

1

Petcore's Director General Address

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Number one

Deposits on one-way beverage containers: confusion goes on

Plastic beverage bottles can be identified by the number imprinted on the bottom of the container. For PET that number is 1. That's a good number and the results of PET recycling across Europe are equally impressive. In 2002 we recycled 449,000 tons, a 30% increase over the previous year.

The outlook for 2003 is that PET collection will continue to grow in almost all European countries. With one big exception: Germany.

Tackling packaging waste the Belgian way

The German government introduced a deposit for most beverage containers, with the aim of improving the environment. The result will be quite the opposite. In 2003, Germany will be the only country in Europe where we will see a significant reduction in PET recycling.

Guidelines on acceptability of additives and barrier materials in the PET waste stream for an effective recycling of PET published

This calls for a big THANK YOU to the citizens of Austria, Belgium, Finland, France, Germany, Hungary, Italy, the Netherlands, Poland, Portugal, Spain, Switzerland, who contributed most to this tremendous growth.

Compared to our forecast, we expect to lose about 60,000 tons. This

6

Valorlux: Big results for a small country

What more evidence do we need that European citizens are committed to sort out their own waste? Actually, as soon as PET bottles are collected and sorted, we no longer call it a waste. The discarded, baled bottles are sold to be recycled back into a wide range of products. The European PET recycling business alone is estimated to be worth EUR180 million. If you add the thousands employed in sorting stations, the reduced use of energy, reduced emission of greenhouse gases and added value to the end products, this number becomes a multiplier.

is not only bad for the environment, it will also hamper economic growth. It is thought that the combined German drinks and recycling industries stand to lose EUR 4 billion this year alone, representing 20,000 job losses. This is bad news for the government as well. That is why we expect politicians to take appropriate measures in order to sustain the country's environmental, social, and economic strength.

7

Latest news

7

Material recovery and recycling events

1

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There is one more thing I'd like to get off my chest. The German Environment Ministry has recently stigmatized the one-way PET bottle by calling it "ecologically unfavorable". It is obvious to the bemused consumer that this is all about politics. PET bottles are ecologically favorable because they weigh less and are 100% recyclable. It is as simple as that. This is not just an empty claim made by Petcore; it is a fact that has been proven in a range of Life Cycle Analysis (LCA) studies across the world. We are therefore confident that we will be able to deliver LCA evidence to the German government to prove our case. Just watch this space.

Frank Koelewijn

Deposits on one-way beverage containers: confusion goes on

The return obligation for one-way beverage containers continues to cause havoc in Germany. In the absence of a unique, clear return system for used containers, retailers have set into place their own arrangements. To get their money back, consumers must return a plastic token here, a coupon there, a purchase ticket there. In amidst this mess, customers have found their own way of managing empty beverage containers: they just stopped buying. The dramatic decrease in beverages consumption not only applies to water and fizzy drinks but even to beer. This must be a clear sign that things are not going the way they should in beerland.

Once a system is set into place, they say, everything will go back to normality. Consumers will view returnable and one-way containers as equal and life will go on as it did before.

In the meantime, DSD, the national packaging waste collection agency funded through the licensing of the "green dot", will see its revenues decrease by 290 million EUR annually because of the deposit.

Talking about collection systems, the approach to set in place to simplify the life of thirsty Germans has not been decided upon yet. There have been talks about establishing a clearing-house that would manage the money coming in from deposits, to allow consumers to return their empties wherever they see fit. Others talk of investing in return vending machines (RVMs), but investments are on the heavy side. It is estimated that there is a need of about 40,000 RVMs throughout the country, with total costs ranging between 1 and 2.5 billion EUR. No wonder that retailers want to make sure which system will definitely be adopted.

As far as the German Ministry of Environment (BMU) is concerned, it decided to amend the Packaging Ordinance to "rationalise" the deposit in the future. According to their proposal, the pfand will no longer depend on the proportion of beverage packaging accounted for by returnable containers. Instead, it will depend on the type of packaging used. The aim is to have 80% of beverages packed in what they qualify as "environmentally beneficial" packaging, be it returnable or one-way.

BMU organised an industry hearing on the grounds of the ordinance review and it reported to have listened to a wide variety of positions: from environmental associations who want to see the protection of returnable containers, to requests of exemptions from the system. BMU however, made it clear that the concept of the deposit itself is not to be put in jeopardy.

