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Evaluating the effectiveness, costs, and challenges of deposit return systems for beverage containers: A meta-analysis

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Abstract

This study conducts a comprehensive meta-analysis to evaluate the effectiveness, economic costs, and long-term sustainability of deposit return systems (DRS) for beverage containers across various countries. DRS are recognized as a critical strategy to enhance recycling rates, reduce environmental waste, and support the transition toward a circular economy. While empirical evidence from countries like Germany, Norway, and Lithuania indicates that DRS can achieve recycling rates exceeding 90%, challenges such as high setup costs, stakeholder resistance, policy inconsistency, and adaptability to market changes complicate their implementation and sustainability. The analysis synthesizes data from diverse geographic contexts, highlighting the factors that contribute to the success or failure of DRS, including public engagement, policy stability, technological adaptation, and effective stakeholder collaboration. The findings suggest that while DRS can provide substantial environmental and economic benefits, their long-term success is contingent upon sustained public participation, consistent policies, adaptability to market shifts, and robust stakeholder engagement. This study offers critical insights for policymakers, environmental advocates, and industry stakeholders seeking to optimize DRS as a tool for sustainable waste management.

Keywords: Deposit Return; Waste Management; Sustainability; Circularity; Packaging

1. Introduction

Deposit return systems (DRS) for beverage containers have emerged as a prominent strategy to enhance recycling rates and reduce environmental waste. Designed to provide financial incentives for consumers to return containers, DRS have been adopted by numerous countries as a means to promote recycling, reduce litter, and support the transition to a circular economy. The implementation of DRS has expanded significantly in recent decades, particularly in Europe, North America, and parts of Asia. However, questions remain about their overall effectiveness, the costs of implementation, and the challenges associated with ensuring their long-term success.

DRS typically require consumers to pay a refundable deposit on beverage containers at the point of purchase, which is returned when the container is brought back to an authorized collection point. By attaching a monetary value to the container, DRS incentivize consumers to recycle rather than discard it. Proponents argue that this model not only boosts recycling rates but also reduces litter, lowers waste management costs, and conserves natural resources. Empirical evidence from countries like Germany, Norway, and the Netherlands shows recycling. rates of up to 90% or higher, demonstrating the potential of DRS to significantly contribute to waste reduction and resource recovery (Meyer, 2021; Infinitum, 2022).

Despite these successes, the adoption of DRS has revealed several complexities and challenges. The initial setup costs, including investments in infrastructure such as collection points and processing facilities, can be substantial. Additionally, ongoing operational costs related to logistics, administration, and consumer education are necessary to

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sustain system effectiveness. Resistance from stakeholders—such as beverage producers, who cite increased costs, and retailers, who face logistical burdens—can further complicate implementation. Moreover, consumers may view deposits as an added tax or inconvenience, affecting participation levels.

Furthermore, high recycling rates alone do not fully capture the effectiveness and sustainability of DRS. In some contexts, the introduction of DRS has led to unintended consequences, such as market distortions, shifts in consumer behavior, and fraudulent activities related to deposit claims. The success of DRS is influenced by various factors, including local infrastructure, cultural attitudes toward recycling, and enforcement mechanisms. As a result, while DRS can offer substantial benefits, their implementation requires careful planning, stakeholder engagement, and continuous monitoring to adapt to changing circumstances.

This meta-analysis critically evaluates the impact of DRS on recycling rates, assesses the economic costs associated with their implementation, and identifies key factors contributing to their long-term success or failure. By synthesizing data from a diverse range of geographic contexts, this research provides a comprehensive understanding of DRS as a policy tool for waste management. The study not only examines quantifiable impacts, such as increased recycling rates and reduced litter, but also explores qualitative dimensions, including stakeholder perceptions, consumer behavior, and socio-political dynamics shaping the effectiveness of these systems.

Moreover, this analysis contributes to the broader discourse on sustainable waste management and the role of DRS in advancing a circular economy. The circular economy framework emphasizes minimizing waste, optimizing resource use, and extending the lifecycle of materials through reuse and recycling. Within this context, DRS can be seen as a critical component, encouraging consumers to perceive beverage containers not as disposable items but as valuable resources to be reintegrated into the production cycle. However, the success of DRS depends on several factors, including public participation, policy coherence, economic incentives, and integration with other waste management strategies.

Given the growing interest in sustainable waste management, a thorough examination of DRS is timely and necessary. This study addresses key gaps in the literature, particularly concerning implementation costs and challenges in maintaining high levels of consumer participation and achieving economic sustainability. By offering insights into the factors that contribute to the success or failure of DRS in different contexts, this research provides valuable guidance for policymakers, environmental advocates, and industry stakeholders in designing effective recycling programs.

Ultimately, the findings of this meta-analysis aim to inform future policy decisions and optimize DRS models across different regions, ensuring that these systems achieve high recycling rates in a cost-effective and socially acceptable manner, thereby maximizing their contribution to environmental sustainability and the circular economy.

2. Literature Review

Deposit return systems (DRS) for beverage containers have been widely studied in the literature, with research focusing on their impact on recycling rates, costs of implementation, and long-term sustainability. This review synthesizes findings from various studies across multiple regions, providing a comprehensive overview of the effectiveness and challenges of DRS. It highlights three key areas: (1) the impact of DRS on recycling rates, (2) the economic costs and benefits associated with their implementation, and (3) the long-term successes and challenges faced by different countries in maintaining these systems.

2.1. Impact of DRS on Recycling Rates

Numerous studies have demonstrated that DRS significantly improves recycling rates for beverage containers. A study by Kunz et al. (2020) found that countries with DRS, such as Germany, Norway, and Lithuania, achieve some of the highest recycling rates in the world, often exceeding 90% for materials like plastic, aluminum, and glass. In Germany, for example, the introduction of a nationwide DRS in 2003 led to an increase in the recycling rate for single-use beverage containers from 64% to over 98% within a few years (Meyer, 2021). Similarly, Norway's DRS, which has been in place since the 1990s, boasts a return rate of 95% for plastic bottles and aluminum cans, thanks to a well-established infrastructure and strong public support (Infinitum, 2022).

In contrast, countries without DRS generally report lower recycling rates for beverage containers. The United Kingdom, for example, has a recycling rate of around 70% for beverage containers, significantly lower than countries with DRS (Wrap, 2021). The effectiveness of DRS in increasing recycling rates is further supported by a meta-analysis conducted by the European Commission (2018), which reviewed 15 case studies from various countries and found an average

increase in return rates of 35% following the implementation of DRS. This improvement is primarily attributed to the economic incentive provided by the deposit, which encourages consumers to return containers for a refund rather than discarding them as waste.

However, the effectiveness of DRS can vary depending on the specific design and implementation of the system. For instance, Gelles et al. (2021) observed that the success of DRS in New York State, USA, has been moderate compared to European counterparts due to lower deposit values and a lack of consumer awareness. Their study suggests that a higher deposit value, combined with public education campaigns, could enhance return rates. Additionally, the study by van Hest

et al. (2021) comparing DRS in different European countries found that systems with higher deposit values and comprehensive public awareness campaigns tend to achieve higher return rates, underscoring the importance of system design in determining effectiveness.

2.2. Economic Costs and Benefits of DRS Implementation

The economic implications of implementing DRS are complex and multifaceted. While DRS can lead to significant environmental benefits, the costs of setting up and maintaining these systems can be substantial. A study by Eunomia Research & Consulting (2020) examined the costs of implementing DRS in Scotland and estimated an initial investment of £75 million, with annual operating costs ranging between £50 and £60 million. These costs are mainly associated with establishing collection infrastructure, such as reverse vending machines, administrative expenses, and costs related to consumer education and awareness campaigns.

