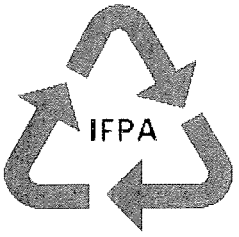
An Roinn Comhshaoil,
Aeráide agus Cumarsáide
Department of the Environment,
Climate and Communications



Call for Expert Evidence to inform the Climate Action Plan 2022

Prepared by

The Irish Food Packaging Alliance

(IFPA)

DECC Call for Expert Evidence for the Climate Action Plan 2022

About the IFPA

The Irish Food Packaging Alliance (IFPA) is the representative organisation for domestic food packaging producers in Ireland. IFPA is committed to the development of a truly circular economy whereby all plastic products are reprocessed for reuse. Our members are calling on Government to engage with all stakeholders involved in the product life cycle with a view to developing a commercial waste stream for all plastic packaging and therefore creating a sustainable approach to reducing the climate and ecological impact of plastic waste.

All queries in relation to this document should be addressed to [redacted]

DECC Call for Expert Evidence for the Climate Action Plan 2022

The Irish Food Packaging Alliance (IFPA) welcomes the opportunity to make the following submission to respond to the Call for Expert Evidence made by the Department for Environment Communications and Climate to inform the development of the next Climate Action Plan.

The members of the IFPA acknowledge the requirement to transform the way in which we as a society live including the production, distribution, supply and consumption of food, in order to improve circularity, meet our carbon reduction targets, and thus, take tangible action to address the climate emergency.

With significant expertise in the design and manufacture of plastic food packaging we are already advanced in our journey to becoming a more circular sector, however, significant barriers remain to achieving Ireland's carbon reduction targets which we will seek to address in this submission.

❖ REGUALTORY FRAMEWORK

While we are encouraged to see the ongoing progression of the legislative and regulatory framework to underpin Ireland's progress to tackle the climate emergency, we would like to see further action taken and more communication from Government, the relevant Departments, and the various state agencies regarding what actions will be taken to reach the stated ambitions and targets over the coming years. In this regard we welcome the opportunity to contribute to the new Climate Action Plan.

The IFPA welcomes the enactment of the Circular Economy, Waste Management and Mineral Development Act 2022. While the legislation provides the relevant Minister with far reaching powers through secondary legislation, the food packaging sector would welcome clarity as to what is being considered in terms of any bans, levies or taxes being considered including the possible introduction of minimum usage of recycled plastics for plastic products.

As experts in the manufacturing of plastic food packaging, we are conscious of the role our products play in the wider context of the circular economy and reducing the national carbon footprint through preventing the high carbon emitter which is food waste. The IFPA made a substantial submission to the Departmental consultation to create Ireland's first food waste roadmap.

The IFPA is fully supportive of measures which significantly reduce food waste in line with the Roadmap and would urge that any measures being considered for packaging of food be considered in the context of making a net reduction to Ireland's carbon emissions.

In this regard, we look forward to greater clarity as to what measures will be adopted from the Circular Economy, Waste Management and Minerals Development Act, the targets envisaged, the evidence base upon which these will be set, and the timeline for adoption.

We would stress that any measures envisaged should be only progressed following thorough industry consultation to understand the true carbon cost. For example, any proposed reduction or ban on the use of plastics for the use of food packaging must be complementary to food waste reduction strategies. In the context of Ireland's legally binding target of net-zero greenhouse gas emissions by no later than 2050, and a reduction of 51% by 2030, food packaging will play an important role and related policies must steer society towards the use and effective recycling of necessary plastic.

While the regulatory framework which underpins Ireland's shift to a greener more circular economy is important, the IFPA believes that societal behavioural shifts will play an even more important role. All policies must encourage better practices at all levels of waste management. This must be a comprehensive process which reviews material usage, the sorting and collection of waste, the domestic (Irish-based) recycling (where possible) of that waste and its subsequent reuse so that we can limit our carbon footprint and make the best use possible of our commodity resources including plastic.

Additionally, the IFPA is conscious of measures being examined at a European level, with particular regard to the revisions being considered to the Plastic Packaging Waste Directive. To our knowledge the Commission will make a determination for what revisions are to be made later this year. The IFPA stresses that Ireland must move in step with our European counterparts so as not to put Irish industry at a competitive disadvantage.

DIRECTIVE 94/62/EC ON PACKAGING AND PACKAGING WASTE (PPWD)

The European Commission is currently reviewing amendments to the PPWD. One of the known changes which is being envisaged is the introduction of minimum usage of recycled content in plastic materials.

