



Department of the
Environment
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Summary of consultation responses and government response

to the Consultation published on 16 December 2011 entitled ‘Consultation on recovery and recycling targets for packaging waste for 2013-2017’

March 2012

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1. Introduction

The consultation, which ran from 16 December 2011 to 10 February 2012, received 101 responses. Meetings were also held with those stakeholders who requested them as part of the consultation exercise.

26 responses were received from trade associations and representative bodies, 17 from compliance schemes representing their members, 27 from Local Authorities (including LARAC and NAWDO), 9 from reprocessors and exporters, with the remainder from waste management companies, individual producers/brands, environmental NGOs, voluntary sector, etc.

2. Targets

In the Waste Review, the Government set out its intention to consult on higher packaging targets. Increasing the amount of packaging which is recycled will benefit consumers, businesses and the environment. Recycling reduces the need to extract virgin raw materials, which helps prevent natural resource depletion. Also most recycling processes are less energy intensive than the manufacture of virgin materials, which saves both money to businesses and greenhouse gas emissions.

Question 1 - Waste arising

28 respondents (including 6 Local Authorities, 7 Trade Bodies, 4 Compliance Schemes and 4 Reprocessors) agreed with the underlying data assessment, though often this was with the caveat that they had no better sources. Several also urged that a review point be included to ensure the most current, accurate data is used for projections.

21 respondents queried aspects of the data. 17 respondents expressed some concern about the accuracy and provenance of the data, with 8 suggesting that the overall predicted growth rates could be too high particularly for plastics. It was felt that the underlying data, especially the waste arisings, should reflect and be closely linked to relevant economic data, such as GDP and that the effect of lightweighting/reduction should be further factored into the predictions.

3 respondents suggested that the obligated tonnage figures should be used as the base on which to make projections of waste arisings.

11 respondents commented that the predicted growth rate in plastics was too high, with some suggesting rates of between 1-1.5% rather than the 2.5% suggested in the consultation. However, 2 respondents commented that the predicted growth in plastics was in line with their expectations and reflected other research.

31 respondents did not comment on the base data used in the consultation.

Question 2 - Obligated tonnage data

22 respondents were content with the estimated obligated tonnage data given in the consultation, including 6 Compliance Schemes, 6 Local Authorities, 3 Trade Bodies and 3 Reprocessors.

15 respondents expressed a general concern that the growth rates, especially the estimated growth rate for plastic, may be too high. This was mainly linked to the perceived impact on packaging arisings from the current economic climate or the effect of lightweighting of packaging being driven by the industry and voluntary initiatives such as the Courtauld Commitment.

In line with responses received in relation to total waste arising, 10 respondents commented that the predicted growth rate for the plastics obligated tonnage was too high and should be reduced in line with reductions to the growth rate for waste arisings.

5 respondents expressed a general concern about the accuracy of the data, questioning the sources and validation of the data used.

37 respondents did not comment on the level of obligated tonnage.

Government response

The consultation used industry estimates for both of these data sets. Based on the responses received, it is felt that the data used for the calculation of targets is as accurate as reasonably possible and that, in most cases, there is no compelling case for revisions.

However, based on the responses received in relation to the plastics stream there was felt to be sufficient evidence to amend the data. Here is an explanation of what changes we have made as a result -

Plastic

Predicted flow onto the market: the industry estimate used in the consultation was a 2.5% growth for 2013 – 2017. Consultation responses were mixed: some trade bodies and large recyclers and manufacturers agreed with the predictions while others felt they were too high.

Predicted obligated tonnage: figures from the EA indicate that the obligated tonnage increased by 0.9% from 2010 to 2011; this is below expectations. This follows a reduction from 2009 to 2010 of 0.2%. If the predicted flow figures are still correct (despite plastic trade bodies disagreeing, they have not given any alternative information), this would indicate a widening of the gap between the tonnage used in the UK and the number of businesses caught by the Regulations.

Adjustment: We have, therefore, revised the growth forecasts for the waste arising and obligated tonnage for plastics downwards to 1.5%.

Question 3 - Inclusion of composites

29 respondents (12 Trade Bodies, 4 Compliance Schemes, 4 Reprocessors, and 3 Local Authorities) were in favour of the proposal to remove the fraction on aluminium included in composite packaging formats from the waste arising figures. However, it should be noted that in some of these responses it was apparent that there was a level of uncertainty as to what this change would deliver on the ground.

25 respondents did not support the proposal. Several respondents suggested that this could lead to a number of other requests for 'exemptions' from other composite packaging formats (e.g. multi-layer polymers) which could cause distortion. There was also comment regarding the possible perverse incentives of the proposal and an opposition to any move that might make formats, which are currently unrecyclable, more attractive to packaging companies and specifiers.

