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Llywodraeth Cymru
Welsh Government

Consultation on reforming the UK packaging producer responsibility system

Summary of consultation responses and next steps

July 2019



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Executive summary and next steps

Introduction

The consultation document, *Reforming the UK Packaging Producer Responsibility System*, discussed the rationale for reforming the current producer responsibility system, set out the key principles and features of an extended producer responsibility system for packaging, proposed packaging waste recycling targets to 2030, and presented different governance options for a future system – without putting forward a preferred option.

Whilst waste policy is a devolved responsibility, the packaging producer responsibility system has operated on a UK-wide basis since its introduction in 1997 and many businesses and retailers have told us of their preference for a consistent approach across the UK to be retained. The consultation was undertaken jointly by the UK, the Scottish and the Welsh governments. As the Northern Ireland Assembly is not sitting currently, the UK government consulted on behalf of the Department of Agriculture, Environment and Rural Affairs. The consultation document reflected commitments made by each government to explore ways to better incentivise producers to manage resources more efficiently and to place greater financial and environmental responsibility on businesses for their products at end of life.

The consultation was presented in four parts and accompanied by an early-stage Impact Assessment:

- Background: key principles and outcomes of a packaging EPR system
- Part A: proposals relating to the key principles of packaging EPR system (Sections 1-5)
- Part B: packaging waste recycling targets (Section 6)
- Part C: governance and enforcement (Sections 7-10)

The feedback on the key proposals put forward in the consultation document and our next steps are summarised below. A full summary of the responses received follows this Executive Summary. References to ‘government’, unless otherwise stated in this document, are references to the UK government, the Welsh government and the Department of Agriculture, Environment and Rural Affairs (DAERA), Northern Ireland. Due to the timing of publication during the Scottish Parliament’s recess, the content of this report has not yet been agreed with Scottish Ministers, but will serve as the basis for continued engagement with the Scottish Government.

The consultation generated a wealth of responses and feedback for government to consider in developing its final policy proposals for which we are very grateful. We

received 679 separate responses and 34 campaign responses. Based on the consultation responses received and the strong support from respondents for the principles and outcomes proposed for a reformed packaging producer responsibility scheme **we intend to progress our policy proposals and introduce an extended producer responsibility scheme for packaging in 2023**. We will consider the responses and evidence submitted in more detail, undertake further analysis and continue to engage with stakeholders to develop more detailed proposals. In the current absence of the Northern Ireland Assembly, officials in DAERA will continue to ensure that environmental governance in Northern Ireland can be safeguarded post-EU exit. DAERA is minded to continue with the UK government's timetable and in the event that any decisions are required in advance of the return of Ministers, these would only be taken in accordance with the Northern Ireland (Executive Formation and Exercise of Functions) Act 2018 and the Guidance and procedures under it.

We will take **primary powers in the Environment Bill** to enable us to implement new extended producer responsibility (EPR) systems. We will then bring forward our detailed proposals on the specific nature of an EPR system for packaging and associated secondary legislation for consultation in 2020.

Summary of feedback on key proposals

Overall respondents were positive of the intent to improve the current system and for packaging EPR to form part of a coherent system that is understandable and fair to businesses and consumers. A large minority of respondents stressed the need to ensure that the proposed policy interventions are joined up and appropriate steps are taken to protect against unintended consequences. Stakeholders also commented on the proposed timeline with some expressing, both in their written responses and at stakeholder events, the strong view that packaging EPR and proposals for consistent collections (in England) are introduced ahead of other measures and that sufficient time is allowed for investment in necessary waste management and reprocessing infrastructure to occur.

Many stakeholders also commented that value for money and overall system efficiency and outcomes are assessed transparently given the substantial investment required. Stakeholders from across the supply chain and from local government want to be involved as government develops its detailed policy proposals and implementation arrangements.

Principles and outcomes for packaging producer responsibility

Respondents expressed very strong support for both the nine overarching principles (80%)¹ and the five outcomes (88%) proposed for a packaging EPR system. Some respondents felt that the principles and outcomes are too focused on the end-of life costs of managing packaging waste and that we should also consider the full life-cycle costs of packaging. Other respondents felt that the waste hierarchy needs to be better reflected, and more emphasis given to prevention and the use of reusable/refillable packaging.

There was broad support for including packaging-type items used in the home such as kitchen foil, cling film, jiffy bags, disposable cups and sandwich bags within a packaging EPR system.

As we develop our proposals we will look to refine the underpinning principles and will give further consideration to opportunities for encouraging use of reusable and refillable packaging. We will do further work to quantify the outcomes of a reformed system and will look into the practicalities and costs of including additional 'packaging-type' items within the system.

Definition of full net cost recovery (Section 1)

The majority of respondents (56%) agreed with the proposed definition of full net cost recovery; though 28% thought that it went beyond the polluter pays principle; and 16% thought that it did not fulfil the polluter pays principle. Of those who thought it went beyond the polluter pays principle, a key concern was the inclusion of the clean-up costs of littered and fly-tipped packaging items. Respondents were concerned about how the packaging element of litter will be calculated, and how costs will be divided and distributed to businesses. Respondents also argued that producers should not be required to cover the cost of socially irresponsible or criminal behaviour by consumers or businesses.

Respondents who felt the proposed definition does not fulfil the polluter pays principle argued that it does not take into account the full environmental cost of packaging in line with the OECD full lifecycle definition, which recognises upstream externalities. The Resources and Waste Strategy for England makes a number of commitments to address wider environmental costs and externalities of dealing with waste products, including packaging waste. Extended producer responsibility requires producers to manage the end of life costs of their products; other measures in the Strategy address upstream issues.

¹ Figures shown are based on the numbers of respondents for each question, which differ between questions. The number of responses for each question can be seen in the summary of responses.

A majority of respondents (74%) agreed with the proposal for producers to fund the costs of collecting and managing household and household-like packaging waste. A majority of respondents (60%) agreed that packaging for commercial / industrial applications should be out of scope for full net cost recovery given that business already incurs the cost of managing this waste. 28% of respondents stated that they felt that commercial / industrial packaging should be in scope with the main rationale being that it is difficult to make a clear distinction between different types and sources of packaging waste. They also felt that there was a risk of possible unintended outcomes, such as the potential for market distortions and loopholes arising.

Going forward, given the broad support for the definition proposed and the packaging waste that it applies to, we are minded to progress with this definition, but undertake further work to determine the scale and associated costs of managing packaging waste that is generated 'on-the-go' and is littered. The Single Use Plastic Directive (published on 12 June 2019) requires obligated producers to cover the costs of litter collection, infrastructure, transport, treatment and clean-up of certain plastic packaging items. Government is supportive of this requirement, and we will further explore its potential application to packaging materials that might end up as litter. We will also consider further the available evidence on any packaging waste that is fly-tipped.

Fees and incentives to encourage more sustainable packaging (Section 2)

There was strong support for incentivising better packaging design through EPR; though mixed views on the best mechanism to achieve this; modulated fees (48% of respondents), or a deposit and fee system (17%). Over a third of respondents were unsure about either approach without further information.

To inform the further development of these options and a final decision by government we have commissioned a research project to consider both approaches in more detail. The scope of work includes how fees could be set to incentivise the design of more recyclable packaging and to reduce unnecessary and difficult to recycle packaging as well as ensuring the costs of managing packaging once it becomes waste are recovered.

Point of compliance and obligated businesses (Section 3)

Respondents shared their views on which businesses might be obligated in a reformed system. Questions were asked on whether the current shared approach to compliance should be retained or a single point of compliance adopted; and on which businesses the obligation might be placed under a single point of compliance

approach. A majority of respondents (59%) supported a move to a single point of compliance approach, however the majority of product manufacturers/pack fillers and retailers who stated a preference indicated a preference for shared responsibility. Of those respondents who offered a view on single point of compliance a majority indicated a preference for brand-owner.

Questions were also asked on whether the current de-minimis threshold should be removed, lowered or changed in some other way. There were many views shared on the options proposed for the de-minimis threshold, with no clear consensus. Many felt it important to balance the polluter pays principle with not placing any unnecessary burden on smaller businesses. There was strong support for businesses selling takeaway food and drinks to be obligated in some way. 95% of respondents supported our proposal for online marketplaces to take responsibility for the packaging of (imported) products they facilitate the sale of.

We are carrying out further research to improve our understanding of the number of businesses that would be obligated if the point of compliance and/or the de-minimis was to change. This will aid us in our understanding of the costs and benefits of the different options proposed. In setting the policy direction for this measure we will ensure that no unnecessary burdens are placed on small businesses.

Supporting improved collections and infrastructure (Section 4)

There was strong support for the three elements proposed for producer payments to local authorities for managing packaging waste:

- a) Payment for the cost of providing a recycling collection service (77% agreed)
- b) Recycling payment for the amount of packaging waste collected and recycled (91% agreed)
- c) Residual waste payment related to the cost of managing household packaging waste in residual waste (81% agreed)

The majority agreed that payments to local authorities for collecting and managing household packaging waste should be based on provision of collection services that meet any minimum requirements (by nation) and the collection of a common set of packaging materials. Further work will be taken forward to consider how funding will be allocated to local authorities. We have also initiated work to assess the implications for UK reprocessing capacity and secondary materials markets of increased quantities of packaging materials available for recycling.

On disposable cups, the majority of respondents were in favour of maintaining voluntary measures in the short-term. A large minority of those responding (47%) were in favour of continuing to include cups within the packaging producer responsibility system, with a further 33% responding that this should be in conjunction with a possible DRS for drinks containers. A majority (62%) were in

favour of setting recycling targets for disposable cups. We are minded to explore such targets, whether material or product-based, and how monitoring compliance could work. In doing so we will consider the views expressed in the parallel consultation on introducing a DRS for drinks containers.

Mandatory labelling of packaging and improved communications (Section 5)

Respondents showed very strong support for using producer fees for communications campaigns at both nation (90%) and local level (88%). A large minority of respondents stated that producer fees should only be provided where local authority campaigns are consistent with nation campaigns. For nation-led campaigns, a majority of respondents felt that it was important that they operate within a UK-wide framework.

There was very strong support (90%) for a mandatory obligation on producers to label their packaging as recyclable or not recyclable. A large minority of responses stressed the importance of consistency between the proposed labelling system and the list of core materials for kerbside collection. A majority of respondents also supported stating the percentage of recycled content on packaging.

We are minded to take forward our proposal for a mandatory labelling scheme subject to further analysis and legal considerations. We have commissioned research to gain a greater understanding of the costs, timescales and practical considerations for businesses of adopting a mandatory packaging labelling scheme.

Packaging recycling targets for 2025 and 2030 (Section 6)

There was no clear view on the future targets. For the longer term targets for 2025 and 2030, a large minority of respondents supported the consultation proposals (31% and 34% respectively). Those respondents who were not in favour generally felt that the targets were not ambitious enough and that we should be setting higher targets, especially for 2030. However, there were some respondents who felt that there was no sound justification for pursuing very high targets.

Responses to the proposed interim targets for 2021/2 were mixed; 36% of respondents supported the consultation proposals and a further 37% neither agreed nor disagreed. There was some support for higher targets; others felt that more incremental increases in the targets were necessary to ensure the UK would be on course to achieve the 2025 and 2030 targets.

The responses showed strong support for a form of “closed loop target” with material going back into a similar application for all packaging materials. There was also support for a specific target for composite materials, to encourage collection and

recycling, though a number of respondents felt that these materials would be managed best through modulated fees.

We will undertake further analysis on future packaging recycling targets including the feasibility of achieving higher levels of recycling by 2030. We also look into setting a separate recycling target for fibre-based composite packaging items (e.g. food and drink containers and disposable cups).

