

INTEREL GLOBAL PARTNERSHIP
SINGLE-USE PLASTICS GLOBAL WHITE PAPER

NO TIME TO WASTE

INSIGHTS INTO
SINGLE-USE PLASTICS
POLICY DEVELOPMENTS
FROM AROUND THE WORLD



THE INTERREL
GLOBAL
PARTNERSHIP

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ABOUT

INTRODUCTION

The world is finally waking up to the plastic pollution crisis impacting our waters and marine life, as well as the food chain and public health. As the policy discord around single-use plastics (SUPs) continues to gain momentum on the global stage, new and more strict initiatives to reduce or in some cases eliminate the consumption and sale of SUPs are popping up daily. In this paper we will cover efforts by countries across the Americas, EMEA, and Asia Pacific to lessen their environmental impact by restricting SUPs. We will be routinely updating this project with additional insights from the markets below as well as new contributors. From country-wide bans on plastic straws, bags, bottles, and more, to recycling programs and crackdowns on commercial and industrial polluters, one theme is ringing true: jump on the SUPs bandwagon now, because as far as our planet is concerned, *there's no time to waste*.

CONTRIBUTORS

The following white paper is a joint thought leadership project with contributions from our Interel offices and members of the Interel Global Partnership (IGP). The IGP is the world's largest network of independent public affairs and government relations firms managed centrally by Interel from its offices in Washington, Brussels, and Beijing. Comprised of the leading firms in their respective markets, the IGP covers more than 70 markets worldwide in EMEA, the Americas, and AsiaPac. With its unparalleled reach and policy expertise, the IGP offers international organizations a full-range of public affairs, government relations and association support almost anywhere in the world.



**NO TIME TO WASTE:
INSIGHTS INTO
SINGLE-USE
PLASTICS POLICY
DEVELOPMENTS
FROM AROUND THE
WORLD WILL GUIDE
YOU THROUGH THE
LATEST TRENDS IN
SUPS FROM LOCAL
EXPERTS IN A
DOZEN MARKETS**

WHERE WE'RE AT TODAY AMERICAS



- MEXICO - IGP Partner **Grupo Estrategia Politica**
- UNITED STATES - **Interel US**



MEXICO CONTRIBUTION BY GRUPO ESTRATEGIA POLITICA

Mexico has joined the proliferation of the plastic-free movement emerging around the world, including the European Union, through the regulation and prohibition of single-use plastics (SUPs).

As a result of new regulations, and in some cases prohibition, on SUPs across almost all Mexican states, the regulatory landscape for Mexican business has grown increasingly complicated. While most of these legislations are focused on the primary contributors to visual pollution - plastic bags, disposable cutlery, foam containers - pressure from NGOs and other groups has forced legislators to broaden bans to include an array of other basic plastic products including plastic rings and plastic beverage bottles. Local and federal congresses have seen bills multiply as policy makers feel more pressure by social influence of environmentally-conscious constituents.



Unfortunately, the rapid shift to ban single-use plastics can potentially create risk for Mexican business. The lack of an homogeneous regulatory framework in all states makes business operations and logistics, specifically for groups with a national presence, increasingly costly as numerous and sometimes contradictory regulations apply to the same product. Also a lack of technical expertise to regulate on the matter by some state-level legislators could result in confusing legislation or definitions, and even unconsidered negative consequences on the environment. Consequently, additional products or materials not intended to be included in the ban would fall victim to vague regulatory language and guidelines.

Ultimately, the current lack of interest by the Federal Government in this issue has created greater uncertainty within Mexican companies and among legislators from the President's Party, MORENA, as there is no clarity regarding the Administration's environmental agenda on this matter. While local and state SUP regulations continue to mount, affecting both national business and employment throughout Mexico, the issue will likely become a major topic of discussion by the Federal Congress.

UNITED STATES CONTRIBUTION BY INTEREL US



Currently, less than 10% of the plastic sold in the US each year is recycled; much of it ends up in landfills, some of it is burned, and millions of tons of plastic finds its way to our oceans. As the toll on our waters and marine life continues to rise, even President Trump, not known for his green agenda, has taken action to ensure the US is among the many countries around the world committing to SUP regulation and cleaner seas.

