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Exporting our Resources – Developing a UK Plastic Packaging Circular Economy

SUMMARY

RECOUP

Leading a more circular
plastics value chain



The last few years have been particularly challenging for the UK recycling industry. Political changes such as the UK leaving the EU (which introduced new hurdles and restrictions on the movement of material), the COVID-19 pandemic, cost of living crisis and drop in oil prices, have all impacted the logistical and economic drivers around plastics recycling. These, in addition to high operating costs and low demand and value for recycled content, have meant recycling plastic packaging domestically has faced an increasing challenge in being viable in comparison to cheap imports of recycled and virgin plastics from outside of Europe.

This is despite there being an increased focus on the need for the UK to process more of its waste material, especially plastic packaging, domestically.

In writing this report, RECOUP has engaged with the four UK enforcement bodies to better understand the volumes and destinations that plastic packaging is being sent to, as well as the checks and requirements in place to ensure its movement is being carried out legally and to the best environmental outcome.

Prior to 2023, the UK had shown a year-on-year shift away from export markets and towards domestic recycling. Furthermore, of the material that was exported, the amount going to non-OECD countries was in decline, with a low 6% of plastic exports going to these markets in 2021.

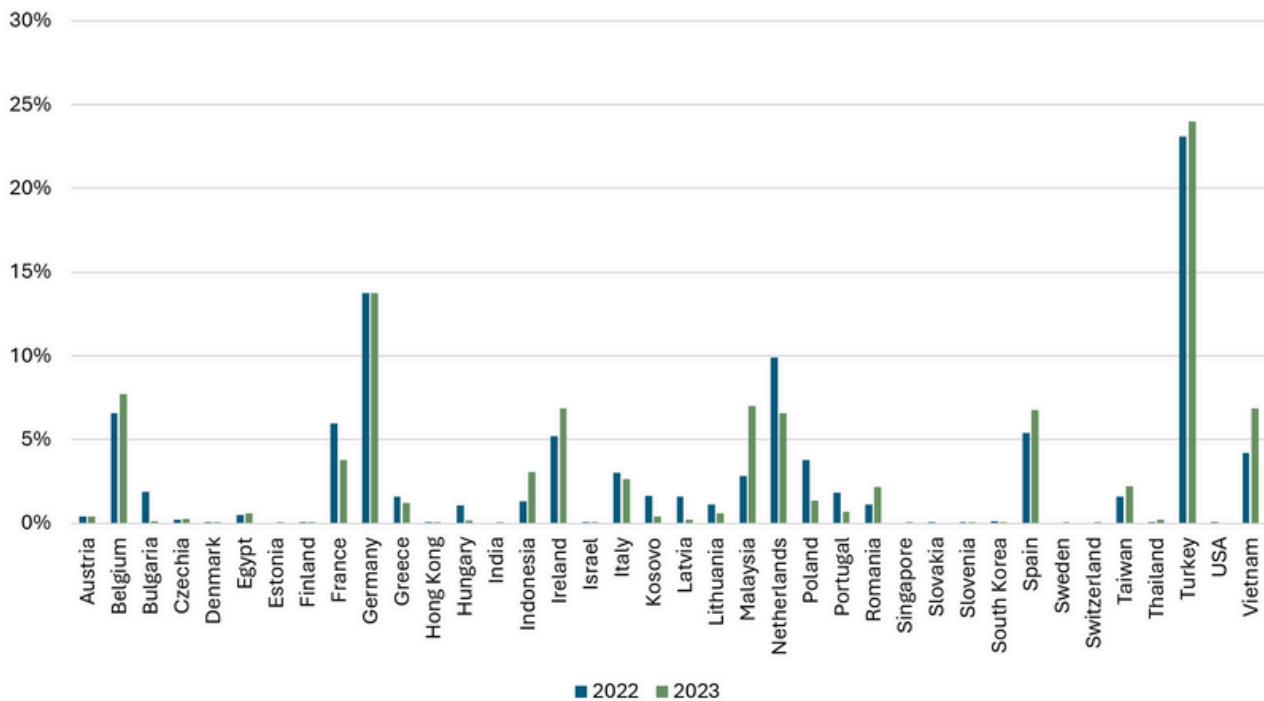
However, in 2023, more than 685,000 tonnes of plastic packaging was exported and declared as recycled; 51% of the overall plastic packaging declared as recycled for that year. This is a drop from the heights of 65% in 2017, but an increase compared to 46% in 2022.

Also, of the 685,000 tonnes, around 150,000 tonnes went to non-OECD countries, equating to 22% of the total exported tonnage. This is a sizeable increase on 13% in 2022, and 6% in 2021, largely due to growth in material being sent to Asian markets.

