchase of bins/bags, electricity, water usage, etc.

In most North American DRSs, the handling fee is either set at a flat rate or is different for alcoholic and non-alcoholic drinks. Conversely, many European countries pay a differential handling fee depending on the mode of recovery and the cost implications. Handling fees based on cost recovery (as in Norway and Estonia, for example) mean that retailers are fairly compensated. When retailers know the handling fees to be received, they can predict the income they'd receive based on anticipated return volumes and can make an informed decision about whether or not to invest in one or more RVMs. Conversely, a fixed-fee approach (as in Connecticut and New York, for example) means that many retailers' costs will not be fully covered, particularly retailers with RVMs. Prescribing handling fees in legislation can also politicise the issue, subjecting the legislature to lobbying from retailers for a fee increase and from producers who will oppose a change that would increase their costs.

The next section presents a number of case studies that illustrate examples of both good and bad practice when it comes to the setting of DRS handling fees.

Case studies

Norway

In Norway, handling fees are set by Inifinitum, a non-profit organisation established to operate the country's DRS. Inifinitum's board includes representatives of both the drinks and retail industry, which ensures that all interests are taken into consideration when establishing the fees and that decision-making is transparent.

As Table 1 shows, the handling fee paid to retail sites in Norway depends on the method of collection. Retailers using a compacting RVM receive a higher handling fee than stores that employ manual collection, or do not have a compacting RVM. These differential fees are intended to reflect the transportation efficiencies generated by compacting the containers and the fact that compaction reduces the opportunity for fraudulent, multiple redemptions. It is also worth noting that different handling fees are attached to different materials, as these again carry different storage and transport-related costs.

Table 1
Variable Handling Fees in Norway (2022)ⁱⁱⁱ

	Aluminium can	Plastic bottle
RVM with compaction	0.20 NOK (€0.02, USD \$0.02)	0.25 NOK (€0.025, USD \$0.03)
RVM without compaction Manual collection	0.05 NOK (€0.01, USD \$0.01)	0.10 NOK (€0.01, USD \$0.01)

In 2021, Inifinitum achieved redemption rates of over 91% for both cans and plastic bottles. Around 93% of containers are returned via RVMs (with the remaining 7% returned manually in small shops), which demonstrates their value to consumers, retailers, and to Inifinitum.

Case studies

Estonia

In Estonia, the system operator (Eesti Pandipakend OÜ) and retailer associations have agreed upon a formula to calculate the handling fee. The formula, which is reviewed annually to account for inflation, is intended to reflect all of the costs involved (including retailer space requirements and staff wages) to reach a figure that is both cost and revenue neutral. Like Norway, Estonia differentiates between RVM with compaction and a manual collection system, and the handling fee for retailers with an RVM with compaction is almost three times higher than retailers relying on manual returns (see Table 2).

Table 2

Variable Handling Fees in Estonia (2022)^{iv}

	Aluminium can	Plastic bottle	Glass bottle
Manual collection	€0.0123 (USD \$0.013) + VAT	€0.0123 (USD \$0.013) + VAT	€0.0138 (USD \$0.015) + VAT
RVM with compaction	€0.0354 (USD \$0.038) + VAT	€0.0354 (USD \$0.038) + VAT	€0.0268 (USD \$0.029) + VAT
RVM without compaction	€0.0215 (USD \$0.023) + VAT	€0.0215 (USD \$0.023) + VAT	

In 2021, Estonia's overall return rate was 87%. Approximately 93% of containers are returned via RVMs, once again demonstrating their value to consumers, retailers, and the CSA.

Case studies

Sweden

Like in most other European DRSs, retailers in Sweden are offered a higher handling fee if they provide an RVM. To further ensure that retailers are appropriately compensated, there is an additional distinction of how the returned containers are stored and collected. In addition to the handling fees, Returpack pays a 'fixed compensation' of SEK 20,000 per year to each automated collection point with compacting RVM(s). In the late 1990s, 90% of Sweden's deposit-bearing cans were serviced by automated equipment, with the remaining 10% being handled manually at a relatively high cost. To accelerate the transition to a low-cost automated redemption network, Returpack granted a one-time sum of 20,000 SEK to each manual collection point willing to invest in an RVM. By doing so, the can return scheme was converted to an exclusive automated take-back solution.

Table 3
Variable Handling Fees in Sweden (2022)^v

	PET bottle ≤ 1L	PET bottle > 1L	Metal can
RVM with compaction – pickup with compact truck (bulk)	0.275 SEK (€0.026, USD \$0.028) + 25% VAT	0.346 SEK (€0.033, USD \$0.035) + 25% VAT	0.174 SEK (€0.017, USD \$0.018) + 25% VAT
RVM with compaction – pickup by wholesaler / reseller	0.342 SEK (€0.033, USD \$0.035) + 25% VAT	0.515 SEK (€0.049, USD \$0.053) + 25% VAT	0.194 SEK (€0.019, USD \$0.020) + 25% VAT
Manual collection	0.20 SEK (€0.02, USD \$0.02) + 25% VAT	0.20 SEK (€0.02, USD \$0.02) + 25% VAT	0 SEK (€0, USD \$0)

Case studies

Lithuania

In Lithuania, the system operator (Užstato Sistemų Administratorius [USAD]) pays retailers a handling fee to cover collection-related costs like space requirements, personnel related costs, utilities, etc. (see Table 4). Because retailers in Lithuania do not incur the capital cost of the RVM—since the RVM is paid for, installed and maintained by the DRS operator—the handling fees paid to those with RVM does not cover the cost of the equipment.