Governance arrangements for a packaging EPR system (Section 7)

The consultation asked respondents to identify a preference for one of four governance models proposed for a packaging EPR system and asked several specific questions relating to each model. Respondents were also asked to explain the reasons for their preference and to indicate ways in which the different models could be further developed.

43% of respondents indicated a preference for a single scheme administrator (Model 2) and 27% of respondents indicated a preference for a competitive compliance scheme model (Model 1). The government-managed scheme (Model 4, 19%) and Model 3 (6%) which proposed separate schemes for household/household-like and commercial/industrial packaging were the least preferred. Whilst most respondents did state a preference, responses were qualified in many cases by the need for further detail on how each would function and concerns regarding the feasibility of the approaches. Some respondents also suggested variations to the models presented, specific mention was made of a 'hybrid' approach drawing on elements of both Models 1 and 2. Two alternative proposals were submitted.

A large minority of respondents felt that a single scheme administrator model would better facilitate the continuation of a UK-wide approach to packaging producer responsibility. The majority of respondents (62%) indicated support for a single management organisation (Model 2) being established on a not-for-profit basis. In the competitive compliance scheme model (Model 1) the majority of respondents (78%) agreed that a Packaging Advisory Board or similar would be required to oversee the functioning of the EPR system and the compliance schemes. There was only limited support (14%) for a separate system for managing compliance for household/household-like packaging and commercial/industrial packaging.

In light of the responses received we propose to consider further two governance approaches - a competitive compliance scheme approach and a single scheme administrator approach. In doing so we will consider the alternative models submitted by respondents and the views of stakeholders regarding a 'hybrid' approach.

Strengthening compliance monitoring and enforcement including for exports (Sections 8, 9, 10)

These sections of the consultation document set out a number of detailed questions that related to the current compliance monitoring and enforcement regime and a number of proposals as to how it could be strengthened and improved. It also asked questions about additional measures that may be required for a reformed system.

Most respondents shared their views on the proposed measures to ensure the environmentally responsible management of packaging waste both here in the UK and for exports. A majority of respondents (79%) supported the measure set out in the consultation document. In particular, many respondents highlighted the importance of ensuring that the costs of enforcement adequately reflected the regulatory effort involved. Of the respondents who disagreed with the proposed measures, most felt that the measures did not go far enough and that more effective regulation and tracking of waste that is exported is required. A majority of respondents also had concerns about the feasibility of implementing the proposed measures. The predominant concern related to the costs of implementation.

We will consider the views shared by respondents to further develop measures to ensure environmentally responsible management of packaging exports in conjunction with the Regulators.

Regarding our proposals for a more transparent system, the majority of respondents either supported our proposals or stated that they were not in a position to comment. There was clear support for reforms to the requirements on reprocessors and exporters. On the questions relating to compliance schemes and a possible single producer organisation, many respondents shared insightful views and suggestions that will support us in designing and implementing a more transparent system.

There was very strong support for our proposal to make more information on packaging available to consumers. Building on the views shared with us, along with further stakeholder engagement, we will refine our proposals for how this could be achieved.

Responses to the proposed measures to strengthen compliance monitoring and enforcement of the system were mixed. We will undertake further work with the Regulators and stakeholders to consider, develop and present effective measures to strengthen compliance monitoring and enforcement that are appropriate to the proposed governance approach.

Further work and next steps

The consultation has generated a wealth of responses and feedback for government to consider in developing our final policy proposals for which we are very grateful.

We will introduce an extended producer responsibility system for packaging in 2023. We have indicated our initial response to the feedback received on the key proposals set out in the consultation document and indicated where we propose to undertake further work.

We will seek to take **primary powers in the Environment Bill** to enable us to implement new extended producer responsibility systems.

We will consider the responses and evidence submitted in more detail and will undertake further analysis to inform more detailed proposals on the specific nature of an extended producer responsibility scheme for packaging and related secondary legislation. This work will be taken forward over the remainder of 2019 and we anticipate bringing our final proposals forward for consultation in 2020.

We will continue to develop the Impact Assessment and will assess the overall impact on business of our proposed policy measures of EPR, a possible DRS for drinks containers (in England, Wales and Northern Ireland) and household and business waste collection consistency (in England). Reforms to the packaging producer responsibility system are linked directly to those policy proposals and to the introduction of a DRS for drinks containers in Scotland. Further work to develop our policy proposals in all three areas will be undertaken in parallel ensuring they form a cohesive packaging of measures. Government will also seek to ensure that the plastic packaging tax being developed by HM Treasury complements the reforms to the packaging producer responsibility system. The tax will create greater demand for recycled plastic with the packaging EPR system incentivising both the design and use of easier-to-recycle plastic packaging and the collection and separation of plastic packaging for recycling.

We will engage with product manufacturing, retail and packaging businesses and their associated trade bodies, local government, waste management companies and reprocessors as well as the Regulators and other organisations as we develop our final proposals.

Subject to the outcome of the second, more detailed consultation, we will implement the necessary changes as soon as practical thereafter. The target year for packaging EPR to come into effect is 2023. We acknowledge the concerns and comments of stakeholders on the proposed timeline and phasing of the introduction of EPR, a possible DRS in England, Wales and Northern Ireland and the collection measures for England. We will take these views into account as we further develop our policies and timelines for implementation.

Introduction

Scope of the consultation

Over a 12-week period from 18 February to 13 May 2019 the UK government consulted jointly with the Scottish and Welsh Governments and on behalf of Northern Ireland on reforms to the UK packaging producer responsibility system. The current system, which has been in place since 1997, operates UK-wide so the proposed reforms cover the whole of the UK.

The consultation was broad in scope. It set out the overarching principles on which government's proposals for extended producer responsibility (EPR) for packaging are based and the outcomes government would like to see achieved through reform. It proposed that the full net costs of managing packaging waste be placed on those businesses that use packaging and who are best placed to influence its design, consistent with the polluter pays principle. The key proposals we consulted on were:

1. The definition of full net cost recovery and approaches to recovering full net costs from producers
2. Incentives to encourage producers to design and use packaging that can be recycled
3. The businesses that would be obligated under a packaging extended producer responsibility system
4. Producer funding is used to pay local authorities for the collection and management of household packaging waste and to support the collection for recycling of household-like packaging arising in the commercial waste stream
5. Mandatory labelling on all packaging to indicate if it is recyclable or not
6. New packaging waste recycling targets for 2025 and 2030, and interim targets for 2021 and 2022
7. Alternative models for the organisation and governance of a future packaging extended producer responsibility system
8. Measures to strengthen compliance monitoring and enforcement including for packaging waste that is exported for recycling

A total of 95 questions were asked. This document provides a summary of the responses and comments received. Separate summaries of responses have been published for the consultations on *Consistency in Household and Business Collections in England* and on a *Deposit Return Scheme for drinks containers in England, Wales and Northern Ireland*. HM Treasury has also published a response to its consultation on the *Plastic Packaging Tax*.

Respondents

Individual responses

In total 679 separate responses to the consultation were received. This comprised 478 responses submitted via the Citizen Space online questionnaire and 201 responses submitted by email. Of the 201 responses submitted by email 151 followed the structure of the Citizen Space questionnaire and answered all or some of the consultation questions directly. Fifty responses did not answer the consultation questions directly, these contributions have been summarised under the most relevant questions.

A breakdown of the respondents is provided in the table below. A list of respondent organisations is provided in Annex A. This excludes individuals who responded and respondents who requested anonymity.

Respondent Type	Number of responses	Percentage of total responses
Academic or research	7	1%
Business representative organisation or trade body	91	13%
Charity or social enterprise	12	2%
Community group	8	1%
Consultancy	14	2%
Distributor	18	3%
Individual	104	15%
Local government	226	33%
Non-governmental organisation	5	1%
Other	62	9%
Packaging manufacturer / converter / designer	36	5%
Product manufacturer / pack filler	60	9%
Reprocessor / Waste Management Company	21	3%
Retailer	15	2%

Table 1. Responses by respondent type

Campaign responses

As part of the consultation, we received 34 responses through a campaign organised by the Environmental Investigation Agency. These were based on a standard template provided by the campaign organiser to which respondents could add their name and submit via email. These responses have been included where relevant to specific questions.

The respondents supported a reduction in single-use packaging and for an approved list and fee system which encourages sustainable design of packaging. They also commented that the UK should focus on building a circular economy in the UK rather than exporting waste overseas and that third party audits rather than self-monitoring by producers should be used for monitoring and enforcing the system.

Stakeholder Events

Defra also held three stakeholder policy workshops during the consultation period, where attendees were able to discuss the proposals with officials and ask questions. Attendees included non-governmental environmental organisations, trade bodies, and representatives from business and industry. Defra officials engaged with 66 different organisations through these policy roundtables. In Scotland, Zero Waste Scotland organised a stakeholder event on behalf of the Scottish Government. In Wales the Deputy Minister for Housing and Local Government held a roundtable event with key Welsh stakeholders. In Northern Ireland the Department of Agriculture, Environment and Rural Affairs engaged with stakeholders at the event 'Unpacking the Consultations'.

The feedback from these meetings was recorded, and will be used to inform the next stages of policy development. The key messages raised by stakeholders during these events were consistent with those raised through written responses to the consultation.

In addition both Defra officials and officials from the devolved administrations attended over 40 events and meetings organised by stakeholders and trade organisations to present the proposals, engage in discussions and to answer questions.

We are grateful to everyone who has responded to this consultation either by answering the questions in the online survey, writing to us or by attending a stakeholder event.

Analysis of responses

Our approach to the analysis of responses is described in Annex B. The report uses the following terminology to describe the frequency of responses to individual questions:

- Predominant: >80% of respondents
- Majority: 50-80% of respondents
- Mixed or range: when there is no majority
- Large minority: 20-50% of respondents
- Small/some/a number: <20% of respondents

An overview of responses to the key proposals set out in the consultation document and next steps to develop the final policy proposals are summarised in the following section. The full summary of responses then follows and is structured in line with the original consultation document.

Given the level of stakeholder and public interest in packaging we are publishing this summary of responses and high level policy steer earlier than required to signal a clear direction of travel. This necessarily means that specific details of policy design and implementation will be developed in the following months informed by further more detailed analysis of the responses received to this consultation and further evidence gathering. We will continue to work with stakeholders to develop these more detailed propositions.

Summary of responses

Background to the reforms (Questions 6-9)

This section sought views on the overarching approach to the reforms. It set out the principles that the proposals for a packaging waste extended producer responsibility scheme are based on. It also detailed the outcomes that government expects from these reforms. Additionally, it sought views on what types of packaging should be included and how it should be categorised.

Question 6: Principles proposed for packaging EPR

6. Do you agree with the principles proposed for packaging EPR?

6.1 A total of 619 respondents provided responses to Question 6. 80% responded “yes”, 13% responded “no” and 8% responded “neither²”.

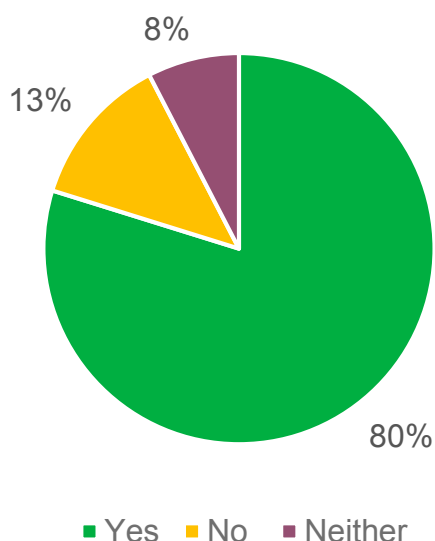


Figure 2. Responses to Question 6

6.2 Overall, a **predominant** number of respondents agreed with the principles set out in the consultation document. Of those that agreed, most added general comments of approval and praised government’s intention to improve the current system and for EPR to form part of a coherent system that is understandable and fair for businesses and consumers.