While IFPA strongly supports this in principle due to its alignment with good circular economy principles, there are several issues which must be addressed for it to be workable in an Irish context.

Some of the key issues from our perspective include:

1. **The recognition of pre-consumer waste as equally contributing to recycled content targets**
   The use of recycled feedstock from pre-consumer and post-consumer plastic that have achieved waste status in accordance with the ISO 14021 standard should contribute to recycled content targets.
   - Pre-consumer material is included in the definition of waste in the Waste Framework Directive and the definition of packaging waste and the related plastic packaging recycling targets in the Packaging and Packaging Waste Directive.
   - Pre-consumer waste needs more incentives for waste collection, sorting, and recycling as an alternative route to incineration to reduce GHG emissions and landfilling.
   - To scale up chemical and mechanical recycling across Europe, companies will need to have access to all plastics wastes i.e., pre-consumer and post-consumer waste.
   - In general, pre-consumer waste has a better quality than many post-consumer waste streams and mixing both wastes increases the capability to use more post-consumer waste in recycling, offering a better quality for additional applications.

2. **Harmonized Policy Measures**
   - For such recycled content standards to be workable there must be effective control measures at EU borders and complementary environmental diplomacy to foster similar approaches at international level. Any discrepancies will create unintended consequences and has the potential to negate the hopeful carbon savings.
   - There must also be a guaranteed level playing field among Member States and between domestic and imported packaging materials supplemented by the free movement of plastic packaging waste for recycling in the EU Single Market and the free movement of resulting recyclates. That said, consideration should also be given to the carbon emissions associated with the transport of waste for recycling. Our research shows that the opportunity cost of not recycling 1 tonne of PET (for

example) in Ireland, creates 48 times more carbon emissions than recycling this material domestically.

- This should be supported by greater harmonization of collection and sorting of all plastics packaging waste to maximise the quantities and qualities of plastics available for recycling thereby diverting it from residual waste streams that today are sent for incineration or landfill.
- To ensure the development of the necessary recycling infrastructure, there should be secured investments for sorting, collection, recycling technologies, and accompanying infrastructures to improve and maximise the quality of recycled plastics and recycling rates.
- The measurement of volumes counting towards recycled content targets must be done on the basis of the average of plastic packaging placed on the EU market and NOT as a condition of sale at the level of an individual piece of packaging.

❖ ADOPTION OF KNOWN TECHNOLOGIES

The IFPA believe that Ireland has not yet begun to scratch the surface of what can be achieved in terms of true reprocessing.

The collection, sorting and reprocessing of plastic for reuse is complex. While certain plastics can be readily reprocessed such as PET, LDPE and HDPE. Certain plastics within complex waste streams, such as we have in Ireland, are not suitable or easily sorted, or available in sufficient amounts to make mechanical recycling a viable solution from both an economic and environmental standpoint. In these cases, advanced recycling technologies offer great possibilities to advance the circular economy for plastics.

While developments and innovations in the recycling sector such as pyrolysis[1] are exciting, Ireland should focus its energy on what is immediately achievable and will deliver the greatest ROI in terms of reducing our carbon emissions.

Before looking at new technologies we should start our journey to improve our use of plastics by focusing on improvements in terms of eco-design; the collection and sorting of plastic waste; and encouraging more Irish reprocessing (avoiding the considerable emissions associated with shipping waste abroad and importing recycled pellet or virgin plastic).

This must begin with the greater segregation of waste materials. This has the capacity to create better waste streams of clean material for reprocessing by making its collection and reprocessing easier.

While Ireland currently has a single bin for the collection of all aluminum, paper/cardboard and plastic waste, there is huge potential for further segregation. Germany has a strong record on recycling with a 65% recycling rate, which has risen 16% since 2000. This is in part due to the standardization of recycling containers throughout the country. There are color-coded containers all throughout the country that people adhere to. Secondly, Germany has gone to considerable lengths to make the public aware of the need to manage its waste. A culture of

[1] https://www.sciencedirect.com/science/article/abs/pii/S0165237019308241

environmental sustainability has been developed which underpins the personal responsibility people have for their own waste.[2]

Should the dedicated collection of more plastic materials be developed, commercial markets for these waste plastics would follow.

Government should certainly consider creating better incentives for the establishment of more Irish-based reprocessing facilities. Irish industry is immature in this regard with very little currently done in the way of domestic reprocessing. By increasing incentives, we can foster a culture of domestic reprocessing, creating jobs, reducing landfill, and creating a more circular economy.

