

Designing an EPR Scheme for Poland

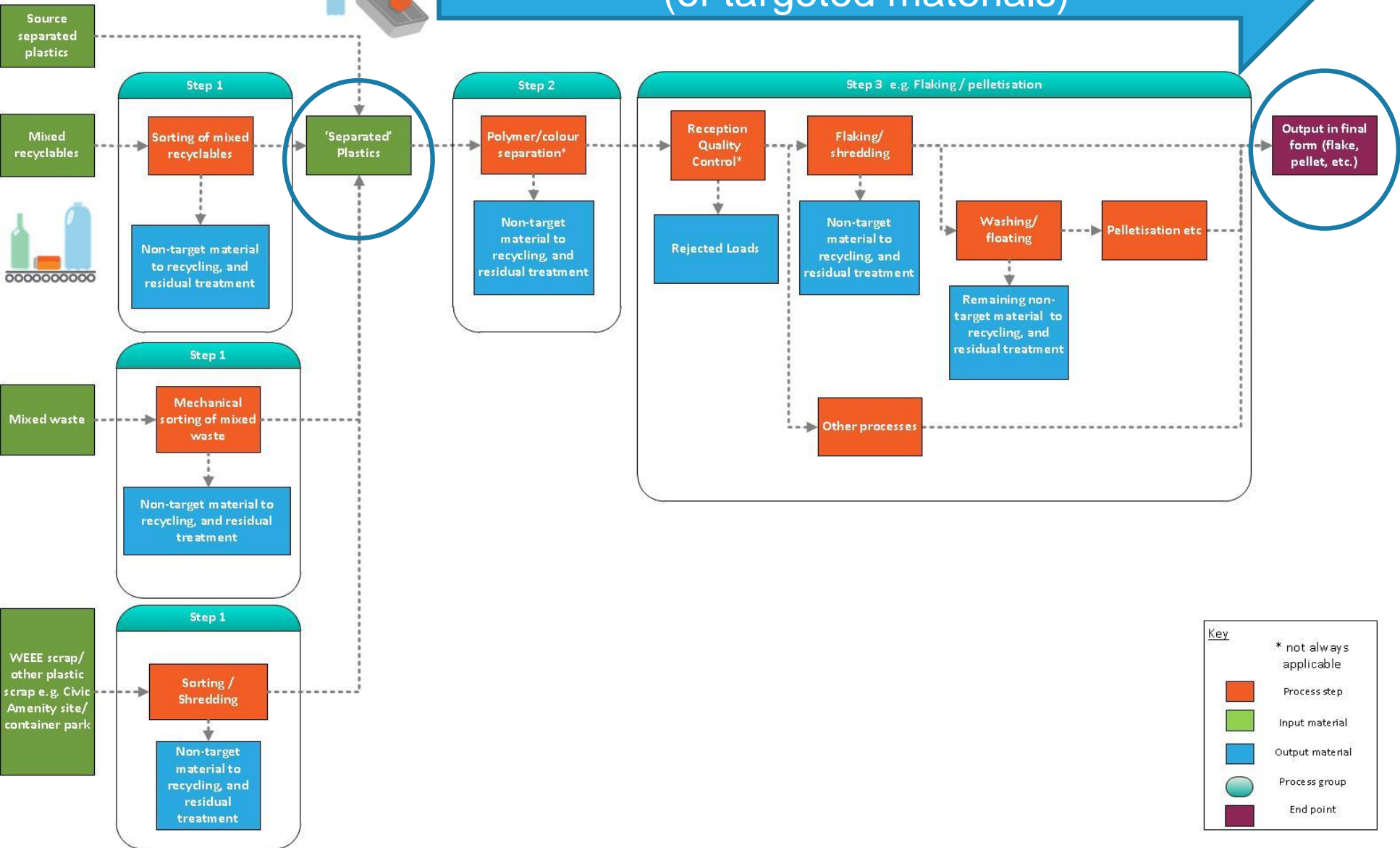
ENVICON Congress

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Requirements for EPR

Approx 30-40% Loss in Weight (of targeted materials)



