Plastics and Packaging: An overview of 'Product Stewardship' schemes in Europe
Market Report

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This report provides an update on European product stewardship schemes in Denmark, Germany, Italy and the European Union for plastics and packaging.

PŪRONGO – REPORT

Denmark

Denmark has not yet implemented mandatory product stewardship on plastics or packaging. While the government is setting up a system for this, it is not expected to be in place until 2025.

Denmark has extended producer responsibility in place for three groups of products: Electrical equipment under the EU's Waste from Electrical and Electronic Equipment (WEEE) directive; Waste Batteries and Accumulators; and End-of-life vehicles.

A specific government agency, the Danish Producer Responsibility System (DPA System), has been set up to provide guidance, implement the policies, and collect revenue. More information on the DPA System is available here: DPA (dpa-system.dk)

Producers and importers of electrical products must register in the national producer responsibility register with DPA System in order to sell these products legally on the Danish market. All registered producers and importers must pay a fee to the DPA System. This fee consists of a one-off registration fee, and a fee for administration of reported quantities and calculation of the allocation of WEEE. The fee rates are fixed once a year by the Ministry of the Environment. When products are subsequently exported out of Denmark, it is possible - with the submission of relevant documentation - to get a refund.

Germany

There is a European Union-wide requirement that "first distributors" of a packaged product to be sold to end-users in the European Union (EU), ultimately take responsibility for the packaging waste that comes with a product for final consumption.

"First distributors" can refer to the manufacturer or importer, but also to a foreign exporter if selling directly business-to-consumer (B2C) e.g. online orders.

To fulfil this obligation Germany has a "Dual System" whereby municipalities are responsible for collecting and processing other waste, while first distributors of products for final consumption and the packaging waste recycling industry are required to set up, fund and run complementary private schemes to collect and process disposed packaging waste.

Essentially, any first distributor of a domestically-produced or imported product is expected to obtain a licence from one of (currently) nine private packaging waste collection schemes. Funded through licence fees (which are largely based on the amount and types of the packaging waste involved), the scheme operators then collect and recycle (to the extent possible) the disposed packaging waste.

The policies and fees applied to imported products do not differ from those applied to domestically-produced products, but

German manufacturers are more likely be the first distributors in the German market than foreign producers.

For imported, pre-packaged products, German importers usually fulfil the licencing obligation rather than the overseas-based manufacturers/producers. However, foreign businesses selling directly to end-consumers/users without an intermediary are required to fulfil this obligation themselves.

In response to imperfect compliance or “free-riding”, Germany introduced additional measures from January 2019. Every first distributor is now required to register electronically with a central authority ZSVR (a private entity supervised by the government), irrespective of the volumes sold. Packaging that is not registered as licensed under one of the nine recognised schemes faces a distribution ban. The registry is called LUCID and more information can be found here.

In addition to the registration requirement, the first distributor must report annually to ZSVR on the amount of waste distributed in Germany under license as part of this collection scheme. Whilst registration is compulsory, thresholds ensure that only larger quantities (dozens of tons per year) need to be reported.

In an evaluation report published late last year, ZSVR observed that thanks to the new central registration requirement, far more manufacturers were now complying (200,000 compared with 60,000 four years ago), with 75% of the packaging now covered, thereby funding much more consistently packaging waste collection and recycling in Germany.

ZSVR has also published a catalogue of all relevant types of packaging waste that require licensing (not just plastics), and a minimum standard for recycling-friendly packaging.

All relevant packaged products in Germany must be covered by one of the available licensing schemes, and it is up to these scheme operators, as well as ZSVR, to ensure full coverage and compliance.

The scheme operators have a strong collective and commercial interest to make sure they do not collect significant volumes of unlicensed packaging waste. Therefore, they - together with ZSVR - are monitoring the situation closely and will address any evidence of significant free-riding that may still exist, including with regard to imports.

Italy

Italy’s product stewardship scheme for compostable plastics, focusing on Italy’s recently introduced Extended Producer Responsibility scheme for compostable plastics.

