



# **unpackaging** extended producer responsibility consultation proposals

An overview of Defra's proposals for extended producer responsibility in the UK and a comparison with SUEZ recycling and recovery UK's 10 extended producer responsibility principles



# introduction

In September 2018, we published our report 'Unpackaging extended producer responsibility'<sup>1</sup>. It was based on SUEZ recycling and recovery UK's collective experience and was informed by reflections from colleagues in other countries and, crucially, by input from a series of workshops we held with representatives across the UK value chain. The result was the top 10 things a rigorous extended producer responsibility (EPR) system should deliver and which we hoped would be included in any government proposals.

Our report was launched ahead of the Department for Environment, Food and Rural Affairs (Defra) unveiling its resources and waste strategy for England 'Our waste, our resources: A strategy for England'<sup>2</sup> in December 2018 and the subsequent publication of four consultations in February 2019, which are now underway. Defra's 'Consultation on reforming the UK packaging producer responsibility system'<sup>3</sup>, proposes a number of principles or goals for extended producer responsibility plus four different potential governance models. We have taken these proposals for the revision of the extended producer responsibility for packaging, and analysed and tested them against our 10 original principles. As this consultation is seeking responses on the broad approach, we have tried to avoid delving too deeply into the detail which will be necessary in later consultations.

We have sought to take a pragmatic approach that is designed to assess all significant proposals, options and governance models.

This report has a twin-track approach. We first consider those aspects of extended producer responsibility that will be commonly applied throughout the governance models and then the difference between the specific models.

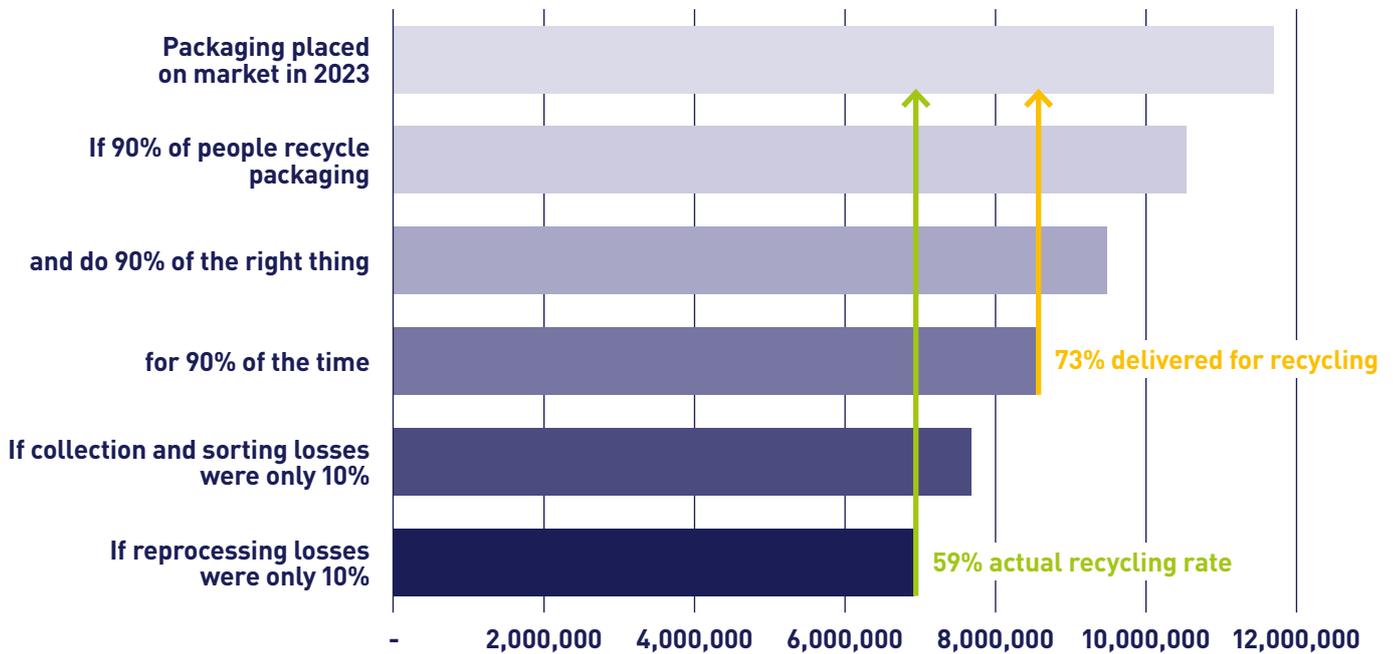
## Extended producer responsibility and deposit return schemes working together

Another consultation concerns the potential introduction of a deposit return scheme and the proposals have the potential to overlap with extended producer responsibility regarding beverage containers. SUEZ believes extended producer responsibility and deposit return schemes can complement each other, but recognises that both have different purposes and impacts.

With extended producer responsibility, producers and the value chain of retailers and others work together in a system that supports the placement and the recovery of products placed to market, in this instance, packaging. Although tools such as on-pack labelling and communication campaigns help consumers understand what they should do with the various products, the primary driver of extended producer responsibility is to deliver a collective aligned system that supports the value chain and consumer.

A deposit return scheme, however, is a system designed to influence the behaviour of consumers by requiring them to pay a deposit on items they purchase, with that deposit returned to them when they take the product to a redemption point. A deposit return scheme has to be supported by a system of administration and redemption points, materials collection and other services (like extended producer responsibility), but its primary purpose is influencing consumer behaviour.

