

Report Italy

1. Description of status quo on reuse packaging.....	1
2. Reuse packaging systems for beverages	4
2.1 Reuse packaging for mineral water	4
2.2 Reuse packaging for beer	4
2.3 Reuse packaging for soft drinks.....	4
2.4 Reuse packaging for other beverages.....	5
3. Legal basis concerning reuse packaging	5
4. Distribution / redistribution of reuse packaging.....	5
5. Standards on reuse packaging.....	7
6. Constraints and support for reuse packaging.....	7
List of contacts	9
Sources:.....	10

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1. Description of status quo on reuse packaging

The situation concerning reusable containers in Italy is quite clear, as they are seldom used. The present situation can be summed up as follows:

- primary packaging: available only for beverages, mainly water, soft drinks and beer; all three of these beverages are packed in glass; beer is also packed in casks.
- secondary packaging: available only for some food products (mozzarella, fish), packed in polystyrene boxes.

Refilling is basically unknown in Italy. Due to some old health provisions, a skilled person (chemist) is needed wherever refilling is practised, such as for food products or personal hygiene articles. Therefore, refilling looms as a complex, and rather expensive system, because every shop would have to assign these tasks to an employee. Even a big international chain as "Body Shop", which performs refilling in many countries around the world, is not able to implement this system in Italy. Refilling has therefore been confined to some big retailer outlets (hypermarkets), where they were tested.

1.2 Consumption of beverages

The market for beverages is divided into two main categories: soft drinks (water, fruit juices, carbonated and flat drinks) and alcoholic drinks (beer, wine, spirits). The consumption of beverages in 1995 is summed up in Table I-1 (1) :

Table I-1: National consumption of beverages, 1995.

BEVERAGES	
SOFT DRINKS	(hectolitres)
Water	78,000,000
Juices	5,600,000
Other soft drinks	33,600,000
ALCOHOLIC DRINKS	
Beer	14,500,000
Wine	32,000,000
Spirits	132,000
TOTAL	163,832,000

Data processed by Ecobilancio Italia.

The consumption of water, other than soft drinks and wine accounts for 47%, 20% and 19% of overall consumption respectively (2).

Within the last 10 years, the consumption of wine went down while the consumption of soft drinks and bottled water went up. The consumption of beer and juices has remained stable during this period.

Table I-3: Estimate of consumption of packaging for beverages, 1995.

BEVERAGES	Glass	Plastic	Aluminium	Poly-sandwich	TOTAL
	(tons)	(tons)	(tons)	(tons)	(tons)
Water	1,058,941	258,278		14,464	1,331,683
Juices	240,800			2,195	242,995
Other soft drinks	201,600	117,600	10,886		330,086
ALCOHOLIC DRINKS	(tons)	(tons)	(tons)	(tons)	(tons)
Beer	485,750		8,613		494,363
Wine	1,408,000			10,752	1,418,752
Spirits	6,600				6,600
TOTAL	3,401,691	375,878	19,499	27,411	3,824,479

Data processed by Ecobilancio Italia.

In 1995, packaging waste from beverages, namely 3,824,479 tons, accounted for 36% of the overall production of waste.

Glass made up 88% of the overall consumption of packaging for beverages, while plastic accounted for 9% of it. As far as the types of beverages are concerned, the packaging for water and wine made up 71% of the packaging waste (2).

The distribution channels for reuse primary packaging are shown in Table I-4

Table I-4: Reclaimed reusable containers, 1995, HoReCa channel.

BEVERAGES	REUSABLE CONTAINERS (tons)
Water	11,650
Juices	0
Other soft drinks	594
Beer	12,818
Wine	0
Spirits	0
TOTAL	25,062

Estimate by Ecobilancio Italia

2. Reuse packaging systems for beverages

2.1 Reuse packaging for mineral water

As far as "home" consumption is concerned, reusable containers are related mainly to the distribution of mineral water, through a "door-to-door" system.

Approximately 1.000 distributors serve about 3 million Italian families, located mainly in northern Italy.

Home consumption of water amounts to about 6 billion litres a year (71% of overall consumption of water). However, only about 1 Billion, three hundred thousand litres are packed in glass. Reusable bottles make up 1 billion, one hundred thousand, which is about 16% of the overall mineral water market (3).

The market share of reuse glass bottles declined in the late 80's and up until 1994 (see Table I-4). While the consumption of bottled water has risen since 1994 from 3,5 billion litres to 4,6 billion litres the market share of reuse bottles changed from 70-80% in 1984 to about 16% in 1997. Between 1984 and 1994 when one way plastic bottles (PVC and PET) appeared and now cover around 70% of the water packaging.

2.2 Reuse packaging for beer

Italy produces 12 million hectolitres of beer and imports 3 million more hectolitres. Reusable packaging accounts for 28.3% of the quantity produced. Of that amount, 16.3% is in reusable casks which are used for draught beer; 12% is packed in reusable bottles. One way bottles and cans account for 62.5% and 9.2% respectively (see Table I-5 i.A.).

