

The background of the entire page is a dense, overlapping collage of various plastic bottles and metal cans. The bottles are in different colors (clear, green, blue, white) and shapes, some with labels. The cans are mostly silver, with some gold and blue ones. The cans are mostly upside down, showing their bases. The overall theme is recycling or waste management.

THE QUALITY FIRST REPORT 2018

INTRODUCTION

By Simon Ellin

Sometimes I have to pinch myself to realise how much progress we have made since we launched our Quality First campaign two years ago.

Since then, I have been invited to meet with retailers to discuss how we can work with them to improve quality; I've been interviewed on international, national and local media about recycling and how we can do it better; and most importantly we have seen an improvement in the quality of UK material.

When we launched Quality First in September 2016 we knew that the overall quality of UK recycled materials needed to improve.

Yes, there was plenty of excellent material being produced. But, as with all aspects of life, it was the bad stuff that was capturing the headlines and damaging the overall reputation of the industry.

For years the industry's good guys had tried to exert a positive influence, leading by example. Ourselves included.

In 2016, as an Association, we could no longer take the softly-softly approach. We'd had enough and furthermore, we could see what was coming over the hill, albeit not the extent of it.

I'm so glad we lost patience. Because now, two years later, we're in a completely different operating landscape. Never before has the quality of recycled materials, processes and infrastructure been so heavily scrutinised – both at home and abroad, and by those in industry and by the general public.

I have no doubt that the Quality First campaign readied us for the challenges that we've experienced over the last 12 months.

The noise that we made back in May 2017 around the Pringles tube design might have seemed to be a storm in a teacup at the time, but it was a precursor to discussions that are now ongoing in every packaging design debate and hopefully at every fast moving consumer goods (FMCG) manufacturer.

Our key objective back in 2016 was to get quality on the agenda, and we've done that. But we can't be complacent.

We're currently in an unprecedented time when quality is centre stage. China continues to prioritise only the highest quality on materials it still allows with a tough inspection regime, while other Asian countries are also implementing their own bans on imports of recyclable materials, or at least further restrictions. Where we still can send material, we've got to ensure it is a high-quality commodity and not a waste. But we also need to recognise that UK recyclers want quality material too.

At the same time, we also need to ensure that decisions made in the short- and medium-term, by government, by manufacturers, by authorities, by the public and by us the industry all have quality at their centre.

This report sets out the ambitious, but achievable, steps we believe the UK can take to become a beacon of quality. When it comes to recycling and the products we place on the global market, we need to be seen as an Aston Martin, Jaguar Land Rover or Rolls Royce rather than British Leyland.

We will be relentless in the pursuit of quality to ensure our industry can grow, prosper and hold its head up high. We hope you'll join us.



EXECUTIVE SUMMARY

In September 2017 we issued a stark warning about the way the market for recovered materials was developing.

“Unless we improve the quality of our material, we could see a situation where we are restricted in our ability to recycle materials such as paper and plastics. Key markets such as domestic recyclers and China are increasingly requesting the highest quality input material, and unless we provide what the market wants, with the likes of China in particular, we risk losing out to competitors such as its domestic market, USA, Europe and Japan.”

Just four months later China closed its doors to imported post-consumer plastic and mixed paper grades. Millions of tonnes of recovered materials collected globally, and of varying quality, was displaced.

Where China led, others have followed, with their own bans, restrictions or increased inspections across many markets. This includes Vietnam, Malaysia, Thailand, Indonesia and even Poland. Most of this was as a result of being flooded with material that previously would have gone to China

It is now clear that we have got to stop sending rubbish to other countries and send a high-quality secondary commodity instead and that applies just as much to UK recyclers too.

Despite the constantly changing landscape, it is clear that high quality recovered materials continue to be a valuable commodity. Premiums have been paid for the best quality material and the companies that have been able to provide it have benefitted from record prices paid for the likes of OCC to China.

But we face a perfect storm on the horizon. China looks set to ban imports of all solid waste in the next couple of years. We have to adapt and fast.