Table 4
Variable Handling Fees in Lithuania (2022)^{vi}

	Plastic bottle	Metal can	Glass bottle
Manual collection or RVM without compaction	€0.0197 (USD \$0.021)	€0.0162 (USD \$0.017)	€0.0214 (USD \$0.023)
RVM with compaction	€0.0223 (USD \$0.024)	€0.0163 (USD \$0.017)	€0.0369 (USD \$0.040)

It's worth noting that during the DRS implementation phase (2014 and 2015), Lithuanian retailers were successful in negotiating relatively high handling fees for the system's launch in February 2016. In fact, the fees were higher than those paid to retailers in other DRS markets where RVMs were not provided free of charge, but where retailers had to make that investment. Due to the immense success of the scheme, handling fee costs were much higher than budgeted, which necessitated increased EPR fees from industry. Together with the drinks industry, USAD (the DRS operator) attempted to negotiate with retailers to bring the handling fees down. This process was unsuccessful, and so a consultancy firm was hired to evaluate the real costs to retailers engaged in both for manual and automated collection.

Based on its findings, the consultancy firm proposed average fees for manual and automated sites, differentiated by material. This meant that outperforming collection points would earn a little more money than they actually spent on collection and lower-performing collection points would receive a little less. This neutral approach to determining handling fees (using a third-party) was accepted by the retail sector and handling fees were adjusted down.

Case studies

Alberta, Canada

Alberta's collection infrastructure for drinks container returns is one of the largest in Canada. In 2021, there were 221 depots where Albertans could take back their empty drinks containers for a refund of their deposit. For every container that is returned to a depot, drinks manufacturers (through the Alberta Beverage Container Recycling Corporation [ABCRC] or a collection service provider) are required to pay the depot a handling fee. In 2021, handling fees represented the single largest expense to Alberta's DRS, accounting for 73% of total system costs.

Unlike most other Canadian schemes, Alberta's DRS has differential handling fees that vary by container type and size (see Table 5). Handling fees are set through a utility-like process that depends on depots reporting their costs annually to the Beverage Container Management Board (BCMB) using a standardised form. The information is collected by an independent third-party, which analyses and processes the information for purposes of setting handling fee rates. As per the BCMB's policies, its Board of Directors may, every three years, commence a Handling Commission Review to determine and set handling fees for the following three-year period.

Table 5

Variable Handling Fees in Alberta, Canada (2022)^{ix}

Material	Handling Fee (CAD \$)
Aluminium 0-1L	\$0.03121 (€0.024, USD \$0.029)
Bag in Box Over 1L	\$0.40104 (€0.26, USD \$0.32)
Bi Metal 0 - 1L	\$0.07957 (€0.052, USD \$0.063)
Bi Metal > 1L	\$0.16868 (€0.12, USD \$0.13)
Drink Pouch 0-1L	\$0.06925 (€0.051, USD \$0.055)
Gable Top 0-1L	\$0.06566 (€0.048, USD \$0.052)
Gable Top > 1L	\$0.12620 (€0.093, USD \$0.10)
Glass 0-1L	\$0.07451 (€0.055, USD \$0.059)
Glass > 1L	\$0.14851 (€0.11, USD \$0.12)
HDPE Plastics Natural > 1L	\$0.14664 (€0.11, USD \$0.12)
Industry Standard Bottles (refillable)	\$0.06276 (€0.046, USD \$0.050)
Molson Coors MGD (refillable) 355ml	\$0.06848 (€0.051, USD \$0.054)
Moosehead Refillable	\$0.08260 (€0.061, USD \$0.065)
Other Plastics 0-1L	\$0.04973 (€0.037, USD \$0.039)
Other Plastics > 1L	\$0.14042 (€0.10, USD \$0.11)
PET 0-1L (Clear & Light Blue Tint)	\$0.04188 (€0.031, USD \$0.033)
PET > 1L (Clear & Light Blue Tint)	\$0.12036 (€0.089, USD \$0.095)
Plastic Keg >1L (single-use)	\$1.70348 (€1.26, USD \$1.35)
Sleemans (refillable)	\$0.06737 (€0.050, USD \$0.053)
Steam Whistle (refillable)	\$0.07811 (€0.058, USD \$0.062)
Tetra Brik 0-1L	\$0.04938 (€0.036, USD \$0.039)
Tetra Brik > 1L	\$0.15121 (€0.11, USD \$0.12)

Connecticut, US

In 2021, Connecticut had the second lowest redemption rate (after Massachusetts) of all 10 US states with DRSs, recovering only 46% of all eligible drinks containers. One of the main weaknesses of the current system is the return infrastructure and that returning containers is not as convenient as it should be. This, in turn, is related to the fact that Connecticut's handling fees (USD\$0.025 for each beer/malt container and \$0.035 for each carbonated soft drink and water bottle returned) are set in legislation, and therefore have no connection to the actual costs incurred by those accepting returns. As a result, redemption centres across the state have struggled to cover the daily overhead costs associated with handling, storage, and processing of single-use drinks containers, leading many of them to close their doors. Aside from preventing the system from adapting with inflation or consumer trends, the fact that Connecticut's handling fees are set in legislation means that amending the system is a lengthy legislative process, through which legislators are subject to political lobbying.

