

# Lithuania's Deposit System

**Saulius Galadauskas**

*President of Lithuanian Brewers Association*

*Chairman of the Board of USAD (Deposit System Administrator for one way packaging)*

*Director of DESA (Deposit System Administrator for refillable packages)*



# Deposit system management

A public institution *Užstato Sistemos Administratorius (USAD)* is a non-profit organization that has an underlying objective of managing the deposit system as indicated in Law on Packaging and Packaging Waste

- **Founded and managed by directly involved industries**
  - › Lithuanian Brewers Association
  - › Association of Lithuanian Trade Enterprises
  - › Lithuanian Natural Mineral Water Manufacturers' Association

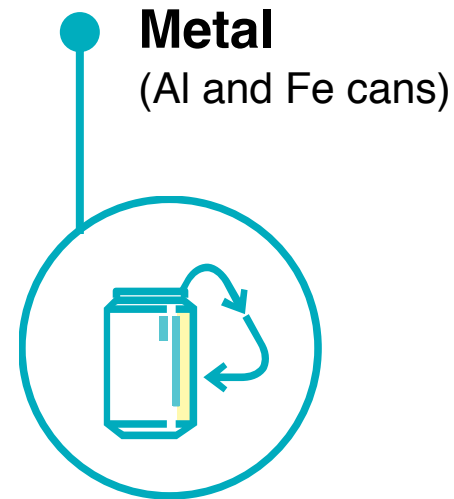


# Deposit system scope

**01/02/2016**

Mandatory deposit system for beverage packages launched in Lithuania

Beverage packages types in the mandatory deposit system (capacity from 0,10 to 3,0 litre):



# Deposit system scope

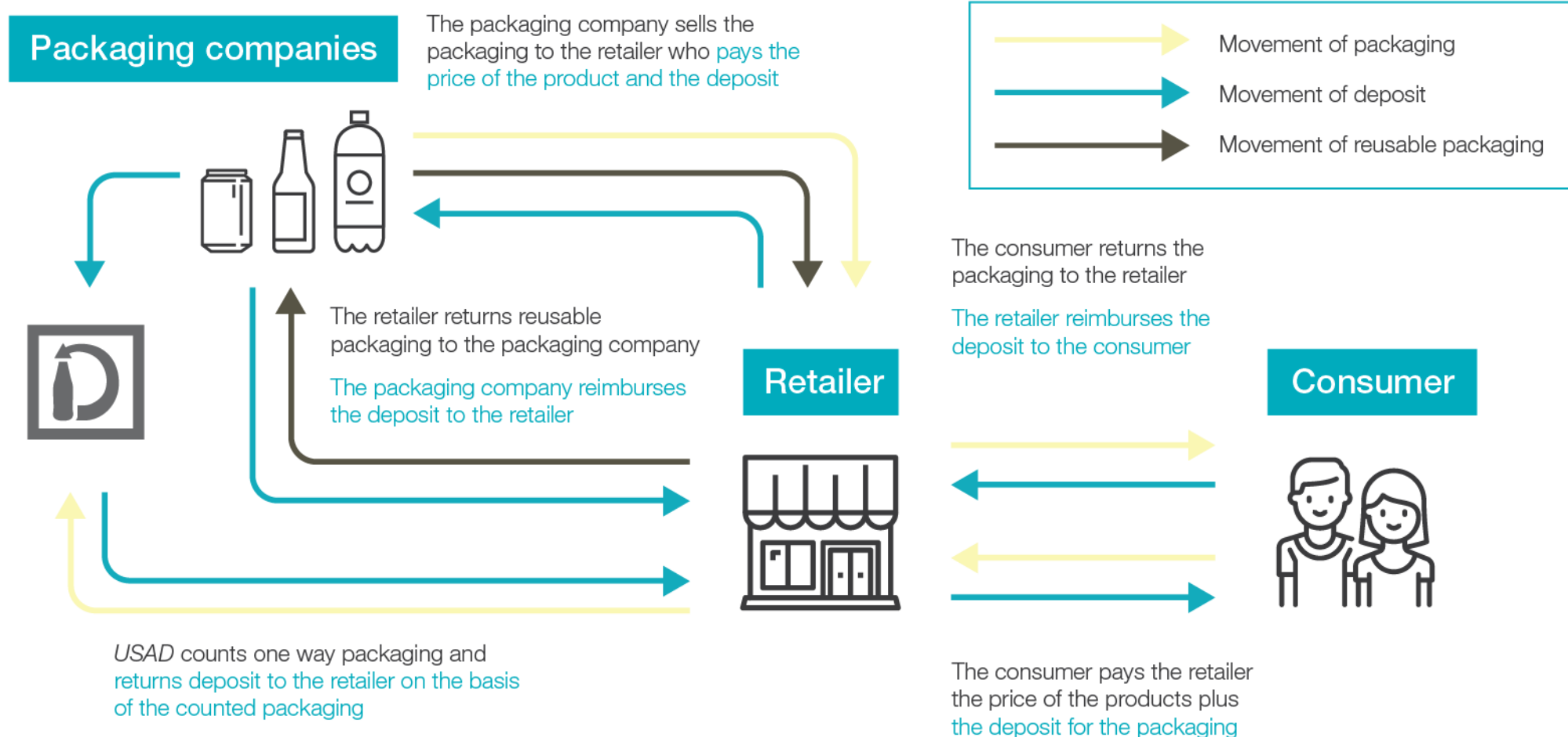
Beverage categories in the mandatory deposit system:

- › Beer, Beer mixes
- › Cider, Pear cider
- › Other fermented alcohol drinks and mixes
- › Non-alcoholic drinks
- › Water
- › Juices and nectars

*Annual volumes ~660 mln  
beverage containers*



# How does everything work?



# Deposit system infrastructure

- Amount of collection points and their types:

- Reverse vending machine (RVM) points –  
**close to 1.000**

- Manual collection points –  
**over 1.700**

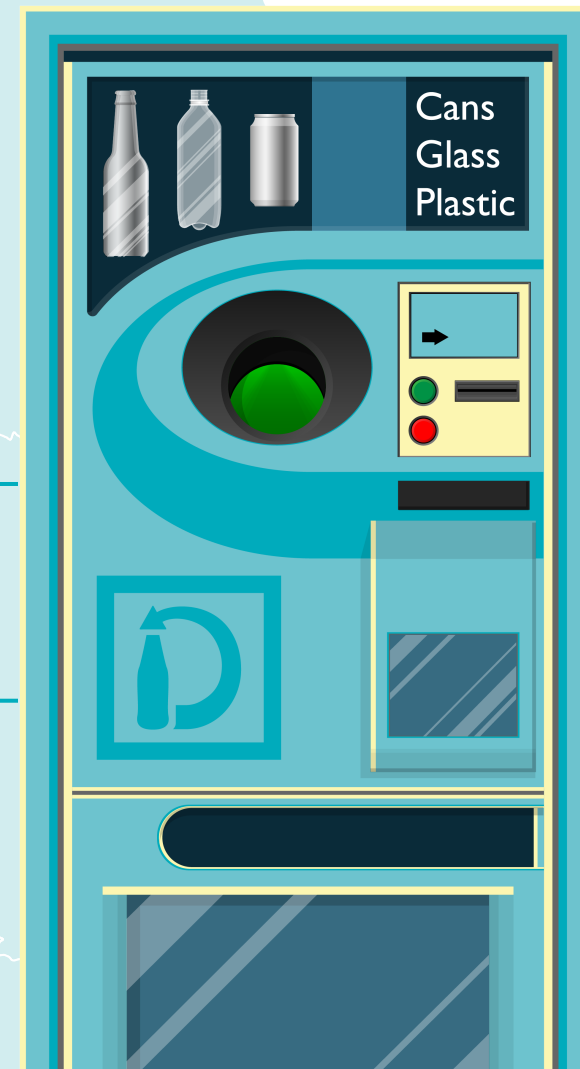
**Total 2.700**

In total over  
**1.100**

RVMs installed

**89%**

of packages  
are collected  
