

## DRAFT NAWDO RESPONSE TO EPR CONSULTATION

Extended Producer Responsibility Team,  
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**By email to:** packaging@defra.gov.uk

Dear Sir/Madam

### Questions

Q1. What is your name? National Association of Waste Disposal Officers

Q2. What is your email address?

Q3. Which best describes you? Please provide the name of the organisation/business you represent and an approximate size/number of staff (where applicable)

Type of organisation – Other

Name – Organisation of local authority officers

Approximate size/number of staff –

Q4. Please provide any further information about your organisation or business activities that you think might help us put your answers in context. (Optional)

Q5. Would you like your response to be confidential?

No

### Our approach

### Principles

Q6. Do you agree with the principles proposed for packaging EPR?

(a) Yes

Although implementing the changes requires us to have confidence in the long term commitment for increased financial support to local authorities. We recognise that the details of the changes and therefore the details of any specific commitments (including distribution of any funding between authorities) would be decided following future consultations if the policies proceed as currently indicated but it is essential that this information is provided as soon as practicable. We are also concerned to ensure that the particular challenges of increasing recycling in dense urban environments is properly calculated and fully recognised in both payment calculations and standards.

Please briefly state the reasons for your response.

Reasons for our response: NAWDO views

- Because businesses will bear the full costs of managing the packaging they handle or place on the market under the proposed new scheme. The principle of an extended producer responsibility (EPR) regime is that producers are responsible for the impact of the products that they place on the market from 'cradle to grave'. Whilst the current packaging EPR makes everyone in the packaging chain, above a de minimis, responsible, it does not make producers responsible for the full costs of managing packaging waste, which undermines the principle of EPR. The consultation document notes that "At most around 10% of costs are covered<sup>1</sup>; but our analysis indicates that less than 7% of the costs of managing household packaging waste are covered by producers." Therefore, in particular we support principle 3 – that businesses will bear the full costs of managing the packaging they handle or place on the market.
- Because the proposed packaging EPR will better implement the waste hierarchy and more clearly support the principles of the circular economy than the present scheme. The reformed EPR will not incentivise reuse specifically. However, the second proposed principle of the new scheme is that businesses will be incentivised to reduce unnecessary and difficult-to-recycle packaging and to design and use packaging that is recyclable. As a result, the proposed new scheme should more clearly support the waste hierarchy and the principles of the circular economy than the present arrangement.
- Because it will provide for improved consumer information on packaging which should result in reduced contamination and more effective recycling. For any EPR scheme to work effectively the product users must understand their role and act accordingly. At present, the consumer information obligations for packaging waste are unclear, which coupled with weak enforcement, has led to uncoordinated implementation of the consumer information obligations for packaging waste. This has resulted in different obligated businesses within the current scheme providing different information about how consumers should recycle the packaging on the products that they buy. As a result consumers are often confused about what to do when they come to dispose of a product and its packaging which leads to less effective recycling and higher levels of recycling contamination than we want

#### Outcomes - what we are hoping to achieve

Q7. Do you agree with the outcomes that a packaging EPR should contribute to?

(a) Yes

- Whilst NAWDO supports the outcomes the accompanying Impact Assessment to this consultation states that the money raised through the system should fund better recycling collections, domestic recycling infrastructure and services under clear conditions that deliver overall system savings. The consultation document doesn't mention the aim to deliver overall system savings and in fact states that there is sufficient high quality reprocessing capacity in the UK to handle the increasing quantities of packaging waste for recycling.

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<sup>1</sup> House of Commons Environmental Audit Committee Report, December 2017  
<https://publications.parliament.uk/pa/cm201719/cmselect/cmenvaud/339/339.pdf>

## Definition of packaging and packaging waste

Q8. Do you think these types of items not currently legally considered as packaging should be in scope of the new packaging EPR system?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

NAWDO response:

- Out of the list of possible additional items (foil, cling film, jiffy bags, paper cups and [rolls of] sandwich bags not currently legally considered as packaging the only one we consider should be included in the new EPR is jiffy bags. We expect, although have no data to verify this, that jiffy bags are used as much by producers and packer fillers as well as in the home e.g. for online sales of products, so for this reason would like to see them included in the EPR. They are also difficult to recycle.
- We would like to see paper cups considered for some type of EPR in due course, but a separate scheme for single-use cups of any type is likely to be more relevant (rather than just focussing on paper ones).

## Types of packaging and sources of packaging waste

Q9. Which of these two classifications best fits with how your business categorises packaging?

