



## **Response to Defra consultation on changes to packaging recycling business targets for paper, steel, aluminium, wood and overall recovery and recycling for 2018-2020.**

6 January 2017

### **Introducing the Resource Association**

The Resource Association focuses on championing the value of UK reprocessing and recycling in terms of employment, resource efficiency and integrity, carbon reduction and our role in the low-carbon, green economy. We are a not-for-profit association working with Governments across the UK, the European Commission, other trade associations and stakeholders with shared interests. Our member companies and organisations range across the materials supply chain and represent an estimated £3.3bn contribution to UK GDP, the recovery and recycling of over 7 million tonnes annually and the direct employment of over 12,500 people. Further information at [www.resourceassociation.com](http://www.resourceassociation.com)

We are pleased to be able to contribute to this Review and have consulted our members and colleagues in related trade associations in compiling this response.

### **Response**

- 1. In your view are the estimates made in the Flow reports for waste arisings the best available data?**

Yes. Our view is that the Flow reports do use the best existing data for the materials under review.

We note and endorse the assertion from the Confederation of Paper Industries that the assumption that the overall weight of paper packaging placed on the market will be stable because of continued light weighting and improved design negating likely increases in the volume of packaging placed on the market.

We recognise that the methodology used is based upon the data from obligated producers generated through the National Packaging Waste Database and further assert the need for



this flow data to be reviewed annually. This will ensure that any significant changes in the volumes of each packaging material placed on the market are closely monitored and the impact on future targets can be properly assessed.

In the cases of both the aluminium and paper targets, we note the reality that existing targets have already been exceeded for both materials. While the issues are different for each material, we wish to strongly endorse the submission from Alupro that encourages you to consider the need for an upward revision in the 2017 target, following the precedent set last year when both glass and plastics targets were changed mid-period. In the case of the paper target, we note the comments from CPI encouraging greater emphasis on quality of material rather than quantity, the nearer the packaging recycling performance heads over 85% towards a 90% recycling rate. We are concerned that marginal recovery of paper to achieve this intensity of recycling target could simply lead to further disamenity costs for reprocessors in dealing with contamination.

**1a. Are you aware of any other factors which may affect the level of packaging waste entering the waste stream?**

As consumer-shopping habits change there is an increased proportion of paper packaging that needs to be recycled at home. The decrease in the volume of newspapers being read and recycled coupled with a rise in internet shopping has generated an increased proportion of packaging in municipal paper streams. This trend is set to not only continue, but also increase in pace in future years. The recycling industry is reliant on the householder to segregate the packaging for recycling instead of disposing in a general waste bin.

Internet shopping has also increased the number of smaller suppliers who are placing card packaging on the market, and many of these companies may not be obligated under the regulations so this packaging is not included in the POM (placed on the market) figures. The Packflow report may be underestimating the number of these companies that are placing packaging onto the market.

As mentioned above the volume of paper packaging is stable and light weighting may reduce the absolute tonnage placed on the market. Improvements in internet shopping supply chains as the market evolves may also reduce the tonnage of packaging for similar sales volumes.



For aluminium packaging, the key factor remains the market share split between aluminium and steel in the beverage can market, given that beverage cans represent around 65% of the total flow of aluminium packaging. Clearly, any change in that market share split would have an impact on the total aluminium packaging flow.

**2. In your view are there other factors which may affect the levels of obligated tonnage reported?**

Although data is not readily available to assess the likely impact, it should be recognised that the growth of circular economy approaches (other than recycling) may begin to have an impact on packaging tonnages. Greater emphasis on reuse systems should be considered, which could lead to fewer products being used and with product-life extension lead to fewer products and consequently less packaging. This may be unlikely to impact within the timeframe of this consultation, but is worth further consideration and research.

In the case of the wood packaging recycling target, we support the submission of the Wood Recyclers Association who note that the generation of wood PRNs in the UK significantly exceeds the wood specific PRN recycling requirement of 22%. This means that a large proportion of wood PRNs go into the 'general recycling' pot.

In addition, wood PRN prices are now low so that several reprocessors who were previously accredited have decided not to continue. Although they still recycle packaging waste, their tonnage will not be recorded through the National Packaging Waste Database. In addition, small scale biomass plants generally target cleaner wood which incorporates packaging. This wood would therefore be classed as recovery and not as packaging recycling.

**3. Do you have any additional information or evidence to improve the analysis of the costs and benefits?**

We share the concern expressed by Alupro about the costs of collection forecasts for aluminium as stated in the Impact Assessment and would encourage a further review of these figures.

More broadly, we would encourage Defra to look ahead and start to consider carbon costs/benefits in the recycling of our packaging. The benefit of recycling and reprocessing



packaging materials is primarily in energy savings, but more accurately in carbon savings. A mechanism needs to be constructed to value the carbon saving of these activities (particularly for aluminium and glass) and we encourage you to work with all parts of the packaging recycling industry to identify appetite for and scope of further work in this area.

#### **4. What is your preferred option and why?**

For **paper packaging**, we support **Option 2**.

The suggested paper recycling figure is lower than that which is currently being achieved. We emphasise again that a growing emphasis must also be placed on delivering quality in the collection of paper packaging not just quantity. In addition, for the target to lead to increased recycling rates incorporating additional recovery and recycling of food and drink cartons, it will need to be supported by a legal requirement for all recyclable packaging materials to be separately collected and recycled where existing recycling infrastructure capacity allows.

Various Member States, e.g. Spain, Austria and Germany, already separately collect all packaging and have recycling rates higher than 65%. Including all packaging materials in collection systems will also create incentives to develop new recycling technologies, infrastructure and materials, creating recycling solutions as well as jobs and growth.

For **aluminium packaging**, we fully endorse the proposal from Alupro for delivery of **Option 3**, together with consideration of a **review of the 2017 target** and the consideration of 'front-end loading' in 2018 and 2019 to ensure effective reprocessor and exporter accreditation, to include their proposed target profile of: 2017 - 58%; 2018 – 60%; 2019 – 62%; 2020 – 64%.

For **wood packaging**, we support **Option 2** as supported by the Wood Recyclers Association. This would increase overall wood packaging recycling and would mean that a higher proportion of existing wood PRNs would go towards the increased material specific target rather than into 'general recycling'.

In addition, we wish to remind you that we continue to support the suggestions made by many to amend the existing PRN system to give a level playing field for domestic reprocessors e.g., via protocols to establish the % of packaging in export loads so PERNs do not compete unfairly with PRNs.



One of the benefits of the UK system so far has been low-cost compliance. However, this has resulted in recovering the cheaper to collect material first, for example from the Commercial and Industrial streams. As targets rise systems must be set up to recover more difficult to collect materials – predominantly from the municipal streams, and much smaller commercial enterprises. We believe the design of consistent, quality driven municipal collection systems is crucial to achieving improved recycling targets and support the separate collection of recyclables as recommended by WRAP their recent Consistency framework and as effectively implemented in Wales under their Collection Blueprint that is delivering the highest national municipal recycling rates in the United Kingdom. The application of this template will enable councils to achieve the targets suggested in option 2.

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