



FPC RESPONSES – PACKAGING AND WASTE CONSULTATIONS

May 2019

1. Reforming the UK packaging producer responsibility system

The Fresh Produce Consortium (FPC) supports the ambition to create a circular economy for packaging and encourages the UK Government to develop a system which truly engages all partners, including UK and devolved governments, local authorities, packaging manufacturers, processors and recyclers, packaging users and citizens.

Any new system must recognise the inter-dependency of all elements of the system: from the provision of greater capacity for reprocessing; efficient and cost-effective collection and recovery; innovations in packaging materials; greater encouragement of recycling by citizens.

Sufficient time is required to enable packaging manufacturers to develop products that meet recycling challenges and to ensure that packaging maintains and enhances the integrity of fresh produce. Significant investment in recycling facilities by local authorities and waste contractors to cope with a wider range of materials is a pre-requisite to enabling businesses to meet targets within proposed timescales.

The UK fresh produce industry endeavours to switch to using recycled materials where possible. However, this can bring challenges, for example, to production lines by reducing through-put by around 15% in some cases when using recycled films, or requiring significant investment in new machines capable of handling recycled materials.

Often the types of packaging materials used in the fresh produce supply chain are dictated by the retail customer or brand holder and the supplier cannot make changes to specifications.

Where possible the fresh produce industry strives to reduce the use of 'unnecessary' packaging and introduce innovations in packaging. However, the UK fresh produce industry has a responsibility to maintain the integrity and safety of its products and this cannot be compromised by changes in packaging. Appropriate packaging can play an essential role for highly perishable products, maintaining good hygiene and maximising shelf-life, and reducing food waste. Any Impact Assessment of these proposals should include consideration of food safety and food waste.



Full Net Cost Recovery and single point of compliance

FPC does not support the proposal to introduce full net cost recovery through a single point of compliance and with an open ended financial responsibility. We believe that the principle of shared responsibility should be maintained. We are very concerned that full cost recovery will see a huge increase in charges for businesses way beyond the current PRN funding.

There is insufficient information to understand how under this system the costs would be shared across the supply chain and also with the consumer.

We do not support the proposal that funding to meet the management of packaging waste in household waste by local authorities should transfer from central government and taxpayers to businesses.

We are very concerned that the consultation infers that industry should pay the costs of clean-up (littered and fly tipped packaging). This is totally unreasonable and should remain an enforcement matter for the Environment Agency and local authorities, with the polluter paying the cost of clean-up of illegal activities.

Funding for local authorities

We do not support the proposal that the UK fresh produce industry should pay local authorities to communicate to citizens on recycling and tackling littering. This is unacceptable, and would be totally unreasonable in the context of there being no controls on budget setting, evaluation and binding targets set for local authorities.

Whilst the consultation refers to ensuring that costs to producers do not exceed those necessary to provide packaging waste management in a cost-efficient way and are fair, necessary and transparent, there is no information on how this will be measured and achieved. Business are already paying for waste collections. The Impact Assessment does not look at the impact on businesses in detail or consider businesses being charged more than once for the same item of packaging.

We do not support the proposal that current central government expenditure to support local authorities' recycling activities should cease. This is unacceptable and would lead to businesses cross subsidising current government expenditure.

There is a definite need for binding performance indicators on local authorities which must be accountable for delivering a cost-effective and efficient service.

A consistent approach across UK and devolved nations

We believe that there is a need for consistency in approach across all devolved nations with a UK-wide system which can still retain some flexibility to enable local variations in how materials can be collected.



There are huge variations across local authorities with regard to facilities to recycle different materials. Gains in recycling materials in certain geographical areas can be lost to increased greenhouse emissions in transporting materials. Incentives should be given to support and encourage new businesses, with these incentives passed down the supply chain.

Obligated producers and removing the de minimis threshold

We believe that the impact of full cost recovery on SMEs needs to be considered very carefully, however it is essential that the whole of the supply chain takes responsibility. The removal of a de minimis threshold with a flat fee according to turnover or tonnage for the smallest businesses would bring all businesses within scope, but more research is needed to assess fully the impact of such a measure.

Many small businesses do not recycle due to the bureaucracy involved as well as the cost. The provision of a business equivalent of a household recycling facility on major trading estates would prevent recyclable materials not being collected or being re-routed to household collections.

Modulated fees

We believe that modulated fees would be more effective than the payment of deposits in terms of practicality, however, it is essential that businesses are not charged more than once for the same item of packaging. More information would be needed to be able to assess this option more fully.

Labelling

We support the proposal for mandatory labelling on all packaging to indicate if it is recyclable or not, provided that it is UK-wide. However, the success of any scheme is dependent upon recognition and action by consumers who should be consulted. Sufficient time for consultation with both consumers and industry is essential before any introduction on labelling.

The recycled content of certain materials coming into contact with food is determined legally.

