# BCRS

Beverage Container Refund Scheme BCRS Malta Ltd - The licenced operator of the Maltese Beverage Container Refund Scheme

Every Single Use Beverage Container in scope, which is made available on the Maltese market from 1st April 2022 onwards, shall be subject to the payment of a deposit of €0.10c at the point of purchase. Upon return of the single use beverage container at a Reverse Vending Machine or a designated redemption location, the consumer shall be entitled to a refund of the €0.10c deposit that had been paid, making the introduction of the scheme cost neutral to the consumer.

The Beverage Container Refund scheme in Malta is to be implemented in accordance with L.N. 311 of 2020 Environmental Protection Act (CAP. 549)– "Beverage Containers Recycling Regulations, 2020"



# WHY DO WE NEED A BEVERAGE CONTAINER REFUND SCHEME ?

It is estimated that Malta recycles only 14-20% of PET beverage bottles and 5% of aluminum cans (Bureau B&G)

- Recovery rates from households are not as high as could be
- Challenges with "at home" but also with "away from home" consumption
- Key to Malta's transition towards a circular economy
- Crucial enabler in the fight against climate change





# SUCCESS FACTORS OF A DEPOSIT REFUND SCHEME ?

Beverage Container Refund Schemes across and around Europe have well known and documented success factors including

- Successful deposit refund systems in and around Europe achieve recycling rates of over 85% for their beverage containers
- Reduce the amount of littering
- Provide a reliable supply of highgrade recycled material
- Contamination levels are lower than in other recycling collection systems





# WHY BEVERAGE CONTAINERS?

#### Beverage Containers are

- More likely to be consumed on the go hence more likely to be littered or thrown away in mixed waste
- Tend to be consumed quickly and soon after they are purchased – a significant part of single-use packaging
- More easily cleaned and less likely to contain residue than other types of containers, due to the low viscosity of beverages



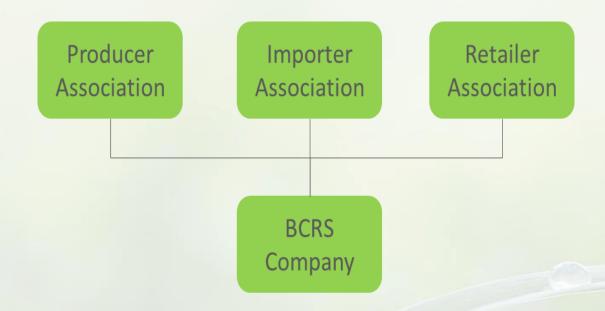
# **KEY OBJECTIVES**

Make both producers and consumers responsible for their beverage container waste Create a privately-<br/>fundedIncreasefundednationalinfrastructure for the<br/>collection of empty<br/>single use beveragesreachingcontainerstargets

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Reduce littering

## **THE OPERATOR**



Owned by the stakeholders

Producers/Importers/Retailers through the respective Associations

Run as Not-for-Profit

Minimize the impact on all stakeholders by operating at lowest cost principle

# Enable Malta to achieve 90% return rate for single use beverage containers by 2025

**Beverage Container Refund Scheme** 

- Supporting the Circular Economy efforts of Malta
- Take responsibility as producers and importers, but also as consumer
- Operating independently having a Management Structure following industry best-practice standards in Good Governance, Operational Excellence and Audited Financials.
- □ Tender out all required services & works

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- Chinese Information walls due to sensitive data
- Setup will ensure that small and medium importers / retailers are represented



#### **NOT-FOR-PROFIT**



## CAPITAL EXPENSES

- Clearing Centre
- Sorting Plant
- Reverse Vending Machines
- IT Infrastructure

# **OPERATING EXPENSES**

REALES !