Starting in the late 70's the reuse system for beer broke down in Italy. The initial change from reuse glass bottles in a first step to one way glass and later in a second smaller quantity to cans now restricts reuse bottles to use in HoReCa and small retail shops. Reuse bottles are no longer used by the big retailers.

The trend towards reusable casks kept stable until 1996, while in 1997 it proved to be slightly more favourable (+0.3%). Packaging in reusable glass bottles dropped slightly, as it was replaced with non-reusable containers, which, in 1997, seemed to be preferred to cans. The attempt to impose the use of reusable glass bottles for distributing beer within the HoReCa channel, thus doing away with cans, failed. Aluminium manufacturers took action immediately and, putting pressure on the Ministry of the Environment, caused the project to be stopped.

2.3 Reuse packaging for soft drinks

The data base for soft drinks packaging is very poor. As in most other EU-member states, the soft drinks industry tries to lessen the discussion about packaging by keeping the packaging data secret. The available data from the years 1986 to 1993 shows that reuse didn't come down to a level similar to that of the beer and water markets. The big change in the soft drinks packaging took place in the early 80's. As figures from Coca Cola Italy show, the reuse share in 1982 in CCs distribution was 50,7%. Six years later, it had declined to 11% (4).

2.4 Reuse packaging for other beverages

Over the past few years, milk has also been made available in reusable glass bottles. At present, it is basically packed in beverage cartons, except for a few manufacturers who use non-reusable glass bottles.

As far as wine packed in reusable containers is concerned, it should be emphasised that there are just a few brands involved and they are used for promotional purposes. However, no detailed estimates are available.

3. Legal basis concerning reuse packaging

Law Decree 22/97 thoroughly deals with waste management and, consequently, with the packaging as well. The objectives set out under this act focus strictly on packaging recovery.

It should be pointed out that Law Decree 22/97, called “Ronchi Decree”, issued in compliance with European Directives 156/91/EEC, 689/91/EEC and 62/94/EEC, has fully involved reorganising waste management and, consequently, packaging in Italy.

Under the Ronchi Decree the following targets for recovery and reuse are set with respect to waste packaging:

- within three years of the effective date of the Decree, the recycling rate of each type of packaging shall reach a 10% minimum;
- by June 2001, the recycling rate of each type of packaging shall be at a minimum of 15%.

The decree does not include any clauses about the reuse of packaging as such, with the intention of boosting reusable containers. The reuse of packaging is considered to be the main instrument that the relevant authorities are supposed to rely on to reduce waste disposal, followed by any other form of recovery the establishment of which derives raw materials from waste, economic steps under which reclaimed materials must be used and, finally, the conversion of waste into energy (art. 4).

While the above decree was being drawn up, the World Wildlife Fund urged the Ministry of the Environment to include deposits and reusable containers in that provision. The ministry did not agree to such a request, stating that retail distributors would not be able to manage the system, while wholesale distributors were not interested in implementing it. As a result, under the above decree law, they have missed an opportunity to restart a system which had been introduced into every type of distribution and currently involves only retail distribution.

4. Distribution / redistribution of reuse packaging

Beverages are distributed through two main channels:

1. the food or “home” consumption channel;
2. the HoReCa or “out of house” consumption channel (hotels, restaurants, self- service cafés...).

Table 8: Distribution of national consumption of beverages - home and HoReCa, 1995. Data processed by Ecobilancio Italia (5).

BEVERAGES	HOME	HORECA
SOFT DRINKS	(hectolitres)	(hectolitres)
Water	56,940,000	21,060,000
Juices	3,920,000	1,680,000
Other soft drinks	23,520,000	10,080,000
ALCOHOLIC DRINKS	(hectolitres)	(hectolitres)
Beer	8,265,000	6,235,000
Wine	22,400,000	9,600,000
Spirits	52,800	79,200
TOTAL	115,097,800	48,734,200

Trentino-Alto Adige is the only Italian region where reusable containers still are part of a real project. The following products are still available in supermarkets:

- 2 or 3 brands of mineral water;
- one brand of beer;
- some table wines and some wines with authenticated trademarks;
- a few beverages (Casara of Levico and Coca-Cola);
- fruit juices;
- family-size yoghurt (Landliebe).

In the shops in Alto Adige you can also find fresh milk in reusable containers. An informal survey showed that over 85% of the products involved are returned (6).

Attention should also be focused on such sparkling wines as Prosecco and Pinot Chardonnay, produced by the Canella winery. In March 1995, the Canella winery started to bottle its wine in reusable glass bottles with printed labels. Such packaging was called "Ecoverre".

As the distribution of reusable containers within the "home" channel is connected mainly with mineral water, it is based on "door-to-door" services. Many companies producing mineral water (Norda, Frisia etc.) supply consumers with this type of service nationwide, relying on local distributors, who collect empty containers, which are either put in plastic 12-bottle crates or 6-bottle baskets and delivered to bottlers, where they are refilled.

As far as the few shops where reusable containers are still available are concerned, it is important to emphasise that there, like everywhere else, mineral water is the main product involved. In such a system, usually one brand is made available in each shop. All of the distributors charge deposits on the empty bottles, ranging from 50 lire to 200 lire (0,03 ECU to 0,1 ECU) per bottle. The money is usually returned through receipts issued whenever any empty bottles are returned.