² Where respondents answered “Neither” to a question this means “ I neither agree nor disagree”

6.3 The profile of stakeholders that responded to this question showed that:

- a. Responses from local government, non-profit organisations, businesses such as resource management companies and retailers, as well as individuals and 'other' respondents dominated those that agreed with the principles.
- b. Packaging businesses and other business representative organisations gave **mixed** responses to this question.

6.4 Some supportive responses also remarked on how the principles could be further improved. As the points raised were similar to those made by respondents who did not agree with all the principles proposed they have been grouped into a number of common themes. The remarks were **mixed**, with no clear majority:

- a. The guiding principles, and principle 1³ especially, place too much focus on recyclability, and not enough on prevention and reuse. Respondents thought that the waste hierarchy must be firmly embedded within the guiding principles, in line with the EU Waste Framework Directive, circular economy principles, and ambitious climate targets. They argued that packaging reduction efforts must focus foremost on prevention, in parallel to scaling up reusable and refillable packaging alternatives. Many pointed to the language used in the EU Plastics Strategy, which goes farther than the principles proposed in the consultation document, stating that all plastic packaging placed on the single market by 2030 should be designed in a way that is either reusable or recyclable in a cost-effective manner. Furthermore, these respondents thought that solely focusing on recycling systems will not address the problems associated with the proliferation of single-use packaging.
- b. Principle 3⁴ places too much focus on end-of-life costs, with respondents advocating that the EPR principles be designed to ensure producers internalise the full life-cycle costs of packaging materials, instead of defining costs solely in terms of those arising at the waste management stage. Those arguing for this holistic approach stated that the current principles miss costs incurred further up the value chain. To support their view, they pointed to the OECD definition of EPR, which includes a life-cycle approach to producer responsibility, as well as language in the EU minimum requirements for countries establishing EPR schemes, which state "measures shall take into account the impact of products throughout their life cycle". As an example charity added that this focus on end of life "will fail to catalyse a shift to a circular economy, enabling a perpetuation of 'business as usual' linear

³ EPR Principle 1: "Extended producer responsibility should form part of a coherent system for improving the recycling of packaging and reducing use of virgin materials, alongside any deposit return scheme for drinks containers, the recycling systems in each nation and consideration of other appropriate fiscal measures. These measures should work together in a way that is understandable and fair for businesses and consumers."

⁴ EPR Principle 3: "Businesses will bear the full net cost of managing the packaging they handle or place on the market at end of life. Subject to this consultation, this should include the cost of collection, recycling, disposal, the clear-up of littered and fly tipped packaging, and communications relating to recycling and tackling littering."

throwaway models, albeit within a system where the producer picks up the bill”.

- c. Other respondents thought that Principle 3 would make EPR unjustifiably expensive for producers and that it went too far by requiring business to pay 100% of costs. They also considered fly-tipping and littering to be strictly behavioural and societal issues, and as such did not accept that producers should be financially responsible for the clean-up of littered packaging items. Regarding fly-tipping especially, some mentioned that as this is a criminal activity, in their view it is not for an EPR scheme to either enforce the law or to pay for enforcement of the law. They added that there is very little recognition within the consultation of the role that citizens must play (the concept of “citizen responsibility”) to improve disposal behaviour and achieve increased recycling of used packaging.
- d. There is no mention of an active approach to infrastructure development in the UK. Some respondents thought that unlike the current Packaging Waste Recovery Notes (PRN) system, the new packaging EPR system had the potential to help stabilise funding streams, which as one business representative organisation put it would be “key to unlocking future investment in domestic sorting and reprocessing infrastructure”. Some businesses /business representative organisations suggested a tenth principle, for the UK to progressively fade out reliance on exporting packaging waste overseas.

6.5 A number of respondents who were not in agreement with the principles cited specific applications which should be exempt from the proposed packaging producer responsibility scheme. These applications included medical devices and their packaging. Two trade associations from the pharmaceutical sector raised concerns about packaging for medicine which is subject to statutory or licencing requirements with regards to the packaging in contact with medicinal products.

6.6 A campaign of 34 individuals responded with the following comment: “....a significant reduction in single-use packaging is needed to close the gulf between packaging use and recycling levels in the UK. The EPR scheme must be designed to encourage a wholesale move away from non-essential packaging, with a shift into reusable and refillable alternatives.”

Question 7: Outcomes proposed for packaging EPR

7. Do you agree with the outcomes that a packaging EPR should contribute to?

7.1 A total of 583 respondents provided responses to Question 7. 88% responded “yes”, 9% responded “no” and 3% responded “neither”.

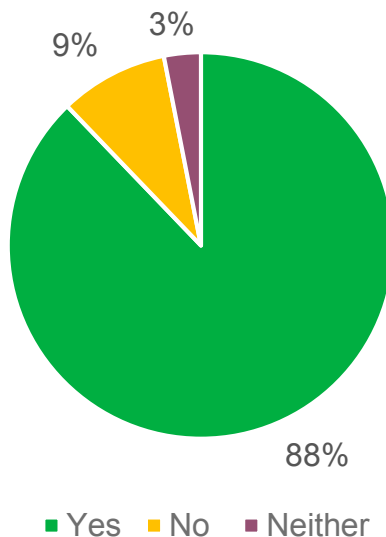


Figure 3. Responses to Question 7

7.2 As is evident by Figure 3, a **predominant** number of respondents agreed with the proposed outcomes of a packaging EPR system. Those in agreement with the principles included respondents from local government, waste management companies, ‘other’ organisations and retailers. Responses from product manufacturers/pack fillers were more mixed.

7.3 Of those that did not agree, there was no one overall reason, rather several reasons expressed by a **large minority** of responses that are noteworthy, as they also echo the sentiment of respondents who largely agreed with the proposed outcomes, but offered some additional comments.

- a. Among those not agreeing with the outcomes, a **large minority** had issues regarding packaging materials that are difficult to recycle, particularly black plastic. Many respondents pointed to recent advances in technologies that mean this material can be recycled, and if made widely available, it was their view that black plastic would be, as one packaging manufacturer put it, “The best option to recycle high quantities of post-consumer waste very quickly”. A recycler told us they rely on black scrap to blend with other colours in order to generate a standard black recycled pellet widely used by film and rigid plastic extruders.
- b. A large minority of responses suggested that one of the outcomes should be ensuring greater funding is available for investment in UK end markets in order to increase UK recycling capacity. Some responses also stated that government must guarantee the required investment in a consistent manner across the UK and within the timescales needed to handle the increased quantity of packaging available for recycling.

- c. Next, a **large minority** of responses considered the outcomes to not be ambitious enough and the objective of 70% recycling (of packaging waste) by 2030 to be too low. Similarly, respondents thought unnecessary packaging should be removed/phased out, and not reduced as reflected in the outcomes.
- d. Finally, some respondents reiterated the importance of incorporating the waste hierarchy to enable the overall outcome of a closed-loop, circular economy.

Question 8: Items in scope of a packaging EPR system

8. Do you think these types of items not currently legally considered as packaging should be in scope of the new packaging EPR system?

8.1 By 'these types of items', this question was referring to single-use packaging-type items such as cling film, kitchen foil and sandwich bags, which mainly are sold for use in the home. A total of 577 respondents provided responses to Question 8, of these, 135 did not provide any reasoning. 69% responded "yes", 20% responded "no" and 11% responded "neither".

8.2 A **majority** of respondents agreed that these types of items should be in scope of the new packaging EPR system.

- a. A **majority** of those agreeing thought that the scope of the EPR should be as wide as possible. An industry representative body justified that "One of the stated outcomes of the EPR is to enable ...packaging materials that are difficult to recycle to be reduced or no longer used..., many of these 'single-use' items fall within this category and should, therefore be included within the scope of the EPR."
- b. Of those that provided further and more specific reasoning, a **large minority** pointed out that these products generally have difficulty with regards to their end markets and sorting infrastructure, so local authorities bear the cost of collecting them for little return value. Including them in the EPR will allow for funding their collection and/or financing their reprocessing, which were viewed as positive developments.
- c. A **large minority** thought that including these products in the scope of the EPR system would encourage a) producers to reassess their products and their design to create more recyclable products, giving consumers more sustainable choices, and b) consumers to share part of the "polluter pays" obligations.

8.3 Of those that did not agree with including such products within the scope of EPR, a **large minority** considered it too early to understand the potential impacts of including these products, particularly as the consultation document does not give any further information or consideration of the impacts. Furthermore, it would require a clear differentiation of products based on home vs. business use, as well as products that are single use vs. products with a similar function but are reusable. As many of the items also have non-packaging uses, e.g. for cooking and helping to manage household food, adding them would add further complexity to the system.

8.4 A **large minority** thought that the definition of packaging adopted in UK regulations must be consistent with that of EU regulation, to ensure consistency across markets.

Question 9: Packaging classifications

9. Which of these two classifications best fits with how your business categorises packaging?

- a. Primary, secondary, tertiary
- b. Consumer-facing and distribution/transit
- c. Neither

9.1 A total of 531 respondents provided responses to Question 9. 33% responded “Primary, secondary, tertiary”, 26% responded “Consumer-facing and distribution/transit and 41% responded “neither”.

9.2 There was no majority response to this question, each of the options received a **large minority of responses**. However, “Neither” received the **largest minority** response.

9.3 Of those that responded “Neither”, the reasons given from organisations generally aligned with the following themes, in descending order of number of responses sharing these views:

- a. The respondents were from local authorities. They consider waste either by waste stream (e.g. residual, dry mixed recycling, etc) or by material type (e.g. glass, paper, etc).
- b. The respondent indicated they were not a business, and were either an individual, an NGO, or a consultancy, and therefore do not have reason to classify packaging.
- c. The respondent indicated they were not a producer and gave no further explanation besides “not applicable”.
- d. The respondent indicated they were not a producer, however they stated that if government’s intention is to include the full net costs of household or

household-like packaging with separate responsibilities for commercial and industrial/transit packaging then it is “essential for the system to set new and clear classifications”.

- e. The respondents (which included product manufacturers and business representative organisations) indicated that both classifications were relevant for their business as their business activity spans the entire value chain. This group of respondents felt that “the concept of consumer facing packaging is useful, however it was also the views that the most important classification for local government will be the point where it becomes waste i.e. in the hands of the consumer (household) or at a business (commercial) waste.

Part A: Section 1. Full net cost recovery (Questions 10-13)

This section sought views on government’s proposed definition of full net cost recovery and asked respondents to indicate whether or not they considered it to meet the Polluter Pays Principle. Additionally, it asked for feedback on what packaging waste streams full net cost recovery should apply and whether packaging items subject to a [possible] DRS should also be obligated under an EPR system.

Question 10: Definition of full net cost recovery

10. Do you agree with our definition of full net cost recovery?

10.1 A total of 620 responses were received for this question. 56% responded “yes”, 28% responded “No, it goes beyond the Polluter Pays Principle and 16% responded “No, it does not fulfil the Polluter Pays Principle”.

