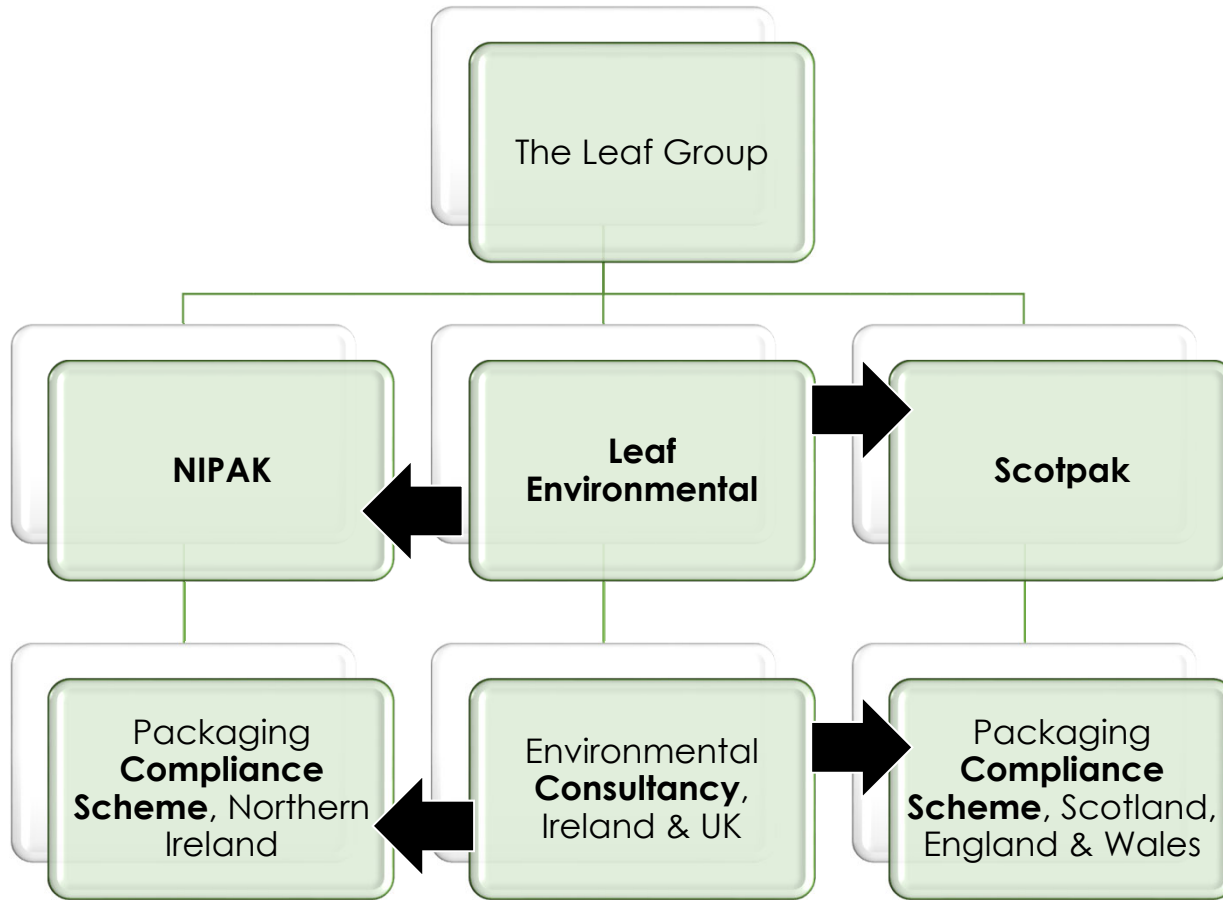


Packaging Consultations 2019

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Group Structure



FNCR - Full Net Cost Recovery



- Cost of collection
- Cost of sorting
- Cost of sending for recycling
- Cost of actually recycling
- Rebate of value of materials at point of sending for recycling
- 8M Tonnes @ £100/T = £800,000,000

Four Models & Governance

- 1 – Enhanced near-to-business as usual
 - 2 – Single not-for-profit compliance scheme
 - 3 – Separate household/household like and commercial schemes
 - 4 – Deposit based government managed scheme
- No preferred option – just asking
 - Governance – organisation of the roles & responsibilities of each of the players in the system

Model 1 – Current system on steroids



- Familiar
- “Easy” to implement
- New central body for comms, oversight etc
- “Low” additional costs
- Modulated fees for H/H &H/HL packaging waste
- Lost faith in it
- Will it meet new targets?
- No direct registrants
- Two types of evidence to procure
- Workable with producers owning their material?

Model 2 – Single “not-for-profit” organisation



- Original UK model
- Easy to implement
- Easy to check
- Modulated fees for H/H &H/HL packaging waste
- Coherent, co-ordinated & consistent
- Monopoly
- Cost implications
- Loss of existing knowledge
- Loss of local/specialised service
- Answerable to whom?

Model 3 – separate H/H and C&I schemes



- Familiar(ish)
- Modulated fees for H/H & H/HL packaging waste
- Compliance schemes could still manage both
- New central body for comms, oversight etc
- H/H & H/H like – single scheme – per Model 2
- Compliance schemes for C&I packaging waste
- Mix of competition and monopoly

Model 4 – Cash up front & rebate scheme

- Could be a role for compliance schemes
- “Easy(ish)” to implement
- Partial deposit returned if evidence was for closed loop recycling
- Theoretical model
- Transparent?
- Hard on cashflow
- Could cost more than FNCR
- Gvt operated



Point of Obligation – single or multiple?

- Importer &/or Brand Owner
- Importer &/or Seller
- Easier to implement modulated fees?
- Gvt preferred system
- Current system
- Wholesalers to include small client tonnages?
- Change thresholds
- cf Ireland has a shared responsibility system



Allocation of costs & Ownership of Material



- Whoever owns the material controls it (& the value)
- Allocation of costs & payments calculations will be complex – and probably fraught
- How will this affect the FNCR?
- Who will bear the risk of material value?

Other Key Issues

- Integration with other policies
- Indigenous vs export capacity and development
- Individuals taking responsibility
- Unintended consequences
- Enforcement & “free riders”
- Devil is (as always) in the detail..





Questions



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