Michigan, US

In Michigan, while there is no handling fee per se, the state shares 25% of the unredeemed deposits it receives annually with retailers to help cover their handling costs (the amount they receive is based on the volume of containers they take back). Because the amount of unredeemed deposits goes down as the return rate goes up, the higher the return rate is, the less money there is available to give retailers to compensate them for their costs.

Summary of handling fees in existing deposit markets

Table 6 provides a summary of handling fees paid to retailers and redemption centres in existing deposit markets around the globe, where information was available.

Table 6
Latest Handling Fees in Deposit Return Systems for Single-Use Drinks Containers

	Handling Fee (per container)	Notes
Europa		
Croatia (2022)	<ul style="list-style-type: none"> › RVM: 0.18 HRK (€0.02, USD\$0.03) › Manual: 0.05 HRK (€0.01, USD\$0.01) 	25% VAT included
Denmark (2022)	<ul style="list-style-type: none"> › Manual: <ul style="list-style-type: none"> › Plastic <1L: 7.5 øre (€0.010, USD\$0.011) › Plastic >1L: 10.8 øre (€0.015, USD\$0.016) › Metal: 4.6 øre (€0.006, USD\$0.007) › Glass: 15.3 øre (€0.021, USD\$0.023) › RVM with compaction: <ul style="list-style-type: none"> › Plastic <1L: 3.1 øre (€0.004, USD\$0.005) › Plastic >1L: 3.4 øre (€0.005, USD\$0.005) › Metal: 2.6 øre (€0.004, USD\$0.004) › Glass: 7.8 øre (€0.010, USD\$0.012) 	Plus 25% VAT

Table 6
 Latest Handling Fees in Deposit Return Systems for Single-Use Drinks Containers (continued)

	Handling Fee (per container)	Notes
Europa		
Estonia (2022)	<ul style="list-style-type: none"> › Manual: › Plastic, metal: €0.0123 (USD\$0.013) › Glass: €0.0138 (USD\$0.015) › RVM without compaction: › Plastic, metal: €0.0215 (USD\$0.024) › RVM with compaction: › Plastic, metal: €0.0354 (USD\$0.039) › RVM: › Glass: €0.0268 (USD\$0.029) 	
Finland (2022)	<ul style="list-style-type: none"> › Manual or RVM without compaction: › Plastic, metal: €0.01974 (USD\$0.022) › RVM with compaction: › Plastic: €0.02901 (USD\$0.032) › Metal: €0.02347 (USD\$0.026) › Glass: €0.01974 (USD\$0.022) 	
Germany	› None	No handling fee, but retailers own and can sell the material to help cover costs
Iceland (2022)	› 3 ISK (€0.02, USD\$0.02)	
Latvia (2022)*	<ul style="list-style-type: none"> › Manual: €0.0203 (USD\$0.022) › RVM with compaction: €0.0223 (USD\$0.024) › RVM without compaction: €0.0195 (USD\$0.021) 	

Table 6
 Latest Handling Fees in Deposit Return Systems for Single-Use Drinks Containers (continued)

	Handling Fee (per container)	Notes
Europa		
Lithuania (2022)	<ul style="list-style-type: none"> › Manual or RVM without compaction: <ul style="list-style-type: none"> › PET: €0.0197 (USD\$0.021) › Metal: €0.0162 (USD\$0.018) › Glass: €0.0214 (USD\$0.023) › RVM with compaction: <ul style="list-style-type: none"> › PET: €0.0223 (USD\$0.024) › Metal: €0.0163 (USD\$0.018) › Glass: €0.0369 (USD\$0.040) 	
Malta (2022)	<ul style="list-style-type: none"> › Manual: €0.01 (USD\$0.01) › RVM: <ul style="list-style-type: none"> › First 400,000 containers: €0.01 (USD\$0.01) (excl. VAT) *Subject to a minimum of €4,000 (revisable annually) › Additional containers: €0.008 (USD\$0.0085) (excl. VAT) 	

Table 6
 Latest Handling Fees in Deposit Return Systems for Single-Use Drinks Containers (continued)

	Handling Fee (per container)	Notes
Europa		
The Netherlands (2022)^{xi}	Retail collection points: › Manual: › Plastic <1L: €0.025 (USD\$0.027) › Plastic 1-3L: €0.015 (USD\$0.016) › RVM without compaction: › Plastic <1L: €0.0295 (USD\$0.031) › Plastic 1-3L: €0.0211 (USD\$0.022) › RVM with compaction: › Plastic <1L: €0.0386 (USD\$0.041) › Plastic 1-3L: €0.0290 (USD\$0.031) HORECA collection points: › Manual: › Plastic <1L: €0.0222 (USD\$0.024) › Plastic 1-3L: €0.0122 (USD\$0.013) › RVM without compaction:: › Plastic <1L: €0.0293 (USD\$0.031) › Plastic 1-3L: €0.0202 (USD\$0.022) › RVM with compaction: › Plastic <1L: €0.0379 (USD\$0.040) › Plastic 1-3L: €0.0283 (USD\$0.030)	
Norway (2022)	› Manual or RVM without compaction: › Plastic: 0.10 NOK (€0.01, USD\$0.01) › Metal: 0.05 NOK (€0.01, USD\$0.01) › RVM with compaction: › Plastic: 0.25 NOK (€0.03, USD\$0.03) › Metal: 0.20 NOK (€0.02, USD\$0.02)	

