

# How feasible are circular economy aspirations?

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In March, the European Commission launched a Circular Economy (CE) Action Plan. It is one of the main planks of the European Green Deal on sustainable growth, with the aim of making the EU climate-neutral by 2050.

Legislation focuses on making sustainable products the norm, including electronics and ICT; batteries and vehicles; packaging; plastics; textiles; construction and buildings; and food.

The European Federation for Waste Management and Environmental Services backed the proposals, and said that private waste management companies were “at the very heart of the CE”. But what is the UK and EU doing to develop the infrastructure required to recycle plastic waste?

According to Viridor’s 2019 survey of UK public attitudes to recycling, 85% of respondents believe the UK should deal with its own plastic waste rather than export it.

In October 2019, the European Environment Agency (EEA) advised that recycling in the EU could provide a net benefit for the economy, through jobs and added value, as well as for the environment. But recently published data suggests that approximately 1.95 million tonnes of plastics were exported for recycling by the UK, the EU27, Switzerland and Norway in 2018. Furthermore, according to data from the UK Environment Agency (EA), 691,993 tonnes of plastic packaging waste were exported from the UK in 2019, an increase of 42,431 tonnes on the 2018 figure.

Put simply, the UK and EU do not have the facilities to deal with growing amounts of plastic waste in a sustainable manner. The EEA notes that annual global plastic production rose from two million tonnes in 1950 to an estimated 380 million tonnes now and is projected to almost quadruple by 2050.



**Plastics processing:** EU-wide targets say member states must recycle 50% of plastic packaging waste by the end of 2025 and 55% by end of 2030

Historically, most of the plastic waste exported from the UK has been destined for south-east Asia. In particular, between 1988 and 2016, China processed 106 million tonnes of the world’s plastic waste (more than 45% of global exports) becoming the world’s biggest customer for plastic waste.

In December 2017 a decision was implemented in China that changed the market fundamentally. As part of its National Sword policy, to protect the environment and people’s health, the government closed its ports to 24 types of solid waste. As a result, the price of scrap plastic collapsed.

Other countries in the region, including Indonesia, the Philippines and Malaysia, followed suit by introducing their own bans on imports of plastic waste. Notably, in May 2019, the Malaysian government ordered thousands of

tonnes of contaminated plastic waste shipped from the UK to be sent back.

Alongside this, with effect from January 2021, the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal changed the way that it applied to mixed, unrecyclable and contaminated plastic wastes.

This means that producers will not be able to ship plastic waste to countries that are not parties to the convention. They will have to notify, through the competent authorities, the intended movement of plastic waste and obtain consent, which may well not be granted. Producers will also need to ensure plastic waste is accompanied by the necessary movement paperwork. As the UK is a party to the convention, British companies will continue to be bound by these new rules after Brexit.

In addition, greater public awareness about the harm caused by pollution from waste plastic, particularly to the world’s oceans, has led to increased pressure on governments and industry to address the issue in a more sustainable manner.

Faced with these developments, how will the UK and EU adapt, and what certainty does their policies and laws covering the CE provide for the investments in recycling infrastructure?

In 2018, new EU-wide recycling targets were introduced requiring member states to recycle 55% of all municipal waste by 2025, 60% by 2030 and 65% by 2035. At the same time, they must also recycle 50% of plastic packaging waste by the end of 2025 and 55% by end of 2030.

The Commission is due to consider setting targets for commercial and non-hazardous industrial waste by the end of 2024. Within this framework, member states have some discretion as to how to achieve these targets.

In March 2020, the Commission adopted its CE Action Plan, where it

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reiterated the goal to make all plastic packaging reusable or recyclable in an economically viable way by 2030. To help achieve this, it plans to propose changes to the Packaging and Packaging Waste Directive. After 2030, packaging that is deemed non-recyclable would effectively be banned.

Although many member states already have extended producer responsibility (EPR) schemes in place, they will be mandatory for all packaging across the EU by the end of 2024. It has been proposed that a penalty fee of up to €1,500 (£1,300) per tonne of unrecyclable packaging be levied.

The EU has been considering recycled content requirements, meaning that a product may only be put on the market if it contains a set share of recycled material. It has already enacted recycled content requirements for single-use plastic beverage bottles, at 25% for such bottles from 2025 and 30% from 2030.

But under the action plan, the Commission announced that, in the next couple of years, it will propose further mandatory recycled content requirements for plastic packaging, construction and other products.

In December 2018, the Commission established a Circular Plastics Alliance, comprised of more than 200 European associations and companies collectively committed to use at least 10 million tonnes of recycled plastics in products and packaging each year by 2025.

The UK Plastics Pact, run by WRAP, is well established. Meanwhile, in March 2020, the Danish, Dutch and French governments initiated the European Plastics Pact, whose signatories (including 17 European governments and 65 companies) have committed to achieve a number of voluntary targets by 2025.

These include a reduction of virgin plastic use by at least 20% by weight, with half of the reduction from an absolute reduction in plastics; increasing collection, sorting and recycling capacity by 25%; and having an average of 30% recycled plastic content by weight across product and packaging ranges.

In addition, multiple public funds are already available and more are due to become available to developers of recycling solutions under the next EU budget. The CE Action Plan foresees

that Horizon Europe research funding will support exploring the potential of chemical recycling.

The UK's Environment Bill, which will set out the framework for environmental governance after we leave the EU, includes a new power to prevent the export of polluting plastic waste to non-OECD countries.

Since the effective closure of the Chinese market, OECD countries have become the favoured destination for UK plastic waste exports, with Turkey receiving the highest proportion at nearly 25% in 2019. However, Turkey recycles or composts less than 10% of its own waste compared with an OECD average of 36%, so is the UK simply substituting Turkish landfills for Chinese landfills?

Provisions within the Environment Bill to provide a legal backing for the resources and waste strategy have been covered extensively by *MRW*. The parliamentary committee to scrutinise the Bill has been put on hold due to the coronavirus emergency, so we await further consultations on plans for EPR, deposit return schemes and other measures.

UK Research and Innovation, which brings together seven UK research councils, is actively funding work on plastics, in particular the Smart Sustainable Plastic Packaging Challenge, part of the Industrial Strategy Challenge Fund. This £60m investment in R&D will run until 2024, with the aim of delivering a core programme to support networking and collaboration-building.

It will invest in fundamental research

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to deliver greater understanding in areas such as the impact of plastic pollution on the environment and consumer behaviour. The fund will also co-invest with industry across a series of funding competitions, ranging from early-stage research to first-of-a-kind demonstrator projects.

Following criticism in 2018 by the National Audit Office that the EA has low visibility and control over waste that is sold abroad for recycling, it has sought to take a tougher stance. For example, waste management giant Biffa was fined £350,000 and ordered to pay £240,000 in costs in September 2019 for sending contaminated household waste, described as waste paper, to China in breach of the Transfrontier Shipment of Waste Regulations 2007.

In January 2020, the EA helped to establish the Joint Unit on Waste Crime to tackle serious and organised waste crime, including falsely labelling waste for export abroad.

There are clear parallels between the current ambitions being pursued in the EU and the UK. Both are intending to reform their EPR regimes, introduce recycled content requirements, have voluntary arrangements which commit signatories to go beyond regulatory requirements, and seek to encourage technological innovative solutions.

It is too early to tell whether this commonality will continue in the years after Brexit. However, in January 2020, the Commission's president expressed her hopes for a level playing field in terms of environmental protection between the EU and UK.

There is also continued pressure on the Government to commit to a firm declaration within the Environment Bill of non-regression of environment standards.

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**EU legislation: proposals to make changes to packaging and waste Directives**

