



Recommendation of the Council
concerning the Re-Use and
Recycling of Beverage
Containers

**OECD Legal
Instruments**

This document is published under the responsibility of the Secretary-General of the OECD. It reproduces an OECD Legal Instrument and may contain additional material. The opinions expressed and arguments employed in the additional material do not necessarily reflect the official views of OECD Member countries.

This document, as well as any data and any map included herein, are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

For access to the official and up-to-date texts of OECD Legal Instruments, as well as other related information, please consult the Compendium of OECD Legal Instruments at <http://legalinstruments.oecd.org>.

Please cite this document as:

OECD, *Recommendation of the Council concerning the Re-Use and Recycling of Beverage Containers*, OECD/LEGAL/0159

Series: OECD Legal Instruments

© OECD 2018

This document is provided free of charge. It may be reproduced and distributed free of charge without requiring any further permissions, as long as it is not altered in any way. It may not be sold.

This document is available in the two OECD official languages (English and French). It may be translated into other languages, as long as the translation is labelled "unofficial translation" and includes the following disclaimer: *"This translation has been prepared by [NAME OF TRANSLATION AUTHOR] for informational purpose only and its accuracy cannot be guaranteed by the OECD. The only official versions are the English and French texts available on the OECD website <http://legalinstruments.oecd.org>"*

Date(s)

Adopted on 03/02/1978

Background Information

The Recommendation concerning the Re-Use and Recycling of Beverage Containers was adopted by the OECD Council on 3 February 1978 on the proposal of the Environment Committee (now called Environment Policy Committee). The Recommendation recommends that Adherents minimise waste resulting from the use of beverage containers, and promote recycling of beverage containers and the use of refillable containers.

THE COUNCIL,

HAVING REGARD to Article 5 b) of the Convention on the Organisation for Economic Co-operation and Development of 14 December 1960;

HAVING REGARD to the Recommendation of the Council of 28 September 1976 on a Comprehensive Waste Management Policy, calling in particular for the development and implementation of measures to reduce waste generation and encourage recycling [C(76)155(Final)];

CONSIDERING that beverage containers account for a not insignificant proportion of household waste and are a major source of litter; and that clean-up and disposal costs are a matter of concern to local authorities and governments in many Member countries;

CONSIDERING that in many countries the generally observed trend in the beverage container market is towards the replacement of refillable bottles by disposable containers, thus tending to make problems of waste disposal more acute;

CONSIDERING that systems of beverage distribution by refillable containers, over and above a certain trippage which is generally achieved in practice, are at present proving superior to most other systems not only as concerns municipal solid waste generation but also from such standpoints as energy consumption, litter, air and water pollution;

CONSIDERING that certain measures such as the standardization of containers and the recycling of their constituent materials can also greatly help to reduce waste disposal problems, either by encouraging the introduction and satisfactory operation of a system of refillable containers, or by creating conditions likely to divert certain forms of waste from the disposal circuit with a view to their profitable reclamation;

CONSIDERING that national policies towards the internalisation of external costs are to be implemented on the basis of action principles common to all Member countries, in order to avoid the creation of trade barriers;

HAVING REGARD to the Report of the Environment Committee on the re-use and recycling of beverage containers, where practical measures which can be envisaged for implementing the present Recommendation are discussed in detail;

On the proposal of the Environment Committee;

I. RECOMMENDS that Member countries, through international co-operation as appropriate, where practicable define and implement policies designed to ensure that the costs of the adverse environmental impacts of the manufacture and use of beverage containers are effectively and equitably borne by the producers and users of such containers.

II. RECOMMENDS that Member countries adopt appropriate measures with a view to maintaining, or where necessary introducing, a system of distribution by refillable containers covering as much as possible of the beverage trade when it is expected that, in doing so, the social costs of the beverage distribution systems are minimised.

III. RECOMMENDS that, when measures to promote the use of refillable beverage containers are considered, they be accompanied by an effort to standardize such containers, possibly undertaken on the basis of collaboration between the countries concerned in order to prevent trade barriers.

IV. RECOMMENDS that, regardless of the measures taken to promote the re-use of beverage containers, Member countries encourage the recycling of the ultimately disposed-of containers, and take any other necessary step to reduce as much as possible any adverse effect they may have on the environment.

APPENDIX

BRIEF REVIEW OF MEASURES WHICH CAN BE CONSIDERED, ALONE OR IN COMBINATION, TO IMPLEMENT THE RECOMMENDATION

(Extract from the Environment Committee's Report)

1. Ban on Non-Refillable Containers

A ban on non-refillable containers constitutes one of the most simple policy options open to governments. Obviously, such a measure would remove non-refillable containers from the market and decrease in due course the environmental costs associated with beverage container use. It would not, however, guarantee that containers are returned. Moreover, the simplicity of this approach, while favourable for administrative reasons, also creates rigidity which is likely to incur large dislocation costs throughout the industry if a significant portion of sales are already in non-refillable containers.

2. Mandatory Deposits on Beverage Containers

This policy requires that all containers carry a refundable deposit. In effect this will discourage the use of non-refillable containers because the deposit will discriminate against the convenience characteristics of the previously disposable container.

