

Integration Of Collection Infrastructure For Refillable & One Way Packaging In Lithuania

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Vilnius, June 2020



DESA



Voluntary Buy-Back system for beer refillable glass bottles (RGB)

- In Lithuania about 80% of glass beer bottles are refillable
- For many years Lithuania had a voluntary Buy-Back system for beer refillable glass bottles
- Voluntary Buy-Back were operated by almost all retailers, including modern trade
- Brewers were using standardised bottle – only 5 types of bottles
- All collection was manual, including Modern Trade



Obligatory Deposit on RGB



- In 2004 the obligatory deposit system for RGB was introduced by law
- Only by end of 2006 deposit system became operational because of long negotiations with retailers on handling fee (RHF)
- System is administrated by Non Profit Company DESA (Deposit System Administrator)
- DESA founded in 2005 by RGB owners – five breweries
- Were 7 breweries participating in the System
- In 2016 Coca-Cola joined the system with their RGB

RGB Deposit Development

- In 2007 were already 6 types of RGB with annual turnover of 240 million bottles
- In 2019 we had 32 types of RGB with annual turnover of 62 million bottles
- Until 2016 collection was 100% manual



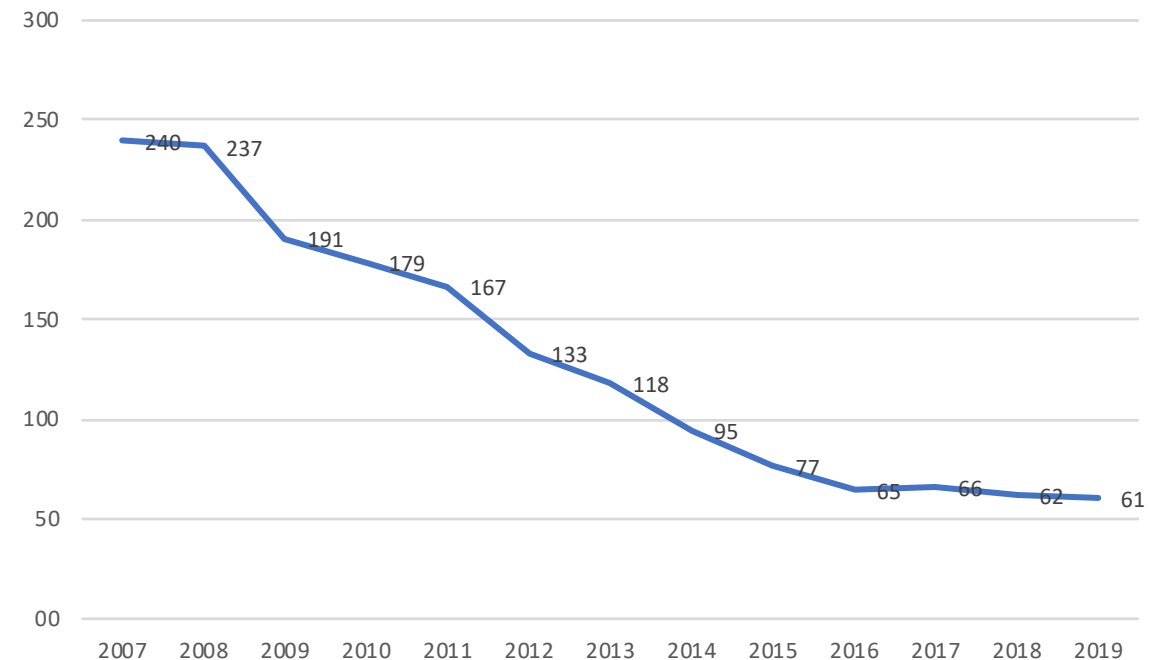
Čia priimami užstatiniai
(depozitiniai) buteliai po **0,10 Eur**



Depozito sistemos esmė:

- pirkdami alų, už butelį paliekate užstatą;
- grąžinę butelį, atgaunate visus už jį paliktus pinigus.

Sales of products in RGB (in millions)



Cooperation Of Two DRS

No Cross Subsidies !!!



- From day one (01 Feb. 2016) collection of RGB was merged with OW packaging – in manual as well as in RVM automated collection points
- Deposit value (10 euro cents) is the same
- OW packages from shops (compacted & not compacted) go to USAD's Counting & Preparation for Recycling Centre
- RGB from shops go back to Producers
- For collection of RGB Producers pay to Retailers Retail handling Fee (RHF) + Deposit
- Producers also pay to USAD for RGB collected via RVM for usage of RVM
- Some RGB users (e.g. Coke) are not taking their empties back from Retailers, but outsource this service from USAD

Benefits From Cooperation Of Two DRS

- Much more convenient for **CONSUMERS** – same collection points the same price
- Consumers even don't know that there are two DRS – they are facing just one
- No more discrimination of RGB on convenience – all beer packaging is with deposit
- RGB sales shrinking trend has flattened – shrinking less than sales of beer



What Do Consumers Think?

Consumer survey conducted in 2018* resulted:

**2 years after launching the deposit system*

97% of consumers answered that they are **satisfied** in general with functioning of DRS



95% of consumers indicated that the **amount of garbage** in parks, at lakes and other natural places, visited by people, **decreased** after DRS introduction

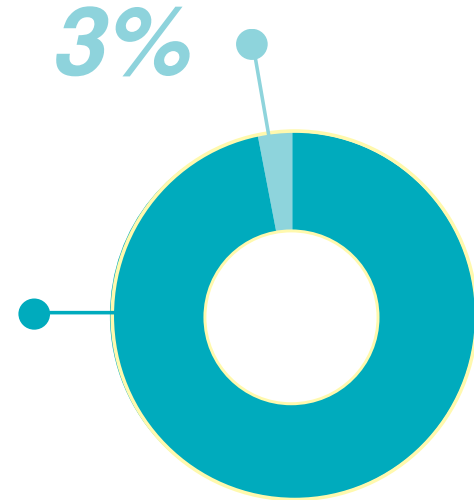
What Do Consumers Think?

Consumer survey conducted in 2018* resulted:

**2 years after launching the deposit system*

97% *of consumers claimed that the **deposit system is necessary***

Survey run before OW DRS, but with RGB DRS indicated that on 70% of consumers say that DRS is necessary



Even more importantly:



93% of consumers admitted that introduction of DRS encouraged them to regard sorting out of all-type waste with **more responsibility**

THANK YOU & WELCOME TO VILNIUS

It's better to see something once,
than to hear about it a thousand times



DESA

