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The Editor,
WME Environmental Management News
PO Box 753
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8 July 2008

Dear Sir,

I was disappointed that you used the headline “*Packaging Council wrong on European CDL: report*” for your report on the recent spat between the Total Environment Centre/Boomerang Alliance and the Packaging Council of Australia and its consultants. Even TEC/BA have accepted that the information Perchards supplied on European CDL was correct, although their website suggests otherwise.

Where we part company is on their assertion that deposit systems on refillable containers are “*not technically CDL, but provide the same outcome*”. If they really believe that, they don’t understand the subject.

TEC/BA are pushing for an Australian CDL that will encourage consumers to return beverage containers for recycling. They believe that this will add significantly to the amount of packaging material that gets recycled.

Deposits on refillables are very different. The aim is to keep beverage containers *out* of the waste stream by refilling them. The more successful the refill system is – i.e. the higher the market share and the more trips refillables make before being lost or broken – the fewer beverage containers there are to recycle. To achieve any given recycling rate, you have to recycle a higher proportion of non-beverage packaging, which is less valuable as a secondary material.

Thus, if you have deposit-bearing refillable beer bottles in circulation, as Belgium and the Czech Republic do, you minimise rather than maximise the availability of beverage containers for recycling, and it’s *harder* to achieve a good recycling rate. Saying that Belgium’s outstanding recycling performance is due to having a system similar to CDL is simply nonsense.

TEC/BA’s lack of understanding of how things work overseas is shown by their shaky description of the Belgian eco-tax. The tax is in fact levied on both refillable and non-refillable containers, but the rate charged on non-refillables is seven times higher. It seems they relied on second-hand information – expressing the tax rate in US cents is a bit of a giveaway!

Finally, a back-of-the-envelope calculation. Beverage containers typically represent around one-fifth of all consumer packaging (by weight), and around one-tenth of all packaging when transport packaging is included.

Let's assume that 50% of beverage containers are collected at the kerbside and that 80% would be collected through a CDL. These are nice round numbers, probably a bit low for kerbside (there will be a higher collection rate for beverage containers than for non-beverage packaging) and a bit high for CDL (there's no established habit in most of Australia of taking used containers to a collection point, either for recycling or for refilling).

On these assumptions, the result would be a 30% increase in beverage container recycling. If CDL didn't damage the recycling of non-beverage packaging, as we think it would, that would raise the overall packaging recycling rate by just 3%.

That's less than the average annual increase in recycling achieved since 2003 under the present arrangements.

Yours faithfully,

David Perchard
Managing Director