



## Changes to packaging regulations 2016/17

Last year we produced a short summary of the confusing changes to the packaging regulations that had been introduced or had not need published in their final form. There are more changes in the pipeline and untangling them is just as confusing this year.

### Current recycling targets (England, Wales & Scotland) (as defined by 2012/3082, as defined by 2016/1146)

Material	2017	2018	2019	2020
Glass	77	78	79	80
Aluminium	55			
Steel	76			
Paper/Board	69.5			
Plastic	51	53	55	57
Wood	22			
Recovery	79			

### Current recycling by re-melt targets for glass (as defined by 2014/2890)

Year	Percentage
2017	67%

At the end of 2016 there was a consultation about setting new packaging targets for 2018 – 2020. The output was confirmed in the Spring Budget but in August 2017, the new legislation has not been put in place but we are assuming that the new targets will look something like this:

### Proposed Recycling targets (as indicated by the 2017 Spring Budget)

Material	2017	2018	2019	2020
Glass	77	78	79	80
Glass Remelt	67	67	67	67
Aluminium	55	58	61	64
Steel	76	79	82	85
Paper/Board	69.5	71	73	75
Plastic	51	53	55	57
Wood	22	38	43	48
Recovery	79	80	81	82

## Northern Ireland

The targets set for Northern Ireland in their latest amendment in February 2017 (2017/3) do not match the targets set in England, so we also expect another amendment to bring Northern Ireland into line with the rest of the UK. [Click here for the February 2017 targets in NI](#)

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### **Impact on PRN Prices**

It is particularly noteworthy that if the wood targets are introduced as indicated above, the amount of wood that will have to pass through the PRN system will double in three years and Aluminium, Steel and Plastic will go up by almost ten percent. These relatively steep increases in the number of PRNs needed is likely to cause PRN prices to rise while recycling businesses gear up to increase their capacity.

Those are the known and quantifiable changes. These are two outside factors that could also have an adverse impact on targets and prices of PRNs:

- In the medium term, we are also keeping a watching brief on **Circular Economy** developments in the EU as these are likely to affect our targets up to at least 2019, and probably after that if we have a transitional Brexit arrangement.
- In the shorter term, China has declared war on 'Foreign Garbage'. Over the last 20 years the quantity of waste sent to China to be recycled has grown from around 5million tonnes to a peak of over 50million tonnes in 2013. In 2013 Operation Green Fence was launched. It aimed to improve the quality of waste imported by preventing the import of unsorted waste streams such as plastic bottles and scrap metal which should now be sorted, shredded and washed before they can pass the tighter rules. The latest announcement to the **World Trade Organisation on 18<sup>th</sup> July** aims to tackle illegal '**foreign garbage**' and will stop the import of 24 types of solid waste. We expect it to start coming into force over the next six months. Through discussions with businesses affected we understand that Chinese businesses get 'quotas' to import a set amount of waste material to recycle and the new rules will prevent importers who have broken rules in the last two years from renewing their permits. It is unclear how much impact these new rules will have, but they could halve the amount of plastic waste allowed into China when they come into effect which will have a knock-on effect on the amount of British plastic packaging waste being recycled in 2018. We are not sure whether it will affect recycling British packaging waste in 2017, or not begin to cut in until early 2018.

We have used reasonable care to collate the information above and we are aware that legislation can change very quickly. We will not be liable for any errors or omissions in this information nor for the availability of this information. The author will not be liable for any losses, injuries, or damages from the display or use of this information.

Please feel free to get in touch directly with us if you have any questions about any of the above changes.

John Mooney, August 2017.

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