



Don't stop thinking about tomorrow

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**Chief Executive, Resource
Association**

Presentation at Kent Resource
Partnership conference, Canterbury

22nd September 2017

About the Resource Association



- Voice for the UK reprocessing and recycling industries, providing advocacy for an important and growing industry
- Launched Nov 2011
- Members from across the industry – reprocessors, recycling supply chain and support industries
- Active in England, Northern Ireland, Scotland and Wales
- Based in Otley, West Yorkshire; Brussels bureau



Our vision and mission



Our **vision** is for a resource efficient materials economy that realises value, prizes quality and seeks to maintain the integrity of the secondary materials that are still too commonly treated as waste.

Our **mission** is to support the development of a sustainable and healthy industry by providing a voice, forum and leadership for the materials reprocessing and recycling industries, as well as related environmental and social interests.
Member companies will promote the management of materials as resources not wastes.

Members



**ACE UK – Alliance for Beverage
Cartons and the Environment
Alloa Community Enterprises
Arc21
Bryson Recycling
DS Smith Recycling
Ecolateral
Enval
FCC Environment
Huhtamaki (Lurgan)
Kent Resource Partnership
Nick Francis
Novelis Recycling
Palm Recycling
Peter Mansfield Associates
Renewable Energy Association
Resource Futures**

**Romaquip Ltd
Sacks Consulting
Smurfit Kappa Recycling
Somerset Waste Partnership
South Cambridgeshire District
& Cambridge City Councils
Partnership
UPM
Wood Recyclers Association**

Providing recycling and reprocessing activities that contribute:

- over **£3.3bn** to UK GDP
- recovery and recycling of over **7 million tonnes** of materials
- at least **12,500 direct jobs** in the UK economy

Our current & recent work



- ✓ **Advocacy:** policy consultations across Whitehall, Devolved Governments and European Commission; briefings to politicians; collaboration with other industry associations; stakeholder policy work e.g. Defra/WRAP Consistency project
- ✓ **Research & Publications:** included public opinion research on attitudes to recycling and end destination; analysis of the costs of contaminated recyclate to UK reprocessors; *Manifesto for Resources 2017-Ten Steps towards a Circular Economy*
- ✓ **Campaigns and Communications:** promoting transparency of reporting on end destination through our *End Destination of Recycling Charter* (with LARAC); *Resourcing the Future* Conference; media promotion of our industry; ReQIP Quality Specifications project; Reprocessors Roundtable on Quality; Annual Lecture; Quality Recognition Awards

Our people



Board of Directors (elected annually by all members)

Robbie Warden (Chairman)

Eric Randall (Vice-Chairman)

Andy Doran

Peter Clayson

Gero Hempel

Mandy Kelly

Paldeep Bhatti

UPM

Bryson Recycling

Novelis

DS Smith

Palm

Alliance for Beverage

Cartons & Environment (ACE-UK)

Kent Resource Partnership

Staff

Ray Georgeson

Michal Len

Carole Saul

Chief Executive

European Policy Adviser (Brussels)

Administrator

Focus on quality



- ✓ Quality of **communications** with the householder or business capturing the recyclate
- ✓ Quality of **collection systems** deployed
- ✓ Quality of **sorting systems** - MRFs are important
- ✓ Quality of **recyclate** provided to UK reprocessors
- ✓ Quality of **enforcement of regulation** – export and home waste crime – integrity
- ✓ Quality of our **health and safety** practice
- ✓ Quality of **information** for industry and public - **transparency**

Quality, quality, quality - the overriding theme

Our work on quality



- **End Destination of Recycling Charter** – designed to focus on what actually happens to recycling and emphasise need for quality for reprocessing
- **Reprocessors Roundtables on Quality**
- **Costs of Contamination Report 2012 – 2016** draft version with co-operation of sister materials organisations, data was submitted to WRAP for Consistency project – currently reviewing options for further revision
- **Resource Association Quality Recognition Awards** – launched 11th July 2017 at our Annual Lecture
- **ReQIP - Recycling Quality Information Point** – major project on quality specifications to clearly define what is wanted by a reprocessor