in RVM points



# Producers obligations



Marking deposit packages with **deposit logo**



**Charging deposit** for each sold deposit package



Choosing type of **barcode**: universal or unique



**Participating** in deposit system and **financing** it

# Retailers obligations

- Taking deposit from consumers

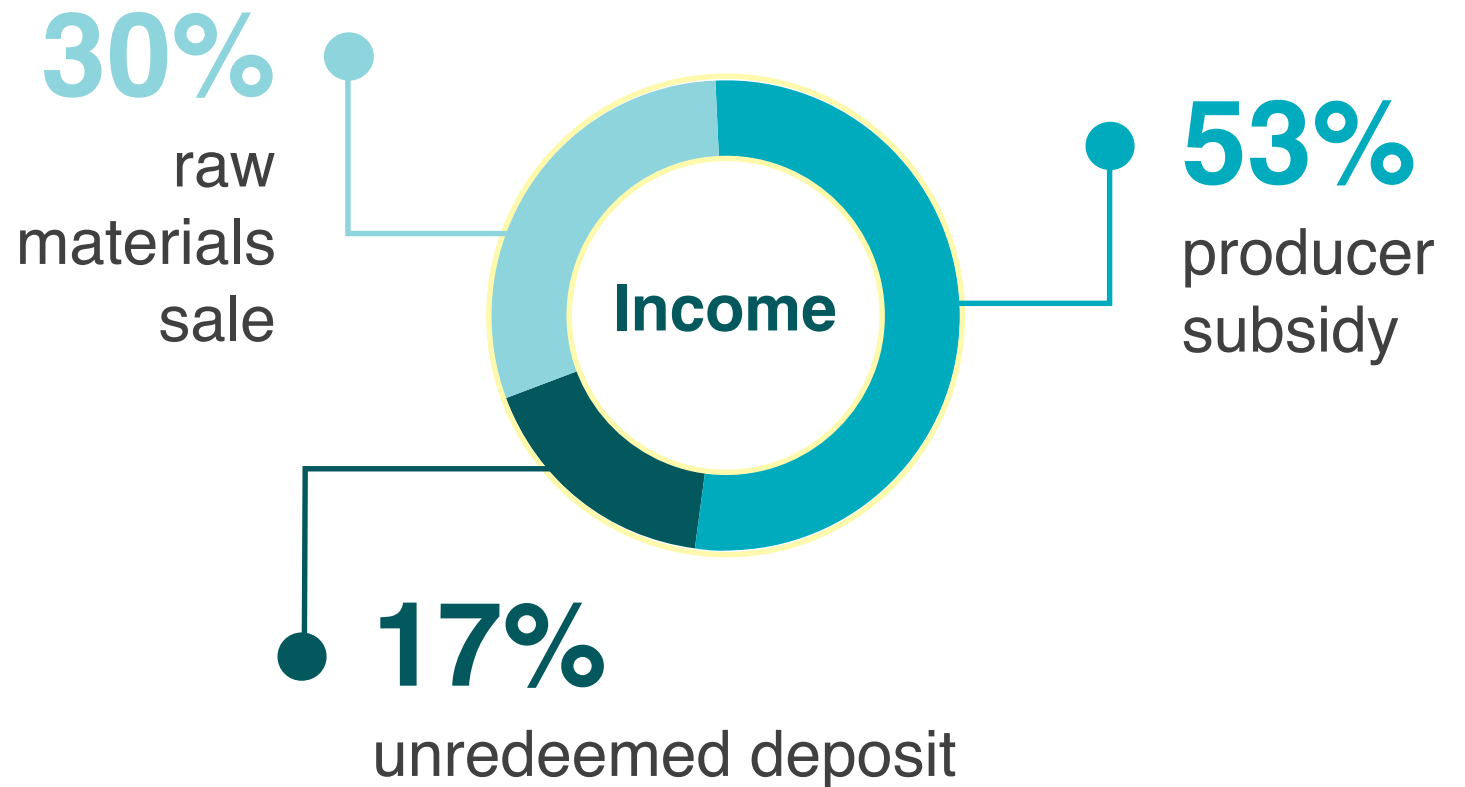


- Taking back deposit packages from consumers and returning deposit

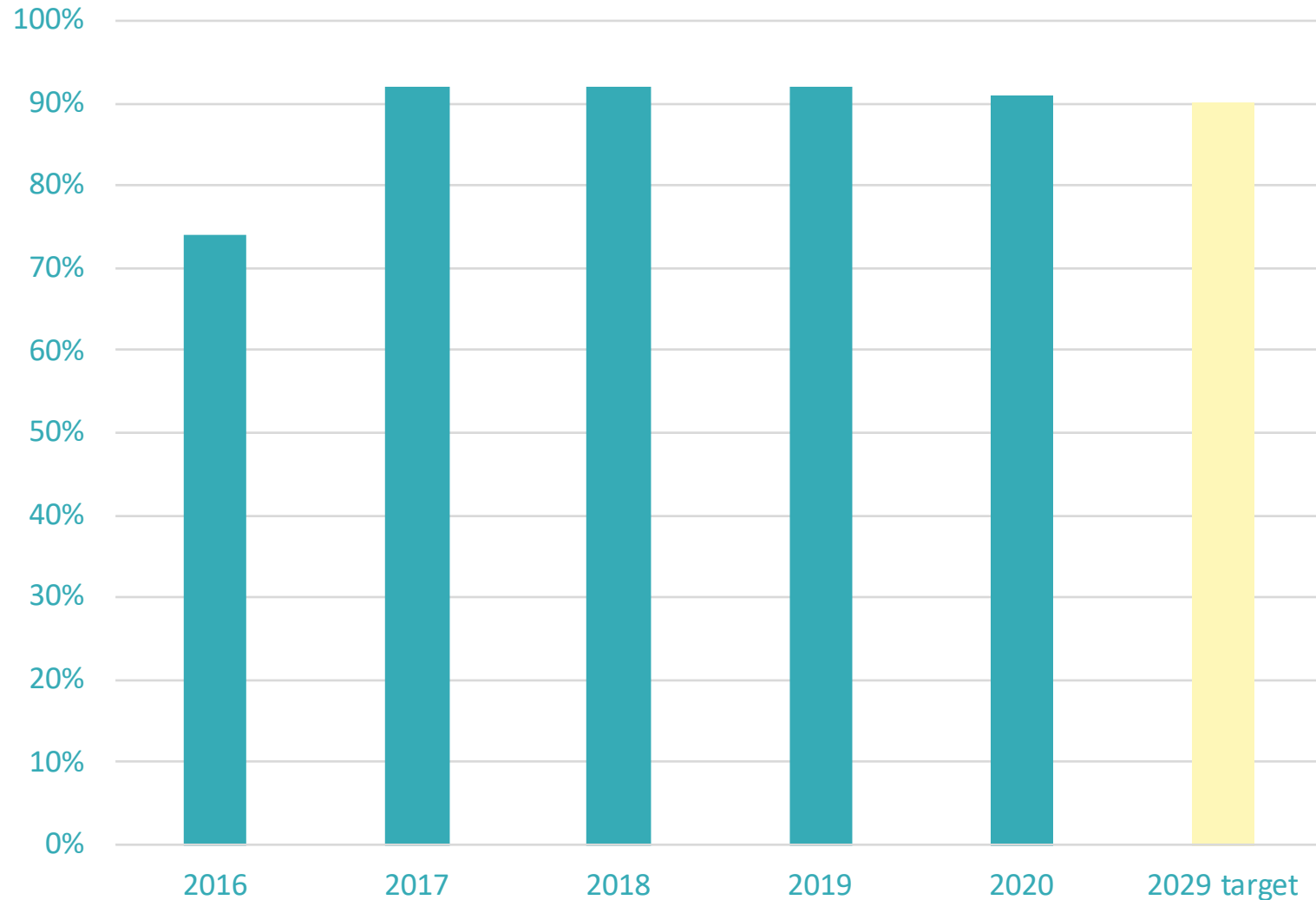


# System revenues

**Producers**  
and **importers** are  
the main sponsors  
of the deposit system



# Collection & recycling results



Targets for **2029** are already **achieved and exceeded**

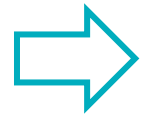
Deposit system allows higher recycling targets vs. container system

**Before deposit** system introduction PET bottles recycling **was below 33%**

# Collection & recycling results

In the first 4 years we collected:

**2.100.000.000**  
beverage containers



**80.000**  
tones



**8 Eiffel towers**

Recycling volumes:

2016 – 16.000 tones    2017 – 20.000 tones    2018 – 21.000 tones  
2019 – 23.000 tones