## The need for full value chain collaboration to recycle packaging (excellent performance)



Mutual benefits of including both schemes are the influencing of consumer behaviour on products not covered by a deposit return scheme system, while extended producer responsibility communications can support the general behaviour of consumers, including greater understanding of the two different systems. It's vitally important to the recovery of materials that the consumer's behaviour adjusts and the systems to service the harvesting of the materials are efficient, convenient and affordable.

The above diagram shows that to achieve 60% recycling of products placed on market, we must ensure high levels of support in doing the right thing by consumers (householders and businesses). We consider that both extended producer responsibility and deposit return schemes are needed to work together to seek to achieve these high levels of performance and that deposit return schemes should seek to enhance and complement the existing systems rather than disrupt them.

Care must be taken that the two systems, if implemented together, are complementary. One particular aspect that needs careful consideration is the role of modulated fees or deposits. The deposit return scheme fee is designed to be sufficient to deliver the required behaviour change – i.e. for the products to be sufficiently valuable to warrant the consumer returning them to redeem their deposit. The value of the deposit proposed in the deposit return scheme consultation document is likely to be flat across the target product formats (plastic, metal, potentially glass etc). It does not currently deliver any modulation that would deliver the goals of extended producer responsibility, such as the removal of unnecessary products or improved recyclability.

Proposals in the deposit return scheme consultation suggest that the product fee for a deposit return scheme could have modulation to reward recyclability, but the method is unclear and its relationship to the extended producer responsibility modulation is not established.

# governance models overview

In the consultation document, the four models are described as:

- M1 Model 1**  
Enhanced version of 'business as usual'.
- M2 Model 2**  
Single not-for-profit organisation.
- M3 Model 3**  
Twin not-for-profit organisations – one for household-like waste and one for nonhousehold-like waste.
- M4 Model 4**  
Deposit-based, government-managed scheme.

**M1** and **M4** rely on market mechanisms to deliver their extended producer responsibility outcomes, whereas **M2** and **M3** propose producer-led management organisations that control most functions of the extended producer responsibility system.

All four models use a form of modulation fee (graduated payment system) to reflect the recyclability of a particular packaging format and the costs inherent in its collection, consolidation, sorting and reprocessing.

All four models describe how different parts of the value chain will be paid or benefit from the full net cost recovery (FnCR) payments which are planned to be forthcoming.

The costs due through full net cost recovery are the same under each model, but those incurred in the operation and management of the models' different compliance systems vary.

All four have some central control to set matters such as the scale of any moderated fee or deposit. Individually, some also have aspects of payment to service providers or compliance parties undertaken by a central body. **M4** does not have as much detail of this central control element as the other three models, but does have defined mechanisms.

The main point of compliance (i.e. where in the value chain a product's fee is assessed in shared ownership or single point of compliance) will be the same for all four models, regardless of where responsibility is allocated.

The government's twin intention of using extended producer responsibility and modulated payments to discourage the use of unnecessary packaging and improve the recyclability of 'necessary' packaging is the same for all four models. In **M1**, **M2** and **M3** the modulated payment targets recyclability and achieving agreed targets. In **M4**, however, the modulation is based on the payment of a deposit designed to create higher financial pressure on producers to remove unnecessary and difficult-to-recycle materials. **M4** indicates a government aspiration to directly drive closed-loop recycling, although this may prove difficult to achieve.

Labelling to inform consumers of the recyclability of the packaging used for products they are buying is a mandatory requirement of all producers in each of the models.