EU Directive on Packaging and Packaging Waste

- New targets for plastic (and other) packaging
- **Plastics: up from 22.5% (pre-amendment in 2018) to 50% (2025); 55% (2030)**
- **New measurement method** as per WFD – metals from bottom ash included;
- **Requirement for fee modulation** as per WFD

Performance Targets / Other Obligations

EU Directive on the reduction of the impact of certain plastic products on the environment (Article 6)

- **Separate collection of single-use plastic beverage containers:**
 - 77% by 2025;
 - 90% by 2029
- **Recycled content:**
 - 25% recycled content for all single-use PET beverage bottles by 2025
 - 30% recycled content for all single-use beverage bottles by 2030
- **EPR costs extended to public waste collection and clean-up of litter**

EPR Under Article 8 - Section I, Part E

- **Food containers**
- **Packets and wrappers**
- **Beverage containers**
- **Cups for beverages and lids**
- **Lightweight carrier bags**

Article 8(2)

Awareness raising (Art 10)

Public collection systems

Clean-up of litter

Costs of Collecting and Sorting Plastic Packaging which is Recycled via Separate Collection

Costs of Recycling Operation for Plastic Packaging from Separate Collection

Costs of Sorting and Recycling Packaging From Mixed Waste (to meet targets)

Costs of Providing Information to Waste Holders

Costs of Data Gathering and Reporting

Material Revenues / Unclaimed Deposits




Costs Associated with Awareness Raising e.g. littering and reusable alternatives

Costs of Collecting Packaging which is Littered

Costs of Treating or Disposing or Recycling of Packaging which is Littered

Costs of Collecting Plastic Packaging which is Not Separately Collected

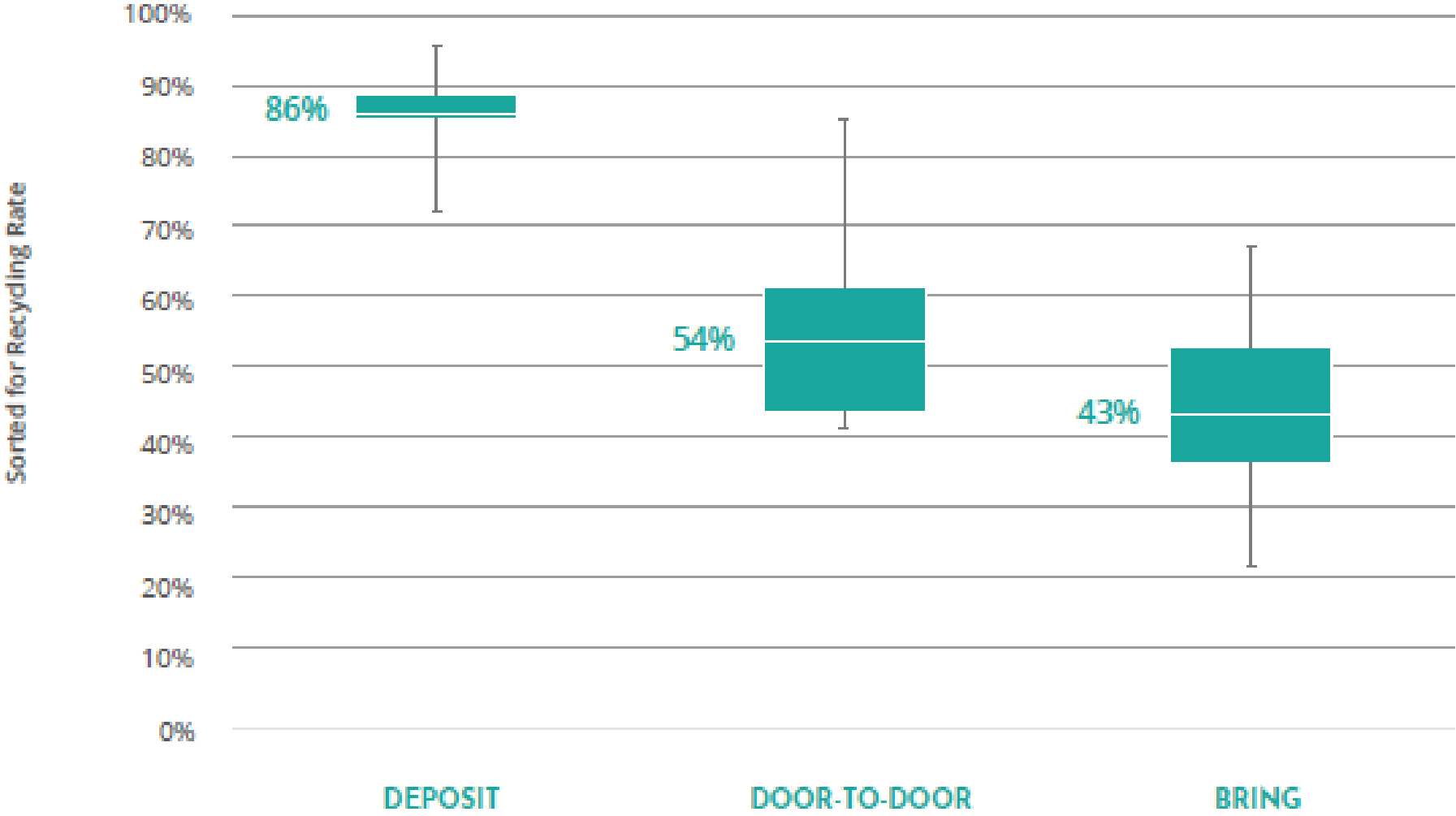
Costs of Treating or Disposing of Packaging which is Not Recycled