- Operational & Logistics Costs
- Professional Fees

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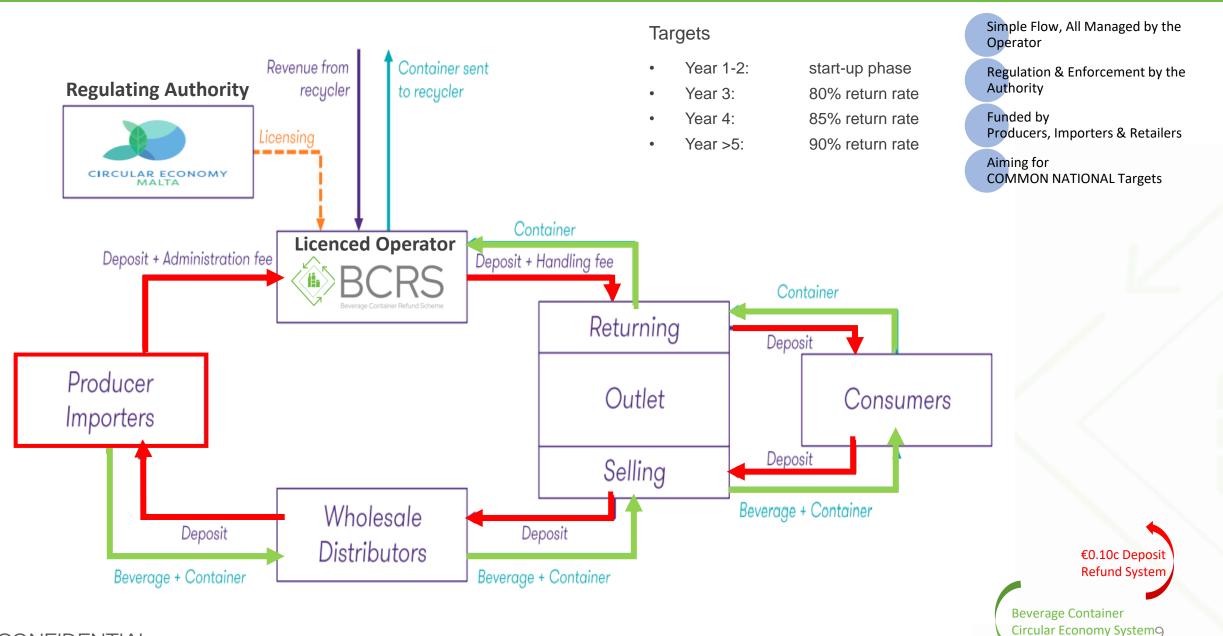
- Marketing Costs
- Educational Campaigns
- Regulatory Compliance Costs
- Handling fees

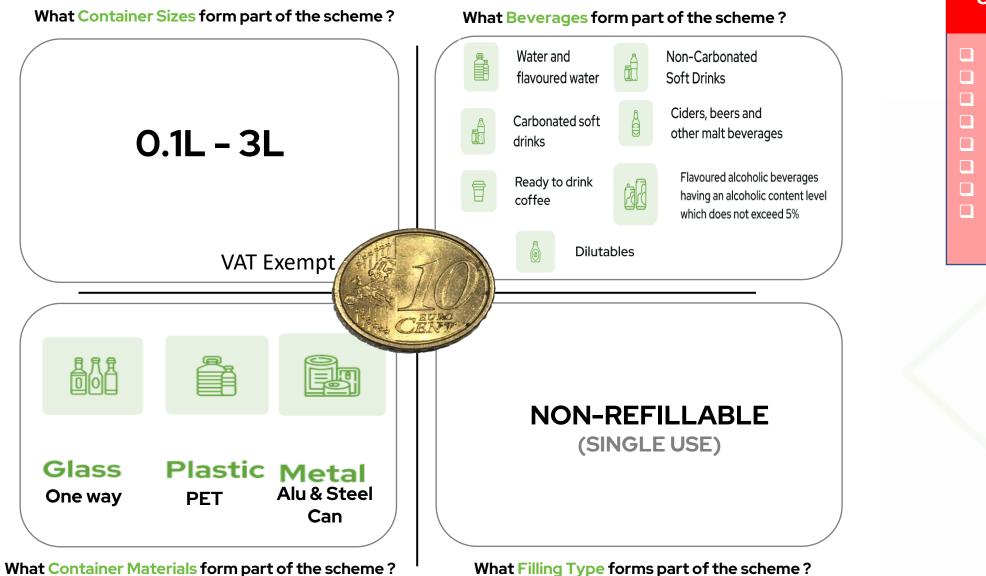
## REVENUE

- Registration fees entities
- Product registration fees
- Sale of recyclable materials
- Unredeemed deposits
- Administration fee