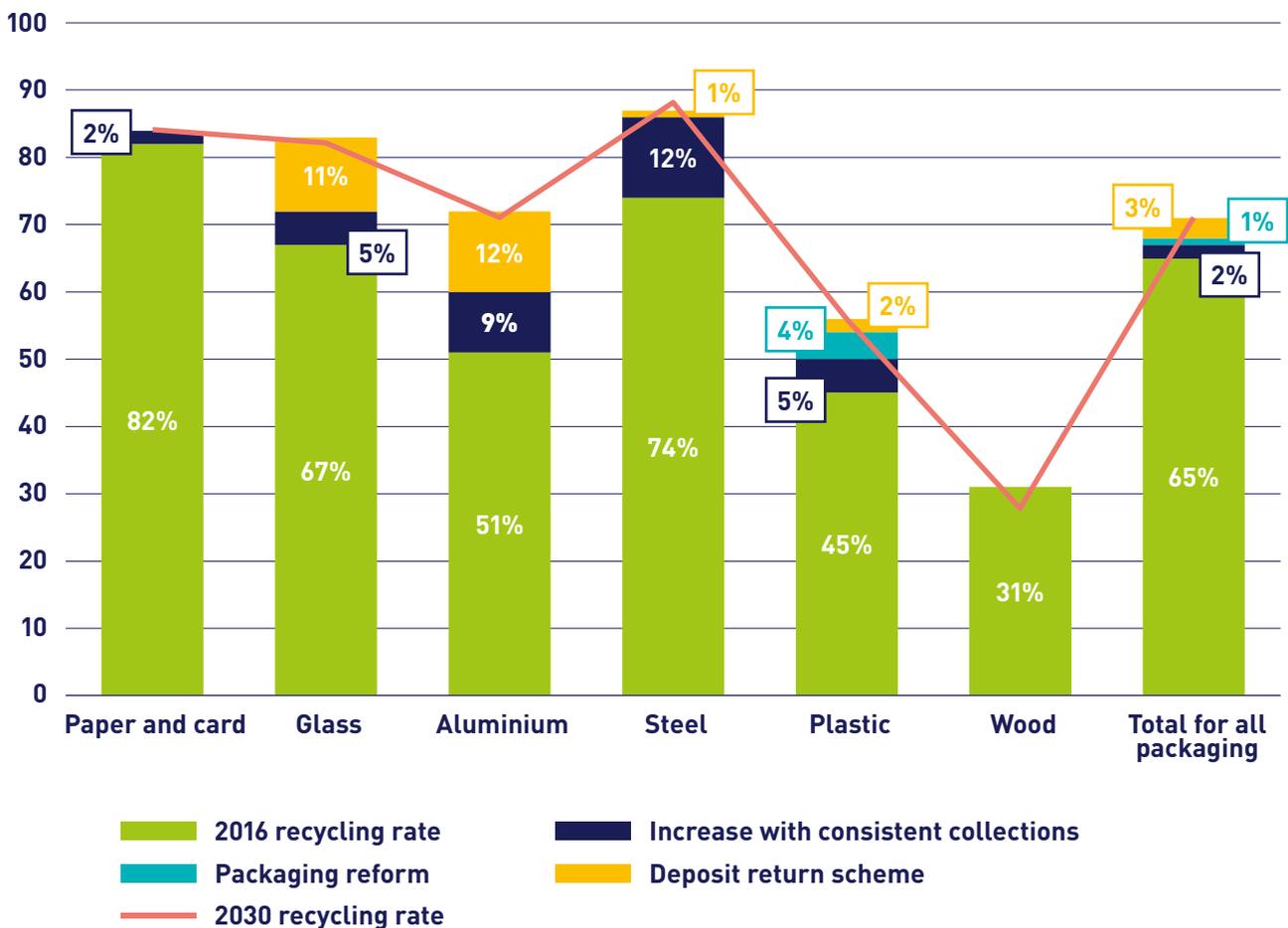
Evidence from reprocessors or exporters is common to most of the models and relates to total evidence obtained by obligated parties, irrespective of whether the packaging is theirs or another company's. **M4** has a variation in which an additional closed-loop definition is explored, but this would be more difficult to apply and might prove unnecessary.

Common measures to strengthen compliance and enforcement are proposed. Most apply to all four, but each model has different levels of transparency concerning payments and compliance.

Revised packaging recycling targets are common to all four models.

Which one is most likely to deliver or exceed the targets at the least cost to consumers will be a key difference.

### Recycling rates for packaging 2016-2030 with contributions from different policy interventions



# payment mechanisms for services delivered

Government proposes payment mechanisms for local authorities and business waste collectors to cover 'necessary' costs and meet the principles of full net cost recovery.

For local authorities, the payment mechanism recognises:

- ▶ The cost of providing a recycling collection service.
- ▶ The amount of packaging collected and recycled.
- ▶ The cost of managing packaging waste in household residual waste.

For business waste containing household-like packaging, the payment mechanism recognises:

- ▶ The amount of packaging collected and recycled (measured at the transfer station or sorting plant where it is first deposited after collection).

We welcome the approach that payments are passed back through the chain to sorting plants, transfer stations and then on to waste collectors and ultimately their waste-producing customers. We believe a discount on invoices for all parties in that chain is the most transparent method and one that, with VAT implications, is the easiest to track. It is also the most transparent to regulators and all parties and is something that already occurs in the industry.

SUEZ is wary of having two different payment mechanisms as it adds unnecessary complication, makes transparency more difficult and may lead to confusion.

The payment mechanism by output (as measured at the transfer station or sorting materials recycling facility) is one that can easily be applied both to local authorities and business, and promotes payment by performance. It should be noted that many local authorities collect business waste and having to operate under the two different payment mechanisms may prove difficult and overly complicated.

The costs of collection from homes and businesses can vary significantly depending on the time taken to make a collection and the travel time between each collection point. Local authorities are required to service each household to an established frequency and as such have little choice about the travel time between collection points. A business waste collector, on the other hand, will adapt collection rounds to boost collection density and minimise the time between collections. This specific factor should be part of the definition of necessary costs for local authorities collecting waste from households.