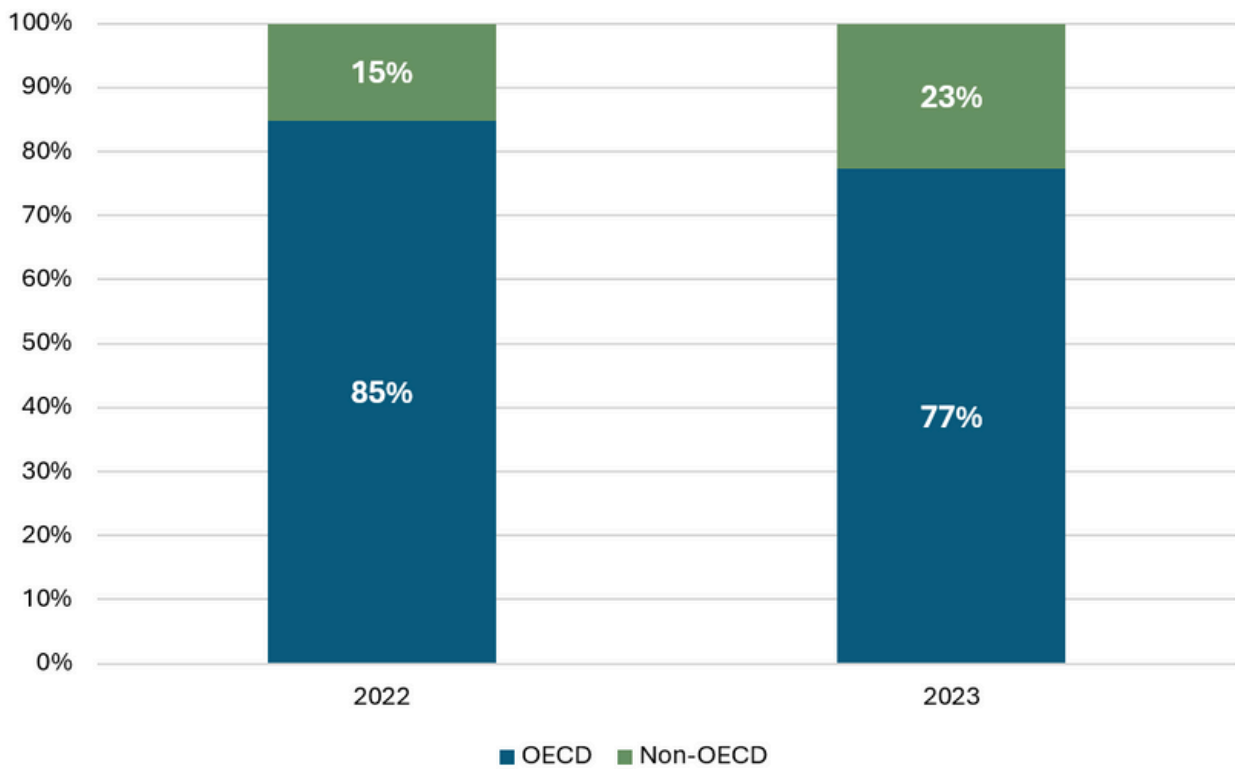
Whilst there is increased focus and discussion seeking to reduce, or even eliminate, the export of plastic waste, at present, export of plastic packaging for recycling is essential for the UK, not only to meet its increasingly ambitious recycling targets, but also to ensure that material can achieve the best environmental outcome through facilities that are able to process volumes and formats that the UK is less equipped to handle.

Country	2023	OECD Status
Turkey	24%	OECD
Germany	14%	EU
Belgium	8%	EU
Malaysia	7%	Non-OECD
Vietnam	7%	Non-OECD
Ireland	7%	EU
Spain	7%	EU
Netherlands	7%	EU
France	4%	EU
Indonesia	3%	Non-OECD

A table of the top 10 receiving countries of plastic waste export from the UK in 2023.



Proportion of plastic packaging waste exported out of the UK in 2022 and 2023 based on receiving destination.



Proportion of plastic packaging waste exported out of the UK in 2022 and 2023 based on the receiving destinations' OECD status.

In order to develop circular models, the UK needs to support and build UK infrastructure, and RECOUP's position statement on the export of plastic waste outlines the key points to enable this change.

RECOUP POSITION STATEMENT

RECOUP's position on the exporting of plastic waste for recycling focuses on the logical steps for the UK to achieve a best-in-class recycling infrastructure, and is based around five key points:

01

Reducing reliance on plastic waste exports in line with developing a roadmap to grow UK plastic recycling infrastructure and capacities.

