

IMPACT OF THE PACKAGING FEE IN ROMANIA ON THE QUALITY OF THE ENVIRONMENT

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Abstract

In the context of improving the protection, conservation and increase of the quality of the environment, as well as of the health and safety of the population, but also for fulfilling the commitments regarding the environmental protection assumed, starting with the year 2000 in Romania the packaging fee was regulated. This is intended to hold producers of packaging waste accountable for reducing the quantities generated and increasing recycling or other types of recovery, such as energy generation from waste. Over the years this fee has undergone numerous changes, the last one being the one of 2019, aiming at increasing the effectiveness of the instrument and eliminating the erroneous interpretation of the legal provisions. The present research aims to analyze the effects determined by these legislative changes and to observe whether or not they have determined an improvement of the quality of the environment.

Keywords: *environmental protection, packaging fee, quality of the environment, packaging waste, legislative changes.*

JEL Classification: *H23, Q53.*

Introduction

The quality of the environment is essential both for the health and well-being of the people and for the economy. The European Union and Romania have implicitly developed and applied over time some of the highest environmental standards in the world. Thus, the promoted environmental policy has helped the EU economy to become greener, to protect natural resources, as well as the health and well-being of people.

Europe's long-term strategic vision for a modern, competitive, prosperous and climate-neutral economy confirms Europe's commitment to paving the way for global climate change and to deliver a vision that will lead to the goal of zero greenhouse gas emissions, by 2050.

European Union environmental legislation and policies aim to protect natural habitats, maintain clean air and water, ensure proper disposal of waste, improve knowledge of toxic chemicals, and guide private entities towards a sustainable economy.

The transition to a circular economy represents an opportunity to transform the economy and make it more sustainable, so that resources, materials and products are maintained and used for a longer time. The proper prevention and management of waste contributes to the prevention and reduction of the negative impact of waste on health and the environment, while directing them towards efficient uses.

Proper waste management is considered the foundation of the circular economy. For a rapid transition to such a circular economy, immediate implementation of European Union legislation in the field of waste is necessary.

1. European waste policy

The European Union is constantly seeking to improve and transform waste management into sustainable material management to conserve, protect and improve the quality of the environment, to ensure the efficient, prudent and rational use of natural resources, to protect human health, to protect and accelerate the use of energy from renewable sources, to promote the principles of the circular economy, to increase energy efficiency, to create new economic opportunities and to reduce dependence on imported resources, as well as to stimulate long-term competitiveness.

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In order to transform the economy into a circular one, it is necessary to modify the production and consumption in a way that conserves the resources. More efficient resource consumption will also lead to substantial savings at the level of consumers, entities and public authorities, while simultaneously reducing greenhouse gas emissions.

Increasing efficiency in resource consumption and waste recovery will result in reduced imports of raw materials and will contribute to a more sustainable management of materials and the transition to a circular economy model. This transition will also contribute to achieving the goals of sustainable, smart and inclusive growth set out in the Europe 2020 Strategy.

Since the early 1970s, the European Union has considered that economic prosperity and environmental protection are interdependent. The European Union's environmental action programs have set the framework for environmental policy. The seventh environmental action program entitled „A good life, within the limits of our planet” refers to the period from 2014 - 2020 and aims to achieve a vision on sustainability for 2050 through actions focused on three areas:

1. improvement, conservation and protection of natural capital;
2. the transition to a circular economy with low carbon dioxide emissions; and
3. protecting people from environmental risks that threaten their health and well-being.

Since 2014, major efforts have been made in several areas, including waste management, such as setting new targets for recycling, restricting the use of plastic bags for shopping and plastics, as well as actions to combat marine waste.