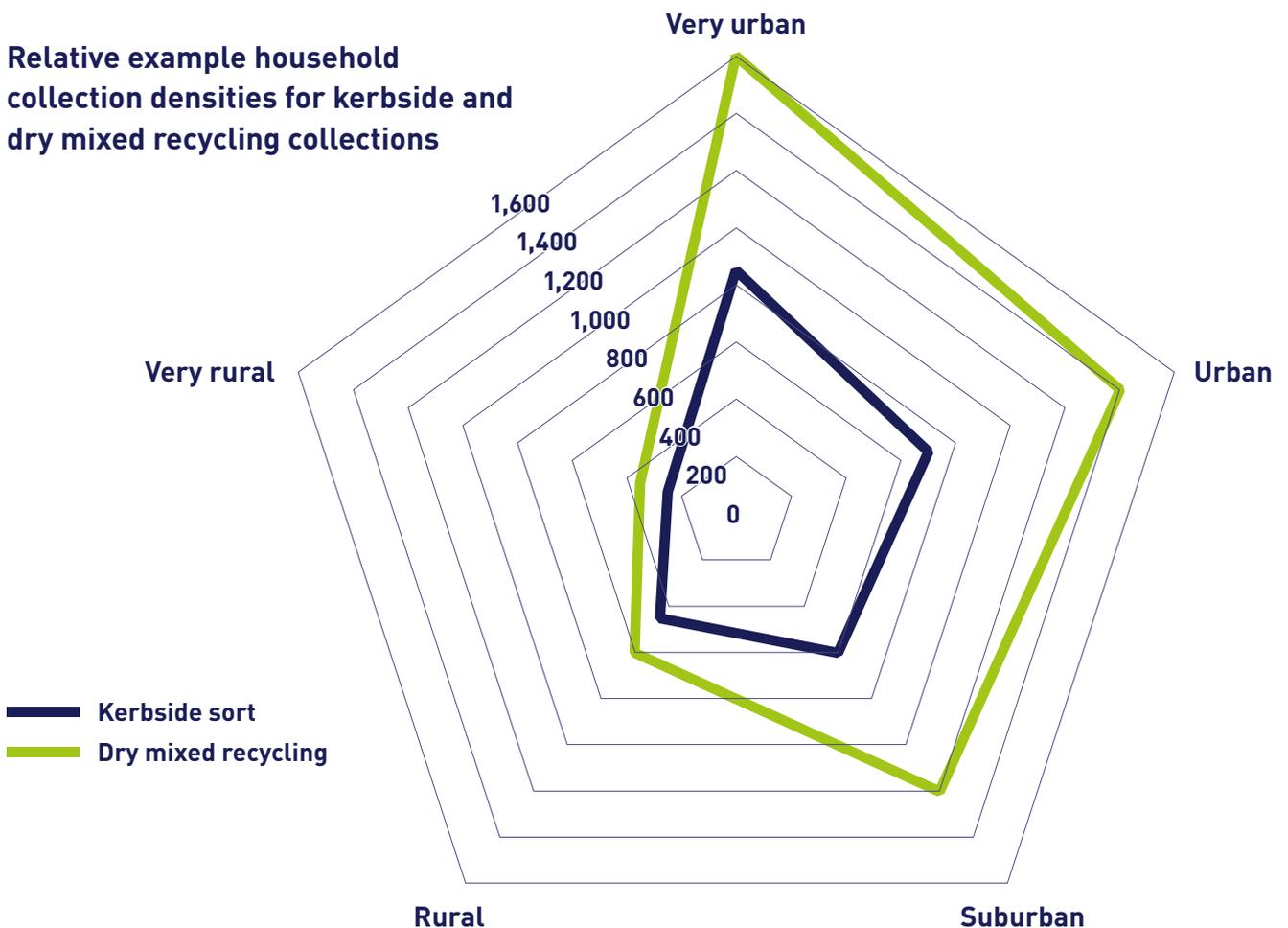
Businesses can choose where they set up shop, so the case for recompense on grounds of geography is not as critical for business household-like waste collections as it is for household collections.

Currently, paper, glass, plastic and metal are the defined waste streams to be collected separately unless there are technical, economic or environmentally practical reasons why they cannot be undertaken in that manner. This is known as the TEEP test and is used by most local authorities and waste collection companies (who, in England specifically, are responsible to business waste producers for assessing this test).

Collecting separate containers of materials often requires more time and effort than the collection of single bins. When magnified into an entire round of collections, this factor has tended to focus efforts on more productive crews rather than the most resource-productive collection system. The consistent collection proposals for household collections seem to follow this approach, however, the proposals for business waste collections propose only dry mixed recycling solutions which appears to prejudice a TEEP assessment. This aspect seems somewhat adverse to the current legal position and potential impacts of full net cost recovery on the costs of collection.

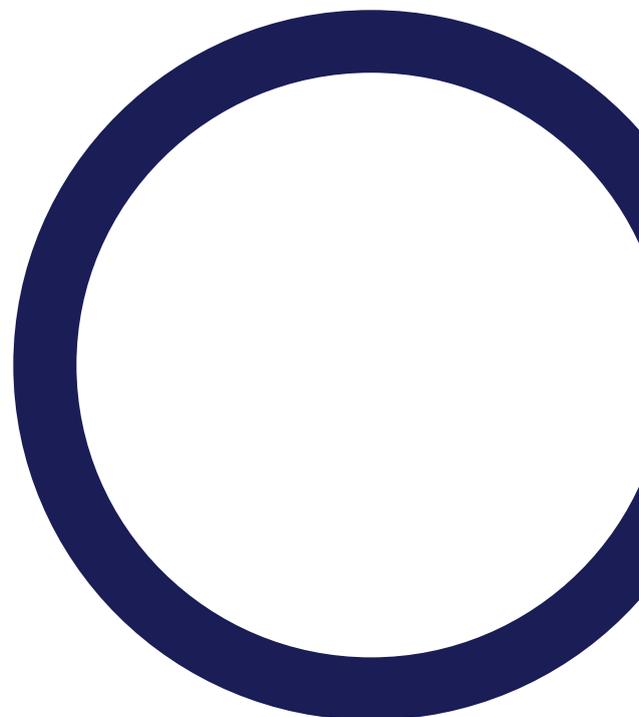
The differences between collections where households are closely located ('urban' and 'suburban' areas) and more widely spaced ('rural' or 'very rural' areas) is best illustrated by the diagram below showing the number of households that can be serviced in different densities of housing using two different collection methods. SUEZ uses a system of five types of authority in some of their assessments (often called 'DNA's'), whereas Government tend to use a six system classification designed by WRAP, but the outcome for both will be similar for this aspect.

