



Department
for Environment
Food & Rural Affairs

Consultations on reforming the UK Packaging Producer Responsibility system & on introducing a DRS for drinks containers

March 2019



Forestry Commission
England



Environment
Agency

Three consultations

**DRS for drinks
containers**



**Plastic
Packaging tax**



Packaging EPR



Extent of the consultations

- **Reform of the packaging waste regulations** = joint consultation covering England, Wales, Scotland and Northern Ireland
- **DRS** = joint consultation covering England, Wales and Northern Ireland (Scotland already consulted)
- **Plastic packaging tax** – UK-wide consultation
- Preference is to continue with a **UK-wide approach** for packaging EPR and to adopt a UK-wide approach if a DRS is introduced

Key considerations in developing our proposals

- Waste policy is a devolved matter
- EU Circular Economy Package (Article 8a)
- EU proposed Single-use Plastics Directive
- Nation-specific studies on extended producer responsibility options and DRS
- Several studies on the existing PRN system and stakeholder recommendations from WRAP/INCPEN/ACP (April 2018)

Key outcomes we want to achieve

- Reduce unnecessary packaging
- More packaging designed to be re-useable and recyclable
- More packaging recycled
- Collect higher quality materials for recycling
- Reduce littering of packaging
- Generating demand for recycled materials and helping move towards a more circular economy

Packaging producer responsibility

Consultation document presented in 3 parts:

- Part A – **principles** for a reformed packaging producer responsibility system
- Part B- future **packaging waste recycling targets**
- Part C – future **governance** arrangements



Part A: Principles for EPR packaging

1. EPR should form part of a **coherent system** for improving the recycling of packaging and reducing use of virgin materials, alongside any DRS, the recycling systems in each nation and consideration of other appropriate fiscal measures.
2. Businesses will be **incentivised** to reduce unnecessary and difficult-to-recycle packaging, and to design and use packaging that is recyclable.
3. Businesses will bear the **full net cost** of managing the packaging they handle or place on the market at end of life.
4. Fees raised from obligated businesses will be used to **support the management of packaging waste** and the achievement of agreed targets and outcomes.
5. All packaging should be **labelled as recyclable or not recyclable** to make it easier for people to recycle and dispose of packaging waste; with the labelling scheme addressing packaging that may be collected via alternative routes such as a DRS.

Part A: Principles of governance

- Government will set **clear outcomes and targets** for packaging EPR to encourage long-term planning, investment and innovation by producers and the resource management sector.
- **Scheme governance arrangements will be approved by government** in accordance with the normal rules and processes; and the roles and responsibilities of all obligated parties and organisations involved in managing and regulating the scheme will be made clear.
- Appropriate measures will be put in place to ensure **costs to producers do not exceed those necessary to provide packaging waste management services in a cost-efficient way** and are fair, necessary and transparent, and that costs to local authorities are met.
- The system will be underpinned by measures to ensure packaging waste is managed in an **environmentally responsible way, promote compliance and limit the opportunities for fraud and waste crime**.

Proposals: Part A

- What we mean by **full net cost recovery** – and the packaging streams that full net cost recovery will apply to
- How we **incentivise producers** to adopt more sustainable packaging – we are seeking views on two approaches
 - modulated fees and deposits
- **Which producers should pay** -
 - retain shared responsibility approach or move to a single point of compliance?
- How **producer fees should be spent** to improve infrastructure and increase recycling including payments to LAs/councils
- Requiring **mandatory labelling** of packaging - recyclable / not recyclable

Proposals: Part B - Recycling targets

- New packaging waste recycling targets proposed for 2025 and 2030 – by material
- Asking if we could set more ambitious targets for 2030
- Requiring packaging data to be reported and recycling targets to be met by nation
- Asking if sub targets should be set – e.g. for other packaging materials; for ‘closed loop’ recycling
- Interim business waste recycling targets proposed for 2021 and 2022

Proposals : Part C – future governance

- Four governance options proposed
- 3 underpinned by payment by producers of modulated fees and 1 by payment of packaging deposit plus cost recovery fee
- High level description of how each model could operate in practice including...
 - Producer requirements
 - Recovering fees and allocating income/funding
- Roles of the key organisations outlined
- Part C also covers:
 - measures for ensuring packaging waste exports are managed fairly and responsibly
 - compliance monitoring and enforcement

Key issues

- Scope of consultation is broad – widespread reform
- Determining full net cost recovery ..and cost transparency
- Multiple or single point of responsibility
- Payments to local authorities
- Potentially different compliance arrangements for household/household-like packaging and C&I packaging
- Reporting by nation
- More responsible reprocessing
- Getting the overall system right – no unintended consequences

DRS: specific aims

- Easy for consumers to return drinks containers
- Reduce litter
- Increase recycling rates of drinks containers in scope of a DRS