Despite the high initial costs, many studies highlight the potential for long-term economic benefits. Watkins et al. (2020) conducted a cost-benefit analysis of DRS across several European countries and found that the systems generally pay for themselves within 5 to 7 years due to the reduced costs of waste management and increased revenues from recycled materials. In Germany, the revenues generated from the sale of high-quality recyclates, combined with unclaimed deposits, help offset operational costs, making the DRS economically viable (Meyer, 2021). Moreover, the DRS in Norway, operated by Infinitum, is noted for its efficiency, with a self- financing model that minimizes public expenditure (Infinitum, 2022).

However, the cost-effectiveness of DRS is not universally agreed upon. A report by the Beverage Industry Environmental Roundtable (BIER, 2020) highlights concerns from industry stakeholders about the potential impact of DRS on production costs and market competitiveness. The report suggests that the costs associated with implementing DRS could be passed on to consumers in the form of higher prices for beverages, which may reduce demand. Furthermore, some stakeholders argue that DRS can create additional logistical challenges, particularly for small retailers who may lack the space and resources to manage returned containers (Gillespie, 2019).

To mitigate these challenges, several countries have explored hybrid models that combine DRS with other waste management strategies. For example, in Sweden, DRS is integrated with curbside collection systems, allowing consumers to choose between returning containers to collection points or placing them in designated recycling bins (Hage et al., 2018). This approach has helped to reduce costs and increase flexibility for consumers, contributing to high recycling rates and broad public acceptance of the system.

2.3. Long-term Successes and Challenges of DRS

The long-term success of DRS depends on several factors, including public participation, policy consistency, and adaptability to changing market conditions. Research shows that countries with established DRS, such as Germany and Norway, benefit from high levels of public participation and strong institutional support. According to Bartl et al. (2021), the success of these systems is largely due to their ability to maintain high return rates over time through continuous public engagement, technological upgrades, and a supportive policy environment.

However, sustaining the success of DRS over the long term is not without challenges. One of the most significant challenges is ensuring ongoing public engagement. A study by Boesen et al. (2022) found that public participation in DRS can decline over time if consumers perceive the system as inconvenient or if the deposit value does not keep pace with inflation. The study also highlights the importance of regular public education campaigns to maintain awareness and promote positive attitudes toward recycling.

Another challenge is the potential for unintended consequences, such as fraud and illegal activities. Several studies have documented cases of cross-border fraud, where containers from regions without DRS are illegally returned in areas

with DRS to claim refunds (European Commission, 2018). This issue has been particularly problematic in regions with porous borders and varying deposit values, such as between Germany and Poland (Bartl et al., 2021). Addressing such challenges requires robust enforcement mechanisms and international cooperation.

Moreover, the adaptability of DRS to changing market conditions and consumer behaviors is crucial for their long-term viability. For example, the shift towards online shopping and home delivery services has necessitated modifications to traditional DRS models. Countries like Norway and Finland have introduced digital solutions, such as mobile apps and online registration systems, to facilitate container returns and enhance consumer convenience (Infinitum, 2022). Such innovations are critical to ensuring that DRS remains relevant and effective in a rapidly changing market landscape.

The literature demonstrates that deposit return systems can significantly improve recycling rates and offer substantial environmental and economic benefits. However, their success is contingent upon several factors, including the design of the system, public participation, and the ability to adapt to changing circumstances. While DRS has proven effective in many contexts, challenges related to costs, stakeholder resistance, and unintended consequences remain significant. Further research is needed to explore innovative models that integrate DRS with other waste management strategies and to develop more effective policies that can enhance the sustainability of these systems.

3. Methodology

This meta-analysis aims to evaluate the effectiveness, economic costs, and long-term sustainability of deposit return systems (DRS) for beverage containers across different countries. To achieve this, the study employs a systematic review approach combined with meta-analytical techniques to synthesize quantitative and qualitative data from a wide range of sources. The methodology comprises four key components: (1) data sources and search strategy, (2) inclusion and exclusion criteria, (3) data extraction and coding, and (4) data analysis.

3.1. Data Sources and Search Strategy

The primary data for this meta-analysis were collected from peer-reviewed academic journals, government reports, industry publications, and relevant gray literature. A comprehensive search was conducted using electronic databases, including Web of Science, Scopus, PubMed, Google Scholar, and JSTOR, to identify relevant studies published between 2000 and 2024. Additional sources included reports from environmental agencies, non-governmental organizations (NGOs), and policy think tanks, such as the European Commission, the Ellen MacArthur Foundation, and the World Wildlife Fund (WWF).

The search strategy employed a combination of keywords and Boolean operators to ensure a thorough retrieval of pertinent studies. Keywords included "deposit return system," "DRS," "beverage containers," "recycling rates," "cost-benefit analysis," "economic impact," "long-term sustainability," and "implementation challenges." The search was conducted in English, but studies published in other languages were considered if they provided an English abstract or

3.2. Inclusion and Exclusion Criteria

To ensure the relevance and quality of the studies included in this meta-analysis, a set of inclusion and exclusion criteria were established:

3.2.1. Inclusion Criteria

- Type of Study: Empirical studies, case studies, government reports, and industry analyses that provided quantitative data on recycling rates, costs, or long-term outcomes related to DRS.
- Geographical Scope: Studies from all countries and regions were included to provide a global perspective.
- Time Frame: Only studies published from 2000 to 2024 were included to ensure the analysis reflects contemporary DRS practices and outcomes.
- Language: Studies published in English or with an English summary were considered.

3.2.2. Exclusion Criteria

- Type of Study: Opinion pieces, editorials, and studies lacking empirical data were excluded.
- Geographical Scope: Studies focusing solely on waste management practices unrelated
- to DRS or on other types of recycling systems (e.g., curbside recycling without a deposit component) were excluded.
- Data Quality: Studies with incomplete data or insufficient methodological rigor (e.g., small sample sizes, lack of transparency in data collection methods) were excluded.

3.3. Data Extraction and Coding

Once the relevant studies were identified, data extraction was performed using a standardized form to ensure consistency and minimize bias. The data extraction form captured the following key information from each study:

- Publication Details: Author(s), year of publication, source, and type of publication (e.g., journal article, government report).
- Geographical Context: Country or region where the DRS was implemented.
- DRS Characteristics: Description of the DRS, including deposit values, collection methods, and scope (e.g., types of containers covered).
- Recycling Rates: Reported recycling rates before and after the implementation of DRS, where available.
- Economic Data: Cost data related to the implementation and operation of DRS, including initial setup costs, annual operational costs, and revenue generated from recyclates and unclaimed deposits.
- Qualitative Data: Information on stakeholder perceptions, public participation levels, and
- challenges faced in implementation and maintenance.
- Outcome Measures: Reported outcomes related to long-term sustainability, such as changes in public behavior, market impacts, and policy adaptations.

Each study was assigned a unique identifier, and the data were coded into an Excel database for analysis. To ensure reliability, two independent reviewers extracted data from a random sample of studies, and discrepancies were resolved through discussion and consensus.

3.4. Data Analysis

The data analysis was conducted in two stages: (a) quantitative analysis of recycling rates and economic costs and (b) qualitative synthesis of long-term successes and challenges.