**Relative example household collection densities for kerbside and dry mixed recycling collections**



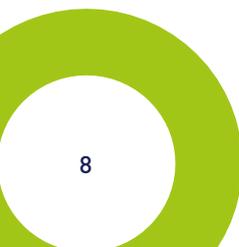
Even with a standard crew on each type of collection and including vehicle and fuel costs, it is very apparent that the base quantum of cost of collections will vary. Defining direct costs to these calculations is difficult as local factors can vary widely (London weighting, for example). The numbers and types of bins will also be material factors to the cost incurred.

It is important to give some context to those likely variations, so we have produced the following table that provides insight into the scale of costs.



### Relative costs of types of collections in different areas

	Kerbside sort		Dry mixed recycling	
	No. of households	Indicative collection cost per household	No. of households	Indicative collection cost per household
<b>Very urban</b>	850	£30.00	1,600	£15.00
<b>Urban</b>	700	£40.00	1,400	£20.00
<b>Suburban</b>	600	£45.00	1,200	£30.00
<b>Rural</b>	450	£60.00	600	£45.00
<b>Very rural</b>	250	£90.00	350	£65.00





It is clear that any payment mechanism for local authorities must accommodate such variations to ensure full net cost recovery is fairly applied to each and every authority. Defra has used rurality factors in its work for the consultation. However, geographic elements of collection are not sufficient on their own to define relevant costs. Other factors, such as collection type and bin style, also have a significant influence. Proposals in the separate consultation on consistency of collection should limit by definition the number of options that need to be considered for this element, but each one must be correctly costed.

A well-defined and applied full net cost recovery system should also redress the balance between the cost of collection and the value of the resource collected. We believe many collections will move back from commingled to multi-stream collections as this balance is realigned.

A further complication is that our citizens' recycling performance varies because of a number of factors. Defra has used deprivation as a factor that influences local recycling rates. It is important, but it should also be noted that housing stability, type of household (flats etc), grasp of English and age profiles are among several other factors that can affect recycling success. Consideration of target performances for each local authority should be moderated by these technical and social factors.

# comparing consultation proposals to the SUEZ principles

The key 10 principles included in the original 'Unpackaging extended producer responsibility' SUEZ report were:

- 1 More sustainable design
- 2 Enhanced brand equity
- 3 A level playing field
- 4 Informed, empowered consumers
- 5 A competitive marketplace
- 6 Innovation
- 7 Simplicity for all
- 8 Minimal consumer cost
- 9 A system free from crime
- 10 Rewards and penalties

## Governance models

- M1 Enhanced version of 'business as usual'.
- M2 Single not-for-profit organisation.
- M3 Twin not-for-profit organisations – one for household-like waste and one for nonhousehold-like waste.
- M4 Deposit-based, government-managed scheme.

1

## An extended producer responsibility system that drives more sustainable product design

The primary driver in the consultation for more sustainable design is the modulation of fees or deposits charged for the different formats of packaging. All four extended producer responsibility models have a form of modulation. **M1**, **M2** and **M3** use modulation and time-related targets while **M4** proposes a deposit payment which reflects 100% of the materials placed in market. Common to all is an option to move to a single point of compliance and to capture smaller producers and those selling into the UK through internet-based selling platforms. We believe modulation will drive greater alignment of design between brands, while single point may be necessary to capture sales through small retailers and the internet, delivering less packaging and more recyclable packaging.

**M1** would derogate, to an extent, the setting of modulated fees to the compliance schemes, but the application would be subject to national guidance on:

- ▶ Costs to be recovered through modulated fees (such as full net cost recovery).
- ▶ Packaging materials/formats deemed to be recyclable (the 'approved list').
- ▶ Applying fee rates to ensure all schemes incentivise required design behaviours and outcomes.

The last is the most important for driving sustainable packaging design. The central body must ensure the application is common within each compliance scheme and across them.

One difficulty of the scheme may be that if the compliance scheme takes on the legal responsibility for compliance, it is likely to reduce the link between the producers and the design of their products and the public. This may also reduce the drive for innovation.

For **M2**, **M3** and **M4** the modulated fee or deposit is defined and set by a centrally-approved government body. Variations would have to be agreed with Government. **M3**, and to a lesser extent **M4**, have options to involve compliance organisations in the delivery of the extended producer responsibility system. The approved list and full net cost recovery definitions are common with **M1**.

2

## An extended producer responsibility system that provides visibility to brands and products meeting higher sustainable and recyclability targets

Transparency of brand performance is not a major feature of the current system of compliance schemes and this is unlikely to improve significantly under new proposals that mimic them. Both in **M1** and the second option for **M3**, obligated producers will be required to contract to a relevant compliance scheme. The ability to directly register, we consider, is important to allow brands' performance to be visible and rewarded. However, we do recognise that the smaller producers may need to work through a compliance-scheme-type arrangement.

### 3

## An extended producer responsibility system that creates a level playing field between brands, products and other participants

The option to remove or reduce minimum production thresholds for obligated items and to include internet sales will create a more level playing field. Modulated fees for different packaging formats and materials based on their sustainability or recyclability should also provide a more level playing field between products and brands.

