

How Brexit will affect UK resource efficiency

Briefing for parliamentarians and policy makers
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Waste and resource legislation governs the management of natural and manmade materials in areas like packaging, electronics, vehicles and chemicals. To date, EU and UK policy has focused on what happens when material becomes waste. With half of the UK's recycling going overseas, more than £3.8 billion of usable resources going to landfill and incineration each year, and little policy which minimises waste and improves resource efficiency, there is potential to achieve much more.¹

After decades of simply transcribing EU directives, Defra will become responsible for the approach to, and primary legislation on, UK resources following Brexit. Its first job will be to convert over 1,100 core pieces of EU legislation directly applicable to environmental policy and national implementation. It has also already announced a new resources and waste strategy. In it, the government must make a choice: embrace a progressive resource efficiency agenda or revert to waste management, to the detriment of the economy, human health and the environment.

Avoiding resource risks: summary of recommendations

- Adopt recycling targets of at least 65 per cent and enhance them with goals for waste minimisation and resource productivity.
- Use the EU (Withdrawal) Bill to bring across the entire EU framework for managing waste, including underlying principles, definitions and case law.
- Co-operate with the EU on ecodesign standards to lower emissions and consumer bills, and facilitate frictionless trade.
- Negotiate full participation in the world-leading REACH chemical regime.

The Brexit risks and opportunities for resources

1. Recycling targets

Risk: If the UK chooses not to transcribe the EU's forthcoming Circular Economy Package, England will have no recycling targets from 2020. Without targets to drive action, English recycling rates will continue to fall, resulting in:

- the destruction of at least £3.8 billion of valuable resources each year;
- higher carbon emissions;
- increased pollution from landfill and incineration; and
- harm to businesses, including those that have invested in recycling infrastructure.

Recommendation: England should set a target for higher recycling of at least 65 per cent by 2030. Wales currently recycles 64 per cent of its municipal waste (compared to 44 per cent in England), saving its councils £10.7 million a year, as of 2014.² Matching this in England would result in annual waste sector, greenhouse gas emission and social savings of at least £10 billion, according to Defra analysis. As household waste comprises only 13.7 per cent of the UK's total waste, targets and supporting policy to increase recycling of commercial and industrial waste, as well as to minimise all waste and increase resource productivity, would have much greater benefits still.³

2. Waste rules, definitions and principles

Risk: As it stands, the Withdrawal Bill will not bring across some of the waste rules that prevent environmental hazards, including illegal waste burning, dumping in rivers and fly-tipping, because they are not directives. Existing regulations and accompanying EU case law – guided by principles including polluter pays and the precautionary principle – are highly complex and interdependent. They also continually evolve to incorporate technological progress, address new environmental risks and maintain regulatory equivalence to facilitate trade. Abandoning the rules would also increase opportunities for waste crime, which already costs the UK £1 billion a year, according to industry and the Environment Agency.⁴

Recommendation: The Withdrawal Bill should bring across the entire framework for managing waste, including underlying principles, definitions and accompanying case law. As different national interpretations of waste regulations hamper cross border trade in secondary resources, the UK should also continue to co-operate with other EU countries to improve the system further.

3. Ecodesign standards

Risk: The UK might get rid of standards for energy using products or not adopt future changes because of false claims that rules around toasters, vacuum cleaners and energy efficient lightbulbs harm consumers. In fact, ecodesign regulations have led to design innovations that benefit UK consumers, saving them £290 a year on average on energy bills and, for instance, creating more effective, longer lasting vacuum cleaners.⁵ Abandoning ecodesign would hinder trade between UK businesses and the EU, and could see UK manufacturers undermined by shoddy, low quality imports.

Recommendation: The UK should continue to co-operate with Europe to develop and apply product standards. This would enable trade and ensure improvements in product design, making products more energy efficient, durable and repairable. This, in turn, could enable the electronics industry to realise £4.4 billion in financial

benefits by 2025, while preventing one million tonnes of waste and saving 14 million tonnes of CO₂ emissions annually.⁶

4. Chemicals regulation

Risk: The UK government has said it will withdraw from the REACH (Registration, Evaluation, Authorisation and restriction of Chemicals) regime on the basis of a red line on the jurisdiction of European courts. REACH was established to address health risks from cancers, endocrine disruptions and environmental harm in Europe. It has taken ten years to develop a comprehensive database assessing safety risks and regulating tens of thousands of substances. Attempting to create a UK equivalent would be enormously time-consuming and expensive. A pro rata distribution of current contributions for the annual running of a chemical agency is likely to exceed £10 million, before any set up costs are included.⁷

Recommendation: The UK should negotiate continued participation in the REACH regime, which would require accepting European court jurisdiction in this area. This is necessary to keep the same levels of protection from chemicals in the UK. Negotiating full access to the regime would have other benefits, including: preventing non-tariff barriers to trade; protecting businesses from the unnecessary costs and the burden of registering with two systems; and keeping animal testing to a minimum, as a UK system would require the duplication of research.

Conclusion

Brexit could be seismic for the UK's management and use of natural resources, as the UK and devolved governments are expected to assume full responsibility for policy, and Defra will be creating the first dedicated strategy in England in over a decade. The potential benefits of getting this right are huge: improving how we use resources would allow the UK to meet its carbon targets while also delivering more than £9.1 billion in economy wide gross value added.⁸ The recommendations set out here will help to realise these benefits, protect human health and secure business access to vital European markets.

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Endnotes

- ¹ Green Alliance, 24 March 2014, *More jobs, less carbon: why we need landfill bans*
- ² Resource, October 2014, *Collaborative Change Programme saves councils £10.7m*
- ³ Defra, December 2016, *UK statistics on waste*
- ⁴ *The Guardian*, September 2016, *Waste crime is "the new narcotics", says Environment Agency chief*
- ⁵ Ecofys, October 2016, *Benefits of ecodesign for EU households*
- ⁶ WRAP, July 2017, *Switched on to value: powering business change*
- ⁷ EAC, April 2017, *The future of chemicals regulation after the EU referendum*
- ⁸ According to CIE-MAP, 2016, *Resource consumption, industrial strategy and UK carbon budgets*, best practice resource policies could save 162 megatonnes of CO₂e by 2032, which, when added to known and planned climate policies, would allow the UK to meet its carbon budgets. Financial figures from Eunomia, 2016, *A resourceful future: expanding the UK economy*

Greener UK is working with the Circular Economy Task Force, a business group that is a forum for policy, innovation and business thinking on resource use in the UK.



Greener UK is a group of 13 major environmental organisations, with a combined public membership of over eight million, united in the belief that leaving the EU is a pivotal moment to restore and enhance the UK's environment.

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