

Written evidence submitted by the Paper Cup Alliance to the Environment Bill Committee

June 2020

1. About the Paper Cup Alliance

- 1.1. The Paper Cup Alliance (PCA) represents the leading suppliers and manufacturers of paper tea and coffee cups in the UK and European markets today, designed for safe and hygienic on-the-go consumption.¹
- 1.2. PCA members directly employ over 1,700 people in the UK and c.235,000 in the wider supply chain.² PCA members manufacture for and supply to a number of big UK brands, high street retailers, and the vending market, with the UK coffee shop market now estimated to be worth £10.5 billion.³
- 1.3. Paper cups are 100% recyclable, can be recycled through one of five reprocessing facilities in the UK and are being turned into second life materials and products.⁴ As a result of co-ordinated industry action recycling rates for paper cups have increased substantially, with over 4,800 recycling points - not including those in offices and private businesses - in 115 local authorities.
- 1.4. The Paper Cup Alliance wants to further boost the recycling rate of paper cups to 85% by 2030, a target in line with other recyclable paper targets.
- 1.5. Paper cup manufacturers have come together to not only increase recycling and tackle litter, but to emphasise that our products are sustainably sourced, responsibly manufactured, and the safest, most hygienic option for on-the-go consumption.
- 1.6. PCA members are part of the Paper Cup Recycling and Recovery Group (PCRRG) which brings together the wider supply chain.

2. Executive Summary

- 2.1. The PCA welcomes the intentions of the Environment Bill to deliver on the Government's commitments contained in the Resources and Waste Strategy.
- 2.2. We welcome the opportunity to set out our views in response to measures in the Bill pertaining to waste and recycling, emphasising the role that sustainable fibre based packaging, including paper cups, plays in helping to transition a low carbon economy and keeping resources in use for as long as possible.
- 2.3. The PCA's ambition is for greater recognition of sustainable and wood fibre based packaging, and that policy should support greater collection of this material, including paper cups. To this end, we are calling for paper cups to be recycled in the normal paper waste stream to ensure more of this valuable material is recycled.
- 2.4. We do not believe that charges on single use plastics should apply to paper cups which are predominately paper (wood-fibre) based products, and which are not made with post-consumer recycled content due to current food contact regulations. We also oppose the inclusion of paper cups in a deposit return scheme.
- 2.5. The PCA supports the Government's ambitions for a greater consistency in recycling collections and accepts the need for reform of producer responsibility.

¹ PCA members are Stora Enso, Seda, Huhtamaki, Medac, CEE Schisler and Dart

² Data from Centre for Economics and Business Research

³ Allegra Project Café UK 2020 <https://www.worldcoffeeportal.com/Latest/News/2020/UK-cafes-maintain-positive-sales-in-a-challenging>

⁴ DS Smith, ACE UK in Halifax, James Cropper, Simply Cups and Veolia

- 2.6. The PCA supports an evidence-based approach to policy which balances environmental considerations alongside food hygiene and safety, of which packaging plays a key role in guaranteeing.
- 2.7. We support a long-term comprehensive solution to increasing paper cup recycling, which is easy to understand for consumers, and is based on evidence-based collaborations between consumers, business, waste management companies and local authorities.

