



British Plastics Federation



BPF Recycling Group

Manifesto 2014

Stronger
Together

Contents

BPF Recycling Group: Its Remit, Mission and Objectives	3
Driving Markets for Recycled Plastic	4
Proposal 1: Split Plastics Packaging Recycling Targets	4
Proposal 2: Incentives to Boost UK Manufacturing using Recycled Plastics	6

BPF Recycling Group: Its Remit, Mission and Objectives

1 The BPF

Objective

The BPF's principal objective as stated in its Memorandum of Association is:

'To promote co-operation in the United Kingdom between corporations carrying out business or employed in the plastics and allied industries'

2 The BPF Recycling Group

Mission Statement

" To champion the wider use of UK-manufactured reprocessed polymers in all types of new plastic products, by leading on resource efficient, sustainable and high quality plastic recycling in the UK.

To promote the transition to a circular economy, while securing growth in employment, infrastructure and economic value for the recycling industry and UK plc, to deliver the best environmental outcome"

Objectives

To promote the environmentally responsible management of end of life plastics in accordance with the European waste hierarchy.

To promote the introduction of high-quality recycled polymer in the manufacture of new plastic products within the UK

To promote and encourage the development of mechanical recycling capacity and reprocessing technology for end of life plastic resources in the UK.

To promote co-operation between waste collectors, primary recyclers and polymer reprocessors in order to deliver added value such as wealth and job creation to all stakeholders throughout the circular materials supply chain.

To provide data to evidence the scale and scope of the sector as a vital and growing part of the UK resource recovery market.

Scope

Members are required to pledge their support to the ethos of the Mission Statement and agree to conduct their business activities in accordance with the objectives of the BPF and its Recycling Group (BPFRG).

The BPF Recycling Group represents plastics reprocessors and other organizations at the forefront of UK plastics recycling. Our membership enables the Group to act as a focal point for information, experience and valued opinion to industry, the government and the public.

The Recycling Group represents organisations involved in the collection, sorting, reprocessing of plastic waste together with companies that convert waste plastics back into new polymer materials and products. These activities include the recycling of:

- Plastic bottles and other packaging from UK household collections
- Flexible film recycling both post-consumer and post-industrial sources
- Rigid plastics from Waste Electrical Equipment and End-of-Life Vehicles

- Plastics from construction
- Agricultural and Horticultural plastics
- Industrial and production waste

The Group works closely with other recycling organisations in the UK and abroad and is itself a member of Plastics Recyclers Europe (PRE), the European Plastics Recycling organisation.

Driving Market for Recycled Plastic

The BPFGRG believes it is necessary to create incentives to drive investment in recycling and in UK manufacturing to increase the use of recycled polymers in the production of new plastic products.

Developing existing markets for recycle and creating new uses for recycled plastics is essential to achieving a sustainable circular economy with the consequent creation of green jobs, increasing wealth and contribution to the reduction of carbon emissions.

By encouraging and incentivising the use of recycled plastics, we would be securing end markets and ultimately attracting investment. This would drive up innovation in the domestic market, and ensure that the industry is at the forefront of technology.

In addition, the ambitious EU proposals for recycling have set a challenge which for the UK means the need for urgent action. Exports of used plastic has been essential to meeting recycling targets to date but given the fragility and uncertainty of deep-sea markets action is urgently required to further develop UK plastics recycling infrastructure and future proof markets for recycled plastics.

The BPFGRG proposes a series of policies which focus on low carbon plastic manufacturing using recycled plastics to create wealth and employment and to create a benchmark for a sustainable, efficient circular economy to deliver the best environmental outcomes.

Proposal 1: Split Plastics Packaging Recycling Targets

The BPFGRG believes that the best environmental and business outcomes are achieved by recycling UK and European plastic packaging waste within the UK and Europe. To achieve this in relation to UK packaging waste, the BPFGRG strongly recommends that separate targets are required for plastic packaging which is recycled in the local (UK and European) market from that which is exported outside of Europe. This should be achieved through the PRN/PERN mechanism such that there is an increased weighting towards recycling locally from year to year. This is fundamental to the principle of proximity within the circular economy. This will create traction to encourage investment in recycling infrastructure and lead to the development of secure end markets for recycled plastics.

BPFGRG put forward a proposal in 2012 in its document 'Proposal to Amend the PRN/PERN System for Plastics'. The key change to this proposal is that in order not to disadvantage EU recyclers and to aspire to the EU's clear objectives for a European circular economy the PERN target would relate to exports outside of Europe and PRNs would be claimed by accredited recyclers in the UK and Europe.

Whilst the exact figures should be calculated based on a clearly defined strategy the following figures are used to explain the concept.

Year	PRN (UK + EU)	EPRN (NON EU)
1	50%	50%
2	55%	45%
3	60%	40%

The advantages of such proposals are:

