

Call for evidence on voluntary
and economic incentives to
reduce littering of drinks
containers and promote
recycling:

Ecosurety Response



Executive summary

Our response to the 'Call for evidence on voluntary and economic incentives to reduce littering of drinks containers and promote recycling' consultation was submitted on 20 November 2017 to the Environment Agency. The consultation covered three key areas – the current system, DRS (deposit return scheme) options and alternative measures.

Ecosurety does not support carrying on as normal with the current recycling system, as we believe improvements are required in both recycling infrastructure and public awareness. However, we believe that a DRS is not the answer, rather a new PRN system coupled with improved on-the-go recycling facilities will have the biggest impact, not only on drinks containers, but all plastic packaging waste.

Public consultation on the PRN system by government is required in order to form a rounded understanding of the benefits of such reform.



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Current situation

Overview

With regards to the current situation, Ecosurety does not support a carry on 'as normal' approach. Stimulus is needed to support improvements in recycling infrastructure and public awareness relating to drinks containers.

However, such improvements must be built into a wider national strategy for resources and the circular economy. Additional packaging types, such as, cans and cartons, must be given equal consideration as plastic drinks containers. Additionally, looking at drinks containers in seclusion constitutes a fragmented approach to litter and recycling that we do not support.

What aspects do we value in the current system?

Ecosurety believes the producer pays principle that presently exists via the Producer Responsibility Obligations (Packaging Waste) Regulations has played an essential role in improving the recovery and recycling of packaging waste in the UK over the last 20 years. It continues to provide the targets to ensure the UK increased the amount of packaging recycled. Improving and enhancing this legislation is the best and most holistic way to deal with the challenges presented by problematic packaging, such as, drinks containers.

The Packaging Waste Recovery Note (PRN) system, which operates as a consequence of these regulations, needs to be improved as part of a national resources and circular economy strategy. Producers in the supply chain of drinks containers are already taking responsibility for placing these products onto the market. This responsibility needs to be increased and improved through upgrading the current system. Well established and successful principles, such as, supply chain accountability and compliance competition should be retained in a new system.

The Packaging (Essential Requirements) Regulations has provided a framework for packaging design and manufacture. However, this legislation must urgently be upgraded to reflect the changing market. There is an opportunity for the government to work with industry to set standards and a framework for packaging design to improve levels of recyclability and recycled content.

Impacts of a deposit or reward and return scheme on:

Littering rates

Ecosurety does not believe littering rates will be significantly altered by introducing a scheme. While drinks containers represent a significant proportion of littering by weight in the UK, there are far more cost-effective ways to tackle the issue, which could also reduce the volume of other materials littered.

In terms of incidents of littering, the *Composition of Litter in Scotland* survey by Keep Scotland Beautiful, makes clear that cigarette (36.4%) and chewing gum (49.2%) litter far outstrips the issue of drinks containers. Ecosurety believes a more holistic approach to tackling the issue of litter is required, including improving the amount and nature of "on the go" waste and recycling bins.

Ecosurety believes there may be unintentional cultural consequences of introducing a scheme in the UK. There is a risk that the mindset of citizens could be shifted towards needing to be paid to recycle. The communication about the up-front deposit would be crucial in ensuring that recycling of items that do not have a fiscal incentive attached, do not falter. Another unintended consequence could be that certain citizens defer their responsibility by littering in the belief that someone else will pick it up to redeem the value.

Recycling rates

The UK Resources and Waste Strategy due to be released in 2018 is required before analysis can be performed on whether a scheme is required.

Although the baseline data is unclear, collection rates for plastic drinks containers and paper based cartons are likely to increase if a specific scheme were introduced. However, actual recycling rates for these materials are not likely to increase unless infrastructure is developed alongside the scheme to process the waste generated in the UK. Conversely, glass container collection rates and recycling rates are both likely to increase if a scheme were introduced. The infrastructure for recycling these bottles is relatively mature in the UK and could be expanded if a scheme were introduced. A scheme could improve the capture rate for metal cans when citizens are away from the home.

Local Authority household collections and associated costs (and revenues)

Information on the effect on Local Authorities is not well understood as only small-scale sampling has been undertaken to date. The variance in collection methodologies and financial relationships makes assessment difficult at this stage.

Street sweeping and park cleaning costs (and revenues)

Ecosurety does not foresee a significant reduction in street cleansing activities if a deposit return scheme was introduced. The multi-material nature of the littered waste means that other materials would still need to be dealt with in an approximately equivalent way. The cost of street cleansing is weighted towards collection rather than disposal and these collection activities are likely to remain the same despite the potential reduction in volume by weight.

Wider environmental impacts

It is difficult to make a link between implementing a scheme and reducing the amount of plastic found in the ocean. While this is a significant environmental concern, the impact on ocean plastic, even in surrounding waters, is likely to be minimal. Improving capture rates of plastic is always likely to provide an improvement but issues, such as, address the high proportion of plastic exported would have a more significant impact.

Value or quality of materials sent for recycling

As outlined in the *Supporting Evidence and Analysis – The case for greater consistency in household recycling* report by Wrap, materials collected via source segregation achieve higher than industry average quality thresholds. Implementation of a scheme is highly likely to improve the quality of material on this basis.

It is important to stress that the design and nature of the scheme implemented will have a significant impact on the value and quality of other non-beverage packaging materials currently collected from household. For instance, if local authorities no longer retain the revenue provided by drinks container packaging, it may provide a disincentive to collect pots, tubs and trays, which requires specific attention at this time.

