

Hearing on “*Efforts to Address Marine Plastic Pollution Through Recycling*”

Testimony before the
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Madam Chairwoman, Ranking Member Joyce and members of the Committee – thank you for the opportunity to speak with you this morning about Nestlé’s commitment to tackling plastic waste and the critical importance that both industry innovation and recycling infrastructure will play in that effort.

My name is Nicole Collier, I am the Senior Director of Corporate Affairs for Nestlé with responsibility over our US policy priorities, including our efforts to achieve a waste free environment and contribute to policy discussions and actions that help us achieve our sustainability goals.

Nestlé is the world’s largest food and beverage company and the U.S. is Nestlé’s largest market. Our products are in 97% of U.S. homes. We offer a broad portfolio that includes *Coffee-Mate*® creamer, *DiGiorno*® pizza, plant-based brands like *Sweet Earth*®, and baking products like *Nestlé Toll House*® morsels. Nearly all of what we sell in the U.S., we produce here in the U.S. with over 30,000 committed employees at our 68 facilities throughout America. We are proud contributors to the American economy, and we strive to make a positive impact on the lives of families, in our communities and on the planet.

Our vision is that none of our packaging, including plastics, end up in landfills or oceans and waterways. To achieve this, we have set the goal that 100% of our packaging is reusable or recyclable by 2025. Additionally, we will reduce our use of virgin plastic in our packaging by one third by 2025 and eliminate 100% of single use plastic in our facilities from factories to corporate offices.

And we are not alone in these pursuits, other consumer facing companies have similar goals. Several years ago, Nestlé, Danone, Mars and Unilever, all competitors in the marketplace, founded the Sustainable Food Policy Alliance (SFPA). We value a collaborative approach to policy making and believe we can bring our business values forward and contribute to the policy making process while solving issues facing our employees, consumers, supply chain and customers. As a coalition of four of the world’s largest food companies we have aligned on a set of climate principles, as well as plastic waste reduction and infrastructure policy priorities aimed at transformational change in U.S. solid waste management. Together, we recognize that transitioning to a circular system along with packaging innovation is essential to reducing our carbon footprint. Like Nestlé, the other SFPA member companies have set ambitious goals to integrate post-consumer recycled content (PCR) into product packaging that cannot be met without significant shifts in our nation’s current waste management and recycling systems.

We all recognize both the societal impact our companies can have and the business interest we all share in sustaining and protecting our environment, today and in the future.

Most relevant for today's hearing, SFPA supports the adoption of a Federal Extended Producer Responsibility, or "EPR" system as described below as a foundational element of the transformation to a circular economy. An effective EPR system would place a fee on packaging, and the revenue from the collected fee would go toward funding stronger infrastructure. Nestlé and the other SFPA member companies participate in EPR programs globally. We have used that experience to identify the following elements of successful EPR programs worldwide, which we hope may serve as a guide to policymakers. And we have worked closely with The Recycling Partnership's Circular Economy Accelerator to develop a framework using this policy approach for the U.S.

Specifically, we support a nationally consistent, economy-wide approach to life-cycle management of packaging, with shared responsibility between communities and brands for waste collection, handling, and recycling systems, run through a public-private partnership that is empowered to make decisions on expenditure of funds collected through the packaging fee are dedicated to recycling infrastructure improvements to drive the transition to a circular economy.

In addition, SFPA supports enhancements to air quality, siting, and other permitting processes to ensure that infrastructure investments do not adversely impact the environment or disadvantaged populations.

While the existing U.S. infrastructure presents challenges for our packaging, Nestlé is accelerating our efforts to impact the system and achieve our goals through an approach that leverages R&D, technical packaging expertise, innovative partnerships and advocacy, and consumer communication. We are actively reducing our use of material, scaling reusable and refillable systems, using new and recyclable materials or post-consumer recycled content, investing in and advocating for more effective and efficient infrastructure, and last but not least harnessing the power of our employees, consumers, partners, our supply chain and others to encourage better recycling behavior.

There is also reason to be optimistic with industry investment and discoveries. Nestlé's Institute of Packaging Sciences is making incredible headway and Nestlé is pouring research and development dollars into the design of recyclable and alternative materials. We're removing problematic plastics and simplifying structures for easier recycling. An example is last year's launch of the Gerber *IncrediPouch*[™], the first-of-its-kind single-material baby food pouch design that is designed for the future of recycling. The pouch is 100% recyclable through Gerber's national recycling program with TerraCycle[®]. Meanwhile, Nestlé is actively working on solutions to make flexible plastic more easily recyclable. Nestlé is a founding member of Materials Recovery for the Future (MRFF), a research collaborative that partnered with a recycling business in Pottstown, PA to pilot the first curbside recycling program in the U.S. to accept flexible plastics. We continue to work towards solutions for flexible plastic with The Recycling Partnership and industry peers.

And last year, we announced a \$2 billion global investment to help lead the shift from virgin to recycled plastics. As part of that we created a sustainable packaging venture fund focusing on start-up companies that are developing innovative packaging solutions. The first investment was made in the U.S., with the Closed Loop Leadership Fund. And we are looking towards creating markets for food grade recycled plastic, which many in our industry are desperately in need of.

In the absence of national standards, definitions and sometimes clear data there is a tremendous amount of innovation and partnership happening in this space, companies are piloting alternative collection and recovery systems, looking to scale refillable models with small and large retailers. The U.S.

Plastics Pact launched last year with over 70 founding activators, including Nestlé, aligning on national standards and a common vision for a circular economy. The roadmap will likely be published in the summer of 2021.

I want to thank this committee for continuing to create opportunities for thoughtful and bipartisan discussions of these issues and recognizing that the recycling system can be a true example of public/private partnership. We applaud the opportunities you have taken to direct a national recycling strategy that includes collaboration among all levels of government, non profits, and the private sector. This collaboration is critical to identifying gaps and areas where further investment and research is needed. Additionally, the Recycling Needs Survey and Assessment will help us target opportunities to increase recycling rates and target places where we can reduce contamination and attract stronger end markets.

We are pleased with our progress so far and are well on our way to achieving more, but we know that we must move even faster for our employees, our consumers and the planet. One company alone cannot solve the packaging waste challenge and we think it's critical that industry positions continue to evolve and that policy makers remain open to our input as we rethink these systems.

We look forward to continuing to partner with you and putting our size and scale to work in the area of plastic waste reduction.