The wave of SUP reform reaches the US

In October of 2018, the President took a major step towards reducing single-use plastic and other marine debris pollution by enacting the Save Our Seas Act. The law reauthorized the National Oceanic and Atmospheric Administration's (NOAA) Marine Debris Program through 2022 at the formerly established level of \$10 million annually.

Then in June of 2019, ocean experts from organizations including the Ocean Conservancy and members of Congress introduced Save Our Seas Act 2.0 which builds on the original legislation by:

- Proposing a variety of new measures to bolster international engagement and cooperation to research and address the marine debris crisis;
- Committing resources to scientific research to better understand and address the root causes of plastic pollution, both in the US and around the world; and
- Recommending a variety of new efforts nationally to improve the waste management system with a focus on recycling infrastructure.

While at the federal-level the Save Our Seas legislation is evidence of advancement in the battle to reduce plastic pollution affecting the US, it is at the state-level where we are seeing the most commitment to single-use plastic regulation.

States set the benchmark for SUP legislation

Up until this point, despite aggressive pledges and legislation regarding recyclables and the reuse of plastic waste, a major hurdle has stood in the way: many policymakers at the state and local-level are trimming budgets for recycling programs and decreasing efforts to process scrap plastic due to high costs and a lack of infrastructure to process and reuse recycled plastics.

But in 2019 we saw a notable shift in the state and local approach to SUPs. In the past year, state lawmakers introduced at least 95 bills related to SUPs, specifically plastic bags, to reduce the US plastic pollution impact on the environment. As of August, eight states had enacted some form of regulation around SUPs: California, Connecticut, Delaware, Hawaii, Maine, New York, Oregon and Vermont. While some states are focusing on more effective recycling programs, others are imposing bans or fees to discourage or eliminate the use of plastic bags. And as far back as 2009, the District of Columbia implemented legislation requiring all businesses that sell food or alcohol to charge 5 cents for each carryout paper or plastic bag.

More recently in September of 2019, California proposed the most lofty US law against SUPs to-date, committing to 75% reduction in plastic waste and a phase out most single-use packaging by 2030. Companies that fail to comply face up to \$50,000 a day in fines. This legislation is noteworthy because it requires major companies with a reputation for negligent disposal of waste to take significant action to reduce their environmental footprint.

"Single-use plastic packaging is somewhat of a reckless convenience," said Geoff Shester of the environmental advocacy group Oceana, "But we can't just put the onus on consumers to solve the problem. We have to get industry involved."

While the bill's supporters say the government needs to hold corporations accountable for their role in

the "plastics crisis," the legislation is facing opposition from stakeholders including the plastics industry, downstream food and drink producers, and consumer goods manufacturers. The bill has been called "redundant" as many major US companies have already committed to reducing plastic waste. In addition, several amendments to the bill have already been passed in an effort to make the immediate responsibility of corporations less arduous.

What's next? And what about recycling infrastructure?

While state efforts to ban SUPs will certainly have an impact on the plastics crisis in the US, who will lead on the systemic lack of recycling programs still seen across much of the country as result of ineffective infrastructure?

One answer could be industry. In late October of 2019, three of the world's leading beverage producers - Coca-Cola, Pepsi Co., and KDP - announced the Every Bottle Back initiative, a joint effort with international NGO World Wildlife Fund. The program calls for an investment of more than \$100 million into reducing the industry's use of new plastic and investing in recycling infrastructure across the country. Consumer education and community outreach will also be a priority of the initiative; through on-pack bottle label messaging and social media campaigns, the initiative will promote the benefits of recycling and its role in the circular economy.

So, will Every Bottle Back be answer to US recycling infrastructure woes? In the past, bold corporate initiatives have often failed to reach their ambitious goals. Rather than taking responsibility for their role in plastic pollution, these initiatives can sometimes place the majority of the burden on consumer action and behavioral adjustments. Every Bottle Back alludes to this via the consumer education and community outreach portion of the agenda. Therefore, to ensure concrete action and accountability is taken by the primary contributors to plastic pollution, corporations, the federal government is stepping in.