## THE DEPOSIT REFUND SYSTEM





#### **OUT OF SCOPE**



## THE PLAYERS

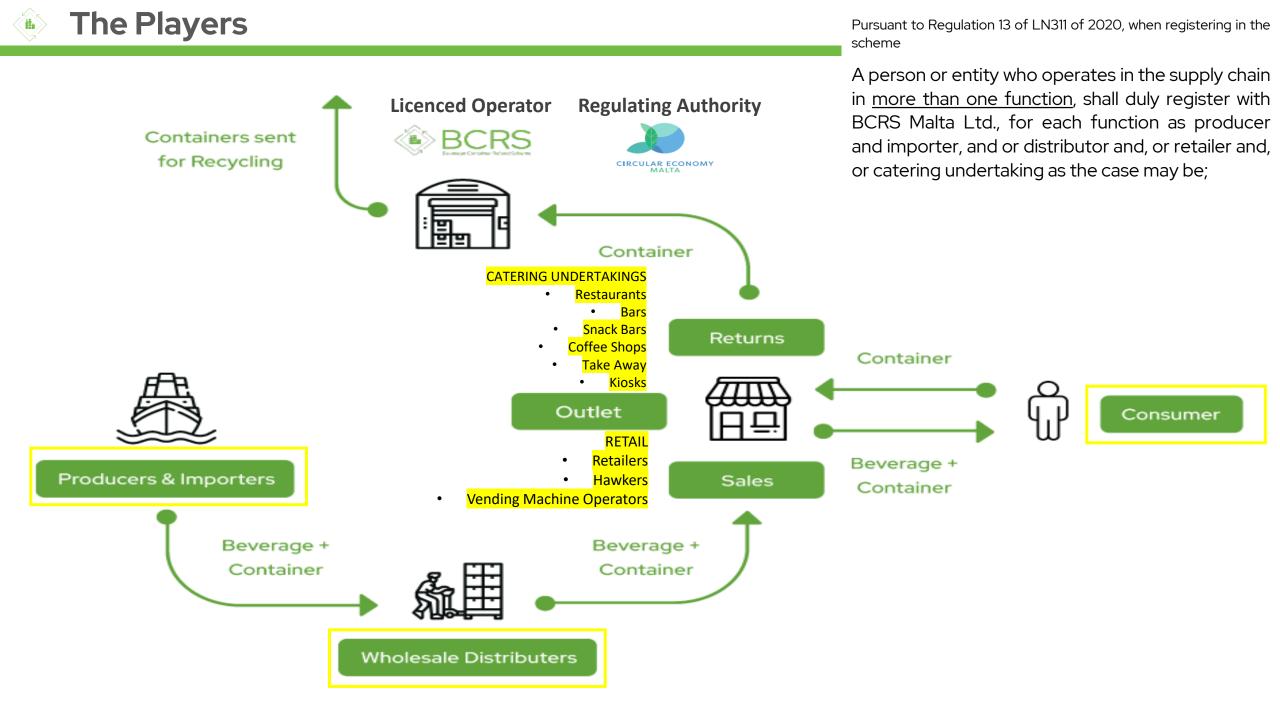


- Accrediting and licensing the Operator
- Monitoring the business of the Operator
- Reviewing performance of the Scheme
- Ensuring level playing field and fair trade by enforcement of legislation / regulation
- Approving changes to the deposit level
- Chairing the Advisory Board on the Scheme and advising (when necessary) the Ministry for the Environment



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- Not-for-Profit
- Managing the deposit fund
- Collection, logistics & clearing
- Owner of all scheme related infrastructure, including RVMs and Sorting Plant.
- Return infrastructure at arms length to ensure high
  returns
- Tendering out all necessary services
- Operates on a 'least cost principle'
- Ensuring proper recycling and achieving recycling targets
- Provide platform for registration
- IT enabled monitoring and Chinese walls
- Market Surveillance escalation of fraud signals
- Communication & Marketing of scheme
- Creation of Green Jobs