Table 6
Latest Handling Fees in Deposit Return Systems for Single-Use Drinks Containers (continued)

	Handling Fee (per container)	Notes
Europa		
Slovakia (2022)	› Not available	
Sweden (2022)	› Manual: › Metal: None › Plastic: 0.2 SEK (€0.02, USD\$0.02) › RVM with compaction (pick-up with compact truck): › Metal: 0.174 SEK (€0.016, USD\$0.017) › Plastic ≤ 1L: 0.275 SEK (€0.026, USD\$0.028) › Plastic >1L: 0.346 SEK (€0.033, USD\$0.036) › RVM with compaction (pick-up by wholesaler/reseller): › Metal: 0.194 SEK (€0.018, USD\$0.02) › Plastic ≤ 1L: 0.342 SEK (€0.032, USD\$0.035) › Plastic >1L: 0.515 SEK (€0.048, USD\$0.053)	Plus 25% VAT
United States of America		
California (2022)^{xii, xiii}	› USD\$0.01036 (€0.010)	› The handling fee of \$0.01036/container is paid by the system operator to redemption centres in qualified “Convenience Zones.” › The system operator also pays certified redemption centres and kerbside programme operators a “processing payment” for each pound of containers redeemed: › Glass: USD \$0.08266/lb › PET: USD \$0.13279/lb › HDPE: USD \$0.30763/lb › Vinyl: USD \$0.80487/lb › LDPE: USD \$1.14808/lb › PP: USD\$ 1.02441/lb › PS: \$0.63326/lb › Other: \$0.69764/lb › Bimetal: USD\$0.64455/lb › Redemption centres and kerbside programmes get to keep revenue from scrap sales, which also help to cover their costs
Connecticut (2022)^{xiv}	› Beer or malt containers: USD\$0.025 (€0.023) › Other containers: USD\$0.035 (€0.032)	Plus 25% VAT

Table 6
Latest Handling Fees in Deposit Return Systems for Single-Use Drinks Containers (continued)

	Handling Fee (per container)	Notes
United States of America		
Hawaii (2022)	<ul style="list-style-type: none"> › Plastic: USD \$0.040 (€0.036) › Aluminium/bimetal: USD \$0.034 (€0.031) › Glass: USD \$0.081 (€0.074) 	› Redemption centres also get keep revenue from scrap sales to help cover their costs.
Iowa (2022)^{xv}	› USD \$0.01 (€0.001)	› Paid to both retailers and redemption centres
Maine (2022)^{xvi}	<ul style="list-style-type: none"> › Brand-sorted containers: USD\$0.045 (€0.041) › Containers subject to a qualified commingling agreement: USD\$0.035 (€0.032) › Containers for a brewer that produces no more than 50,000 gallons of product or a water bottler who sells no more than 250,000 containers of up to 1 gallon annually): USD\$0.03 (€0.03) 	
Massachusetts (2022)^{xvii}	<ul style="list-style-type: none"> › Containers returned to retailers: USD\$0.0225 (€0.02) › Containers returned to redemption centres: USD\$0.0325 (€0.03) 	<ul style="list-style-type: none"> › Retailers receive free pick-up of containers by deposit initiators › Redemption centres must deliver redeemed containers to a central processing facility
Michigan^{xviii}	› None	<ul style="list-style-type: none"> › The handling fee of \$0.01036/container is paid by the system operator to redemption centres in qualified “Convenience Zones.” › The system operator also pays certified redemption centres and kerbside programme operators a “processing payment” for each pound of containers redeemed: <ul style="list-style-type: none"> › Glass: USD \$0.08266/lb › PET: USD \$0.13279/lb › HDPE: USD \$0.30763/lb › Vinyl: USD \$0.80487/lb › LDPE: USD \$1.14808/lb › PP: USD\$ 1.02441/lb › PS: \$0.63326/lb › Other: \$0.69764/lb › Bimetal: USD\$0.64455/lb › Redemption centres and kerbside programmes get to keep revenue from scrap sales, which also help to cover their costs

Table 6
Latest Handling Fees in Deposit Return Systems for Single-Use Drinks Containers (continued)

	Handling Fee (per container)	Notes
United States of America		
New York (2022)	› USD\$0.035 (€0.032)	Plus 25% VAT
Oregon^{xix}	› None	› Redemption centres also get keep revenue from scrap sales to help cover their costs.
Vermont (2022)^{xx}	› Brand-sorted containers: USD\$0.04 (€0.04) › Containers that are part of a commingling agreement: USD\$0.035 (€0.032)	› Paid to both retailers and redemption centres
Canada		
Alberta (2022)^{xxi}	› CAD\$0.03121 to \$31.49 (€0.023-€23.39, USD\$0.024-\$24.66)	› Regulated by government and payable by a manufacturer or collection system agent to collection depots
British Columbia	› Not available	› Handling fees are paid to depots only, not retailers. In general, they are negotiated and confidential.
Newfoundland and Labrador (2022)^{xxii}	› CAD\$0.0445 (€0.033, USD\$0.035)	› The HF on refillable beer is charged at the back-end from the refund.
New Brunswick (2022)	› CAD\$0.04883 (€0.036, USD\$0.038)	
Northwest Territories (2022)^{xxiii}	› CAD\$0.022 to CAD\$0.045 (€0.016-€0.033, USD\$0.015-\$0.033)	
Nova Scotia (2022)^{xxiv}	› CAD\$0.0472 (€0.035, USD\$0.037)	
Ontario	› Not available	Proprietary
Prince Edward Island (2021)^{xxv}	› CAD\$0.04339 (€0.032, USD\$0.034)	
Quebec (2022)	› CAD\$0.02 (€0.015, USD\$0.02)	
Saskatchewan	› None	› Instead of being paid handling fees, depots receive a contracted rate per year, which is generated through the Environmental Handling Charge (EHC).
Yukon (2022)^{xxvi}	› CAD\$0.025 (€0.019, USD\$0.020) to CAD\$0.075 (€0.056, USD\$0.059)	

