



House of Commons  
Environmental Audit Committee

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**Disposable Packaging:  
Coffee Cups:  
Government's Response  
to the Committee's  
Second Report**

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**Fifth Special Report of Session 2017–19**

*Ordered by the House of Commons  
to be printed 6 March 2018*

## Environmental Audit Committee

The Environmental Audit Committee is appointed by the House of Commons to consider to what extent the policies and programmes of government departments and non-departmental public bodies contribute to environmental protection and sustainable development; to audit their performance against such targets as may be set for them by Her Majesty's Ministers; and to report thereon to the House.

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### Powers

The constitution and powers are set out in House of Commons Standing Orders, principally in SO No 152A. These are available on the internet via [www.parliament.uk](http://www.parliament.uk).

### Publications

Committee reports are published on the Committee's website at [www.parliament.uk/eacom](http://www.parliament.uk/eacom) and in print by Order of the House.

Evidence relating to this report is published on the [inquiry publications page](#) of the Committee's website.

### Committee staff

The current staff of the Committee are David Slater (Clerk), Nina Foster (Second Clerk), Nicholas Davies (Committee Specialist), Ian Cruse (Committee Specialist), Dr Fedra Vanhuysse (Committee Specialist), Ameet Chudasama (Senior Committee Assistant), Baris Tufekci (Committee Assistant), Henry Marsh (POST Fellow), and Sean Kinsey (Media Officer).

### Contacts

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# Fifth Special Report

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The Environmental Audit Committee published its Second Report of Session 2017–19, *Disposable Packaging: Coffee Cups* (HC 657) on 5 January 2018. The Government’s response was received on 5 March 2018 and is appended to this report.

## Appendix: Government Response

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The Government thanks the Committee for its report on coffee cups.

This Government wants to leave our environment in a better state than we found it. Our *25 Year Environment Plan*<sup>1</sup>, published on 11 January 2018, outlines steps to achieve that ambition. The Plan sets out targets to work towards eliminating all avoidable waste by 2050. We will publish a new Resources and Waste Strategy this year which will set out our approach to reducing waste, promoting markets for secondary materials, incentivising producers to design better products and how we can better manage materials at the end of life by targeting environmental impacts.

Coffee cups make up 0.7% of total paper packaging waste in the UK. We believe it is important to look at the packaging producer responsibility system and waste management system as a whole, in order to drive the best environmental outcomes.

The Committee looked at a number of issues, which the Government has addressed below.

### Clearer Consumer Messaging

#### Recommendation 1

*The use of disposable cups that are difficult to recycle and the lack of specialist reprocessing facilities in the UK results in fewer than 1 in 400 being recycled. Although we have heard that the introduction of a “recyclable cup” would present a simple solution to coffee cup waste in the UK, we heard little substantial evidence about how these cups would meet the manufacturing standards that prohibit contaminated containers from entering mainstream waste recycling. Therefore we believe that more research needs to be done to establish whether contamination is a significant and justified barrier to widespread uptake of these new designs of disposable cups. Although Starbucks has explored the potential of using Frugal Pac cups, there has been no widespread trial or collaborative research as yet. As a large and growing industry, coffee shop companies should work together through the existing Paper Cup Recovery and Recycling Group to agree the design of a disposable cup which can be easily recycled. Research should focus on how the design of paper cups can work around, or with, the manufacturing standard for “contaminated” paper packaging by exploring ways of recycling coffee cups with other contaminated food packaging. (Paragraph 21)*

The Government supports the collaborative work of the Paper Cup Recovery and Recycling Group and we are encouraged by the commitment made by packaging companies and retailers, who are working together to significantly increase paper cup recycling by 2020. We support innovation in cup design, materials and recycling processes to help ensure more cups are recycled.

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<sup>1</sup> [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/673203/25-year-environment-plan.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/673203/25-year-environment-plan.pdf)

### Recommendations 2 and 3

*While disposable coffee cups are recyclable, they are not recycled. However, we have found that there is a significant public belief that disposable coffee cups are widely recycled. Coffee shops are communicating to customers that disposable cups are recyclable, but it is not clear that they need to be disposed of through separate recycling systems. This confuses the consumer, resulting in the contamination of on-street and office bins and local authority collections as people dispose of disposable cups in mixed recycling. We believe that greater clarity and consistency around recyclability and contamination issues are vital to ensure that consumers do not unknowingly contaminate recycling bins. (Paragraph 28)*

*It is unacceptable that coffee sellers are perpetuating customer confusion through their use of recycling labels and emphasis on the recyclability of coffee cups, despite the shockingly low recycling rate. Coffee shops with in-store recycling schemes should place a 'recyclable in stores only' label on their coffee cups. Those without in-store recycling should print their cups with a 'not widely recycled' label. We believe this greater consistency will enable the public to make more informed choices about their use and disposal of packaging that cannot be recycled in most public recycling bins. (Paragraph 29)*

As we set out in our *Litter Strategy for England*<sup>2</sup>, which was published in April 2017, we think industry can use insights from behavioural science to encourage better disposal behaviour, particularly to prevent littering. Packaging has carried anti-litter messages for many years, but some research suggests that it has become ubiquitous and is relatively ineffective.