-  = required under PPWD / WFD
-  = required under SUP
-  = permitted as per WFD Art 14

Future EPR Costs (no DRS)

- Higher targets...
- More challenging measurement method...
- Full net costs covered by producers, through modulated fees
- SUP Directive requires cost of public waste collection and litter clean-up to be covered by some packaging items
- Producers pay no more than costs which are necessary for efficient service delivery

DRS Likely to be Necessary



Big Questions

Big Questions - Collection

- Who collects?
 - In some schemes, PROs take physical responsibility
 - usually where collection is based on 'bring' schemes – will this meet new targets?
 - In others, they pay for municipalities to undertake collection
 - In some, there's a hybrid (Canadian schemes allow municipalities to opt out)
- Currently, municipalities collect
- In future, municipalities will need to achieve recycling targets for MSW
- Giving PROs responsibility 'fragments' the collection services
- Leave with municipalities...
- ... subject to collection (and sorting) scheme being of a minimum standard
 - Arrangements regarding separate collection / mixed waste sorting to be considered
- Costs of 'efficient' service covered by producers



Big Questions - Sorting

- Who is responsible for sorting?
 - Sometimes PROs (especially where they have responsibility for collection)
 - Where municipalities undertake collection, municipalities may have responsibility
 - Sorting may be 'arranged for' by the scheme (municipalities deliver to operators contracted to scheme)
- Currently, municipalities are sorting
- Short-term, this could continue
 - Municipalities paid for outputs subject to quality standards being met
- Medium- to long-term, question arises whether existing sorting infrastructure is the most efficient
- Could transition to a system with smaller number of larger facilities
- Would require a plan (and time) for a transition



Big Questions - Recycling

- Who takes responsibility for materials processing?
 - Usually, PROs
 - In some cases, municipalities / their contractors have a role
- Currently, municipalities effectively 'own' the risk of fluctuating material prices
- Shifting this risk to producers (through PROs) makes more sense
 - When prices for primary materials are high, prices for secondary are also high, so net costs are lower
 - A form of natural 'hedging' on commodity prices
- Even if municipalities are still responsible for sorting operations, it makes sense for PROs to manage the materials
- Municipalities would be paid for the operation of sorting (not 'net' of materials value)