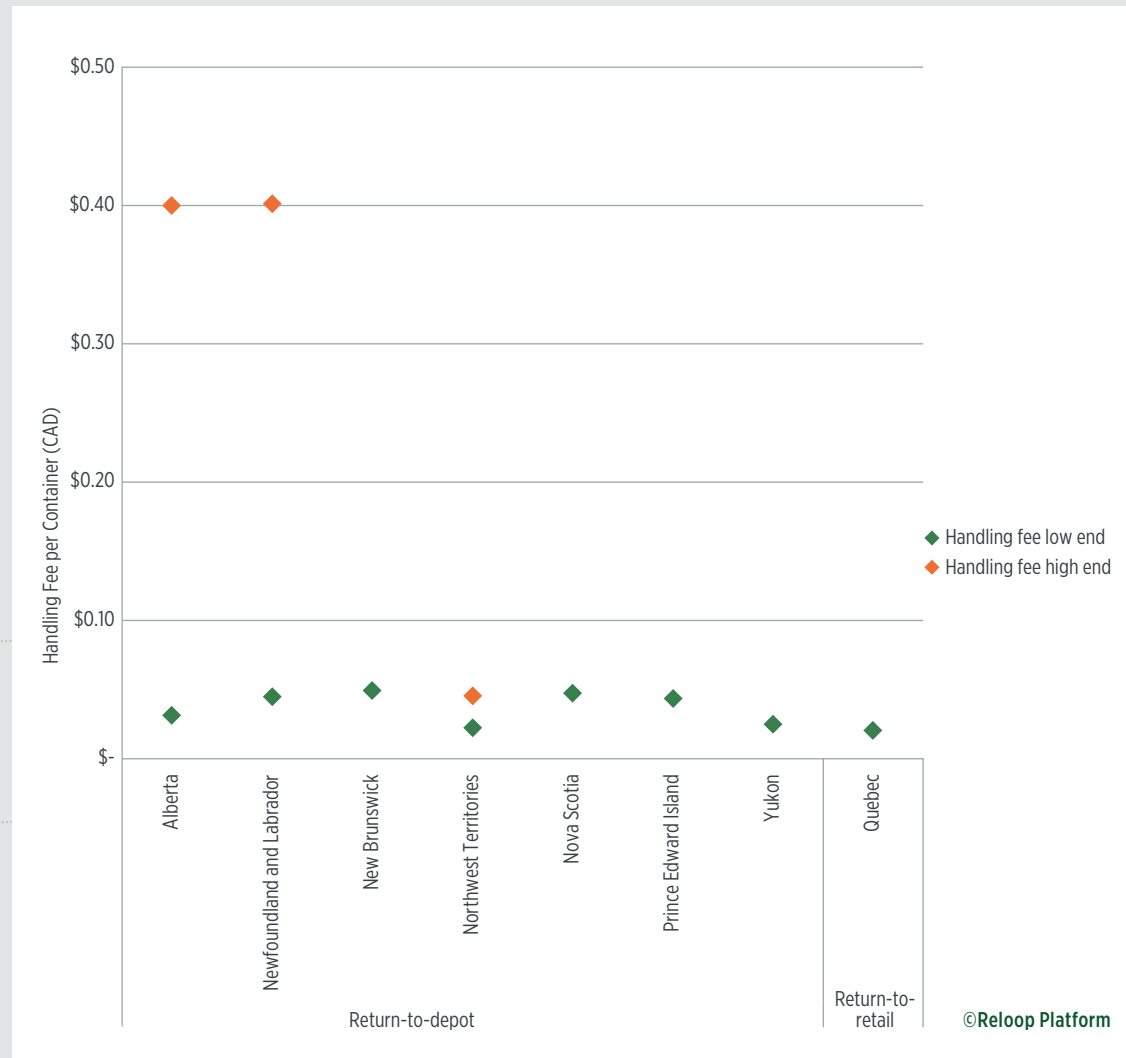
Table 6
 Latest Handling Fees in Deposit Return Systems for Single-Use Drinks Containers (continued)

