



European Experience With Industry Stewardship Programs

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Today's Presentation

- The European Context
- The packaging directive
- Broader policy context
- Other stewardship requirements
- Common problem/different solutions
- Some results
- Lessons learned
- PRO EUROPE (PRO-E)

European Context

- Small countries, dense population, high level of consumption
- Threat of waste catastrophe in many European countries at end of '80's/beginning of '90's
- Limited natural resources
- Limited landfill capacities
- Limited amount of tolerance in population regarding throwaway society

Broader Policy Objectives

- Introduce Extended Producer Responsibility (EPR)
- Stop end-of-pipe thinking
- Set up closed cycle economy
- Internalize external costs
- Close material loop
- Reduce waste going to landfills



Packaging – Only One Part of Comprehensive Framework

- Landfill directive
- WEEE directive (electrical equipment)
- RoHS (hazardous waste)
- Batteries
- ELV directive (vehicles)
- REACH (chemicals)
- Integrated product policy



European Packaging Directive: Objectives

- ❑ To harmonize national regulations regarding packaging & packaging waste management in the EU-countries
- ❑ To avoid or reduce the impact of packaging waste on the environment
- ❑ To guarantee the functioning of the internal market
- ❑ To remove obstacles to trade & the distortion & restriction of competition

All member states have to implement the Packaging Directive into national law following the general guidelines but have freedom in the way how to do it



Setting EU Targets

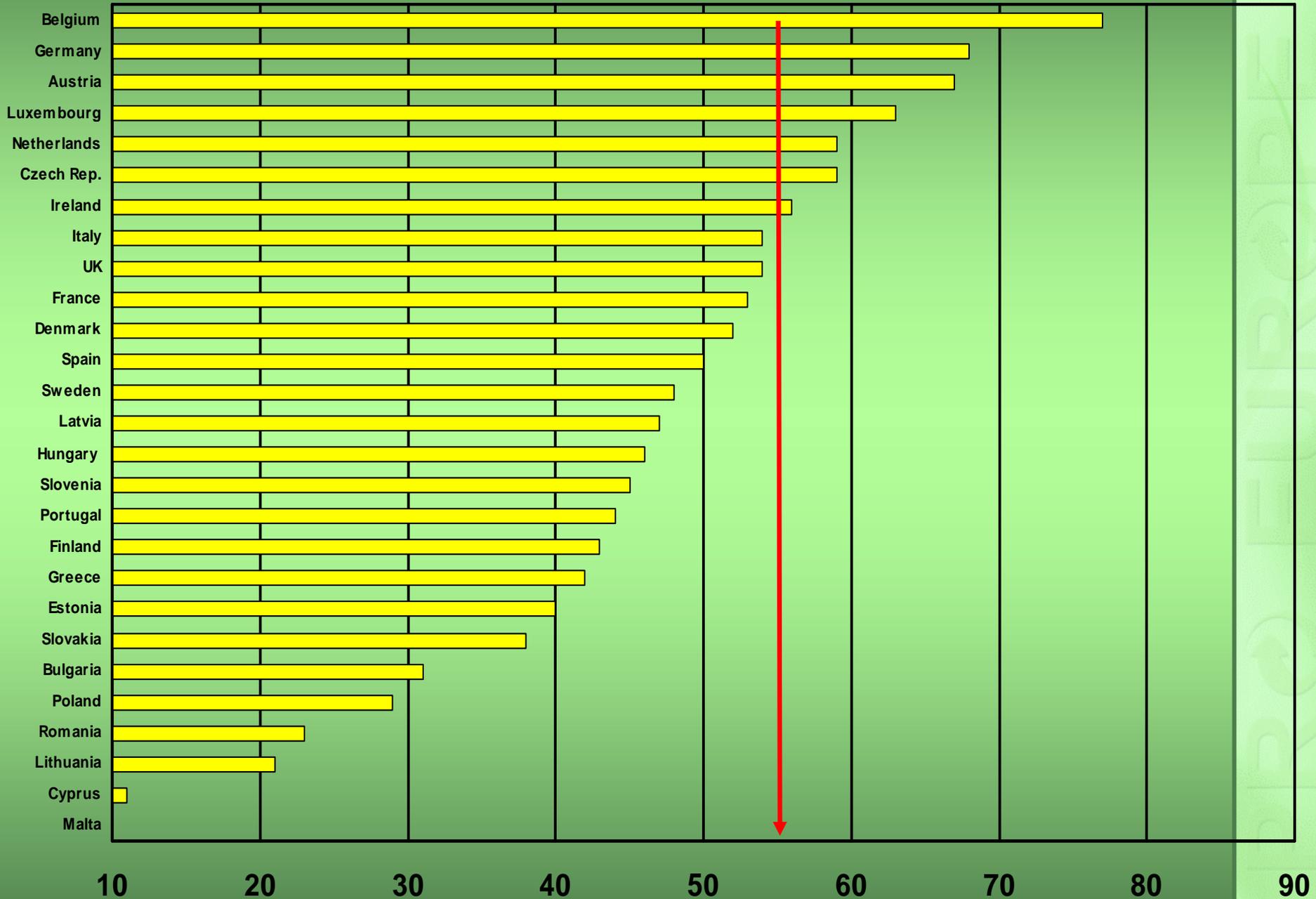
- Recycling targets
 - refers to material specific recycling targets
 - open or closed loop
 - maximum targets set to avoid negative environmental impact & disturbance of Internal Market
- Recovery targets
 - total of recycling & energy recovery
 - Recovery means mainly incineration with use of the energy