The special advantage of this policy is that the "litterbug", responsible for a major external cost, will forfeit his deposit and directly bear the costs of his actions. This policy is likely to have a marked impact on the relative market shares of the various container systems and hence on solid waste. A further advantage over a ban is that this policy is more flexible, and that it will allow recycling of containers and the possibility of introducing new container types.

This policy will incur dislocation impacts which might be less severe than those of a ban.

3. High Tax on All Beverage Containers

This policy is designed to internalise the external costs of beverage container use. The tax would be paid on the purchase of a new container. The effects on the policy would then be brought about through normal economic market mechanisms. The tax would increase the relative price differential between new and used containers, a distinct advantage to the refillable container. This would generate an increase in demand by producers and bottlers for returned containers. The flexibility of this policy makes it very attractive as the tax may gradually be phased in over a period of time reducing the dislocation impacts that may be incurred.

4. Product Charges on Packaging

Product charges deal with a much wider perspective than just beverage containers, that is charges would cover all packaging products. This should prove an extremely effective method of internalising the external costs associated with solid waste disposal and should generate considerable increases in the levels of recycling.

5. Low Rate Litter Tax on Beverage Containers

Where earmarking of funds is permissible, a low rate litter tax policy may be adopted. Although this policy is unlikely to have any effect upon the relative market shares of the various container systems it would provide finance to fund litter clean-ups and educational campaigns. This policy will have no impact upon municipal solid waste generation.

6. Standardization of Containers

Standardization is likely to increase the efficiency and feasibility of refillable container systems, since it would act favourably on the willingness of retailers to supply refillable containers and would decrease the inconveniences suffered by consumers when returning containers. This measure would also ease

the purchase of empty containers at their resource value, without using a deposit system. Standardization would, however, limit the introduction of new container types.

7. Recycling

Recycling of the materials of which the containers are made would reduce adverse environmental impacts, especially solid waste, of beverage containers. Since this policy does not entail any direct government intervention in the beverage market, it would not cause major economic dislocations in the beverage industry. It is, however, unlikely to be sufficient by itself to tackle the full extent of the other external costs, and would have no effect upon litter or the relative market share of the refillable container.

8. Encouragement to Technical Developments

Research and technical development may result in beverage container systems or materials more compatible with the concerns of environmental protection. The encouragement to research would be a useful weapon, even if its effects are only indirect and at longer term.

Adherents*

OECD Members

Australia
Austria
Belgium
Canada
Chile
Czech Republic
Denmark
Estonia
Finland
France
Germany
Greece
Hungary
Iceland
Ireland
Israel
Italy
Japan
Korea
Latvia
Luxembourg
Mexico
Netherlands
New Zealand
Norway
Poland
Portugal
Slovak Republic
Slovenia
Spain
Sweden
Switzerland
Turkey
United Kingdom
United States

Non-Members

* Additional information and statements are available in the Compendium of OECD Legal Instruments:
<http://legalinstruments.oecd.org>

About the OECD

The OECD is a unique forum where governments work together to address the economic, social and environmental challenges of globalisation. The OECD is also at the forefront of efforts to understand and to help governments respond to new developments and concerns, such as corporate governance, the information economy and the challenges of an ageing population. The Organisation provides a setting where governments can compare policy experiences, seek answers to common problems, identify good practice and work to co-ordinate domestic and international policies.

The OECD Member countries are: Australia, Austria, Belgium, Canada, Chile, the Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Iceland, Ireland, Israel, Italy, Japan, Korea, Latvia, Luxembourg, Mexico, the Netherlands, New Zealand, Norway, Poland, Portugal, the Slovak Republic, Slovenia, Spain, Sweden, Switzerland, Turkey, the United Kingdom and the United States. The European Union takes part in the work of the OECD.

OECD Legal Instruments

Since the creation of the OECD in 1961, around 450 substantive legal instruments have been developed within its framework. These include OECD Acts (i.e. the Decisions and Recommendations adopted by the OECD Council in accordance with the OECD Convention) and other legal instruments developed within the OECD framework (e.g. Declarations, international agreements).

All substantive OECD legal instruments, whether in force or abrogated, are listed in the online Compendium of OECD Legal Instruments. They are presented in five categories:

- **Decisions:** OECD legal instruments which are legally binding on all Members except those which abstain at the time of adoption. While they are not international treaties, they entail the same kind of legal obligations. Adherents are obliged to implement Decisions and must take the measures necessary for such implementation.
- **Recommendations:** OECD legal instruments which are not legally binding but practice accords them great moral force as representing the political will of Adherents. There is an expectation that Adherents will do their utmost to fully implement a Recommendation. Thus, Members which do not intend to do so usually abstain when a Recommendation is adopted, although this is not required in legal terms.
- **Declarations:** OECD legal instruments which are prepared within the Organisation, generally within a subsidiary body. They usually set general principles or long-term goals, have a solemn character and are usually adopted at Ministerial meetings of the Council or of committees of the Organisation.
- **International Agreements:** OECD legal instruments negotiated and concluded within the framework of the Organisation. They are legally binding on the Parties.
- **Arrangement, Understanding and Others:** several ad hoc substantive legal instruments have been developed within the OECD framework over time, such as the Arrangement on Officially Supported Export Credits, the International Understanding on Maritime Transport Principles and the Development Assistance Committee (DAC) Recommendations.