	Handling Fee (per container)	Notes
Australia		
Northern Territory (2022)^{xxvii}	› Estimated at around AUD\$0.08-\$0.09 (€0.054-€0.061, USD\$0.057- \$0.065)	› Handling fees are negotiated and confidential. Depots may be compensated for “reasonable costs” related to handling the containers by the DRS coordinator to whom they deliver the container.
Australian Capital Territory (2022)^{xxviii}	› Estimated at around AUD\$0.08-\$0.09 (€0.054-€0.061, USD\$0.057- \$0.065)	› For every container returned through the collection infrastructure, the Network Operator receives a fee to cover the costs for the collection points, the logistics, counting centres and administration, as well as adding a certain margin. The value of this fee has not been made public.
New South Wales (2022)^{xxix}	› Estimated at around AUD\$0.08-\$0.09 (€0.054-€0.061, USD\$0.057- \$0.065)	› For every container returned through the collection infrastructure, the Network Operator receives a fee to cover the costs for the collection points, the logistics, counting centres and administration, as well as adding a certain margin.
South Australia (2022)^{xxx}	› Not available	› Negotiated between producers and super collectors (confidential)
Western Australia (2022)^{xxxi}	› Estimated at around AUD\$0.08-\$0.09 (€0.054-€0.061, USD\$0.057- \$0.065)	
Queensland (2022)^{xxxii}	› Estimated at around AUD\$0.08-\$0.09 (€0.054-€0.061, USD\$0.057- \$0.065)	› The handling fee paid to depots is around AUD\$0.06. The scheme coordinator then pays additional fees to logistics companies, which, when combined amounts to around AUD\$0.08-\$0.09.
Middle East		
Israel (2022)^{xxxiii}	› 0.05 ILS (€0.013, USD\$0.28)	› Paid to retailers only
Central America & the Caribbean		
Barbados	› None	› No handling fee per se, but 20% of the redemption value is paid to dealers or redemption centres
Belize	› Unknown	

Table 6
 Latest Handling Fees in Deposit Return Systems for Single-Use Drinks Containers (continued)

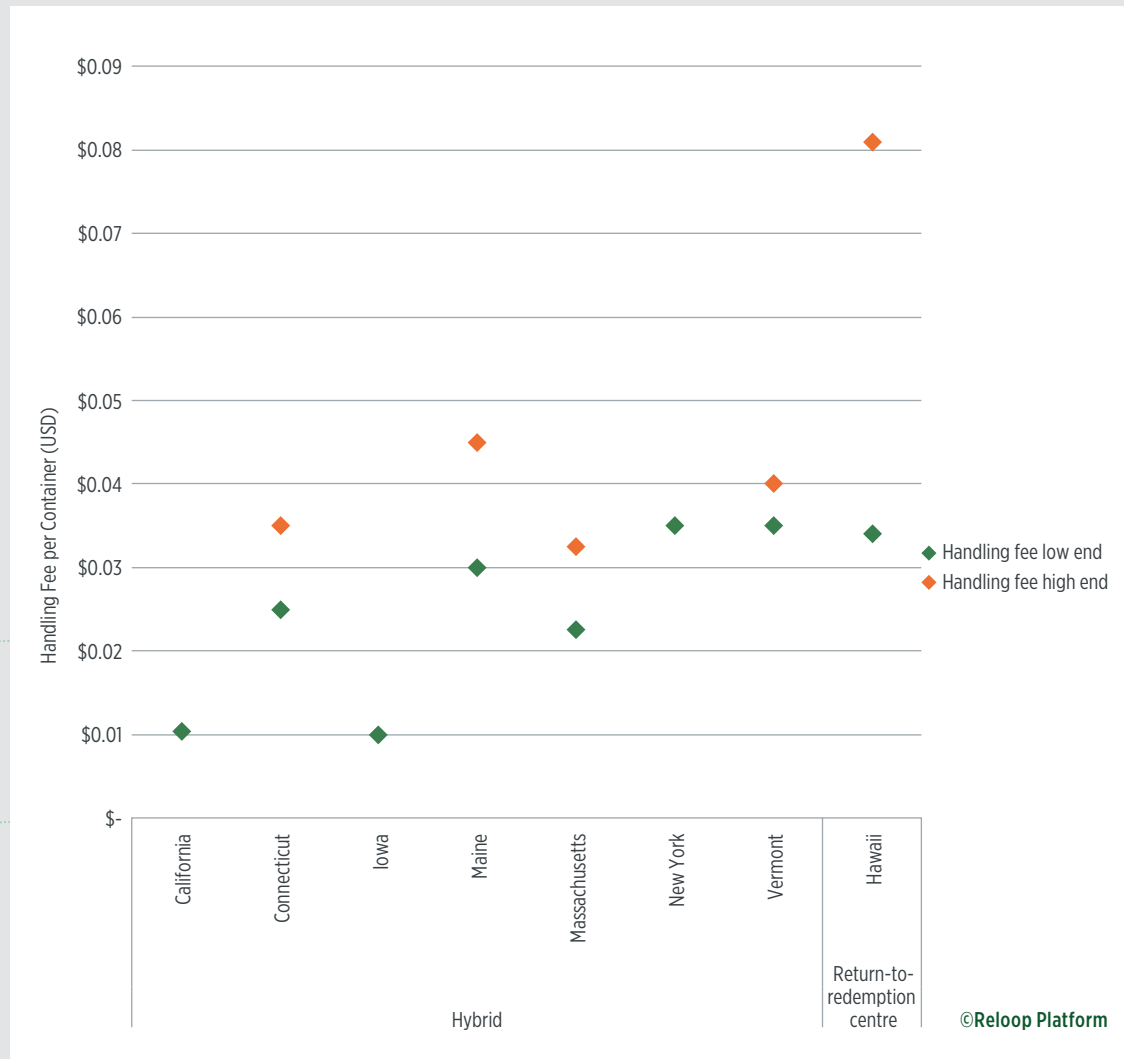
	Handling Fee (per container)	Notes
Federated States of Micronesia		
Kosrae (2022)^{xxxiv}	› None	› There is technically no handling fee, however USD\$0.02/container (the non-refundable portion of the deposit) is retained by the system operator for operating costs
Pohnpei (2022)^{xxxv}	› None	› There is technically no handling fee, however USD\$0.01/container (the non-refundable portion of the deposit) is retained by the system operator for operating costs
Yap (2022)^{xxxvi}	› None	› There is technically no handling fee, however USD\$0.01/container (the non-refundable portion of the deposit) is retained by the system operator for operating costs
Oceania – Other		
Republic of Kiribati (2022)^{xxxvii}	› None	› There is technically no handling fee, however USD\$0.01/container (the non-refundable portion of the deposit) is retained by the system operator for operating costs
Republic of the Marshall Islands (2022)^{xxxviii}	› None	› There is technically no handling fee, however USD\$0.01/container (the non-refundable portion of the deposit) is retained by the system operator for operating costs
Republic of Palau^{xxxix}	› None	› There is technically no handling fee, however USD\$0.025/container (the non-refundable portion of the deposit) goes to redemption centres to help cover their costs
Tuvalu	› None	› There is technically no handling fee, however USD\$0.05/container (the non-refundable portion of the deposit) goes to redemption centres to help cover their costs

