Malta launches deposit return scheme as the first Mediterranean country, with the aim of going from 20 to 90 % in recycling rates

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14 November marks the launch of the deposit return scheme (DRS) in Malta as the first Mediterranean country. The aim of the DRS is to help the country with increasing recycling rates, but also to bring a cultural change. After successfully integrating the DRS system in Slovakia, Sensoneo is now the first and only company to provide a DRS IT solution in two countries.

Malta follows other 12 EU countries who have introduced DRS as a tool to significantly reduce littering and increase collecting and recycling rates of single-use beverage containers. Deposit return scheme in Malta is operated by BCRS Malta Ltd., the licensed not-for-profit private operator of the national Beverage Container Refund Scheme. The organization was incorporated by associations of beverage container producers, importers and retailers to assume the collective extended producer responsibility on their behalf. Sensoneo's DRS system works as a backbone of the entire system as it integrates all stakeholders and gathers data from all sources within the process chain.

How the deposit return scheme in Malta works

Bringing the DRS to Malta has been considerably influenced by the strong tourism in the country. Although the population of the island country is only about 517 000, in summer season tourists often outnumber locals. This reason, among others, led Malta to involve the hotel, restaurant and catering industry (HoReCa) and also to implement public recycling hubs.

As **Edward Chetcuti, CEO of BCRS Malta Ltd.** explained, "A deposit of 0.10 euro is added when buying beverages in single-use containers within the DRS scope. The scheme covers aluminum and steel cans, glass and PET bottles with a capacity between 0.1 and 3 liters. Dairy, juices, wine and alcoholic spirits exceeding 5.0 % alcohol by volume are not included in the scheme."

DRS in numbers:

320+ Reverse Vending Machines60 recycling hubs70 collection points in retail3 500+ registered products

There are three ways the beverage containers can be returned and refunded:

- by returning the used container to an RVM in retail;
- by returning the used container to an RVM in a public recycling hub;
- where applicable by returning the used container to retailers participating in the scheme as a manual collection location.

Over half of the 320 reverse vending machines (RVMs) are placed in shops and supermarkets. Vouchers that are issued in a particular shop or supermarket can only be redeemed there, which is a system known to most countries who implemented DRS.

In order to balance the market between large supermarkets having RVMs and small retail shops without an RVM on site, a similar number of RVMs are also placed in public "recycling hubs" for people that do not necessarily want to return empty containers to a supermarket. Malta is divided into about 65 localities and there is a Public Recycling Hub with RVMs in almost every one of them. The vouchers that are issued from these hubs can be redeemed from any registered retail outlet selling beverages across the whole country.

According to **Peter Knaz, DRS & Take-Back Systems Division Director in Sensoneo**, "The RVM network in Malta is very impressive. Although it is quite a small country, the population density especially in the summer season is very high. Therefore I believe it is smart to put RVM in almost every square kilometer so it is as convenient as possible for the people to return their cans and bottles."

The role of HoReCa in DRS

All economic operators in Malta are legally obliged to participate in the scheme. Because of the nature of the country, the biggest number of economic operators are not retailers, producers and distributors, but the hotel, restaurant and catering industry.

HoReCa economic operators are not obliged to collect beverage containers from people in the same way that the retailers are: when on-premises consumption, the responsibility of the establishment is to return the can or bottle to the operator in order to claim the deposit back. In case of takeaway service, the deposit is charged and this responsibility lies on the customer.

When it comes to accommodation providers, hotels with a throughput in excess of 500,000 containers a year have their own RVM in place to make the logistics chain more efficient.

Bringing cultural change

Learning new ways of recycling together is a message accompanying the launch of DRS in Malta. Currently the country recycles less than 20 % of single use beverage containers and the goal is to reach 90 % by 2026. Edward Chetcuti sees the DRS not only as a new tool to ramp up the recycling rate but also as a way to change mindset around being environmentally conscious: "The Mediterranean region is not known to be the most disciplined place in the world

when it comes to following the rules, so the DRS also brings a big cultural shift. We are proud of being the first Mediterranean country to take on this challenge."

Flexibility and tailored solution

Although the principle of the deposit return scheme stays the same, each country comes with its own specifics. Malta being a relatively small island with a big presence of tourists differs from other EU countries that have already implemented DRS. Thanks to Sensoneo vast experience with digitization, smart waste management and implementation of DRS in another EU country, it was possible to quickly adapt to specific circumstances in Malta and launch the system in a very accelerated timeline. As Edward Chetcuti says, "Sensoneo has been a critical partner in our journey. On one hand Sensoneo can provide a quick go-to-market strategy because of the experience they already have, and on the other they have the ability to rapidly adapt and evolve to specific needs of the country. Those two things together are in my opinion invaluable to get DRS up and running in such a short period of time."

Sensoneo is now the first and only DRS integrator who has provided the system for two countries. As Peter Knaz explains "Implementing DRS in Malta has been a very different experience, with different stakeholders on the market, public hubs, and the strong role of the hospitality industry. It shows that DRS is suitable for any country regardless of its size or population and that the system is flexible and can be tailored to the needs of the given market. I believe Malta will serve as an impulse to other Mediterranean countries who are planning to implement DRS as a way to decrease pollution and increase the use of valuable resources."

What is DRS?

Deposit refund schemes (DRS) usually apply to beverage bottles and cans. The ultimate objective of these nationwide initiatives is to motivate consumers via a refund to return the packaging back to the shop/collection point to ensure proper recycling and increase the recycling rates. DRS may be explained very easily – the consumer pays a deposit for the packaging, which they receive back when they return it, usually in the form of a voucher.

More information on DRS can be found on Sensoneo's website: https://sensoneo.com/waste-library/deposit-refund-schemes-models/ https://sensoneo.com/waste-library/deposit-return-schemes-overview-europe/

About Sensoneo:

Sensoneo develops and provides enterprise-grade smart waste management solutions that support the digital transformation of waste management to achieve efficiency, transparency, and sustainability.

Sensoneo is redefining the way waste is managed. Through its unique smart waste management technology, Sensoneo helps to cope with the biggest challenges in today's world of waste management – lack of efficiency and transparency. As an outcome, the solution enables the customers to achieve 30-63% reduction of waste collection routes and 97% accuracy on actual waste production.

Sensoneo's smart waste management has attracted cities and businesses around the world, and the solution has been installed in more than 70 countries on 5 continents.

Press contact:

Magdalena Jurkemikova

Head of Communications

magdalena.jurkemikova@sensoneo.com

+421 911 192 493

About BCRS Malta Ltd.:

BCRS Malta Ltd. is the licensed operator of the national Beverage Container Refund Scheme. It was incorporated by the Malta Beverage Producers Association, the Malta Beverage Importers Association and the Malta Beverage Retailers Association with the obligation, amongst others, to assume the collective extended producer responsibility on behalf of producers, importers and retailers of single-use beverage containers, and take the necessary measures to achieve beverage container collection targets in terms of the Beverage Containers Recycling Regulations 2020.

Press contact: Michael Cassar, team@conceptstadium.com