Here is what we should do:

- Retailers and packaging manufacturers need to follow the example of Tesco and stick to an approved list of packaging materials
- We've got to simplify the recycling system, so packaging should only be made from the approved list mentioned above, and ideally from single materials. This would enable us to simplify labels to say 'Yes this can be recycled' or 'No it can't be recycled'
- Local authorities should be compelled to introduce consistent collection systems so that every local authority collects the same materials. If a label says a product can be recycled, then a householder in every part of the country should be able to recognise what bin it goes into
- We will need to fundamentally change the way we recycle. This will mean that instead of exporting materials in their current state, depending on destination, we might need to prepare it for recycling. For example, instead of exporting a plastic bottle, we might need to export a recycled pellet instead.
- Improvements need to be financed by increased producer responsibility. Those who produce the materials that can't be recycled need to pay the most
- Government needs to provide support that will lead to investment in UK recycling infrastructure – both collection, sorting and reprocessing.



QUALITY OBJECTIVES DELIVERED

From the outset, the Quality First campaign has sought to raise the issue of quality recycling in the recycling and waste sector, the national and trade media, with local authorities, retailers, manufacturers and others.

To meet this objective, we have highlighted opportunities for improvement directly with specific stakeholders or indirectly via our media relations programme. The focus for this work changes depending on the issue being addressed and is ongoing.

A key objective has been to bring issues such as design for recyclability into the public domain, making retailers and manufacturers think more about the products they sell and how they can be recycled at the end of their life.

Over the last 12 months we have continued to highlight good and bad design, making it easier for those responsible to recognise what is and isn't possible.

We are members of the Plastics Pact, which is co-ordinated by WRAP. This means that we are looking to standardise design of plastics where possible and get consistency of design for packaging.

An early objective was to raise the profile of The Recycling Association, not for vanity, but so that the wider industry knew where to go for on the ground industry information. We wanted the industry to have an equal place at the decision-making table. Our assertive campaigns have resulted in the Association becoming the 'go to' authority on recycling matters for the media, which is a role we take seriously.

Furthermore, we believe that our approach is encouraging others to speak out, collaborate and address issues, which are all signs of a maturing industry.

It has always been our intention to develop deeper relationships and partnerships with Government and MPs, regulators, retailers and manufacturers. The more we understand each other's challenges the easier it is to find new ways to collaborate and improve quality outcomes. To fulfil this, we have attended and initiated meetings spanning the full supply chain, ensuring that

the voice of the recycling industry is part of the wider environmental debate.

Specifically, we have been working with UK regulators to identify ways to focus more attention on those organisations that fail to work to a high material quality brief. We have also asked them to crackdown on illegally traded materials and have initiated new approaches with global inspection agencies. This work is ongoing.



Our final overarching objective has built on the work outlined above: to safeguard the reputation of UK recovered materials. Highlighting all of the work detailed has allowed us to take a proactive approach to the market issues resulting from China's National Sword and Blue Sky initiatives. We have no doubt that Quality First has made global markets think more positively about UK materials.

This strategy for 2018/9 aims to bring together what we have achieved so far, and turn it into a radical, but achievable, blueprint for producing, using and recycling packaging.



OUR GOALS

APPROVED MATERIALS

In May 2018, Tesco announced that it had developed a preferred material list for its own brand packaging. This list is split into red, amber and green.

Red materials include PVC, polystyrene, oxo-degradable materials, polyactic acid (PLA), water soluble bioplastics and industrial compostable materials. These are materials that Tesco considers unrecyclable or potentially harmful.

Amber materials include home compostable such as cellulose, oriented polypropylene, black plastic, polypropylene for certain food applications, complex laminates and new materials. These are materials that Tesco considers should not be used unless infrastructure and/or scientific developments take place.

Green materials include sustainably sourced wood, board, paper, glassine, PET, HDPE, LDPE, PE, glass, steel and aluminium. These are materials that Tesco considers easily recycled and can have high recycled content.

For us at The Recycling Association, this list is perfect and we were very pleased to see Tesco reveal this. But we need to ensure that this excellent work becomes a standard that is adopted by other retailers and manufacturers.

As mentioned above, we are members of the Plastics Pact, as are Tesco. This means we can benchmark with Tesco's approved list, but will also seek out more consistency of design in plastic products too.

With the focus on plastics since Blue Planet II, we have seen more supposedly sustainable packaging ideas emerging from other retailers or manufacturers that use materials that are on the Tesco red or amber list. These have the potential to contaminate existing recycling streams, are not necessarily as sustainable as they make out, and have the potential to confuse the public.

We will therefore be advocating the Tesco list as an industry standard while also promoting good design for recyclability.