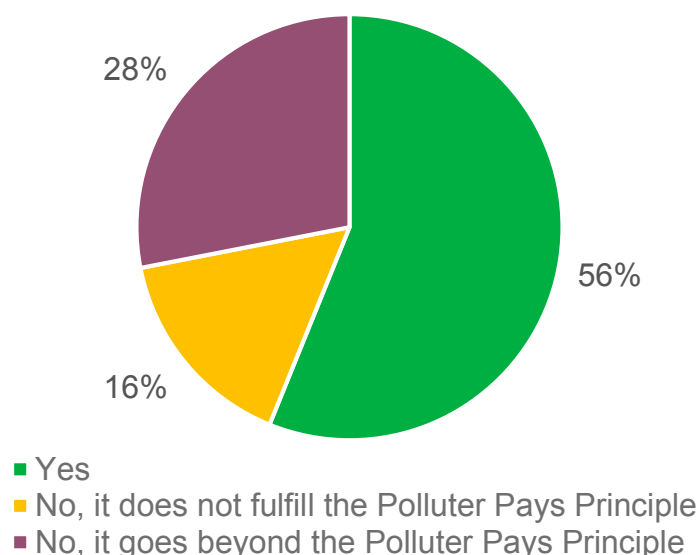


Figure 4. Responses to Question 10

10.2 A **majority** of respondents were in agreement with the proposed definition of full net cost recovery (FNCR). These responses were dominated by responses from local government and individuals. Of those a **predominant** number stated that several aspects needed further clarification before they could fully support reflecting that the proposals are new, wide-ranging and not finalised at a consultative stage.

10.3 A **large minority of** respondents stated they could not support the proposed definition **on the basis that they felt it went beyond the Polluter Pays Principle**. This response was dominated by organisations in the supply chain (business

representative organisation /trade bodies, product manufacturers/pack fillers and packaging manufacturers/converters).The main themes emerging from the comments received from those responses were:

- a. The inclusion of clean-up costs of littered and fly-tipped packaging items and the “open ended” commitment that could result from their inclusion. Concerns raised by a **large minority** related to the potential scope of these costs, the potential double accounting of litter costs when litter is already partly covered through business rates, how the packaging element of litter will be calculated in order to determine producer costs, and how litter costs will be divided and distributed correctly to businesses. Respondents, which included business representative organisations also questioned whether producers should cover the cost of socially irresponsible or criminal behaviour by consumers or businesses. Some were of the view that this appeared to go beyond the statement on full net cost recovery in the EU Circular Economy Package. A business representative organisation stated: “In terms of littering and fly-tipping, we strongly advocate that councils use their existing powers to ensure ‘polluters’ do pay for their anti-social behaviours (whether that be citizens or companies)”.
- b. A number of responses from packaging manufacturers and business representative bodies commented that packaging is only likely to be a small proportion of fly-tipped waste. These same responses also raised concerns that the definition of FNCR effectively means that producers may end up cross-subsidising current central government expenditure. It was felt that existing central government expenditure should be ring-fenced and continue to be available to local authorities to improve the system and provide them with an ongoing incentive to deliver cost effective and improved environmental outcomes.
- c. A number of respondents did not support the application of FNCR to the collection and recycling of household-like packaging from businesses, offices and other commercial premises or the cost of treatment or disposal of this packaging in the residual waste stream, as the cost of these services is currently borne by those businesses directly and that this should continue.
- d. A number of respondents noted that the proposed definition is high level. LARAC stated “At this stage in the consultation process the definition is high level and LARAC members have raised a variety of concerns about the detail below this. Such issues include: how overheads are treated, client costs, training etc – reasonable costs associated with running an effective service. There is also an issue around the management of bring banks and HWRCs (household waste recycling centres) and if these are intended to be included within the scope of full net cost recovery. The view of LARAC members is that they very much should be as they are used to collecting discarded packaging.” This view was repeated verbatim by a number of local government respondents.

- e. A number of respondents agreed that netting off income from the sale of recyclable materials is appropriate with some expressing the need for greater clarity on the methodology for calculating how income from the sale of recyclable packaging will be netted off and the need to ensure that the commercial/market incentives for the trading of recyclate are maintained.

10.4 Of those respondents answering “**No, it does not fulfil the Polluter Pays Principle**”, a **predominant** number gave further reasoning to explain their response. Local government responses dominated this response but other respondents included waste management companies and non-governmental organisations.

- a. A **large minority** of these responses argued that the current definition does not take the full environmental cost of packaging into account in line with the OECD definition of the polluter pays principle. A non-governmental organisation noted that “Under the current EPR proposal, full net cost recovery is treated purely as a waste management issue, rather than incorporating the OECD’s full lifecycle definition. Until upstream externalities are fully internalised by producers, the UK’s EPR scheme will fall short of fulfilling the polluter pays principle.”
- b. The view of another **large minority** of responses was that the definition of FNCR should include the costs incurred by local authorities in amending long term waste management contracts, impacts on performance targets, enforcement costs and other factors. A number of respondents also thought that the costs of street cleansing and providing, servicing and treatment of street / ‘on the go’ litter bins should be included.
- c. A number of respondents thought that the proposed definition for FNCR doesn’t do enough to incentivise proper recycling behaviour by the public.
- d. A number of respondents noted that the proposed definition doesn’t cover the cost of managing packaging wastes through local Household Waste Recycling Centres.

10.5 A campaign of 34 individuals responded with the following recommendations “Make sure ‘full costs’ mean full costs: packaging doesn’t just become a problem at the point of disposal. From sourcing through to consumption, there are social and environmental costs all along its life cycle. Producers must be made to consider these under EPR requirements to properly satisfy the ‘polluter pays principle’.”

Question 11: Costs of collecting and managing packaging waste (household)

11. Do you agree that producers should be required to fund the costs of collecting and managing household and household-like packaging waste? (i.e. all consumer facing packaging)

11.1 A total of 615 responses were received for this question. 74% responded “Yes”, 22% responded “No” and 4% responded “I don’t know”.

11.2 A **majority** of respondents agreed with the proposal for producers to fund the costs of collecting and managing household and household-like packaging waste. Of these, a **majority** did not provide additional comments to explain their response.

11.3 A **large minority** of respondents stated that they did not agree that producers should be required to fund the costs of collecting and managing household and household-like packaging waste.

- a. Of these respondents, a **majority** stated that the cost of collecting from businesses, offices and commercial premises and the cost of disposal of such packaging in the residual waste stream should be borne by businesses as it is currently. The Welsh Local Government Association agreed with the proposal but emphasised that “If different payment mechanisms are assigned for business waste containing household-like packaging the administration of the system for local authorities may become overly complex.” Whilst agreeing with producers funding household packaging waste, a business representative organisation commented: “...we do not feel this is an effective approach for ‘household-like’ material in the hands of businesses and organisations. Such businesses/organisations choose to purchase the packaged goods, be they household-like or not, and these businesses determine whether the packaging is recovered or disposed of. What is required is a cost-effective means of maximising the collection of recyclables from these businesses/organisations.” Another business respondent commented: “One of the key goals of the proposal is to influence behaviour and increase the amount of packaging recovered, and making businesses bear the cost of the packaging they purchase and/or handle is more likely to achieve this goal”.
- b. A number of the respondents including a manufacturer / pack filler added that financial responsibility must be shared proportionally throughout the packaging value chain. They emphasised that it is not only the ‘producers’ who are responsible for the management of packaging but the packaging manufacturers all the way through to waste management companies and consumers.
- c. A number including product manufacturers and business representative organisations emphasised that the “requirement for producers to pay full

net costs for the treatment of all packaging, not just that necessary to meet targets, could result in collection and processing to a level which exceeds demand particularly in the case of paper and board packaging.” They furthered this, noting that “complimentary measures will be needed to ensure appropriate investment in reprocessing capacity.”

Question 12: Commercial and industrial packaging and full net cost recovery

12. Do you agree that packaging for commercial/industrial applications should be out of scope for full net cost recovery?

12.1 A total of 613 responses were received to Question 12. 60% responded “Yes”, 28% responded “No” and 12% responded “I don’t know”.

12.2 For this question, **a majority** agreed that commercial and industrial (C&I) packaging should be out of scope for full net recovery. A **majority** of these respondents agreed without adding further reasoning.

12.3 However, a **large minority** highlighted points for clarification including:

- a. Reprocessors and exporters must be incentivised to report C&I packaging and that modulated fees should apply to ensure desired environmental outcomes. A representative business organisation stated that C&I costs should continue to be met by businesses but “reprocessors and exporters need incentives to ensure the recycling of these materials is reported”. A charity responded “I don’t know” and highlighted that its members thought that “C&I packaging waste should be subject to the same environmental incentives that are being proposed through modulated fees.”
- b. A compliance scheme stated that “There is still a significant amount of packaging that does not get recycled. Therefore, these should be within the scope of the regulations (i.e. count towards meeting recycling targets) but not have attributable full net costs. A separate target should be set to deliver increased commercial & industrial recycling over time.” A waste management company noted “We agree that... C&I only material should not be included within the FNC recovery, however they should still be included with the overall targets that are placed on businesses and contribute towards the overall UK targets”.
- c. A number of local authorities also stated that they agreed with the proposal to exclude C&I packaging from FNCR but on the basis that it is largely obligated companies that are dealing directly with this packaging. If it is shown that this is not the case, then certain types of this packaging might need to be brought into scope of FNCR. A charity felt that “such packaging – mostly delivery and transit packaging, as set out in the consultation paper – should be out of scope, at least initially, because the data on it is poor, making policy

interventions difficult, and it is not a high priority when compared to household and household-like packaging.”

12.4 A **large minority** of respondents stated that C&I packaging should be in scope for FNCR. Some of the key themes emerging from these themes were:

- a. It is difficult to make a clear distinction between household / household-like and C&I packaging waste. A charity noted that “the boundaries are not always clear and some C&I packaging waste does end up in the household / household-like waste streams and these costs would therefore not be covered by producers under the current proposals”.
- b. There is a risk of possible unintended outcomes if C&I packaging is excluded. A non-governmental organisation raised a risk “.. that producers simply shift material use from the consumer-facing side to within supply chain/secondary/tertiary packaging use. In line with the ‘cradle-to-cradle’ view of producer responsibility, this exclusion would also fail to account for environmental costs beyond waste management.”
- c. A number of respondents highlighted the potential for market distortions and unintended loopholes arising from excluding C&I packaging suggesting that clear guidance should be given on the scope of what packaging is not included.

Question 13: Deposit return schemes and packaging EPR

13. We would welcome your views on whether or not producers subject to any DRS should also be obligated a under a packaging EPR system for the same packaging items.

13.1 A total of 602 responses were received for Question 13. 50% responded “Yes” they should, 28% responded “No they should not” and 22% responded “I don’t know”.

13.2 A **majority** of respondents stated “Yes they should” to this question. However, key issues highlighted in the responses were shared by both those who answered “Yes they should” and “No they should not”.

13.3 A **large minority** of respondents thought that any DRS should only be introduced once a comprehensive EPR system has been established. A large product manufacturer / pack filler proposed that “Once this [EPR] scheme is embedded, reward or incentive schemes to capture packaging ‘on-the-go’ could be considered as part of such a scheme rather than a deposit-based system. This would ensure a streamlined approach to driving public awareness and buy-in for the correct disposal of waste, without the added confusion of implementing dual

schemes in a short timeframe.” Others expressed a view that DRS is a measure “that should only be considered if EPR does not fulfil its potential”.

13.4 A **large minority** of responses noted the potential for producers to be disadvantaged by being charged twice. A representative business organisation stated that “If shared responsibility is retained, producers should not be obligated under a packaging EPR system for the same packaging items as a DRS”. The view expressed by a charity respondent was that “Producers should not be ‘double-charged’ but if both systems are not closely aligned, there is the risk of sub-optimal outcomes and unintended consequences – with some members expressing the view that DRS should be integrated into the EPR regime rather than sit as a separate system”. A number of stakeholders also highlighted the potential cross-over with the proposals for a plastics tax. A representative business organisation stated that “government must ensure that companies that are caught within a DRS system are not unfairly paying twice through other producer responsibility or tax schemes which are currently being considered”. A business representative organisation for the packaging industry stated that “a way must be found to ensure that the EPR system, a DRS and any plastics tax can work together in an integrated way and avoid this risk”.

