The new EU packaging regulation

The EU packaging regulation was already a topic of discussion at Belgieninfo several times when it was still in the legislative process. It was about the <u>fate of sugar sachets in restaurants</u> or the disfigurement of the <u>beautiful Belgian landscape</u> with empty drinks cans. The focus is always on the same Europe-wide problem: how to get rid of more and more packaging waste. Now the regulation is ready. Published in the <u>Official Journal of the EU</u> in January 2025, it obliges the Member States to achieve a number of targets, such as a general reduction in packaging waste, a higher proportion of recycled material in the production of plastic bottles and the reuse of packaging.

New: Deposit for plastic bottles and beverage cans becomes mandatory

The specific measures to be implemented include, above all, a mandatory deposit for single-use plastic or metal drinks packaging from the beginning of 2029. This is intended to increase the pressure to ensure that cans and bottles do not end up in normal waste or even in nature, but are recycled instead. The deposit obligation will only be waived if a member state can prove that 90 percent of this waste is recycled. Germany has had such a deposit (amounting to 25 cents) since 2005, and the success is evident: between 97 and 98% of plastic bottles and drinks cans were recycled in 2023. The deposit was actually intended to keep the reuse rate for drinks bottles high. However, this target was thoroughly missed: instead of the targeted rate of 72%, it is now just over 40%.

Belgium is still some way off such recycling figures: for plastic bottles, the figure was just under 84% in 2023, while for cans it was only around 65%. It is therefore likely that a deposit system will have to be introduced in order to achieve the targeted recycling rate. This will involve some organizational effort and considerable investment. Time is therefore pressing, as it is assumed that this will require a lead time of three and a half to four years.

Typical Belgium: Why make it simple when it can be complicated?

And in Belgium it is even more complicated because the responsibility for the treatment of waste and therefore also packaging lies with the regions. Nevertheless, there has been a structure for cooperation since 1997, the Interregional Packaging Commission (IVC/CIE) and Fost Plus. This is an association supported primarily by companies in the food and retail sectors, which organizes the separate collection and recycling of plastic and metal, paper and glass (blue and yellow bags, glass containers).

Even though a deposit system is prescribed by EU law, the issue is not currently on the agenda in the regions - in contrast to the previous legislative period. Neither in Flanders nor in Wallonia is it part of the coalition programs of the new governments formed after the elections in June 2024; the Francophone Liberals (MR) and the Flemish Nationalists (N-VA) are against it. In Brussels, there is no position yet due to the lack of a government. Nevertheless, at the end of the last legislative period, the regions agreed in principle that only a system that covers the whole country can work. This is also proven by the negative experiences made in Germany before 2005 with several isolated solutions. Shortly before the 2024 elections, the regions were able to agree to commission the IVC/CIE to develop a concept, which it presented at the end of 2024.

The first impression when you look at the proposal is: why make it simple when you can make it complicated? Because the future deposit system should not compete with the "Blue Bag". Since 2010, this has mainly collected plastic and metal waste, and since 2019 other recyclable materials

such as yogurt pots and film. Without water bottles and beer cans, the bags would probably only be half full and the considerable investment in sorting and recycling facilities would be jeopardized. This is why there should be no system like the one in Germany, where empties are usually returned or deposited in vending machines in supermarkets in return for an empties voucher. The bottles are crushed or shredded in the vending machine before they are later recycled to prevent them from being returned.

Deposit system to be digital, at least a little bit

In Belgium, a "hybrid" system is to be introduced instead, with a digital and a physical version and a deposit of 25 cents. This was the direction of an agreement in principle reached between Brussels and Wallonia before the 2024 elections, although Flanders ultimately did not sign up to it.

With the digital model, you have to scan a QR code on the bottle or can and on the blue bag with your smartphone. The empties are then registered and the deposit paid at the time of purchase is regularly credited to an electronic wallet linked to the bank account. As before, the packaging is disposed of in the blue bag.

In the "physical" variant, the empties are returned to collection points, where the deposit is then received in cash or as a voucher. This should not only enable less "IT-savvy" consumers to participate in the system, but also people passing through or the homeless. A dense network of drop-off points is planned for the return, with voluntary participation, preferably from small stores, being envisaged. Newspaper stores are seen as particularly suitable, but supermarkets less so, as the necessary personal support is not guaranteed there. The participants receive a fee for their service. This model also involves the empties being scanned at the collection point and then placed in the blue bag.

CIE/IVE assumes one-off costs of 94 million euros for the installation and 125 million euros per year for the operation of the system. The financing is based on the deposit money for bottles and cans that are not returned. Experience has shown that these account for 15 percent of drinks sold, which is calculated to be around 165 million euros per year. The "surplus" of 40 million euros a year could be used to finance campaigns to reduce packaging waste, for example.

And what happens next?

The regions have yet to react to this concept. This is not only because the issue is controversial in the coalitions in Flanders and Wallonia and Brussels is unable to speak for the time being due to the lack of a government. In Wallonia, the centrist party "Les Engagés" is in favor of introducing a deposit system, "but not digitally". This is too complicated and has not yet been tried out anywhere in practice. The alliance "Alliance pour la consigne", which is mainly active in Belgium and the Netherlands and includes associations, companies, municipalities and private individuals, is also firmly against the digital version. Instead, the deposit system should be used, which works well in 50 countries around the world and leads to almost complete recycling: empty bottles can be returned to the place where they were bought. After all, this has always been done in Belgium for returnable glass bottles. Nor should the supermarkets, where the drinks are most frequently purchased, be relieved of their responsibility.

When you see how many people still find it difficult to separate waste into different bags - some simply don't seem to care - it is doubtful whether a digital system will really lead to greater acceptance.

It therefore remains to be seen whether Belgium will pioneer the digitalization of deposits for

plastic bottles and metal cans. Experience with the complexity and duration of political decision-making processes in Belgium casts doubt on this. And in view of the change of majority in Wallonia and - foreseeably - in Brussels, the cards are likely to be reshuffled. The time pressure from the EU packaging regulation is breathing down the necks of the players. Will that help?

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