- **Avoid unintended consequences – money going to the wrong place**
If correctly modelled, such differential targets for plastic would allow UK and EU reprocessors to spend more of their PRN revenue on sorting and processing equipment without the risk of that money being re-directed to fund feedstock.
- **It will deliver best quality**
This would be aligned with what the recently implemented MRF's Code of Practice is meant to pursue, by delivering more efficient collections and the development of reprocessing infrastructure within the UK and Europe.
- **It will provide best environmental outcome**
A binding requirement for any EU Member's waste management is to manage waste as a 'sustainable resource' following the principles of the waste hierarchy¹ which demands the best environmental outcome. By recycling locally we are making sure that this is achieved by using UK and EU high standards in resource efficiency.
- **Long term solution to reduce the overall cost of compliance**
The clarity of such a policy would lead to greater confidence to invest in the UK and EU recycling sectors which, as it increases supply side capacity, would in turn lead to lower PRN values.
- **Reduction of national carbon footprint**
All published studies comparing the carbon emissions impact of one tonne of recycled plastic with an equivalent virgin polymer show significant savings in total CO₂e in the order of a 60-80% reduction.
- **Responsible disposal of used materials**
By promoting the treatment of unwanted used plastic packaging we are promoting ethical disposal under UK standards. Sometimes used materials are exported to countries with minimum safety standards and working conditions. In addition, the 'UK Plan for Shipments of Waste'² states that the UK is obligated by EU and national law to 'prevent damage to human health or the environment occurring as a result of this international trade'.
- **Reduction of landfill pollution and greenhouse gases**
We can achieve this by investing in more efficient sorting techniques extracting maximum value from the waste stream.
- **Creation of UK-based 'green' jobs**
In their 2011 report 'Driving Green Growth', SITA estimates that job creation per 1000 tonnes of used plastic sent for recycling is 15.6, for WEEE that figure rises to 40³.

¹ Article 4. EU Waste Framework Directive 2008/98/EC

² Defra 2012, 2012. UK Plan for Shipment of Waste

³ SITA, 2011. Driving Green Growth: The role of the waste management industry and the circular economy. Suez Environment. Maidenhead. pp. 14-15

- **Increased investment in infrastructure**
Volatility of PRN and PERN values would decrease and there will be a greater confidence to invest in the UK thanks to the security of end markets.
- **Increased protection from global market fluctuations**
By stopping the current over-reliance on used plastic exports we would reduce our dependence on overseas markets and mitigate the risk associated with price volatility. One clear example has been China's 'Operation Green Fence' which was introduced back in February 2013 to help stem the flow of contaminated, poor quality scrap from the US and Europe. China's Green Fence saw 55 scrap transactions and 7,600 tonnes of materials rejected in its first three months.

However, with the impending EU targets, the UK is in a position where more used plastic is collected for recycling than can be processed domestically, therefore creating a need for increased exports.

BPFRG is NOT against exports. Exports play an essential role in the achievement of a sustainable recycling sector and contributes to the UK net balance of payments. The greater value-add for the UK would be to recycle the waste plastic materials inside the UK economy and then to export a much higher value, high-quality recycled polymer pellet directly to European and overseas manufacturing industries.

In order to achieve this, the BPFRG is demanding a level playing field, and a situation where UK can build effective reprocessing capacity to deal with the increasing volumes collected for recycling.

Proposal 2: Incentives to Boost UK Manufacturing using Recycled Plastics

With the UK recycling rates increasing every year there is also a need to drive demand for recycled material in the domestic market. For that reason, the BPF and its BPF Recycling Group think it necessary to create incentives to drive investment in recycling and UK manufacturing to increase recycled polymer usage.

This proposal recommends the principle of 'offset' against obligation within the 'producer responsibility' legislative framework. Producers, manufacturers, packer/fillers, and retailers would be able to offset their PRN obligation by using and specifying recycled polymers. This way, recycled polymers would not carry any obligation under the EU Packaging Directive.

BPFRG put forward this proposal in 2013 in its document 'Proposal to incentivise the use of recycled plastics in UK manufacturing'⁴ and we believe that the proposals will provide much needed traction to develop end markets for recycled plastics, which are crucial given the uncertainties of the global waste market. In doing so, the proposals will help to deliver the UK Government's business development, wealth creation and sustainability agendas.

There are many additional benefits linked to an 'offset' mechanism:

- **We are legally bound**
EU Waste Framework Directive 2008/98/EC⁵ states the following
 - 'Waste policy should aim at reducing the use of resources, and favour the practical application of the waste hierarchy' (Article 6)
 - 'The recovery of waste and the use of recovered materials should be encouraged in order to conserve natural resources' (Article 8)

⁴ http://www.bpf.co.uk/Recycling/Position_Statements/Default.aspx

⁵ EU Waste Framework Directive 2008/98/EC

- 'The introduction of extended producer responsibility in this Directive is one of the means to support the design and production of goods which take into full account and facilitate the efficient use of resources during their whole life cycle' (Article 27)
 - 'Member States should support the use of recyclates'. (Article 29)
- **Job creation / Wealth creation**
Potential gains from the promotion of the re-manufacturing sector in general exceeds 300,000 new jobs.⁶
 - **Encouraging green economy**
The potential gains from innovative methods of re-manufacture are not recognised in the UK as an opportunity, unlike in other countries⁷. Business sector such as reprocessing and remanufacturing are less developed in the UK than the equivalents in Japan⁸.
 - **Securing markets**
 - **Driving Circular Economy**
By incentivising the movement of materials in the domestic market back into domestic manufacturing, and raising the value of recycled materials proportionate to the increased demand.
 - **Driving Resource efficiency**
This would build a stronger incentive for the development of infrastructure and improvement of material quality.
 - **Facilitates achievement of EU targets**
 - **Helping in the reduction of national carbon emission**
By increasing the amount of plastics recycle in the production of plastic items we are reducing significantly the carbon emissions. According to an independent study commissioned by a UK leading PET bottle recycler, using a tonne of recycled plastic bottles (rPET or rHDPE) in new bottles saves around 1.5 tonnes of CO₂eq
 - **It's the right thing to do**
It makes sense to reward companies that are willing to go the extra mile in carbon reduction initiatives by using recycled plastic in manufacturing products.

⁶ Lavery, Pennell et al, 2013. Next Manufacturing Revolution, pg 87

⁷ Lavery, Pennell et al, 2013. Next Manufacturing Revolution.

⁸ BIS, 2012. Low Carbon Environmental Goods and Services (LCEGS)

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/224068/bis-13-p143-low-carbon-and-environmental-goods-and-services-report-2011-12.pdf

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