There is, however, also scope for well-designed labelling to go further in deterring littering and encourage more active recycling by people who are already inclined towards responsible disposal. Including this type of disposal information on the item may act as a nudge to encourage consumers to think of the item as a resource with potential value, and take greater care over its disposal.

The Waste and Resources Action Programme (WRAP) and industry-led Consistency Framework has an action for all packaging to be labelled with meaningful consumer information to indicate whether it can or cannot be recycled. The Government supports this action and would encourage coffee cup producers and retailers to provide clearer communication on where cups can be recycled.

As set out in our *Litter Strategy for England*, the Foodservice Packaging Association (FPA) supports the development of a voluntary labelling agreement on placing appropriate anti-litter messaging on packaging and at point of sale, and would like to see such a code be adopted on all relevant forms of packaging. The FPA will promote this approach among packaging converters, importers, distributors and retailers/caterers and will work with them to develop a suitable voluntary code. The Government supports this work and we will encourage the adoption of the voluntary code by manufacturers and retailers of other types of packaging.

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2 <https://www.gov.uk/government/publications/litter-strategy-for-england>

## Producer Responsibility

### Recommendations 4 and 5

*We welcome the Government's commitment to explore reforms to the current UK's producer responsibility schemes. Currently, taxpayers cover around 90% of the costs of packaging waste disposal, indicating that the producer responsibility scheme does not make producers responsible for packaging disposal. Given that the mixed material design of disposable coffee cups prevents them from being widely recycled, leading to a recycling rate of less than 1%, a different compliance fee structure would encourage the development of disposable cups which are easier to recycle. We recommend that the Government introduce a compliance fee structure that reduces the cost of recyclable and sustainable cups, and raises costs on cups that are difficult and costly to recycle. The increased revenue should be used to invest in more reprocessing facilities and local authority 'binfrastructure' - on-the-go collection services. (Paragraph 44)*

*The Government should also reduce the de minimis requirements for participation in the PRO scheme to include companies that place more than 1 tonne of packaging on the market. This would give producers and retailers - the polluters - greater financial responsibility for the type of packaging they are putting on the market, and an incentive only to produce and use packaging that can be easily recycled within the UK's current recycling infrastructure. (Paragraph 45)*

During the inquiry, Chris Preston (Deputy Director of Waste and Recycling policy at Defra) pointed out that the Government's *Clean Growth Strategy*<sup>3</sup> has committed us to review the current producer responsibility regimes across a range of areas. We recognise the need to stimulate markets for secondary materials and we will look at the whole system from end to end to make sure that it is working effectively through a range of push and pull factors. For example, we will look at potential measures such as incentivising producers to use a greater degree of recycled material in their products and how that might drive demand for that material, plus increase the collection, reprocessing and recycling of it to encourage a circular approach to the system.

As part of the upcoming Resources and Waste strategy, we will look at the packaging producer responsibility system to identify what kind of system would work best to deliver our ambitions. This work will look at all aspects of the regime, including mechanisms to incentivise better design, encourage the use of recycled material and provide greater transparency for producer funding.

We will improve and develop our regulatory framework so that it provides strong environmental protection and standards while promoting economic growth: providing certainty for investment and stimulating markets and innovation.

As part of the Autumn Budget statement in November 2017, we announced a call for evidence which will examine whether the tax system or charges can be used to reduce single-use plastic waste. This will be published soon and will consider the impacts of disposable coffee cups, among other single-use plastic items.

