

## **Briefing No.13 : A New Way With Waste**

### **Zero Waste**

**SERA believes that we need to develop a new vision for the way we deal with waste, the vision of zero waste. There are strong economic arguments which demonstrate the benefits of this vision. Our ideas will create jobs, reduce the health and environmental problems associated with landfill and incineration and allow members of the public to 'do their bit' to promote sustainable development at a local level.**

**Developing a new vision for waste policy will require action by government, industry and citizens, even though increasing domestic recycling asks something very simple from us - changing the way we fill our bins. Of course, the structures, markets and mechanisms needed to ensure recycling becomes a success are far more complex. It is important that the Labour government moves to set these in place now.**

**We produce far too much waste; we need to move away from our throw-away culture that promotes excessive packaging and disposable products as being essential for our busy lives. We need to value the resources which go into the products that we buy and consume, and think about reducing, reusing and recycling more, as the first step towards an ultimate culture of zero waste.**

**This briefing paper will assess waste policy across England and Wales. In Scotland, responsibility for waste policy is devolved. A copy of the Scottish waste strategy can be obtained from: <http://www.sepa.org.uk/guidance/waste/wastestrategy.htm>.**

### **The Current State of Play**

In 2000, the government published its Waste Strategy, which SERA welcomed with some reservations. We applaud:

- higher, statutory local authority action plans and recycling targets of 25% of household waste by 2005, 30% by 2010 and 33% by 2015. (Britain currently recycles 9% of municipal waste.)
- plans requiring government departments to buy recycled products
- increased incentives via the landfill tax credit scheme to deliver more recycling
- the creation of the Waste and Resources Action Programme (WRAP) to expand markets for recycled goods
- tradable permits limiting the amount of waste that local authorities can send to landfill sites
- extending producers' responsibility to recover their product, for example newspapers and junk mail
- continuing to raise public awareness, in conjunction with the National Waste Awareness Initiative.

In addition, the 2000 Spending Review allocated £140 million support for local council recycling initiatives, enough to double recycling in three years to 17%. Another £50 million from the New Opportunities Fund will help kerbside recycling for 700,000 households, as announced by the prime minister in October 2000.

**SERA welcomes the government's initiatives, but believes that in its second term, the Labour government needs to deliver a far more ambitious waste strategy.**

## **Set Higher Recycling Targets**

SERA believes the targets set out in the waste strategy do not go far enough. Statutory recycling targets should be challenging and ambitious, as well as achievable. We propose targets of 40% by 2005, 60% by 2010 and 70% by 2015. This requires support for community sector recycling and placing emphasis on separated waste streams and doorstep collections throughout the country.

Drastically increasing recycling targets will help reduce carbon dioxide (CO<sub>2</sub>) and other air emissions and will minimise the health and environmental hazards resulting from the creation and disposal of modern waste through landfill and incineration. There is evidence that if we were to divert 70% of all waste produced in the UK to recycling, this would reduce CO<sub>2</sub> production by 14,800,000 tonnes per year - the equivalent of the emissions of more than five million cars! (*Creating Wealth from Waste*, Robin Murray)

## **Stress Economic and Employment Gains**

Recycling has the potential to create a significant number of jobs. These would involve a variety of skills, levels and sectors, ranging from collecting and sorting to manufacturing, marketing and managing.

It is estimated that a town of 200,000 would generate 122 jobs in recycling, which translates into 15,000 jobs across the UK. An intensive recycling programme in Britain could provide 15,000 jobs in collection and sorting alone, and 25,000 to 40,000 in manufacturing and reprocessing. (*Creating Wealth From Waste*)

Many of these new jobs could stimulate urban regeneration in areas where traditional industries are in decline and could be also a focus for the government's New Deal programme. A secondary recycled materials economy would develop, leading to new employment opportunities and economic gain.

Recycling would lead to economic productivity and efficiency gains, as we would be re-utilising valuable resources and reducing the need to import raw materials. (See SERA's *Environmental Productivity Briefing No.11* for more details.)

## **End Incineration of Municipal Waste**

SERA opposes municipal waste incineration, including waste incineration that produces energy.

SERA believes that incineration undermines the ability

of local authorities to develop comprehensive waste minimisation and recycling strategies. Once built, incinerators demand 25 years worth of waste in order to be financially viable and local authorities must enter binding contracts to supply that waste. These incinerators must be 'fed' material in order to produce the electricity required. They therefore act as a direct and perverse disincentive to both overall waste minimisation and to establishing and developing recycling schemes. To ensure higher recycling rates across the country, there should be a presumption against the building of new municipal waste incineration capacity.

The incineration of paper is currently worth £30 million to the economy in terms of the value of electricity generated. The equivalent amount of paper recycled would be worth £2.2 billion in a low recycling society. (Gerard Gillespie, House of Commons, 24 Oct 2000)

Incinerators can produce high levels of dioxins which escape into the local environment. Dioxins are linked to the growth of cancers and can enter the human food chain via the contamination of meat, fish and dairy products. Recent research by Greenpeace has shown that the 10 municipal waste incinerators operating in England have breached emissions 553 times in the past two years. The UK has just signed the POPs treaty, which commits government to reducing emissions of dioxins and other dangerous chemicals. How will the government be able to fulfil its obligations under this treaty if it builds any new incinerators?

