Consultation on changes to the plastic packaging recycling business targets for 2016-17 and new targets for plastic and glass for 2018-20

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WLGA • CLlLC

1. The Welsh Local Government Association (WLGA) represents the 22 local authorities in Wales, the three National Park Authorities and the three fire and rescue authorities.

2. It seeks to provide representation to local authorities within an emerging policy framework that satisfies the key priorities of our members and delivers a broad range of services that add value to Welsh Local Government and the communities they serve.

3. WLGA welcomes the opportunity to respond to the consultation on changes to the plastic packaging recycling business targets for 2016-17 and new targets for plastic and glass for 2018-20. As a general comment, there has been considerable pressure on local authorities to deal with the 'end of pipe' consequences of decisions made by producers about the packaging they use. Great progress has been made in terms of recovering materials from the municipal waste stream, with all the attendant environmental and potential economic benefits of so doing. It is important, though, that pressure is also applied at 'front of pipe' so that decisions about packaging minimise environmental impacts and maximise business opportunities in terms of efforts to support development of a 'circular' economy.

4. Encouragingly, producers increasingly are looking at new packaging solutions that often result in reduced environmental impact. So, light-weighting of packaging is leading to a reduction in the weight of goods being transported, reducing the amount of material needed, and the level of fuel emissions associated with deliveries and with the transport of the empty packaging when it ends up in waste/recycling. However, some developments can have negative implications. For example, increased use of plastic pouches might reduce weight but could also increase the likelihood of the packaging ending up in residual waste rather than being recycled. Indeed, it is surprising that the move away from glass (and other materials such as metal and paper packaging) towards plastic for a range of products is not identified as an issue in the consultation.

5. Given the substitutability of plastic and glass, selecting one of the options for glass could have implications for plastics (and vice versa). So, for example, choosing an option that would keep the pressure up for glass recycling and an option that allows a relaxation in the business targets for plastic could impact on producers' future choices about the materials they use. A switch away from glass (where recycling rates are higher) towards plastic could impact on total recycling levels. The overall environmental impact would need to be worked out, depending on the degree of

substitution and whether the advantages of having lighter products outweigh the disadvantage of possible lower levels of recycling. For Welsh local authorities, where statutory recovery targets are in place and there can be fines for non-achievement, changes that lead to a reduction in recycling levels would be a concern. Equally, though, it is important that the requirements placed on businesses do not make them uncompetitive to the point where there is a risk of reduced investment and/or of job losses. More effort is therefore needed to develop markets for the use of recycled materials so that their collection becomes more cost effective. That may mean finding ways to ensure that full environmental costs are reflected in the prices of competing materials created using virgin materials.

6. Related to this point, the EU circular economy proposals are for a 75% target for recycling of packaging waste by 2030. These have been released since the consultation document was issued but will obviously now have to be taken into consideration

7. Finally, it is important to remember that the recycling level achieved for the packaging materials should not be the sole – or even the overriding - consideration if we are interested in more sustainable outcomes (leaving aside, for now, the issue of whether the production and consumption of many products on the market is really necessary). Issues such minimum use of resources (via light-weighting), minimising waste of the product the packaging has been designed to protect, transport/fuel/emissions implications, efficiency of the packaging in communicating necessary information to consumers (not least on *how* to recycle the packaging/contents) are all equally important.

Q1 . In your view, are the estimates made in PlasticFlow for waste arisings the best available data? Q1a. Are you aware of any other factors which may affect the level of plastic entering the waste stream? Q1b. Do you agree with the no growth assessment?

8. WLGA does not hold information to comment on whether the estimates are the best available data. However, as noted above, it would be helpful to know if relative *changes* over time in the anticipated use of different packaging materials have informed the estimates (as opposed simply to projecting trends of current material use on an individual basis). Such changes might be the result of substitution of one material for another and/or because of innovation – e.g. use of nanotechnology to improve the performance of plastic bottles vis-à-vis glass; scope for introduction of smart and interactive packaging that encourages communication at the packaging/user interface. Change may also be linked to/driven by other trends, such

as the growth in online retailing.

9. The consultation document states that estimation of obligated tonnages "does not, and cannot take account of future unknown economic or market events at a national or international level, nor of commercial developments at company level". Whilst noting this comment, it is clear that producers are taking decisions about developments in the market place and investing in new types of packaging. It is important that such information is being monitored so that we do not simply project forward without taking account of evidence-based changes taking place that could change the market share of packaging materials in the future. There are regular reports in the trade press, for example, of producers switching from glass to plastic packaging for household name products in the supermarkets.

Q2. In your view, are there other factors which may affect the levels of obligated tonnage reported?

10. If historically the obligated tonnage has closely follow the prevailing trend for material placed on the market it seems reasonable to expect this to continue. However, past trends are not always a good predictor of future ones. Changes in technology, society, the economy, resource availability could all have an impact. For example, a growth in the number of companies below the turnover/quantity thresholds (fuelled by, say, home/online shopping or new inventions leading to lower cost market entry) could see relative growth in the tonnages of non-obligated packaging, resulting in the obligated tonnage becoming a progressively smaller percentage of the overall amount of material on the market.

Q3. Do you have any additional information or evidence to improve the analysis of the costs and benefits?

11. No.

Q4. What is your preferred option? And why?

12. Until the implications of the EU circular economy package are confirmed it would be premature to agree to any of the options. It may be that none of the options is suitably ambitious if we are to achieve the trend rate of growth to hit ultimate targets by 2030.

13. However, based on the options presented, **Option 3** for plastic strikes a balance between maintaining the momentum towards recycling whilst giving business time to

adapt. The **second option for glass** (option 4) for glass would also keep up the pressure to improve recycling and the difference in the net cost to business p.a. is only marginally higher than the first.

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