3. Sustainable packaging and the transition to a low carbon economy

- 3.1. The PCA would like to emphasise the important role of sustainable wood fibre based packaging in the circular economy and in the transition to a low carbon economy.
- 3.2. The wood fibre used to make paper cups is a naturally renewable resource that is sourced from sustainably managed forests, and which ultimately produces a low carbon and sustainable packaging product.
- 3.3. Indeed, a peer-reviewed, independent 2019 Life Cycle Analysis shows that paper cups remain the lowest carbon and most hygienic choice for takeaway drinks.⁵ The findings also confirm that paper cups account for just 4% of the climate impact of takeaway coffee, and that when recycled their carbon footprint falls by 54%. Favouring packaging products made from renewable resources therefore has many benefits including carbon capture and storage.
- 3.4. The wood-fibre industry contributes to the UK bioeconomy and sustainable forest management. Increased demand for timber and wood fibre means more trees are planted, and so today, in sustainably managed European forests, the general rule is that for each felled tree, three new trees are planted. Responsible stewardship of forests saw European forests grow by 44,000 Square Kilometres between 2005 and 2015 – an area bigger than Switzerland. Indeed, the Committee on Climate Change has recognised that continued afforestation is an important component to countries meeting their Paris Agreement obligations.
- 3.5. Wood fibre originates from fully grown trees as well as from young trees thinned out to allow the forests to grow. In sustainable forestry, all material is used for their most appropriate purposes, with 60% of the tree (the trunk) making up the hardest and best quality wood that is often used in construction and in manufacturing furniture. A further 25% is pulp wood, which comes mainly from the top section of the tree, and is used to produce cellulose and fibre - the raw materials for paper, paperboard, and cardboard. Typically, the wood fiber in packaging originates from these sources. The remaining 15% of the tree is typically branches, bark and wood chips which are normally used in energy production.
- 3.6. It is important to note, too, that cup manufacturers are continually investing in innovation to further reduce the PE content in paper cups whilst maintaining the necessary health and safety function that the PE lining provides.
- 3.7. Furthermore, whilst we recognise that reusable cups can be an attractive alternative option, it is important to carefully consider the material of a reusable cup, its own initial impact on carbon emissions, its origin and that of its material, and the end-of-life solution for it, such as whether it can be recycled or its potential to release micro-plastic.

4. Extended Producer Responsibility

- 4.1. As producers we are committed to contributing more through the Government's proposed approach to packaging Extended Producer Responsibility (EPR), however it is essential that these funds are used to develop the collection and recycling infrastructure, as well as to create a level playing field for all.

⁵ Carried out by VTT Technical Research Center of Finland Ltd

- 4.2. It is important that any future system is flexible enough to cope with new materials coming through as a result of future innovation. A waste management system that can only manage today's materials and lacks flexibility will not provide a sustainable long-term solution.
- 4.3. The PCA believes that the key to achieving higher levels of recycling is a comprehensive solution to recycling collections, with the ambition of paper cups being accepted into the paper waste stream in line with existing acceptance of other packaging items containing less than 15% polymer. This can be supported by reform to EPR, with money used to ensure an easy to understand system that delivers higher recycling rates and achieves circular economy objectives.

5. Charges for single use plastic items

- 5.1. The measures in the Bill which legislate for charges for plastic items would not apply to paper tea and coffee cups which are predominantly wood-based fibre products made from at least 92% paper. The remaining 8% or less is commonly made of Polyethylene (PE) which constitutes the lining of the cup, ensuring it is fit for purpose and keeping the consumer safe from hot liquids, does not form the majority material by weight.
- 5.2. The PCA therefore welcomes the Government's suggested definition of plastic, as included in the recent HMRC consultation into a plastic packaging tax, as being *"a material consisting of a polymer within the meaning of Article 3(5) of Regulation (EC) No 1907/2006, to which additives or other substances may have been added, with the exception of cellulose-based polymers that have not been chemically modified."*
- 5.3. As set out in section 4, the PCA believes that sustainable wood fibre based packaging such as paper cups are best covered by reform to extended producer responsibility, which we support.
- 5.4. Furthermore, it is important to note that current food contact regulations mean that, other than for PET and HDPE, recycled plastic cannot be used in food and drink packaging, therefore creating a direct conflict with a plastics tax on products which do not use a specified amount of recycled content.

