

# Response ID ANON-5X4Z-MX67-D

Submitted to **Plastic Packaging Tax**

Submitted on **2019-05-09 12:04:46**

## 1. Overview of the tax

### 2. About You

#### 1 What is your name?

**Name:**

DAVID NEWMAN

#### 2 What is your email address?

**Email:**

DN@BBIA.ORG.UK

#### 3 What is your organisation?

**Organisation:**

BIO-BASED AND BIODEGRADABLE INDUSTRIES ASSOCIATION (BBIA)

#### 4 Would you like your response to be confidential?

No

If you answered 'Yes' above, please give your reason::

#### 5 Please provide information about the organisation/business you represent

**Which of the following best describes you?:**

Business representative organisation/trade body

**What is the name of the organisation/business you represent? (If you are responding on behalf of yourself please write 'Individual'):**

BBIA

**What is the approximate number of staff in your organisation? (if applicable) :**

If you answered 'Other' above, please provide details::

## 3. Plastic packaging within scope of the tax

#### 6 Do you agree with the government's suggested approach to defining plastic in scope of the tax?

Yes

**Optional text box:**

YES, WE AGREE TO THE SUGGESTED APPROACH WHICH IS TO FOLLOW THE DEFINITIONS IN THE EU SINGLE USE PLASTIC DIRECTIVE AS APPROVED MARCH 27TH 2019. WE ASK TO INTRODUCE THE DEFINITION OF BIODEGRADABLE PLASTIC ARTICLE 3,16, AS FOLLOWS:

"'biodegradable plastic' means a plastic capable of undergoing physical, biological decomposition, such that it ultimately decomposes into carbon dioxide (CO2), biomass and water, and is, in accordance with European standards for packaging, recoverable through composting and anaerobic digestion;"

IN ADDITION WE SUGGEST THAT THE GOVERNMENT ADOPT THE EUROPEAN COMMITTEE FOR STANDARDISATION DEFINITION OF BIO-BASED PLASTICS AS "PLASTIC WHOLLY OR PARTIALLY DERIVED FROM BIOMASS" (from BSEN17228/2019)

#### 7 Do you agree with the government's suggested approach to defining packaging and packaging materials in scope of the tax?

Yes

**Optional text box:**

YES. THIS SHOULD APPLY TO REUSABLE PACKAGING AS WELL AS SINGLE USE PACKAGING

#### 8 Is the government's approach to components of plastic packaging consistent with the way businesses operate and packaging is created?

Yes

**Optional text box:**

**9 Which of the above options for defining plastic packaging for composite material items do you think works better for the purposes of the tax?**

Other

**Optional text box:**

IN ORDER TO AVOID UNINTENDED CONSEQUENCES PARTICULARLY IN PREFERRED END OF LIFE SCENARIOS, WE BELIEVE THAT THE PERCENTAGE SHOULD FOLLOW THE CONFEDERATION OF PAPER INDUSTRIES GUIDELINES ON PAPER AND BOARD PACKAGING RECYCLABILITY OF 3% BEING A TOLERABLE LIMIT OF PLASTIC CONTENT TO ENABLE RECYCLING. THEREFORE THE PERCENTAGE SHOULD BE SET AT 3%. OUR REASONING IS THAT A CARDBOARD OR PAPER COATED WITH PLASTIC THAT HAS MORE THAN 3% PLASTIC CONTENT IS DIFFICULT FOR THE PAPER INDUSTRY TO RECYCLE AS PAPER, AS THE CPI GUIDELINES SHOW. IN EFFECT THE PLASTIC CONTENT STOPS THE RECYCLING PROCESS. THEREFORE THE LIMIT FOR PLASTIC CONTENT OF 3% SHOULD BE USED AS A LIMIT ABOVE WHICH A MATERIAL SHOULD BE INCLUDED AS A PLASTIC AND WITHIN THE SCOPE OF THE TAXATION.