02

Not supporting plastic waste being exported for recycling for economic reasons when it can and should be treated in the UK.

03

Supporting the intended ban on exporting material to non-OECD countries.

04

Currently supporting the export of plastic waste to OECD countries, including EU Member States, only as long as the infrastructure is in place to handle it, and there is evidence that the route the material takes meets circular outcomes.

05

Focus on ensuring that illegal, unethical or unnecessary exports are stopped.

Plastic export recycling markets should be utilised where necessary to achieve the best environmental outcomes, and failure to recycle this material in the UK highlights a need for greater investment in UK plastic recycling infrastructure.

RECOUP supports the principle behind the UK reducing the plastic waste it exports for recycling, but in a way that acknowledges the capabilities and limitations of the domestic recycling infrastructure. Export of material should not be treated as a substitute or hinder the investment in the growth of infrastructure, and as such the UK should continue to progressively work towards the reduction of the quantities being sent overseas for recycling.

Whilst export of plastic waste presents risks, challenges and additional environmental considerations, a ban on export in its entirety when looking at the UK's current plastic recycling infrastructure would mean that large quantities of 'hard to recycle plastics' would go to non-circular end markets, such as energy from waste or landfill.

The foundation for this position is outlined as follows.

01

Approaches for Recycling in EU Member States, OECD and Non-OECD Countries

RECOUP believes that export of plastic waste to OECD countries, including EU Member States, should only be allowed in two instances:

- Where the infrastructure is both known to be in place and of sufficient quality and capacity to effectively handle it; and
- An equivalent recycling outlet isn't currently available in the UK.

As such, 'OECD countries' should not be used as a catch-all term for appropriate receiving destinations, and instead exports should be permitted based on the country's capabilities to recycle the material.

RECOUP supports the ban on export of all waste types to non-OECD countries. Whilst

it's important not to get overly caught up in the media coverage of instances where UK waste has been found to be illegally handled and mis-managed, it draws attention to the broader issue of the limitations in terms of waste and recycling infrastructure in these developing countries. It also highlights the possible exploitation of these destinations for cheaper labour markets, and inadequate waste regulations which risks the material going into the natural environment as litter or incinerated. Although often less economically attractive, management of these materials should be done utilising infrastructure within Europe, if not within the UK itself.

02 Revisions to the Packaging Export Recovery Note (PRN)

RECOUP would support revisions to the current Packaging Recovery Note (PRN) system that would change the incentivisation of exporting plastic packaging waste for recycling. At present, material recycled in the UK is measured at the point that the recycling has taken place once any contamination or non-target material has been removed and material yield losses in the recycling processes have taken place. Material that is exported using Packaging Export Recovery Notes (PERN) includes the weight of any contamination or non-target material that may be lost in the recycling steps that take place overseas, prior to reaching any end-of-waste status.

Removing the economic variable between PRNs and PERNs based on the point the note is claimed will make UK recycling more economically attractive to recyclers and balance the market. RECOUP believes robust research is needed that would enable PERN values to be adjusted so they are reflective of the assumed material yield losses.

03 Need for Robust Evidence and Verification

When the export of plastic waste is permitted, RECOUP supports robust requirements that are met to ensure the receiving destination has the appropriate regulation and infrastructure to recycle the material to sufficient standards. This includes ensuring that the route the material takes is traceable, and that audit trails are planned and documented so that evidence can be provided to verify claims about it meeting circular outcomes at end of waste. These standards should cover the full journey of the material, not simply 'one step' from leaving the UK.

04 Fit for Purpose Enforcement Against Illegal Activity

There should be a clear distinction between legal and illegal activity. It can be assumed that changes in legislation and restrictions will impact illegal export activity to some degree, but by definition this type of activity will operate outside of any legal structure and regulation. As such, it's important to focus on ensuring that unethical or unnecessary exports are stopped. It should be noted that regulatory changes and restrictions on exporting material should not be seen as a single solution of resolving the wider issue of waste crime, but ongoing, adequate and fit for purpose enforcement is essential to enable long-lasting and meaningful change.

THE FULL REPORT IS PUBLICLY
AVAILABLE ON THE RECOUP
WEBSITE FROM 26 SEPTEMBER 2024

WHO ARE RECOUP

RECOUP is the UK's leading independent authority and trusted voice on plastics resource efficiency and recycling. As a registered charity, our work is supported by members who share our commitments including a more sustainable use of plastics, increased plastics recycling, improved environmental performance and meeting legislative requirements. We achieve these by leading, advising, challenging, educating and connecting the whole value chain to keep plastics in a circular system that protects the environment, underpinned by evidence and knowledge.

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CONTACT

01733 390021

enquiry@recoup.org

www.recoup.org