13.5 LARAC provide an opposing view to the potential for producers being charged twice, stating “Given that DRS is a form of EPR LARAC believes producers should be responsible for items that fall within a DRS if one were to be introduced. However, they would still be responsible under EPR for any items that are placed in the kerbside system, at bring banks, HWRC and littered. They should pay the full net cost of items returned via a DRS or a kerbside collection”. However they also comment that this would not be as cost-effective an approach as meeting packaging recycling targets through kerbside collections alone.

13.6 A **large minority** of those responding “Yes they should”, including many from local authorities, also emphasised that funds raised through a DRS are not intended to cover the cost of treatment of items falling into the residual waste stream. NAWDO responded “Whilst NAWDO believes that a DRS is likely to reduce the quantity of drinks containers within residual waste, it will not eliminate it. Therefore there will still be costs associated [with] collecting and managing the drinks containers within the residual waste stream, so EPR is needed to ensure that these costs are covered and encourage producers to do everything in their power to make sure that drinks containers are captured.”

13.7 A number of respondents noted that a DRS will remove valuable material from kerbside collections but not all DRS materials will be recovered through a DRS. They suggested that unredeemed deposits from the DRS could be transferred to the EPR scheme to cover the handling of DRS items disposed of via household collections. Other respondents suggested that unredeemed deposits could be utilised to offset the higher costs of the EPR system as a consequence of removing valuable materials from household waste and hence the EPR scheme.

Part A: Section 2. Driving better design of packaging (Questions 14-17)

Key outcomes proposed for a packaging EPR system are for more packaging to be designed to be recyclable and for unnecessary packaging and packaging materials that are difficult to recycle be reduced or no longer used. This section sought views on two approaches to incentivising producers to design and use packaging that is easy to recycle.

Question 14: Approved list of recyclable packaging

14. Do you agree with the development of an ‘approved list’ of recyclable packaging to underpin the setting of either modulated fee rates or deposits?

14.1 A total of 624 responses were received for Question 14. 90% responded “Yes”, 5% responded “No” and 5% responded “Neither”.

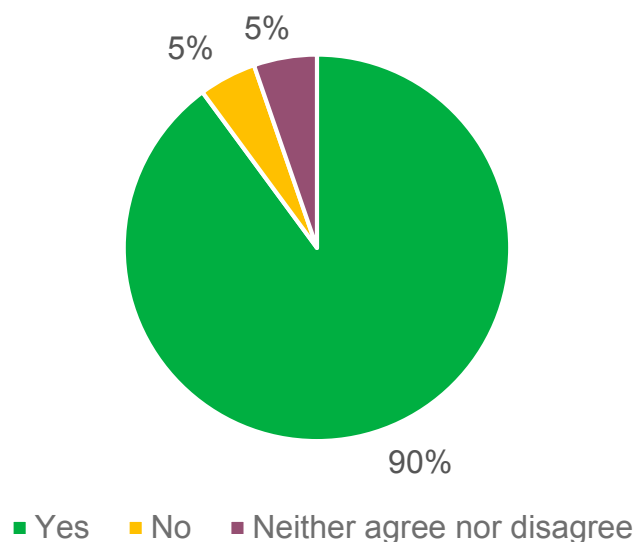


Figure 5 Responses to Question 14

14.2 Overall, a **predominant** number of respondents agreed with an approved list of recyclable packaging underpinning the setting of modulated fee rates or deposits. These responses were dominated by responses from business representative organisations, local government and individuals.

14.3 A number of themes can be identified from the comments made by those who supported this proposal:

- a. **A large minority** of respondents proposed that the list should be linked to or informed by the existing infrastructure and collections to determine what is recyclable in the current system. A number of local government respondents added that “It would be logical for this list to be commensurate with the core set of materials that local authorities may be required to collect, which is covered in the consistency consultation” [for England]. Labelling of products should be linked to the approved list of recyclable packaging. Another added that “Clarity of labelling for consumers can only be brought about if there is an approved list of what can and cannot be recycled, and recycling will be more effective if the labelling is clear.” Followed by “However, the practicalities are that different MRFs accept different ranges of materials so it will be important to find a way in which the national variability of what can and cannot be recycled is incorporated during any transitional period. “
- b. A number of respondents expressed the view that the list should be implemented UK-wide to ensure consistency.
- c. A number of respondents agreed that the list should not be static and should be revised and updated regularly. A compliance scheme added that “It would be important to keep up to date with the latest technology and material advances”. OPRL Ltd suggested a more flexible approach would be to identify key parameters that could be used to determine the recyclability of packaging. These parameters could then be used to make objective evaluations of individual packaging designs.
- d. A number of respondents expressed the need to avoid unintended consequences such as switches to packaging materials or formats with a higher environmental impact.

14.4 A number of respondents were not in agreement with an approved list of recyclable packaging. These respondents expressed several concerns including that a list could stifle innovation or the development of new packaging types or materials which could be more sustainable. Some respondents mentioned emerging chemical recycling technologies and the fact that these can recycle otherwise unrecyclable materials which are not on the list. Other respondents mentioned specific material types which they thought should be on the list, including film plastics and compostable/ biodegradable materials.

14.5 A number of respondents neither agreed nor disagreed and shared a range of viewpoints including that packaging of industrial products, and small volumes of unique packaging should not be excluded from the list even if recyclable. Many of these respondents suggested that the whole life cycle impacts should be considered when defining the list.

14.6 A major product manufacturer raised that it is unclear from the consultation document whether the list applies only to household or household-like packaging, or also to industrial packaging. The manufacturer also stated that wood is a significant proportion of their industrial packaging, and thought it should be in the list of recyclable packaging if in scope.

14.7 A waste management company provided a detailed response including a proposed method of 'recycling by numbers', whereby packaging types are given numbers which correspond with the relevant household recycling bin, bag or box collection method. The proposed method would require approximately ten to twelve number categories which could be incorporated into product labelling.

14.8 A campaign of 34 individuals responded with the following comment: "Set producer fees to ensure sustainable design: Non-recyclable, excessive and toxic packaging must be phased out through the 'approved list' for packaging design, with a fee system designed to encourage reusable and sustainable design choices."

Questions 15 and 16: Modulated fees or payment of deposits

15. Do you think the payment of modulated fees or the payment of deposits with the prospect of losing some or all of the deposit would be more effective in changing producers' choices towards the use of easy to recycle packaging?

15.1 A total of 620 responses were received for Question 15. 48% responded "Modulated Fee", 17% responded "Deposit and Fee" and 35% responded "I don't know/I don't have enough information".

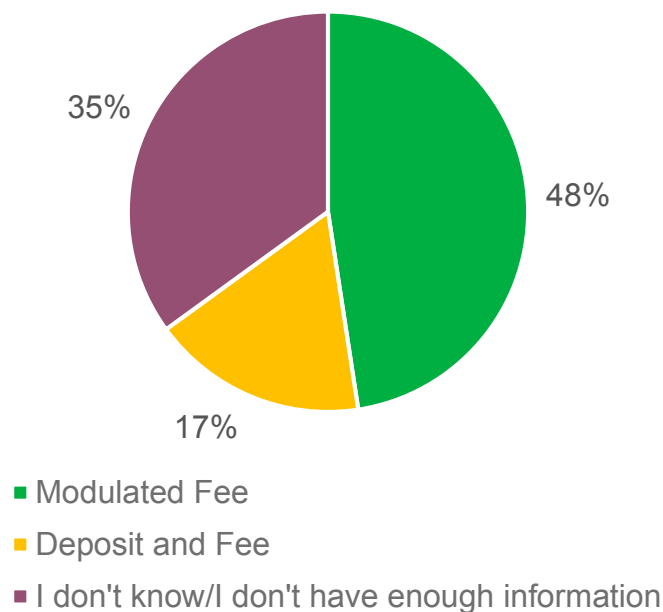


Figure 6. Responses to Question 15

15.2 There was no majority response to this question, but a **large minority** of respondents were in support of a modulated fee approach. Responses were dominated by those from business representative organisations, packaging manufacturers, product manufacturers/pack fillers and retailers.

15.3 Among those respondents that preferred a modulated fee approach, the **majority** reasoned that this approach would be the most beneficial in influencing producers at the design and production stages, and in achieving the government's proposed outcome of driving unrecyclable material off the market. A charity noted that modulated fees may provide a more "flexible and sophisticated mechanism to incentivise change and better reflect the complexity and rapidly changing nature of packaging". Respondents also commented on the simpler nature of modulated fees. A large retailer, added that it "builds on the current PRN system and incorporates processes businesses already have in place for recording and reporting materials data".

15.4 A **large minority** preferring a modulated fee approach thought the deposit system to be too complicated to operate and manage, and difficult for businesses to budget for their annual compliance and administrative costs. These respondents were unclear on how businesses would track and demonstrate that the packaging they produced was effectively recycled, particularly given the different approaches to collecting and sorting recyclables across local authorities.

15.5 A **large minority** of respondents were unsure, responding with 'I don't know/I don't have enough information'. These responses were dominated by responses from local government. Reasons varied with no clear majority view, but can be grouped into the following themes, in descending order of number of responses sharing these views.

- a. The deposit/fee system was considered attractive, however, as it had not been tested thoroughly or across all packaging types, its effectiveness in practice and the ability of regulators to prevent fraud and misreporting were questioned.
- b. Concerns were raised as to the potential for unnecessary and inequitable cost burdens on producers (of either approach), particularly for those whose products may for regulatory, safety and quality reasons need to contain materials not listed on any approved list
- c. There has not been enough investigation and modelling of each approach to inform a clear decision.
- d. The success of either option will depend on the overall scheme parameters; an example given was, if the fee levied for non-recyclable packaging is not sufficiently high it will not engineer the outcomes required.

15.6 A number of respondents preferred the deposit system. These included responses from a mix of organisations and individuals. Of those favouring a deposit system, a **majority** considered rewards to be more effective in encouraging pro-environmental behaviours than penalties or fines. Comparatively, modulated fees

may be considered an unavoidable cost of business and may not motivate producers to achieve recycling once the fee is paid.

16. Do you think there could be any unintended consequences in terms of packaging design and use arising from:

- a. Modulated fees
- b. Deposit (for recyclable packaging) and fee (for non-recyclable packaging)

16.1 A total of 568 responses were received for Question 16.

	Yes	No	Don't know
Modulated fees	40.5%	8.6%	50.9%
Deposit (for recyclable packaging) and fee (for non-recyclable packaging)	44.4%	5.8%	49.8%

Table 2: Summary of Responses to Question 16

16.2 Responses were analysed first by those who answered “Yes” to only modulated or deposit fees (in order to isolate respondents’ who had reservations about one of the two choices), and then by those that answered “Yes” to both choices (in order to understand the viewpoints of those who had reservations about both approaches).

16.3 Of those that only foresaw unintended consequences in terms of packaging design from modulated fees approach:

- a. A **majority** thought that once the system is operational, producers would not have much incentive to improve packaging design once a material is on the approved list, in other words, the incentive to further improve packaging design would not be driven by the fee. This could ultimately affect recycling rates and end market capacity and development.
- b. A **large minority** thought that modulating fees based on material type and focussing on recyclability risks design decisions that could contribute to negative environmental outcomes such as increased carbon emissions. They also thought that focussing on recyclability could mean other aspects of eco-design are not considered such as recycled content and that the modulated fee approach will not incentivise reduction or re-use.

16.4 Of those that only foresaw unintended consequences of the deposit system, responses were split, both representing a **large minority** views:

- a. One group thought that the deposit system shares similarities with the current PRN system, particularly as it requires providing evidence of recycling. They suggested it would be reasonable to assume that it could therefore be

susceptible to similar flaws, such as data manipulation/fraud, and a focus on gaining evidence of recycling rather than investing in the collection and reprocessing infrastructure.