2. Environmental policy in Romania

2.1. Key moments

1990 - establishment of the Ministry of Environment
1992 - elaboration of the first National Strategy for Environmental Protection
1996 and 2002 - revision of the National Environmental Protection Strategy
1999 - adoption of the National Program for EU Accession
2002 - National Strategy for Waste Management
2003 - Preparation of the Report on the state of the environment in Romania
2013 - approval of the National Strategy for Waste Management
2017 - National Plan for Waste Management
2017 - Environmental Report for the National Waste Management Plan and the National Waste Prevention Plan

2.2. Packaging waste

For sustainable growth it is necessary to reduce waste, including packaging. In accordance with the European strategy for waste management, the management of packaging and packaging waste must mainly include the prevention of packaging waste.

In Romania The European directive on packaging and packaging waste was transposed by Law no. 249/2015 regarding the management of packaging and packaging waste, with subsequent modifications and completions. The European provisions in this area aim, as a matter of priority, to prevent the production of packaging waste and, as fundamental principles, establish the reuse of packaging, recycling, and other forms of recovery of packaging waste and, consequently, the reduction of the final disposal of such of waste.

The national vision on waste management subscribes to the European one in the field, with a special emphasis on the principle of preventive action. Regarding the prevention of waste generation, their hierarchy has been established, giving importance to reuse, recycling, other forms of recovery (for example, energy recovery) and, as a last resort, disposal.

Packaging is important for the protection of products, in order to maintain integrity and quality, during transport, handling, storage and disposal, as well as for facilitating these operations. However, the packaging determines the formation of significant quantities of waste.

In order to recover, in many countries, packaging waste is separated from the rest of the waste, thus reducing the negative impact of these on the environment and achieving significant savings in materials and energy.

In the European Union, in recent years the amount of packaging waste has increased slowly. In 2015, the total volume of packaging waste was 85 million tones, which represents about 3.4% of the total quantity of waste generated.

The European Packaging Directive sets out the objectives to be achieved by the end of 2008, with some extensions of deadlines for some Member States by 2015. These general objectives set the recovery and recycling rate at 60% and 55%, respectively, in addition to the specific recycling targets for materials, which set the following targets:

- 60% for paper and cardboard;
- 60% for glass;
- 50% for metal;
- 22.5% for plastic and
- 15% for wood.

Since 2005, the average rate of packaging recycling in the European Union has steadily increased, and between 2013 and 2015, the volume of packaging waste generated increased by about 6%, indicating that more measures are needed. to prevent the generation of waste.

The revised EU Packaging Directive has increased the overall targets for packaging waste recycling, namely 65% in 2025 and 70% in 2030, and has introduced more ambitious specific targets for materials, for example plastics 55% in 2030.

Achieving the revised objectives implies intensifying the efforts made to organize the selective collection systems in a more efficient way, in order to increase the quantity of the recyclable materials.

2.3. Packaging fee

It is known for some time the negative influence that the economic development has on the environment. Under these conditions, the authorities are constantly looking for new ways to limit the pollution of the environment, under conditions of economic growth.

Environmental fees can cause changes in the behavior of private and public entities, as well as final consumers in reducing the negative impact on the environment. Such a fee is the one charged on the packaging. This fee aims to reduce the consumption of packaging, to increase the degree of recycling and awareness of the negative impact of packaging waste on the environment. The fee on packaging is more than a pollution taxation instrument, being considered an economic leverage.

In several countries, the fees applied to all the entities that put packaging on the market are quite high, which causes the increase of the prices of the goods, but also stimulates the increase of the performances in the matter of innovation. Thus, companies are forced to discover new types of packaging, more resistant that can be reused and even repaired. Another benefit, in the case of re-use, would be the fact that environmental fees are only applied once on the market. Also, the packaging fee determined the companies to optimize the way they package the products, as well as the consumption of raw materials and materials needed to manufacture the packaging.

A major concern and priority for the European Union is plastics, given the increasing production of plastic products. For example, in the European Union, at the level of 2016, around 60 million tones of plastic were produced, and at the level of 2017 64.4 million tones,

and globally 335 million tones in 2016, and 348 in 2017. Of the total quantity, about 40% is represented by plastic packaging (Plastics Europe, pp. 18).