Coinciding the Every Bottle Back announcement, U.S. Senator Tom Udall (D-N.M.) and U.S. Representative Alan Lowenthal (D-Calif.) revealed they are drafting major legislation, to be introduced this fall, to tackle the plastic waste crisis:

"In the coming days, we will be circulating a discussion draft of our landmark legislation to transform our antiquated and inefficient recycling system to put more responsibility on the producers who package and sell these products in our communities. One of the core principles of environmental law is 'the polluter pays,' and cleaning up and preventing plastic waste from entering our environment should not be the sole responsibility of the taxpayer. It is time for multi-billion-dollar companies who are seeing massive profits to step up and cover the costs of cleaning up the waste from their products."

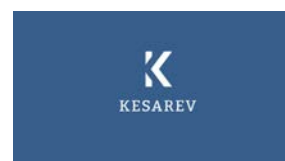
Regardless of who leads the charge on SUPs, the federal government, state government, or the private sector, one thing is certain: attitudes towards plastic pollution in the US are changing. No longer can the US turn a blind eye towards the overflowing mounds of plastic trash on our beaches, in our rivers, and pouring out of our landfills. We need infrastructure investments and cooperation from both government and industry to "turn the tide on the plastic waste tsunami that is flooding our communities and threatening our future."



WHERE WE'RE AT TODAY EMEA



- EUROPEAN UNION - **Interel EU**
- UNITED KINGDOM - **Interel UK**
- IRELAND - **IGP Partner MKC Communications**
- AUSTRIA - IGP Partner **Communication Matters**
- RUSSIA & EURASIAN ECONOMIC UNION - IGP Partner **Kesarev**



EUROPEAN UNION CONTRIBUTION BY INTEREL EU

The Juncker Commission (2014-2019) motto since the beginning was to focus on “the things that matter,” implying that this was going to be a Commission with a small number of legislative initiatives. Many interpreted this as an “industry friendly” approach and were expecting calm days ahead. However, Juncker’s team did exactly what it said it would do: to put a strong focus on the things that matter. **And clearly circular economy mattered to them.**

The concept of circular economy landed officially in Brussels at the end of 2015, with the “circular economy package”; by now it has become the new religion for the EU (unchallengeable, expansionist and providing a clear aim to achieve). It has been a policy tsunami that has soaked every EU policy that had something to do with the environment - even if remotely. Its motto consists of 3 “R”s: Reduce, Reuse and Recycle.

The circular economy has deep implications. It is not only changing the way we produce, but the way we consume as well - packaging will indeed change, but also levels of consumption: the question “do we really need all this?” is out there and being mainstreamed.

Within the path to achieve a circular economy, plastics are seen as the biggest problem, given that many plastics are not recycled and, even worse, when littered they do not degrade within a reasonable time frame and end up as microparticles in our water, air, food and bodies.

It is in this context where a proposal for a Directive on Single-Use Plastics saw the light in May 2018. It aimed to address plastic items most commonly found on beaches.

This is probably the EU initiative that has garnered the most interest so far amongst common European citizens; it was highly political and rushed, as decision makers had a hard deadline: the European elections in May 2019. If on average the legislative process in the EU takes about 2 years, the SUP Directive was negotiated within 8 months.

A direct consequence of this rush is that many key aspects of the Directive, starting from the definition (“what is actually considered a SUP?”) are being defined now, in the implementation phase. Besides the definition, guidelines and standards being drafted as we speak on tethered caps, also are rules for calculation of recycled content, criteria to establish the costs of cleaning up litter, verification of separate collection targets and format for reporting.

*Circular Economy in the
new legislative term*

Until now, the circular economy has been ruling on its own... but these times are over. There has been an outcry from an array of stakeholders, but especially from industry, to align the EU’s circular economy and climate policies. This adds a layer of complexity, as now the three “R”s need to abide to the overarching goal of reducing CO2 emissions in a more concrete way.

There will be one person in the new European Commission making sure that circular economy and climate policies are aligned, as he will be in charge of both. Moreover, he will be one of the three Executive Vice-Presidents of the Commission. This formidable accumulation of power formerly under Frans Timmermans, who was probably the most powerful Commissioner in the previous Commission, gives an idea of how important the green agenda is going to be for the EU in the coming years.

