

The Rt Hon Dr Thérèse Coffey MP
Secretary of State for Environment, Food and Rural Affairs
Department for Environment, Food and Rural Affairs
4th floor, Seacole Building
2 Marsham Street
London
SW1P 4DF

24 January 2023

Dear Secretary of State,

We wish to first congratulate you on your appointment as Environment Secretary. We were delighted to host your officials at a recent policy roundtable at Envar Composting, to discuss the role that certified compostable packaging can play in supporting the Government's acceleration of the plastic transition. **As a Coalition, we wanted to bring to your attention some of the biggest challenges facing the industry and how you can resolve some of the unintended consequences from the Government's packaging and waste & collection reforms.**

Compostable Coalition UK: Our Mission

The signatories of this letter are members of Compostable Coalition UK, a UK Research & Innovation (UKRI) funded research project examining how compostable packaging and non-packaging items can be effectively collected and organically recycled on a geographically more widespread basis in future in the UK.

We are a broad coalition of industry leaders from across the value chain, with a mission to advance the wider collection & treatment of compostable packaging via existing infrastructure in the UK. By working together, we want to address existing systemic gaps and design accessible and viable pathways to ensure compostables can be embedded into the biowaste management system and support the attainment of the UK Plastics Pact goals.

Over 1.3 million tonnes of plastic packaging or roughly 50% of plastic packaging in the UK is not being recycled. One of the key reasons for this is that most plastic packaging products are simply not fit for recycling.

Compostable Coalition UK focuses on three types of widely used plastic packaging and non-packaging items which are considered 'hard-to-recycle' and have negligible to no recycling venues in the UK or worldwide:

1. **Consumer flexible packaging** (such as crisp bags, fresh produce bags and small format flexible wrappers e.g. confectionery) - of which merely 6% is recycled due to multiple challenges associated with collecting, sorting, and recycling such packaging.
2. **Small formats** (such as coffee pods and tea bags) – which pose significant challenges to recycle as they are heavily contaminated with food and cannot be processed at recycling centres. In the UK alone 1 billion coffee pods and over 60 billion tea bags are consumed per year, yet most cannot be recycled.
3. **Single-use service ware** – it is estimated 200K tonnes of single-use plastic tableware is used in the UK per annum while none is fit for recycling.

Together, these three application segments represent over 25% of non-recycled plastic waste in the UK.

Compostable Coalition UK aims to demonstrate how we can achieve full circularity for these hard-to-recycle items with technologies available today and by ensuring they are fully integrated with the bio-waste recycling infrastructure.

Why compostable packaging matters more than ever?

As we begin 2023, we want to underscore the role that compostable packaging can play in ensuring the Government is able to meet its UK Plastics Pact targets.

- The Ellen MacArthur Foundation recently concluded that governments, major brands and retailers will almost certainly miss their ambitious Plastics Pact targets, with flexible packaging and a lack of infrastructure identified as key barriers.
- The Environment, Food and Rural Affairs select committee's recent plastic waste inquiry concluded that compostable plastics "appear to offer the best means of managing necessary, but difficult to recycle plastic, such as plastic film." This cross-party group recognized the critical role compostables can play in reducing the presence of conventional polluting plastics in food waste recycling and called for money collected from the Plastic Packaging Tax and EPR scheme to be invested into industrial composting infrastructure.
- Collecting and organically recycling compostables that have been used in hard-to-recycle applications will contribute towards meeting targets 2 and 3 of the UK Plastics Pact, namely that all packaging should be "100% reusable, recyclable or compostable packaging" with "70% effectively recycled or composted" by 2025.
- The public is growing weary of Government inaction. A recent YouGov poll showed more than 85% supporting banning conventional plastic packaging where alternative compostable solutions are available, with a further 86% supporting enabling the collection of compostable packaging alongside food waste, as is already the case in Ireland, Italy and cities like Seattle in the USA.

If the Government is truly committed to achieving its plastic reduction targets by 2025 – where 70% of plastic packaging is effectively recycled or composted – it should consider supporting the development and growth of novel, alternative technologies - including compostable alternatives.