SOURCE: <https://www.packaging-gateway.com/news/cpi-wrap-launch-new-uk-recycling-guidelines/>

**10 Do you think alignment with the reformed Packaging Producer Responsibility regulations is important for the purposes of the tax?**

Yes

**Optional text box:**

YES. SOME WOULD ARGUE THAT PLASTIC PACKAGING WARRANTS SPECIAL ATTENTION BECAUSE OF THE ENVIRONMENTAL DAMAGE THAT DERIVES FROM PLASTICS BOTH IN THE PRODUCTION PHASES (GHG) AND END OF LIFE. EVIDENCE THAT PLASTICS NEGATIVELY IMPACT HUMAN HEALTH IS ALSO GROWING. A REGULATORY REGIME ON THE MATERIALS SHOULD BE CLOSELY ALIGNED WITH EPR REGULATIONS ONCE THEY ARE IN PLACE.

SEE <https://www.ciel.org/reports/fuelingplastics/> AND <https://www.ciel.org/news/plasticandhealth/>

#### **4. Driving recycled content**

**11 Do you agree with the government's suggested approach to defining recycled content for the purposes of the tax?**

No

**Optional text box:**

NO. UNDER THE TERMS OF THE GLOBAL COMMITMENT ON PLASTICS PROMOTED BY THE ELLEN MACARTHUR FOUNDATION AND TO WHICH HM GOVERNMENT IS A SIGNATORY, (<https://newplasticseconomy.org/projects/global-commitment/signatories#23>)

"While in a circular economy it is encouraged that pre-consumer waste is kept in the system, the priority is to avoid such pre-consumer waste as part of an efficient production process. This definition therefore excludes pre-consumer recycled content (ISO 14021, Usage of terms, Recycled content: Pre-consumer recycled content includes materials diverted from the waste stream during a manufacturing process)."

WE SHOULD NOT BE ENCOURAGING THE USE OF PRE-CONSUMER WASTE TOWARDS MEETING THE TARGET OF 30%. FURTHER, THE EMPHASIS HERE IS ON THE MATERIAL RECYCLING OF TRADITIONAL PLASTICS BACK TO POLYMERS AND GIVES NO CONSIDERATION OF BIO-BASED AND BIODEGRADABLE PLASTICS WHOSE LIFE CYCLE IS A CARBON CYCLE, BEING PARTIALLY OR FULLY PLANT BASED AND RETURNING TO SOIL THROUGH ORGANIC RECYCLING. WE SHOULD NOT FORGET THAT THE CIRCULAR ECONOMY SEEKS CIRCULARITY IN BOTH BIOLOGICAL AND MATERIAL/MECHANICAL SYSTEMS – IN THE DEFINITION OF RECYCLED CONTENT THE BIOLOGICAL SYSTEM IS NOT CONSIDERED. FOR EXAMPLE, FOUR TIMES MORE NON BIODEGRADABLE PLASTIC FILMS ENTERS BIOLOGICAL TREATMENT SYSTEMS TODAY THAN MATERIAL RECOVERY SYSTEMS.

SEE : Ellen MacArthur Foundation, technical and biological cycles

<https://www.ellenmacarthurfoundation.org/circular-economy/infographic>

COMPOSTABLE PLASTICS RECYCLED THROUGH ORGANIC RECOVERY ARE, UNDER THE WASTE FRAMEWORK DIRECTIVE AND THE PACKAGING AND PACKAGING WASTE DIRECTIVE AS AMENDED IN 2018, CONSIDERED RECOVERED AS IF THEY ARE RECYCLED THROUGH OTHER PROCESSES. SO THE BIOCYCLE CANNOT BE NEGLECTED WHEN CONSIDERING RECYCLED CONTENT.( see response to question 4 above)

The recycling of compostables is recycling of renewable carbon, derived from principally plant based sources and returned to soil with compost, when these materials are composted. The return to soil of these materials through the composting process makes them a carbon neutral material; the ambition of the plastic taxation to reduce the use of carbon in the production on plastics, can be met by compostables materials containing a greater than 30% renewable carbon content. That content level can be measured, there are international and national standards which allow this (see below) and could be independently assessed by third party certification bodies.