(a) Primary, secondary, tertiary

(b) Consumer-facing and distribution/transit

(c) Neither – please say why, and provide a description of how your business categorises packaging

Not applicable

## **Part A: Packaging extended producer responsibility – key principles**

### **1. Full net cost recovery**

Q10. Do you agree with our definition of full net cost recovery?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

- Whilst NAWDO generally supports the definition of full net cost recovery, we feel that there are some gaps which need to be covered. It is important that the coverage of costs properly addresses all the areas associated with the sustainable management of packaging. This needs to include the costs of making household waste and recycling

centres available to the public for receiving packaging waste as well the costs of clean-up of littered and fly-tipped packaging. It also needs include the costs of collecting packaging that is within the residual waste stream as well as the packaging within the dry recycling stream. To work out the quantities of packaging materials within the residual stream, composition analyses (or other forms of analysis) will be required, and the costs of these will also need to be covered. We do welcome the inclusion of the costs of providing information to consumers on recycling packaging waste and anti-littering.

- NAWDO is unclear how income from the sale of recyclable packaging will be netted off. We are concerned that if the income netted off is an average annualised amount per tonne for example, that it may be insufficient incentive for materials recycling facilities (MRFs) to get the best possible price for the sale of the packaging material for recycling. The way the system is structured will need to ensure that the commercial/market incentives for the trading of recyclate are maintained.
- The consultation document notes that there is an expectation that recycling costs per tonne of packaging will decrease over time. There is no detail in the consultation document or impact assessment about how this has been modelled. It will be important for all parties to understand better how the costs have been and will continue to be calculated in order to understand how 'full cost' recovery has been determined.

Q11. Do you agree that producers should be required to fund the costs of collecting and managing household and household-like packaging waste, i.e. all consumer facing packaging?

(a) Yes

Q12. Do you agree that packaging for commercial/industrial applications should be out of scope for full net cost recovery?

(a) Yes

Q13. We would welcome your views on whether or not producers subject to any DRS should also be obligated under a packaging EPR system for the same packaging items.

(b) Yes they should

Please briefly state the reasons for your response.

- Whilst NAWDO believes that a DRS is likely to reduce the quantity of drinks containers within residual waste, it will not eliminate it. Therefore there will still be costs associated with collecting and managing the drinks containers within the residual waste stream, so EPR is needed to ensure that these costs are covered and encourage producers to do everything in their power to make sure that drinks containers are captured.

## **2. Driving better design of packaging**

Q14. Do you agree with the development of an 'approved list' of recyclable packaging to underpin the setting of either modulated fee rates or deposits?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

- Clarity of labelling for consumers can only be brought about if there is an approved list of what can and cannot be recycled, and recycling will be more effective if the labelling is clear. Please see our response to question 6 for evidence of the importance of clear labelling. However, the practicalities are that different MRFs accept different ranges of materials so it will be important to find a way in which the national variability of what can and cannot be recycled is incorporated during any transitional period.

Q15. Do you think the payment of modulated fees or the payment of deposits with the prospect of losing some or all of the deposit would be more effective in changing producers' choices towards the use of easy to recycle packaging?

(a) Modulated fee

Please briefly state the reasons for your response and provide any information to support your view.

Modulated fee:

- NAWDO supports a modulated, placed on the market (POM), fee for producers - whereby they pay fees based upon the quantity and types/formats of packaging they handle - as the best approach for changing producers' choices towards the use of easy-to-recycle packaging. A modulated fee would send a clear signal to producers and designers to consider end-of-life at the design stage. Fees could be flexible allowing for the fees to be adapted as new packaging types come onto the market such as compostable, or biodegradable packaging or packaging with electronic sensors for example in-built, and could be set to take account of composite materials.

Deposit and fee: NAWDOs view

- This approach is similar to how the energy market operated for a period of time with companies paying upfront based upon an estimate of their annual energy use and then a repayment at the year-end based upon their ranking in the market. It may be useful to look at why this system was changed.
- NAWDOs view a deposit (for recyclable packaging) and fee (for non-recyclable packaging) is likely to be too difficult to operate and potentially make it more difficult for businesses to budget for their annual costs of compliance.
- Although the deposit and fee approach would potentially be more responsive to market pricing – with deposits returned based upon the real cost of recycling, the risk with this approach is that producers could contribute more than the full net cost overall of packaging placed on the market – which the consultation document recognises.
- Although the deposit and fee is attractive, because it is more likely than a modulated fee to stimulate a circular economy approach; on balance we support the modulated fee.

Q16. Do you think there could be any unintended consequences in terms of packaging design and use arising from:

(a) Modulated fees

(b) Deposit (for recyclable packaging) and fee (for non-recyclable packaging)

Please briefly state the reasons for your response and provide any information to support your view.

- Both modulated fees and a deposit/fee approach are expected to encourage producers to substitute less easily recycled material for more easily recycled material in their product

packaging. However, the provision of materials and recycling facilities varies across the country. NAWDO believes there are unintended consequence as the result of the substitution of one material for another could be that the average transport distances could increase for both transporting materials for packaging manufacture and at the end of life to packaging recycling facilities.