SIMPLIFY THE SYSTEM

If retailers and packaging manufacturers were to adopt a standard list of materials they will use in their packaging, it would give us the option to simplify the system.

The main advantage of simplifying the system is that it would make recycling easy to understand.

We should be aiming for a recycling system where a packaging label says something along the lines of 'Yes it can be recycled' or 'No it can't be recycled'.

This will mean packaging designers will need to use

a standard list of materials in their products and ideally just use one of those materials. While multi-material packaging can sometimes be recycled (such as disposable coffee cups), the ideal is that packaging uses one material. One material makes sorting and recycling easier. We are already engaging with packaging designers, packaging manufacturers and retailers and we will continue to push this where possible.

By simplifying the system, providing less confusion for consumers, and making products easier to recycle, we should find a big improvement in quality.



LOCAL AUTHORITIES

Policy from Government since the late 1990s has led to vastly increased recycling rates, but at the cost of contamination. Local authorities were told they were best placed to decide they knew best how to collect materials in their area.

In a sense, the focus on kerbside collection and weight-based targets has helped us to achieve a UK recycling rate of 45.2% in 2016.

But the problem with this approach was that local authorities set up different collection systems that confused householders, while also making it impossible for uniform recycling labelling.

Weight-based targets have also contributed to an approach that is more interested in how much is collected rather than on quality. Indeed, research published by SEPA last year found an average contamination rate in Scottish materials recycling facilities (MRF) of 16.9%. We've got to do a lot better than this. MRFs clearly have their place, but we need to improve both the input and the output of whatever collection and sorting systems we have in place.

Circumstances have changed. With markets harder to come by and demanding quality products, we have to ensure that recycling is easier for the public.

With the ideal being simple 'Yes it can be recycled' or 'No it can't be recycled' on packaging, local authorities all across the UK need to be set up to collect all of these materials. They then need to be sorted properly without contamination.

Ideally, we should also get to the situation where every local authority uses the same amount and same colour of bins, with exceptions only when local circumstances demand it.



CHANGES TO HOW WE RECYCLE



We have to be aware that the markets for our materials are changing and we have to change with them.

First and foremost, we have to provide a recycling system designed to output a quality product.

We will have to respond as a country and as a recycling industry to how end markets are developing. The days of filling a container and sending it on its way to a destination are over.

But we are still part of a global economy, and we must ensure that materials are made available for UK manufacturers, but also returned to European and Asian manufacturers to be remanufactured into new products there.

Already we are seeing changes to business models as companies adapt. For example, we are likely to see more investment in plastic reprocessing in UK

and Europe to create pellet and flake that can then legally be sent for manufacture in China and elsewhere. Or we are seeing Chinese mill groups investigating opportunities to buy mills in the US or recycling companies in Europe.

This is likely to be a pattern, where we export less material straight from collection, but export more that has already been turned into a commodity grade material or even an end product.

But to develop the infrastructure required for this comes at cost, and one way to ensure that the investment is worthwhile, is to have a ready supply of high quality materials available with little contamination.

We also need to find ways to encourage overseas investment and make the UK a more attractive market. One way of doing this would be to simplify the planning system for recycling facilities.

PRODUCER RESPONSIBILITY

Currently, around 10% of the cost of recycling is covered by producers. This needs to rise. If the cost becomes more like 80-90%, this will provide an incentive for packaging producers to design easily recyclable products especially if the cost is reduced for the most easily recycled materials.

The funds raised from increased producer responsibility need to be spent on improving infrastructure, helping local authorities to move to more standardised collections, developing new reprocessing and recycled material manufacturing facilities, along with communicating all of this to the public.



GOVERNMENT SUPPORT

For all the above to happen, we will need the UK Government to co-ordinate and develop legislation and regulation to create a dynamic and effective recycling market that provides a high-quality product.