3.4.1. Quantitative Analysis

A meta-analytical approach was used to synthesize the quantitative data on recycling rates and economic costs associated with DRS. The analysis involved calculating weighted averages of recycling rates across different countries and regions, with weights determined by the sample size and quality of each study. A random-effects model was employed to account for heterogeneity across studies, reflecting the diverse contexts in which DRS are implemented (Hedges & Olkin, 1985).

To assess the economic impact of DRS, a cost-benefit analysis (CBA) framework was applied. This involved aggregating cost data (initial setup and annual operational costs) and benefit data (revenues from recyclates, unclaimed deposits, and savings from reduced waste management costs) to estimate net benefits. The net present value (NPV) and internal rate of return (IRR) were calculated to determine the cost-effectiveness of DRS across different contexts.

3.4.2. Qualitative Synthesis

The qualitative data were synthesized using a thematic analysis approach to identify common themes related to the long-term successes and challenges of DRS. Thematic coding was applied to categorize data into key areas such as public engagement, policy stability, stakeholder resistance, and adaptability to market changes. The synthesis aimed to draw insights into the factors that contribute to or hinder the long-term viability of DRS.

Subgroup Analysis: Subgroup analyses were conducted to explore potential sources of heterogeneity in the data. These analyses examined variations in recycling rates and economic outcomes based on factors such as deposit value, type of beverage containers covered, collection methods, and public education efforts. Additionally, geographical differences were explored to identify region-specific challenges and best practices.

3.5. Sensitivity Analysis

To assess the robustness of the findings, sensitivity analyses were conducted by systematically excluding studies with high risk of bias or those that deviated significantly from the mean results. The purpose of this analysis was to determine whether the overall conclusions of the meta- analysis would change under different assumptions or data exclusion scenarios.

Limitations

The methodology acknowledges several limitations. First, the reliance on published studies may introduce publication bias, as studies reporting positive outcomes are more likely to be published. Second, the variability in study designs, contexts, and data quality may affect the comparability of results. Finally, the exclusion of non-English studies could limit the representation of experiences from non-English-speaking countries.

By employing a systematic review and meta-analytical approach, this study aims to provide a comprehensive evaluation of DRS across different regions, highlighting their impact on recycling rates, economic costs, and long-term sustainability. The findings will offer valuable insights for policymakers, environmental organizations, and industry stakeholders interested in optimizing DRS as a tool for sustainable waste management.

4. Results

This section presents a comprehensive evaluation of deposit return systems (DRS) for beverage containers across 20 countries, based on 45 studies that focus on their impact on recycling rates, economic costs and benefits, and long-term successes and challenges. The results provide a comparative analysis of the effectiveness and sustainability of DRS across these different jurisdictions.

4.1. Impact of DRS on Recycling Rates

The meta-analysis demonstrates that DRS implementation has led to significant increases in recycling rates across diverse contexts. Overall, countries with a well-designed DRS report substantial gains in recycling rates, although the extent of these gains varies depending on several factors, such as deposit values, system design, and public engagement.

Detailed Findings on Recycling Rates Across 20 Countries

- Germany: Since implementing DRS in 2003, Germany's recycling rates for single-use beverage containers increased from 64% to over 98% within five years. The system is supported by a high deposit value (€0.25 per container), extensive coverage of container types, and strong public education efforts (Meyer, 2021).
- Norway: Norway's DRS, managed by Infinitum, achieves return rates of 95% for plastic
- bottles and 97% for aluminum cans. High deposit values (NOK 2-3 per container), a vast network of reverse vending machines, and effective public engagement strategies underpin its success (Infinitum, 2022).
- Lithuania: Following the implementation of DRS in 2016, Lithuania's recycling rates increased from 33% to 91%. The system's effectiveness is driven by a moderate deposit value (€0.10 per container), extensive use of reverse vending machines, and comprehensive public awareness campaigns (Kunz et al., 2020).
- Sweden: Sweden's DRS, established in the early 1980s and expanded in the 1990s, maintains a return rate of approximately 85% for all beverage containers. The system benefits from integration with curbside collection and relatively high deposit values (SEK 1-2 per container) (Hage et al., 2018).
- Denmark's DRS, initiated in 2002, covers a wide range of beverage containers and achieves a recycling rate of 89% (Miljøstyrelsen, 2021). The system employs a deposit value ranging from DKK 1-3 per container and is supported by high public participation and strong regulatory frameworks.
- Finland: Finland reports a return rate of 94% for PET bottles and 92% for aluminum cans under its DRS, implemented in 1996 (Palpa, 2021). The system is characterized by high deposit values (€0.10-0.40 per container) and efficient reverse vending machine networks.
- Estonia: Estonia introduced a DRS in 2005, which resulted in a recycling rate increase from 50% to over 90% for beverage containers (System Service Estonia, 2021). The success is attributed to moderate deposit values (€0.10-€0.20 per container) and public awareness initiatives.
- Netherlands: The Netherlands introduced DRS for large PET bottles in 2005 and extended it to small bottles in 2021. The system achieves a recycling rate of approximately 95% for PET bottles, supported by a deposit value of €0.15 (Rijkswaterstaat, 2022).
- Iceland: Iceland has operated a DRS since 1989, with recycling rates stabilizing at around 85-90% (Samband Íslenskra Sveitarfélaga, 2020). The system uses a deposit value of ISK 15 per container and has strong public and retailer support.
- Canada: Different provinces in Canada have varying DRS. For instance, British Columbia reports a return rate of 77% for all beverage containers, while Alberta achieves around 83% (Government of Alberta, 2021; Encorp Pacific, 2022). Differences in deposit values (CAD 0.05-0.25 per container) and system coverage explain these variations.

- Australia: Several Australian states, including New South Wales and South Australia, have implemented DRS. New South Wales reports a return rate of 73%, while South Australia, with a more established system, achieves around 85% (EPA South Australia, 2021; Return and Earn, 2022).
- United Kingdom: Scotland plans to implement a DRS in 2024, aiming for recycling rates exceeding 90% (Eunomia Research & Consulting, 2020). Wales and England are also considering DRS, with projections indicating potential recycling rates of 85-90% (Wrap, 2021).
- Ireland: Ireland's DRS, to be launched in 2024, is expected to cover plastic bottles and aluminum cans, with a projected recycling rate of 90% (Irish Department of the Environment, Climate and Communications, 2022).
- New Zealand: New Zealand has announced plans to introduce a DRS by 2025, targeting a 90% return rate for beverage containers (Ministry for the Environment, 2021).
- United States: The effectiveness of DRS in the United States varies by state. States like California and New York have recycling rates around 70-74%, while Oregon and Michigan, with higher deposit values, achieve return rates of 85-90% (Gelles et al., 2021; Bottle Bill Resource Guide, 2022).
- Croatia: Croatia introduced DRS in 2006 and reports a recycling rate of 88% for beverage containers, supported by a deposit value of HRK 0.50 per container and strong public engagement (Fond za zaštitu okoliša i energetsku učinkovitost, 2021).
- Latvia: Latvia implemented DRS in 2022, achieving an initial recycling rate of 70% within the first year. The system's success is expected to increase as public awareness grows (Latvian Green Dot, 2023).
- Malta: Malta launched its DRS in 2023, targeting a 75% recycling rate in the first two years. Early results suggest the system is on track to meet this goal (Maltese Environment and Resources Authority, 2023).
- Portugal: Portugal plans to introduce a DRS in 2025, with projections indicating a potential recycling rate of 80-85% (Portuguese Environment Agency, 2022).
- Slovakia: Slovakia introduced DRS in 2022, achieving a 60% recycling rate within the first year. The system is expected to increase effectiveness with further public engagement (Slovak Ministry of Environment, 2023).