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3 [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/651916/BEIS\\_The\\_Clean\\_Growth\\_online\\_12.10.17.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/651916/BEIS_The_Clean_Growth_online_12.10.17.pdf)

## Recommendation 6 and 7

*With the UK throwing away billions of disposable coffee cups per year, the Government needs to take decisive action. Although some members of the coffee shop industry have shown initiative in tackling coffee cup waste, we found their commitments are inconsistent and need targets. Some initiatives, such as in-store recycling, are well-meaning however they are not enough to tackle the level of coffee cup wastage in the UK. The voluntary approach is not working. Industry stakeholders need a clear recycling target to push them to plan and invest in greater recycling infrastructure and management. In-store recycling schemes should not be the responsibility of one or two coffee shop companies, they should be a matter of course for all large coffee shop chains. Coffee cups are far from meeting their share of either the paper or plastic targets set by the EU for 2020 and, in any case, it is unclear which category they would fall under. Therefore, we recommend the Government takes the opportunity to set a specific recycling target for disposable coffee cups in their upcoming Waste and Resources Strategy due to be published in 2018. (Paragraph 54)*

*We recommend that the Government sets a target that all single use coffee cups disposed of in recycling bins should be recycled by 2023. If an effective recycling system is not established and achieves high levels of recycling by this date, the Government should ban disposable coffee cups. There is no excuse for the ongoing reluctance from Government and industry to address coffee cup waste. Disposable coffee cups are an avoidable waste problem and if the UK cannot be confident of their future sustainability, the Government should ban them. (Paragraph 55)*

We do not agree with the Committee's recommendation that the Government should ban disposable cups if 100% of those disposed of in recycling bins are not recycled in the next five years. Targets should be challenging, but realistic. 100% recycling from collection is unobtainable as there will always be contamination in the waste stream – either from the beverage itself, or from other items disposed of alongside the cup. We need to ensure clearer consumer messaging on where and how products should be recycled.

The Food and Drink Federation (FDF) and INCPEN – the Industry Council for research on Packaging & the Environment - have produced a sustainable packaging checklist for food and drink business. We would like to see this approach adopted across the industry. In the *Litter Strategy for England*, the Government welcomed actions that the paper cup industry is taking to increase recycling, as well as exploring innovative design and materials to ensure the product can be easily recycled. For example, we understand that a cup is being designed with a minimal plastic content, which could be reprocessed through a regular paper mill. Through the Paper Cup Manifesto industry is committed to find a long term, sustainable solution to this complex issue.

It is important that we consider the impacts of any alternative materials used to produce coffee cups across their whole life cycle to ensure that they do not have unintended consequences. For example, we are aware of the interest in compostable packaging. However, while biodegradable material may be able to reduce the impact of waste, it can also be more environmentally damaging than non-biodegradable plastic packaging if disposed of incorrectly. For example, if biodegradable packaging is put in the domestic waste bin it is likely to end up in landfill and break down to release methane, a powerful greenhouse gas.



As part of our Resources and Waste strategy we will be looking at what drivers, including targets, will be best placed to drive environmental outcomes. It is important to look at system design as a whole. The Government believes that there could be merit in tackling particular waste streams where there is a particularly problematic issue that needs to be addressed, like coffee cups, through reformed producer responsibility systems. We have already committed to explore how we can better incentivise producers to manage resources more efficiently through changes to the producer responsibility schemes.

## Reducing and Recycling

### Recommendation 8 and 9

*In accordance with the waste hierarchy, we would like to see a reduction in the use of disposable coffee cups. A culture of using a reusable cup wherever possible should be encouraged to reduce disposable cup waste. Although some coffee shops have introduced discounts for customers bringing their own reusable cup, awareness and uptake of these offers has been low. We have heard that charges are more effective than discounts, and the use of a charge on environmentally damaging packaging has already seen success through the plastic carrier bag charge. A “latte levy” on disposable coffee cups would remove some of the financial burden from local authorities and council taxpayers. (Paragraph 67)*

*The growing demand for coffee means that the Government should act urgently to tackle avoidable coffee cup waste. The charge on plastic bags prompted consumers to change their habits, reducing plastic bag use by over 83% in the first year. Additionally, the plastic bag charge saw an increased level of support for further charges to reduce waste. We therefore recommend that the Government introduces a minimum 25p levy on disposable cups, to be paid by the consumer on top of the price of the coffee. Coffee shops already reduce the price of their drinks to reflect the discount that they are already happy to offer their customers and consequently they could absorb some of the “latte levy.” The revenue generated from producer responsibility compliance should be collected and managed by a central body and used to fund recycling infrastructure for the remaining cups in use. As the recycling rate for coffee cups improves, the levy could be lowered year on year. This would encourage good management of the revenue from the levy. (Paragraph 68)*

We agree with the Committee’s point on the waste hierarchy and we would also like to see a significant reduction in the use of disposable coffee cups. Clearly, the 5p single-use plastic bag charge has had a big impact and far fewer are being sold. So these types of incentives can change consumer behaviour and this is something we could consider amongst other policy options. We are pleased that major coffee retail chains are taking action to reduce single-use coffee cups by offering discounts to customers with reusable cups and are putting in place the infrastructure to ensure cups can be collected for recycling. The Government would like to see this service offered by all businesses selling disposable coffee cups.

