

HMT Consultation:

Tackling the Plastic Problem



Who we are

Cory Riverside Energy's (hereafter Cory) business has been serving London for more than a hundred years, doing its part in solving the city's waste and energy challenges. Today, working closely with local authorities, Cory manage over 1 million tonnes of London's waste, aggregates and recyclable materials. Our Smugglers Way Materials Recycling Facility (MRF) in the Borough of Wandsworth, is licensed to accept 84,000 tonnes of recyclables from local councils, businesses and households each year. Here we sort and prepare paper, cardboard, plastic, tins and glass to sell to the global recycling market. Our Riverside Energy from Waste facility in Belvedere, exports enough baseload electricity to power the equivalent of 160,000 homes per year. Up to 250,000 tonnes per year of our incinerator bottom ash is recycled into construction material, thus avoiding the need for mining virgin aggregates. Cory is committed to being at the heart of the solution that tackles the plastic problem and creates a more Circular Economy.

To learn more about our business please see the link to the videos on our website [here](#)

Summary of response

Cory broadly welcomes the government's drive to take action on reducing single-use plastics (SUPs). After a decade of retreat from waste management policy, there are strong signs that the UK Government is now alive to both the urgent need for better resource use, and to the exciting opportunities it brings for jobs, innovation, growth and sustainable lifestyles – in short, the Circular Economy.

The Government target set out in the 25 Year Environment Plan¹ – to achieve zero avoidable plastic waste by the end of 2042 – is an admirable marker and sets a clear ambition. The imperative now is to deliver this end-goal through long-term policies. This will need a combination of fiscal measures such as taxation; legislative measures, such as banning certain unnecessary and difficult to sort plastics; cooperation with supply chains, which the recent Plastics Pact² demonstrated is forthcoming; and a shift towards better engagement and honesty with the public on the scale of the challenge. Recent research conducted by IPSOS Mori, a polling firm, highlights that though a majority of British are concerned about plastics, most respondents say they are reluctant to help solve the problem if it will cost them money³. Concern by consumers needs to be backed by willingness to act, and taxation policy can be used to “nudge” consumers in the right direction.

Recycling is only possible where there is a use for the recycled materials that is technically and economically viable. Recycled products need strong end markets, and to get here we need more investment in domestic infrastructure which can treat waste in the four stages of the waste hierarchy – reduce, reuse, recycle and recovery. With the right enabling policy conditions, manufacturers, consumers and the recycling industry can collectively tackle head on the plastic problem. Our key recommendations on tackling SUPs are:

- **Enhancing producer responsibility – producers need to pay more**
- **Ban unnecessary plastics; encourage redesign of plastics that are difficult to process at MRFs; and make necessary plastics more easily recyclable**
- **Stimulate and support secondary markets to enable investment in recycling infrastructure**

¹ <https://www.gov.uk/government/publications/25-year-environment-plan>

² <http://www.wrap.org.uk/content/the-uk-plastics-pact>

³ <https://www.ipsos.com/ipsos-mori/en-uk/public-concern-about-plastic-and-packaging-waste-not-backed-willingness-act>

Consultation questions

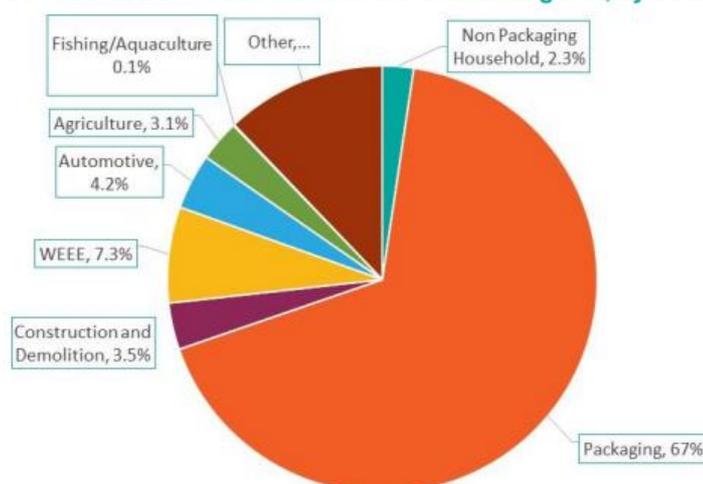
We have chosen to respond to the most relevant consultation questions that relate to the activities of our business. Specifically, we have answered: Q1; Q2; Q3; Q4; Q8; Q17; and Q18.