8 respondents were neutral, requested more detail or suggested other ideas with 7 respondents commenting that the whole area of aluminium data should be reviewed before making any decisions.

30 respondents did not comment on this proposal.

Government response

There was no definitive consensus regarding this proposal. Based on the responses received and the lack of clarity surrounding aspects of the data, the Government intends to undertake a full review and analysis of the data relating to aluminium waste arising and obligated tonnage before making a final decision. This will be conducted during 2012, with the intention that any changes would come into force for the 2014 compliance year.

Question 4 - Split targets for glass

36 respondents supported the proposal on the grounds that it was the best environmental option and would provide an incentive to improve, or change, collection systems to provide cullet that better met the market demands. However, there were questions as to why the market, and the relative prices for recyclate, had not caused this change without external intervention.

15 respondents supported the principle but questioned whether the current PRN system was the right mechanism to deliver the change or queried how it would work in practice.

14 respondents did not support the proposal. This was on the grounds that this intervention could have an impact on PRN prices, with the price for re-melt PRNs rising dramatically and those for 'other uses' falling. This could be seen as dis-advantaging the aggregates sector, who have also invested in a system to handle waste glass, and have provided an extremely useful outlet for poor quality material.

There was also concern, expressed by Local Authorities, about the possible impact on local collections that would be needed and the likely costs associated with such a change as well as who would pay those costs.

27 respondents did not comment on this proposal.

Government response

The responses received were generally in favour of the proposal which provides for the best environmental outcomes from the recovery activities whilst still maintaining the outlet for aggregate market usage. There was no additional evidence submitted.

Therefore, we intend to take forward this proposal.

Question 5 - Targets

53 respondents supported the Government's preferred option (3a) of increased targets for plastic, aluminium, steel, split target for glass and overall recovery. Support came from a range of different stakeholders including producers, recyclers and Local Authorities. In support of the targets, respondents cited the benefits of resource efficiency, reduced greenhouse gas emissions and access to more recycled materials as well as the level playing field that legislative targets would create.

An additional 4 respondents supported 3a except on plastics and/or steel targets. These respondents felt that targets for plastic should be lower and targets for steel should be higher. Respondents felt that higher steel targets were necessary in order to encourage more reprocessors to accredit for these Regulations. An additional 3 respondents supported 3a especially in relation to plastics, with 1 commenting that they felt the targets were not sufficiently ambitious.

5 respondents opposed the preferred option without specifying a particular preference for any of the other options, with 4 of these specifically citing the plastics targets as the reason for their opposition. These respondents felt that the plastics target was too high, commenting that Local Authority collection mechanisms were not sufficiently developed, sorting infrastructure was insufficient and that the UK was too dependent on the export market for the recycling of the plastic. It felt that these problems in the system would lead to significant increases in costs to business

In terms of the other options presented, 7 responses supported option 1 on the grounds that the UK would continue to meet its EU obligations with no increase to targets and that further increases would add cost to business. 4 responses supported 2a, with the

respondents in favour of increases, but suggesting that option 3 could over heat the PRN market and put too much strain on collection systems. 2 respondents supported option 3c.

4 responses did not support any of the proposals and put forward their own targets.

8 respondents did not comment on the preferred option.

Whilst supporting the higher targets, some respondents expressed concern about the risk of quality of recyclates deteriorating with the proposed increases. There were also concerns about the perceived disadvantages of PRNs relative to PERNs.

Government response

The majority of respondents who expressed a preference supported the preferred option (3a). There was no compelling evidence submitted that require revisions and so the preferred option will be taken forward by the Government.

In parallel, Government is developing work on the quality of recyclates. An important part of this work is the proposed Materials Recovery Facility (MRF) code of practice. The Environmental Services Association have developed a MRF code of practice, and Defra and the Welsh Assembly Government are currently considering how to develop the code to make it mandatory, and discuss a further draft of the code with key players in the supply chain (particularly reprocessors and local authorities) over the coming months. If we are minded to make the code mandatory, this would be subject to a consultation, likely to take place in summer 2012. The MRF code of practice will see increased information and transparency to MRF customers (local authorities and reprocessors) on information such as quality and composition of recyclates. This will help the supply chain to operate more efficiently, increasing visibility of where waste and recycling ends up.

Alongside the MRF code of practice, Defra and the Welsh Government are also considering other measures to promote quality, including developing a supply chain approach to quality, including work on transparency and meeting reprocessor specifications to ensure that all the players involved are easily and transparently able to judge the quality of recyclates. In addition we will work with the Environment Agency to maximise the effectiveness of the Waste Shipment Regulations. These other measures will be included in a Defra Action Plan on quality to be published later this year. This will set out the measures we would like to develop in collaboration with the whole supply chain.

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