

# From waste to resource: a new strategy for 2005

A statement of policy recommendations for the Waste Strategy 2000 review

In 2000, the Waste Strategy set out how we could deal with waste more sustainably by putting forward the waste hierarchy as a model for how we should best deal with our waste. Our vision for the next draft, Resources Strategy 2005, is that the correct economic and regulatory framework is in place to drive us toward that model in practice. The strategy should be informed by recognition of the limits to resource use and much greater efforts should be taken to remove toxic, bio-accumulative and persistent materials from the waste and resources stream with a presumption against use of these materials.

## Our vision for 2020

Our vision for the future is that by 2020, waste is viewed as a valuable resource. Where possible, products and materials are conserved and used to their full potential through reuse and recycling. Actions are taken throughout the process of design manufacture, use and disposal to minimise waste and environmental impacts. The amount of waste being produced is decreasing and savings are continually made through the on-going prevention of waste being created in the economy. Economic measures are in place to divert waste away from disposal and towards reuse, recycling and composting and the environmental costs of the production and disposal of products are fully internalised within their price so that they are managed appropriately. Consumers are easily able to choose less wasteful products and services and producers are using routinely design tools to understand and minimise the environmental impact and waste produced by their products

Listed below are the policies we believe need to be considered to ensure that we have in place the legislative and economic framework to enable us to manage our resources efficiently.

- **Waste prevention targets:** Set a more ambitious national waste prevention target with supporting measures
- **Higher recycling targets:** Set higher national recycling targets and further statutory local authority targets
- **Waste education and communication:** Continue and make a forward commitment to provide financial backing for waste awareness campaigns, such as Recycle Now and provide new resources for the strategic funding of waste education-based work in schools.
- **Variable charging and other incentives for householders:** Give councils the power to implement financial incentive or charging schemes for householders to encourage waste prevention, reuse, recycling and composting
- **Disposal tax:** Extend the landfill tax to cover incineration and other waste disposal methods
- **Higher landfill tax escalator:** Set the escalator at a higher rate so that the target landfill tax rate can be reached more quickly
- **Virgin materials tax:** Explore ways to encourage consumers to buy reused or recycled goods through taxation of products made from virgin materials
- **Products taxes:** Explore ways to internalise the environmental costs of product manufacture and waste management within the price of goods.
- **Procurement policy:** Implement a procurement policy for national and local Government to support market development for recycled materials
- **Market development:** Continue support for the Waste and Resources Action Programme on market development for recycled materials and waste prevention and provide a clear indication of this ongoing commitment
- **Deposit refund schemes:** Implement a deposit refund scheme on packaging to encourage reuse and recycling
- **Support for composting:** Support should be provided for composting and anaerobic digestion to meet the Landfill Directive targets. The UK should also back the adoption of the Biowaste Directive and ensure that it promotes the source separation of organic wastes.
- **Support for the social economy:** Recognise the value in the domestic waste stream in terms of job creation and increasing social capital and consequently provide preferential support for solutions which provide both environmental and social benefits.
- **Commercial waste:** Look for opportunities to develop more producer responsibility measures
- **Joined up agendas:** Take into account the aims of the Thematic Strategies on Waste Prevention and Recycling and the Sustainable Use of Natural Resources, the Sustainable Development Strategy and policies to tackle climate change.



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## **The Waste Strategy 2000 review**

The review of Waste Strategy 2000 is an important opportunity to set the UK on the path towards an economy based upon the sustainable use of resources. There is a yawning gulf between waste policy and practice now and where we need to be. The challenge for the revised waste strategy is not only to meet basic waste policy objectives like the landfill directive and recycling targets but to integrate waste policy into the broader framework of sustainable production and consumption.

We now need to be more ambitious. Progress has been made - we are seeing increased recycling, and more funding is flowing in waste management – but it is slow and is focused on delivering basic waste management rather than the transformation of the way resources flow through the economy. Since Waste Strategy 2000 was published there has been a huge amount of policy development. The sustainable consumption and production agenda has emerged and is developing, a new UK Sustainable Development Strategy has been published and European thematic strategies on waste prevention and recycling and natural resources will shortly be published, as well as new European Directives such the Energy Using Products Directive. To date waste policy has not been clearly linked to these. The central question for the review is how the UK's waste strategy can contribute to delivery of these agendas. This question needs to be addressed now. It cannot wait until the suggested root and branch review of Waste Strategy in 2010. The following are measures that we believe must be considered as part of the review to enable us to move us towards an economic and legislative framework to support sustainable resource use and waste management in England.

- **Waste prevention targets**

The focus for this country should be on waste prevention, as suggested by the waste hierarchy, and the Government must set out concrete measures to help achieve this. A more ambitious national waste prevention target, coupled with local authority policy measures and advice, may be a good start to motivate waste prevention. Targets should also be developed for business on a sectoral basis as suggested, for example, in the draft Food Industries Sustainability Strategy. These targets need to be backed up with mechanisms to ensure delivery. Targets for reducing the amount of waste sent for disposal, including energy from waste treatment, should also be considered.