## **Market Support for Recycled Goods**

Many different products and resources can be recycled, from paper and glass to plastics, metals and electronic materials. Higher recycling targets will ensure there will be no shortage of supply of recycled materials in years to come. However, traditionally recycled goods currently face difficulties in the market place. The market is dominated by companies interested mostly in primary (first-use) products, but the price paid for such primary products rarely reflects the full environmental costs associated with their use. Investigation is needed into the difference in prices between virgin and recycled paper. Why is there such a gap when the recycling mills can get the paper cheaply?

The government's new WRAP scheme is aimed at creating more and bigger markets for recycled goods by promoting their benefits - their quality and their environmental credentials.

Other initiatives to promote recycling through government procurement are welcome and could bring large dividends. Amongst countries that are members of the OECD, an estimated 5% - 15% of total GDP expenditure is via central and local government purchasing. So far, progress in this area has been limited, but the example of King County, Washington State, demonstrates what can be achieved. As part of its recycled products procurement policy, the county executive authorised a 15% price preference for recycled paper. As a result, recycled paper

# Waste Strategy Can Be Achieved

procurement rose from 8% in 1990 to 93% of all printing paper and 99% of all copier paper by 1999.

The government could also introduce legislation to prescribe the minimum content of secondary materials to be used in certain products (depending on the availability of materials, and required quality standards). This may have to be considered as and when voluntary agreements with industry advocating minimum content fail to produce the desired result. The government could further promote recycled goods through funding research and development into technological innovation in the recycling and manufacturing industries.

Clearly, though, a key aspect of developing such markets will be boosting consumer confidence in, and dispelling myths about, the quality of recycled goods.

## **Wide-Ranging Tax Reforms**

Tax-based solutions to the recycled goods market are the way forward. For example, a charge could be levied on the use of primary materials, offset by a unit subsidy on the use of secondary materials. The net result of this would be to bring down the price of recycled goods whilst raising the price of primary materials. This would go some way towards ensuring that the environmental benefits of using recycled goods were reflected in the price.

Differential VAT rates on products would be another way of ensuring that recycled goods were cheaper than primary goods.

Central to tax reform must be wholesale changes to the landfill tax. Landfill is not a sustainable waste disposal option. It precludes any possibility of recycling the waste and large areas of land must be set aside for it - land that is precious and could have more useful functions. Landfill is widely recognised throughout the EU as an undesirable way to treat waste and a new EU directive will commit the UK government to slashing the amount of waste sent to landfill to a maximum of 33% by 2020.

SERA has supported the landfill tax and the objective of reducing the overall amount of waste sent to landfill. However, an unfortunate consequence of the tax has been the increase in fly-tipping as people dump waste on open ground to avoid paying tax. SERA supports increasing fines for those illegally dumping waste.

As an alternative to paying landfill tax, companies can instead contribute to the landfill tax credit scheme, which allocates funds to environmental bodies for local environmental improvements. However, both the scheme and its regulator, Entrust, have been criticised for allowing funds to be spent on projects that cannot conceivably be thought to fulfil any environmental objectives. SERA is calling for the scheme and Entrust to be made fully inde-

pendent of the waste industry and democratically accountable in their decision-making.

To create fundamental and long-term change, SERA recommends that the landfill tax should become a waste disposal tax and extended to include incineration. A large proportion of the revenues of this new tax should be earmarked to promote waste minimisation and recycling. Local authorities should have the powers to charge for waste disposal on a 'per bin basis' to fund recycling expansion and to act as an incentive to minimise waste.

To ensure that the directive to reduce the amount of waste to landfill does not simply increase the incentive to incinerate waste instead, increased central government funding must be available for local authorities to boost recycling initiatives. Any waste tax, whether on landfill or a wider disposal tax, must be gradually increased to continue to incentivise recycling and waste minimisation.

## **Waste Reduction and Minimisation**

Incentives to reduce landfill and incineration and to promote recycling are only part of the picture of the zero waste vision. Fundamentally, we all need to produce less waste, which means consuming less. A major cultural change is needed so that the public sector, private sector and the public in general recognise the importance of reusing products rather than simply throwing them away.

Industry, with the encouragement of both government and consumers, needs to adopt new ways of designing and manufacturing products. A large percentage of the original material contained and used to make products becomes waste very soon after purchase. This is partly because up to 80% of products are thrown away after a single use. This is clearly not sustainable in the long term.

Some companies are already starting to look at their products and manufacturing processes in new ways. Hewlett Packard now accepts used printer cartridges, re-fills them and re-sells them, rather than allowing them to be thrown away. Interface, the office carpeting company, provides carpets in the form of tiles made from recycled fibres. This allows individual tiles to be replaced when worn without the need to replace the whole carpet. Customers buy a 'carpeting service' rather than a single carpet with a limited shelf life.

This kind of 'producer/consumer responsibility' will be needed across society if waste is to be reduced. Years ago, the price of filled glass bottles included a deposit, so that the empty bottles were returned to the store for reuse. More co-ordination between shops, manufacturers and consumers should make this a viable approach today, with full integration of resource use, design and manufacture with the selling, use and return of products. ●

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**'An intensive programme of recycling in the UK could create between 40,000 and 55,000 new jobs'**

**Robin Murray, in *Creating Wealth from Waste***