# Collection & recycling quality



- **100%** collected materials are **recycled**



- A very high quality of collected materials –  
**clean and well sorted**

***Easy to recycle back to  
the bottles and cans***



# Obligatory Deposit on RGB

## (REFILLABLE GLASS BOTTLES)



- 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



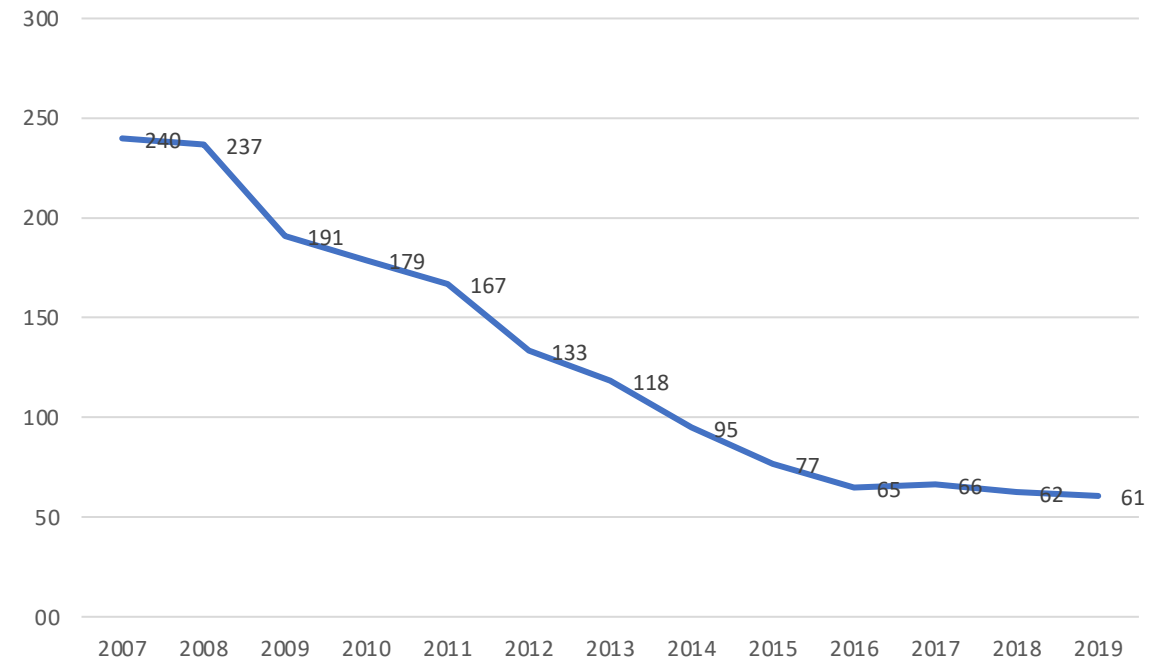
Čia priimami užstatiniai  
(depozitiniai) buteliai po **0,10 Eur**



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 2020\* resulted:

*\*4 years after launching the deposit system*

95% of consumers answered that they are **satisfied**

in general with functioning of the deposit system for single-use packaging



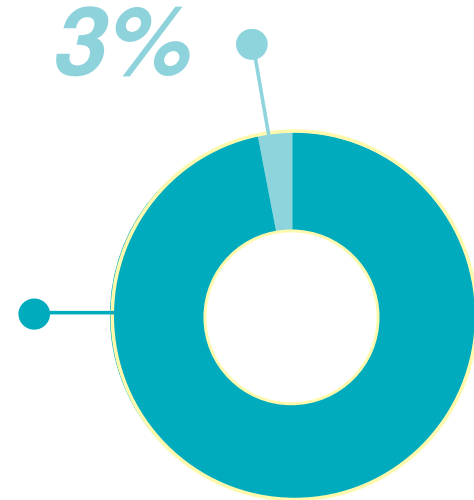
92% of consumers indicated that the **amount of garbage** in parks, at lakes and other natural places, visited by people, **decreased** after introduction of the packaging deposit system

# What do consumers think?

Consumer survey conducted in 2020\* resulted:

*\*4 years after launching the deposit system*

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



Even more importantly:



**85%** of consumers admitted that introduction of the packaging deposit system encouraged them to regard sorting out of all-type waste with **more responsibility**



# Thank You!

[www.grazintiverta.lt](http://www.grazintiverta.lt)

**Viešojo įstaiga Užstato sistemos administratorius**

Address: Lentvario g. 22, Vilnius LT-02300

Company code: 303370260

VAT code: LT100008806612

Tel.: + 370 5 203 12 10

E-mail: [info@usad.lt](mailto:info@usad.lt)