Let us come back to the "environmentally friendly" concept: a packaging that has achieved, throughout the years, a 30% material prevention, a packaging that is fully recyclable into a wide array of products that would otherwise require a virgin raw material, must fall into the category of the environmentally conscientious. Well, this material is one-way PET and Petcore has set its hart in doing everything in its power to grant PET the place it merits.

Tackling packaging waste the Belgian way

Germany and Belgium do not only share a national language; they also share a profound concern of the environment. Another similarity between the neighbouring countries lies in the impressive packaging waste collection rates both states managed to achieve ever since the creation of the "green dot" recovery system. In spite of the outstanding recovery figures, and regardless of a clear consumers preference, both countries decided to favour multi-way packaging above one-way. All comparisons between the countries stop here though. Indeed, Germany decided to increase its packaging waste collection by introducing a punitive deposit on the vast majority of one-way containers, whereas Belgium decided to go ahead with its 1993 project of imposing an "ecological levy" on packaging that are considered less favourable from the environmental view point.

In 1993 the idea was to tax all one-way packaging with the claim that refillables are more ecological than one-way. Over the years, although the idea never made it through, the concept slightly changed. In 2002, the Belgian government decided to play the game on two fields. On the one hand they decided to award financial "bonuses" for one-way beverage containers holding a certain percentage of recycled content and, on the other, to impose a tax on all those single use bottles deemed "unfavourable" for being manufactured from sole virgin material.

The percentage of recycled content set for PET is 50%, a peculiar idea by itself. However, in an open, competitive market like the EU, this decree has arisen concern for many other reasons. If the bonuses law comes into force, it will, de facto, push out of the market a number of small players. SMEs in particular, will find themselves at a competitive disadvantage since they will have to bear the costs linked to both registration and production of containers only aimed at the Belgian market.

The Belgian authorities have now decided to drop the point that was causing the most concern, namely visual marking of recycled content on the containers. Indeed, the European Commission argued that showing that a product contains recycled content restricts importers. What it more, the Commission added that the mere fact that a package is not subject to or is exempt from the tax demonstrates that it is environmentally favourable according to the Belgian viewpoint, thus rendering any marking superfluous. Belgium though, decided to publish in its official journal the part of the decree concerning the application procedure for tax registration, arguing this would allow inspectors to verify recycled content and would therefore benefit companies using recycle by applying eco-bonuses as of April 1, 2003.

This decision will further antagonise those Member States already hostile to the Belgian decree for an array of different reasons. Their appeal to the European Commission could be their first step in a battle that could bring Belgium before the European court of Justice.

Guidelines on acceptability of additives and barrier materials in the PET waste stream for an effective recycling of PET published

Keeping the freshness of products throughout their shelf life is key for any food and drinks producers. Research and development departments of foodstuffs production companies spend much of their time and money in the development of "active" packaging designed to maintain the full organoleptic properties of the product throughout its life - from production, to storage, to consumption.

When it comes to PET, active packaging involves bottles that present exceptional barrier properties that allow maintaining intact the product's qualities such as fizz or vitamin content. PET barrier technologies vary from passive impermeable layers placed in between various stratum of PET, to ultra thin airtight spreads on the surface of the bottle, to "intelligent" additives capturing the excess of oxygen.

These outstanding properties make PET the unique product it is, but among the other factors that make PET exceptional is its full recyclability. Recovered PET is recycled into fibres, strapping and also into new containers.

PET flakes manufactured from post-consumer bottles reach their full commercial value when contaminants such as PVC are entirely removed. Indeed, if substances other than PET remain in the secondary raw material, some quality problems may arise in the final products - fibres' tensile strength can be affected and weak spots or haze can develop into new bottles. This is why, during the PET recovery process, any

barrier material used to enhance the properties of PET containers needs to be separated from the PET.



The steady appearance of barrier containers on the beverages market raises the question on how well current recycling processes handle the removal of additives and barrier materials from the stream. The Technical Committee of Petcore, for which recyclability of PET remains a crucial concern, decided to address the question by developing testing protocols for barrier containers, in collaboration with the laboratories of PTI Europe and the Montefibre research centre. The result of the exercise is the "Guidelines on acceptability of additives and barrier materials in the PET waste stream for an effective recycling of PET" published by Petcore earlier this year.

