

# Towards DRS in Europe: a crucial tool for meeting ambitious targets

## *Call for an effective DRS regulation in the PPWR*

To all those concerned,

### I) Context for this position

We, the undersigned, with regards to the ongoing negotiations on the PPWR, want to stress the need to **confirm the key role for solid Deposit Return System (DRS)**, as covered by art. 44 of the original Commission proposal. DRSs are a necessary tool to ensure full, real circularity of beverage containers through:

- Being the only measure enabling capture rates of targeted containers above 90%;
- Collection of high-quality materials, thus allowing for both:
  - Closed-loop recycling (packaging-to-packaging) given maximised use of materials;
  - Compatibility with reuse schemes - by enabling the infrastructure of such schemes - which supports compliance with the reuse targets proposed by the PPWR itself;
- Minimised littering of beverage containers, contributing to reduced costs for local authorities and reduced leakage of resources from circular management.

Although the proposal as agreed on in the ENVI Committee contains good points, we are worried that changes on DRS in the initial PPWR proposition will lead to unwanted outcomes, with derogations disrupting the single market. Therefore, we provide a framework for strong, proven-to-be-effective DRS, to support the transition to a circular economy.

### II) Concrete recommendations for a solid DRS legislation

#### 1) Avoid providing escape routes (Amended text art. 44. (3))

The new wording of the amended art 44.(3) would lead to a much weakened implementation (or lack of implementation) of DRS across Europe, create confusion across Member States, producers and operators, and would fall short of the intended goals specified above. This new wording:

- a) Lowers the threshold for exemption from adopting national DRSs, setting it at 85% collection rate instead of the 90% in the text proposed by the Commission;
- b) Offers an escape route to countries opposing the introduction of a DRS, by simply having to provide a 'plan of action' while not complying with the spirit of the legislation and the SUP directive.

We think the foregoing will trigger (and is already triggering) confusion among policy- and decision-makers, and will not support a clear definition of industrial policy and connected investments. It also goes against the harmonisation of DRS in Europe.

Specifically, we want to emphasise issues with the formulation adopted by the ENVI Committee:

- It is inconsistent with the provisions of Directive 2019/904 - transposed into domestic regulations - on the reduction of the environmental impact of certain plastic products which mandates 90% separation of plastic beverage bottles by 2029.

- It is not in line with positions already and repeatedly expressed by key stakeholders, which, together with NGOs, have called on the EU institutions to put DRS at the core of strategies to maximise circularity in the sector of beverage containers<sup>1</sup>

In consequence, we recommend to:

1. Keep the target of 90% originally proposed by the Commission for art. 44(3)(a)
2. Delete exemption (b) and art 44.(4).

### 2) Danger of so-called 'Digital DRS' (Art. 3 definitions; Annex X)

The concept of 'digital DRS' has only been proposed in a few lands (Wales, Belgium) as a solution to replace the European model based on return-to-retail. Notably, *all* DRS are already highly digitally-enabled with a robust back-end system to ensure good functioning. This is why [Eunomia](#) (2023), in a recent study on 'digital DRS' named those propositions '*serialised DRS*'. The study also highlights several issue with those alternative system propositions:

- **Suboptimal collection methods:** as packaging would remain in kerbside or public bins collection where it is contaminated. This goes against the PPWR ambitions on reuse and high-quality recycling.
- **Uncertainties on system reliability.** With return to kerbside or in public bins as proposed in serialised DRS, there is no way to certify that a packaging is effectively returned and isn't littered<sup>2</sup>. This would drastically reduce the environmental effect of DRS.
- **Data privacy concerns.** With serialised DRS, users would have to share at least some level of data (e.g. geolocalisation, bank account), which isn't necessary with current models. Beyond misalignment with European GDPR rules, this risk threatening the support of users.

Given all the uncertainties and risks of such a proposition, we call for any mention of 'digital' DRS to be taken out of the regulation (Art. 3 definitions and Annex X).

### 3) Ensuring accountability of System Operator (Annex X (a))

**All existing countries and regions with DRS operating through System Operators (SO) have a single licenced operator for single-use packaging.** It typically has responsibility for the definition and roll out of the system, including public awareness and education. It is also responsible for providing information, based on requirements from Member States for date reporting purposes.

The presence of various System Operators risks undermining system effectiveness by threatening:

- Accountability of the System Operators, given partial responsibility and lack of transparency of the system as a whole.
- Consumer adhesion: given more complexity and confusion of the system.

Therefore, we call for the text to remain as stated in EC proposal (*Annex X (a)*):  
(a) a single system operator is established or licenced;

<sup>1</sup> See Beverage Can Benelux ([2023](#)) and Alupro ([October 2023](#)) positions.

<sup>2</sup> See [video](#) from Canal It Up (2023).