Existing DRS evidence

Ecosurety does not believe there is sufficient evidence that a deposit or reward and return scheme could successfully sit alongside the current PRN system. There is no valid evidence from other countries that the two are compatible as implementation of The EU Packaging and Packaging Waste Directive has been so different in the UK when compared to other member states.

The only way to ensure the success of such a scheme, to ensure that it would not reduce the effectiveness or increase the costs of existing waste management systems and regulations in England, would be to consider its implementation as part of a wider review of packaging waste regulation in the UK. Successful schemes across Europe have been implemented as part of a wider review taking arrangements for other waste items into account. Ecosurety believes it is possible that a new version of the PRN system could encompass a scheme but further review and research is required.

The sophistication of Local Authority collection arrangements has significantly increased since the Packaging Directive was implemented. Ecosurety supports more consistent collection arrangements across the UK and believe central government should take a more proactive role in helping the transition of Local Authorities to a more homogenous solution. While efforts have been made to broadly categorise Local Authority kerbside operations, the issue of not having a national designated colour per waste stream persists. The population in the UK is becoming increasingly geographically transient. Having a standardised colour coding for the main waste streams would specifically aid the development of “on the go” recycling bins.

An independently commissioned study needs to be undertaken to assess the issues surrounding drinks containers, given the unique circumstances of waste management in the UK. While recent studies by Zero Waste Scotland and Eunomia, looking at one specific option of implementing a scheme, have helped to inform opinion, Ecosurety believes additional research is required to create a comprehensive study for the UK.

Such a study would need to explore:

- the potential impacts to existing kerbside collections of introducing a scheme specific to drinks containers
- case studies on the impact of improving “on the go” collection infrastructure, as an alternative approach

- examples from other countries of the grey economy for drinks container collection in practice to understand whether incidences of littering, or the cost of cleaning up litter, reduces
- an analysis of the environmental, social and financial implications of the different schemes that could be implemented

Alternative measures

Ecosurety supports an alternative mechanism to improve drinks container recycling infrastructure. The issue of drinks container littering is best combatted as part of improving “on the go” recycling infrastructure, which could help to reduce the number of other items littered. A well-designed PRN system would ensure funding goes directly to the correct areas. For example, the problem of plastic waste is that there is a financial incentive within the PRN system to export waste, as 100% recycling efficiency is assumed, meaning UK collection infrastructure is not adequately funded.

A new PRN system that does not only look to achieve the EU required recycling targets but focuses on problem areas for the UK could create a pull-mechanism through recycled content to fund collection. Ecosurety would like to see the following addresses in a review:

- **Transparency** – drinks manufacturers/retailers to have a clear link between what they spend through the PRN system and the impact it makes on communications or infrastructure to increase recycling rates.
- **Volatility** – a market that is based on longer-term targets (rather than an annual cycle) would allow drinks manufacturers/retailers to manage their budget better and partner with recyclers to implement new recycling projects.
- **Choice** – a system that allows drinks manufacturers to fund publicity campaigns to raise awareness of the need to recycle drinks containers or infrastructure projects that increase “on the go” infrastructure.

Impacts of our proposed alternative mechanism on:

Littering rates

An increase in availability of “on the go” containers would help to reduce the number of littered items. Although the PRN system wasn’t designed to resolve littering, it could be adapted to assist in reducing incidents of littering.

Recycling rates

The current PRN system has driven packaging recycling rates up to 71.8% to 2016 and is due to increase further to 75.4% by 2020. A newly designed system would seek to achieve approximately equivalent increases with the added benefit of allowing producers to directly fund

projects/campaigns that target particularly troublesome areas (e.g. drinks containers) that do not necessarily have a big net effect of overall recycling targets.

Local Authority household collections and associated costs (and revenues)

A new PRN system could distribute money to Local Authorities to assist household communication campaigns. We already see evidence of this through the “Every Can Counts” campaign run in Bristol by Alupro, which is proven to increase recycling rates and the total value of waste for Local Authorities. Presently, the system is prohibitive meaning that this type of project cannot be scaled up to have the impact required. A new system would fund other awareness project, such as RECOUP’s “Pledge4Plastics”.

There would be no impact on the currently well-functioning Local Authority collection arrangements. However, quality could be driven up by providing funding for campaigns to educate the public.

Street sweeping and park cleaning costs (and revenues)?

Presently, Ecosurety does not have good visibility of these costs. However, a new PRN system is likely to have at least an equivalent impact as implementing a deposit/return scheme.

Overall the major additional benefit is that this method would have a positive impact on other types of litter and increase recycling rates for other materials and not just seek to address the issue of plastic beverage packaging. There are other similar issues that the public and industry would like to see addressed, such as, PTT ([plastic] pots, tubs and trays), coffee cups and black plastic.

No analysis has been performed to date but costs are likely to be lower than the reported costs of implementing a deposit/return scheme. Creating a better “on the go” recycling infrastructure is also likely to be seen by all consumers if implemented correctly. Awareness would be raised in public areas.

Missing evidence required to understand the impacts of our proposal is highlighted by the fact that “The Producer Responsibility Obligations (Packaging Waste) Regulations 2007: post implementation review 2017”, completed by Defra, only looked at the specifics of meeting the demands of the EU Directive rather than assessing the system’s performance using broader criteria. Public consultation on the PRN system by government is required in order to form a rounded understanding of the benefits of such reform.