Q17. Do you agree that the deposit approach should be designed to incentivise more closed loop recycling?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

- NAWDO believes a fiscal signal to include easily recyclable material, whether that be a deposit/fee or modulated fee, raises awareness of the need to design in recyclability from the outset and the deposit approach also provides the opportunity to incentivise closed loop recycling.

### 3. Obligated producers

Q18. What do you consider to be the most appropriate approach to a single point of compliance, the Brand-owner or the Seller approach?

- (a) Brand-owner - **Yes**
- (b) Seller
- (c) Other
- (d) I don't support moving to a single point of compliance

Please briefly state the reasons for your response and provide any information to support your view.

- NAWDO considers current system of shared responsibility across the packaging chain has played its part in the past. To continue with this approach creates the potential for four separate organisations to be obligated for one unit of packaging – the material manufacturer, the converter, packer-filler and seller. We also recognise the risk of the price signal being diluted by having a shared responsibility approach. As a result, we support reform to a single point of compliance.
- We support compliance at the brand-owner level on the basis that the brand owners are the ones putting the product forward to the market but have no further evidence to support this view. Brand owners and sellers are best placed to answer this question.

Q19. If a single point of compliance approach was adopted, do you think the de-minimis should be:

- (a) Replaced with a lower turnover threshold? **Yes**
- (b) Retained and wholesalers and direct-to-retail sellers take on the obligation of those below the threshold?
- (c) Other, please state
- (d) Don't know

Please briefly state the reasons for your response and provide any information to support your view.

- NAWDO believes replacing the de-minimis with a lower turnover threshold still retains the principle of producers being obligated under producer responsibility legislation, albeit that very small and micro-businesses would be exempt such as an independent café that fills takeaway boxes at the point of purchase.
- A move to retain the de-minimis threshold and obligate wholesalers and direct-to-retail sellers of unfilled packaging seems to undermine the principle of producer responsibility – because the wholesalers and direct-to-retail sellers would have to pay the fees on the unfilled packaging products that they sell to producers (albeit that the prices they would charge would be inclusive of EPR obligations).
- Whilst we note the littering impact of packaging placed on the market by takeaway businesses our view is that it is better to introduce the new system first as proposed with a lower threshold and then review it at a later date if it becomes clear that the exemption of very small businesses is causing a problem.

Q20. Should small cafés and restaurants selling takeaway food and drinks whose packaging is disposed 'on the go' be exempt from being obligated?

(a) No

Please briefly state the reasons for your response and provide any information to support your view.

NAWDO considers small cafés and restaurants produce packaging waste is commonly littered. Whilst drinks containers are likely to be covered by a DRS, other items e.g. food takeaway boxes, won't be. Making these businesses obligated under EPR would encourage them to produce less, and/or more reusable, packaging.

Q21. If shared responsibility is retained, is Option A or Option B preferable for including smaller businesses or the packaging they handle in the system?

- (a) Option A (Lower or remove the de-minimis)
- (b) Option B (De-minimis threshold remains as is and obligations extended to distributors of packaging or packaged products)
- (c) Other, please state
- (d) I don't know

Please briefly state the reasons for your response and provide any information to support your view.

We do not think shared responsibility should be retained so have not answered this question.

Q22. If you have stated a preference for A, do you think the de-minimis threshold should:

- (a) Be reduced (please state your suggested threshold)
- (b) Be removed entirely

Please briefly state the reasons for your response and provide any information to support your view.

Not applicable



Q23. Overall, do you have a preference for maintaining a shared responsibility compliance approach, or moving to a single point of compliance?

(a) Single point of compliance

Please briefly state the reasons for your response and provide any information to support your view.

Please see our response to question 18.

Q24. Do you have a preference for how small businesses could comply?

(a) Pay a flat fee to include a contribution to a communications fund

(b) Apply an allocation formula

(c) Other, please describe

Please briefly state the reasons for your response and provide any information to support your view.

Others are best placed to answer this question.

Q25. Do you think that requiring operators of online marketplaces to take the legal responsibility for the packaging on products for which they facilitate the import would be effective in capturing more of the packaging that is brought into the UK through e-commerce sales?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

- NAWDO supports that operators of online marketplaces should, as a matter of principle be sharing some of the producer responsibility burden associated with the packaging for which they facilitate the import and then pass into UK consumers' homes and waste.
- These are digital businesses so the ease of compliance should be high and the costs of ensuring accurate reporting relatively low. However, incorporating these businesses into the EPR framework is inevitably likely to result in some self-reporting.
- Given that more and more people now buy on-line it seem perverse to exempt these businesses from the overall regime.

#### **4. Supporting improved collections and infrastructure**

Q26. Do you agree payments to local authorities for collecting and managing household packaging waste should be based on:

(a) provision of collection services that meet any minimum standard requirements (by nation);

(b) quantity and quality of target packaging materials collected for recycling;

(c) cost of managing household packaging waste in residual waste

Please briefly state the reasons for your response and provide any information to support your view.