These aforementioned results are summarized in Table 1.

Table 1 Comparative Table of Recycling Rates across 20 Countries

Country	Year of Implementation	Deposit Value	Recycling Rate Before DRS	Recycling Rate After DRS	Increase in Recycling Rate
Germany	2003	€0.25	64%	98%	+34%
Norway	1999	NOK 2-3	80%	95% (plastic), 97% (aluminum)	+15-17%
Lithuania	2016	€0.10	33%	91%	+58%
Sweden	1984 (expanded 1990s)	SEK 1-2	70%	85%	+15%
Denmark	2002	DKK 1-3	50%	89%	+39%
Finland	1996	€0.10-€0.40	60%	94% (PET), 92% (aluminum)	+34% (PET), +32% (aluminum)
Estonia	2005	€0.10-€0.20	50%	90%	+40%
Netherlands	2005 (large PET), 2021 (small PET)	€0.15	70%	95%	+25%
Iceland	1989	ISK 15	60%	85-90%	+25-30%
Canada (British Columbia)	1970	CAD 0.05-0.25	60%	77%	+17%
Canada (Alberta)	1997	CAD 0.10-0.25	70%	83%	+13%

Australia (New South Wales)	2017	AUD 0.10	40%	73%	+33%
Australia (South Australia)	1977	AUD 0.10	60%	85%	+25%
United Kingdom (Scotland)	Planned 2024	£0.20	N/A	Projected > 90%	N/A
Ireland	Planned 2024	TBD	N/A	Projected 90%	N/A
New Zealand	Planned 2025	TBD	N/A	Projected 90%	N/A
United States (California)	1986	$0.05-$0.10	60%	74%	+14%
United States (Michigan)	1976	$0.10	80%	90%	+10%
Croatia	2006	HRK 0.50	50%	88%	+38%
Latvia	2022	€0.10	N/A	70%	Initial
Malta	2023	€0.10	N/A	75% (projected)	Initial
Portugal	Planned 2025	TBD	N/A	Projected 80-85%	N/A
Slovakia	2022	€0.15	N/A	60%	Initial

4.2. Economic Costs and Benefits of DRS Implementation

The economic analysis of deposit return systems (DRS) provides valuable insights into the costs and benefits of these programs across different countries. Th**e initial setup costs, ongoing** operational expenses, and revenues generated from recycled materials and unclaimed deposits are critical factors that determine the long-term sustainability of DRS. In this section, we will provide a detailed analysis of the economic costs and benefits associated with DRS implementation in 20 countries.

4.3. Initial Setup Costs and Operational Expenses

4.3.1. Germany

Germany implemented its DRS in 2003, investing approximately €100 million to establish the necessary infrastructure, including over 25,000 reverse vending machines and a centralized system for managing deposits and recycling data (Meyer, 2021). The annual operational costs are around €60 million. However, the system generates approximately €210 million in annual revenue from the sale of high-quality recyclates and unclaimed deposits, resulting in net savings of €150 million per year. Germany's DRS is cost-effective within 3-5 years due to high public participation rates and efficient operations.

4.3.2. Norway

Norway's DRS, managed by the non-profit organization Infinitum, is considered one of the most cost-effective globally. The initial setup cost was NOK 600 million (about €60 million), with annual operating costs of NOK 300 million (around €30 million) (Infinitum, 2022). High return rates of over 95% and substantial revenues from recyclates and unclaimed deposits amount to NOK 700 million (around €70 million) per year, resulting in net savings of NOK 400 million (around €40 million) annually. The system achieves cost-effectiveness within 2-4 years.

4.3.3. Lithuania

Lithuania launched its DRS in 2016, with initial setup costs estimated at €30 million. The annual operating expenses are around €15 million, while the revenues from recyclates and unclaimed deposits amount to approximately €50 million per year (Kunz et al., 2020). This leads to net annual savings of €35 million, allowing the system to become cost-effective within three years. Lithuania's high return rates (around 91%) contribute significantly to its economic success.

4.3.4. Sweden

Sweden's DRS, in place since the early 1980s and expanded in the **1990s, had initial setup costs** of SEK 500 million (around €45 million) and annual operational c**osts of SEK 250 million (around** €22.5 million) (Hage et al., 2018). With revenues of SEK 400 million from recyclates and unclaimed deposits, Sweden achieves net annual savings of SEK 150 million. The system is cost- effective within 4-5 years due to efficient integration with curbside collection and high public engagement.

4.3.5. Denmark

Denmark's DRS, implemented in 2002, required an initial investment of DKK 400 million (approximately €53 million). The annual operating costs are estimated at DKK 200 million (around €27 million) (Miljøstyrelsen, 2021). Despite the substantial setup costs, Denmark's DRS has proven economically viable, generating annual revenues of DKK 300 million from recyclates and unclaimed deposits, resulting in net savings of DKK 100 million per year. The payback period for Denmark's DRS is 5-6 years.

4.3.6. Finland

Finland's DRS, operational since 1996, had an initial setup cost of around €30 million, with annual operating expenses estimated at €15 million (Palpa, 2021). The system generates approximately €50 million in revenue from recyclates and unclaimed deposits each year, leading to net annual savings of €35 million. Finland's high return rates (94% for PET bottles and 92% for aluminum cans) ensure that the DRS is cost-effective within three years.

4.3.7. Estonia

Estonia introduced its DRS in 2005, with initial setup costs of €10 million. The annual operational costs are about €5 million, while revenues from recyclates and unclaimed deposits amount to €18 million annually (System Service Estonia, 2021). This results in net savings of €13 million per year, allowing the system to become cost-effective within 2-3 years.

4.3.8. Netherlands

The Netherlands implemented its DRS for large PET bottles in 2005 and expanded to include small bottles in 2021. The initial setup costs were €50 million, with annual operating costs of €20 million (Rijkswaterstaat, 2022). Revenues from recyclates and unclaimed deposits amount to approximately €35 million per year, resulting in net savings of €15 million annually. The system is expected to achieve cost-effectiveness within 4-5 years.

4.3.9. Iceland

Iceland has operated a DRS since 1989, with initial setup costs of ISK 200 million (around €1.3 million) and annual operating costs of ISK 120 million (approximately €800,000) (Samband Íslenskra Sveitarfélaga, 2020). Revenues from recyclates and unclaimed deposits generate about ISK 200 million (€1.3 million) per year, resulting in net annual savings of ISK 80 million (€500,000). The system became cost-effective within 3-4 years due to high public participation.

4.3.10. Canada

Canada's DRS is implemented at the provincial level, leading to variations in economic outcomes:

- British Columbia: The system, established in 1970, had an initial setup cost of CAD 50 million (around €35 million). Annual operating costs are CAD 30 million (around €21 million), while revenues from recyclates and unclaimed deposits amount to CAD 70 million (€49 million) annually, resulting in net savings of CAD 40 million (€28 million) per year. The system has been cost-effective since the mid-1970s (Encorp Pacific, 2022).
- Alberta: Alberta's DRS, initiated in 1997, incurs annual operating costs of CAD 40 million (around €28 million) and generates revenues of CAD 75 million (around €53 million) from recyclates and unclaimed deposits. This results in net savings of CAD 35 million (€25 million) per year, achieving cost-effectiveness within 5-6 years (Government of Alberta, 2021).

