

Voluntary Report – Voluntary - Public Distribution

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Report Name: Dutch Delay Implementation of a Deposit Scheme for Cans

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Report Highlights:

The implementation of a much-debated deposit scheme for metal cans in the Netherlands has been delayed until April 1, 2023, due to information technology challenges surrounding the deposit system and an insufficient number of machines to press returned cans. The goal of this scheme is to collect valuable material which can be recycled into new cans and to prevent cans from ending up in the environment. A reimbursable deposit of €0.15 cents per can will be mandatory for all metal cans with a capacity of three liters or less -- in which 'ready-to-drink' beverages are sold for human consumption. Not only must a can bear the deposit logo as of April 1, 2023, but it must also be provided with a new European Article Number (EAN). U.S. producers of craft beer, cider, and non-alcoholic beverages may be affected. The majority of these cans will have a UPC code and will need to be relabeled (via stick-on labels with the logo and the EAN code) in order to be compliant.

Background

In February 2021, the Netherlands' State Secretary for Infrastructure and Water Management (the State Secretary) informed Dutch Parliament of the government's intention to introduce a deposit obligation for all metal beverage packaging marketed in the Netherlands as of December 31, 2022.¹ The goal of this scheme is to: 1) collect approximately two-to-three billion cans annually which otherwise could end up in the environment, and 2) collect valuable material which can be recycled into new cans or other useful applications. Additional information on the deposit system for cans can be found on the websites of the [Packaging Waste Fund](#),² [Statiegeld Nederlands](#),³ and [SpiritsNL](#).⁴

The Packaging Waste Fund, a representative body of Dutch producers and importers responsible for the waste management of their products and a group of companies responsible for a large portion of the deposit system, expressed concern that such a system would not be ready for implementation by the end of calendar year 2022 – informing the government it needed an extension until April 1, 2023, to implement such a system. In response, the State Secretary announced the government would impose financial penalties on the Packaging Waste Fund, 14 producers/importers of canned beverages, and supermarkets to encourage the system to be ready by the end of the year.⁵ The Packaging Waste Fund ultimately filed a motion with the courts (i.e., the Council of State) to suspend these payments. On December 2, 2022, a judge from the Administrative Jurisdiction Division of the Dutch Council of State determined that the deposit scheme for canned beverages should be implemented by April 1, 2023, and suspended the government's proposed financial penalties.⁶

According to the judge, all parties participating in the court hearing on November 24, 2022, emphasized that the public interest would be served by a smooth national introduction of a deposit system for cans. During the hearing, it emerged that there were information technology problems challenging the deposit system. It also appeared that there would be insufficient machines to press the returned cans as of January 1, 2023. Moreover, given the large number of cans on the Dutch market, manual collection by supermarkets at the outset of 2023 was anticipated to lead to a significant number of practical challenges. Accordingly, the judge determined the public interest would be best served if the deposit system was not phased in but fully implemented on April 1, 2023.

How will the Deposit System Work?

A reimbursable deposit of €0.15 cents per can will be mandatory for all metal cans with a capacity of three litres or less, in which 'ready-to-drink' beverages are sold for human consumption. These funds will be returned to the consumer when the cans are returned for re-use (see more below). The deposit

¹ <https://www.rijksoverheid.nl/actueel/nieuws/2021/02/03/statiegeld-op-blikjes-een-feit>

² Afvalfonds Verpakkingen (also known as the 'Packaging Waste Fund') was established by producers and importers to collectively meet the extended producer responsibilities as stated in the [Packaging Decree and Packaging Agreement](#). It is a not-for-profit organization governed by a board of directors, who are themselves appointed by producers and importers. Dutch producers and importers are responsible for collecting and recycling the packaging they release on the Dutch market. Accordingly, Afvalfonds Verpakkingen administers this producer responsibility, on their behalf. For more on the obligation, see, e.g., [Dutch rules on packaging | Business.gov.nl](#).

³ The organization responsible for implementing the deposit on cans.

⁴ The Dutch umbrella organization for producers and importers of distilled spirits.

⁵ <https://www.ilent.nl/actueel/nieuws/2022/09/30/ilt-dwingt-statiegeld-blikjes-af-met-lod>

⁶ <https://www.raadvanstate.nl/@134079/202205978-1-r4-en-202206371-1-r4/>

scheme does not apply to tins with liquids that are not intended to be consumed as packed (e.g., lemonade syrup, soups, condensed milk, etc.). The obligation also does not apply to cans for non-liquid (preserved) products such as frankfurters or vegetables. For additional information, see <https://www.afvalfondsverpakkingen.nl/sites/default/files/2022-03/Decision-tree-Can-deposit.pdf>.

Picture 1. The Deposit Logo for Cans in the Netherlands



Source: www.afvalfondsverpakkingen.nl

What Adjustments are Necessary to Make Packaging Suitable for the Dutch Deposit System?

Metal beverage packaging must bear the deposit logo (picture 1) as of April 1, 2023. More details regarding the use of this logo can be found [here](#), while the digital file can be found [here](#).

In addition, cans need to be provided with a new European Article Number (EAN-13) code -- new unique codes that have not yet been put into circulation in the Netherlands. This is necessary to prevent a reimbursement payment for packaging for which a deposit was not paid. The EAN code also needs to be registered with Statiegeld Nederland prior to use in the Dutch market (before April 1, 2023). Only new EAN codes will be accepted by the Reverse Vending Machines (RVM) which will be used to collect the cans. Dutch producers and importers are responsible for registering their products.

Where Can the Cans be Turned in for Reimbursement of the Deposit?

The cans can be handed in at RVMs located in Dutch supermarkets, train stations, health clubs, and at manned gas stations along the highway. The barcode (EAN code) and shape of the can must be intact when the can is turned in as there is a risk that the RVMs may not recognize dented cans.

What is the Potential Impact on U.S. Trade to the Netherlands?

The deposit obligation for all metal packaging for beverages will apply to all local produced and imported beverages, including those from the United States. Numerous non-alcoholic beverages, including flavoured waters and carbonated beverages, as well as alcoholic beverages, like craft beer and to a lesser extent, ciders, are imported by Dutch distributors in cans. Last year, Dutch imports of U.S. non-alcoholic beverages and craft beer totalled \$44.8 million and \$5.6 million, respectively (NOTE: all were not packed in cans).

Most U.S. cans will not have an EAN code but, most likely, a Universal Product Code (UPC-A). Products with a UPC-A will need to be relabelled in the Netherlands to be compliant. Stick-on labels (with the logo and an EAN code) can be applied to imported cans to facilitate their sale in the Dutch market. U.S. canned beverages with a new EAN code only need to be registered by the Dutch importer before the product is put up for sale in the market (not upon arrival at the Border Control Port). As noted, the Dutch importer is responsible for this registration and all other preparations. The requirement to add a logo and EAN code also applies to web shops based outside of the Netherlands who sell canned beverages to consumers in the Netherlands.

While no official transition period has been announced, there are ongoing discussions that a transition period (of a couple of weeks) could be introduced, meaning that during this period U.S. cans with no deposit logo or newly registered EAN code could still be sold on the Dutch market. As noted, however, these cans will not be accepted by RVMs.

The RVMs will be adjusted to be able to process the most common cans available on the Dutch market as of April 1, 2023, taking into consideration a can's volume, diameter, and height. Should U.S. companies export cans with a different shape, it is the Dutch importer's responsibility to report these (different shaped) cans to Statiegeld Nederland.

Attachments:

No Attachments.