

Briefing paper: Extended producer responsibility (packaging)

June 2021

Introduction

The government published the Resources and Waste Strategy in 2018¹, setting out the plan to ensure resources are kept in circulation for as long as possible, to extract maximum value.

The areas currently being consulted on are: Introduction of a Deposit Return Scheme, Consistency in household and business recycling and as discussed in this paper the Packaging Extended Producer Responsibility (EPR)²

The EPR scheme

EPR will incentivise producers to reduce their use of packaging, adopt reusable packaging where reduction is not feasible, or use easily recyclable packaging, and fund the recycling and management of single use packaging where it remains necessary. It is being developed to ensure producers pay the full costs of the waste they produce.

This includes costs of:

- collecting, sorting, and recycling of packaging waste from households and businesses
- collecting and disposing of packaging in the residual waste stream from households only
- litter and refuse management, including bin and ground litter

Scheme Administration and Governance

The administration and governance arrangements for EPR will need to support producers in complying with their obligations. The consultation seeks views on two broad approaches:

- a single administrator / management organisation
- multiple compliance schemes with certain functions undertaken by a Scheme Administrator

Producers and fees

A single point of obligation will be introduced (i.e. a single producer is responsible for the cost of managing a piece of packaging). The fees producers will pay will be varied to reflect criteria such as recyclability. This means those producing easily recyclable packaging will pay lower fee rates, while higher fee rates will apply to those that produce unrecyclable packaging.

Re-processors and Exports

Additional proposals for consultation include new registration and reporting requirements for re-processors and exporters of packaging waste. The regulatory framework for all waste exports will be reviewed and there will be a ban on export of plastic waste to countries that are not members of the Organisation for Economic Cooperation and Development.

¹https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/765914/resources-waste-strategy-dec-2018.pdf

² https://consult.defra.gov.uk/extended-producer-responsibility/extended-producer-responsibility-for-packaging/supporting_documents/23.03.21%20EPR%20Consultation.pdf

Labelling and materials

Packaging will have mandatory recyclability labelling which should be introduced at the latest by end of 2026/27. The broad requirements for labelling will be set out in legislation, including a requirement to use a label approved by Government (or the Regulator).

The consultation asks whether mandatory disposable cup takeback and recycling requirements should be placed on businesses to provide separate collection (either generated in-store or consumed 'on-the-go').

Collecting plastic film and flexible packaging such as single-use carrier bags, bread bags, and confectionary wrappers should be possible by end of financial year 2026/27.

Bio-degradable, bio-based and compostable plastic packaging is unlikely to be considered recyclable under packaging EPR and will therefore attract higher fee rates.

Digital design

Digital infrastructure will be required to facilitate registration processes, support administration of the payment framework and enable submission of evidence on packaging placed on the market and its flow through the waste management system, together with associated costs. The consultation proposes a split of responsibilities between Government and the Scheme Administrator for responsibility of setting up and running some key elements of this digital infrastructure.

What does EPR mean for Local Authorities?

The scheme will pay the 'necessary costs' for the delivery of 'efficient and effective' services. The services are to be based on a system identified by a kerbside costing tool which divides local authorities into 9 similar 'family groups'. There will be payment of transitional costs and limited new burdens such as compositional analysis.

Payments should be based on both the tonnages and quality of packaging waste collected and recycled. The proposed start date when payments to local authorities will begin is 2023. Data collection on the amount of this packaging in local authority waste streams and placed on the market by producers, will begin in 2022.

Payment for managing items in the litter stream, both as bin and ground litter will be made through the EPR scheme. The Scheme Administrator will bring in monitoring arrangements to allow payments to be linked to litter outcomes (such as cleanliness scores).

What's next?

The consultation on the EPR and Deposit Return Schemes closed on 4 June 2021. The consistency in household and business collections was published later and closes on 4 July 2021. The Environmental Bill is making its way through parliament is expected to receive royal assent later in the year.