Italy current consumes 100,000 tonnes of compostable plastics annually, with volumes expected to grow in the coming years.

While Italy has required supermarket carry and produce bags to be made from compostable plastics for almost a decade, its product stewardship scheme for monitoring and supporting the effective disposal of these products has been in place for less than a year. This scheme is led by BIOREPACK, a not-for-profit consortium representing companies from throughout the life-cycle of compostable plastics products, funded by mandatory contributions from producers on each sale.

BIOREPACK is responsible for: monitoring and assessing the volume and quality of disposal measures for compostable plastics; helping consumers appropriately dispose of them through improved branding and labelling; communication and information campaigns; and strengthening the capability of municipal authorities and other relevant stakeholders to effectively carry out their collection and disposal responsibilities.

About 95% of the bioplastics consumed in Italy are supermarket carry and produce bags. Italy passed legislation in 2012 requiring that any such bags be compostable. However, it was not until 2020 that an institutional framework was put in place to systematically monitor and support the effective disposal of such plastics.

This came with the establishment of BIOREPACK in mid-2020, at the instigation of the compostable plastics industry itself. Its statutes were established by the Minister for the Environment, and oversight and guidance is provided by CONAI, a not-for-profit consortium governing the management and disposal of packaging waste in Italy.

BIOREPACK has several functions. The first is to monitor and measure the disposal of compostable plastics in compost and anaerobic digestion (AD) plants. It does so in partnership with the Italian Composting Consortium (CIC), which is responsible for certifying the numbers.

These activities are expected to provide a clearer and more consistent picture of the extent to which compostable plastics were being effectively collected and disposed of nationwide, and enable this to be assessed against targets established at the national and EU levels.

A second function is to provide final users and consumers with the information necessary to recognise and appropriately dispose of compostable plastics. Many consumers are not able to differentiate between compostable and other plastics, and are not aware that compostable plastics should be disposed of with food waste. BIOREPACK works with producers to promote branding and labelling that enables these products to be easily recognised and distinguished from “fake” bioplastic products. It is also undertaking communication and information campaigns to help consumers and other stakeholders understand how to appropriately dispose of compostable plastics.

BIOREPACK is also responsible for promoting the effective collection and treatment of compostable plastics. Municipal councils have primary responsibility for waste management, working with private waste operators and composting and anaerobic digestion (AD) plants.

BIOREPACK works with these local authorities and related stakeholders, providing training and helping fund investments to enable the effective disposal of these products. In this regard, compostable plastics, which represent just a small fraction (1.2%) of compostable waste, have the potential to degrade the quality of the compost produced in such plants if they are not separated and effectively treated.

BIOREPACK’s activities are funded through a mandatory contribution paid by the producers of compostable plastics on the sale of each product. This currently generates approximately €20 million annually. Unlike other European countries, in Italy these contributions are paid by those purchasing from the producers rather than by the final consumers. Among other things, these funds are used to strengthen the capability of municipal authorities and compost and AD plants to effectively handle and dispose of these products.

European Union

The 2019 EU single-use plastics directive requires EU countries to adopt new national laws to prevent and reduce plastic pollution and marine litter in Europe by July 2021. It targets plastic products that are frequently used once before being thrown away. It also seeks to reduce consumption and create collection targets, and includes obligations for producers, new labelling requirements, awareness-raising measures, and a market ban on certain single-use plastic items commonly found on European beaches.

Defining plastics has been the primary challenge, with biodegradable plastic not included within the directive. Further, a focus on reducing plastic usage over reduction of all single use packaging (e.g. paper packaging) may not create the incentives for industry to reduce their environmental pollution overall. The new directive will also make producers responsible for promoting recycling and the reuse of products, beyond the sale of the item, with waste collection schemes. A review in six years’ time will provide an indication of the success of the directive – and of the impact of pandemic related single use plastics.

The effects of the EU single-use plastics directive should start to become visible in 2021, as EU countries have until 3 July 2021 to adopt national laws to reduce the impact of plastic waste on the environment and public health, and promote sustainable alternatives to single-use plastics.