UNITED KINGDOM CONTRIBUTION BY INTEREL UK

In 2017, Sir David Attenborough took to the nation's television screens for the second installment of his now iconic Blue Planet series. Viewers saw sea turtles trapped in plastic bags, a whale playing with a discarded plastic bucket and an albatross dying from ingesting a plastic toothpick. UK eyes were opened to the scourge of plastic in our oceans, all 8 million tons of it, and heartbroken viewers called for action.

Spurred on by national media, including Sky's Ocean Rescue Campaign, which saw a giant plastic whale tour key UK landmarks, addressing plastic pollution became a public priority. A recent poll by YouGov found over a quarter (27%) of Britons now cite the environment in their top three issues facing the country, putting it behind only Brexit (67%) and health (32%). Another survey revealed that 70% of people in the UK think that there should be a complete ban on all single-use plastic items.

Politically, Michael Gove, the former Environment Secretary, fully embraced the environment zeitgeist. Keen to revitalize his image, and that of the Conservative Party's, he transformed from a "shy green" into a "full-throated environmentalist." We saw the rapid development of policies to reduce the use of plastics that contribute to pollution, broader steps to encourage recycling and the more thoughtful use of resources. In January 2018, he launched an ambitious 25 Year Environment Plan and, following that, the Waste and Resources Strategy in December 2018. This strategy announced a series of measures including the introduction of a Deposit Return Scheme, Extended Producer Responsibility, a new tax on plastic packaging with less than 30% recycled materials and a ban on the sale of plastic straws, plastic drinks stirrers and plastic-stemmed cotton buds.



These policy measures were first developed under Theresa May's premiership while UK current Prime Minister, Boris Johnson, has also talked up his green credentials. The country even saw a moment at the recent Conservative Party Conference where Johnson's Operations Director snatched away his disposable coffee cup after it had only just been handed to him, demonstrating the desire to build a greener image that appeals to the electorate.

In Parliament, mentions of SUPs have more than doubled in the last two years and Members of Parliament are taking action by giving up single-use plastics and taking part in beach clean-ups. Action on waste and recycling is a priority for all the political parties and the only real debate is how quickly measures can be implemented.

On the 15th of October 2019, the Government introduced its landmark Environment Bill which will pave the way for the policies announced in the Waste and Resources Strategy and creates a new environment watchdog. This bill will be the focus of lobbying activity in the months to come. In addition to further consultations from the Government in early 2020 on the detailed design of a Deposit Return Scheme and Extended Producer Responsibility.

In the UK, the vast majority of the public, politicians and business are now being called to live up to their responsibilities to look after our environment. We have seen business innovation, a change in consumer habits, and environmental policies will feature heavily in the forthcoming political party manifestos.

Sir David Attenborough recently told parliament "I suspect that we are right now at the beginning of a big change" and that is undoubtedly true. Yet, with Brexit providing political uncertainty and a General election on the near horizon, progress towards implementing these policies will be slow. In a country of increasingly purpose-led politics, UK representatives must ensure they keep pace with the desire to tread more lightly on our planet.



IRELAND CONTRIBUTION BY MKC COMMUNICATIONS

In May 2019, the Government of Ireland declared a climate and biodiversity emergency, signaling its intent to address climate change and related environmental sustainability issues. The top producer of plastic waste in Europe, Ireland generates 61kg of plastic waste per head of population – which is twice the EU average.

Ireland has already committed to reducing single-use plastics, in line with the recent European Union vote to ban single-use plastics by 2021. However, even before the EU ruling in March 2019, steps were being taken in Ireland to support the elimination of SUPs. All Government departments, public bodies, and schools have been banned from purchasing single-use plastic cups, cutlery and straws (since January 2019), except where specific public health/hygiene or safety issues arise. All public bodies are now also preparing to report back on the measures being taken to minimize waste generation and to maximize recycling, with reports due by November 2019.

The Irish Government has acknowledged it is “off-course” in its response to climate disruption but that it is hopeful that steps such as these initial SUP regulations will lead to wider adoption of the banning and elimination of single-use-plastics across society. For example, the movement to ban SUPs throughout the EU has also led to discussions in Ireland around obligations for all producers of packaging – including retailers – which are set out in the European Union (Packaging) Regulations 2014.

As in many other countries, sellers of electronics and mechanical goods are obliged to receive returns of packaging waste from consumers, including plastics.