- **Recycling targets**

The recycling targets for councils included in Waste Strategy 2000 have been very helpful for improving recycling infrastructure to meet the statutory local authority targets. Future targets should be set for local authorities as a matter of urgency so that there is enough time to plan ahead to reach higher recycling rates. The national targets should also be reviewed in light of the achievements in England and in other European countries. In particular the 33% target for 2015 should be reconsidered in the light of improvements made over the last five years and much higher levels of recycling being seen in Europe and elsewhere. The Government's focus on diverting waste from landfill should not overshadow the vast improvements that still need to be made on recycling and the positive role of the targets in driving up recycling rates.

- **Waste education and communication**

The Recycle Now campaign has started to have a positive impact on participation in recycling. This has been the first high-profile, national campaign of its kind and there is a need for the continued support of such an activity. There is still much to be done to motivate people to recycle and ensure that householders understand that recycling is of national significance as well as being important regionally and locally.

In addition, there needs to be a recognition of the role of young people both now and in the future in moving towards a more sustainable society. Priority needs to be given to providing resources for waste education-based work in schools and provision for a scheme which provides support for waste education based projects without the need to prove a direct effect on household recycling targets, valuing waste education for its own sake. Any such scheme needs to sit within a wider funding framework encompassing broader education for sustainable development issues such as energy and water

The economic framework for waste management needs to reflect the waste hierarchy, but this is not the case at the moment. As well as the following measures, consideration also needs to be given to the broader range of economic instruments, incentives and subsidies in, for example, energy policy to ensure that the economic drivers for change in both areas complement one another.

- **Variable charging for householders**

The recent review of household waste incentive schemes and new funding for more incentive trials is welcome. This is an excellent first step in encouraging more sustainable behaviour, but ultimately we should not be rewarding people for behaviours that we wish to see normalised. We would like to see councils given the powers to implement charging schemes to encourage waste prevention, reuse, recycling and composting if they wish.

Charging householders for the amount of waste they put out for disposal has the potential to dramatically change the way individuals perceive their waste production and how they manage it. Variable charging

schemes have had a massive impact in other European countries and, if implemented carefully, would represent an equitable way of charging people for their waste collection services, as opposed to a fixed fee.

To ensure that these schemes can be put in place fairly there need to be good doorstep collection schemes in place for recyclable and compostable materials and good alternatives, such as reusable nappies for avoiding non-recyclable waste. The Household Waste Recycling Act will ensure sure that everyone has access to a doorstep collection service of recyclable materials, but this should go further so that everyone has a wider range of materials conveniently collected from their homes. Giving councils the power to directly charge for waste management has received support from both the public and private sectors. Variable charging schemes need to be developed with the support of the public so we are calling on the Government to give local authorities the power, but not a requirement, to develop schemes appropriate to their local situation.

- **Disposal tax**

The Government should consider extending the landfill tax to become a disposal tax, including incineration and other energy from waste options. This would need to be graduated to make the cost of different waste options reflect the waste hierarchy. The landfill tax escalator is serving as a useful tool for diverting waste from landfill, but there is no similar driver for driving waste further up the hierarchy. The landfill allowance trading scheme for biodegradable municipal waste also provides no incentive to do anything other than avoid landfill. Disposal taxes have been introduced in other European countries to reflect the environmental costs of various waste treatment technologies.

- **Increasing the landfill tax faster**

The Government has recognised that if the landfill tax is to become an effective economic instrument it needs to be much higher. The Government has set the target level at £35 per tonne, but with an increase of £3 per year that level will not be reached until 2011. It should be considered whether a faster increase in the tax could be implemented so that the target level is reached sooner, particularly given the challenge of meeting the Landfill Directive's targets.

- **Virgin materials tax**

The Government should also consider the implementation of a tax on virgin materials to increase the cost of products made from virgin materials in comparison to products made from recycled materials. The principle of this type of tax would be to change behaviour so that consumers choose products made from reused or recycled materials, rather than virgin materials.

- **Product taxes**

Disposable products such as nappies and household cleaning products are becoming more prevalent. A disposable products tax would send an economic signal to the market that disposable products should be avoided to prevent waste. In Denmark, there is a general tax on disposable items, such as batteries, electric bulbs, tyres and pesticides. Similarly in Belgium there is a product tax on disposable drink containers and some types of packaging. The taxes could be used to reward durability or high recycled materials content. For example higher taxes could be imposed on products such as washing machines and other white goods with warranties of less than five years.

