TRA: Register Interest

Last Updated: 18/08/2026

As one of the UK's largest waste management and resource recovery companies, Veolia UK has a critical stake in the domestic plastics market. Veolia operates extensively across the recycled plastics sector through a series of key stages:

- **Collection and Transport**: Gathering waste and transferring it to recycling facilities.
- **Sorting:** Separating materials such as plastic, paper, card, and metal, followed by detailed re-sorting of plastic types.
- **Shredding & Washing:** Processing plastics into flake form. Cleaning materials to eliminate contaminants and impurities.
- **Extrusion:** Converting material into regenerated pellets ready for re-entry into industrial manufacturing.

The polymer market is intrinsically linked to what is occurring within the virgin polymer market and we have tracked the trend of how UK and EU petrochemical companies have either closed, rationalisation risk or divestment with no clear trajectory they will be increasing production. The shift in the production is moving to the Middle East or Asia. For UK recycling businesses this has led to increased competition with imported virgin polymer such as PET. Since 2024, it is estimated that 200,000 tonnes of UK recycling plastics sector capacity has closed, the total UK plastics recycling capacity is thought to be around 1.4 mt. It is clear that cheap virgin polymer such as PET is having a negative impact on UK businesses.

Veolia has also demonstrated innovation within the PET market with the first PET tray closed loop recycling facility in the UK. Our Shrewsbury site processes 80,000 tonnes of mixed plastics annually alongside 8,000 tonnes of PET tray recycling capacity. The Shrewsbury facility represents a £70m investment that has generated more than 130 permanent local jobs. However, the influx of cheap imported virgin PET and broader polymer market pressures are preventing future investment while actively endangering the viability of existing infrastructure. This destabilisation directly threatens both environmental targets and local employment. We welcome the opportunity to provide additional evidence and insights to support the TRA investigation.

As part of the TRA's Economic Interest Test which includes an evaluation of public interest Veolia can provide expertise on these relevant subject matters:

- **Plastic Packaging Tax (PPT)**: HMT introduced the PPT to drive demand for recycled content. However, if dumped virgin PET is cheaper than domestic recycled PET (even after paying the tax) manufacturers will choose the imported fossil-fuel plastic.

Veolia can demonstrate how unfair imports are actively neutralising the environmental and economic objectives of UK tax policy.
- **Net-Zero and Carbon Reduction:** On average producing rPET generates up to 70% fewer greenhouse gas emissions than producing PET from fossil fuels. Allowing dumped PET to undermine the UK recycling industry directly conflicts with the UK's legally binding Net-Zero 2050 commitments.
- **Preserving Green Jobs:** Veolia employs thousands of people across the UK in green, regional jobs. Protecting this sector from unfair trade practices preserves skilled employment in the green economy.

By admitting Veolia UK as an active participant, the TRA will gain access to critical, real-time market intelligence that chemical manufacturers cannot provide:

1. **Upstream and Downstream Data:** We hold comprehensive data on the entire UK plastic lifecycle from household waste collection volumes to the sale of food-grade pellets to major FMCG brands.
2. **Circular Economy Expertise:** We can provide detailed analysis on how import duties on PET will stimulate the domestic circular economy, increase recycling rates, and benefit UK consumers in the long term.
3. **Balanced Economic Modeling:** We can help the TRA model the economic impact of tariffs, demonstrating that protecting the domestic PET/rPET sector yields a net-positive outcome for UK PLC.

The TRA's decision on PET import duties is critical for the UK's circular economy. Focusing solely on virgin PET ignores the ongoing disruption to UK recycling. We urge the TRA to recognise Veolia UK as an Interested Party, and we stand ready to provide economic data and participate in hearings to support a balanced conclusion.