Across the European Union, the recycling rate for plastic packaging increased to around 41% in 2016, but the production of plastic packaging increased (Plastics Europe, pp. 48). Both at European Union level and at national level, there is a tendency to adopt the concept of circular economy in the field of packaging, which places a special emphasis on their recycling and reuse, to the detriment of disposal. This trend is also justified by the fact that all plastic packaging must be reused or recycled by 2030.

Also within the Romanian private entities, there is a growing interest in the solutions offered by the circular economy, for example the adoption of return policies that allow customers to get rid of old products, when buying new ones. Thus, the materials contained in the old product can be recycled and reused.

The adoption by the European Union of the Directive on disposable plastic products will lead to the prohibition, starting with 2021, of disposable plastic products, which will cause the replacement of plastic materials used with other materials such as starch. Thus, disposable plastic cutlery, plates, ear sticks, straws for drinks and others will be prohibited.

It is known that the transition to a more sustainable production model implies, in the short term, certain costs and a lower profitability, but in the long term, sustainability will result in a more efficient production, which entails lower costs. In addition, the transition to these new solutions is also accompanied by the benefits of reducing pollution, the amount of waste generated, as well as a positive impact on the environment and human health. In Romania, the Environmental Fund is established in accordance with the European principles „polluter pays” and „producer responsibility”.

From January 1, 2019, the general and specific objectives for each type of material have been increased - for the recovery/recycling of packaging waste. Also, the way of achieving these objectives has been modified, as follows:

- *individually - for managing their own packaging placed on the national market, or*
- *through an organization to implement extended producer responsibility.*

Also, the obligation of the economic operators managing packaging and packaging waste to be registered with the Environmental Fund Administration has been regulated by filing a declaration.

Specific provisions regarding the regime of reusable packaging in Romania

In Romania, reusable packaging will be circulated either on the basis of an exchange system or through the payment of a money guarantee by the beneficiaries in exchange for the received packages. Starting with March 2019, the amount of the money guarantee will be 0.5 lei / package, for reusable packaging.

Until 2021, the Romanian authorities, based on an analysis, have the obligation to establish a guarantee - return system for non-reusable plastic, glass, or metal packaging, with volumes between 0.1 l and 3 l.

Also, additional obligations have been provided for the private entities that place products on the market in reusable packaging, as follows:

- the obligation to retrieve the reusable packaging so as to reach, starting with 2019, a percentage of their return of at least 90%, and
- the obligation to mark on the packaging of the product the phrase „reusable packaging”.

At the same time, all the private entities that place packaged goods on the market are obliged, starting with 2020, to achieve an annual average percentage of reusable packaging of at least 5% of the total packaging placed on the market, a percentage that must be increased annually by 5%, until 2025.

Additional obligations have also been laid down for entities that retail products packaged in reusable packaging, in particular with regard to informing customers about the value of the money guarantee, as well as the return of reusable packaging.

To a small difference, Romania missed the achievement of the recycling objectives of the packaging established for 2013 and 2014. Regarding the recycling of glass packaging, no data were reported for 2015, but in 2014 Romania was below the required level.

In the coming years, Romania should make significant efforts to increase recycling and reduce packaging waste, as well as invest in recycling to achieve the general and specific objectives set for 2020.

Conclusions

The implementation of European Union legislation and policies in the field of environmental protection is important for a healthy environment.

European Union and national legislation on packaging waste is aimed at considerably improving waste management. When designing the legislation on packaging and packaging waste, the limited character of the resources was taken into account, as well as the importance of capitalizing on the economic and environmental benefits of the circular economy.

Policies regarding fees with environmental impact are one of the most efficient tools by which the authorities can influence the development and use of resources. The environmental fees determine the increase of the price of the resources, but at the same time, it is also a way by which the financial resources necessary for the management of projects that aim to reduce and combat the negative effects of the economic activities on the environment can be collected. Thus, achieving sustainable development goals and targets cannot be achieved without effective environmental protection policies, which in turn depend on the existence of correct environmental fees.

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