

PRN Market Press Release

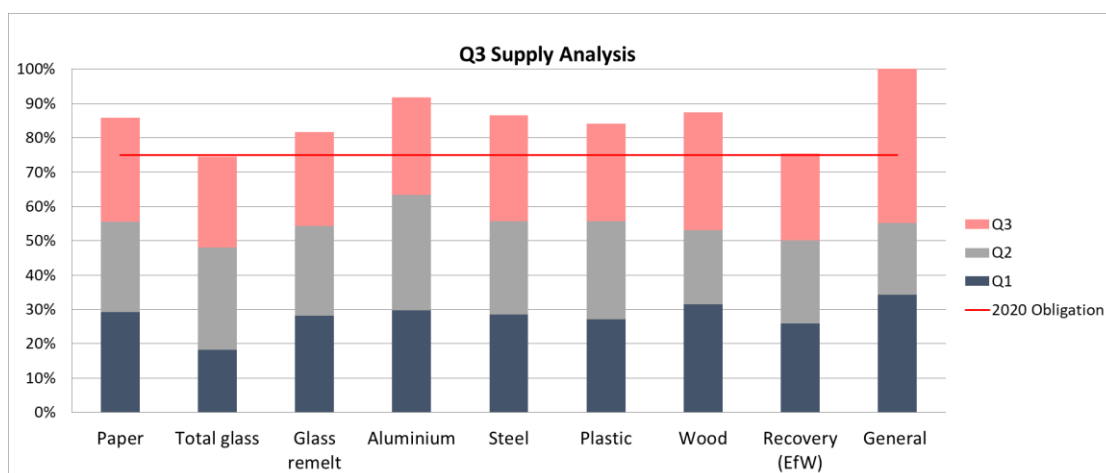
2020 Q3 Interim Recovery and Recycling Summary

A comment from Head of Trading, Tom Rickerby

“The release of the Q3 PRN supply data has provided further evidence of the resilience of the UK recycling sector in the face of the ongoing Covid-19 crisis. Steel, Aluminium and Plastic continue to show consistently strong returns, whilst Paper, Wood and Glass have rebounded to pre-Covid-19 levels following a contraction during Q2’s national lockdown. Despite the economic uncertainty and the threat of further regional lockdowns, compliance with 2020 recycling targets now looks comfortable and the universal collapse in PRN values reflects this.”

Total Q3 generation is the highest seen since Q4 2015, showing positive supply across all materials. 2020 has been a record year for Plastic with Q3 marking the second highest return ever after Q2 of this year, total Plastic generation now sits comfortably 11% ahead of this time last year. Steel and Aluminium have also had strong Q3 returns with Steel at the highest figure since 2017 and total Aluminium now 37% ahead of this time last year. Paper generation has increased by 15% from Q2, although total generation is still slightly (9%) behind year on year. Glass Other returned another strong quarter with a 23% increase on Q3 last year, coupled with a healthy Glass Remelt return this puts Glass on track with a combined total increase of 4% year on year. It has been a record-breaking quarter for Wood, up by 59% on Q2, marking the best quarterly return seen this year and the highest figure since 2011. Total Wood generation is still 7% down on this time last year, due to a downturn in generation in Q2. Recovery generation remains slightly ahead (1%) year on year with a 5% increase on Q2. With several materials exceeding their Quarterly obligation target, there looks to be plenty available for General recycling.

Note: This analysis is based on the Q3 Interim Recovery and Recycling Data released by the NPWD on Thursday 22nd October 2020, which is unverified data. The obligation and PRN supply figures may change between now and the verified figures being published on Tuesday 10th November 2020.



About t2e: The Environment Exchange (t2e) provides a transparent trading platform where members can trade PRNs. t2e’s unique position lets members use the power of the marketplace to gain access to the best available prices, which are displayed live on the trading boards. Trading is made easy with our dedicated account management service and swift settlement process. Members are kept informed with daily, weekly, monthly, and quarterly market reports. To find out more about t2e’s smart, simple, and safe trading, visit the website (www.t2e.co.uk) or call the trading line on 0131 526 3040.

Background Information: Under the Producer Responsibility Obligations (Packaging Waste) Regulations 2007, UK companies that produce packaging have a legal obligation to contribute to the cost of recycling this packaging. They do this by purchasing Packaging Recovery Notes (PRNs), which are produced by UK firms that recycle packaging or export it for recycling elsewhere. The legislation applies to companies who handle (manufacture, convert, pack/fill, or retail) over 50 tonnes of packaging per year and have an annual turnover of over £2 million.

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