

RealClear Energy

Leading Beverage Container Manufacturers Agree: Well-Designed Deposits Are Key to Getting More Containers Back for Recycling

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The glass, metal and plastic PET container industries agree that deposit systems lead to higher recycling rates, as well as better quality, higher value material enabling circularity. We support efficient, effective deposit systems and are eager to work with lawmakers on how to design and implement such well-designed systems with the principles below.

The data show a stark contrast between recycling rates in deposit states versus the country. According to the Container Recycling Institute, in 2018 in the 10 states with deposit systems, recycling rates for PET bottles, glass bottles and aluminum beverage cans were 62%, 64% and 77%, respectively. A stark comparison to countrywide recovery rates of 28%, 40% and 46% respectively (Figure 1). There is no policy that can more quickly or successfully raise recycling rates of our containers.

Beyond the increase in the recycling rate, deposits also can decrease litter, provide more pure material that is beneficial to each of our industries (see Figure 2) and produce a resilient supply of material that our industries need to make new beverage containers.

Our industries agree that, among other components, an effective, efficient deposit system has these characteristics:

- **Easy and convenient redemption.** Several states have embraced a hybrid approach to collection, including redemption centers, retail collection and reverse vending options. Redemption options should be tailored locally to maximize convenience for all stakeholders and reduce the burden on retailers.
- **Unredeemed deposits should enhance the recycling system.** The deposit system is part of the overall recycling collection system. Any revenue generated from it should stay in the material collection system rather than go to a general fund. Revenues staying within the system could mean surplus funds go toward recycling infrastructure, education campaigns, temporary funding to aid a smooth transition to the presence of a deposit system and other activities that increase material collection.
- **One private sector-led entity to manage the system.** A single nonprofit that is private sector-supported and led would reduce net system costs and create efficiencies.
- **Appropriate deposit values and structure.** The deposit amount charged to consumers should be sufficient to incentivize them to recycle their containers. Consumer choice of container type should not be influenced by the deposit fees.
- **Include all beverage types and containers.** The starting point should be all beverage types and containers. Only minimal exceptions should be permitted. This reduces the risk of creating a perverse incentive to use problematic or non-recyclable beverage containers to avoid paying a deposit and means all beverage containers benefit from higher recycling rates and cleaner material provided by deposits. As new beverages are introduced, there should be uniformity on their

inclusion in deposit programs rather than a patchwork of state requirements that create inefficiency and confusion for manufacturers.

- **Clear deposit markings.** Harmonized markings should be printed on each beverage container so consumers know it can be redeemed and redemption locations can easily recognize the container as eligible for redemption. Beverage container manufacturers should be provided flexibility to put the standard text or logo anywhere on the container in a readily seen area.

There is plenty of experience to draw from in designing an efficient, effective deposit system including from the 10 U.S. states that have deposit systems, the growing number of deposit systems around the world and our industries, which have been a part of deposit systems for decades. Of the states that have deposit systems, some are better than others, and states alone or jointly should consider reforms to expand and/or modernize programs in line with the above principles.

As beverage container industries supporting a circular economy, we want our containers back. Deposit systems increase collection and recycling of beverage containers, providing a resilient domestic supply chain of high-quality material. Increased recycling of our containers will help the environment and the economy. Still, it is important that deposit systems are done right. We are ready to work with lawmakers and other stakeholders to bring about well-designed deposit systems in the United States.

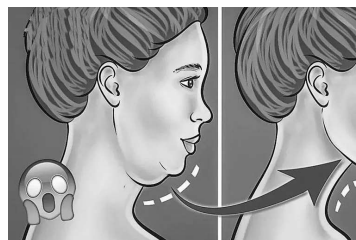
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A Teaspoon On An Empty Stomach Burns

