

AIPOLG

Agencies' and Industry Packaging Operational Liaison Group

Meeting notes of Telecon

9th September 2010

11:00 – 13:00

Attendees

Industry

Jeremy Bacon (compliance scheme), Sandeep Attwal (compliance scheme)
Tom Hemesley (direct registrant) and Adrian Hawkes (compliance scheme).

Agencies

Sue Stocks (EA), Carly Chambers (EA), Lyn Arnold (EA), Steven Skitt (EA),
Nathaniel Chalamanda (SEPA) Chris Grove (EA)

Apologies

Larry Mantell (reprocessor & scheme member), Eugene Kelly (NIEA)

1. AIPOLG representatives update

Jeremy Young (reprocessor) and Rosemary Campbell (direct registrant) are no longer able to attend AIPOLG meetings and suggestions for new members were requested. These are to be forwarded to Steven Skitt.

Action: All

2. Metrics

Carly Chambers gave an overview of the UK obligation and reprocessing / exporting figures as of the end of June.

2.1 UK Obligation

There are 6,597 registered producers with an obligation of 6.28M tonnes. This is a decrease from 2009 when there were 6,820 registered producers with an obligation of 6.84M tonnes. There have been no notable changes in specific material obligations compared to 2009.

2.2 Recovery and recycling.

Overall the combined reprocessing and exporting activity is up 4% on the same period last year, with reprocessing up 11% and exporting down 5%.

With the exception of Aluminium, reprocessing has increased for all materials in quarter 2, 2010 compared with quarter 2, 2009. The reason for the drop in Aluminium is that Q2, 2009 was particularly high and this has now dropped to "normal" levels.

The notable increases are;

- Steel reprocessing (up 74%), which is mainly due to increased operations.
- EFW (up 60%) due to 7 more accreditations in 2010.

Issues raised.

There was concern raised during the meeting that due to the relatively low prices of PRN's that there may be a decrease in reprocessor or exporter applications for 2011. This will be monitored during the application process over the next few months and findings reported at the next AIPOLG meeting.

The point was raised that due to the economic downturn people would be more likely to buy beer etc in cans rather than bottles (which tends to be more expensive) and this may affect the material obligation next year.

3. Regulators Activity

3.1 Environment agency

The EA have conducted 400 producer audits and have been auditing reprocessors and exporters. There are also plans to audit 8 compliance schemes over the next few weeks. As well as audits, desktop monitoring is also carried out, this includes comparison of significant changes to a company's obligation compared to previous years and comparison of quarterly returns from reprocessors and exporters to ensure data submitted is as accurate as possible.

570 public register drop-offs (registered 2009 but not 2010) have been investigated. Of these 54 registered late following contact by the Agency and 352 have supplied suitable reasons for not registering. 94 companies have gone into administration and further investigations on these will be carried out later in the year, the remaining 70 companies have been passed to local regional officers for formal investigation.

3.2 SEPA

The main focus has been on producer audits, 44 of the planned 80 audits as well as spot checks have already been carried out. 157 potential freeriders have been contacted, of these 113 cases have been resolved with 7 companies found to be obligated.

All compliance schemes will be audited this year.

3.3 NIEA

NIEA activities are based on the Compliance Monitoring Plan for 2010 which was published at the start of the year. We are currently on track to complete 100 producer audits this year which represents one quarter of the total number of registered producers. A number of compliance scheme audits are planned for autumn 2010, co-ordinated with EA and SEPA. We have targeted schemes that have not been visited in the last 1-2 years. Work on unregistered businesses is ongoing and we are on track to visit/check around 150 possible producers this year. A number of producers (~30) were unusually slow to re-register this year so there has been significant staff effort to bring these businesses into compliance since April.

4. Regulatory & Technical Issues

4.1 Regulation amendments

DEFRA have submitted the results of the consultation to ministers, but there is no update to report yet. The Agencies are preparing for possible changes that may occur due to the regulation amendments, in particular changes to NPWD that may be required.

Industry were concerned that uncertainty regarding recycling targets have delayed compliance schemes and direct registrants finalising contracts for PRN's. There was also concern that there could be difficulties with submitting 3 yrs plans and hoped there would be flexibility in submitting these.

It was not thought by the Agencies that changes to recycling targets would be significant enough to cause a problem in submitting 3yr operational plans, but if schemes or direct registrants did have problems then these would be considered.

The definition of the converting activity was also raised and the Agencies will make a technical decision on this when the amendments are made and we more information.

5. Actions from last meeting

5.1 Contacting companies house to send information to companies who go over the £2M threshold – This is not something that companies house would be able to do, but they have supplied the Agency with information that may help identify possible freeriders.

5.2 Removing outdated guidance from DEFRA website – Andy Doran has contacted DEFRA and they have agreed that this should be removed. This has not yet been done and Chris Grove will raise with DEFRA.

Action: CG to chase with DEFRA

5.3 Compliance scheme code of practice – There was a scheme meeting in July which opened the opportunity for further scheme input. 8 schemes have already agreed to work to the CoP and version 2 will be agreed in December after which it is hoped more schemes will sign up for 2011. Although this is an industry code, it will be the Agencies that determine who is meeting it.

5.4 Missed obligation due to contracted out packer filling – Nathaniel Chalamanda has had initial discussions with industry and does not feel that this is a major problem, although he feels that more investigation needs to be carried out. It was thought that packer fillers (particularly in the glass industry) could be asked to inform customers that use this service about their obligation under the packaging regulations

Action: Adrian Hawkes to supply further information to Nathaniel Chalamanda for investigation.

5.5 Copy of monitoring report to schemes – It has been agreed that the EA will now send a copy of the outcome letter to compliance schemes following an audit at one of their members, however the full report will not be sent to avoid breaches of commercial confidentiality.

5.6 Automated re-submission e-mail to schemes. – the automated e-mail system on NPWD that sends a notification to schemes when the Agencies requests a re-submission is working and the message to use this has been reinforced with Agency staff.

AOB
None.