The EIMPack Project

The Economic Impact of the Packaging and Packaging Waste Directive

Nuno Ferreira da Cruz
Pedro Simões
Sandra Ferreira
Marta Cabral
Rui Cunha Marques

24 January 2013
Luxembourg
EIMPack

Sponsor
European Investment Bank, The EIB University Research Sponsorship Programme (EIBURS)

Line of research

Timeline
February 2011 to February 2014 (3 years)

Host Institution
Instituto Superior Técnico – Technical University of Lisbon (IST/UTL)

Research Unit
Center for Management Studies of IST

Principal Investigator
Rui Cunha Marques
Directive 94/62/EC
Provide a high level of environmental protection while ensuring the functioning of the internal market.

→ increase in recycling and recovery rates…

Ex-post evaluation

1. How have the distribution of costs been managed among the multiple stakeholders?

2. What is the Economic Rate of Return of the enhanced environmental protection?
 There are undeniable advantages in recycling some types of packaging waste;

 Nevertheless, recycling does not have only advantages and benefits;

 According to the PPW Directive “those involved in the production, use, import and distribution of packaging and packaged products” must accept the responsibility for packaging waste;

 We compare the costs incurred by the waste management operators with the financial support coming from the industry;

How is the extended producer responsibility principle being interpreted?
Outputs of the project
Academic outputs

Scientific reports
- First Annual Report on the Progress of the Programme;
- Recycling of Packaging Waste – Literature Review;
- Comparing the Recycling Systems of Portugal, France, Germany, Romania and the UK;
- Case-specific reports from Belgium, France, Germany, Portugal, Romania & the United Kingdom: two reports each (Report 0 - Framework and Evolution of the Packaging Sector & Report 1 - Case Study);
- Life-cycle Assessment – Literature Review (shortly available).

Papers in international scientific periodicals


Presentations

- More than a dozen presentations in international congresses and meetings

Theses & dissertations

- Ana Raminhos, MSc dissertation entitled "O Custo da Reciclagem de Embalagens" - Completed.
- Sandra Ferreira, Phd Thesis entitled "Determining the Willingness to Pay for Environmental Services" - Ongoing.

Scientific activity spreading actions

- EIMPack Workshop 1 -The financial flows in the recycling of packaging waste: The case of Portugal (4 November 2011)
- 1st International EIMPack Congress – Recycling of Packaging Waste: Considering all the Costs and all the Benefits (29 and 30 November 2012)
Invited speakers:

Thomas Kinnaman (Bucknell University, USA)
Antonio Massaruto (Udine University, Italy)
Vanya Veras (Municipal Waste Europe, Belgium)
Marcos Montenegro (ADASA, Brazil)
Sofia Ahlroth (EPA, Sweden)
Paulo Ferrão (IST, Portugal)
Emma Watkins (IEEP, England)

And oral presentation of 16 papers
Recycling of Packaging Waste: Considering All the Costs and All the Benefits

During the last two decades, the waste sector in the European Union (EU) has been experiencing significant changes. Most of the developments regarding waste management operations were rule-driven at the European level. Regarding the specific case of "waste from consumer goods", the Packaging and Packaging Waste (PPW) Directive stands out among the many rules and strategies. This EU law imposed challenging targets for the recycling rates of packaging waste to be attained by the various member states.

Although limited for the countries that already had national policies for packaging waste recycling/recovery, the impacts of the PPW Directive were significant and of different types. First, there were institutional impacts arising from the structuring of the "recycling schemes". Entities from the public and the private sectors had to develop and coordinate their efforts in other to create the proper legal framework and monitoring systems. The waste market structure in each member state was necessarily impacted by this Directive since new activities had to be carried out. Second, there were financial impacts arising from the "extra costs" that were incurred by waste management operators (e.g. due to selective collection and sorting). The Extend Producer Responsibility (EPR) principle,
Next steps...

External benefits

52x391
123x294
397x421
548x421

External costs

BENEFITS

COSTS

Other benefits (opportunity costs)
Subsidies to the investment
Other revenues (non-packaging material)
Sale of packaging material
Financial support

Return on capital
Depreciation of assets
Operational costs

Loading...
Thank you!

Please visit us at: http://eimpack.ist.utl.pt/

EIMPack

Nuno Ferreira da Cruz
nunocruz@ist.utl.pt

Center for Management Studies of IST
Instituto Superior Técnico
Av. Rovisco Pais,
1049-001 Lisboa, Portugal