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Review of Waste Policies
Department for Environment, Food and Rural Affairs
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Dear Defra,

Defra Waste Policy Review for England: Call for Evidence

This response to the consultation is made on behalf of the Confederation of Paper Industries (CPI). CPI has within its membership mill-owned and independent recovered paper merchants and exporters, paper manufacturers, tissue manufacturers and corrugated converters. All Members of CPI are impacted by waste policy in England as either recyclers of waste paper as a raw material or as producers of waste through the production process. Members also have producer responsibilities associated with the products they manufacture and sell.

Paper and board recovery is a huge success in the UK driven by the ease with which paper and board products can be recycled and strong global market demand for high quality recovered paper as an economic raw material. The UK recovered paper industry is responsible for moving over 8 million tonnes of recovered paper for recycling, either in the UK or overseas, and on many occasions this material is managed by several different parties prior to final recycling; CPI Members handle around 67% of this volume. The 8.2 million tonnes of recovered waste paper recycled in 2009 provided up to 10.8 million tonnes of carbon benefits¹ to the UK in comparison to disposal through current UK landfill and incineration waste management options.

There is likely to be around 4 million tonnes of waste paper being handled as residual waste in the UK going into landfill, incineration or water treatment systems mixed with other waste streams, of which around 1.5 million tonnes is recyclable into new paper and board products. This 1.5 million tonnes of potential recyclable waste paper offers further carbon benefits to the UK of up to 2 million tonnes but can only be realised if the material is recovered in a way that makes it suitable for efficient recycling into new paper and board products and does not negatively impact on currently recovered material.

In 2009, just over 3.8 million tonnes of recovered waste paper was recycled domestically in the UK with around 4.4 million tonnes exported for recycling overseas and around 92,000 tonnes imported to the UK for domestic use. In order to allow recyclable waste paper to be effectively recovered from the UK residual waste stream the regulatory drivers for recovery must be maximised while the regulatory costs of managing this material must be minimised whilst ensuring the recovery systems employed provide a suitable quality of material for effective, economic recycling. Recycling paper waste offers a far better carbon option than disposing of the material through incineration and landfill, as demonstrated in the 2006 and 2010 WRAP global life cycle impacts of recycling analysis².

¹ http://www.paper.org.uk/information/factsheets/greenhouse_gas.pdf

² http://www.wrap.org.uk/downloads/Recycling_LCA_Report_Sept_2006_-_Final.a5628227.2838.pdf

General response:

CPI supports this review of England's waste policies and, alongside the transposition of the rWFD (CPI has responded to the rWFD consultation separately), provides a solid opportunity to make England a leader in resource efficiency with the attached economic, environmental and social benefits this would bring. At the heart of any new policies must be a call for better resource management of recyclable waste streams to ensure efficient recycling and maximised carbon benefits. The UK paper industry has a strong history of recycling and the level of paper recovery for recycling has grown strongly over the last ten years as previous government policies and public opinion have recognised the immense benefits, both economic and environmental, from managing recyclable waste as a resource. However, one key benefit to the UK, the social aspect through job creation, has not been promoted or maximised and, given the current austerity agenda, could be a key policy area for government going forward. As an example of this, the UK paper making industry, including domestic recycling capacity, has declined at an alarming rate as the UK governments have failed to maintain the competitiveness of the UK manufacturing industries in the global arena. This has led to the situation where the UK now imports the majority of paper and board materials it consumes whilst exporting the majority of recovered waste paper and board it collects for recycling overseas (see bottom of this response). This has led to a sharp decline in paper industry employment in the UK and a significant increase in the UK trade deficit associated with paper and board products.

However, export markets for recovered waste paper will continue to play a critical role in ensuring the UK meets the rWFD recycling targets for household waste as well as other European Directive targets such as packaging and landfill. To ensure the UK remains competitive in the global market for recovered waste paper there must be control of the regulatory costs applied to the industry while ensuring that the quality of material collected remains desirable and conforms to the EU Waste Shipment Regulations and the UK Trans-frontier Shipment of Waste Regulations at all times. The collection industry, including Local Authorities, saw the impact that a drop in export demand can have on the value of recovered waste paper at the end of 2008 and the press and public reaction to the situation. There is also understandable outrage when UK waste, exported as recyclables under lesser export controls, are found overseas in illegal dumps and this can undermine confidence in recycling and jeopardise meeting several EU Directive recycling targets.

The transposition of the rWFD and this review of England's waste policies is thus a critical opportunity to tighten up on bad waste management practice and truly drive the agenda of the public towards understanding the key role waste and resource management has to play in the future of sustainable living in the UK. If England's waste policies can drive every stakeholder to see waste as a resource on which the foundations for investment in UK domestic industrial capacity can be built then this exercise can truly be deemed a success. This can be measured by creating significant new skilled green jobs in the UK and reducing the UK trade deficit associated with material consumption.

