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Excerpts on CDL Recycling Comparisons from Draft Report ‘Status of Packaging Sustainability in Australia’ by MS2 and Perchards for the Packaging Council of Australia

- Figure numbers revised for consistency

Impacts of container deposits on recycling rates

Advocates of container deposits often argue that only states with container deposit systems have high rates of container collection and recycling. Figure 1-1, which shows EU recycling rates in 2005, demonstrates that countries with parallel systems, deposits for beverage containers and kerbside and bring systems for all other packaging, achieve lower recycling rates than comparable countries without CDL.

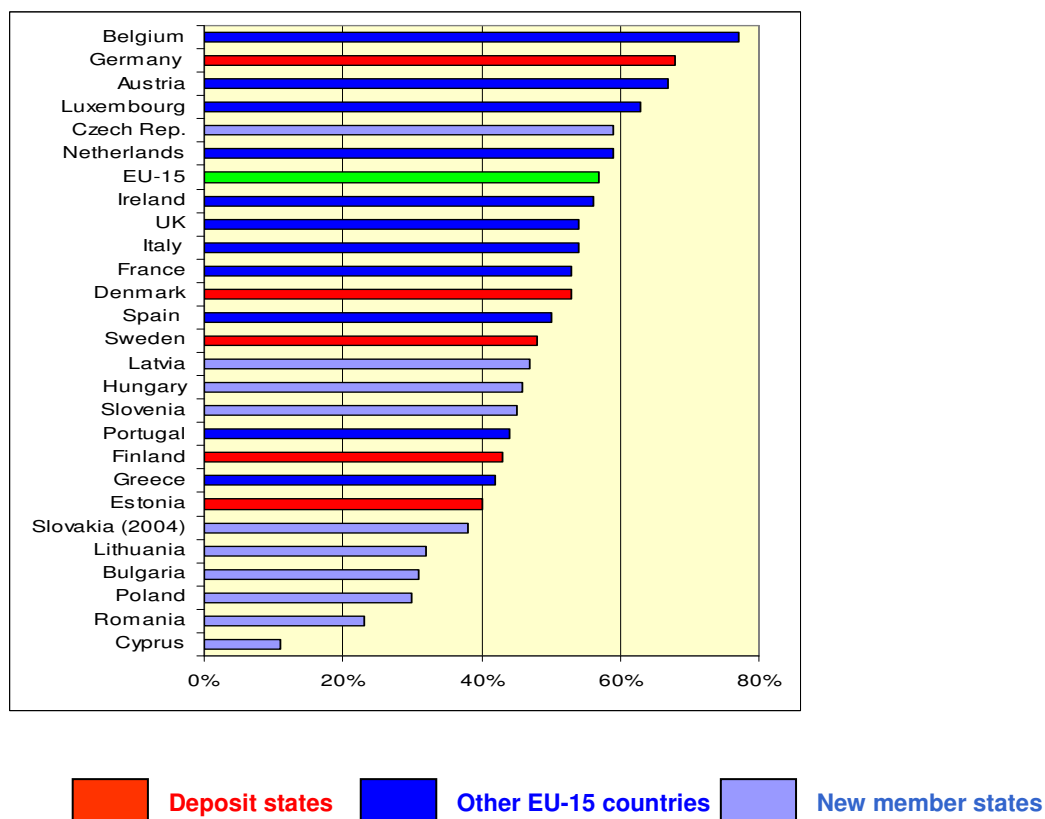


Figure 1-1: Container deposits and European recycling rates 2005

Of the five EU ‘deposit states’, only Germany exceeded the average recycling rate in the EU-15 countries in 2005. Germany has the second highest recycling rate in Europe but not because of the deposit law. Germany’s recycling rateⁱ has continued its downward trend after an upward blip in 2002 (Figure 1-2). This decline has been principally due to the botched opening up of the household packaging waste management system to competition. The producer responsibility organisation DSD was set up by industry in 1990 to fund household packaging waste management, using the on-pack Green Dot logo to indicate participation in the system. Competition authorities gradually eroded DSD’s monopoly in a way that allowed free-riding to increase, and price-competition between DSD and its competitors brought about a cutback in the expensive and environmentally-dubious collection and recycling of mixed and often food-contaminated flexible plastics. Meanwhile, beverage containers are collected in a parallel system, and it is up to individual operators whether they send the returned containers for recycling or not.