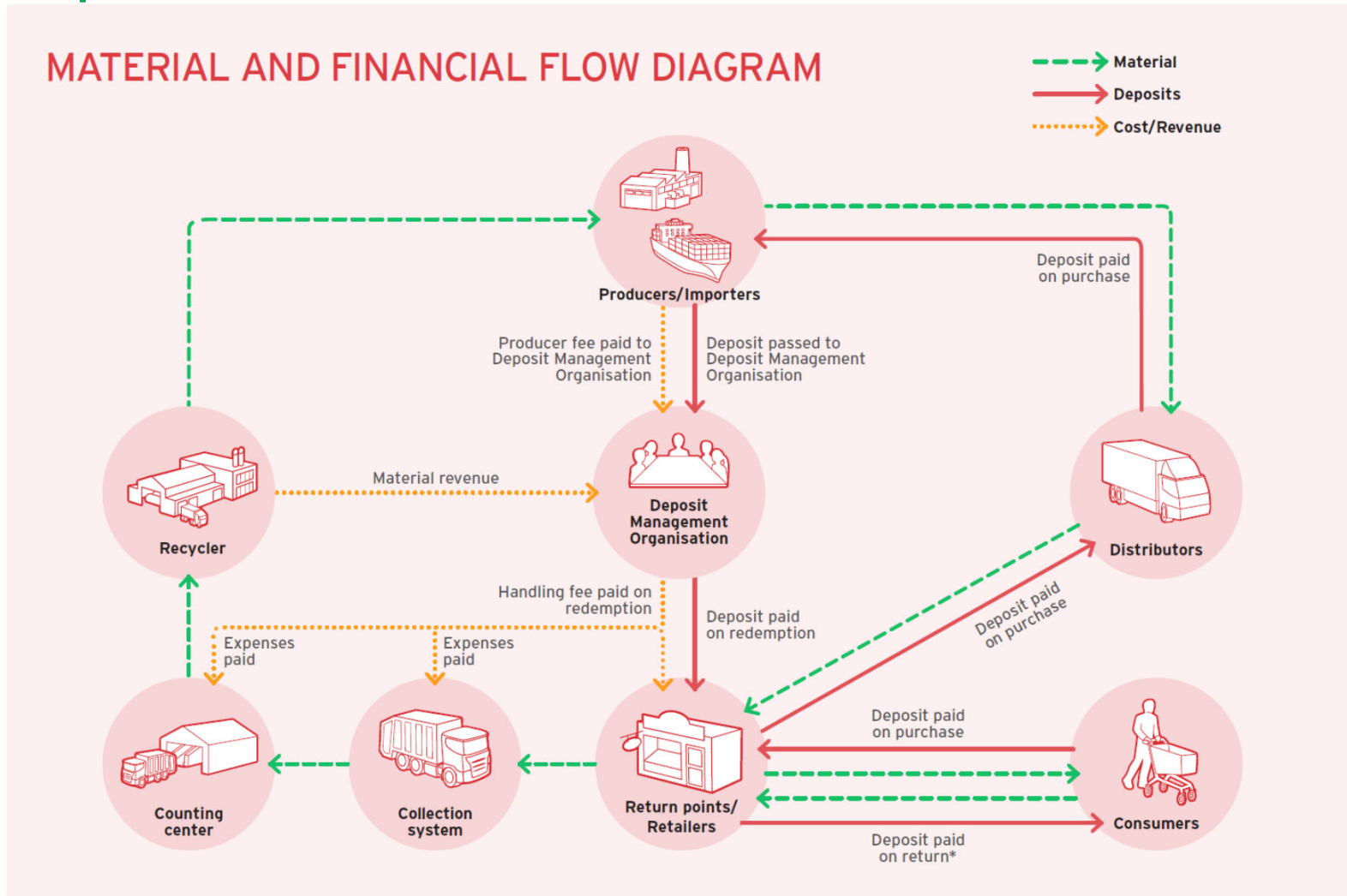
Proposed models: 'All-in' vs 'On-the-go'

- All-in
 - No restriction on the size of drinks containers in-scope
 - Larger infrastructure needed
 - Less consumer confusion around what items are included in a DRS – DRS becomes the 'norm'
 - Removes valuable material from kerbside collections
- On-the-go
 - Restricts drinks containers in-scope to those less than 750ml in size (and excludes multipacks)
 - Out of scope drinks containers would be captured under reformed packaging producer responsibility system
 - Impact on litter, without impacting on kerbside recycling
 - Possible difficulties in communicating to the consumer which products are in and out of scope (not all small bottles consumed on-the-go and vice versa)

Scope of a DRS?



Proposed DRS Model



*Where drinks containers covered by the DRS are not returned by consumers for reimbursement of the deposit value, this deposit value is automatically retained by the DMO. This is known as an 'unredeemed deposit'.

Key issues

- Scope of a DRS
- Governance arrangements of a Scheme Administrator
- Deposit level
- DRS infrastructure and accessibility
- Monitoring and enforcement and countering fraud
- Local authorities and councils
- Overlap with Packaging Producer Responsibility System

Next steps

- Please respond to the consultations – using Citizen Space questionnaire
- Consultations close on **13 May** (23:59)
- We will...
 - publish a summary of responses to each consultation
 - develop more detailed proposals and draft regulations for consultation in 2020
- Indicative timescale is for new arrangements to be in place from 2023

Further comments or questions? Please email
Packaging@defra.gov.uk

Consultations can be found at:

<https://consult.defra.gov.uk/>

<https://consult.defra.gov.uk/environmental-quality/resource-and-waste-and-plastic-packaging-tax-consu-1/>