1. How should the government define single-use plastics, and what items should be included and excluded, and why?

The government should define single-use plastics as items that are only intended to be used once before they are thrown away or recycled. For the purposes of introducing any tax measures, the government should **distinguish between necessary and unnecessary SUPs**. Necessary SUPs which have an important health benefit, and/or prolong shelf-life of perishable products helping to reduce food waste, should be distinguished from unnecessary plastic which are used more for their convenience and low price. **Necessary plastics should be designed to be made from more recycled materials and be more easily recyclable**, whereas **unnecessary plastics should be taxed or banned from market**. The Secretary of State for Environment has hinted that some single-use plastic items such as straws will indeed be banned outright. We support this principle.

The discourse around single-use plastics heavily focuses on packaging and consumer goods (e.g. straws, stirrers etc.). While this makes up the majority of plastic waste (67%), a significant proportion comes from other areas – see below Figure 1 below. This response will not attempt to deal with those smaller sectors but Government must look broadly at these other contributors too if it is serious about curbing plastic waste.

Figure 1: Sources of Plastic Waste in the United Kingdom, by Sector



2. What are the most important problems associated with single-use plastics, and why?

It is **difficult to split out SUPs at MRFs during sorting process**. Problems when different polymers are mixed together, for example PVC sleeves on PET bottles, which risk being sorted out as a contaminant (PVC) instead of a recyclable bottle (PET). This serves to devalue bales of PET bottles. Coloured plastics (e.g. black trays) are hard to recycle because they are not detected by the near infrared scanners (NIR) in the sorting process at MRFs. They also reduce market value of bales of clear plastics. Another difficult to recycle category is multilayer material or laminates, such as food or drinks pouches, where plastics is fused together with other materials such as aluminium, thereby contaminating the materials. SUPs consumed and disposed 'on the go' are also problematic as the recycling infrastructure is less well developed to deal with them.

3. Are there more environmentally friendly alternatives, currently available or possible in the future, to these types of single-use plastic items or their manufacturing processes, and can they still offer similar benefits? Should the government encourage biodegradability in plastics, and if so, how?

Cory have concerns about increasing the production of bio-degradable plastics. Their current design can create blockages and operational issues during processing at MRFs and AD facilities, which struggle to deal with them properly. The only biodegradable plastic that properly degrades is compostable packaging, which requires industrial composting facilities to achieve the right temperature, aeration and moisture conditions. Bioplastics could be a potential long term option but significant research and development (R&D) is needed to understand their full potential.

4. Are there single-use plastic items that are deemed essential by their nature or application, which cannot be substituted or avoided?

SUPs within the health care sector should arguably be exempted due to their essential function. SUPs that prolong the shelf-life of perishable products are also a necessity as they in turn help reduce food waste, however this packaging needs to be designed in such a way that it can then be recycled.

Production Stage

8. In your opinion, how can the tax system or charges play a role in delivering better environmental outcomes at the production stage?

Cory favour using taxation to encourage the use of recycled content, and believe it should focus heavily on the production phase – otherwise known as **enhancing producer responsibility**. We recommend that producers should contribute more meaningfully for the costs plastics impose on society. The current Producer Responsibility Note (PRN) system, whereby producers are contributing about 10% towards the cost of waste management needs reinforcing. **The UK should look to many EU countries, where producers virtually pay for the total recycling cost of their products⁴**. Cory would welcome the UK becoming more aligned with this principle. Our suggestion is to set the highest tax rate for packaging and and virgin polymers using no recycled content, a lower tax for plastics using a certain amount of recycled content (e.g. 25%) and no tax if achieving a specific target of recycled content (e.g. 50%). Additional to this, if the Government's intention is to significantly increase the recycling target for plastic packaging and encourage more consistent collection of difficult to recycle packaging, then effective measures to ensure strong end markets for the recycled materials are essential. **Stronger market demand for end products would help stimulate investment in infrastructure to achieve the required quality and quantity of recycling**. A stronger resources and waste industry with more recycling, will lead to more growth and jobs as well as a more Circular Economy.