**12 Are there any environmental or technical reasons to consider excluding any particular ways of recycling plastic?**

Don't know

**Optional text box:**

Without consideration of the specific application, it is not possible to advise whether, in principle, mechanical, chemical or biological recycling of plastics is environmentally more favorable. To illustrate: organic recycling of a compostable plastic bottle would not add value as generally an efficient recovery and

mechanical recycling scheme is in place for this application. However, as regards very thin plastic bags, the EU Parliament estimates that the European mechanical recycling rates for these products are clearly below 10% and “unlikely” to increase in the future. That specific application (very lightweight plastic bags) is a major source of microplastic contamination in organic recycling. Compostable very lightweight bags, however, help divert food waste from landfilling and they do not cause microplastics in compost.

This illustrative discussion of these two applications shows that it is not possible to generally state whether one type or another type of recycling is generally more favorable for plastic packaging.

(Reference: page 30 European Parliament A7-0174/2014 of 14.03.2014)

**13 Is there any way that the proposed approach to defining recycled content could encourage unintended consequences, such as wasteful manufacturing processes?**

Yes

**Optional text box:**

YES. AS STATED ABOVE, WE SHOULD AVOID ENCOURAGING INPUTS FROM PRE CONSUMER PLASTIC PACKAGING, SUCH AS AVOIDABLE MATERIALS BUT ALSO FOR EXAMPLE FACTORY SCRAPS/OFFCUTS WHERE POSSIBLE.

IF WE DO NOT DEFINE BIO-BASED CONTENT IN BIODEGRADABLE BIO PLASTICS AS BEING RECYCLED CARBON CONTENT AND THEREFORE TO BE CONSIDERED FOR THE 30% THRESHOLD, WE RISK CREATING A NEW BARRIER TO MARKET FOR INNOVATIVE MATERIALS ABLE TO BE RECYCLED IN THE ORGANIC BIOCYCLE, RESTRICTING POTENTIAL INVESTMENT IN THESE INDUSTRIES AS AUGURED BY THE HM GOVERNMENT BIOECONOMY STRATEGY PUBLISHED IN DECEMBER 2018.

**14 Do you agree with the government’s preferred approach of a single threshold, and why? If not, what alternative would be better, and what are the risks associated with this? Please explain your answer and provide any supporting information and evidence.**

Yes

**Optional text box:**

YES PROVIDED IT APPLIES TO ALL PLASTIC PACKAGING MATERIALS

**15 Assuming a single threshold, do you agree with a 30% threshold for recycled content and why?**

Yes

**Optional text box:**

YES, IT IS IN LINE WITH THE WRAP PLASTIC PACT (25%) AND EU LEGISLATIVE TARGETS SUCH AS THE SINGLE USE PLASTICS DIRECTIVE (30% RECYCLED CONTENT IN PET BOTTLES BY 2030)

**16 Are there any products for which it would be very challenging to increase the level of recycled content, and why? If so, please outline the effect of a tax on production decisions and consumption of these items.**

No

**Optional text box:**

FOR BIO-BASED AND BIODEGRADABLE PACKAGING RECOVERED THROUGH ORGANIC RECYCLING THERE ARE NO BARRIERS TO ADOPTING A 30% RENEWABLE CARBON CONTENT AND WE WOULD WELCOME THAT PERCENTAGE GROWING OVER TIME.

**17 Are there any products for which the use of recycled plastic is directly prohibited in packaging? If yes, please provide details on these products stating the relevant legislation and industry standards as well as the effect of a tax on production decisions and consumption of these items.**

No

**Optional text box:**

FOR BIO-BASED AND BIODEGRADABLE PRODUCTS AND MATERIALS THERE ARE NO KNOWN BARRIERS TO USE IF CONTAINING, OR NOT, UP TO 30% RENEWABLE CARBON, WITH PERHAPS THE EXCEPTION OF TRANSPORT OF HAZARDOUS MATERIALS.