Below, we have set out practical suggestions as to how DEFRA might incentivise the growth of our industry - which could employ 35,000 with the right policy frameworks in place - and which more importantly, can accelerate and support the attainment of the UK Plastics Pact targets.

The Case for Compostables and EPR

- We welcome the objectives behind the Government's EPR regulations, and we agree with the principle that producers of packaging should be responsible for covering the full net costs of collecting and treating waste packaging in ways that contribute to net zero targets and the circular economy.
- The current scheme fails to appropriately capture the circular value of compostables and continues to treat these items as non-circular, failing to capture the wider benefits they bring such as capturing food waste and improving soil health.

- As an industry committed to reducing waste, it seems **perverse that compostable plastics should effectively be treated the same as the very conventional non-circular/ plastics we seek to displace.** We cannot accept that we will be liable to pay into an EPR scheme yet will derive no tangible benefit as an industry through ring-fencing any of these funds in support of the uptake of collection and treatment schemes for compostables.
- We fear the **current policy trajectory risks killing this market** rather than incentivizing it. The EPR regulations and associated high modulated fees that look likely to apply to compostables will have a significant detrimental impact on the development of plastic alternatives as it will exacerbate cost differentials between compostable and hard-to-recycle plastic or composite-material packaging. We are also concerned that the UK's organics recycling industry will receive no financial contributions - from compostable obligated parties' fees paid to the scheme administrator - towards building new organics recycling facilities designed to treat food and compostable packaging wastes and adapting existing ones where feasible. We know this is not your intention either as a Secretary of State committed to innovation and accelerating the plastics transition.

The Facts on the Ground

- The UK wastes 9.5 million tonnes of food waste a year, most of which ends up in landfills. **Compostable packaging and non-packaging items in appropriate food-related applications can capture and divert food waste that is otherwise lost to landfill.**
- **17% of local authorities in England already collect compostable packaging via food waste bins,** while coverage could extend to build upon the 37% of English local authorities already collecting food waste. This is set to increase to 100% over the period from financial year 2024/25 to 2030/31, taking account of DEFRA's consultation proposals on by when local authorities not already separately collecting food wastes would need to introduce them.
- The BBIA estimates the current **market for all compostable materials in the UK is circa 30kT per annum.** As a Coalition, we have a shared **ambition to grow this number to 100kT by 2025**— displacing hard-to-recycle plastic packaging.
- The organic recycling infrastructure is already in place. **There are circa 40 in-vessel /enclosed composting sites in the UK that can treat compostable packaging.** Of these sites, 24 already accept independently certified compostable items; kitchen caddy/food bin liners, packaging or both. These facilities are located within each of the home nations of the UK – 17 in England, 3 in Scotland, 3 in Northern Ireland and 1 in Wales.
- The **number of private initiatives that collect compostable packaging is growing.** Companies like Vegware and TIPA have a long-established collection programme in place which successfully collects and treats certified compostable packaging from various customers and numerous cafeterias and eating halls across London, as well as on behalf of brands such as Riverford Organic Farmers, Natoora, and Scotch and Soda. Envar, the largest composting site in the UK expects to collect and treat over 350 tonnes of compostable packaging in 2023. Via the work of the Compostable Coalition, **we expect more partners to join collection and treatment plans, but this is contingent on Government maintaining the current level playing-field.**

Our asks are simple:

- 1) EPR reforms should acknowledge any private or public initiatives that collect and organically recycle compostable packaging. Any such collected packaging that does get organically recycled should be paying a relatively low fee per tonne (compared with packaging types hard to recycle via any means) to incentivize such circular activities.**
- 2) Any income raised from the EPR scheme from compostable packaging should be ringed fenced to support the development of compostables collection and treatment infrastructure (as recommended by the EFRA Committee's report on its Plastic Waste inquiry)**
- 3) Household waste collection reforms should leave the door-open for future collection of compostable packaging alongside food waste by local authorities and incentivize local authorities to do so.**

We would welcome your personal commitment to engage as a matter of urgency with the compostables manufacturing and organics recycling industries along with the evidence from our UKRI-funded research project as we work together to develop a Government-backed roadmap for the compostables industry in support of the UK Plastics Pact goals.

Yours sincerely,

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