Many of Ireland’s major supermarket chains are members of Repak, a not-for-profit company which operates as a compliance scheme for packaging recovery. As a consequence, supermarkets, such as Repak members, are relieved of the obligation to offer customers removal of their packaging waste. With that said, many large retailers are responding to increased public support for the elimination of single-use-plastics through commitments to reducing and removing their SUP usage in the coming years. A number of supermarket chains are piloting programs to allow their customers to shed packaging into receptacles at the cash desk/point of sale.

At a domestic level, measures have been put in place where there is substantial recycling of rigid and semi-rigid plastic waste including SUPs such as separate waste containers for different materials. Ireland currently recycles 33% of all plastics using varied recycling tactics and processes. As the conversation surrounding SUPs continues to evolve at the domestic level, ambitious new plastic recycling targets have been set of 50% by 2025 and 55% by 2030.

But in reality, will Ireland be able to achieve these lofty goals? The country does in fact have a strong record in implementing decisive environmental and public health measures. The Government implemented a tax on plastic carrier bags in March 2002, virtually eliminating by 90% the use of single-use/disposable plastic bags in one fell swoop in favor of reusable bags. Ireland was also the first country in the world to implement an outright ban on smoking in workplaces in 2004, effectively eliminating smoking and passive smoking from all workplaces and premises frequented by the general public. So as far as SUPs are concerned, Ireland may end up as one of the leaders of the “anti-plastic pollution” movement in Europe.

AUSTRIA CONTRIBUTION BY COMMUNICATION MATTERS

The debate on environmental pollution through plastic products in Austria has been ongoing for quite some time, while single-use plastic products have been at the center of the debate. The European Union has taken and is continuing to take action against SUPs with its Directive (EU) 2019/904 of the European Parliament and of the Council of June 4, 2019 on the reduction of the impact of certain plastic products on the environment, or in short, the EU-directive on SUPs. NGOs and European civil society in particular have triggered this development by exerting pressure on stakeholders for stricter legislation.

The Directive, which was passed in the European Parliament in March 2019, requires the replacement of disposable plastic by more “environmentally friendly” products by 2021. A significant majority of Austrian MEPs voted in favor of the Directive, however it should be noted the previous government also welcomed this European initiative. According to the former government, the Austrian Presidency of the European Council in 2018 had preliminarily taken this issue forward.

The SUPs Directive specifically targets disposable plastic products, which in most cases can already be replaced by alternative products such as cotton swabs, disposable cutlery and drinking straws. Further bans are still being negotiated. Member States are moreover encouraged to take awareness-raising measures to prevent the increased consumption of other disposable plastic products, which currently cannot be replaced sustainably. A wide range of industries are and will be affected by directives of this kind.

Apart from plastic manufacturers, tobacco manufacturers, for example, will be affected as they have to contribute to covering the costs of waste management and awareness-raising measures concerning cigarette filters and their environmental impact while manufacturers of fishing gear will have to bear the costs of collecting nets lost at the sea.

Despite Austria's political turbulence - the former coalition government lost a no confidence vote and was dismissed in May 2019 while a technocratic interim government installed - the Austrian National Council passed the planned plastic ban on July 2, 2019, which will take effect in January 2020. This makes Austria the third country in Europe to issue such a ban. Former Minister for Sustainability, Elisabeth Köstinger, promised a rapid implementation of the SUPs Directive and announced a further ban of plastic bags in Austria also starting in January 2020, as well as the addition of microplastic particles in goods ranging from cosmetics to detergents (barring no European solution decided upon in advance).

Recently, Parliamentary elections in Austria took place on September 29 with Austria's Peoples Party (ÖVP) winning the elections with 37.5% of the vote. It remains to be seen with whom the ÖVP forms a government given ongoing intranational political strife. If, however, the parties stick to their election campaign positions, it looks like no matter who will govern, the SUPs Directive will be implemented rather quickly, and further steps will follow.

RUSSIA CONTRIBUTION BY KESAREV



SINCE ABOUT 2016 THERE HAVE BEEN OCCASIONAL PROPOSALS ON SUPS REGULATION IN RUSSIA WITH LITTLE SUPPORT...THAT IS STARTING TO CHANGE.