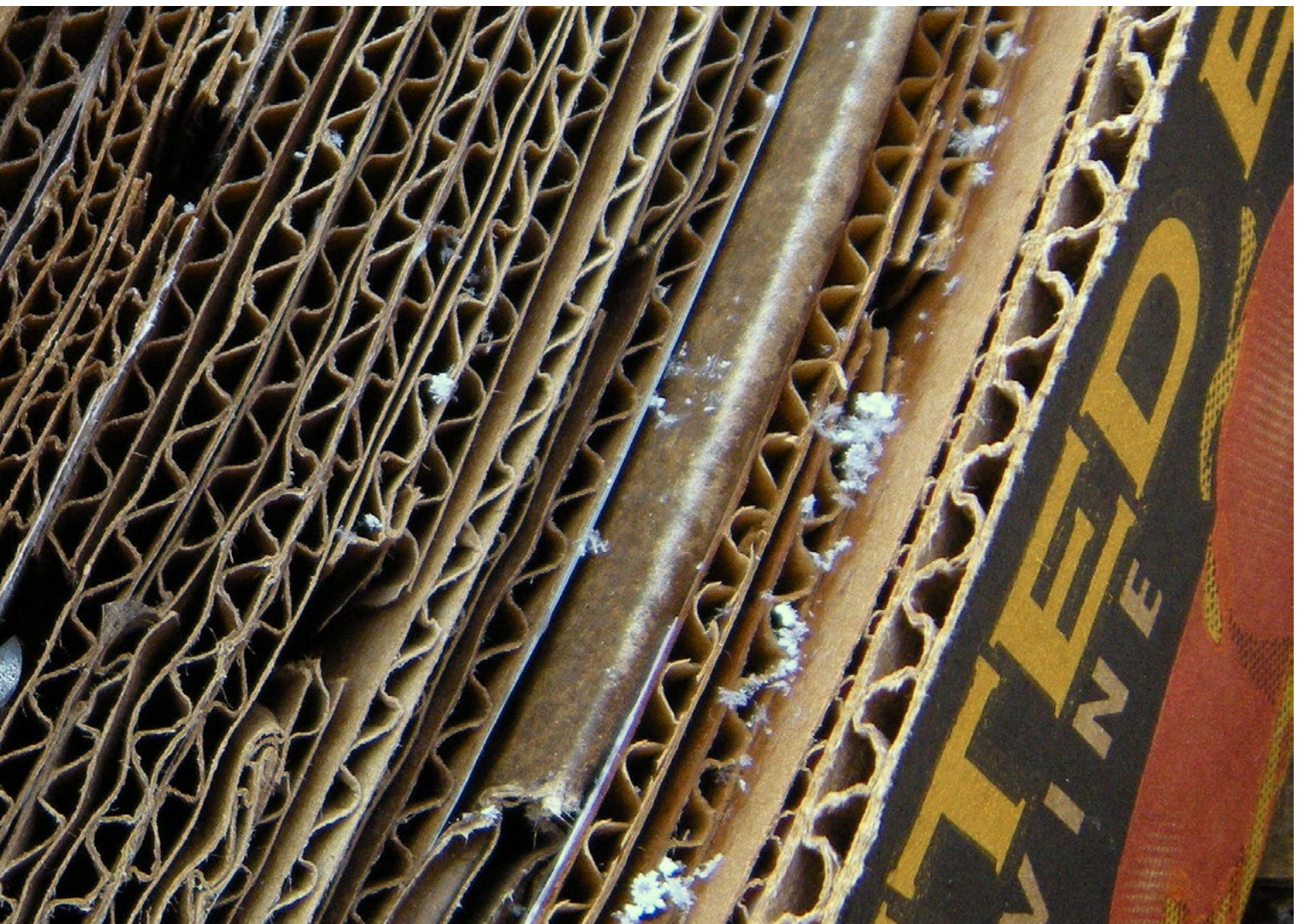
We are at a critical point as a result of the Asian bans and restrictions where we could end up not having markets for many materials unless we change. But this is also an opportunity for the UK to get its house in order by creating a viable and successful secondary material market.

Investment will come if the UK can provide a clear and simple plan that will lead to effective and sustainable

recycling. Jobs will be created and this will contribute to the circular economy.

The Resources & Waste Strategy will be published shortly, and we hope the Government will take onboard the rapidly changing global environment prior to publication, including the recommendations in this report. Indeed, we also want to see the Resources & Waste Strategy include pull measures on minimum recycled content to create more demand and stimulate new UK recycling capacity.

All of these objectives will be considered at the 2019 Quality First Conference.



GET INVOLVED

The Quality First Campaign drives change. It is also responding to a changing global landscape.

If you are equally committed to quality recycling, we'd like to hear from you. If you have an initiative, idea or programme that could help drive quality, please email us at **admin@therecyclingassociation.com**