That said, this will only work if the economics of the market are viable. Existing and new reprocessing facilities must be able to compete fairly for the commodity that they are recycling. Incoming virgin taxes and the current static incentives provided by Repak to material recovery facilities currently make the market for PET, for example, commercially unviable for reprocessors.

Government should also consider further incentives which encourage the greater adoption of eco-design which simplifies the reprocessing of materials once they have been used. A greater harmonization of plastic products and materials will make segregation far simpler and create better waste streams for processing.

ADDRESSING MARKET FAILURE

There are myriad market failures in the management of Irish waste plastic, but these all begin with the collection and sorting of the various types of plastic.

Collection and Sorting:

To begin this process, the IFPA believes we should stop treating plastic as one homogenous commodity. Some plastics are readily recyclable, while others cannot be reused after a single use. (The IFPA does not consider thermal recapture to be true recycling or in the spirit of the circular economy: reduce-reuse-recycle.)

In a circular economy for plastic, effective waste collection is a vital first stage for efficient recycling. By separating waste correctly at the point of collection, the recycling process is more efficient and will increase the quality and quantities of recycled products. Improved waste collection positively impacts the waste streams and their suitability for downstream pre-treatment, sorting and recovery operations.

However, a harmonised process for waste management collection and separation is key, rather than the patchwork of practices we often see today. Harmonisation must be implemented across the value chain, from waste management companies to commercial operations. We should not forget that these ultimately need to be easily understood by the final holder of that waste, e.g., the citizen, to fully realise such benefits.

Harmonisation of the different categories of plastics waste and management practices helps to drive better recycling through improved efficiencies yielding increased qualities and quantities of recycled plastics. Currently there is little understanding of the different types of plastics which consumers use and what happens to it post use.

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[2] https://www.globalcitizen.org/fr/content/best-and-worst-recyclers-in-the-world/#:~:text=South%20Korea%2C%20Austria%2C%20Belgium%2C,throughout%20the%20OECD%20is%2034%25.

Ireland should be ambitious in its recycling as the Irish people are strong supporters of climate action when given the tools to do so. In this regard, we should seek to provide multiple plastic collections which segregate the various predominant types of consumer plastic – LDPE, HDPE, PP and PET.

While initiatives such as the introduction of the deposit return scheme should have a positive impact in terms of segregating a quantum of plastic (polyethelene terepllate plastic bottles), it will have no effect on the waste we produce in terms of low density polyethylene, high density polyethylene or polypropolene..

We must give the public the tools to play a leading role in improving Ireland's recycling rate for plastic. This requires a shift of mentality through which we must begin to think of plastic, including waste plastic as a valuable resource.

Accountability and Traceability

A further issue which must be addressed is that of accountability and traceability of recyclate. Currently plastic waste is collected from homes by the various waste collection companies and brought to material recovery facilities (MRFs). Here, high quality plastic recyclate is segregated with the vast majority of this material being exported to overseas facilities for recycling. While those who export waste from Ireland (largely MRFs and material traders) must currently nominate and record a recycling facility which this plastic waste is going to, there is little to no oversight as to what happens this plastic once it leaves Irish shores.

Repak, the Irish organisation responsible for the administration of extended producer responsibility schemes, does not currently audit the overseas facilities where Irish material is sent by 'recyclers'. The IFPA would urge Government to create an environment where there is more stringent accountability and traceability of Irish waste to ensure it is either reprocessed domestically or, at least, is guaranteed to be responsibly managed once exported.

Data Collection

Data collection is also a major issue within the context of waste collection and recycling. If we are to achieve our recycling targets, we must have credible and reliable data upon which to base both our current baselines and assess progress as we strive to reach the ambitious targets.

The Environment Protection Agency as the body responsible for the collection of data is not resourced sufficiently to collate and audit the required figures. The EPA must rely on figures supplied by Repak and, as outlined above, Repak do not sufficiently audit the lifecycle of plastic waste once it leaves Ireland.

In 2019, Ireland recycled 1.5% of the 319,082 tonnes of plastic material in Ireland. We exported 83,756 tonnes of plastic for recycling.[3] Repak do not perform any 3rd party audits of the facilities where this material is exported to and there is no confirmation of the reprocessing of this material.

In order to engender public confidence in the recycling system we must have accurate and reliable data.