Figure 2
Latest handling fees for single-use deposit containers in Canada



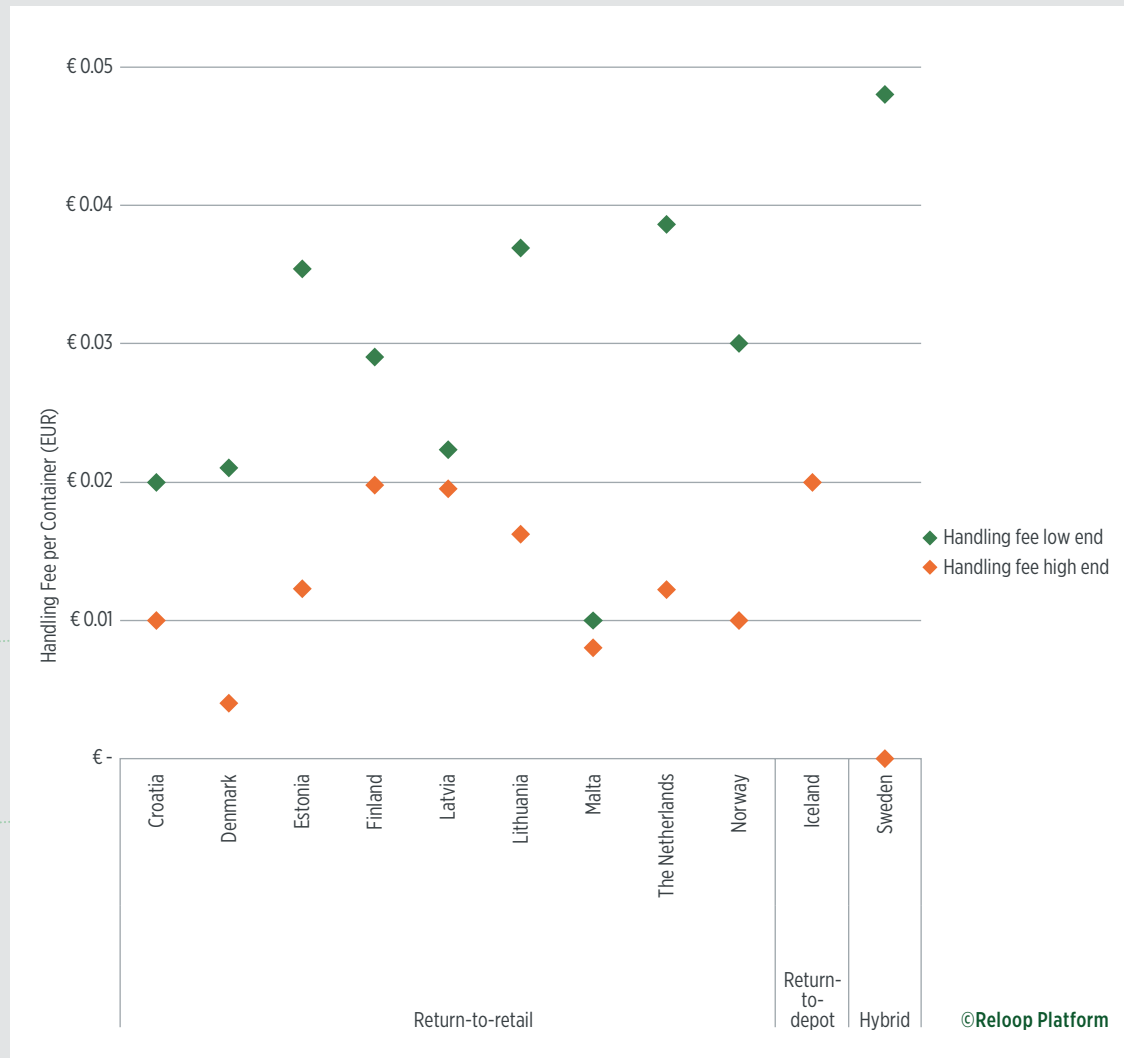
Note: Not pictured is Saskatchewan, where instead of being paid handling fees, depots are paid on a confidential contractor basis. Also not pictured is Ontario or British Columbia, as data for these jurisdictions is not available.