In **M1**, all obligated brands are required to contract to a scheme that assumes the full compliance responsibilities of their contracted producers. This, together with an expected reduction in the number of compliance schemes, could give those with larger members a greater scale and market share, thereby favouring those larger producers. Care would be needed to ensure that smaller producers and compliance schemes have the competitive opportunity to thrive. Smaller obligated parties may need compliance schemes to help administer their obligations, larger organisations have the ability to administer themselves.

In **M2** and **M3**, the payments are made by the central organisation and reporting is either direct to the management organisation or indirectly through the compliance schemes. A government-established administrator would undertake reporting and control in **M4**. Our preference is direct reporting, as this removes an additional administrative element and makes the reporting by each obligated producer more transparent, but we recognise that small producers may need compliance scheme help in meeting their obligations.

SUEZ believes it is essential that all packaging formats can be collectable for recycling and, as such, producers pay their contribution to the necessary costs of collecting, sorting and reprocessing their products. The potential for items such as flexible packaging, cartons and compostable packaging to be excluded from consistent collections leaves producers of these formats in the uncomfortable position of having to pay obligated fees, but not being able to recover their materials. Challenging materials, such as multi-layer flexible packaging, can be recycled today, even if that is currently 'down cycled' or processed via less effective solutions. Work on how these materials can be collected and recycled to improve their current performance is continuing. Key to such progress is the ability to collect these materials to provide feedstock on which research projects can be based and further improvements in recyclability delivered.

**M1** raises significant concern in terms of the proposed relationship between compliance schemes and local authorities. The current proposals are for schemes to negotiate competitively with local authorities direct and establish contracts typically lasting three to five years. As we have seen previously, local authorities have specific geographic and social factors that directly influence the costs of collection and other service aspects. In addition, they have different populations and that will dictate the scale of evidence they are likely to generate.

In the absence of controls that would be difficult to apply, it's likely that those authorities with the cheapest conditions for collection, together with technical and social factors that make recycling relatively successful, will be favoured over those with more expensive collection costs and more constrained social factors. It's highly likely that some local authorities will be significantly disadvantaged. Although the consultation suggests that the controlling body might "ensure local authorities have contracts", there are no details as to how this might be achieved. It is difficult to see how this could be delivered in this market-based mechanism.

4

#### **Informed, empowered consumers**

Requirements for communication to consumers are proposed in the main proposals and are common to all the governance models. We welcome the proposals to have clear on-pack guidance for consumers on a mandatory UK-wide labelling scheme and labelling around recycled content. We have some concerns around a binary recyclable/non-recyclable approach to packaging labelling, as we feel this may inhibit evolutionary and incremental improvements. We also feel it may fail to recognise the practicality of product design and the consumption and waste management system design, which is less black and white in practice.

5

#### **An extended producer responsibility system that creates a competitive marketplace and drives best performance at the least price**

With a central definition for full net cost recovery and the common application of targets, minimum performance levels should be set out at a national level and be securely applied in all models.

**M1** and **M4** are both market-driven models and as such create a marketplace by default.

**M2** sees one large central body while **M3** creates two slightly smaller central bodies.

Large centrally-managed not-for-profit organisations often struggle to drive down costs or realise the competitive tensions that drive performance and costs in more market-based approaches. While all four models will incur administrative costs, those with the least competitive tension (**M2** and **M3**) or greater duplication (**M1** and **M3**) are most prone to higher administration costs. **M4** will have a central body responsible to Government, but only for standards, modulation and collecting and refunding deposits. The delivery of payments and targets would be through the market mechanism and national standards, pay points, full net cost recovery definition and possible compliance schemes for smaller producers.

**M4** features a deposit for materials placed on the market that is refunded depending on evidence of successful recycling. The deposit would likely be set at a rate higher than the cost of collecting, sorting and reprocessing target materials and, as such, the deposit refund should always have a strong motivation to get as many materials back as possible. Two payments are involved with **M4** and, although the deposit itself is refundable, the scheme needs to concentrate on the cash flow impacts of both payments and how much the deposit exceeds actual 'necessary' costs. If these are correctly set, they should drive high performance and efficiency, as the focus will be on getting back the deposit at least cost.

**6****An extended producer responsibility system that drives and fosters innovation**

The packaging industry is renowned for its innovation in design and materials. That same innovation has brought new solutions and performance, especially for food preservation, and this should not be thwarted. Although some packaging formats are unnecessary and should be removed, others need a greater focus on their design to ensure higher recyclability when discarded, so continued innovation is essential.

Extended producer responsibility schemes that welcome and promote innovation and directly challenge existing formats should be welcomed. The national approved list of packaging should set out certain requirements and those responsible for its establishment and maintenance must ensure that innovation is a foundation of its principles. The approved list is common to all extended producer responsibility models, but we consider that **M4** has the potential to drive more innovation than the other models in both packaging and the delivery of the extended producer responsibility system itself due to the larger financial incentive.

**7****An extended producer responsibility system that delivers the simplest scheme while meeting the necessary goals and intentions**

The current extended producer responsibility system contributes around 7% of the necessary costs of collection, sorting, reprocessing and general management of the packaging products placed to market. Moving to one that covers nearly 100% of the necessary cost will require a more complex extended producer responsibility system.