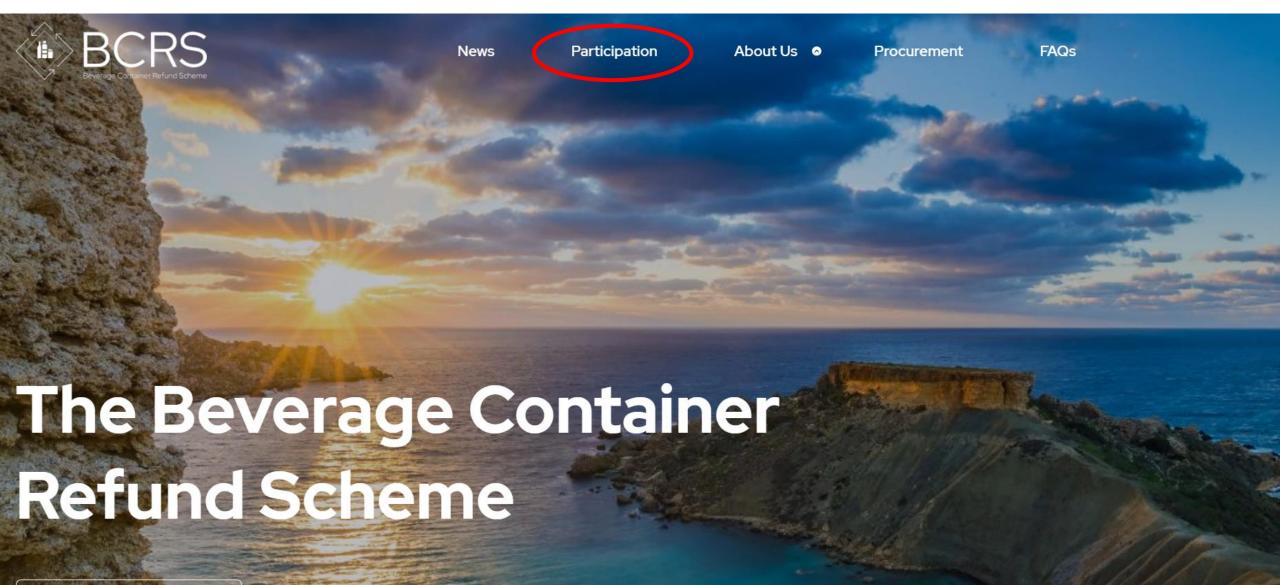




## SCHEME PARTICIPATION CONDITIONS

#### PLEASE REFER TO THE BCRS WEBSITE TO VIEW SCHEME PARTCIUPATION CONDITIONS

# Website: bcrsmalta.mt

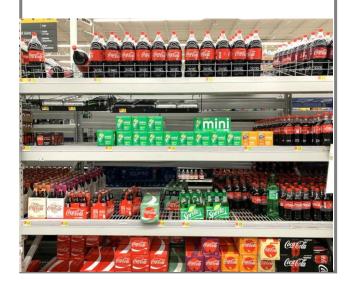






# THE RETAILER

Any person or entity making available on the market beverage containers at the retail level to consumers.



Including Retailers, Hawkers and Vending Machine Operators

 Legal obligation to participate and register entity as per LN 311 of 2020 via an <u>annual</u> registration with BCRS Malta

<b>REGISTRATION FEES RETAIL</b>	Fee per Annum (Ex VAT)
Larger than 500 sqm	€100 + processing fee; Annual
Between 250sqm & 500sqm	€50 + processing fee; Annual
Smaller than 250 sqm	€25 + processing fee; Annual

- Registration & Payment Method Online via BCRS Malta web portal <u>www.bcrsmalta.mt</u> by payment gateway
- A retailer who operates more than one retail establishment shall register each retail establishment
- Upon completion of first registration, BCRS Malta will provide a unique <u>registration number</u> to each retail establishment
- <u>Deadline</u>: Pursuant to LN311 of 2020, all Retailers are to register themselves with the Scheme by 31<sup>st</sup> November 2021.

# THE RETAILER

Any person or entity making available on the market beverage containers at the retail level to consumers.



- Legal obligation to accept beverage container returns & refund the deposit
- BCRS Malta shall decide whether an RVM (**Reverse Vending Machine**) shall be provided to a Retailer following a registration of interest via the web-portal. If BCRS deems the location to offer a feasible amount of returned beverage containers an RVM hosting contract will apply.
- Retailers can be associated with a Multiple Store RVM placed in common areas and with vouchers issued by such Multiple Store RVMs being redeemed at their establishment.
- For Manual Collection System, collection bags and pre-coded sealing tags will be provided by BCRS Malta who will provide a collection service for sealed bags, with counting of the empty beverage containers to be carried out by BCRS Malta at the clearing centre. The count of BCRS Malta shall be final
- The Retailer receives a handling fee compensation from the BCRS based on direct cost depending on RVM or Manual Collection of returns

Return Point	Handling compensation per container (Ex VAT)	
RVM in store – first 400,000 beverage containers	<b>€0.01*</b>	Min €4,000 revisable annually
RVM in store – additional containers	€0.008	
RVM multi store	€0.003	
Retail – manual system	€0.01	