- NAWDO agrees that the payments to local authorities for collecting and managing household packaging waste should be based on all of the above measures.
- A long-standing complaint of producers and retailers has been the varying collection systems provided by local authorities across the country and that as a result communication about recycling on a national scale is more difficult. Collection services which meet minimum standard requirements by nation would help to address this and ensure that the efficacy of communications is maximised.
- We note that the consultation states that if additional packaging items, such as film plastic waste produced by households (which is mostly LDPE) and compostable plastic packaging, were to be required to be collected from households in the future then producers would be expected to cover these costs. However, in some cases these items are collected and recycled already. We would recommend that the system is sufficiently flexible to allow for the costs of other materials than those which are mandated should be able to be recovered too if they contribute to the producers' targets.
- Payments which are sensitive to the cost of managing household packaging waste in the residual stream is sensible.
- However, we are concerned that the reference costs which will be used for making payments to the following groupings of local authorities in England will not properly reflect the costs of collection in the capital. [Namely:
  - R1 Predominantly urban, higher deprivation
  - R2 Predominantly urban, lower deprivation
  - R3 Mixed urban/rural, higher deprivation
  - R4 Mixed urban/rural, lower deprivation
  - R5 Predominantly rural, higher deprivation
  - R6 Predominantly rural, lower deprivation]

Q27. Do you think we have considered all of the costs to local authorities of managing packaging waste?

(a) No

Please briefly state the reasons for your response and provide any information to support your view.

- The consultation document notes that producers should not be expected to cover the costs of inefficient service delivery and their financial contribution should not exceed the costs necessary to provide those services (Section 1). NAWDO is concerned that the detail is not provided to understand how the efficiency of a collection service will be assessed and whether, if some costs have been excluded, a service may be erroneously judged as being inefficient.
- The need to provide consistent collections, including the additional separation of materials, is likely to require additional bulking bays for separate materials at transfer facilities. It is unclear if the full costs of additional bulking bays at transfer facilities have been incorporated.
- Thirdly we are unsure if collection depot running costs have been included.

- A key piece of work is to understand how much the costs of managing packaging waste vary between local authorities. We are also concerned that the payments for packaging waste in residual waste which will be based on the average disposal gate fee for household waste for landfill or incineration, using either national average rates or regional average rates have sufficient granularity. If residual waste is transported to a region with very different disposal costs it is important that this is reflected in the payments so that the producing local authority is properly recompensed.
- NAWDO believes there is also a lack of clarity about items recycled from residual waste such as in an MBT plant.
- Also, as mentioned in the response to Q10a, we're concerned that the following costs might be missed:
  - the costs of making household waste and recycling centres available to the public for receiving packaging waste
  - well the costs of clean-up of littered and fly-tipped packaging
  - the costs of collecting packaging that is within the residual waste stream as well as the packaging within the dry recycling stream
  - the costs of analyses to determine the quantities of packaging materials within the residual waste streams

Q28. Do you agree with our approach to making payments for the collection of household-like packaging waste for recycling?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

- NAWDO support the principle of payments for the collection of household-like packaging waste for recycling being similar to those for household waste, namely a formula which takes into account the cost of collection, proportion of target recyclable packaging materials in the waste stream and weight of target materials recovered for recycling. However, our comments regarding omissions as set out in response to question 27 also apply to household-like packaging waste collected from businesses.

Q29. Should businesses producing household-like packaging receive a payment for the costs of household-like packaging waste in residual waste?

(a) No

Please briefly state the reasons for your response and provide any information to support your view.

- NAWDO believes there should already be an incentive for businesses to recycle because they pay for the costs of their waste service, so a payment should not be needed. However, if it would help to capture more of the material then it perhaps could be considered at a later date.

Q30. Are there other factors, including unintended consequences that should be considered in determining payments to:

(a) Local authorities?

Please explain the reasons for your response and provide any information to support your view.

NAWDO believe there will be a period of transition as the new EPR system is implemented. Two options are provided for in the consultation document regarding the ownership of packaging waste recovered for recycling which need to be factored into considerations regarding payments to local authorities. If ownership of material is retained by producers then local authorities could be paid their gross costs and hence would no longer bear the risk of fluctuating material prices. Or, as now, local authorities could continue to receive income for the sale of their recyclable packaging materials and this income would need to be taken account in payments made to local authorities as producers are required to pay net costs. During the transition period between the current and new regime and depending on which option above is considered there may be a need to consider operating both systems side by side. Transitional arrangements should be taken into consideration.

(b) For the collection and recycling of household-like packaging waste?

Please explain the reasons for your response and provide any information to support your view.

None to note.