The Guidelines present the PET industry with a tool that will help them evaluate the impact of their newly developed containers on current recovery processes - from bottles collection to the actual recycling.

The guidelines can be downloaded, free of charge, from the Petcore site at:
http://www.petcore.org/publ_01.html

Valorlux: Big results for a small country

An affiliate of the Packaging Recovery Organisation Europe (Pro-Europe) founded in 1995 to provide a forum for cooperation between national recovery organisations, Valorlux is yet another EU packaging collection and recovery company set up according to the "green dot" financing model.

Producer responsibility is laid out in the Grand-Ducal Ordinance of October 1998 that came into force on January 1999, implementing EU Packaging and Packaging Waste Directive 94/62/EC.

The ordinance stipulates that those responsible for placing packaging onto the market are responsible for their final take back and recovery. This responsibility can either be taken on individually, that is through organising the collection of one's own packaging, or can be transferred onto a recognised organisation. Valorlux is the recognised one in the Grand Duchy of Luxembourg.

The role of Valorlux lies in the promotion, coordination and financial support of separate collection, sorting and recycling of household packaging waste.

Valorlux actually acts as the "intermediary" between packaging producers/distributors, municipalities and operators in charge of packaging waste collection.

Packaging producers or distributors pay a fee on each packaging they put onto the market and the fee varies according to the type and weight of the packaging. Valorlux then transfers the money collected from the green dot license fees to the municipalities who actually organise packaging waste collection.

Valorlux believes in the co-responsibility principle: all those that have a role in the packaging life cycle are asked to contribute to its recovery. Citizens separate their wastes, public bodies guarantee the respect of the legislation in collaboration with collection organisations, industry finances the system and informs the public about waste prevention and recyclers take back and recover collected wastes.

Luxembourger packaging waste collection is carried out through kerbside (door to door) and "bring" systems. Glass packaging is collected in special "igloos", strategically placed to make it easy and safe for consumers to return their fragile packaging. All other beverage containers (PET bottles, cartons and cans) are jointly gathered in a blue bag and are collected alongside ordinary refuse. Blue bags are subsequently brought to a selection centre that sorts out the various fractions before selling them to the various recyclers.

65 communes out of the Grand Duchy's total 118 participate in the separate kerbside collection, reaching 45% of total population. Total packaging waste recovered and recycled in the country in 2001, amounted to 24.3 tonnes. Plastics statutory recovery and recycling targets for 2001 were set at 15%. However, Luxembourg's results for 2001 went well beyond target as recovery and recycling of plastics wastes reached 28.1%.

Ever wondered about waste management in Portugal? Then do not miss the next issue of Petcore news!

Latest News

- European Parliament rapporteur on packaging and packaging waste draft directive presents recommendation for EP second reading.
<http://www.europarl.eu.int/meetdocs/committees/envi/20030422/488544en.pdf>
- ColorMatrix joins Petcore. The leading manufacturer of liquid colourants, additives and dosing systems for the plastics industry joined as a new member this month.
<http://www.colormatrix.co.uk>

Material recovery and recycling events

Forthcoming events

May

6-8/05 EnviroExpo Exhibition and Conference.
Boston, USA
For further information:
Tel. (+1)-617-489-2302,
Fax (+1)-617-489-5534,
e-mail: info@enviroexpo.com.

13-15/05 Ecotech Europe - International Waste Management & Technology Exhibition.
Amsterdam, The Netherlands
For further information:
Tel. (+31)-2-05491212,
Fax (+31)-2-5491843,
e-mail: mail@rai.nl.

June

2-5/06 WasteExpo. New Orleans, USA
For further information:
Tel. (+1)-203-3589900,
Fax (+1)-203-3585816.
e-mail: dbusby@primediabusiness.com.

3-6/06 WasteTech -International Exhibition.
Moscow, Russia
For further information:
Tel. (+7)-95-9755104,
Fax (+7)-95-9753423.
e-mail: ecwatech@sibico.com.

4-5/06 Sustainability for Packaging.
London, UK
For further information:
Tel. (+44)-1372 802105.
e-mail: louiseb@pira.co.uk.

12-14/06 Umtech 2003 -
Environment Technology Exhibition.
Bremerhaven, Germany
For further information:
Tel. (+49)-381-4923497,
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