Amid the growing global movement to tackle plastic pollution, Russia's position on the problem sees a gradual change from "limited or almost no activity" to "discussion and action in case of feasibility" approach.

Since about 2016, there have been occasional proposals on single-use plastics (SUPs) regulation in Russia but they have failed to garner support among stakeholders and were not further discussed.

However, the recent adoption of the EU Single-Use Plastics Directive has provoked more active discussion on measures to reduce plastic waste.

Regulatory proposals and prospects for their implementation

Following the EU SUPs regulation developments, several Russian stakeholders (Ministry of Natural Resources, etc.) have proposed to consider restricting sale and production of SUPs on a step-by-step basis.

While the discussion is in the initial stages, the prospects for the proposal's implementation are unclear. The introduction of restrictions would be possible if considered economically feasible and broadly supported by stakeholders, including high-level officials (President, PM, etc.) that have not been

involved in the policy-making process for SUPs regulation thus far.

Apart from the above mentioned proposal, other regulatory initiatives may also appear on the radar if discussion continues. The proposals put forward in the recent years signify the following possible policy directions besides restrictions:

- Introduction of fees for SUPs, primarily plastic bags and cutlery, which may incur additional expenses for businesses.
- Increasing waste fee rates for some products, including plastic packaging (although formally companies may not pay the waste fee if they ensure product recycling, the lack of recycling facilities in Russia makes the fee almost inevitable). This creates risks of additional burden not only for producers

of SUPs, but also for or manufacturers of other plastic products like plastic bottles as they may also fall under waste fee regulation.

Generally, the development of SUPs regulation will depend on whether the discussion continues and attracts the interest of key governmental stakeholders or is put on hold if regulatory measures are perceived as over-restrictive.

EURASIAN ECONOMIC UNION

The Eurasian Economic Union (EAEU), a regional economic integration union comprising Armenia, Belarus, Kazakhstan, Kyrgyzstan and Russia, currently establishes safety requirements for plastic packaging and cutlery. Other issues regarding production, sale, and disposal of plastics are regulated at the national level, i.e. at the level of the EAEU member-states.

In 2019, Belarus proposed to prohibit the use of single-use packaging made from non-recyclable plastics in the EAEU as part of supranational technical regulations. The initiative was driven by the country's internal plastic agenda and development of EU plastic regulation. Since adoption of EAEU technical regulations and amendments to them requires consensus of all EAEU member-states; Belarus' proposal can be implemented only if approved unanimously. The EAEU bodies and member-states have not stated their position on the SUPs issue yet.

Overall, the introduction of changes on plastic regulation at the EAEU-level in the mid-term prospect is unlikely due to a complicated decision-making procedure in the EAEU and involvement of a large number of stakeholders (EAEU authorities, national regulators, businesses, etc.) in this process.

WHERE WE'RE AT TODAY ASIA PACIFIC



- AUSTRALIA - IGP Partner **GRACosway**
- CHINA - **Interel China**
- JAPAN - IGP Partner **GR Group**
- KOREA - IGP Partner **GR Group**



AUSTRALIA CONTRIBUTION BY GRACOSWAY

Australia is well-advanced down the path of phasing-out single-use plastics (SUPs). This is being pursued at a state and territory government level, rather than via federal legislation. As of August 2019, SUPs bans have been implemented or are pending in all Australian states and territories with the exception of New South Wales. This began with the passage of the Plastic Shopping Bags (Waste Avoidance) Act 2008 (SA), which came into effect in South Australia in mid-2009. More recently, several state governments have flagged the development of new legislation that, if passed, will extend the ban to items such as plastic straws, cutlery and drink stirrers, and potentially polystyrene cups and containers.



The phase-out of SUPs nationally has also been supported by major food retailers. From mid-2018, Australia's two largest supermarket chains, Coles and Woolworths, began phasing out lightweight plastic bags and introduced a new framework where they offered consumers an alternative, more permanent or recyclable bags to purchase in-store. This was initially met with a public backlash, supported by vocal conservative media commentators, but ultimately led to an 80% drop in the consumption of single-use bags across Australia. Other national retailers such as Harris Farms, Craveable Brands, Bunnings Warehouse, Target and Kmart Australia have each committed to or have already implemented a ban on SUPs.