Creating markets for more recyclable materials

Many recyclable materials, such as label backing paper, do not have a market and therefore waste contractors do not collect them. Without a market there is no point in local authorities collecting these materials. Incentives need to be given to use the waste and make the recycled product a less costly alternative.

Recycling targets

Targets which provide stability in the market and enable the recycling industry to plan for investments are preferable. Any significant increases in targets should only be considered when any new system has had the opportunity to be established and reviewed.



Recycling should be the preferred option for waste management, however, the generation of energy from waste should be recognised as a viable option. Incentivising other forms of disposal so that the cost to businesses is lower would help achieve targets.

Governance models

Any model must provide a central point of oversight but at the same time allow compliance bodies to operate competitively, to the benefit of their users. The governing body must have sufficient powers and authority to take action against any poor performance etc.

Role of citizens

The role of citizens is key to ensuring that they play their part. Greater awareness of recycling and support in encouraging more recycling is essential. This consultation seems to focus almost solely on the role of industry and local authorities and does not take into account the challenge of encouraging greater participation by individual citizens.

Greater engagement with the UK fresh produce industry

We believe that Defra needs to engage much further with the UK fresh produce industry with regard to the next stage of developing its proposals. We are concerned in particular that more detailed consideration needs to be given to the role of industry in developing the system beyond the outlines provided in this initial stage of consultation.

2. Consistency in Household and Business Recycling Collections in England

FPC supports the aim to increase recycling levels, however, collections need to be in place in advance of the new packaging producer responsibility system being introduced in 2023. There must be facilities in place to enable businesses to meet their commitments.

The consultation refers to the need to consider the economic impact on businesses yet there is no detail on the proposed measures to reduce costs of waste collection for businesses. There is a passing reference to potential exemptions or an extended period to comply, but we need more information and engagement in further consultation to participate in this discussion fully.

There is a recognised need for local authorities to invest in the provision of improved recycling service and facilities. This must be supported by central government. There still seems to be the potential for inconsistency in this area. Defra has identified that it will need to clarify the law and will provide strategic guidance on decision making to make separate collections, however it will be up to local authorities to make this assessment. We request that local authorities consult with local businesses to work together on identifying and implementing the necessary improvements.

We do not support non-binding performance indicators for local authorities. Local authorities must be accountable for the quality of service they provide if businesses are expected to contribute towards funding. Local authorities must also engage with encouraging citizens to recycle more.



Greater sharing of best practice between local authorities as well as collaborative work should be encouraged and facilitated.

It is difficult for local businesses to make what are often significant investments in their own facilities for collection of materials if there is no certainty that the local authorities can meet demand for collection and recycling. At the same time waste contractors need to be willing to recycle certain materials and neither local authorities nor local businesses should be penalised for lack of facilities or a market for recyclable materials when they have little control over this.

The capacity to segregate dry recyclable materials may be limited for some businesses and co-mingling of some types of materials may be necessary. In addition, some businesses such as SMEs may need some cost incentive to take up additional measures to separate waste.

Businesses pay already for the management of their waste. We do not believe that businesses should have to make further payments for the collecting of household-like packaging waste for recycling irrespective of whether the waste is separated or not.

List of core materials

We support having a list of core materials and would highlight that the list will need to be reviewed regularly to take into account changes in market practices and innovations. There needs to be more information on how this could be carried out and by which organisation. We note that compostable plastics are not included in core list of materials to be collected for recycling due to current difficulties (contamination of dry recycling process; unlikely to degrade effectively in anaerobic digestion). We would seek assurances that innovations in packaging materials could be quickly identified and adopted. Any list should be developed and reviewed in consultation with industry.

Often the types of packaging materials used in the fresh produce supply chain are dictated by the retail customer or brand holder and the supplier cannot make changes to specifications.

Separate food waste collection

We note that municipal waste does not include waste from production or agriculture. We note that only from those businesses which generate sufficient quantity on a weekly basis would be included in a separate food waste collection from businesses.

FPC supports having separate weekly food waste collections from households. We believe that this would increase awareness among citizens of wastage of fresh produce and would contribute to changing behaviours to reduce the volume of waste.



Business waste data

We look forward to hearing more about the proposals being developed and having the opportunity to be consulted. There are several initiatives underway where companies are working with WRAP and Courtauld 2025 to map their waste across the supply chain, however, for the majority of businesses in the UK fresh produce industry this would be a challenging area.

3. Plastic Packaging Tax

FPC is concerned about the impact on food contact materials, in particular where there are currently legal restrictions on using recycled content.

We are concerned about the impact on users of plastic packaging and increased costs being passed on to customers of manufacturers. Often the types of packaging materials used in the fresh produce supply chain are dictated by the retail customer or brand holder and the supplier cannot make changes to specifications.

The proposed changes to Extended Producer Responsibility would , if successful in changing behaviours, mitigate the need to introduce such a tax. We question the need to introduce such a tax in advance of introducing a new Extended Producer Responsibility.