KEY AREAS FOR DEFRA TO CONSIDER IN ITS REVIEW OF WASTE POLICY

- **Material recovery and recycling is a huge success and will be the backbone of a resource efficient, sustainable global society. (UK paper recycling in 2009 was 67% of consumption)**

- Legislation (landfill taxes, producer responsibility, statutory recycling targets, landfill restrictions etc) should be used to drive material up the rWFD waste hierarchy and away from landfill; maximising resource efficiency and minimising environmental impact.
- The regulatory framework that the industry works within (Environmental Permitting, Duty of Care, Waste Shipments, and Health & Safety at work) should reflect the actual risks to the environment and human health of the activities carried out.
- Fully recovered recyclable materials are a globally traded commodity and should be treated in the same way as any other globally traded primary commodity.
- The UK currently has insufficient reprocessing capacity for most recovered recyclable materials, particularly recovered paper, and exports are a key market in ensuring further collection and recovery of resources from the UK waste stream. This is in line with the rWFD waste hierarchy and will support the development of UK infrastructure should the economics of UK investment support this through other departmental policy options.
- Where waste materials are not suitable for recycling (non recyclable materials, unsuitable sources, heavily contaminated) but contain calorific value they should be considered for energy recovery to avoid contamination of recyclable streams.
- It is for the collection and recovery industries to determine the best economic and environmental options for turning waste into a resource aligned with the needs of global resource markets.

DETAILED POSITIONS

WASTE POLICIES ON PRODUCERS AND CONSUMERS

Legislation on waste management has grown significantly over the last ten years and further legislation is expected. This has pushed many users to recycle rather than dispose of waste through landfill and has been a sound basis for increasing recovery and recycling levels.

Current legislative drivers on waste producers

- Producer Responsibility - Packaging Regulations – Recycling targets for packaging products;
- Landfill Tax and Regulations – Diversion of waste from landfill;
- Pre-treatment Regulations – Need to treat waste prior to landfill;
- Government municipal recycling targets;
- Producer Responsibility - Voluntary industry recycling targets.

Future legislative drivers on waste producers

- Development of the Packaging Waste Regulations with higher targets;
- Municipal recycling targets within the revised EU Waste Framework Directive (WFD);
- Landfill restrictions – Potential restrictions on landfilling certain wastes.

CPI POSITION: WE SUPPORT LEGISLATIVE AND VOLUNTARY AGREEMENTS THAT DRIVE FURTHER PRODUCER RESPONSIBILITY AND ALSO ANY LEGISLATION THAT MAKES IT MORE ECONOMIC FOR BUSINESSES TO RECYCLE WASTE RATHER THAN DISPOSE OF MATERIAL THROUGH NON-RECYCLING ROUTES.

RECOVERY AND RECYCLING OPERATIONAL REGULATION

When dealing with individual materials collected and processed separately, industry works under a light-touch environmental regulatory framework, reflecting the very low environmental impact of our industry. More aggressive environmental regulation can lead to higher costs but more security in operational integrity (this is the situation for processing plants dealing with mixed material streams, MRFs).

Currently we work under the following regulatory framework:

- **Environmental Permitting** – Under either full or exempt status depending on activity;
- **Duty of Care** – As licensed waste carriers, with waste transfer notes, as registered traders/brokers;
- **Waste Shipment Regulations** – Conforming to requirements for movement of waste overseas;
- **Packaging Waste Regulations** – As accredited reprocessors and exporters;
- **Health and Safety** – As part of the paper industry through PABIAC.

There is an opportunity for our downstream operations to become “end of waste” through the revised EU rWFD which we are engaged in with Defra.

CPI POSITION: IF ENFORCED FAIRLY AND EFFECTIVELY WE SUPPORT THE CURRENT REGULATORY FRAMEWORK FOR RECOVERY OPERATIONS.

COLLECTION METHODS

There are three generally recognised methods for collecting waste paper but there are significant variations to these three themes. All are used to varying degrees by the recovery and recycling industry.

1. Bring systems – used by private collectors and Local Authorities. Can be used to collect individual materials but also mixed recycle.
2. Separate collection systems – mostly used in the C&I Sector where volumes are higher, but also used by about 50% of Local Authorities for municipal waste streams. Sometimes separated by the producer but can also be separated from a mixed recycle slave bin into the collection vehicle.
3. Mixed recycle collection systems – mostly used in municipal collections (around 50%) where material is subsequently sorted at a processing plant (MRF).

CPI POSITION: CURRENTLY OUR STANCE IS FOCUSED ON THE QUALITY OF MATERIAL OUTPUTS FROM THE COLLECTION OR SORTING PROCESS RATHER THAN THE COLLECTION METHOD ITSELF. HOWEVER, WE DO RECOGNISE THAT THE DIFFERENT COLLECTION METHODS IMPOSE DIFFERENT RISK PROFILES TO QUALITY. THIS RISK PROFILE MUST BE EFFECTIVELY BUILT INTO ANY POLICY OPTIONS TO INCREASE RECYCLING RATES TO ENSURE ALL MATERIAL COLLECTED IS FIT FOR EFFECTIVE AND EFFICIENT RECYCLING.