- b. The other group raised the potential administrative and financial burdens to business, particularly SMEs, from placing an upfront burden on the business which they will not be able to reclaim for possibly as long as one year. The need to track and return the correct rebate would also place an additional administrative burden on businesses and government, which they argued would not be the case with a modulated fee structure.

16.5 Finally, a **large minority** thought there could be unintended consequences from both approaches. Opinions provided are as follows, in descending order of number of responses sharing these views:

- a. As both approaches depend on payments (be they deposits or fees), the success of the scheme will depend on the level of these payments, if they are not set at sufficiently differentiated rates, they will fail to incentivise sustainable packaging design.
- b. Both approaches encourage the substitution of less easily recycled materials for more easily recycled materials, while this is desirable, there were concerns about how it would occur in practice. Respondents thought that the “approved list” must require “full supply chain consultation and be based on robust life cycle analysis to reduce the risk of unintended consequences such as material substitution that increases overall environmental impact”.
- c. A number of local government respondents raised the potential of an imbalance between fees paid by producers and the full net costs of the system. They were concerned that local authorities would need surety of funding under the EPR system and of producers having to make top up payments. Funding shortages to LAs could impact on services to residents. Both systems are likely to require balancing of fees in, against costs incurred each year.
- d. There was concern regarding the degree of change proposed by the new EPR system, DRS, tax on plastic packaging not containing at least 30% recycled content, and the proposals for consistent collections [in England]. Many thought that this level of change will undoubtedly pose a risk of unintended consequences, and therefore any approach taken must be phased and complimentary to other regulatory schemes.

Question 17: Deposit approach and closed loop recycling

17. Do you agree that the deposit approach should be designed to incentivise more closed loop recycling?

17.1 A total of 512 respondents provided answers to Question 17. 68% responded “Yes”, 15% responded “No” and 17% responded “Neither”.

17.2 A **majority** of respondents agreed that the deposit approach should be designed to incentivise more closed loop recycling. However, of those that provided reasoning, **a large** minority emphasised demand and location considerations. For example, it may be that a lower-grade recycling process carried out locally is preferential in both environmental and economic terms to transporting the material for the sole purpose of achieving a truly closed loop process. Similarly:

- a. Some thought that achieving a closed loop system would depend on a stable collection infrastructure as this would provide good quantity and quality of feedstock with low contamination. Furthermore, the costs of the collection and sorting operations to place a material into a closed loop process must be covered by a differential in price received for the material. Therefore, the deposit system should place greater value on material going into closed loop systems.
- b. Some commented that such an approach supports the principles of the circular economy where closed loop recycling keeps material in the economy at a high value for longer.
- c. Some continued to make the point that while a closed loop system is desirable, more emphasis needs to be placed on minimising resource use first, including by incentivising low-carbon and low-impact refillable systems as a greater priority.

17.3 While only a number of respondents did not agree with a closed loop system under a deposit approach, of those there was a near majority view that returning material to its original application, as required in a closed loop system, is not always possible due to restrictions over food contact or quality or performance constraints from recycled polymer. Open loop applications, focusing on life-cycle analysis, up-cycling and proximity in product flows, are considered fundamental to achieving a truly circular economy.

17.4 Those that responded “Neither” largely provided the same reasoning as presented in the previous paragraph (17.3).

Part A: Section 3. Obligated producers (Questions 18-25)

Under the current packaging system, the producer responsibility obligation is shared across the supply chain ('shared responsibility') and there is a de-minimis threshold which is designed to protect small businesses from unnecessary burdens. This section sought views on changing to a single point of compliance and also sought views on changing the exemption of small businesses. Additionally, views were sought on compliance options for wholesalers and online marketplaces.

Question 18: Approach to single point of compliance

18. What do you consider to be the most appropriate approach to a single point of compliance, the Brand-owner or the Seller approach?

18.1 A total of 554 responses were recorded for Question 18. 54% responded "Brand-owner", 12% responded "Seller", 25% responded "I don't support single point compliance" and 9% responded "Other".

18.2 A **majority** of respondents considered the brand-owner to be more appropriate approach to single point of compliance. More than 70% of respondents supporting a brand-owner approach were either local government or individuals. Of those providing further reasoning, the largest group thought brands to be best placed to influence decisions on packaging design, particularly when compared to Sellers, who were considered to have comparatively less influence.

- a. A **large minority** of these respondents thought that applying a single point of compliance to the Seller would be challenging and add further complexity, particularly as not all sellers have systems in place to track packaging through their business. This would mean further administrative and financial burdens, especially to small/independent retailers.
- b. Some respondents reasoned that applying a single point compliance at the level of the brand-owner would be the best way to spread and recover the costs of compliance down the supply chain, rather than applying costs directly to consumers.

18.3 Approximately a quarter of respondents, did not support changing to a single point of compliance. Of these, a **majority** thought that limiting compliance to a single point in the supply chain would decrease the commitment of those no longer obligated directly and that it would be too much of a financial burden for any one point in the packaging chain to bear alone. Maintaining shared responsibility would encourage all actors to work together to drive innovation and would help ensure costs are shared fairly along the entire supply chain.

Question 19: Single point of compliance and the de-minimis

19. If a single point of compliance approach was adopted, do you think the de-minimis should be:

- a. Replaced with a lower turnover threshold?
- b. Retained and wholesalers and direct-to-retail sellers take on the obligation of those below the threshold?
- c. Other, please state below
- d. Don't know

19.1 A total of 539 responses was recorded for Question 19. 21% responded "Replaced", 23% responded "Retained", 22% responded "Other" and 34% responded "Don't know".

19.2 Responses were split for Question 19, with no majority response. However, the **largest minority** of respondents responded "Don't know", suggesting some uncertainty or lack of knowledge amongst respondents on the de-minimis threshold. More than 65% of respondents who responded "Don't know" were either local government or individuals. Some respondents thought that while it could be beneficial to bring more business into a packaging EPR system there could be a risk that if the obligation is placed on wholesalers that small and micro businesses may suffer from "excessive cost of compliance being passed on to them".

19.3 The distribution of the remaining responses was nearly even at just over 20% for "Retain" "Replace", and "Other". However a **majority** of respondents, regardless of their response, reasoned that there needs to be a way to minimise the relative burden for small and micro businesses.

19.4 The next **largest minority** of responses were those that stated a preference to retain the de-minimis and further obligate wholesalers and direct-to-retail sellers to take on the obligation of those below the threshold. A **large minority** of these respondents thought that this would be the best way to address 'in scope packaging' in businesses below the de-minimis threshold, while also retaining the exemption of small and micro businesses. This system would allow small businesses to benefit from the compliance activity of the larger wholesalers.

Question 20: Exemptions from packaging EPR

20. Should small cafés and restaurants selling takeaway food and drinks whose packaging is disposed ‘on the go’ be exempt from being obligated?

20.1 A total of 546 responses were recorded for Question 20. 77% responded “No”, 12% responded “Yes” and 11 responded “Don’t Know”.

20.2 A **majority** of respondents thought that small cafes and restaurants selling takeaway food and drinks should not be exempt from packaging EPR. Local government respondents, individuals, and business representative organisations made up the majority of those who answered “No”. Of those that provided further reasoning:

- a. A **majority** mentioned the pervasiveness of on-the-go items as litter, and their contribution to plastic pollution. One product manufacturer thought that including these items in an EPR would therefore help incentivise more innovative packaging design, such as refill schemes. Some respondents thought that including these businesses in EPR would be in line with the ‘polluter pays’ principle.
- b. A **large minority** of respondents answering “No” thought that in order to achieve the objectives of packaging EPR, there should be no exemptions to increasing reusability and recyclability of packaging. Not allowing exemptions will ensure maximum material capture and system change. A charity pointed to the single-use carrier bag scheme as an example, of a scheme where smaller producers are [currently] exempt in England. It was their view that this undermined the scheme’s effectiveness. A similar scheme in Wales, however, did not exempt smaller producers. The group added that “this sector was easily able to adapt”.

20.3 While only a number of respondents answered “Yes”, some thought that single-use/on-the-go items such as those produced by small cafés would be better dealt with by a DRS.

Questions 21 and 22: Shared responsibility and the de-minimis

21. If shared responsibility is retained, is Option A or Option B preferable for including smaller businesses or the packaging they handle in the system?

Option A: Lower or remove the de-minimis

Option B: De-minimis threshold remains unchanged and extend obligations on distributors of packaging or packaged products

21.1 A total of 535 responses were recorded for Question 21. Responses were evenly split between both options (191 respondents each). 36% responded “Option A”, 36% responded “Option B”, 8% responded “Other” and 20% responded “I don’t know”.

21.2 Of those that preferred Option A, a **large minority** argued that lowering or removing the de-minimis entirely and bringing more businesses into scope will create a more level playing field and embed the culture that everyone has a role to play in creating a circular economy. Another **large minority** preferring Option A thought that all except the smallest producers should be responsible for their packaging. Aligning this threshold with VAT obligations, whereby businesses that are not VAT-registered are exempt or must pay a flat fee, was suggested. Business representative organisations, local government, and packaging manufacturers/convertors made up over 50% of respondents who preferred Option A.

21.3 Of those that preferred Option B, a **majority** thought that lowering or removing the de-minimis would pose disproportionate administrative and financial burdens on small businesses, without necessarily benefitting increased material levels and funding very much. Local government and individuals made up the majority of respondents who preferred Option B.

22. If you have stated a preference for option A, do you think the de-minimis threshold should:

- a) Be reduced (please state your suggested threshold)
- b) Be removed entirely

22.1 Of those that preferred Option A in Question 21, a **majority** of these respondents preferred the de-minimis threshold to be removed entirely. 65% responded “Removed” and 35% responded “Reduced”.

22.2 Of those that supported removing the de-minimis, a majority thought this would provide a consistent and simplified system with no loopholes where material leakage is minimised and all producers are held responsible. A large minority agreed with the opinions given in Question 21, i.e. that all except the smallest producers should be responsible for their packaging. They suggested aligning this threshold with VAT obligations, whereby businesses that are not VAT-registered are exempt or must pay a flat fee. They argued that both tonnage and turnover thresholds should be eliminated, and small and micro businesses could avoid excess administrative costs by contributing a flat fee/single payment

22.3 Of those preferring the de-minimis to be reduced, a **large minority** similarly thought that businesses without a VAT registration should be exempt.

- a. Among those preferring the de-minimis to be reduced, tonnage and turnover thresholds varied, with no clear majority for either category. Tonnage thresholds suggested ranged from 1, 5, 10 and 25 tonnes. Both a compliance

scheme and a waste management company, for example, argued for a 1 tonne threshold, with the waste management company adding that while this sounds low “it amounts to over 300,000 crisp packets or 30-50,000 coffee cups”. Others, including another compliance scheme, argued for a 10-tonne threshold, as in other European countries.

- b. Regarding turnover thresholds, some supported either £500,000 or £1 million, however no further evidence was provided to support these suggestions.
- c. Some argued for keeping the turnover threshold, and reducing the tonnage threshold, and vice versa, with some requesting that a thorough analysis or modelling of the impact of different turnover or tonnage levels be carried out.

Question 23: Shared responsibility or single point of compliance approach

23. Overall, do you have a preference for maintaining a shared responsibility compliance approach, or moving to a single point of compliance?

23.1 Respondents were **first** asked to select one answer from:

- a. Shared responsibility
- b. Single point of compliance

23.2 Respondents were then asked to briefly state the reasons for their response and provide any information to support their view.

23.3 A total of 565 respondents responded in full, or in part, to Question 23. 59% responded “Single point of compliance” and 41% responded “Shared responsibility”.

23.4 A **majority** expressed a preference for moving to a single point of compliance. Local government made up the majority of these respondents. A number of product manufacturers / pack fillers, who stated a preference, chose single point of compliance.