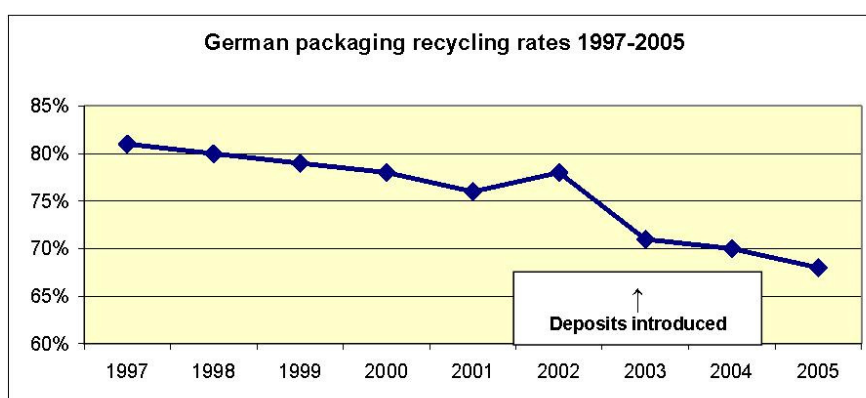


Figure 1-2: Declining German packaging recycling rates 1997-2005

When mandatory deposits are superimposed onto an existing collection system, they do not help achieve higher recycling rates because they just divert some recyclable containers from multi-material kerbside collection to a parallel system. As a result, the collection of non-beverage packaging loses not only critical mass but also the material with highest scrap value. This usually leads to some cutting back – a reduction in the range of packaging collected, withdrawal of a separate collection service from small or isolated communities or both.

Figures 1-3 to 1-5ⁱⁱ compare the 2005 recycling rates for glass, metal and plastic packaging in the four Western European deposit states Denmark, Finland, Germany and Sweden and three non-deposit states with a strong recycling culture. They demonstrate that there is no evidence that mandatory deposits alone result in a high recycling rate for the materials most used for beverage packaging.

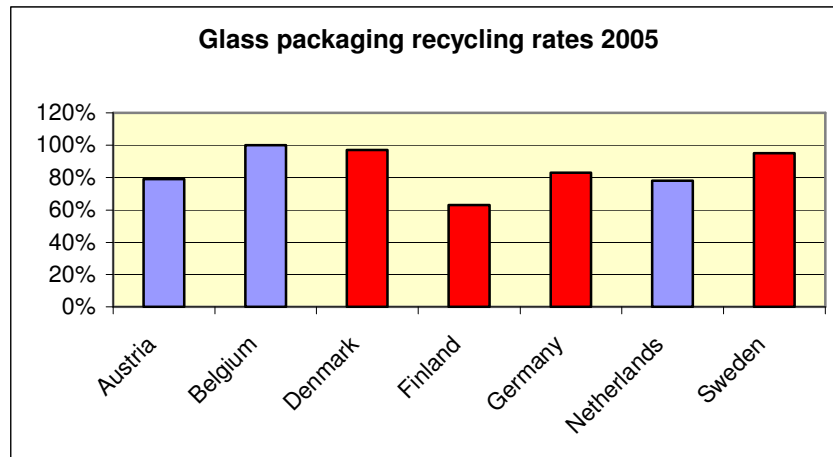


Figure 1-3: Glass packaging recycling in EU deposit states (red) and non-deposit states (blue) 2005

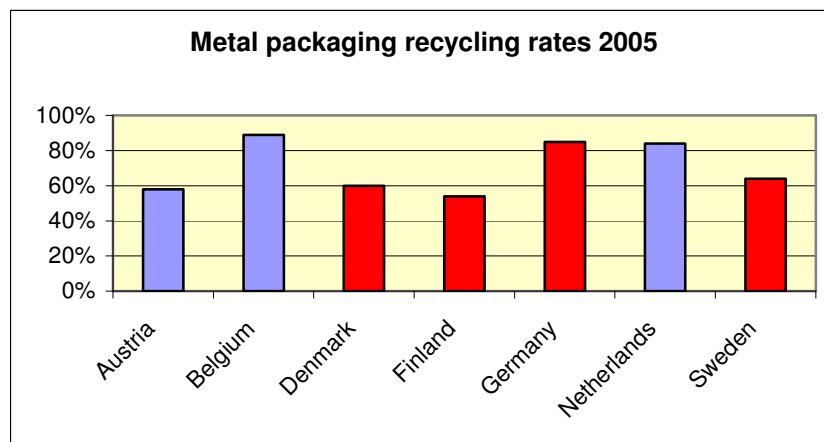


Figure 1-4: Metal packaging recycling in EU deposit states (red) and non-deposit states (blue) 2005