Neighbouring New Zealand introduced a ban on thin plastic bags this year, and according to public opinion polls, the Government is under increasing pressure to extend this ban to further SUPs.

During the May 2019 Federal Election, all major parties presented policies surrounding recycling and SUPs. The prevailing Liberal-National Coalition, short of announcing a ban on SUPs, announced funding for investment aimed at accelerating work on recycling schemes. Prime Minister Scott Morrison has spoken publicly about the issue, flagging the importance of reducing plastic pollution to younger voters. Federal Environment Minister Sussan Ley has said the Government is embracing "heavy-handed action" on the issue and has announced a November meeting with state Environment Ministers to look at policy and business opportunities arising from enhanced action on recycling.

CHINA CONTRIBUTION BY INTEREL CHINA

Rising concern about plastics

Concern about plastics in China is starting to rise. This started with the award-winning independent documentary "Plastic China" in early 2016, the story of how China has become a "waste dump" for the world's used plastics. More recently, national TV posted on social media about plastic wastes in the ocean on social media channel Weibo, receiving over 20,000 reposts. Most importantly, President Xi himself is rumored to have taken an interest after watching a documentary on the subject.

Falling space in landfill sites is leading to increased waste incineration, but this causes air pollution, another issue that is increasingly high in public consciousness. Furthermore, new incinerators are unpopular and can lead to protests from local residents, with one in Tianjin notable for being successful.

The result is a Chinese government starting to realize that failure to sort waste has health implications.

Low public awareness about recycling

Attention to plastic packaging and recycling concerns are rising in China, albeit starting from a very low base.

Unfortunately, recycling awareness amongst the public is extremely low. Waste recycling efforts in China are best known for how migrant workers and/or poor elderly picking used consumer drinks bottles from waste bins, and how existing 'recyclable'/non-recyclable' street waste bins are universally used together.

However, the government has realized that this is a problem: Academic Zhou Ke, a law professor specializing in environmental



protection at Renmin University, China's leading political/social science university (with very strong links to central government), has been quoted widely in media saying how:

"Lack of public awareness about the dangers of plastic use and weak enforcement has hampered the fight against 'white pollution,'"

"China could look to some developed countries and enact laws to raise awareness of environmental protection."

*Policy changes starting,
and will come fast*

December 31, 2017, was a moment where the world suddenly shifted in the recycling industry: China announced a unilateral ban on imports of foreign waste products. This was serious, causing a recycling crisis in the West, while at the same time China received some 45% of the world's plastic waste imports.

In China, when central Government really focuses, changes can come fast. China's State Council (its Cabinet) has tasked forty-six cities to develop comprehensive plans on how to sort, transfer and dispose of waste and reach a recycling rate of at least 35% by 2020. This is a massive and optimistic target and heralds major changes.

Shanghai has begun to implement a Western-style waste sorting system, while Shenzhen has become the first city to begin fining individuals and businesses that fail to separate kitchen waste from other types of waste.

That being said, there is still a long way to go, with one survey from December 2018 noting that nearly three-quarters of urban residents in China were unable to correctly identify how to sort their waste.

Moving forward, one can expect:

- New regulation - this will include a mixture of incentives and punishments, perhaps linked to China's new Social Credit System;
- New recycling awareness public education programs; and
- Crackdowns on 'bad' plastics producers, 'wasteful' commercial or industrial plastics users. Foreign companies with poor records are likely to be included as part of this initiative.



JAPAN CONTRIBUTION BY GR GROUP

Japan published its “Plastic Resource Circulation Strategy” aimed at facilitating the reduction of plastic products, including single-use plastics (SUPs) through the 3Rs (reduce, reuse and recycle) in May 2019, right before the G20 Summit held in Osaka.

Japan has faced harsh criticisms from environmental NGOs and other environmentally conscious groups for refusing to endorse the Ocean Plastics Charter at the G7 Charlevoix Summit held in June 2018. For this reason, along with a rising protest movement against marine plastic waste worldwide, Japan’s Ministry of Environment (MoE) as well as Ministry of Economy, Trade and Industry (METI) have been working towards the reduction of plastic wastes. In June 2018, the National Diet passed a bill calling on manufacturers to stop using microplastic in their products and the “Plastics Resource Circulation Strategy” emphasizes cutting the usage of SUPs via actions including a surcharge for disposable bags in supermarkets.