**18 What evidence is currently held by liable manufacturers and importers on the levels of recycled content in their plastic packaging and how it might be able to meet the requirements of identifying recycled content levels?**

**Optional text box:**

BIO-BASED AND BIODEGRADABLE PRODUCERS ALREADY HOLD ALL THE INFORMATION REQUIRED TO DEMONSTRATE RENEWABLE CONTENT AND INTERNATIONAL TESTING STANDARDS EXIST (BSEN16640) TO VERIFY RENEWABLE CARBON CONTENT (C14). THESE ARE LOW COST AND EASILY UNDERTAKEN TESTING METHODS.

**19 If you are an importer of unfilled plastic packaging or plastic packaging material, what information do you hold on the recycled content? What controls or assurance do you have over the accuracy of this information? How might you influence the level of recycled plastic content?**

**Optional text box:**

AS ABOVE: BIO-BASED AND BIODEGRADABLE PACKAGING PRODUCERS HOLD ALL INFORMATION RELATIVE TO THE RENEWABLE CARBON

CONTENT IN THEIR MATERIALS, THAT CAN BE VERIFIED THROUGH THE ABOVE TESTING METHODS. CEN HAVE A STANDARD, BSEN16848 /2016 WHICH PROVIDES BUSINESS TO BUSINESS REPORTING A TEMPLATE DATA SHEET CONTAINING THE REQUIREMENTS NEEDED TO PROVE BIO-BASED CONTENT AND END OF LIFE RECOVERY (ORGANIC RECOVERY) .

## 5. Setting the tax rate

**20 Do you agree with the government's suggested approach of setting a flat rate per tonne of a plastic packaging product? Why?**

Don't know

**Optional text box:**

ANY TAXATION HAS TO HAVE THE FLEXIBILITY TO CONSIDER THE VOLATILITY OF VIRGIN PLASTIC PRICES OVER TIME. NEW PRODUCTION OF VIRGIN PLASTICS ESPECIALLY IN THE USA WILL POTENTIALLY DRIVE DOWN PLASTIC PRICES AND TAXATION SHOULD BE ABLE TO COMPENSATE FOR FALLING PRICES OVER TIME. OTHERWISE TAXATION WILL NOT DRIVE BEHAVIOUR CHANGE AS PRICE DECREASES WILL INCREASE THE PRICE DIFFERENTIAL NEGATIVELY BETWEEN PLASTICS AND RECYCLED PLASTICS.

THE TAX SHOULD BE INCREMENTAL OVER TIME TO ENCOURAGE CONTINUING DEVELOPMENT OF RECYCLING MARKETS AND BEHAVIOUR CHANGE. WHILST THE 30% THRESHOLD MAY BE REVIEWED AND INCREASED OVER TIME, THE TAXATION ON PLASTICS NOT MEETING THE NEW THRESHOLDS SHOULD ALSO INCREASE.

## 6. Liability for the tax

**21 Do you agree with the proposed points at which domestic or imported products would be liable for the tax? If not, at what point in the supply chain do you think the tax point should be and why?**

Don't know

**Optional text box:**

WE FEAR THAT EXCLUDING FILLED PLASTIC PACKAGING ENTERING THE MARKETPLACE WITHOUT TAXATION WOULD SIMPLY DRIVE THE SUPPLY CHAIN TO IMPORT MORE PACKAGED PRODUCTS RATHER THAN DRIVE PRODUCTION IN THE UK.

**22 Are there any situations where the proposed tax points would be administratively, practically or legally difficult? Please explain any adaptations that might be necessary.**

Don't know

**Optional text box:**

**23 If you are a business that produces or imports plastic packaging, how much of your yearly production, in tonnes, would you expect to be liable for the tax?**

**Optional text box:**

N/A

**24 Do you provide (manufacture or import) plastic material which could be used as packaging without knowing the final use of the product? Is this a common occurrence?**

Yes

**Optional text box:**

YES, OUR MEMBERS SELL COMPOSTABLE MATERIALS (E.G. RESINS) INTO THE MARKET AND WE DO NOT HAVE THE MEANS TO MEASURE AND ACCOUNT FOR ALL OF ITS USE. THE RESINS COULD BE CONVERTED INTO MANY DIFFERENT PRODUCTS BUT ONCE THE RESIN IS SOLD WE ARE NOT GENERALLY INFORMED WHICH USE THEY HAVE.