As mentioned previously, we also want to look at incentives to change producers’ behaviour, too. Major coffee cup manufacturers and retailers are already captured by the packaging waste regulations that require them to pay towards the recycling of the products they place on the market. We have committed to reforming our producer responsibility systems, including the packaging waste regulations, to incentivise producers to take greater responsibility for the environmental impacts of their products. This will look at all aspects

of the regime, including mechanisms to incentivise better design, encourage the use of recycled material and provide greater transparency for producer funding. These potential incentives would all work towards the same overall outcomes of increasing recycling and reducing litter.

### **Recommendation 10 and 11**

*Throughout this inquiry we have heard that on-the-go consumption and the UK's lack of 'binrastructure' is a significant barrier to coffee cup recycling. We heard similar issues relating to plastic bottles, but the nature of coffee cup waste does not lend itself to a deposit return scheme. Industry initiatives have created a range of bins in which consumers can recycle coffee cups, however none of them address the on-the-go usage of disposable coffee cups. We have also heard that disposable coffee cups and other types of food packaging contaminate on-street recycling bins as they are classified as 'prohibited material.' However, there are some end markets developing for disposable coffee cups, suggesting that more research should be done to find similar solutions for various other types of food packaging waste, such as sandwich boxes and hot food containers. Consumers need simple ways of recycling on-the-go food packaging, so the instruction to put it in a dedicated food packaging recycling bin could be easily, and consistently communicated. (Paragraph 80)*

*To ensure that disposable coffee cups and other types of paper food packaging are captured and recycled, the revenue from the 25p coffee cup charge should be used to support local councils to provide food packaging recycling bins and waste management. Disposable food packaging collected in these bins could be recycled in a similar way to the initiatives shown through in-store recycling schemes. A proportion of the revenue could also be used to support a wide-reaching public communications campaign that would provide easily digestible information on best-practice recycling while on-the-go, therefore reducing litter and improving recycling of all types of food packaging waste. (Paragraph 81)*

Our call for evidence on whether the tax system or charges can be used to reduce single-use plastic waste will first help us assemble a comprehensive evidence base from which we can develop the best policy options to tackle problematic single-use plastics, including disposable coffee cups. The development of policy options, including the potential application of any revenues generated by such options, will follow this and be dependent on the responses to this call for evidence.

In addition to this, the Committee's suggested approach would fundamentally undermine the purpose behind producer responsibility regimes which enshrine the 'polluter pays principle'; that is to ensure that those who place a particular product on the market contribute to the costs of its collection and disposal. The Government does believe that importers, manufacturers and retailers of packaging should contribute to collection and disposal costs of their products. However, the system has to be fair and transparent to all. The Committee's suggestion that coffee cup manufacturers should finance the necessary collection and disposal infrastructure for other packaging products for which they are not responsible goes against this principle and would, in effect, allow for 'free-riders' on the system.

The Producer Responsibility Obligations (Packaging Waste) Regulations place a legal obligation on UK businesses that make or use packaging to ensure that a proportion of the packaging they place on the market is recovered and recycled. We know that the system



as it currently stands is not perfect, and we have committed to reforming our producer responsibility systems (including packaging waste regulations) to incentivise producers to take greater responsibility for the environmental impacts of their products.

We have already committed to taking action to tackle on-the-go waste collection services, as outlined in the *Litter Strategy for England*. We want to support people being able to recycle more and to encourage people to recycle ‘on the go’. Standard litter bins often do not provide people with the opportunity to separate different types of waste materials for recycling, something which is easy to do and already done by many at home as part of their local kerbside recycling service. There are many things to take into account when considering the options for a Recycle on the Go (RotG) solution. WRAP (Waste and Resources Action Programme) has produced a guide, which provides key information on the options for, and benefits of, introducing RotG facilities. Its principal aims are to aid and inform decision-making, and to highlight the options for introducing new RotG facilities or enhancing existing ones.

As part of the *Litter Strategy for England* we have established a working group to explore and identify best practice in ‘binrastructure’, cleaning, innovation and technology. A key output from that group will be new guidance to councils and Business Improvement Districts on the design, number and location of public litter bins and other items of street furniture designed to capture litter, to ensure they are optimising their street scene to minimise littering and fly-tipping.