[3] https://www.epa.ie/news-releases/news-releases-2021/more-packaging-waste-falling-recycling-rates-for-plastic-and-a-heavy-reliance-on-export-mean-that-ireland-is-missing-opportunities-to-foster-a-circular-economy.php

Virgin Plastic Tax

Several European countries are moving ahead of the PPWD and introducing a minimum usage of recycled content in products – also known as a virgin plastic tax. Here are some of the measures introduced or being progressed across Europe currently:

- In the UK a tax is applied to plastic packaging that does not contain 30% recycled plastic
- Italy is currently progressing legislation which proposes a plastic tax on the consumption of manufactured single-use items, which have or will have the function of containing, protecting, handling or delivering goods or food products.
- The Netherlands has published a report about the possibilities to introduce a national tax on virgin plastic. Probably taxed when plastic granules and powder are sold to producers of plastic products.
- Spain has introduced a plastic tax as part of wider legislation. The objective of the new law is to contribute to the fight against climate change and to protect the environment. It includes an excise tax on non-reusable plastic packaging.

The early moves by these countries to lower their reliance on virgin plastic has created an inflated market for recycled plastic material, which in turn has created a supply problem on the European market whereby companies operating in those countries that have imposed this tax are bulk buying Irish plastic waste creating an imbalanced market that has a net effect of increasing our collective carbon emissions. Ireland must move in step with our European peers to avoid market distortions which could out domestic companies a competitive disadvantage.

This situation is exacerbated by the current subsidy system in operation by Repak which encourages the export of material above its domestic reprocessing.

Repak states its purpose as to lead the recycling and sustainability of Ireland's packaging waste; to advocate for a new circular economy; and to educate businesses and consumers on reducing and recycling packaging waste. There currently exists a situation whereby Repak subsidizes material traders and waste collectors to export, for profit, Irish PET to such an extent whereby domestic reprocessors cannot compete for the purchase Irish plastic PET waste. Collectively this encourages the export of a domestic commodity which Irish plastic product producers would prefer to be using e.g rPET

This is one example of how Ireland and our European peers must move in a coordinated manner to avoid negative unintended consequences. If Ireland was to introduce such a virgin plastic levy it would have broad implications for the food packaging industry including major difficulties in the sourcing of recycled material at a cost that would be untenable. There must be harmony within the market to ensure continuity of supply chain.

DRIVING CHANGE IN BUSINESS MODELS

Eco Design

Ecodesign of plastic food packaging aims to minimise the environmental impacts of plastic packaging and packed goods over their entire life cycle. It is part of the decision-making process for developing and marketing a packaged product and includes a holistic view of the entire packaging system - primary, secondary and tertiary packaging.

This can range from incremental product improvements (e.g., Material reduction) to process innovations like optimized goods logistics and waste recycling. Furthermore, it addresses conflicting goals at various levels:

- Between various environmental factors (e.g. using less material versus recycling), as well as
- Between environmental and other factors (e.g. functionality, consumer protection and costs).

Eco design is an important step in creating effective waste streams for plastic recycling.

Food waste:

Ireland creates approximately 1.1 million tonnes of food waste per year, which represents a carbon footprint at an estimated 3.6 Mt CO2eq2. Plastic food packaging plays an important role in preventing food waste (detailed further below) and must continue to do so if Ireland is to reduce its food waste and effectively tackle its carbon output.

Plastic packaging has a significant role to play in the food supply chain and the positive reduction of food waste in this regard. Plastic packaging plays an important role in the following stages of a product life cycle:

- **Manufacturing and Processing**: Plastic packaging reduces food waste through avoiding slippage, bruising and damaging of soft items, which would render them no longer suitable for sale. It also helps by forming a barrier which protects food from light, air, and moisture all of which are agents which accelerate the perishability of fresh foods.
- **Retail and distribution**: The protection provided by plastic packaging prolongs the shelf-life of products by delaying the process of biodegradation including discolouration, as well as a loss of flavour, vitamins and proteins, all of which make a product less desirable for the customer. This makes the likelihood of purchase and hence consumption less likely, consequently increasing food waste either at a retail or in the home setting.

As in the manufacturing and processing stage, packaging continues to play a role in reducing slippage and breakage during distribution, allowing for a far more efficient distribution of products as well as extending the life of fresh products.

For instance, a producer must fill, store and handle packages, and a transport provider strives for efficient loading and unloading as well as volume- and weight-efficient packaging to obtain sufficient load factors. Warehouse and store operators must pick, stack, store and replenish products efficiently. Packaging enables this. A holistic view on packaging performance that includes the whole supply chain, can enable cost and time efficiency from improved logistics, transport and reduced product waste.

Owing to consumer trends, much of the produce which Irish consumers purchase is imported. These are regularly products which are not grown domestically and require many stages and handlers to deliver them from their origin to the point of purchase. As outlined above, in many cases packaging is important to deliver them in a ready-to-buy state.

