

CONAI: the restructuring of the Environmental Contribution for paper, plastic and wood packaging

Milan, 30 July 2019 - After assessing the requests of the Comieco, Corepla, and Rilegno Consortia for Packaging Materials, the CONAI Board of Directors approved the restructuring of the **Environmental Contribution** for **paper**, **plastic**, and **wood** packaging, which will come into force on 1 January 2020. The decision was made in order to continue to ensure an economic balance that guarantees the resources necessary to achieve the objectives of recovering and recycling packaging waste throughout Italy.

The Contribution for **paper** packaging, which falls under the responsibility of Comieco, will increase from 20 EUR/ton to **35 EUR/ton**. The additional Contribution (20 EUR/ton) for poly laminated packaging with a prevalence of carton suitable for containing liquids will remain unchanged, for which the Environmental Contribution will become **55 EUR/ton**.

The main reasons for the change are due to the new, sharp decrease in the economic values of pulp and the constant increase in the quantities of paper packaging provided to the Consortium. In January 2019, Comieco took over 600,000 tons of municipal material from separate collection under management, which was previously managed independently on the market. This is a new proof of the role of subsidiarity to the market itself that CONAI and Consortia for Packaging Materials continue to play.

The Environmental Contribution for **plastic** packaging has also been restructured, which falls under the responsibility of Corepla, mainly due to the 12% increase in the separate collection of plastic packaging over the last year.

The average value of the Environmental Contribution for plastic packaging will increase from EUR 263/ton to **EUR 330/ton**.

The four Contribution levels valid from 1 January 2019 will remain in force, but have been restructured to create a diversification process that makes them more consistent with the effective sortability and recyclability with current technology.

The first two levels remain unchanged. Level A will continue to concern packaging with an effective and consolidated sorting and recycling chain from the commerce & industry circuit, with an Environmental Contribution of **150 EUR/ton**. Level B1 will remain dedicated to packaging with an effective and consolidated sorting and recycling chain from the household circuit, and its Contribution will remain of **208 EUR/ton**.

Level B2, on the other hand, will become dedicated to packaging with a sorting and recycling chain in the process of consolidation and development, both from a household circuit and from commerce & industry. Its Environmental Contribution will amount to **436 EUR/ton**.

Lastly, level C, concerning packaging that cannot be sorted or recycled by means of current technologies, will see its Contribution increase from EUR 369/ton to **EUR 546/ton**.

The Contribution for **wood** packaging, which falls under the responsibility of Rilegno, will increase from 7 EUR/ton to **9 EUR/ton**.

Alongside the increase in quantities delivered, the first reason for the slight increase is the closure of the only wood recycling plant in southern Italy, which consequently increased the costs of transporting material to the north for recycling.

The increases will also come into effect on the **flat-rate/simplified procedures for importing filled packaging**, once again beginning on 1 January 2020.

Notably, the rates to be applied to the overall import value (in Euro) will go from 0.16% to **0.17% for packaged food products** and from 0.08% to **0.09% for packaged non-food products**. The Contribution through the flat-rate calculation on the weight of only the packaging of imported goods (total weight without material distinction) will go from € 65.00/ton to **€ 85.00/ton**.

In 2018 in Italy, the system represented by CONAI and Consortia for Packaging Materials recovered 80.6% of packaging waste, or approximately 10.7 million tons of the total 13.3 million placed on the market for consumption. Of these, the part intended for recycling almost reaches 70%.

This document is the English translation of a Conai communication of 30 July 2019. In cases of disputes, the original Italian text shall prevail.