**25 Would you support extending joint and several liability for UK production, and for imports?**

Don't know

**OptionalTextBox:**

**26 Please outline any issues in relation to routine wastage or spillage that may have an impact the tax liability.**

**Optional text box:**

N/A

**27 Do you agree with the government's initial proposal that the tax at import should only apply to unfilled packaging? If not, what would the effects be? What alternative would you prefer and how would it work?**

No

**Optional text box:**

NO WE DO NOT AGREE, THE TAX SHOULD BE APPLIED TO PACKAGING WHETHER IT IS FILLED OR NOT.

## **7. Treatment of exports**

### **28 Do you agree with the government's suggested approach for crediting exports?**

Don't know

**Optional text box:**

### **29 Do you foresee any difficulties in providing appropriate records to demonstrate that packaging has been exported?**

Don't know

**Optional text box:**

## **8. Excluding small operators**

### **30 Do you agree that the government should seek to exclude small operators? If yes, what would the risks be if the government didn't do this?**

No

**Optional text box:**

MANY BBIA MEMBERS ARE SMEs. HOWEVER WE FEEL WE SHOULD ALL CONTRIBUTE AND PLAY OUR PART IN ENSURING THE TAXATION IS FAIRLY DISTRIBUTED ACROSS THE INDUSTRY.

THE BBIA endorses a level playing field for all and believes that smaller operators should not be excluded. This we believe applies to all future legislation regarding packaging. Therefore there should be no de minimis threshold. There are many businesses importing packaging below the current de minimis and for them to escape the tax seriously distorts the playing field.

For businesses below the VAT threshold a simplified process could be considered to simplify administration.

### **31 Would Option 1a, Option 1b or Option 2 best meet the government's objective of excluding small operators from the tax whilst ensuring the tax has a strong environmental rationale?**

Option 2

**Optional text box:**

No business placing plastic packaging on the market should be excluded from paying the tax if the threshold(s) are not met but if smaller producers are to be excluded then Option 2 is most logical as it could be developed to provide an incentive to smaller companies to encourage improvements.

Any measure based on turnover alone would need to consider whether this applies to total company turnover, or simply that relating to plastic packaging items only which would be difficult to isolate

### **32 What factors should the government consider when setting a threshold (either on volume or turnover) or a relief? Do you have any suggestions for appropriate levels? If so, please provide an explanation for why you believe this is appropriate.**

**Optional text box:**

N/A

### **33 Would having a de minimis create any significant risks to the effectiveness of the tax at import (including, but not limited to, treatment of multiple imports from the same exporter/manufacturer/brand owner)? If yes, please provide evidence and suggest any additional legislative or operational countermeasures.**

Don't know

**Optional text box:**

### **34 Do you anticipate any risks or issues that would arise from introducing a de minimis that aren't explored above? Please provide details.**

Don't know

**Optional text box:**

## **9. Registration and reporting**

### **35 Do you agree that the registration and reporting requirements outlined are appropriate? If not, please specify why.**

Don't know

Optional text box:

**36 Please provide details of the estimated one-off costs for registering with HMRC.**

Optional text box:

**37 Please provide details of the expected one-off and on-going costs of completing, filing, and paying the return.**

Optional text box:

## **10. Ensuring compliance**

**38 Is the government's suggested approach to compliance proportionate and appropriate? If not, please outline any scenarios that you anticipate may require bespoke compliance powers or penalties?**

Don't know

Optional text box:

**39 Are our anti-abuse proposals sufficient to tackle the risk of fragmentation (abuse of the de minimis or universal relief) from UK based plastic producers?**

Don't know

Optional text box:

**40 Is our approach regarding assuring the accuracy of declared recycled content appropriate? If not, please share any other suggestions you may have.**

Don't know

Optional text box:

**41 Do respondents believe that using UK based agents for non-established taxable persons may help support compliance?**

Don't know

Optional text box:

**42 Are there any further compliance risks that have not been addressed in this chapter, please provide details?**

Don't know

Optional text box:

## **11. Understanding commercial practices**

**43 If you are a business, what is your annual turnover?**

Optional text box:

**44 Are you currently obligated under the Packaging Producer Responsibility system?**

Not Applicable

**45 If you manufacture or handle plastic packaging, which sector(s) do you provide it to?**

Optional text box:

**46 If you manufacture or handle plastic packaging, can you please provide an overview of the types of plastic packaging products as well as the tonnages and the levels of recycled content in each? Do you expect this to change over the next 5 years?**

Optional text box:

**47 If you manufacture or handle plastic packaging, how much of this packaging is produced domestically, exported and/or imported?**

**Domestically:**

**Exported:**

**Imported:**

**48 If you process or handle recycled plastic, do you export or import any? If so, how much, and where from/to?**

Not Answered

**Optional text box:**

**49 If you manufacture plastic packaging, can you please provide an overview of the prices of some of your plastic packaging products. Can you also provide information on how these costs break down according to material costs, labour costs, other operating costs and profit?**

**Optional text box:**

**50 If you manufacture or handle plastic packaging, can you please describe how plastic packaging prices fluctuate? How much do prices vary, and what are the main causes, e.g.: fluctuations in exchange rate, oil and other commodity prices, etc.?**

**Optional text box:**

**51 If you manufacture or handle plastic packaging, how long does it take you (in months) to increase the recycled content of your product? What factors are important in determining this length of time?**

**Optional text box:**

**52 If you manufacture or handle plastic packaging, would the tax incentivise you to speed up any current plans to increase recycled content? To what extent? How quickly?**

**Optional text box:**

**53 If you manage waste, how long would it take you to set up the systems required to supply more plastic waste for recycling/recycle more plastic? How much could you produce?**

**Optional text box:**

**54 If you manufacture plastic packaging, how would the tax affect the amount and price of product you produce? In cases where you weren't able to increase recycled content, would you pass the price of the tax down the supply chain?**

**Optional text box:**

**55 Is there anything else you would like us to note about how your business operates and how you think it would be impacted by the tax?**

**Optional text box:**

## **12. Assessment of other impacts**

**56 Unless already covered in your responses to other questions within this document, is there anything else you would like us to note about the impact of the tax, especially any potentially adverse impacts on groups with protected characteristics?**

**Optional text box:**

We should underline that it is easy for those producing bio-based and biodegradable materials and packaging to demonstrate compliance to bio-based content in bio-plastics- there are the standards, the testing methodologies and the low cost of these enables HM Government to ensure compliance quickly and with certainty.

WE WISH ALSO TO EXPLAIN THE ACTIVITIES OF THE BBIA MEMBER HERE AND THE ROLE OF THE MATERIALS OUR MEMBERS PRODUCE:

We welcome HM Government's proposal to tax plastic packaging. Our members produce materials (see below) whose role is to reduce plastic packaging waste, increase and enhance the quality and quantity of food waste sent to recycling, and improve the recyclability, through organic recycling, of many plastics, especially films, which are currently not recyclable. Our products contain renewable carbon, being from partially or totally plant based sources, and contribute to the development of the bioeconomy in the UK. This means new employment and wealth created from innovative materials in which the UK can become leader. Whilst our sector is still small and growing, we believe that compostable plastics used in the right applications to be a response to some of the challenges of our time, notably climate change and plastic pollution.

The BBIA represents UK and non UK manufacturers and distributors of products, chemicals and materials that have a common identity in their sourcing (partially or totally bio-based which means derived from plants) and in their end-of-waste performance (biodegradable or compostable in various environments which could be natural – in the case of biolubricants - or in industrial composting, in the case of packaging).

The BBIA was established by seven founder members in June 2015 and currently comprises more 23 companies which produce biopolymers for onward conversion into products; building blocks for the chemical industry from bio-based sources that may be used in pharma, cosmetics, paints and coatings, as well as lubricants, packaging, pesticides; members also distribute and sell products in the UK market; and include associations, consultants and the Scottish IBIOIC. BBIA members represent most of the value chain in the production, conversion and treatment of compostable packaging materials.