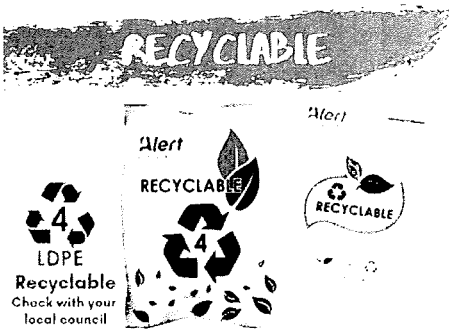
It is for these reasons that blunt policy instruments such as bans on plastic packaging are ineffective in the context of reducing our carbon footprint. While France, for example, has introduced a policy to remove packaging from

approximately 30 fruits and vegetables, the Irish and French markets are incomparable due to the ability of France to produce more of these products domestically, reducing many stages in the products journey from origin to consumer.

IFPA Eco Design Case Studies

As referenced earlier in this document, the IFPA members acknowledge the requirement to transform the way we produce our goods in order to improve circularity, meet our carbon reduction targets, and thus address the climate emergency. Below, IFPA members have shared examples – both in rigid and soft plastic – of the efforts they are making to drive circularity in their businesses from eco-designing their products to recyclable materials, to developing new processes which will help increase PET collection rates in Ireland.

Recyclable Packaging: 100% Polyethylene Mono-Material



Conscious of the need to innovate to develop more sustainable packaging solutions, and in response to the Government's requirement for Member States to implement eco-modulated EPR fees, IFPA member Alert Packaging has developed a 100% polyethylene mono-material packaging option which is completely recyclable. This is a preferred format for many multiples including Tesco and Aldi with others following suit.

This flexible material can be deployed for a range of packaging solutions and formats including pre-made stand up pouches and roll fed film for form fill & seal, pillow packs or sachets. These products are ideal for a range of existing products including:

- *Grains and nuts*
- *Confectionary / Snack Foods*
- *Pet food*
- *Protein bars*

This recyclable material provides a strong barrier against oxygen, aroma, flavour, and mineral oils providing producers with a high quality and adaptable product. This is complemented by an excellent moisture barrier on the surface and seal. Furthermore, this product is chlorine free and contains no PVdC. Collectively this ensures that producers and retailers get a product that is effective, attractive, and most importantly, sustainable.

The use of polyethylene as a flexible packaging stands up to the major circular economy principles of reduce, reuse, and recycle.

Flexible packaging means more with less: less waste, less energy, less resources used and reduced costs. Flexible packaging packs more than 40% of food products in Europe while only using 10% of all consumer packaging materials. Flexible packaging allows for outstanding low packaging-to-product ration, while helping to reduce food waste. New Print Technology of fixed and expanded breadth allow for reduction in ink usage whilst not compromising brand / design excellence, indeed customers have found it shortens the product introduction cycle.

Flexible packaging is essential for processing, storing, transporting, protecting, and preserving products. Re-closable packs such as plastic stand-up pouches help to keep food that has been opened in peak condition for longer. Ultimately, multi-use packaging which is more effective and efficient means there is less waste of resources, and thus the impact on the environment is reduced.

The product is already in use on a range of products in the leading multiple retailers across Europe and in the UK.

❖ HARNESSING THE CITIZEN

As noted above, to significantly improve Ireland's recycling rates this must start with the collection and sorting of recycling. The citizen is the key to unlocking this aspect of the changes required. There are several ways to encourage citizens to take action in waste management, most importantly segregating the waste at source and recycling.

Contributions of individual citizens can be increased by raising public awareness. When armed with good information, consumers will play their part in increasing recycling rates by being responsible consumers. Public information programs can improve the social participation of households and individuals, this in turn will drive expectations and standards of waste collectors and disposers of waste.

Another action that can be taken is increasing citizens' willingness towards the three R's rule: Reduce, Reuse, Recycle waste management. Even though raising awareness is a great point to start, it isn't enough. Citizens need to see how they can contribute and how easy and effective their efforts would be with recycling and reducing waste.

For example, the zero-waste movement, which is based on preventing waste generation and a minimal lifestyle, continues to inspire many citizens to handle growing waste problems with recycling and environmentally friendly consumption. That said, there is also a specific requirement for plastic in some sectors such as food packaging. Efforts should be made to show how citizens can make smart carbon choices as opposed to simply rejecting plastic.

We would also encourage all waste collectors to provide households with a detailed breakdown of their waste to encourage people to be more conscious of what goes into each bin and what happens it. The IFPA believes that people would be far more conscious of its use of certain materials if they knew it was being incinerated (thermal recapture) or exported to other countries creating significant carbon emissions – avoiding false waste practices.