Targets of Packaging Directive 94/62/EG

	1994 Directive	2004 Directive
Recovery	Max: 65% Min: 50%	Max: n/a Min: 60%
Recycling	Max: 45% Min: 25%	Max: 80% Min: 55%
Recycling Specific Materials		
Glass	15%	60%
Paper	15%	60%
Metal	15%	50%
Plastic	15%	22,5%
Wood	-	15%

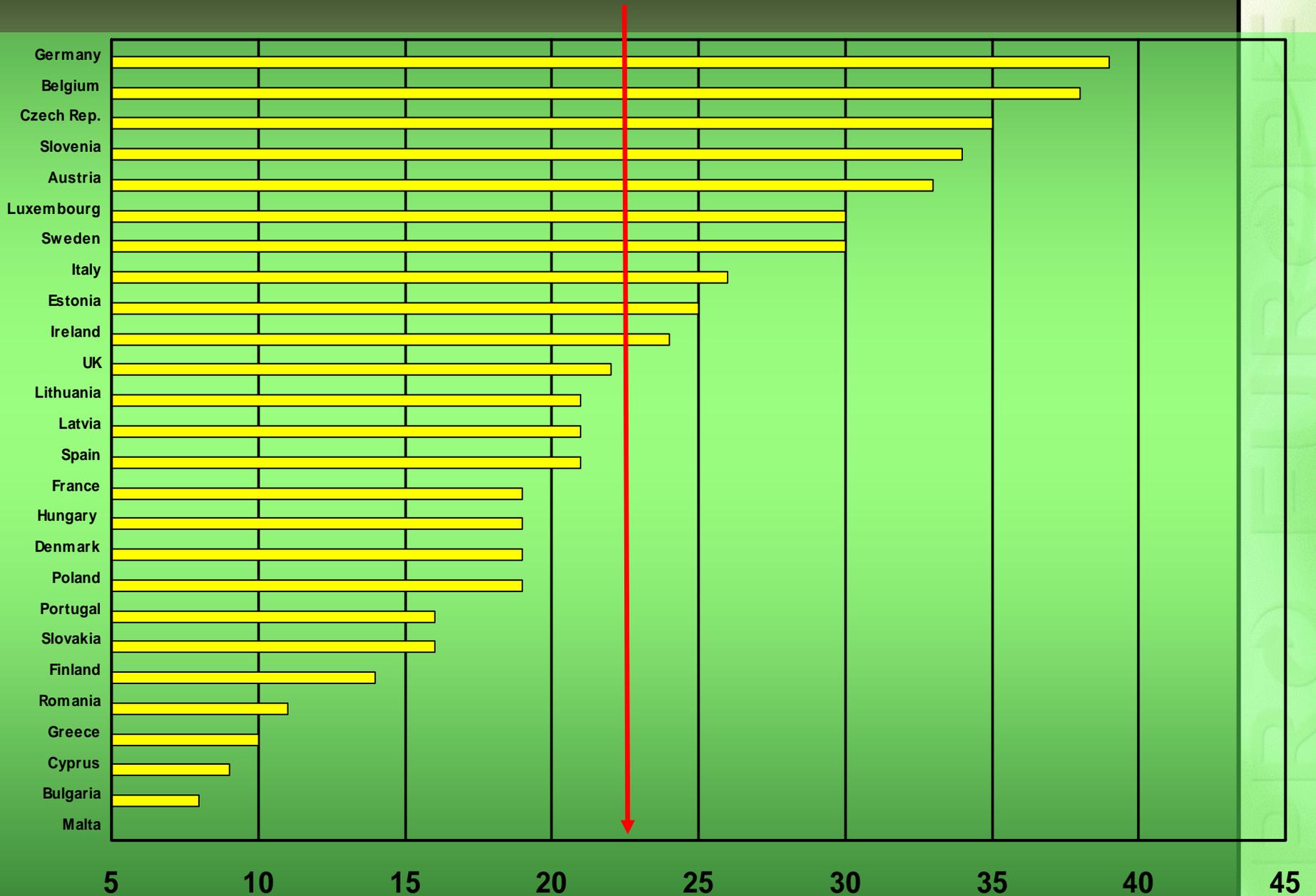


Country Performance: Overall Recycling Quotas in 2005(%)





Country Performance : Plastic Recycling Quotas in 2005 (%)



Implementation of the Packaging Directive

EPR, but close to market

UK (PRN System)

1 without compliance scheme

=> Taxes

Denmark

1 with tax and compliance scheme

The Netherlands

27 EU COUNTRIES + 2 EEA

+ 2 Accession Countries

Croatia ???

Fund versus EPR

26 with Producer Responsibility

Austria, Belgium, France, Spain, Germany, Ireland, Luxembourg, Portugal, Sweden, Greece, Latvia, Lithuania, Poland, Czech Republic, Slovak Republic, Hungary, Slovenia, Cyprus, Malta, Estonia, Romania, Bulgaria, Turkey, Norway, Finland, Italy,

1 with Fund Scheme run by industry

Iceland



Common Principle; Several Ways to Implement

- “Dual model” (Germany, Austria)
 - industry responsible for collection, sorting & recycling; separate collection besides local authorities; no/limited local authority influence
- “Shared model” (France, Czech Rep.)
 - shared responsibility: industry & local authorities; common agreements on required collection
- Tradable Credits Model (UK)
 - no local industry/collection link



Common Approach for Europe

- Common principle for 27 European countries
- Economic stakeholders in packaging chain (manufacturer, packer/filler, distributor, importer) responsible for packaging waste management