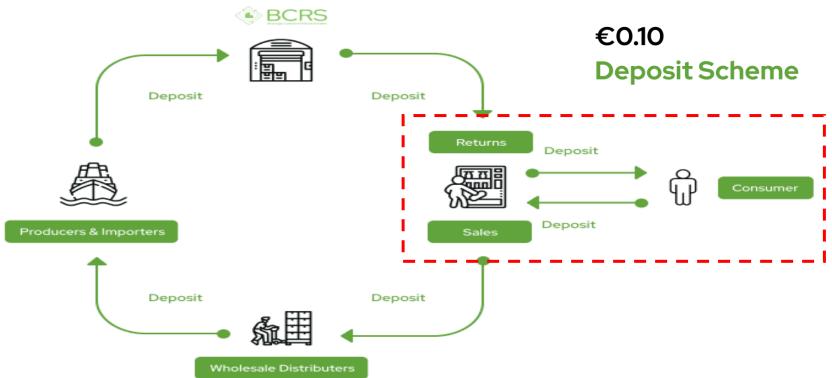
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CONFIDENTIAL



#### SALES

- €0.10 Deposit paid by the Retailer to the preceding producer/importer/distributor in the supply chain
- €0.10 Deposit collected from the consumer on sale of beverage

#### **RETURNS - RVM**

- €0.10 Deposit paid by the Retailer to the consumer via redemption of voucher
- €0.10 Deposit refunded to Retailer directly by BCRS Malta in lieu of redeemed vouchers

Payment Method: 90-day credit; monthly invoicing

#### **RETURNS - MANUAL**

- €0.10 Deposit paid by the Retailer to the consumer on return of empty beverage containers
- €0.10 Deposit refunded to Retailer directly by BCRS Malta following collection of sealed bags and counting at clearing centre
   Payment Method: 90-day credit; monthly invoicing



RETURNS BCRS FRONT END	Reverse Vending Machines <b>(RVMs)</b> for automated return locations – estimated 350 RVMs across Malta and Gozo Supplemented by authorised manual return locations
TRANSPORTATION Licenced 3 <sup>rd</sup> Parties	Outsourced services to licenced 3 <sup>rd</sup> parties for collection, transportation and delivery of the collected returns to BCRS Clearing Site in Hal Far
SORTING & PROCESSING BCRS BACK END	5500 sqm Clearing Centre at Hal Far fitted with a Sorting Plant designed to handle the sorting, counting and bailing of PET, Al & Steel Cans and Glass
RECYCLING Licenced 3 <sup>rd</sup> Parties	Sale of recyclable material to licenced 3 <sup>rd</sup> party recycling plants in Malta or for export
IT INFRASTRUCTURE BCRS Systems Management	IT systems underpinning the operation of the scheme and linking the entire system together in a closed loop system

# Clearing Centre

# Privately funded investment owned by BCRS Malta Ltd Completion date March 2022





# Sorting Plant

- Privately funded investment
- Completion date March 2022
- Owned by BCRS Malta Ltd



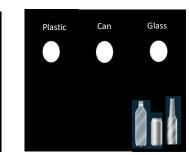
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## **Reverse Vending Machines- RVMs**



or GLASS





Lot 3

Large

2/3 material

PET+CAN + Glass

Medium 2/3 material PET+CAN + Glass

Ideal for convenience shops, small retail shops Ideal for larger retail shops, small supermarkets, in malls, airports & lounges, RVM Kiosks in public areas Extra large (bulk feed) 2/3 material PET+CAN + Glass

Lot 4

Glass

Plastic

Can

Ideal for larger supermarkets, parking lots for supermarkets, malls & large open public spaces

- ca 350 machines across Malta and Gozo
- Privately funded Investment
- Owned by BCRS Malta Ltd



# **Our Mission**

To contribute heavily to the reduction of single use beverage container waste the across Maltese environment through the deployment of a national deposit refund system infrastructure for the collection of returns of single use beverage containers, powered by the latest IT and Engineering technologies.

# **Our Values**

Our Values emerge from our environmental responsibility.



QE

People & The Environment

Integrity Transparency and Good Governance



In it for the long term

Efficiency More with less



## It's not a Journey anymore, it's a race

# BCRS

**Beverage Container Refund Scheme** 

Please send questions and queries on info@bcrsmalta.mt