Retail and Consumption Stage

Whilst Cory is not directly involved at the retail stage, we offer some thoughts on the important role that retailers and consumers play in the recycling supply chain. The barriers to consumers choosing alternatives to SUPs include:

1. Convenience.
2. Cost.
3. Lack of choice, understanding and engagement.
4. Disconnect between public concern on single-use plastic and willingness to pay more to increase plastics recycling.

⁴ <http://www.sita.co.uk/wp-content/uploads/2018/03/DRS-OnTheGo-Report-UK-1803.pdf>

Discarding and Waste Management

17. What are the barriers to the collection of single-use plastics and more environmentally friendly methods of waste treatment, including barriers to any existing technologies?

The barriers to recycling of SUPs include:

- **Strong secondary recycling markets:** In order to ensure that collected plastics is actually recycled there needs to be strong end markets, that are willing to pay enough for materials to justify the investment in the sorting and recycling infrastructure. To achieve a truly circular economy, outlets for the recycled materials will be needed within the UK. The inevitable volatility of the materials markets is made worse by the PRN system, which tends to fluctuate without necessarily following the price of the material or the recycling rates.
- **Splitting SUPs / packaging design / rejection rates:** Packaging which uses a combination of polymers or materials is difficult to split and process in MRFs. Coloured plastics (e.g. black trays) are hard to recycle because they are not detected by the near infrared scanners (NIR) in the sorting process. The cost of sorting this material can outweigh the market value and devalue clear bales. Rejection rates of SUPs at MRFs due to processing issues from packaging design are not insignificant. Ultimately this material ends up being disposed of as residual waste.
- **Small quantities:** the tonnages available of some categories of packaging such as black trays or Tetra Pak are so small that the return on the investment is not always there to justify installing separate sorting lines at MRFs. These materials need to be designed out of the resource loop.
- **Size of packaging or products:** sorting at MRFs is also to some extent done on size, with smaller fractions being removed as contamination. Smaller items such as straws or cotton buds create problems at MRFs.
- **Reliance on exports:** Inadequate domestic resources has led to poor quality exports of plastics, which has in turn undermined legitimate exports. The biggest export market for plastic scrap, China, has now closed, which means that the need for strong alternative end markets is more needed than ever. We urge Government to enable the UK to process our own recyclables by stimulating and supporting secondary market demand, through for instance specific VAT exemptions for recycled content, and an increased tax on virgin polymers as described in response to Q8 above.
- **Disconnect between public concern on plastics and willingness to act:** The 'Blue Planet effect' (referring to the David Attenborough / BBC documentary from late 2017) is now a recognised factor in shaping UK environmental attitudes, having brought plastics recycling back to the fore of mainstream media debates and the public consciousness. Yet emerging IPSOS Mori research⁵ suggests that while almost all British people are worried about the effects of plastic waste on the environment, only a handful feel that consumers should take responsibility for the problem: 47% of the public think forcing councils to spend more on recycling would help, but only 14% would pay more council tax to achieve it; and 45% think naming and shaming the retailers responsible would be effective, yet only 18% would stop using those retailers.

⁵ <https://www.ipsos.com/ipsos-mori/en-uk/public-concern-about-plastic-and-packaging-waste-not-backed-willingness-act>

18. In your opinion, how can the tax system or charges play a role in delivering better environmental outcomes at the disposal stage?

a. What interventions should be implemented, and why?

Broadly speaking to encourage the use of recycled content, taxation should be used to: mandate enhanced producer responsibility, eliminate unnecessary plastics and redesign of necessary plastics, and revenues accrued should be then used to stimulate demand in secondary recycling markets.

Some campaigners have suggested that a deposit-return scheme (DRS) system should cover all recyclable materials and container sizes. Cory believe that this would “cannibalise” materials already successfully captured by local-authority household collections. We would urge Government to consider via a consultation process, the impact a DRS system will have on existing local authority / waste operator partnerships. What must be avoided is a DRS that results in more hassle and confusion for the consumer – who instead would have to take everything they throw out at home to different DRS redemption points.

b. What behavioural effect would these interventions have, both on this stage in the supply chain, and more broadly?

See response above on disconnect between public concern on plastics and willingness to act. Taxation can be used to ‘nudge’ consumers in the right direction.

c. What would be the impact on Local Authorities and business?

Increasing plastics recycling comes with a cost. The reality is local authority budgets are already severely strained, therefore extended producer responsibility and taxation on SUPs could help offset increased local authority collection costs, and be used to stimulate and support secondary materials markets.