Q31. Do you have any information that would help us to establish the costs incurred by local authorities and other organisations of cleaning up littered and fly-tipped packaging items?

No

Q32. How do you think producer fees could be used to improve the management of packaging waste generated on-the-go?

NAWDO considers there are options:

- One option may be for local authorities to receive an additional payment if their on-the-go recycling system is identical to the minimum standard (dry materials) for kerbside services. This could be introduced at a later date but it would be necessary not to disadvantage smaller rural authorities with limited on-the-go provision.
- Another option would be to ensure that communications provision included on-the-go so that there would be an incentive for local authorities to make their on-the-go provision consistent with their kerbside service.

Q33. Do you have any information that would help us to establish the costs of collection and disposal of increased on-the-go provision?

- No – because on-the-go material is mixed with household kerbside collected waste for disposal so we don't have separate costs available.

Q34. Do you agree that provision for the take back of single-use disposable cups for recycling should continue to be developed a voluntary basis by business prior to a government decision on whether disposable cups are included under an EPR scheme or DRS?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

- NAWDO believes given the volume of single use disposable cups being used and thrown away and the voluntary measures already in place the Government should take a short amount of time to review the evidence on the effectiveness of these schemes and then implement a mandatory regime.

Q35. Do you think the recycling of single-use disposable cups would be better managed through a DRS or EPR scheme?

- (a) DRS
- (b) EPR
- (c) Both
- (d) None of these options

Please briefly state the reasons for your response and provide any information to support your view.

- (c) Both
  - NAWDO considers EPR would encourage producers to shift away from single-use and/or a move to more easily recyclable single use cups.
  - DRS would encourage consumers to return their disposable cups for recycling or reuse
  - DRS would be a good way to incentivise reuse, rather than just return for recycling. London School of Economics (LSE) for example has introduced a 10p 'tax' on disposable cups from 24 September 2018. The money used is ring-fenced for sustainability initiatives within catering services. By using a reusable cup, customers avoid the tax and also receive a 25p discount on the cost of their drink. The aim of the initiative is to reduce the use of disposable cups by 20% which will remove 66,000 disposable cups from the University's waste stream each year. Consideration should be given to incorporating reuse into the DRS.

Q36. Do you think a recycling target should be set for single-use disposable cups?

- (a) Yes
- (b) No
- (c) I neither agree nor disagree

Please briefly state the reasons for your response and provide any information to support your view.

- No – because it would be preferable to incentivise reuse rather than recycling.

## **5. Helping consumers do the right thing – communications and labelling**

Q37. Should producer fees be used to support local service-related communications delivered by local authorities?

- (a) Yes

Please briefly state the reasons for your response. Where available, please share evidence to support your view.

- NAWDO support the use of producer fees for local service-related communications, but this support could be on the proviso that suitably flexible national branding is used and that the money is ring-fenced for communications.
- Local communications can be targeted and customised and are a vital part of the communications mix, reducing the 'bystander bias' of national activity. Examples from other sectors to support the need for local communications including the National Blood Transfusion Service which became far more effective at gaining blood donors when it changed its communications from national messaging about giving blood, to a more localised approach saying that the local hospital was running low on supplies. Spotify has also localised its communications to attract more users.
- Local communications will also be particularly important in the transition period before consistency of collections is in place across each nation.

Q38. Should producer fees be used to support nationally-led communications campaigns in each nation?

(a) Yes

Please briefly state the reasons for your response. Where available, please share evidence to support your view.

- NAWDO suggests that it is appropriate for funding to be used for national branding, research and communications materials but not for communications campaign delivery until consistent collections are in place.

Q39. Are there any circumstances where producers should be exempt from contributing to the cost of communications campaigns?

(a) No

Please briefly state the reasons for your response. Where available, please share evidence to support your view.

- We cannot think of any reasons for exemption.

Q40. Do you agree it should be mandatory for producers to label their packaging as Recyclable/Not Recyclable?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

- Please refer to NAWDO response to question 6 consumers are often confused about what to do when they come to dispose of a product and its packaging which leads to less effective recycling and higher levels of recycling contamination than we want.

Q41. Do you think that the percentage of recycled content should be stated on product packaging?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

- NAWDO suggests that labelling about the recycled content of the packaging would reinforce consumer messaging about the outcome of recycling, i.e. that the material consumers recycle gets made into new products.

Q42. If you responded yes to the previous question, how could recycled content information be provided to consumers?

Please describe briefly.

- NAWDO suggest that labelling could be colour coded like energy efficiency ratings.

Q43. Do you have any other proposals for a labelling system?

Please describe briefly.

- No.

Q44. Do you have experience to suggest an appropriate lead-in time for businesses to incorporate any mandatory labelling requirements?

- No – this is a question for producers.

