

CONTAINER RETURN

Better recycling, more refill systems and the building blocks of a circular economy

Prepared by the Zero Waste Network Aotearoa and the New Zealand Product Stewardship Council

SUMMARY

Currently, about 2.36 billion beverage containers go to landfill and litter each year in Aotearoa. A container return scheme (CRS) involves putting a small, refundable deposit on all beverage containers. A CRS for Aotearoa NZ will:

- increase recycling rates and quality
- drastically reduce the litter problem
- support refill schemes
- increase packaging circularity
- provide cost-savings for municipalities and therefore ratepayers

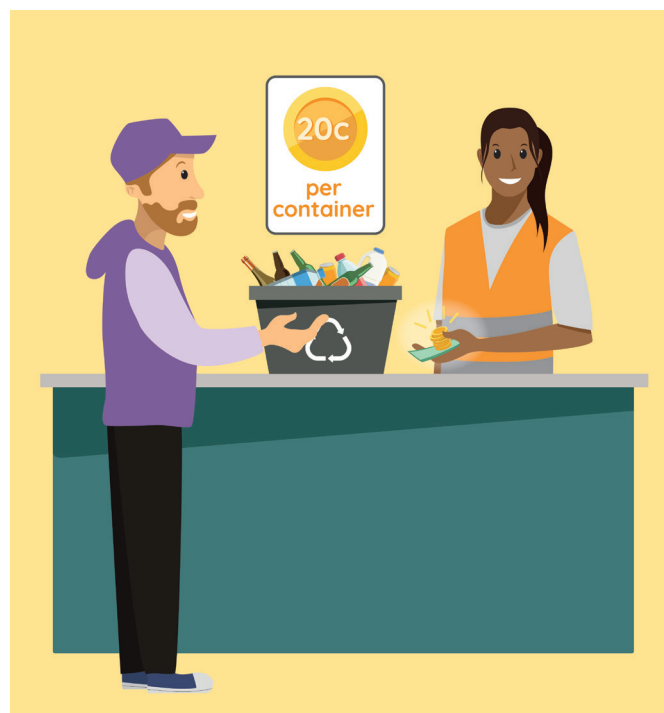
MAKE IT CIRCULAR

The transition to a circular economy underpins the shift to a low emissions Aotearoa. In a circular economy, resources are kept in use as long as possible, then recovered and recycled in a closed loop to be used over and over again.

By giving each container a monetary value, a CRS incentivises the return of containers for refill and recycling. CRS is proven overseas to bring high return rates and high quality materials. In some places, up to 95% of containers are recovered. ([ReLoop](#), 2021) That means less waste, virtually no beverage litter, more reuse and better recycling.

A CRS also shifts the cost of recycling away from councils, creating a mechanism to distribute payments to recyclers. A hybrid return system for CRS would bring additional benefits: creating jobs, behaviour change and product stewardship infrastructure in communities around Aotearoa.

A comprehensive, nationwide system of beverage container deposits and returns would also set the scene to return to more refillable beverages. Washing, reusing and refilling bottles are truly circular systems that help to further reduce plastic pollution, the use of raw materials and climate emissions. Glass is the ideal reusable packaging material for beverages - think milk, beer or fizz in reusable glass bottles like in the old days. A CRS is a necessary precondition for a thriving, scalable reusable beverage packaging system



“ In a nutshell, CRS is a proven tool to collect high quantities of beverage containers for reuse and high-quality recycling ”

— ReLoop, Global Deposit Book 2020

GOOD SYSTEMS DESIGN

Good design is critical to bring the full benefits of a CRS to Aotearoa. A CRS must include all beverages and all types of containers, including plastic, glass, metals and liquid paperboard. Excluding certain materials or beverages would create an unfair playing field for different industries, leading to unsustainable packaging choices. Exclusions would also increase the cost of the system and make a CRS less effective overall, locking in the failures of our current system.

When a CRS is designed, the container collection system must be chosen to maximise public good. A hybrid return model would combine Reverse Vending Machines at supermarkets and other retailers with a network of zero waste hubs operating as container return depots around the country.



The network of zero waste hubs would provide a nationwide resource recovery infrastructure ready to collect other materials covered under product stewardship schemes, like e-waste and tyres. These hubs would keep the money from the CRS in communities and provide local green jobs in communities, increasing regional economic resilience and wellbeing.

The benefits of a zero waste hub network go beyond resource recovery. Zero waste hubs are leaders in creating behaviour change through community-led education and engagement. The Climate Change Commission advised that behaviour change is essential for the transition to a net zero, low emissions Aotearoa, and that central and local government should work with community groups and community resource recovery centres to reduce waste. A hybrid return system for CRS would embed zero waste behaviour change practitioners in their communities, assisting the transition to low waste, low emissions living.

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The benefits of comprehensive container return schemes are well-proven. Higher recycling rates, more refill systems, less litter, less waste to landfill and more jobs - how can you argue with that? ”

—Marty Hoffart, Chair, Zero Waste Network

IT'S NOT WORKING NOW

About 2.36 billion beverage containers go to landfill and litter each year in Aotearoa. ([Ministry for the Environment, 2021](#)). Kerbside recycling is expensive, and often fails to achieve high quality recycling and/or low contamination rates. In 2020, Christchurch sent 2,000 truckloads of recycling to landfill at a cost of \$2 million. Furthermore, refillables make up only a tiny percentage of the beverage market share, even though they offer a more circular packaging option.

Local authorities have been calling for relief from the costs of managing the beverage industry's litter and waste for decades. A well-designed CRS could save councils between \$23 and \$40 million each year. It would shift the responsibility to producers, who have the opportunity to redesign their packaging to be refillable and/or recyclable.

FOR MORE INFORMATION

References used in this document can be found in these sources:

Envision. 2021. [Happy Returns: An optimum model for New Zealand's Container Recycling Scheme](#), Volume 2.

Ministry for the Environment. 2021. [Container return scheme: An option for reducing litter and waste to landfill](#).

ReLoop. [Deposit Return Systems Create More Jobs](#).

ReLoop. 2021. [Global Deposit book 2020: An overview of deposit systems for one-way beverage containers](#).

For more information about the relationship between CRS and reuse, see our factsheet *CRS and Refillable Beverages complementary systems to reduce waste and emissions*. For more information about the hybrid return system, see our factsheet *A Hybrid Return System for the CRS economy*