The size and scope of data needed to satisfy producers making greater payments for the services being delivered by local authorities and businesses will have to increase significantly. However, the principle that simple systems are best must apply. **M2** and **M3** (specifically option one) provide the simplest systems but, as discussed elsewhere, may not deliver in other areas. **M1** and **M4** are more complex and should be designed to be as simple as possible, but they do have the potential to achieve higher performance at least cost. Matters such as common payment mechanisms (suggested elsewhere in this document) would make all the models simpler to deliver and operate.

**8****An extended producer responsibility system that delivers the goals at the least cost to consumers**

We should not forget in all of these proposals that the majority of new costs will be passed to consumers. It is therefore essential that cost to consumers is a fundamental focus of the governance schemes. SUEZ believes that market-based mechanisms best deliver on cost-effectiveness, but need to be directed and managed in such a way as to ensure their delivery is balanced and meets all of the short and long-term objectives required.

As such, we believe that **M1** and **M4** can best deliver the least cost and most efficient solutions for consumers. **M2** and **M3** are likely to incur costs that reflect an approach that is more monopolistic and less market-based. However, the administrative burden to consumers is likely to increase in all four models.

9

## A transparent extended producer responsibility system free of crime and fraud

We welcome the proposal that all the market-based models ( **M1** , **M4** and to a smaller degree **M3** ) produce audited financial accounts annually. All responsible parties in the system would have to detail income and how they spent that income, such as investing in infrastructure for sorting or reprocessing. We welcome the proposal that reprocessors and exporters should be required to report prices paid for evidence to an independent third party. This independent party would, after appropriate aggregation and protection of commercially-sensitive data, provide a far higher degree of transparency than currently and this should also improve investment opportunities.

The potential for the modulated fee to set both the evidence cost and the actual cost is an element that is important to control, especially for **M1** and **M4** in the more market-orientated systems, but is equally important in **M2** and **M3** in ensuring investments and funding are market-based, the competitive field remains level and that administrative costs are managed to the betterment of the scheme and to consumers.

We welcome the proposed increase in the frequency of reporting evidence and further welcome the requirement that all reprocessors and exporters of packaging waste should be accredited. We recognise that the role of compliance schemes in strategic delivery and in operational and commercial control is far broader in **M1** . This will require specific considerations over how they operate and how they are regulated and overseen by the enforcement bodies and the proposed advisory board. **M3** and **M4** would, to a lesser extent, need oversight to ensure their delivery was aligned with the principles. **M2** will still need oversight, but mostly on its own performance.

This should ensure it offers value for money and has its own systems of fraud and crime prevention, as it cannot rely on commercial disclosure and pressures in the same way the market-based models do.

In 2018-19, we have seen some 'game playing' with the current packaging recovery note / packaging export recovery note values, such that they did not relate to the evidence available and the targets required. The value of evidence will increase when the system moves towards 100% full net cost recovery, so any opportunity for participants to manipulate the system should be carefully controlled. We have previously covered proposals on reporting and declaration and these will assist in making the system more predictable. Further measures are likely to be required in the implementation of any of the models. Having visible and transparent money flows and necessary cost payments should minimise the opportunity.

10

## An extended producer responsibility system that rewards those that deliver and penalises those that fail to do so

Establishing targets for packaging is crucial both to measure progress and determine measures for success. Such targets should be both stretching and achievable within the time frames envisaged. The targets will apply for all formats and for all four governance models.

Modulation of fees should support the most recyclable packaging and penalise those formats and packaging types that are less necessary and less recyclable. **M4** has the highest potential evidence fee (necessary cost plus additional non-refunded deposit value) and thus potentially the greatest opportunity to penalise poor performance. **M2** and **M3** should make compliance and a lack of compliance most visible. **M1** and option two of **M3** would make it visible at the level of a compliance organisation, but less visible for obligated producers.

# summary

Our original extended producer responsibility work last year and our recent review of the extended producer responsibility proposals and governance models proposed in the consultations have presented a unique opportunity to engage with the whole value chain and understand all the opportunities and constraints. This document seeks to provide some insight into the different governance models proposed and how far each one supports the 10 extended producer responsibility principles originally established by SUEZ.

We have sought to summarise these conclusions in the following table. Not one of the proposed schemes is perfect and much of the success or failure of any of them will rest on other factors set out in the consultation documents and which are common to all four models.

Our intention was not to favour any one scheme, but to undertake an objective and thorough overview of the proposals and their ability to deliver against Defra commitments and our own extended producer responsibility principles.

We think the deposit-based mechanism in **M4** is the best to drive performance and common objectives across the system. We like the direct registration inherent in **M2** and the business waste payment by performance, but think this should apply to local authority collections as well. We recognise that smaller producers may need the assistance of compliance schemes to help manage the administrative complexity of compliance. We do recognise that targets and payments for local authorities need to reflect the local conditions and social and technical factors to ensure costs are correctly apportioned and covered. We agree that household-like and non-household-like packaging should be dealt with independently to ensure targets and interventions are correctly focussed.

Clearly, careful consideration is required to ensure that the details and mechanisms are delivered in a manner that supports whichever model is finally adopted. SUEZ's analysis and position on these issues will be presented in our formal responses to all four consultations. We have produced this document in advance, because we considered that it might prove useful to a wider audience.