With the 2019 G20 Summit and Ministerial Meeting adopting a framework for measures on marine plastic wastes, further actions can be expected on reducing marine plastics and SUPs. Upon his inauguration after a Cabinet reshuffle this September, newly appointed Minister of Environment Shinjiro Koizumi expressed his determination in solving the marine plastic problem, commenting that innovation is the key to tackle current environmental issues.

Nevertheless, Japan remains the world’s second largest producer of plastic waste per capita after the US. Despite its recent policies and G20 Leaders’ Declaration on plastic wastes in Osaka, Japan is still doubted for taking delayed and insufficient efforts. While a compulsory charge on plastic bags will be considered symbolic, businesses are anticipated to take more real actions in eliminating and shifting to reusables rather than merely recyclables.

In short, although the current trend of reducing SUPs is incontestable in Japan with the overall direction decided by the MoE, concrete programs and measures have yet to be seen. Detailed actions other than voluntary approaches by the business community will have to be considered to drive policy.

KOREA CONTRIBUTION BY GR GROUP

Fundamental changes to the approach to managing recyclable waste are underway in the Republic of Korea, a shift some media outlets have termed a “Waste Disturbance.”

Korea ranks number one in the world in annual plastic consumption per person and number two in terms of plastic packaging material usage (2016, EUROMAP report). This fact, coupled with growing public concerns over single-use plastics (SUPs) and China’s recent ban on the import of plastic waste, are the driving forces for the new approach. However, due to the fundamental problems of the current recycling system, the government is trying to introduce a better systematic approach to the management of recyclable waste.

Recently, the government has set up a “comprehensive measure for recycling waste management” aimed at improving the waste disposal problem. The plan is to achieve a 50% reduction of plastic and a recycling rate of over 90% by 2030. On August 28, the Ministry of Environment pre-announced the amendment “Resources Saving and Recycling Act”, allowing a public hearing period for 40 days. The amendment will be implemented on December 25, 2019.

Through this amendment, packaging materials made of PVC that are difficult to recycle, colored PET bottles and PET bottle labels using general adhesives will be prohibited.

Packaging materials will be graded into four levels -- Best, Good, Normal, and Difficult -- based on their ease of recycling. The amendment will be applied initially to water and beverage bottles, which accounted for 67% of total PET bottles in 2017. Products included in the ban list will be subjected to an



improvement order, and failure to improve one year after the order will result in a suspension of sales or fine of up to 1 billion won.

Despite the merit of introducing the new regulations, businesses may face difficulties from having to constantly follow changing laws and regulations until the government has developed holistic and detailed guidelines.

There are also a number of bills initiated by central/local governments and the National Assembly to tackle the issue. However, there are growing concerns that, due to the government’s lack of understanding of the issue and generally populist approach to policy, these efforts could result in more confusing legislation or definitions, and even unexpected changes that would impose unrealistic demands on businesses.

All in all, it is a critical time for Korean business to make their voice heard by the key stakeholders (Government, National Assembly and NGOs) who are leading the SUP charge and involved in the legislation process. As part of this effort, there could be possible discrimination towards multinational companies, so it is highly recommended that such companies monitor developments carefully and work closely with industry associations, foreign governments and related industry/academic experts in order to be treated fairly and transparently.

WHERE WE GO FROM HERE



Single-use plastics are permeating the political narrative worldwide. The term "SUP" has become synonymous with pollution and environmental burden. With the growing number of restrictive SUPs legislation popping up from every corner of the globe, we cannot deny the huge impact they will have on governments, industry, nonprofits, and consumer behavior. But simply instituting regulation isn't enough— decision makers need local insights into the potential risks they're facing in order mitigate missteps and take the best action moving forward. Representatives from every sector need a seat at the table to come up with smart policies and programs we can all live with.

This is where we come in. With its unparalleled reach and policy expertise, the Interel Global Partnership offers international organizations a full-range of public affairs and government relations in a single market and across borders. We provide strategic guidance and on-the-ground solutions with seamless service and senior-level oversight. Through its unique ability to combine global strategy with expert local support, the IGP will help inform and implement your international public affairs strategies, creating impact with your stakeholders critical to the success of your mission worldwide.

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