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For immediate publication

Governments and industry join forces on packaging producer responsibility

The UK Government and the Devolved Administrations in Northern Ireland, Scotland and Wales are joining forces with three leading industry bodies to help co-design a key part of the new Extended Producer Responsibility (EPR) system. A joint project will look at how producers' fees for packaging could be used to financially incentivise greater use of recyclable packaging; and what higher charges could apply to producers who do not use recyclable packaging.

From now to July 2021, Defra and its devolved counterparts in Scotland, Wales and Northern Ireland will team up with the Industry Council for Packaging and the Environment (INCPEN), the Food and Drink Federation (FDF), and the British Retail Consortium (BRC) to develop an 'off the shelf' solution for a system of EPR modulated fees. The future EPR Scheme Administrator may decide to adopt these co-designed solutions when it is appointed in due course.

EPR is a key component of respective resource and waste reforms in all four nations, with ministers wanting to see the full net costs of recycling being met by those that produce packaging or place it on the market. This move to full net cost recovery will incentivise producers to go further and faster to make even more packaging recyclable.

The seven project partners will take forward three key phases of work with packaging stakeholders¹.

- **Phases 1 & 2 by end of April 2021**

Phase 1: develop a list of packaging categories for glass, metals, paper/board, plastics and wood that covers all in-scope packaging under EPR.

Phase 2: assess the range of modulation mechanisms that could reward companies with good behaviours – for example, recyclability; and low littering rates of packaging.

- **Phase 3 by end of July 2021:** assess the packaging categories and modulation mechanisms to ensure they deliver the intended EPR behaviours and outcomes desired by the four governments.

¹ See Editor's Note 6 for examples of packaging stakeholders.

On behalf of the four nations of the UK, Defra will also launch a public consultation on the EPR scheme in early 2021. This will receive feedback from a spectrum of stakeholders on wider aspects of EPR before outlining the scheme in further detail.

Environment Minister Rebecca Pow said, “We must boost our recycling performance and one of the vital ways to do that is through Extended Producer Responsibility. This is one of the key waste reforms within our landmark Environment Bill, which will ensure that we continue to go further and faster to recycle more of our waste and reduce the resources that we use.

“This UK-wide project is an important step in delivering a world-leading system, and I welcome this new joined-up initiative between the UK government, devolved administrations and the UK packaging sector.”

Northern Ireland’s Environment Minister Edwin Poots said, “Northern Ireland’s economy has a strong emphasis on producing high quality products and exports, particularly food and drink, and that needs to be supported by a healthy packaging sector. This important project will benefit from valuable inputs from local businesses including SME’s as we work to create a well-designed producer responsibility system to support Northern Ireland’s needs.”

Scotland’s Cabinet Secretary for the Environment Roseanna Cunningham said, “Scotland is at the forefront of work to establish a circular economy, which will be central to ending our contribution to climate change. Effective EPR for packaging and other materials will be an important part of establishing more sustainable and circular practices in how we use resources and I welcome the involvement of Scottish businesses and experts in this work to help ensure this new approach delivers for Scotland.”

Lesley Griffiths, Welsh Minister for the Environment, Energy and Rural Affairs, said: “Wales is a global recycling leader, through the extensive programme of work between Welsh Government, local councils, and communities throughout Wales. This vital work with businesses will help to deliver a well-designed producer responsibility system, which will enable Wales to maintain and strengthen our world-leading performance in recycling.”

Paul Vanston, CEO of INCPEN said, “INCPEN’s substantial investment of 50% of the total costs of this project is a major sign of our commitment to work effectively with the four governments. We want to create a UK-wide producer responsibility system that stands the tests of time for the next 25 years. That means EPR must be financially sustainable for all stakeholders including producers. It must have golden threads directly linking to the governments’ ambitious 2030 and 2050 carbon reduction commitments; to greater resource efficiency; and protection of biodiversity. These interconnected agendas, and the major system changes and costs, warrant extensive stakeholder engagement in this EPR project in 2021.”

Ian Wright CBE, CEO of the FDF said, “The food and drink sector is a substantial part of the UK economy, contributing some £28 billion, including through the value of our exports. Packaging has an essential role in keeping food safe and fresher for longer. It is therefore important this project delivers a fee system for packaging EPR that is both fair and does not damage the competitiveness of UK business in a post Brexit world. The system also needs to reward those manufacturing businesses that are doing the right thing by working to deliver a truly circular economy for packaging in the UK.”

Helen Dickinson, CEO of the BRC said, “Retailers across the UK are facing major challenges on multiple fronts. The forecast costs of new packaging systems mean it’s critical for the BRC and retailers to participate in this project to design a new producer responsibility system that supports the viability and competitiveness of British businesses.”

Marcus Gover, CEO of WRAP said, “This is an important step towards an effective EPR system that will deliver greater resource efficiency. EPR must have the needs of the environment at its heart but recognise the necessity for packaging to protect and preserve, particularly food products. It requires an approved list of materials which are or aren’t recyclable, and a modulated fee system to penalise non-recyclability, or departure from that list, all of which needs to be firmly evidence-based. And all packaging must be clearly and consistently labelled as recyclable or not, to make it easy for people to recycle confidently. Initiatives like the UK Plastics Pact will help to drive this forward through commitments to higher recycled content in plastic packaging.”

Iain Gulland, CEO of Zero Waste Scotland said, “Scotland has an ambitious vision when it comes to the responsible use of products and resources and there’s huge scale of opportunity for the packaging sector to help create a truly circular economy. I am pleased to support the Scottish Government and partners on this UK-wide project to deliver system-wide change that brings us closer to a circular economy in which resources are valued and nothing is wasted.”

END

Editor’s Notes

1. Questions for any of the project partners about this press release can be directed, in the first instance, to Paul Vanston, CEO of INCPEN. Email: paul.vanston@incpen.org Phone: 0203 970 1926.
2. The UK-wide ‘[Consultation on reforming the packaging producer responsibility system](#)’ took place from 18 February 2019 to 13 May 2019. The ‘[consultation outcome](#)’ was published on 23 July 2019 and summarised the 679 separate responses, and 34 campaign responses, that were received.
3. ‘Extended Producer Responsibility’ will be enabled through primary powers in the Environment Bill currently making progress in Parliament. A further UK-wide consultation on the specific nature of an EPR system for packaging is planned for early 2021.
4. This ‘EPR Modulated Fees Research & Development Project’ is led jointly by seven partners: -
 - the UK Government (principally DEFRA);
 - Northern Ireland Executive (principally DAERA);
 - Scottish Government (supported by Zero Waste Scotland);
 - Welsh Government;
 - British Retail Consortium (BRC);
 - Food and Drink Federation (FDF); and
 - the Industry Council for Packaging and the Environment (INCPEN).
5. The Waste and Resources Action Programme (WRAP) is supporting the seven partners over the course of the project with capacity and expertise, and to help organise extensive stakeholder engagement over the three phases of the project.
6. Stakeholder engagement through this project will involve representatives from, among others: -
 - the four governments of the UK, and the four national regulators;
 - the Government’s Advisory Committee on Packaging (ACP);
 - Defra’s Packaging & Collections Working Group (P&CWG) that comprises organisations from across the packaging value chain;
 - ‘Producer’ organisations (i.e. manufacturers, converters, packer/fillers, brands and retailers);
 - the five broad packaging materials sectors: glass, metals, paper/board, plastics and wood; and
 - compliance schemes that operate within the current packaging responsibility system.