The directive has several components: a ban on certain products; and broader requirements to limit the use and pollution of other single-use plastic products. The ban covers all plastic cutlery, plates, straws, drink stirrers, cotton buds, balloon sticks, cups and food and drink containers made of polystyrene (and their lids); and all products made of oxo-degradable plastic (widely used for shopping bags). With little data about what types of plastic waste are in the sea or at the bottom of oceans, the European Commission used plastic litter commonly found on European beaches as a proxy.

For other single-use plastic products commonly found on European beaches (such as plastic bottles, crisp packets, sweet wrappers, cigarette butts, wet wipes, tampons and sanitary items), the EU is focusing on limiting their use and the pollution they cause. The directive therefore includes awareness-raising measures, new product design requirements (e.g. the need to connect caps to bottles from 2024), labelling requirements (highlighting the plastic content of products, proper disposal methods and environmental risks), as well as waste management and clean-up obligations for producers (including Extended Producer Responsibility schemes).

The EU is seeking to achieve some ambitious targets through this new directive. The new rules cover 70% of all marine litter found on EU beaches, which is made up of the identified top 10 single-use plastics (43%) and fishing gear containing plastic (27%). The EU expects to reduce littering of the top 10 single-use plastic items by more than 50%. By 2025, plastic bottles will also be required to contain at least 25% recycled plastic (increasing to 30% by 2030) and 77% of plastic bottles will need to be collected separately (increasing to 90% by 2029). The directive also obliges EU countries to achieve a sustained reduction on the consumption of food containers and cups for beverages by 2026, including by allowing EU countries to adopt market restrictions for these products.

Initially considered as controversial and intrusive, the directive has turned out to be one of the most popular initiatives of the European Commission, with strong public support, including on social media, and is one of the fastest EU directives to be negotiated. It also received overwhelming support in the European Parliament.

Extended Producer Responsibility (EPR) schemes

The directive incorporates the "polluters pay" principle with Extended Producer Responsibility schemes, which will apply from 31 December 2024. Producers that put nominated plastics in the market will be responsible for the collection at the end of their life-cycle. Producers will have to cover the costs of waste management clean-up, data gathering and awareness-raising measures for certain plastic items (e.g. food and beverage containers, bottles, cups, packets and wrappers, lightweight carrier bags, and tobacco products with filters). Producers of wet wipes and balloons will be only obliged to apply the data-gathering and awareness-raising rules.

EPR schemes represent a significant change in approach by making producers responsible for promoting recycling and the reuse of products. For example, the cigarette industry will be required to put ashtrays in streets to prevent cigarette butts and filters from polluting the environment. Bottle and can collection or return schemes are already common in some European supermarkets, with customers paying an additional deposit as part of the price of a bottle or can, which is reimbursed when customers return the used container to the vendor.

The battle to define single-use plastics

As part of the deal to approve the directive, the European Parliament required the Commission to define a single-use plastic item to avoid confusion when the legislation is implemented in individual EU Member States. The Commission has faced technical questions, such as how disposable a product must be to fall under the single-use category or whether a food container of a given size is really designed for direct consumption.

Speed and challenges in EU countries

Not all EU Member States have yet adopted the necessary national legislation, and the Covid-19 pandemic in Europe has contributed to procedural delays with local stakeholders.

Despite the two-year transition period for companies to adapt, one industry is now judicially challenging the labelling rules, which could affect the implementation phase (the court decision has not been published yet). Further, some of the banned items like plastic straws, which used to be made of cellophane, could now be made again of cellophane, and European consumers will not be able to tell the difference without laboratory tests.

In October 2020, the European Court of Auditors said it is unlikely that the EU will be able to meet the plastic recycling objectives.

Some EU countries have ambitions beyond what is legally required in the EU directive. For example, France has already forbidden plastic cups, packaging for most fruits and vegetables, and the sale of small multicoloured plastic confetti. Spain is considering introducing new local taxes for waste management and obliging bars and restaurants to offer customers free tap water instead of bottles.

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