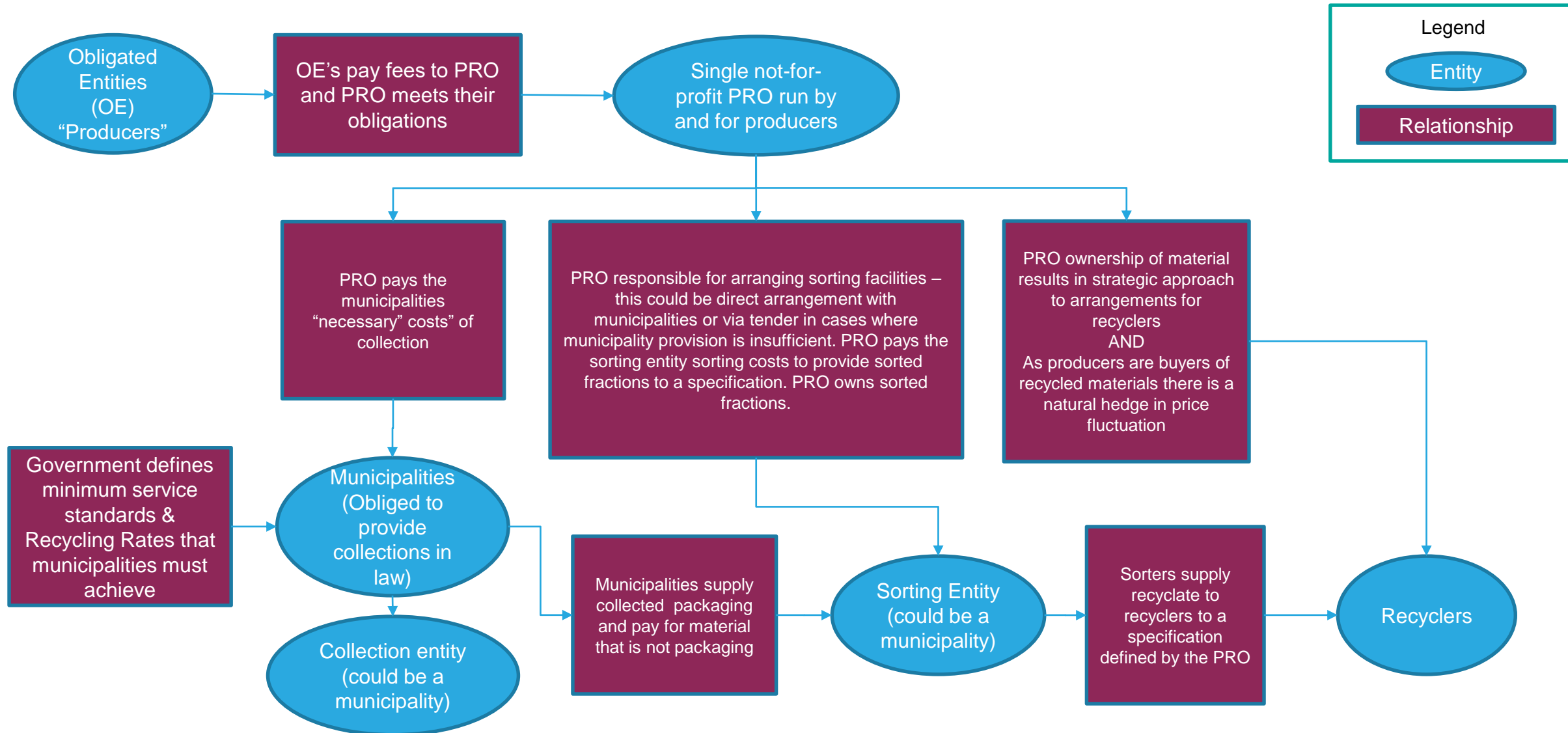
Big Questions – How Many PROs

- Various views
 - Eleven Member States with no direct competition
 - Some with more than one PRO, but not competing for same material
 - Twelve Member States with more than one 'PRO' in competition
 - PL and UK - tradable credits; HR with environmental fund; HU - centrally administered scheme; DK tax-based,
- Arguments for competition based on conventional market-based perspectives (OECD)
- Currently, a large number competing, but with few fixed assets
- However:
 - More 'rules' as to what has to be done
 - Increasing need for investment (recycling of plastics)
 - Requirements for fee modulation
- May be the right time to opt for a single entity: not-for-profit, with the Board comprising producers and supply chain representatives



Summary

Possible EPR System Overview





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