- a. Reasons given by a **large minority** were simplicity and ease of application. However, concerns were raised regarding allocation of costs across the supply chain given the potential level of costs to business. A business representative organisation cited the example of Italy where costs are levied at the point of retail sale. It was their view that this is “by far the simplest solution and has the added advantage of enabling recording “packaging on the market” in each devolved administration[s]”

- b. Some stated that alignment with other systems across the world was a reason for favouring a single point of compliance, plus ease of administration, lower cost of administration, and effective enforcement. One charity cited DG Environment's report *Development of Guidance on Extended Producer Responsibility*⁵.
- c. Some respondents raised the influence that a single point of compliance would have on the supply chain. For example, a business representative organisation said "Whilst it requires greater reform, the price signal created by the proposed modulated fee rates or deposit structures is likely to be more effective in influencing better packaging design under a single point of compliance model. Depending on final design, a single point of compliance model also has the potential to be more cost-effective to administer."

23.5 A **large minority** were **in** favour of a retaining a shared responsibility approach. This included individuals and business representative organisations. For product manufacturers/pack fillers and retailers, the majority of those who stated a preference chose shared responsibility. Of these respondents:

- a. A **large minority** was concerned with costs, and a **large minority** was also concerned with the distribution of those costs and responsibilities across the whole value chain. For example, a business representative organisation said "...the burden of 'full net costs' in terms of current local authority recycling costs alone would be too much for any one point in the packaging chain to bear without a clearer understanding of how such costs would be passed on to others in the supply chain and/or to consumers. It would not be satisfactory for this to be simply left to commercial arrangements."
- b. A **large minority** also stated that shared responsibility would provide an incentive to innovate more sustainable packaging. A product manufacturer said "We understand the arguments behind moving to a single point of compliance in terms of promoting the idea of one controlling organisation however in reality decisions impacting the design and cost of meeting the proposed outcome of this policy are taken along all parts of the value chain."

⁵ European Commission – DG Environment (2014), Development of Guidance on Extended Producer Responsibility (EPR) Final Report (http://ec.europa.eu/environment/waste/pdf/target_review/Guidance%20on%20EPR%20-%20Final%20Report.pdf)

Question 24: Small business compliance

24. Do you have a preference for how small businesses could comply?

24.1 A total of 582 respondents responded in full, or in part, to Question 24. Respondents were asked to select one answer from a choice of three, of which 466 responses were received. 39.3% responded “apply an allocation formula”, 30.5% responded “Pay a flat fee to include a contribution to a communications fund” and 30.3% responded “Other”. Respondents were also asked to briefly state the reasons for their response and provide any information to support their view:

24.2 A **large minority** of respondents preferred an allocation formula. The responses were dominated by responses from local government and individuals. Of those favouring an allocation formula approach.

- a. A **large minority** of respondents raised fairness and cost. As an example, a waste management company said “an allocation fee based on obligation tonnage derived from the allocation formula would be the fairest approach. Relating to turnover means that producers pay fees relative to their size, whereas a flat fee can see some producers pay more and some pay less than would seem fair for the scale of their business. The fee derived from the allocation formula should also include within it a contribution to a communication fund.”
- b. A **large minority** cited turnover in their answer, with only a number mentioning tonnage.
- c. A **small number** of respondents, said that any formula should be simple.

24.3 A **large minority** expressed a preference for a flat fee system. The majority of these responses were from local government, business representative organisations and product manufacturers / packer fillers.

- a. Of those favouring a flat fee system, a **majority** raised cost. Using a flat fee system could keep administrative costs to a minimum for both small businesses and the scheme administrator.
- b. A **large minority** raised simplicity and ease of compliance, plus reduced administrative burden. A business representative organisation said “[we] recommend small businesses below the new financial threshold should pay a flat rate annual fee. This also makes the administration of the scheme easier and more cost effective for the body managing EPR.”
- c. A number of responses thought that the flat fee approach would allow small business to see the benefits of EPR in their local areas. A waste management company offered some outline criteria for a flat fee system:

- “Small producers who fall below the VAT threshold for revenue should be exempt from fees or reporting.
- Small producers who fall above the VAT threshold for revenue but below a 1 tonne placed on market threshold should be required to report their materials placed on the market and pay a compliance fee.
- Producers who fall above the VAT threshold for revenue and above the 1 tonne placed on market threshold should comply with the schemeeither directly, through a compliance body or through a wholesaler consolidator model.”

24.4 A **large minority** of respondents responded “other”. Just over half of these responses were from local government and business representative organisations.

- A **majority** of these respondents stated that they had no preference as long as full net costs were being covered.
- A **large minority** thought that small business should have a choice of whether to pay a flat fee or use an allocation formula.
- A **large minority** stated that they had no particular preference and did not offer an alternative approach.

Question 25: Online marketplace responsibility for e-commerce imports

25. Do you think that requiring operators of online marketplaces to take the legal responsibility for the packaging on products for which they facilitate the import would be effective in capturing more of the packaging that is brought into the UK through e-commerce sales?

25.1 A total of 586 respondents responded in full, or in part, to Question 25. 95% responded “Yes”, 4% responded “Other” and 2% responded “No”.

25.2 A **predominant** number of respondents answered “yes”. Support for this proposal came from all categories of respondents. Those in support acknowledged that the online marketplace sector is growing and hence there was a need to avoid any loopholes in a reformed system and to create a more “level playing field” for all sellers. Points raised by a **large minority** of those responding yes were:

- A packaging producer indicated that it would be effective but raised a concern regarding regulation: “[We] are not clear on how this would work in practice – how

would it be regulated? For example, would professional internet sellers who import goods be required to report their packaging to the platform provider through which they sell their goods, who in turn would report this to the agency?”

- b. With regard to smaller online businesses and those trading second-hand goods, two local government stakeholders said “Some consideration may be needed as to a solution that would enable obligations to be met without putting very small online retailers into a disadvantaged position. Consideration will also need to be given as to whether this obligation would include trade in second-hand items. It may be that there is little of this type of commerce that would include items in scope of EPR, but the system should be designed to not inhibit the growth of trade in reused items while also preventing the opening of a loophole that could be exploited.”
- c. With regard to marketplaces (as opposed to direct-to-customer online sales), a compliance scheme offered suggestions “Once the de minimis is reduced, online marketplaces should ensure that all UK-based traders are registered and discharging their legal obligations through the payment of a flat fee. Where products are imported, via online marketplaces, from companies without a UK legal entity, the marketplace itself should be obligated. The citizen considers the online marketplace to be the “retailer”, the multiple trading companies underneath are merely supplier to this retailer in the citizens view. This should be recognised in the new legislation.”

Part A: Section 4. Supporting improved collections and infrastructure (Questions 26-36)

This section addressed the principle that money raised through producer fees should pay for the management of packaging waste, including improvements to current infrastructure to enable more and better quality packaging waste to be collected for recycling and more provision for managing ‘on-the-go’ packaging waste. It sought views on how payments to local authorities and potentially other collectors could be structured.

Questions 26, 27, and 30: Managing household packaging waste

26 Do you agree that payments to local authorities for collecting and managing household packaging waste should be based on:

- a) provision of collection services that meet any minimum standard requirements (by nation)

26.1 A total of 471 responses were recorded for part (a) of Question 26.

Question: Do you agree that payments to local authorities for collecting and managing household packaging waste should be based on:	Yes	No
a) provision of collection services that meet any minimum standard requirements (by nation)	77%	23%

26.2 The **majority** of those who answered agreed that payments to local authorities for collecting and managing household packaging waste should be based on provision of collection services that meet any minimum standard requirements (by nation).

- a. This view was reflected among the local authorities themselves, with the **majority** of those responding also agreeing. Local government respondents also reflected that any approach underpinning a UK wide system would need to take full account of the specific legislative and policy environment in place in each nation. The Welsh Local Government Association referred to the Welsh collections blueprint. The Convention of Scottish Local Authorities thought that conditions attached to funding local authorities in Scotland should not be outwith the Scottish policy framework or inconsistent with the Scottish

approach referring to the Household Recycling Charter and the planned DRS for drinks containers.

- b. One product manufacturer argued that the local authorities should be “subject to binding performance indicators for the delivery of waste and recycling services” and that these should be determined by the Producer Management Organisation. A large retailer stated that “Minimum standard requirements for collection are important to ensure value for money is achieved and EPR contributors are not paying for inefficient and mismanaged services, which fail to improve recycling rates.”
- c. Some respondents argued for consistency in minimum standards across all four nations in order to facilitate labelling. A business representative organisation stated that “..we would caution against embedding significant divergence in service standards by nation as this will impact how easily a common UK wide labelling system can be established.”
- d. Some respondents argued that improved consistency in collection services would boost the volume and quality of recyclable materials collected at kerbside and enable improved communications about recycling at a national scale.
- e. Some respondents, while accepting that local authorities should be required to meet minimum standards, felt that it wasn’t constructive to penalise those that failed to meet the standards. There were, it was argued, factors beyond the control of local authorities, such as the quantity and quality of packaging materials collected, challenges specific to local geographical circumstances, existing processing and handling infrastructure or restrictions linked to current contractual arrangements. Rather, the actual, not average, costs faced by local authorities should be reflected in EPR payments and local authorities supported and incentivised to improve standards.
- f. Some respondents in agreement argued that EPR funds should not be contingent on consistent collections for biodegradable waste, since this was not deemed a concern for the packaging industry.

26.3 A **large minority** of those who answered, disagreed that payments should be based on provision of collection services that meet any minimum standard requirements (by nation).

- a. A key issue was the wide variation in circumstances faced by local authorities across the UK. LARAC stated that “The materials that local authorities collect are entirely dependent on the sorting infrastructure they have access to and the availability of end markets ... Collection systems are also a function of the materials that are placed on the market in the first place and how well designed for recycling they are.” Some argued that if the standards were imposed, local authorities would need support regardless of whether or not targets were binding to reflect local conditions.

- b. Some raised contractual constraints which prevented local authorities from adopting new minimum standards. A product manufacturer noted “The provision of services to meet any minimum standards are quantified in the contracts between the authority and their waste management contractor. Producers have no role in this relationship. The government proposals do not appear to define how these contracts might be contained.”
- c. A **large minority** of respondents contended that payments to a local authority contingent on whether or not it operated a certain system contravened the polluter pays principle and thus the basic concept of producer responsibility.

b) quantity and quality of target packaging materials collected for recycling

26.4 A total of 477 responses were recorded for part (b) of Question 26.

Question: Do you agree that payments to local authorities for collecting and managing household packaging waste should be based on:	Yes	No
b) quantity and quality of target packaging materials collected for recycling	91%	9%

26.5 A **predominant** number of those who responded agreed that payments should be based on quantity and quality of target packaging materials collected for recycling. This view was reflected among the local authorities themselves, with a **predominant** number of those answering also agreeing.

- a. A common theme was that producers should not, in effect, be paying to subsidise inefficiency, hence the importance of rewarding both quantity and quality. It was also stressed that producers should not be funding the collection of non-packaging materials.
- b. A compliance scheme was among some respondents arguing that the link between payments to local authorities and the quantity and quality of packaging recovered would drive improvements in the system. “Any payment formulas should be designed to encourage local authorities to collect higher quality and quantity whilst also driving higher efficiency and lower costs, therefore the payment should be linked to higher performance standards or incentives. If this was not the case there would be no incentive on local authorities to improve or even retain existing efficiencies and performance, and cost to producers would be likely to increase over time.”
- c. A waste management company stated “...all parties who collect waste should be paid by performance.” Similarly, a paper and cardboard manufacturer and reprocessor insisted that “payment should be partially based on the quality of materials collected, therefore incentivising the most effective collection infrastructure (paper and cardboard collected separate from other materials).”