6. Deposit Return Schemes

- 6.1. The Paper Cup Alliance neither supports nor opposes a Deposit Return Scheme (DRS) in principle, and is replying specifically in relation to paper cups, which we believe should not be included in such a scheme.
- 6.2. Including paper cups within a DRS would increase the complexity and cost of the scheme, would increase the likelihood of contamination of other materials and would be susceptible to fraud given the readily available nature and inexpensive cost of paper cups.
- 6.3. We are unaware of any overseas DRS scheme that includes paper cups, and we are unaware of a trade body or industry group that supports the inclusion of paper cups in a DRS. The nature of paper cups, filled at the point of dispensing, also makes them different from other products under the scope of a DRS.
- 6.4. Including cups in a DRS would also risk hurting the second life market for recycled paper cups, and would run counter to maximising the value we get from renewable resources as it would effectively remove valuable materials from the waste stream.

7. Collection of household waste

- 7.1. We agree with the measures in the Bill to deliver consistent and frequent recycling collections across England, ending the current postcode lottery. To this end, new recycling facilities have been opened or expanded during 2019, and pulpers and reprocessors are forging partnerships with waste collectors and trialling schemes, with the aim of ensuring greater collection of cups to be recycled.

- 7.2. In order to ensure greater capture of fully recyclable waste we support the full inclusion of all coated paper board, including paper cups, within the paper and card recycling stream. It should also be noted that as a direct consequence of industry intervention, paper cups have now become one of the highest valued materials on the market, thus making them commercially attractive to collect.
- 7.3. Continued omission of paper cups from the normal paper and card recycling stream would therefore reduce the value we get from our resources and resource efficiency. Indeed recycling trials in Belgium have demonstrated that paper cups can be recycled without any additional process equipment in a standard paper mill.⁶
- 7.4. The Paper Cup Alliance is concerned that industry efforts will be undermined if they are not coupled with consistent collection of paper cups across the board - from on-the-go bins to kerbside, business and retail collection, and regardless of the devolved, combined or local authority.
- 7.5. We want to see more, standardised recycling bins in public places, from high streets to stadiums and transport hubs to festivals, so all parties in the supply chain have a clear understanding of where they can recycle their cups.
- 7.6. As part of this, we support consistent labelling for on-the-go bins to further facilitate recycling of paper cups by consumers; if this is not possible, then a comprehensive and consistent approach to sorting waste collected from public spaces to enable recycling.

8. Labelling products

- 8.1. We welcome the measures in the Bill that allow the Government to introduce clearer labelling on products so consumers can be better informed about whether products are recyclable or not.
- 8.2. We would caution, however, that this should be in concert with the labelling from the On Pack Recycling Label (OPRL), which recently confirmed that paper cups are fully recyclable and will have their own specialist recycling label to support the wide range of UK paper cup recycling programmes.
- 8.3. We call upon the Environment Bill to accurately reflect this in its measures on labelling. Informing consumers that paper cups are fully recyclable will further help efforts to ensure more cups are collected and can be recycled, as well as tackle littering.

9. Safety and hygiene in the on-the-go

- 9.1. In these unprecedented times, Covid-19 has highlighted the critical but sometimes overlooked role of packaging both in terms of food safety and hygiene. Products like paper cups were originally introduced in the early part of the 20th century to prevent disease from spreading and improve hygiene.
- 9.2. Indeed, during the early stages of the pandemic retailers stopped serving drinks in reusable cups in favour of paper cups to protect the health and safety of their staff.⁷
- 9.3. As we move forward, the Paper Cup Alliance supports a policy-based approach which balances the environmental considerations alongside food safety and hygiene.

The Paper Cup Alliance would welcome the opportunity to meet with the Bill Committee to discuss this submission in greater detail, and are happy to provide further evidence on request.

⁶ <https://www.storaenso.com/en/newsroom/regulatory-and-investor-releases/2019/5/stora-enso-explores-recycling-of-paper-cups-for-magazine-paper-production?prid=608eb5a4738aa4ba>

⁷ <https://www.dailymail.co.uk/news/article-8098005/McDonalds-bans-use-reusable-coffee-cups-coronavirus-spreads.html>