4.3.11. Australia

Several Australian states have implemented DRS

- New South Wales: The "Return and Earn" scheme, launched in 2017, required an initial investment of AUD 100 million (around €65 million). Annual operational costs are estimated at AUD 70 million (approximately €45 million) (Return and Earn, 2022). Revenues from recyclates and reduced landfill costs contribute AUD 120 million (€80 million) per year, leading to net savings of AUD 50 million (€33 million). The system is cost-effective within 5-7 years.
- South Australia: South Australia's DRS, operational since 1977, has an annual operating cost of AUD 30 million (around €20 million). The system generates revenues of AUD 45 million (€30 million) from recyclates and unclaimed deposits, achieving net savings of AUD 15 million (€10 million) annually. South Australia's DRS has been cost-effective for decades due to high return rates (EPA South Australia, 2021).

4.3.12. United Kingdom

The UK is at different stages of DRS implementation:

- Scotland: Scotland's DRS, set to launch in 2024, is projected to require an initial investment of £75 million (around €87 million) and annual operational costs of £50-60 million (€58-70 million) (Eunomia Research & Consulting, 2020). The system is expected to generate £85 million (€99 million) in annual revenues from recyclates and unclaimed deposits, with net savings of £35 million (€41 million) and a payback period of 5-7 years.
- Wales and England: Both regions are in planning phases. Wales anticipates an initial setup cost of £80 million and annual operational costs of £50 million, with projected revenues of £75 million. England is expected to have similar figures, with both aiming for cost-effectiveness within 5-8 years (Wrap, 2021).

4.3.13. Ireland

Ireland's DRS is planned for launch in 2024, with initial setup costs estimated at €60 million and annual operating expenses projected at €30 million (Irish Department of the Environment, Climate and Communications, 2022). The anticipated revenue from recyclates and unclaimed deposits is €50 million annually, which would lead to net savings of €20 million per year, achieving cost-effectiveness within 4-5 years.

4.3.14. New Zealand

New Zealand plans to introduce a DRS by 2025, with expected initial costs of NZD 70 million (around €40 million) and annual operating expenses of NZD 35 million (€20 million) (Ministry for the Environment, 2021). Revenues from recyclates and unclaimed deposits are projected to reach NZD 60 million (€34 million) annually, resulting in net savings of NZD 25 million (€14 million) and a payback period of 4-6 years.

4.3.15. United States

In the U.S., DRS outcomes vary by state:

- California: California's DRS, established in 1986, had an initial setup cost of $200 million (around €190 million). Annual operational costs are approximately $120 million (€114 million), with revenues from recyclates and unclaimed deposits generating $140 million (€133 million) per year. The system achieves net savings of $20 million (€19 million) annually, with a longer payback period of 8-10 years due to lower deposit values and moderate public participation rates (Gelles et al., 2021).
- Michigan: Michigan's DRS, in place since 1976, incurs annual operating costs of $90 million (€85 million) but generates $110 million (€104 million) in revenue from recyclates and unclaimed deposits. This results in net savings of $20 million (€19 million) annually, with a payback period of 7-9 years (Bottle Bill Resource Guide, 2022).

4.3.16. Croatia

Croatia's DRS, implemented in 2006, had initial setup costs of HRK 300 million (around €40 million) and annual operating expenses of HRK 150 million (around €20 million) (Fond za zaštitu okoliša i energetsku učinkovitost, 2021). The system generates revenues of HRK 250 million (€33 million) from recyclates and unclaimed deposits, resulting in net savings of HRK 100 million (€13 million) annually. The system is cost-effective within 4-5 years.

4.3.17. Latvia

Latvia introduced its DRS in 2022, with initial setup costs of €20 million. The annual operating costs are estimated at €10 million, and revenues from recyclates and unclaimed deposits are projected to reach €25 million within two years, leading to net savings of €15 million annually and cost-effectiveness within 3-4 years (Latvian Green Dot, 2023).

4.3.18. Malta

Malta launched its DRS in 2023, with initial setup costs of €15 million and projected annual operating costs of €7 million (Maltese Environment and Resources Authority, 2023). The system is expected to generate €12 million in annual revenues from recyclates and unclaimed deposits, resulting in net savings of €5 million per year, with cost-effectiveness projected within 4-5 years.

4.3.19. Portugal

Portugal plans to implement a DRS by 2025, with initial costs estimated at €50 million and annual operating expenses projected at €25 million (Portuguese Environment Agency, 2022). Revenues from recyclates and unclaimed deposits are expected to reach €40 million annually, resulting in net savings of €15 million per year and achieving cost-effectiveness within 5-6 years.

4.3.20. Slovakia

Slovakia launched its DRS in 2022, with initial setup costs of €25 million and annual operating costs of €12 million (Slovak Ministry of Environment, 2023). Revenues from recyclates and unclaimed deposits are projected to reach €22 million within three years, resulting in net savings of €10 million annually and a payback period of 3-4 years.

These results are summarized in Table 2 below:

Table 2 Comparative Analysis of Economic Costs and Benefits

Country	**Initial Setup Cost**	**Annual Operating Cost**	**Revenue from Recyclates & Unclaimed Deposits**	**Net Annual Savings**	**Payback Period**
Germany	€100 million	€60 million	€210 million	€150 million	3-5 years
Norway	NOK 600 million (€60 million)	NOK 300 million (€30 million)	NOK 700 million (€70 million)	NOK 400 million (€40 million)	2-4 years
Lithuania	€30 million	€15 million	€50 million	€35 million	3 years
Sweden	SEK 500 million (€45 million)	SEK 250 million (€22.5 million)	SEK 400 million (€36 million)	SEK 150 million (€13.5 million)	4-5 years
Denmark	DKK 400 million (€53 million)	DKK 200 million (€27 million)	DKK 300 million (€40 million)	DKK 100 million (€13 million)	5-6 years
Finland	€30 million	€15 million	€50 million	€35 million	3 years
Estonia	€10 million	€5 million	€18 million	€13 million	2-3 years
Netherlands	€50 million	€20 million	€35 million	€15 million	4-5 years
Iceland	ISK 200 million (€1.3 million)	ISK 120 million (€800,000)	ISK 200 million (€1.3 million)	ISK 80 million (€500,000)	3-4 years
Canada (BC)	CAD 50 million (€35 million)	CAD 30 million (€21 million)	CAD 70 million (€49 million)	CAD 40 million (€28 million)	3-4 years
Australia (NSW)	AUD 100 million (€65 million)	AUD 70 million (€45 million)	AUD 120 million (€80 million)	AUD 50 million (€33 million)	5-7 years

UK (Scotland)	£75 million (€87 million)	£50-60 million (€58-70 million)	£85 million (€99 million)	£35 million (€41 million)	5-7 years
Ireland	€60 million	€30 million	€50 million	€20 million	4-5 years
New Zealand	NZD 70 million (€40 million)	NZD 35 million (€20 million)	NZD 60 million (€34 million)	NZD 25 million (€14 million)	4-6 years
US (California)	$200 million (€190 million)	$120 million (€114 million)	$140 million (€133 million)	$20 million (€19 million)	8-10 years
Croatia	HRK 300 million (€40 million)	HRK 150 million (€20 million)	HRK 250 million (€33 million)	HRK 100 million (€13 million)	4-5 years
Latvia	€20 million	€10 million	€25 million	€15 million	3-4 years
Malta	€15 million	€7 million	€12 million	€5 million	4-5 years
Portugal	€50 million	€25 million	€40 million	€15 million	5-6 years
Slovakia	€25 million	€12 million	€22 million	€10 million	3-4 years

The analysis shows that while the initial setup costs of DRS can vary widely depending on the country and the scope of the system, many countries are able to achieve cost-effectiveness within a relatively short period of time (usually 3-7 years). Factors contributing to economic viability include high return rates, efficient operational models, comprehensive public engagement strategies, and robust infrastructure. Countries with high deposit values, strong policy support, and effective stakeholder collaboration tend to achieve the best economic outcomes. This analysis provides a comprehensive understanding of the diverse economic impacts of DRS and offers valuable insights for countries considering implementing or optimizing DRS for sustainable waste management.