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## **Part B: Packaging waste recycling targets**

### **6. Packaging waste recycling targets to 2030**

Q45. In your view, are the estimates made in the Material Flow reports for packaging waste arisings the best available data?

(C) I don't know / I don't have enough information

Q46. Are you aware of any other factors which may affect the estimates of packaging waste entering the waste stream?

(b) No

Q47. In your view, are there other factors which may affect the amounts of obligated tonnage reported?

(C) I don't know / I don't have enough information

Q48. Do you agree with the packaging waste recycling targets proposed for 2025?

(a) Yes

Q49. Do you agree with the packaging waste recycling targets proposed for 2030?

(a) Yes

Q50. Please provide your views on the policies and actions that could help us achieve an even higher overall packaging recycling rate, for example 75%, as well as your views on the costs associated with doing so.

We do not have any other views on this matter.

Q51. Do you foresee any issues with obtaining and managing nation specific data?

This is not a question that we can answer.

Q52. Should a proportion of each material target be met by “closed loop” recycling, e.g. as is the case for glass recycling targets?

(a) Yes – ideally

Please briefly state the reasons for your responses and provide any information to support your view.

As we seek to transition to a more circular economy it would be helpful if the producer responsibility packaging waste regulations could assist us to do so.

However, the practicalities of closed loop recycling may prevent the immediate implementation of such a requirement.

NAWDO suggests packaging producers and recyclers are better placed to answer this question.

Q53. Should government set specific targets for individual formats of composite packaging?

(a) Yes – ideally

If yes, what key categories of composite packaging should be considered? Please briefly state the reasons for your responses and provide any information to support your view.

NAWDO doesn't have enough knowledge of the packaging sector to answer this question but we support the principle of setting targets for composite packaging recycling.

Q54. Do you agree with the proposed interim targets for 2021 and 2022 set out in Table 6?

(a) Yes

Please briefly state the reasons for your responses and provide any information to support your view.

NAWDO believes the targets proposed take account of current performance and the required trajectory, so seem reasonable, although it is unclear if any implications of Brexit have been incorporated.

Q55. Do you agree with the proposal to increase the allocation method percentage to 35% for 2021 and 2022?

We are unsure about this.

## **Part C: Governance arrangements**

### **7. Governance models**

Q56. Overall, which governance model for packaging EPR do you prefer?

NAWDO considers both models 4 and 2 have positive aspects, however both need a lot more work to make them feasible. Potentially positive aspects could be taken of both to devise a hybrid model.



Please briefly explain your preference.

- Model 4 has the potential to efficiently drive fundamental system change and achieve the aims of EPR, however work is needed to make sure it encourages consistency improvements and partnership working
- Model 2 is a more controlled system that can help achieve the EPR aims if managed correctly, however it could be excessively bureaucratic and a very expensive way to get to the outcomes.

Q57. If you had to modify any of the models in any way to make them better suited to achieve the principles and outcomes government has set for packaging EPR what changes would you suggest?

NAWDO would suggest the following modifications to make the individual models better. Potentially positive aspects could be taken to devise a hybrid model.

- Model 1: Enhanced near-to-business as usual - compliance schemes.
- Due to the competitive nature of the market under this model, schemes would compete for local authority services as with the WEEE compliance approach now. In order to provide a comprehensive service, it would be necessary to include a mechanism to prevent the most costly-to-collect-from local authorities from being without a compliance scheme provider into which all schemes would have to contribute.
- This model requires the transfer of a proportion of funds to an independent board which would run communications campaigns on behalf of the schemes. In order to ensure that this worked well it would probably be necessary to establish a governance structure whereby one of the compliance schemes took the legal lead. Prior to the establishment of WRAP the National Waste Awareness Initiative as it was then known, (now Recycle Now) was run by a board. However, because there was a need to let contracts to communications agencies, research agencies etc. that board then had to become a legal entity in order effectively deliver the campaign. A quicker approach is to let one of the member organisations take the lead.
- The complexity of each compliance scheme working alongside the DRS would possibly also require a combined management body to ensure a coherent system was created.
- Model 3: Separate schemes for household/household-like packaging and commercial/industrial packaging.
- - Data collection management would be one of the most difficult aspects of this model, because with different schemes responsible for household/household-like packaging and commercial/industrial packaging no-one organisation would have a complete picture of the progress towards recycling target achievement. A data sharing arrangement would be required with one of the schemes taking the lead for providing information to government.
- - Communications funding for reducing littering would also need to be co-ordinated between the schemes because communications to reduce littering does not necessarily need to distinguish between the sources of the litter or if it does communications require co-ordination.
- Model 4: Deposit-based government managed system.
- The consultation document notes that the Government has not found a similar scheme operating elsewhere so it could include a number of unknown costs and risks.
- One difficulty of this model is how best to approach compliance in the four nations – which government would manage the scheme or is it proposed that there would be four separate

schemes, one for each nation? If so, this may not lead to as coherent a system without the creation of an additional co-ordinating body.