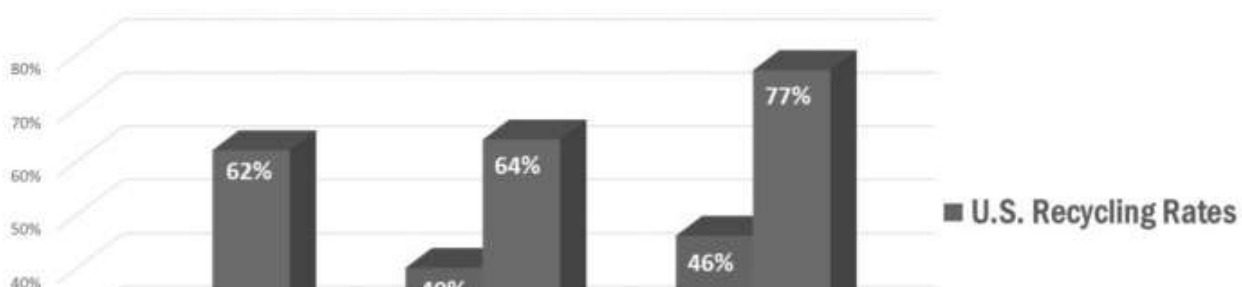


These 2 Vegetables Kill Your Belly And Neck Fat



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Figure 1: National Recycling Rates vs. Deposit State Average Recycling Rates



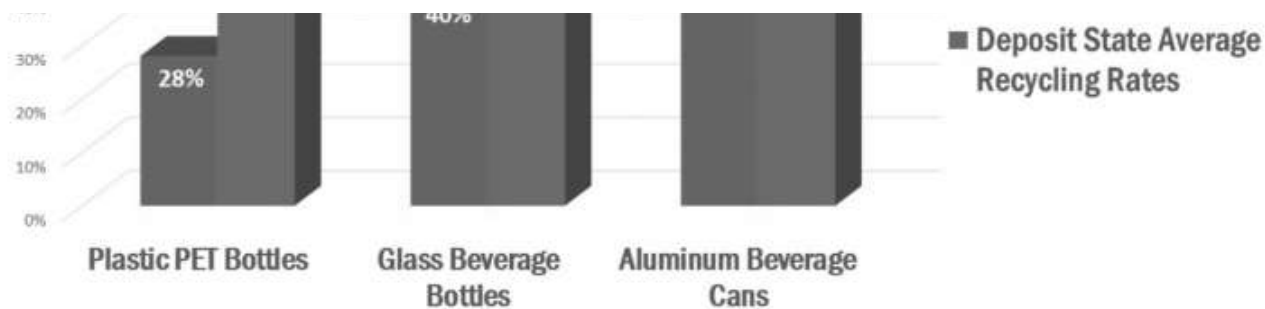





Figure 2: The Value of Pure Material to Beverage Container Industries

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|  <p>Pure material is important for PET since it leads to a higher process yield.</p> <p>PLASTIC</p> |  <p>Because glass delivered from most MRFs tend to contain contaminants, which increases processing costs and depresses value, deposit material is important to the glass industry.</p> <p>GLASS</p> |  <p>Aluminum recycling mills pay a premium for bales of used beverage cans from deposit states because pure bales lead to a more efficient recycling process.</p> <p>ALUMINUM</p> |
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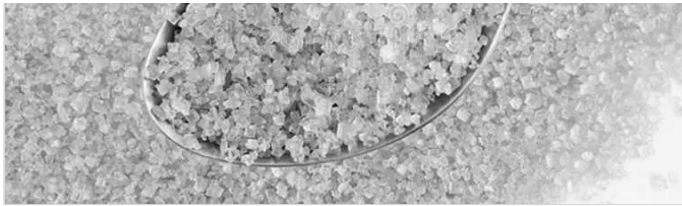
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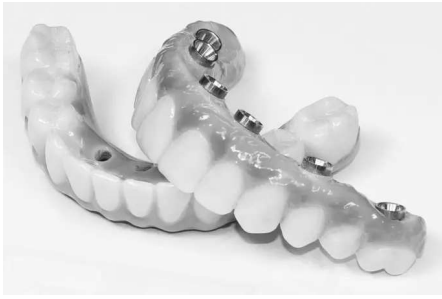
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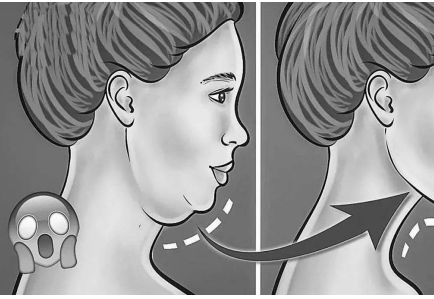
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