- National industry self-managed organizations established to:
 - organize recovery & recycling activities
 - secure financing
 - coordinate stakeholders (industry, government, local authorities, waste management & recycling companies, consumers...)

How Schemes Differ (1)

- Scope of activities
 - household packaging only → up to all packaging
 - other waste streams (WEEE)
- Share of costs
 - recycling costs up to total costs
- Recycling quotas
 - 22,5% minimum quota of Directive up to 60% for plastics
- Collection system
 - bring system up to kerbside collection

How Schemes Differ (2)

- Time allowed for implementation
 - 1 year to 10 years
- Need to cover all households
- Acceptable ways of recovery
 - energy recovery & materials recycling
 - no energy recovery
- Number of free-riders
- Labour costs
- Multiple compliance schemes



European Commission DG Environment

Environmental benefits of Packaging Directive

- greenhouse gas savings (around 25M tonnes of CO₂ equivalent)
- resource savings (~10M tonnes of oil equivalent)
- reduced particulates emissions, decreased acidification, less traffic noise, odours, visual disturbance

Sustainable Production & Consumption

Lessons learned

- All stakeholders should agree on the common goal and the way to reach this goal
- The legislation has to be realistic and feasible
- Legislation has to be flexible to allow adaptation of the system to local circumstances
- Legislation has to take into account the whole waste management
- Government has to monitor the implementation
- Obligated Industry (fillers and retailers) has to involve fully itself
- Local authorities have to accept the help of industry experts in designing their waste management system