Figure 3
Latest handling fees for single-use deposit containers in the U.S.



Note: Not pictured is Oregon or Michigan as these programmes do not pay out handling fees.

Figure 4
Latest handling fees for single-use deposit containers in Europe



Note: Not pictured is Slovakia, as information on handling fees was not available. Handling fees for Norway, Sweden, Croatia, and Denmark were converted from local currencies to euros using the exchange rate as of 14 December 2022.

Endnotes

- ⁱ “Commingling of Beverage Brands in VT Bottle Bill.” 26 March 2019. Accessed 9 April 2021 from <https://dec.vermont.gov/sites/dec/files/wmp/SolidWaste/Documents/BottleBillCommingling.pdf>
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- ⁱⁱⁱ Infinitum. <https://infinitum.no/kostnadskalkulator/>
- ^{iv} <https://eestipandipakend.ee/wp-content/uploads/2021/01/Retailer-contract-%E2%80%93-Appendix-1-%E2%80%93-Compensation-rates.pdf>
- ^v Returnpack. 23 December 2021. “Handling fee 2022.” <https://assets.rp-pm-prod.pantamera.nu/48d2b4/globalassets/documents/handling-fee-2022.pdf>
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- ^x Depozīta Iepakojuņa Operators. <https://depozitpunkts.lv/en>
- ^{xi} Personal communication with Raymond Gianotten, directeur, Statiegeld Nederland, 27 November 2022.
- ^{xii} CalRecycle. “Handling Fee Revised, Effective July 1, 2022.” <https://calrecycle.ca.gov/BevContainer/Notices/#HandlingFees>
- ^{xiii} CalRecycle. 17 December 2021. “Notice: 2022 Processing Fees.” <https://calrecycle.ca.gov/BevContainer/Notices/#HandlingFees>
- ^{xiv} Container Recycling Institute. “Connecticut.” <https://www.bottlebill.org/index.php/current-and-proposed-laws/usa/connecticut>
- ^{xv} Container Recycling Institute. “Iowa.” <https://www.bottlebill.org/index.php/current-and-proposed-laws/usa/iowa>
- ^{xvi} Container Recycling Institute. “Maine.” <https://www.bottlebill.org/index.php/current-and-proposed-laws/usa/maine>
- ^{xvii} Quinn, M. 30 March 2022. “Ongoing bottle bill expansion debates heat up in four states.” Waste Dive. <https://www.wastedive.com/news/2022-bottle-bill-expansion-california-massachusetts-vermont-iowa/621162/#:~:text=Distributors%20currently%20pay%20a%202.25.and%20every%20four%20years%20thereafter.>
- ^{xviii} Container Recycling Institute. “Michigan.” <https://www.bottlebill.org/index.php/current-and-proposed-laws/usa/michigan>
- ^{xix} Personal communication with Jules Bailey, Oregon Beverage Recycling Cooperative, 25 April 2022.
- ^{xx} Container Recycling Institute. “Vermont.” <https://www.bottlebill.org/index.php/current-and-proposed-laws/usa/vermont>
- ^{xxi} Beverage Container Management Board. 23 November 2022. “Handling Commission By-Law.” https://www.bcmb.ab.ca/uploads/source/By-laws_Current/Handling_Commission_By-law/2022.11.23.Handling_Commission.Bylaw.BOARD.APPROVED.pdf
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- ^{xxiv} Personal communication with Gilles Doucette, Director of Operations, DivertNS, 25 March 2022.
- ^{xxv} Personal communication with Mike Cheverie, Program Coordinator for the Beverage Containers Program, 21 April 2022.
- ^{xxvi} Personal communication with Natalia Baranova, Environmental Protection Analyst, Yukon Government, 6 April 2022
- ^{xxvii} Personal communication with Robert Kelman, Director ReLoop Pacific, April 2022.
- ^{xxviii} Ibid.
- ^{xxix} Ibid.
- ^{xxx} Ibid.
- ^{xxxi} Ibid.
- ^{xxxii} Ibid.
- ^{xxxiii} Personal communication with Carmit Bardugo, Asofta Recycling Corporation, 15 March 2022.
- ^{xxxiv} Personal communication with Alice Leney, February 2022
- ^{xxxv} Personal communication with Alice Leney, February 2022
- ^{xxxvi} Personal communication with Alice Leney, February 2022
- ^{xxxvii} Personal communication with Fuji Katsuo, Consultant, Solid Waste Management Office, Koror State Government, Republic of Palau, 21 February 2022.
- ^{xxxviii} Personal communication with Fuji Katsuo, Consultant, Solid Waste Management Office, Koror State Government, Republic of Palau, 21 February 2022.
- ^{xxxix} Personal communication with Fuji Katsuo, Consultant, Solid Waste Management Office, Koror State Government, Republic of Palau, 21 February 2022.

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