- **Procurement policy**

The use of procurement policy is central to developing markets for products made with recycled materials. Central and local government has huge purchasing power which could be used far more effectively to drive up demand for recycled products. Many options exist, for example, minimum recycled content requirements for paper and aggregates, minimum performance requirements for products and better use of contracts to specify waste minimisation when buying services and products. Government has set targets in this area, for example the 'quick wins' products, but greater action is needed to meet these and other procurement goals.

- **Market development**

The Government must continue to support the Waste and Resources Action Programme in developing markets for recycled materials and on waste minimisation. There has also been a considerable amount of research from WRAP into recycling that has helped to inform the debate in the UK and this work should continue to be appropriately funded alongside the Recycle Now waste awareness campaign. In addition support should be given to the expansion of the market for re-use, in order to drive consumer behaviour up the waste hierarchy.

- **Deposit refund schemes**

These could be implemented to encourage reuse and recycling of packaging. They have been successful in a number of countries including Sweden, where a system operates for glass and plastic bottles and aluminium cans. A number of schemes have achieved return levels in excess of 90 per cent.

- **Legislative support for composting**

The UK is at a crucial stage with regards to the meeting of Landfill Directive Targets through the Landfill Allowance Trading Scheme. Local Authorities are evaluating the long term methods by which they will meet these targets. At present there is no legislative support for the adoption of composting and

anaerobic digestion as treatment options to meet these targets. The UK should support the adoption of the EU Biowaste Directive and ensure that it promotes the source separation of organic wastes.

- **Support for the social economy**

The Waste Strategy should acknowledge the value in the domestic waste stream and options for tackling this waste, which provide both environmental and social benefits, should be preferentially treated. The domestic waste stream, when properly sorted by the householder, has the potential to be an asset for local economies. Existing practice has shown that there is value in the form of jobs and other benefits to be created in collection systems, local reprocessing and re-use enterprises which provide services to help people avoid waste such as repair shops and real nappy businesses. Social enterprise in this context has a good fit with wider government objectives. These opportunities should be properly explored, exploited and preferentially supported before solutions with more limited social benefits are considered.

There should also be a reconsideration of the waste management licensing exemptions. They are supposed to encourage small scale local composting and re-use activities and in particular those which are operated by community groups. However, the high cost of the exemptions is making it impossible for some community composting groups to operate. The current system is also causing problems for some local re-use groups who have trouble getting exemptions if some of the materials or items they collect cannot be reused, but must be recycled or disposed of instead. The exemptions should be changed to support community composting and reuse groups.

- **Commercial waste**

Producer responsibility schemes can channel financial support to local authorities where councils collect material covered by legislation, such as packaging, batteries and waste electronic and electrical equipment. The Government should look at extending agreements to also reduce waste, increase durability and the use of recycled materials and increase consumers' ability to reuse and recycle products. To have the greatest impact the Government should explore putting in place statutory targets for businesses, rather than voluntary measures alone. Sectoral sustainability strategies could be used to do this but mechanisms need to be in place to ensure delivery. The Climate Change Levy model which reduced the climate change levy for sectors meeting energy efficiency targets may be relevant here. Funding for Envirowise should continue as this source of information and advice is very valuable for the commercial sector. The BREW programme offers a number of possibilities for businesses, but needs to focus on the transformation of UK businesses resources use rather than incremental efficiencies of existing products and processes

There may also be environmental benefits in collecting business and municipal waste as a single stream to increase yields of materials such as paper, glass and cans and operational systems for doing this should be investigated.

It is important the review of the waste strategy takes into account other environmental and social agendas in setting out the legislative and economic framework for how we manage our natural resources and waste. Below are some of the issues and strategies that will have an impact on what we should be aiming for.

- **Thematic strategies**

The Thematic Strategies on Waste Prevention and Recycling and the Sustainable Use of Natural Resources will be issued later this year. These are likely to focus on strategic goals rather than concrete implementation measures. The revised waste strategy needs to acknowledge the thematic strategies and indicate the specific measures that will be developed to take forward their aims both in the UK and Europe.

- **Sustainable Development Strategy**

The waste strategy must also be integrated with the aims of the Sustainable Development Strategy. Advice to consumers on sustainable consumption must include information on waste prevention, reuse, recycling and composting, particularly as it has been acknowledged that 30% of people want to make their consumption more sustainable. The waste strategy should be informed by a recognition of the limits to resource use, which is already implied in the Sustainable Development Strategy.

- **Climate change agenda**

The Government should put in place financial incentives to encourage sustainable waste management to help achieve our goals for reducing emissions of climate change gases. In particular, these measures should support waste prevention, reuse, recycling and composting, considering the energy savings from avoiding the use, transportation and processing of virgin materials.

- **European policy making**

We would also like to see the Government leading the environmental agenda in relation to waste legislation at the European level, particularly on the Energy Using Products Directive, the WEEE Directive and the Biowaste Directive. The Biowaste Directive would be very helpful for promoting the source separation of organic waste for composting and anaerobic digestion.