PRO-E Membership in Europe



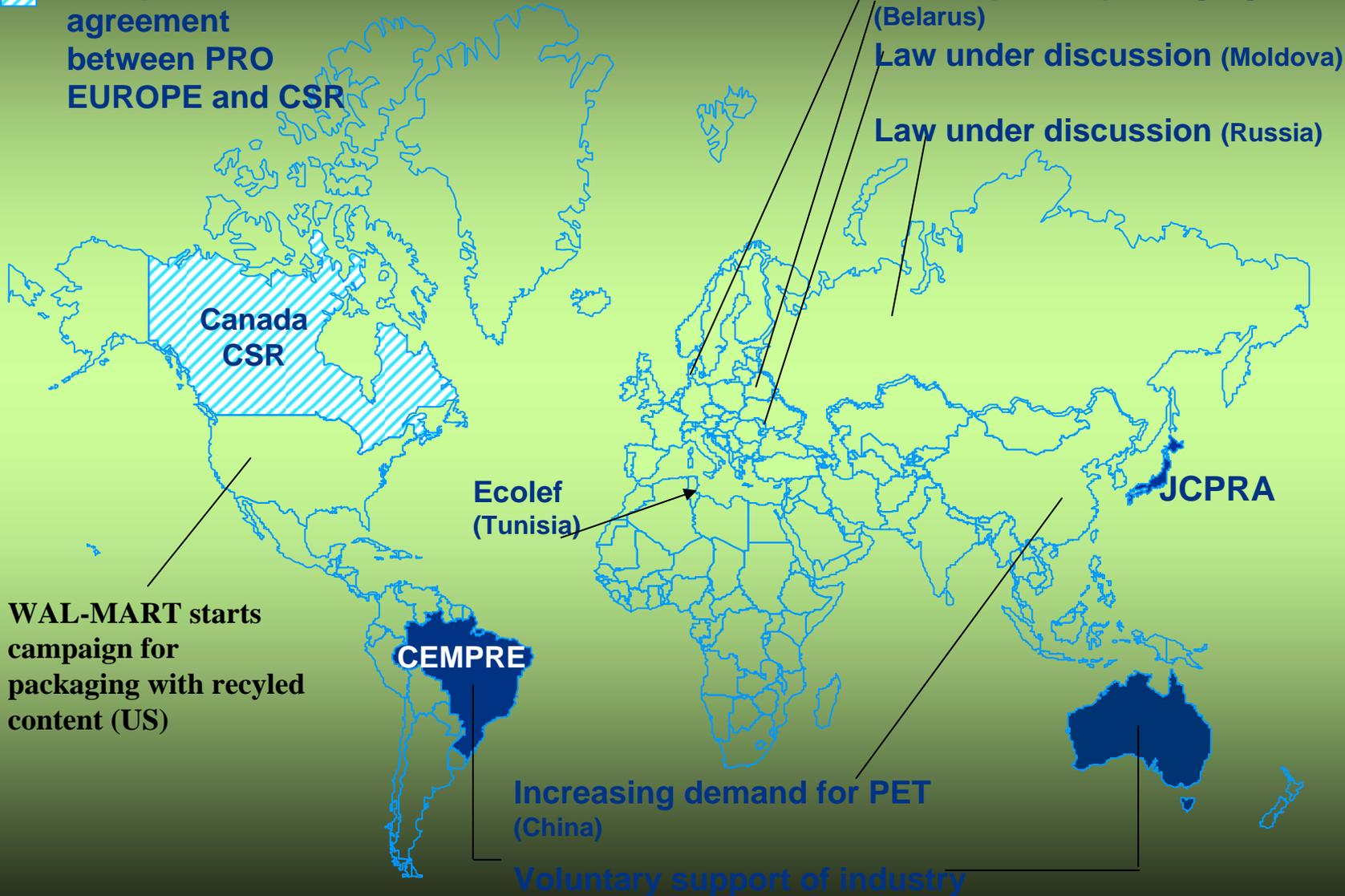
Co-operation agreements

PRO EUROPE

Worldwide situation



Co-operation agreement between PRO EUROPE and CSR





PRO-E's Mission

To help its national recovery schemes by:

- promoting convergence of regulations & administration
- protecting & promoting Green Dot
- being “know-how” provider to members, their clients & authorities
- running network of exchanges & experiences
- supporting secondary raw materials markets
- offering added-value services to members & their clients
- promoting holistic, stable, ecologically & economically feasible packaging waste management systems

What does a PRO EUROPE member recovery organization stand for?

- Founded & run by/on behalf of fillers, packaging producers, importers & retailers
- Independent from government & waste management companies
- Financing selective collection, sorting, recovery & recycling of packaging waste by industry
- Communicating with consumers; create new behaviours (mainly through Green Dot)
- Internalizing external costs
- Implementing Producer Responsibility

Facts & Figures - 2006/2008 (1)

- 31 compliance schemes active in 31 countries (2008)
 - 25 use Green Dot
- About 130,000 companies licensees or members of PRO-E member systems
- More than 460 billion packaging items labeled with Green Dot
- More than 500M inhabitants live in PRO-E member countries



Facts & Figures - 2005/2006 (2)

- More than 275M inhabitants have access to separate collection of PRO-E member systems
- More than 19.8M tonnes of packaging recovered by PRO-E member systems (2006)
- More than 1.6M tonnes of plastic packaging recycled by PRO-E member systems (2006)

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