## How the governance models proposed support the 10 extended producer responsibility principles originally established by SUEZ

	M1	M2	M3	M4
1 More sustainable design	✓	✓	✓	✓
2 Enhanced brand equity	?	✓	✓	✓
3 A level playing field	✗	?	?	?
4 Informed, empowered consumers	?	✓	✓	✓
5 A competitive marketplace	✓	✗	✗	✓
6 Innovation	✓	?	?	✓
7 Simplicity for all	?	✓	✓	?
8 Minimal consumer cost	✓	✗	✗	✓
9 A system free from crime	✓	✓	✓	✓
10 Rewards and penalties	✓	✓	✓	✓

### Governance models

**M1** Enhanced version of 'business as usual'.

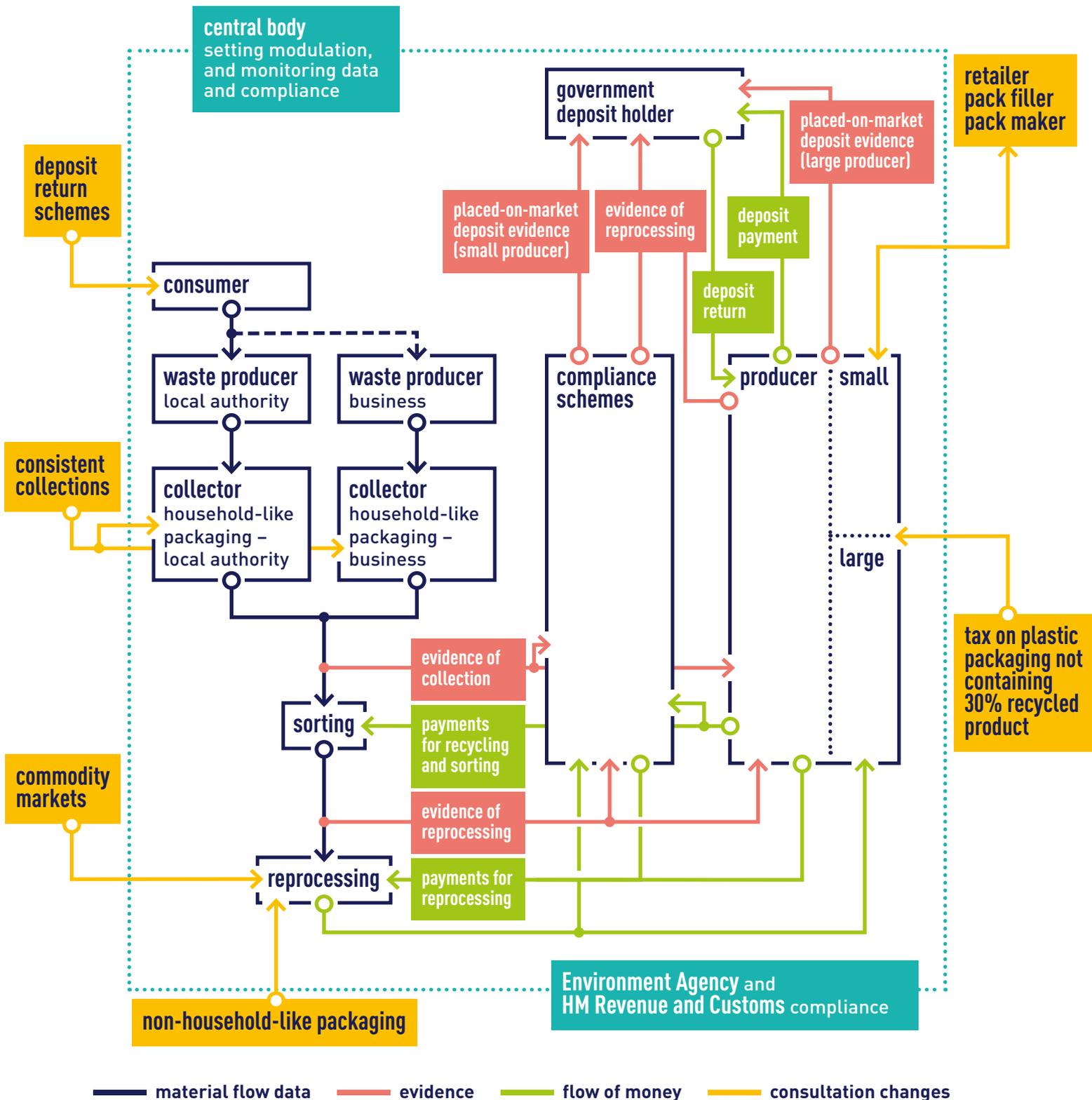
**M2** Single not-for-profit organisation.

**M3** Twin not-for-profit organisations – one for household-like waste and one for nonhousehold-like waste.

**M4** Deposit-based, government-managed scheme.

In undertaking this work and the thinking around the outline of how the system might work, we have drawn up models to test. One output of our favoured options we present here as an example of how a hybrid scheme might work.

### Potential hybrid packaging extended producer responsibility governance scheme and the influence of other consultation changes



### **About the author**

This document was authored by Stuart Hayward-Higham, Technical Development Director at SUEZ recycling and recovery UK. Stuart's role includes delivering market knowledge and strategy and understanding policy implications to the sector through negotiating offtake contracts, advising customers, research, development and innovation and implementing new solutions or making successful niche activities mainstream.

Stuart contributes to the wider industry through a wide number of associations. Specifically relevant to this report are his membership of the Defra Advisory Committee on Packaging and of the steering board for Recoup, as well as his help in delivering elements of the Environmental Services Association sector plan, the UK Plastics Pact and the CEFLEX programme of works.



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