BBIA is also a partner in two EU- financed research projects: under the Horizon 2020 grant for the Res Urbis project which researches into producing compostable materials using food waste as a feedstock, ending in December 2019; and in the BBI JU funding grant for Usable Packaging, a research project beginning in June 2019 for three years researching into producing compostable materials from industrial food waste such as from bakeries, wineries, pasta producers.

The scope for compostable packaging is contained in the new report called "Plastics in the Bioeconomy" commissioned by the Biomass Biorefinery Network (BBNet) and authored by Ricardo Energy & Environment and reaches a conclusion that the UK's compostable packaging market can grow to over 100,000 tonnes by 2025, which could drive value in excess of £267m annually to the UK bioeconomy.

More details about the BBIA can be found on [www.bbja.org.uk](http://www.bbja.org.uk) including reports and research undertaken on compostable packaging.

In the context of this consultation on the plastic tax, it is important to note that some compostable packaging materials can be defined as plastics i.e. produced from a high polymer; whilst others are produced from cellulose similar to paper and therefore would not consider themselves to be a plastic. It is important to note that only certified compostable packaging materials adhering to the BSEN13432 standard can be considered "biodegradable" as biodegradable in the context of packaging in itself has no legally binding meaning. Packaging materials adhering to the BSEN13432 standard meet the Essential Requirements and end of waste criteria when organically recycled through composting and Anaerobic Digestion into compost or digestate produced to the PAS 100/110 standards.

We emphasise the question of standards to avoid misconceptions over the role and place for compostable materials. Whilst producers are working towards common international standards on marine biodegradability, and voluntary standards already exist from the USA- the ASTM D 7801-05 and ASTM D 6691-09 for marine biodegradability - such standards however are not yet mandated under EU or UK law. Soil biodegradability of bio-plastics materials is a recent standard adopted for soil mulches (BSEN17033/2018) but not specifically yet relevant to compostable packaging.

We underline how the industries represented by BBIA are at the forefront of researching into novel products and materials that attempt to resolve issues related to dispersion of those materials into uncontrolled environments (littering). Our members spend large portions of their income in R&D to be able to respond to increasing calls for packaging materials to be biodegradable in all environments. Conversely compostable materials are subject to standards not only on biodegradability but also toxicity which other packaging materials are generally not subject to. Compostables have to be able to prove they are benign for the compost they help produce, for the soils they are spread upon, for plant life and for food contact. Plastic packaging, for example, is not subjected to such stringent and costly testing and the need to prove lack of environmental harm from their use.

We ask HM Government to note that the EU Single Use Plastic Directive, approved on March 27th 2019 and about to enter into force throughout the EU28 bans the sale and use of oxo degradable plastics, which are not to be confused with compostable plastics. Oxo degradable plastics should therefore be included within the scope of this taxation until such a time as they are eliminated from the UK marketplace.

The destination of compostable packaging materials is to end their life in composting and be recycled into soil improvers (fertilisers) recognised under UK law as those meeting the PAS100 standard or as digestate if derived from AD (PAS110). In the next weeks the revised European Fertiliser Regulation will be issued and a new Regulation will enter into force which recognises UK PAS100/110 standards as End of Waste standards for separately collected food waste treated in composting and anaerobic digestion.

BBIA members adhere to strict recognition of the internationally recognised standards and do not market materials with a generic "biodegradable" label which has no definition of time and place within which such biodegradation may take place and no relevant internationally recognised and harmonised supporting and binding standard.

We should also underline that organic recycling of compostable packaging materials through composting and anaerobic digestion is considered, in European and UK law, as equivalent to mechanical recycling. Many observers do not recognise this, but it is law (EU Directive 852/2018, article 4) For the purposes of calculating whether the targets laid down in points (f) to (i) of Article 6(1) have been attained, the amount of biodegradable packaging waste that enters aerobic or anaerobic treatment may be counted as recycled where that treatment generates compost, digestate, or other output with a similar quantity of recycled content in relation to input, which is to be used as a recycled product, material or substance. Where the output is used on land, Member States may count it as recycled only if this use results in benefits to agriculture or ecological improvement.