RECOVERED PAPER QUALITY STANDARDS

There are currently a number of quality standards which give guidance to what the requirements are for efficient and effective recycling of recovered waste paper. These are:

EN643 – European List of Standard Grades of Recovered Paper and Board

PAS105 – Recovered Paper Sourcing and Quality for UK End Markets

Both documents set out what the requirements are for recovered paper quality and are well recognised by the industry.

There is no agreed standard with the UK regulators on what constitutes a legal overseas shipment of recovered paper in terms of non-paper component tolerances. This has led to significant issues for the industry. CPI has developed an Export Code of Practice with defined non-paper component tolerances which are aligned with our input into the EN643 revision and PAS105.

CPI POSITION: WE SUPPORT A DEFINED ALLOWANCE FOR NON PAPER COMPONENT TOLERANCES IN LINE WITH OUR EXPORT CODE OF PRACTICE, PAS105, OUR INPUT INTO THE EN643 REVISION AND OUR "END OF WASTE" POSITION. THESE DOCUMENTS SHOULD BE REFERENCED IN GOVERNMENT POLICY DOCUMENTS AS GUIDANCE TO ALLOW EVERYONE TO UNDERSTAND WHAT IS REQUIRED AND WHAT MUST BE ACHIEVED TO PROTECT THE INTEGRITY OF RECOVERED PAPER AND MAXIMISE THE BENEFITS OF PAPER AND BOARD RECYCLING.

LEAKAGE OF RECYCLABLE MATERIALS TO ENERGY FROM WASTE

Currently there are several pieces of legislation aimed at driving recyclable material out of landfill to other waste management routes, but this is not currently the case for recyclable material going to energy from waste. The waste hierarchy and recycling targets (packaging/municipal etc) should prevent leakage to energy from waste, but other drivers may be necessary going forward (requirement to sort within landfill restrictions could be applied to energy from waste as well).

CPI POSITION: WE BELIEVE THAT ALL RECYCLABLE WASTE SHOULD BE RECYCLED RATHER THAN TREATED AS ENERGY FROM WASTE. HOWEVER, SEVERAL WASTE STREAMS ARE NOT RECYCLABLE AND, WHERE CONTAMINATED, SHOULD BE USED FOR ENERGY RECOVERY RATHER THAN LANDFILL. THE LEVEL OF RECYCLING WILL BE DEPENDENT ON THE INTERGITY OF THE COLLECTION AND RECOVERY PROCESSES. WE DO NOT SUPPORT ANY KIND OF REGULATORY CROSS SUBSIDY FOR ENERGY GENERATION PLANTS UTILISING RECYCLABLE MATERIALS.

RECYCLED-CONTENT

This type of proposed policy may encourage markets for recycled products but may also have unintended consequences. Paper fibres have a limited life through recycling and there must be a constant flow of primary fibre into the paper loop to ensure it is sustainable. When paper fibres are no longer fit for closed loop recycling then they should be considered for energy recovery or an open loop recycling route to avoid contamination of the closed loop recycling stream.

CPI POSITION: WE BELIEVE THAT RECYCLED-CONTENT PRODUCTS CAN BE A DRIVER FOR GREATER MARKETS FOR SECONDARY RAW MATERIALS BUT MANUFACTURING INDUSTRIES ARE BEST PLACED TO DETERMINE THE SUSTAINABILITY ISSUES LINKED TO THESE PROPOSALS, NOT GOVERNMENT.

MARKETS

Huge levels of recovered materials in the UK are exported from the UK for recycling as we have had a declining domestic manufacturing base. This means that the UK has developed significant markets globally, particularly in the Far East and China.

CPI POSITION: IN ORDER FOR THE UK TO CONTINUE TO SUPPORT ITS RECYCLATE COLLECTION AND RECOVERY INFRASTRUCTURE ALL GLOBAL MARKETS ARE IMPORTANT. ALL OVERSEAS REPROCESSORS SHOULD MEET THE LEGAL REQUIREMENTS TO BE BROADLY EQUIVALENT TO EUROPEAN

STANDARDS. REGULATORY SCRUTINY OF EXPORTS TO AGREED STANDARDS ARE CRITICAL TO ENSURE POOR PRACTICES OF UNSCRUPULOUS OPERATORS DO NOT UNDERMINE THESE IMPORTANT MARKETS AND PUBLIC AND USER CONFIDENCE IN RECYCLING.

DEVOLVED UK ADMINSTRATIONS

Environmental legislation is a devolved matter for the UK administrations (England, Scotland, Northern Ireland and Wales). This makes it very difficult to ensure that all the legislation is aligned and supports the recycling industry in terms of consistent requirements.

CPI POSITION: DEVOLVED ENVIRONMENTAL POLICIES SHOULD BE ALIGNED TO ENSURE, WHERE POSSIBLE, DIFFERENCES IN NATIONAL REQUIREMENTS FOR THE RECYCLING INDUSTRY ARE MINIMISED.

Kind regards,

Peter Seggie
CPI Recovered Paper Sector Manager

UK PAPER AND BOARD FLOW CHART, 2009