5. Discussion

The long-term sustainability and effectiveness of deposit return systems (DRS) depend on several interconnected factors that include public participation, consistent policy frameworks, adaptability to market changes, and stakeholder engagement. While many countries have achieved significant success with DRS, ensuring that these systems remain effective over time requires continuous effort and adaptation to new challenges. This section provides a detailed analysis of the successes and challenges of DRS in the long term, drawing from experiences across 20 countries.

5.1. Factors contributing to the long term success of DRS systems

5.1.1. Sustained Public Participation and Engagement

Sustained public participation is crucial to the long-term success of deposit return systems (DRS) because the effectiveness of these programs relies heavily on high rates of container return. Continuous public engagement and education campaigns are essential to maintain high participation levels, foster a culture of recycling, and prevent the program from becoming obsolete or underutilized over time.

Countries with high-performing DRS, such as Norway, Germany, and Finland, have prioritized sustained public engagement through a variety of strategies. In Norway, for instance, the government and industry stakeholders have implemented a multi-pronged approach to public engagement that includes regular awareness campaigns, educational programs in schools, and partnerships with local municipalities. These initiatives highlight the environmental and economic benefits of recycling and ensure that the public remains informed about the importance of returning beverage containers. Digital tools such as the

Infinitum app have further enhanced engagement by allowing consumers to easily locate nearby collection points, check their deposit balances, and receive real-time updates on the system's performance. This multifaceted approach has helped maintain return rates of over 95% for plastic bottles and aluminum cans, even amid changing consumer behaviors and market dynamics (Infinitum, 2022).

Germany's DRS success is similarly attributed to extensive public outreach programs. Since its introduction in 2003, Germany's DRS has maintained a consistent return rate of around 98%. This achievement is largely due to comprehensive public education efforts that emphasize the environmental impact of waste and the role of recycling in conserving resources. Public awareness campaigns regularly inform citizens about the mechanics of the DRS, the benefits of recycling, and how their participation contributes to broader environmental goals. Additionally, Germany has leveraged partnerships with local environmental groups, municipalities, and schools to reinforce these messages, thereby creating a culture of recycling that is deeply embedded in public consciousness (Meyer, 2021).

In Sweden, public participation in DRS has been strengthened by integrating the system with other waste management strategies, such as curbside recycling programs. This integration has made it easier and more convenient for consumers to return containers, reinforcing recycling behaviors and providing multiple avenues for container returns. As a result, Sweden has achieved a return rate of approximately 85% (Hage et al., 2018). The country's strategy also includes continuous feedback mechanisms, where data on recycling rates and the environmental impact of DRS are shared with the public to sustain interest and participation.

To maintain high levels of public participation, it is crucial to understand that engagement efforts must be ongoing and evolve with changing consumer preferences and societal norms. The effectiveness of these efforts is often dependent on clear communication, convenience, and incentives. Countries with robust DRS programs consistently invest in public education and outreach, highlighting that such efforts are not one-time initiatives but require continuous attention to sustain success.

5.1.2. Policy Consistency and Stability

The long-term success of DRS also depends on the presence of consistent and stable policy frameworks. Stable policies provide a clear direction for stakeholders, reduce uncertainty, promote long-term planning, and encourage investment in recycling infrastructure and related technologies. Countries with successful DRS programs have generally embedded these systems within broader waste management and circular economy policies, ensuring alignment with other environmental goals.

Germany offers a prime example of how policy consistency contributes to DRS success. The German DRS is integrated into the country's wider circular economy strategy, which includes a strong regulatory framework for waste reduction and recycling. By aligning DRS with other environmental initiatives, Germany has created a stable regulatory environment that fosters innovation and investment within the recycling sector. The policy coherence has been critical in maintaining high return rates and encouraging the development of advanced recycling technologies (Meyer, 2021). Moreover, the stability of the policy framework has given stakeholders—ranging from beverage producers to waste management companies—confidence to invest in long-term solutions, such as automated reverse vending machines and digital tracking systems.

Similarly, in Sweden, the government's consistent support for DRS, reinforced by legislation that mandates participation by all beverage producers and retailers, has created a stable operating environment that has supported sustained high return rates. The Swedish government has also ensured that policies governing DRS are harmonized with other national and EU waste management regulations, providing a coherent framework that facilitates compliance and minimizes administrative burdens for businesses (Hage et al., 2018).

In contrast, countries where DRS policies are subject to frequent changes or lack coherence often struggle to maintain effectiveness. For example, some Eastern European countries have experienced challenges due to inconsistent policy support and frequent regulatory shifts. In these cases, fluctuating policies have created uncertainty for stakeholders, reduced public confidence in the system, and led to lower participation rates (Bartl et al., 2021). The lack of stable policies also makes it difficult for DRS operators to plan effectively, secure funding, or invest in necessary infrastructure, ultimately undermining the sustainability of the system.

To ensure long-term success, DRS policies need to be consistent, transparent, and aligned with broader environmental goals. Policymakers should engage in regular dialogue with stakeholders to address concerns and adapt regulations to emerging best practices and changing market conditions. Additionally, maintaining policy stability over time helps build public trust and encourages sustained participation.

5.1.3. Adaptability to Market Changes

Adaptability to evolving market conditions and consumer behaviors is another critical factor that influences the long-term success of DRS. As consumer preferences shift, particularly with the rise of e- commerce, digital transactions, and

home delivery services, traditional DRS models may need to adapt to remain effective. Failure to adjust to these changes can result in declining return rates and reduced overall system effectiveness.

Norway and Finland provide examples of how DRS can adapt to changing market conditions through innovation and technological advancements. Norway's DRS has incorporated digital solutions, such as mobile apps and online registration systems, to enhance consumer convenience and engagement. The Infinitum app, for example, allows consumers to easily locate collection points, register deposits, and receive updates about the recycling system's performance. These digital tools are designed to make the return process more accessible and to engage younger, tech-savvy consumers who might otherwise be less likely to participate (Infinitum, 2022).

Finland has similarly expanded its DRS to cover a wider range of container types, including those used in the growing market for ready-to-drink beverages and other non-traditional packaging formats. This expansion reflects an understanding of shifting consumer behavior, where there is increasing demand for convenience and on-the-go consumption. By broadening the scope of their DRS to accommodate these new products, Finland ensures that its system remains relevant and effective in promoting recycling (Palpa, 2021).

However, adapting to market changes is not without challenges. Implementing new technologies and expanding the scope of DRS requires significant financial investment, stakeholder coordination, and public education. Additionally, as new consumer behaviors emerge, DRS operators must continually monitor trends and adjust strategies to maintain high participation rates. For instance, the rise of online shopping has reduced the frequency of in-store purchases, potentially decreasing the opportunity for consumers to return containers. To counter this, some jurisdictions have explored partnerships with e-commerce companies to create more convenient return options, such as home pick-up services or integrating DRS returns into existing delivery networks.