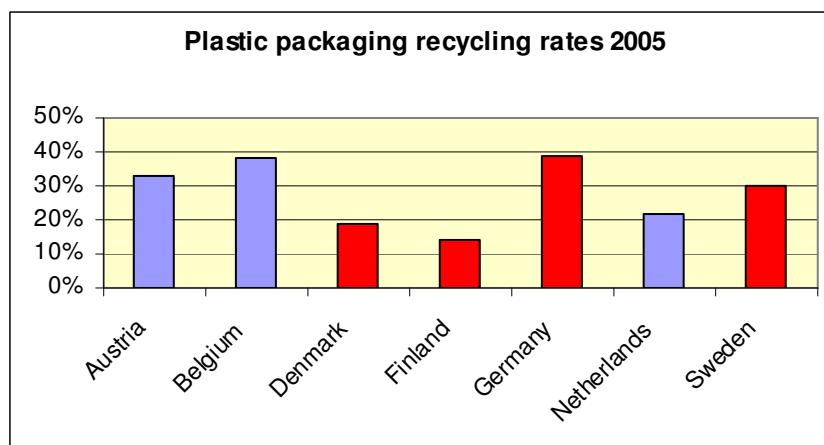


Figure 1-5: Plastic packaging recycling in EU deposit states (red) and non-deposit states (blue) 2005

In 2004, the average estimated beverage container return rate in the US was 72% in the 10 deposit states and 28% in the 40 non-deposit states. However, US estimates are highly unreliable – some states have claimed a 90% or 95% return rate every year they have reported, while some have reported recycling rates greater than 100% at various times. It is probable that in reality return rates in the best-performing states average around 75%-80%.

It is impossible to measure US states' return rates accurately because there is no reporting requirement and because most containers are marked with the abbreviations of all the deposit states and the deposit rates, rather than being specific to each jurisdiction as in Europe.

Figure 1-6 compares estimated return rates in US, Canadian, Australian and Nordic deposit states.ⁱⁱⁱ

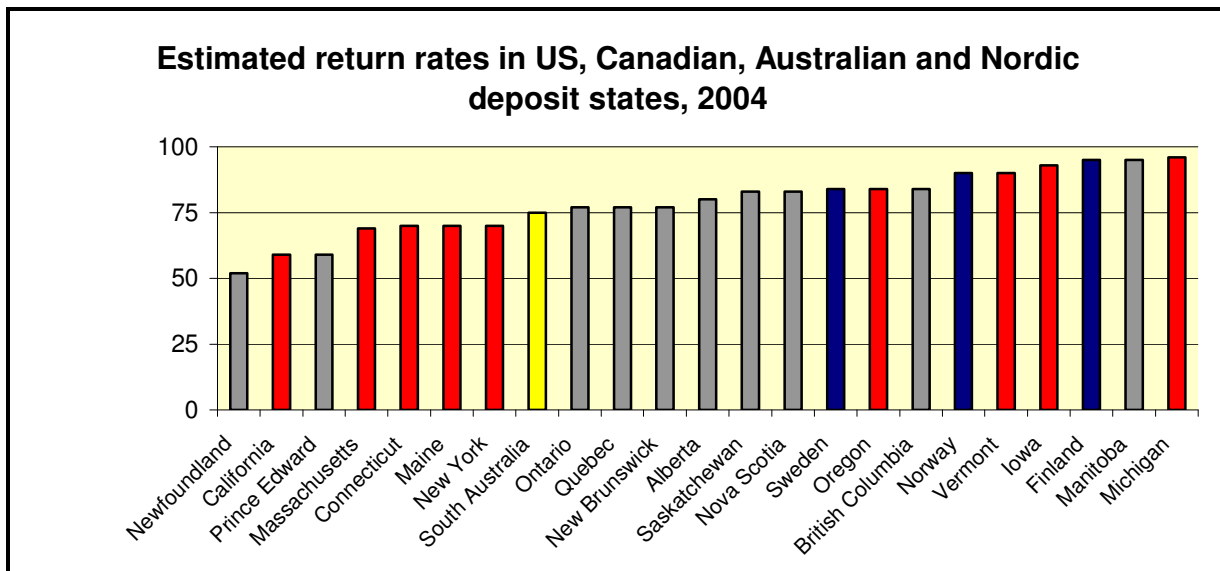


Figure 1-6: Estimated return rates in deposit states 2004

ⁱ European Commission 2008

ⁱⁱ European Commission 2008

ⁱⁱⁱ Tomra Systems ASA 2005