Within the HoReCa channel, beer is distributed by wholesalers, who deal in several brands. Deposits are charged on empty bottles, according to the market value of the product.

Empty bottles are collected and refilled bottles are delivered on the basis of quarterly rotations – in their case, this doesn't happen very often if compared to other members of the European Union, because of the remarkably low beer consumption in Italy, estimated to be 25 litres per capita annually. By comparison, European beer consumption is, on average, 85 litres per capita annually.

With an average of 3.5 rotations a year this means that a glass bottle has a mean life of 40/45 rotations.

5. Standards on reuse packaging

As it has already been emphasised, in Italy there aren't any pools which deal with reusable packaging specifically. Although some projects for managing packaging may be drawn up between the pools involved in the various types of packaging, they basically result from the determination of individual businesses (such as the above-mentioned Canella winery) rather than from strategies concerted within any pools who might be committed to any particular type of packaging. Whereas if reusable containers are synonymous with standard practice, though to a small extent.

6. Constraints and support for reuse packaging

To assess the resistance to reusable containers, a distinction should be made between arguments within the industry area, among dealers and, finally, by consumers.

Industry opposes reusable containers quite tenaciously. This attitude clearly results from their determination to handle the collection of waste packaging without bearing the costs which arise from it, or shifting the costs onto consumers. Such a philosophy clearly clashes with any attempt to focus on reusable containers.

Choosing plastic for packaging beverages is also of paramount importance. Such containers were deliberately introduced by wholesale distributors of mineral water and soft drinks in unison, through a campaign aimed at persuading consumers that plastic packaging is exceptionally practical. The decision made for an organised wholesale distribution resulted from remarks about glass handling costs, which are much higher than those for plastic.

The present situation needs to be examined if the dealers' resistance to reusable containers is to be understood. Dealers do not feel that they have any responsibility for managing the packaging waste produced in their shops. Recycling has become "bricks and mortar" reality in just a few Italian towns, mainly in the north. Where packaging is recycled, home waste collection has been arranged; where packaging is not recycled, all waste products are put in one bag.

A study conducted in the Milan province in 1998 helps one to understand the dealers' and consumers' viewpoints (8). The sample used for this study consisted of 1,027 consumers and 27 sales points. The managers of both small and big shops oppose reusable containers because sorting and keeping empty containers causes problems. They fear that storing empty containers and spending the time to return them and collect any relevant deposits, a task which should – at least partially – be assigned to one employee, would result in organisation-related and logistic

problems, thus in the end not bringing them any benefits. Paradoxically enough, reusable containers are popular mainly among medium and small sized sales points, whereas they play just a marginal role among bigger shops. However, suppliers are often blamed when reusable containers are not used.

It should be emphasised that according to part of the sample (namely, over one third of it), reusable containers constitute a useful system for reducing waste; therefore, they would be willing to reintroduce them.

The consumers' viewpoint appears quite controversial. The above study suggests that consumers are familiar with the system and used it in the past, although they hardly find it now in any of the shops (49.3% of the interviewees). Twenty-seven percent of the interviewees consider the system complicated and costly in time, while according to just 7% of them it means a more expensive system. Finally, some interviewees are not interested in it at all (8%).

Instead, the main reason why consumers may make use of reusable containers is that they believe that glass is more hygienic than other materials (44%). Due to a growing sensitivity toward environmental issues, 30% of the interviewees rely on the system because it helps to reduce waste products. Finally, 24% of the interviewees use the system because it is practical (this is the case with home delivery).

It should be pointed out that Federazione Italiana Grossisti Distributori di Bevande (Italgrob) has taken action with the intention of boosting reusable containers. Under its plan, any products consumed within the HoReCa channel must be packed in reusable containers. The dense national distribution network, which is comprised of 4,000 companies (distributed as shown in table 9) is believed to be in the position to be able to immediately start transporting reusable products from the factories to retailer outlets and back, without incurring any high charges.

**Table 9: Number of distributors per area, 1995
Data supplied by Italgrob.**

AREA	NUMBER OF DISTRIBUTORS
Northern Italy	1,870
Central Italy	775
Southern Italy	820
Italian Islands	535
TOTAL	4,000

The project "Vuoto a Vincere", promoted by Italgrob in tandem with the F.I.P.E. (Federazione Italiana Pubblici Esercizi), Legambiente and Assobirra, under the patronage of the Ministry of the Environment, has been drawn up with the aim of making both dealers and users sensitive to reuse packaging. This campaign will be carried out in eleven Italian cities (Udine, Milan, Padua, Florence, Rome, Naples, Bari, Reggio Calabria, Palermo, Cagliari, Pescara) from October 15, 1998 to the end of December, 1998. Any dealer who joins in will be granted a discount of 10% on any brands and sizes of reusable beer bottles bought; in addition, they will receive some promotional material testifying to their commitment.

This project will end with a meeting in front of the national press, during which the results achieved in the various Italian cities will be presented.

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