Q58. Do you have any concerns about the feasibility of implementing any of the proposed governance models?

a) Yes

b) No

If yes, please provide specific reasons and supporting information for each governance models that you have concerns about.

NAWDO suggest all of the models are feasible, but all need more detailed development work e as indicated above and would require more time and complex structural arrangements to put be put in place in order to make them effective.

Q59. Do you think that any of the governance models better enable a UK-wide approach to packaging producer responsibility to be maintained whilst respecting devolved responsibilities?

Yes – NAWDO suggests Models 2 and 4, because there could be single regulatory organisations within each nation.

Q60. Stakeholders have suggested that a compliance fee mechanism similar to the arrangements currently in place under the WEEE producer responsibility scheme should be introduced if a competitive evidence market continues to operate such as in Model 1. Do you agree?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

NAWDO suggests:

- Firstly because of the requirement to provide support for authorities who have not been able to award a contract to a compliance scheme for whatever reason. The compliance fee can be set to ensure that each scheme pays into a fund which can support the provision of services to such local authorities.
- Secondly because it would potentially be able to fund comprehensive communications.

Q61. Should a Packaging Advisory Board be established to oversee the functioning of the EPR system and the compliance schemes in the competitive compliance scheme model 1 or do you think other arrangements should be put in place?

(a) Packaging Advisory Board

(b) Other – please provide details

Please briefly state the reasons for your response and provide any information to support your view.

NAWDO is unsure about the alternatives so cannot comment upon this question.

Q62. Please let us know your thoughts as to whether the proposed single management organisation should be established on a not-for-profit basis or as a government Arm's Length Organisation.

NAWDO suggests there are pros and cons of each approach but on balance we recommend a not-for-profit basis.

Q63. If such a management organisation is established as not-for-profit, one option is for government to invite proposals from potential operators and then issue a licence to operate for a defined period of time. Do you agree with this approach?

(a) Yes

Q64. Should a single scheme be established for household/household-like packaging and C&I packaging as described for model 2?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

NAWDO suggests a single scheme can ensure a co-ordinate approach to data collection and reporting of the same.

Q65. Or, should there be a separate system for managing compliance for household/household-like packaging and C&I packaging as described for model 3?

(a) No

If no: do you have suggestions on an alternative approach?

NAWDO suggest others are closer to the detail of how compliance can operate to respond to.

Q66. Under model 4 are producers more likely to?

(a) Manage their own compliance?

(b) Join a compliance scheme?

Please briefly state the reasons for your response and provide any information to support your view.

Don't know.

## **8. Responsible management of packaging waste domestically and globally**

Q67. Do you agree that government should seek to ensure export of packaging waste is undertaken in a transparent and environmentally responsible manner?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

NAWDO supports emphasis on the transparency and environmental benefits of waste exports to continue to build confidence in existing recycling systems.

Q68. Do you agree that measures identified here would help ensure the export of packaging waste is undertaken in a transparent and environmentally responsible manner?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

Q69. Have we missed potential measures that you believe need to be considered alongside those measures we have proposed?

(b) No

Q70. Do you have any concerns about the feasibility and / or costs of implementing any of the proposed measures?

(a) Yes

If yes, please provide specific reasons and supporting information for each measure that you have concerns about.

NAWDO considers the transition period will be complex as producers and local authorities move to the new system, consistent collections come into force and a DRS is implemented, assuming that all three new measures are implemented. Coupled with any complexities introduced as a result of Brexit, this could lead to unforeseen delays and costs.

## **9. A more transparent system**

Q71. Do you agree that accredited reprocessors and exporters should be required to report their financial information?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view. If you answered no, how would you suggest transparency is provided on how income from the sale of evidence has been used to support capacity building?

NAWDO supports a requirement to report financial information will provide confirmation to show how the income from the sale of evidence has been used to support capacity building, thereby supporting the transparency principle number 8 of the governance principles behind the reform to the packaging regime.

Q72. Should accredited reprocessors and exporters be required to generate evidence for every tonne of packaging waste that they process?

a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

Q73. Should accredited reprocessors and exporters be required to report on the packaging waste they handle monthly?

a) Yes

Q74. Do you think that any additional measures to those already described would be required to ensure transparent operating of the evidence market in model 4?

(a) Yes

If yes, please provide details

NAWDO considers the risk with this model is that schemes pay more than they need at the start of the year. Accurate estimates would be required, particularly for small businesses where paying the fee up-front could cause unnecessary cash-flow difficulties.

Q75. Are there any additional requirements that should be placed on compliance schemes to ensure greater transparency of their operations and reporting?

(a) No

If Yes, please briefly state the reasons for your response and provide any information to support your view.