Adapting to technological changes also requires the development of robust digital infrastructure, which can involve significant upfront costs and ongoing maintenance expenses. Ensuring that these technologies are user-friendly and accessible to all segments of the population is crucial for maintaining equitable participation rates. Additionally, DRS systems must be designed to withstand rapid technological advancements, necessitating flexible, modular systems that can be easily upgraded or expanded as needed.

5.1.4. Strong Stakeholder Collaboration and Engagement

Strong collaboration among stakeholders—including government authorities, beverage producers, retailers, waste management companies, and consumers—is essential for the success of DRS. Effective collaboration ensures that the system is well-coordinated, cost-effective, and widely supported, while also fostering innovation and responsiveness to emerging challenges.

In Sweden, the government has worked closely with retailers and beverage producers to design a DRS that is both efficient and economically viable. This collaboration has led to the development of a system that integrates DRS with curbside collection, reducing costs and enhancing convenience for consumers. By involving all relevant stakeholders from the outset, Sweden has created a system that benefits from broad-based support and minimizes friction between different parties (Hage et al., 2018).

Norway's DRS is another example of successful stakeholder collaboration. The private sector's active involvement, particularly through the not-for-profit organization Infinitum, has helped optimize logistics and infrastructure, leading to high return rates and minimal public funding requirements. Infinitum, which is owned by the beverage industry, operates on a not-for-profit basis and reinvests any surplus back into the system to improve efficiency and effectiveness. This model has encouraged beverage producers and retailers to fully support the system, as they have a direct stake in its success (Infinitum, 2022).

Stakeholder engagement also involves addressing concerns and finding compromises that accommodate the needs and interests of different groups. For example, small retailers often express concerns about the logistical and financial burdens associated with DRS. In response, some countries have implemented shared collection points or offered financial incentives to retailers to participate in the system. Similarly, beverage producers may resist DRS due to the perceived impact on production costs and market competitiveness. To mitigate these concerns, policymakers have worked with industry representatives to design systems that minimize costs and streamline operations.

Ongoing dialogue and collaboration among stakeholders are vital for identifying and addressing potential barriers to participation and finding innovative solutions to emerging challenges. Governments can facilitate this process by

creating platforms for regular communication, fostering partnerships, and ensuring that all voices are heard in the decision-making process.

5.2. Long-term Challenges of DRS

5.2.1. Fraud and Illegal Activities

Fraud and illegal activities pose a significant threat to the sustainability of DRS, particularly in regions with porous borders, differing deposit values, or inconsistent implementation across neighboring jurisdictions. The most common form of fraud involves cross-border return fraud, where containers purchased in regions without a DRS are illegally returned in areas with a deposit system to claim refunds. This fraudulent practice can distort the financial integrity of the system by inflating the number of returned containers beyond what was originally sold within the DRS jurisdiction.

For instance, Germany has experienced considerable challenges with cross-border fraud along its border with Poland, where individuals and organized groups purchase containers in Poland, which lacks a DRS, and then transport them to Germany to illegally claim deposits. This has resulted in substantial economic losses for German DRS operators, who must bear the cost of refunds for containers that were never part of the domestic market in the first place (Bartl et al., 2021). Such fraud not only undermines the financial stability of the DRS but also diverts resources away from legitimate recycling efforts, thereby reducing overall system effectiveness.

To combat this issue, Germany has introduced tighter controls at collection points, such as advanced barcode and digital tracking systems that can identify containers sold outside the country. However, these measures are costly and may require substantial investment in new technologies and infrastructure. Furthermore, effectively tackling cross-border fraud often necessitates international cooperation and the harmonization of deposit systems across borders. For example, the Scandinavian countries, which have well-aligned DRS policies, experience lower levels of cross-border fraud. Yet, achieving such cooperation requires complex negotiations and political will, which may not always be forthcoming. Additional solutions, such as using blockchain technology to create a tamper-proof ledger of container origins, have been proposed, but these innovations are still in their infancy and require significant development and implementation costs.

5.2.2. Resistance from Stakeholders

Resistance from key stakeholders—including small retailers, beverage producers, and distributors— remains a persistent challenge that can impede the successful implementation and long-term sustainability of DRS. Each group has unique concerns that can impact their support for DRS.

Small retailers often express concerns about the logistical and financial burdens of managing returned containers. Handling a high volume of returns can require significant floor space for storage, additional labor costs, and investments in infrastructure such as reverse vending machines. In densely populated urban areas, where retail space is at a premium, these requirements can be particularly burdensome. For example, small retailers in U.S. states like California and New York have reported difficulties in managing the space and resources needed for DRS operations, which has led to opposition and reluctance to participate (Gillespie, 2019). Moreover, retailers may perceive DRS as a disruption to their core business activities, particularly if they lack sufficient space to accommodate collection points or if the return process is perceived as cumbersome by consumers.

Beverage producers, on the other hand, often resist DRS due to concerns about increased production costs and potential impacts on market competitiveness. They argue that the added cost of complying with DRS—such as designing containers to meet specific recycling standards, labeling, and logistical expenses— could increase product prices, reduce profit margins, and potentially lower consumer demand. This resistance is particularly strong in markets where the beverage industry is fragmented or consists of

numerous small and medium-sized enterprises (SMEs) that may lack the resources to absorb these additional costs. The Beverage Industry Environmental Roundtable (2020) has highlighted such concerns, noting that DRS can create an uneven playing field for smaller producers who might struggle more with the cost implications.

To address these concerns, some countries have implemented hybrid models that combine DRS with other waste management strategies. Sweden, for instance, has successfully integrated DRS with curbside recycling programs, providing retailers with greater flexibility and reducing logistical burdens (Hage et al.,

2018). Financial incentives, such as subsidies or tax breaks for participating retailers and producers, and the introduction of shared reverse vending machine facilities among multiple retailers, are also strategies to alleviate resistance. However, these approaches require careful negotiation, stakeholder engagement, and often additional public funding to implement effectively.

5.2.3. High Operational and Administrative Costs

The operational and administrative costs associated with DRS can be significant and may affect their long- term viability, particularly in countries with vast geographical areas or varied population densities. Establishing the necessary infrastructure—such as reverse vending machines, dedicated collection centers, and advanced sorting and recycling facilities—requires substantial initial capital investment. In addition, ongoing costs include maintenance of equipment, transportation logistics for moving collected containers to processing centers, management of data systems to track deposits and refunds, and public education campaigns to maintain participation levels.

For example, in the United States, DRS programs in states like California and Michigan face high operational costs due to the extensive logistics involved in managing container returns across large, diverse areas. These states must maintain a network of collection points and manage the transportation of containers from remote areas, which can be both complex and costly (Gelles et al., 2021). In states with large rural populations or challenging geographic conditions, the costs of transporting returned containers to centralized recycling facilities can be prohibitively expensive.

Additionally, fluctuations in global market prices for recyclables add another layer of complexity to the cost-effectiveness of DRS. When the market value of materials like aluminum, plastic, or glass drops, the revenue generated from selling these recyclables may not be sufficient to cover the costs of operating the DRS, leading to financial deficits that require government subsidies or increased deposit values to maintain system viability. For smaller markets or regions with less developed infrastructure, these financial challenges can be even more daunting, necessitating creative solutions like public-private partnerships, cross-subsidization with other environmental programs, or reliance on international development funding.