ReQIP – Recycling Quality Information Point www.resourceassociation.com/reqip



- Online and updated resource on reprocessor quality specifications
- Over 30 companies and associations provided information, representing nearly 13 million tonnes of UK reprocessing capacity across all main material streams
- Value and Contamination Chart also describes relationship between mixing of certain materials and the impact on value
- We assert that this resource represents *'the necessary quality standards for the relevant recycling sectors'* as defined in Article 11, Clause 1, para 2 of the rWFD

Current market situation



- **Brexit negotiations and EU:** industry uncertainty; CBI position on Single Market and Customs Union we agree with; detrimental effect of tariffs on export markets; technical labour mobility issues; political fragility in UK; Circular Economy Package implementation and UK negotiation positions
- **National Sword policy in China:** tightening of quality demands; pressure on MRF operators and exporters to achieve quality; displacement of poorer materials to other (smaller) markets; UK market share may decline if quality can't be delivered
- **UK resources policy and landscape:** Defra hollowed out of staff and swamped by Brexit; Ministerial changes; waste industry-led discussion of EPR for packaging not gaining traction; WRAP evolving into funding-driven projects but some very useful work on Consistency

WRAP Consistency Framework



- Multi-stakeholder involvement in Steering Group
- Framework guidance, non-statutory but supported by Ministers
- Some 'pilot' projects awaiting reports
- Three systems advocated but WRAP themselves stated that multi-material kerbsort with weekly food and revisions to residual were most cost-effective over long-term
- Critically important for delivering high-quality recyclate to reprocessors and value adding in economy
- Question of timescale and investments – transition plan needed?
- Welsh Collections Blueprint provides real-time evidence of effectiveness of this system: 3rd highest 'real' recycling rate in world now, high quality delivered

Raw Material Quality – where now?



- **Brexit decision and resultant uncertainty changes the context but not the imperative**
 - European Commission's *Roadmap for a Resource Efficient Europe* and subsequent *Circular Economy Package* are clear on high quality separately collected recyclate being essential to manufacturing in Europe and the development of the 'recycling society'
- Most of the EU maintain **extensive bring systems for the key materials** defined in rWFD as requiring separate collection - paper, metals, glass, plastics with limited reach of co-mingled collection from households
- The reality is that, despite some technical improvements in MRFs the **decline in quality reprocessors have commented on for a decade mirrors the rise of co-mingled collection**

Raw Material Quality – where now?



- **MF Regulations need more scrutiny:** success of function of EA as regulator?
 - sorting systems need to catch up rapidly and adapt to collection changes
 - fresh thinking in England on the potential for adopting the Welsh Collections Blueprint is essential as contracts are renewed
- Time will tell whether our comparison with EU Member States is relevant in the future – but **focus on quality recycling contributing to the circular economy will remain** regardless of our EU status
- Current **Government uncertainty** does not help
 - Govt has other priorities and we remain low in them, even within the Brexit debate
 - New Secretary of State at Defra has a lot to review – we need a positive tone about quality and the value of our sector - and he is looking to make his mark
 - It leaves the **onus for action on us** – if we don't lead and work together to optimise our supply chain, others will try and do it for us....

Where does that leave local authorities...?



- Fully understand the pressures councils face with 'austerity' cuts and competing budgetary demands
- Waste disposal and treatment remains a prominent cost centre for councils
- WRAP Consistency evidence base shows cost savings from current baseline, over a 7-8 year cycle but needs upfront investment – we know this is a challenge
- Are there leasing or lease guarantee models (like the old WRAP eQuip scheme) that could ease the upfront demands and make this more attractive to councils?
- Little in the way of strong steer from Government shouldn't be allowed to get in the way of continuing to strive for best environmental performance, resource savings and customer service for residents

Thank you for listening - contacts



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