Q76. Under a reformed system do you think compliance schemes should continue to be approved by the existing regulators or do you think a different approach is required?

(a) Yes, approved as now

Q77. Are there any additional requirements of a single producer organisation to ensure transparency of its operation and reporting?

(a) Yes

If yes, please briefly state the reasons for your response and provide any information to support your view.

Q78. Do you think there is a need to make more information on packaging available to consumers?

a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

- NAWDO is aware there is confusion about the recyclability of packaging and whether recycling information on packaging refers to the product or the packaging. In particular, we also find that residents want information about why if you take two different products made of the same material one may be recyclable and the other not. A single link to a helpline and a website containing comprehensive packaging recycling information would be sufficient.

## **10. Compliance monitoring and enforcement**

Q79. Are there other datasets that will be required in order to monitor producers in any of the proposed models?

Don't know.

If yes please explain which datasets will be needed.

Q80. Is there a specific material, packaging type or industry sector whereby producing accurate data is an issue?

Don't know – this is a question for others to answer.

If yes, please provide further information on where producing accurate data may be an issue.

Q81. Do you think a single database, as opposed to the current range of methodologies available, would be an effective alternative?

(a) Yes – if it is possible.

Please briefly state the reasons for your response and provide any information to support your view.

Q82. Do you agree that compliance schemes (models 1 and 3), the producer management organisation (model 2) or the scheme administrator (model 4) should be responsible for carrying out audits of producers, which should be reportable to the regulators?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

Q83. Do you support the broadening of legally enforceable notices to obtain required information?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.

Q84. Are there other enforcement mechanisms that should be considered which would be timely and effective to bring producers into compliance, for example in relation to free riders?

Unsure.

If yes, please explain which other enforcement mechanisms should be considered.

Q85. Are there any further data that should be required to be collated / collected via compliance schemes or a single management organisation?

Please provide brief details

NAWDO suggest it would be helpful to link the data sets in a reformed EPR with the number and type of complaints received through the packaging essential requirements regulations. In theory with a better EPR scheme and improved design for recyclability there should be fewer complaints about packaging design, but it would be interesting and useful to capture this information.

Q86. Do you think a penalty charge, as described, is the correct lever to ensure packaging recycling targets are met?

(C) I don't know

Please briefly state the reasons for your response and provide any information to support your view.

Q87. Should stakeholders other than reproprocessors or exporters be able to issue evidence of recycling?

(b) No

Please briefly state the reasons for your response and provide any information to support your view.

Q88. Are there any additional enforcement powers that should be applied to waste sorters, MRFs and transfer stations handling packaging waste?

a) No

If yes, please explain which other enforcement powers should be available.

Q89. Do you agree with the proposed amendments to enforcement powers relating to reproprocessors and exporters?

(a) Yes

Please briefly state the reasons for your response and provide any information to support your view.



Q90. Do you have any evidence to indicate that under any of the proposed governance models the likelihood of waste packaging being imported and claimed as UK packaging waste might increase?

(b) No

If yes, please provide information on any evidence you have.

Q91. Is the current requirement for a sampling and inspection plan and subsequent auditing by the regulator sufficient to address any misclassification of imported packaging waste?

Unsure.

Please briefly state the reasons for your response and provide any information to support your view.

Q92. Are there other mechanisms that could be considered that would prevent imported UK packaging waste being claimed as UK packaging waste under the proposed governance models?

Unsure

If yes, please explain which other mechanisms could prevent imported packaging waste being claimed as UK packaging waste.

Q93. Do you have any additional data or information that will help us to further assess the costs and benefits (monetised or non-monetised) that these reforms will have?

No

Q94. Do you have further comments on the associated Impact Assessment, including the evidence, data and assumptions used? Please be specific.

No

Q95. If you have any other views or evidence that you think we should be considering when reforming the packaging waste regulations, which you have not yet shared, please add them here.

NAWDO would highlight that the increasing use of compostable plastic packaging and its implications for the packaging EPR system should be carefully considered. A recent study predicts a ten-fold increase in compostable plastic use by 2025\*. This could have a disruptive effect on local authority collections and recycling. Current waste treatment facilities are not designed to manage "compostable" plastics. For example, as their use becomes more widespread, there will be increased householder confusion over which bins to put these waste materials in. They do not biodegrade in an AD facility and would be extracted by de-packaging equipment to be sent to EfW or landfill. Adding them to garden waste will also be problematic because they do not degrade fully in open windrow composting systems and may require an element of IVC use. The residual waste bin might be the most suitable place to put this, under current circumstance. Therefore, going forward, urgent action is required from the Government to clarify the best treatment route for this waste stream.

Response from the National Association of Waste Disposal Officers (NAWDO)

\* <http://biomarketinsights.com/uk-compostable-packaging-market-poised-for-tenfold-increase-by-2025-new-report-finds/>