5.2.4. Adapting to Consumer Behavior and Technological Changes

Adapting to changing consumer behavior and technological advancements is a critical challenge for maintaining the effectiveness of DRS over time. As consumer preferences evolve, particularly with the growing prevalence of e-commerce and direct-to-home delivery services, traditional DRS models may become less effective. The convenience of online shopping means fewer trips to retail stores, reducing the likelihood of consumers returning containers to collection points associated with these locations.

Additionally, changes in consumption patterns, such as increased use of ready-to-drink beverages in non- traditional packaging, require DRS to expand their scope to accommodate a wider variety of containers.

Norway and Finland have addressed these challenges by adopting innovative technological solutions to enhance consumer convenience and maintain high return rates. Norway, for example, has introduced digital tools like mobile apps and online registration systems that allow consumers to locate collection points, register deposits, and manage refunds without needing to visit a retail store (Infinitum, 2022). Such tools not only make the process more accessible but also help to engage younger, tech-savvy consumers who might otherwise be less likely to participate in traditional DRS.

However, integrating digital solutions into DRS also presents new challenges. For one, these tools require significant investment in technology infrastructure and cybersecurity to protect user data and prevent fraud. Moreover, not all consumers may have access to or be comfortable using digital tools, which could create disparities in participation rates. There is also the risk that rapid technological changes will render current systems obsolete, necessitating continuous upgrades and adaptations that further increase costs. As technology evolves, maintaining an adaptable yet cost-effective DRS will require ongoing investment in both technological and human resources.

5.2.5. Ensuring Consistent Policy and Regulatory Support

Long-term success of DRS heavily depends on consistent policy and regulatory support. In countries where policies frequently change or lack coherence, the effectiveness and sustainability of DRS can be significantly undermined. Regulatory uncertainty can deter investment in essential infrastructure, reduce stakeholder confidence, and complicate efforts to secure public participation.

In several Eastern European countries, for example, inconsistent policy support and frequent regulatory changes have posed significant challenges to the sustainability of DRS. Without a stable regulatory environment, DRS operators face difficulties in planning long-term investments, developing efficient systems, and maintaining high levels of public participation (Bartl et al., 2021). Additionally, inconsistent policies can confuse consumers and stakeholders, leading to reduced participation rates and diminished system effectiveness.

To mitigate these issues, policymakers must prioritize creating a stable and coherent regulatory framework that aligns DRS with broader environmental and waste management goals. This requires a commitment to long-term policy planning and regular review of regulations to adapt to changing conditions and emerging best practices. In some countries, successful DRS have been supported by integrating the system into a broader national strategy for circular economy and waste management, providing a clear policy direction that reduces uncertainty for all stakeholders involved. Additionally, ensuring that policies are transparent, inclusive, and developed with input from all relevant stakeholders—ranging from government bodies and industry representatives to consumer advocacy groups and environmental NGOs—can enhance legitimacy and buy-in, thereby supporting the system's long-term sustainability.

In conclusion, while DRS can significantly enhance recycling rates and offer environmental and economic benefits, their long-term success hinges on effectively addressing these challenges. Policymakers and stakeholders must work collaboratively to develop innovative solutions, maintain consistent policy frameworks, and remain adaptable to changing conditions to ensure that DRS remain effective and sustainable over time.

6. Conclusion

This meta-analysis demonstrates that deposit return systems (DRS) are a vital policy tool for enhancing recycling rates and promoting environmental sustainability. The study synthesizes data from various countries with diverse economic, cultural, and regulatory contexts, revealing that well-designed DRS can significantly increase the collection and recycling of beverage containers. Countries such as Germany, Norway, and Lithuania have achieved exceptional success, with recycling rates often exceeding 90%, primarily due to robust public engagement, consistent policy frameworks, and innovative adaptation to market conditions.

However, while the benefits of DRS are evident, their long-term success is not guaranteed and depends on addressing several complex challenges. High operational and administrative costs remain a significant barrier, especially in large or geographically dispersed regions where logistics and infrastructure investments are substantial. Furthermore, resistance from key stakeholders— such as small retailers and beverage producers—can impede the effective implementation and expansion of DRS. Overcoming this resistance requires careful negotiation, financial incentives, and creative solutions that balance the needs of all parties involved.

Fraud and illegal activities, particularly cross-border fraud, present another critical challenge that can undermine the financial stability and integrity of DRS. The experiences of Germany and other countries highlight the need for rigorous enforcement measures, advanced tracking technologies, and, in some cases, international cooperation to effectively combat fraud. Without these measures, the risk of financial losses and reduced system effectiveness can threaten the viability of DRS.

Moreover, the dynamic nature of consumer behavior and market conditions necessitates that DRS be adaptable and responsive to changes. The rise of e-commerce, digital transactions, and home delivery services means that traditional DRS models must evolve to remain relevant. Successful adaptation involves leveraging new technologies, such as digital tools and mobile apps, to enhance consumer convenience and participation. However, integrating these innovations into existing DRS requires significant investment, stakeholder collaboration, and continuous monitoring to ensure they effectively meet consumer needs.

Policy consistency and stability are also critical to the long-term success of DRS. Countries with coherent and stable regulatory frameworks, such as Germany and Sweden, have managed to maintain high return rates and foster an environment conducive to investment and innovation. In contrast, countries with frequent policy changes or fragmented regulatory approaches often struggle to achieve and sustain the desired outcomes. Therefore, it is crucial for policymakers to provide a stable and predictable policy environment that aligns DRS with broader environmental and waste management goals.

Looking ahead, the findings of this study suggest several key strategies for optimizing the effectiveness and sustainability of DRS. First, ongoing public engagement and education are essential to maintaining high participation

rates. Countries should continue to invest in awareness campaigns, digital tools, and community partnerships to foster a culture of recycling and ensure that consumers remain motivated to participate in DRS.

Second, policymakers must ensure that DRS are embedded within broader environmental strategies and supported by consistent, long-term regulations. This involves creating stable policy frameworks that encourage stakeholder participation, investment, and innovation while minimizing administrative burdens and regulatory uncertainty.

Third, to address financial and operational challenges, countries should explore hybrid models that integrate DRS with other waste management strategies, such as curbside recycling. These models can enhance system efficiency, reduce costs, and provide multiple avenues for container returns, thereby reinforcing recycling behaviors and maximizing environmental benefits.

Finally, collaboration among stakeholders—including government authorities, industry representatives, retailers, and consumers—is vital for overcoming resistance and finding innovative solutions to emerging challenges. Governments should facilitate ongoing dialogue, foster partnerships, and ensure that all voices are heard in the decision-making process.

In conclusion, while DRS offer substantial environmental and economic benefits, their long-term success hinges on a holistic approach that addresses financial, social, and regulatory challenges. By fostering public engagement, ensuring policy consistency, adapting to market changes, and promoting stakeholder collaboration, countries can optimize DRS to achieve sustainable waste management and contribute meaningfully to a circular economy. The lessons learned from this analysis can guide policymakers, environmental advocates, and industry stakeholders in refining DRS models to enhance their effectiveness and sustainability in diverse contexts worldwide.

Compliance with Ethical Standards

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The views and opinions expressed in this article are those of the author and do not necessarily reflect the official policy or position of any affiliated institution or organization.

Statement of ethical approval

This study was conducted in full compliance with the ethical standards of York University and adheres to the principles of academic integrity. All data used in this meta-analysis were obtained from publicly available sources or with appropriate permissions. No human subjects were involved in this research, and therefore, no ethical approval for human subjects research was required.

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