- d. A plastics business representative organisation went further, calling for an independent body “to set the recyclability standards required for different materials. Local authorities should be liable for all packaging materials that do not meet these recyclability standards and for those that remain in residual waste. This would incentivise local authorities to improve separation and collection at source.”
- e. Some respondents, including a large retailer, felt that boosting the quantity and quality of recycled material would, in turn, help establish and improve the secondary market for materials.
- f. But some of the respondents who were in agreement, often local government respondents were concerned that councils would be penalised over material quality over which, it was suggested, they had limited influence. Although LARAC agreed that local authorities should be paid for the quantity of materials collected for recycling, the organisation “...would be concerned if payments were withheld based on quality of materials when the local authorities have limited control over this aspect of collection.” LARAC called for local authorities to be supported in communications “where it is identified that residents are not following the instructions and advice that the local authority is already supplying.” Similarly, the Welsh Local Government Association stated that “Quality of materials collected can be challenging for some authorities and increased levels of communication support will be required to increase both quantity and quality.”

26.6 A number of respondents disagreed that payments to local authorities should be based on the quantity and quality of target packaging materials collected for recycling. The key reason seemed to be that local authorities should be protected from risks linked to material values.

c) cost of managing household packaging waste in residual waste

26.7 A total of 459 responses were recorded for part (c) of Question 26.

Question: Do you agree that payments to local authorities for collecting and managing household packaging waste should be based on:	Yes	No
c) cost of managing household packaging waste in residual waste	81%	19%

26.8 A **predominant** number of those who answered agreed with the proposal. This view was reflected by local government respondents, with a **predominant** number of those answering the question in agreement with the proposal.

- a. Some respondents felt that the proposed EPR system should recognise that a certain amount of packaging would continue to be disposed of through residual waste collections, including street cleansing and litter collection, particularly in cities and other situations where it was, they argued, harder to achieve higher recycling rates. A requirement for producers to pay towards recovering packaging from the residual waste stream would, it was suggested, incentivise producers to source alternative packaging products that were more readily recyclable.
- b. Some respondents suggested that payments for managing packaging in the residual stream could be used to improve education and communication, and ultimately, to lower the overall amount of residual waste.
- c. The need for regular and accurate analyses of the composition of the residual stream was highlighted by a number of respondents. The Welsh Local Government Association stated that “Regular waste composition analysis would need to be funded to provide baseline data.”
- d. Although in agreement, some respondents including from local government voiced concerns that paying councils for managing packaging in residual waste streams should not “...subsidise poor performance by local authorities”.
- e. A large retailer, also in agreement, recommended that any payment for managing packaging in the residual stream be “...subject to local authorities optimising collection frequencies so that recycling services encourage the maximum capture of quality recyclates (e.g. a weekly residual waste service is unlikely to encourage the optimal use of the recycling collection service).”
- f. Despite broad agreement among respondents with the principle that payments to local authorities should, in part at least, reflect the cost of managing household packaging waste in residual waste, some were concerned about how the payment would be calculated in practice. A number of respondents, for instance, argued that collection costs had apparently been ignored and needed to be addressed.
- g. There was some concern that a reliance on national average gate fee data would not reflect the true costs of managing packaging waste in the residual stream at a local or regional level. However, others acknowledged the cost of managing household packaging waste in residual waste would need to be based on reference cost, rather than actual costs.
- h. Some business representative organisations advised that the payment system should “be designed to ensure that local authorities are only reimbursed when they reach agreed thresholds which maximise the capture of quality recyclates and thereby reduce packaging in residual waste.”

26.9 A number of those who responded disagreed that payments to local authorities for collecting and managing household packaging waste should include the cost of managing household packaging waste in residual waste. Reasons provided included:

- a. that such payments would reduce the incentives to improve recycling performance
- b. a view that poor consumer behaviour should be the responsibility of local authorities and taxpayers and not producers.

27. Do you think we have considered all of the costs to local authorities of managing packaging waste?

27.1 A total of 528 responses were recorded for Question 27. 24% responded “Yes”, 47% responded “No” and 29% responded “Neither”. Although the **majority** of local government respondents disagreed that all costs to local authorities had been considered, there was no majority view across all respondents.

27.2 Overall a **large minority** of respondents to this questions did not agree that all costs to local authorities of managing packaging waste had been considered. Responses included:

- a. Costs identified as missing, or potentially missing, from the current EPR proposals included:
 - The cost of dealing with litter and fly-tipping.
 - The costs of recovering packaging from the residual stream, specifically at Mechanical Biological Treatment plants, and the cost compositional analyses to determine the packaging content of residual waste.
 - Costs incurred by local authorities as a result of defaulting on, or renegotiating, contractual arrangements with waste management companies and other third parties.
 - The cost of additional waste management infrastructure, such as bulking bays for separate materials at transfer facilities and modifications to household waste recycling centres. The Local Government Association stated “As volumes of packaging increase councils anticipate that additional infrastructure support may be required. In some cases, planning permission will be required for additional depot space and site licenses.”
- b. The variation in costs between local authorities was raised as was the proposal to base payments on reference costs for different types of authorities rather than actual costs. The National Association for Waste Disposal Officers (NAWDO) emphasised the following “A key piece of work is to understand how much the costs of managing packaging waste vary between local authorities. We are also concerned that the payments for packaging waste in residual waste which will be based on the average disposal gate fee for household waste for landfill or incineration, using either national average rates or regional average rates have sufficient granularity. If residual waste is transported to a region with very different disposal costs it is important that this is reflected in the payments so that the producing local authority is

properly recompensed.” An identical, or almost identical, form of words was used by a number of local authority respondents.

- c. A waste management company was among a number of respondents identifying local factors impacting on the costs of waste management, stating “...we believe that other factors like language, stability in housing, housing style, age profile and other factors are material to the cost and to the likely success of recycling services in any particular area and as such these are material to your measurement of success.”
- d. NAWDO also raised the following issue, repeated by a number of local authority respondents: “The consultation document notes that producers should not be expected to cover the costs of inefficient service delivery and their financial contribution should not exceed the costs necessary to provide those services. NAWDO is concerned that the detail is not provided to understand how the efficiency of a collection service will be assessed and whether, if some costs have been excluded, a service may be erroneously judged as being inefficient.”

27.3 A **large minority** neither agreed nor disagreed. In most cases this response can be interpreted as agreement that the “high-level” costs largely had been accounted for but further consideration of local variations was needed (e.g. in existing waste management infrastructure, gate fees, unit costs of collection, etc.) as well as consideration of additional costs, such as those arising from new waste management infrastructure, litter and contractual arrangements.

- a. Some respondents felt they lacked sufficient information or expertise to make a judgement.
- b. In neither agreeing nor disagreeing, one organisation suggested that the separation of funding of packaging waste management from council tax payers “...opens up the question as to whether it should automatically be local authorities who have responsibility for these collections” whilst recognising that it should “remain with a recognised/licensed and authorised organisation.” They further suggest that the reforms presented an opportunity for “...more rational structuring...”, while stating that “The important link in governance will be to the EPR central organisation setting the strategy and collection requirement.”

27.4 A **large minority** agreed that all the costs had been considered. Those in agreement included representative business organisations, as well as product manufacturers and pack fillers. Of those in agreement, some provided caveats such as ensuring effective monitoring and enforcement, as well as a cohesive and consistent approach, including minimum service standards, across the four home nations. Some stated that the costs of enforcement should be included, while others advised that local authorities should be paid “...for the quality recycling of materials, not incineration.”

30. Are there other factors, including unintended consequences that should be considered in determining payments to:

a) Local authorities?

30.1 A total of 313 responses were recorded for part (a) of Question 30.

30.2 The **majority** of responses came from local government, a **large minority** queried the 'reference cost' and raised concerns as to whether it would be used for imposing a limit or ceiling on payments to local authorities. While LARAC saw "...value in establishing a theoretical reference cost for each individual local authority as a benchmark...", it stated that "a model will never truly be able to calculate real world costs so there should be no financial penalties for an authority that is not achieving a predicted cost profile."

30.3 The Welsh Local Government Association was among some respondents concerned about the rurality groupings. The organisation stated that these were "...currently based on the six rurality groupings developed by WRAP for use with English authorities", and that "Not all Welsh authorities fit well into these groupings and there is a wide range of cost differences for collections between our urban and rural authorities." Some respondents questioned how the approach would work in cases where some disposal authorities collaborate on waste management services.

30.4 Some local government respondents took the opportunity to raise again the issue of bring sites and household waste recycling centres. Welsh Local Government Association argued that "Bring sites form part of an authority's collection service and should be included within the overall calculations of cost of service."

30.5 A number of respondents stated that both appropriate transition arrangements and an adequate transition period were needed and that these should account for existing contractual arrangements and the potential for a change in ownership of recyclable packaging materials.

30.6 Some local authorities were concerned about the impact of a [potential] move away from the recycling credit system [in England]. One local authority waste partnership stated that "...throughout the country a number of waste disposal authorities will still be paying 3rd party recycling credits as a means to encourage the voluntary sector to also divert recyclables from disposal ... The Government will need to consider how these payments will be affected by the EPR proposals and may even wish to treat such organisations in a similar way to the proposals outlined for businesses that collect household-like packaging."

30.7 A number of local authority respondents were concerned that councils should not have to wait long periods for costs to be reimbursed.

30.8 For some respondents, of which the **predominant** number were from local government, the proposals for a DRS added further complexity and risked undermining the economic viability of packaging waste collections. The Welsh Local Government Association felt that "The implementation of a DRS may significantly alter materials collected at the kerbside making the overall cost of collection more

expensive. Regular reviews of waste composition and changing cost of collection, treatment and disposal need to be considered if a DRS is implemented”.

30.9 A number of respondents that were not local authorities, or their representative bodies, doubted the likely efficiency and effectiveness of local authority recycling operations under the proposed EPR system. A non-governmental organisation cautioned that “The distribution of funds raised by EPR reforms should serve as a mechanism not only for full cost recovery, but to ensure local authorities are running the best recycling collection services possible. It must not take away the incentive for local authorities to improve by paying full costs of services that don’t achieve the desired outcome.”

30.10 A **large minority** of non-local authority respondents, including a number of reprocessors and packaging manufacturers, stressed the importance of early separation of materials to preserve quality. A business representative organisation stated that “Payments to local authorities must prioritise collection systems that deliver high quality recyclate. Many of our members believe that some form of source separation of kerbside collected materials is the only reliable way of delivering this.”

30.11 Linked to this was the concern among some of these respondents that local authorities needed to work hard to boost citizen participation in recycling activity through effective awareness-raising, education and guidance activities. Similarly, the need for enforcement by councils to tackle littering and fly-tipping was highlighted.

30.12 A **large minority** of non-local authority respondents were concerned that producer payments to local authorities may be diverted for other uses. They highlighted the need to avoid producers cross-subsidising local authority services unrelated to household packaging waste management and that there should be no cross-subsidisation between material streams. It was also argued by some that funds be ring-fenced and used to invest in new recycling infrastructure, including at the national level.

30.13 Other issues raised by a number of respondents included:

- the importance of consistent and transparent reporting of evidence relating to the nature and quantity of packaging material collected and recycled by local authorities,
- a concern that local authorities would dispose of recyclable material to energy-from-waste plants.

b) For the collection and recycling of household-like packaging waste?

30.14 A total of 210 responses were recorded for part (b) of Question 30.

30.15 A **large minority** of respondents called for a high level of transparency and a robust reporting system. Others stated that further clarification on the practicalities of how such payments would be implemented was required and that safeguards would be required to ensure that material from non-household sources are not misclassified as household or household like.

30.16 As with packaging waste from households, some local authorities commented that the level at which payments are set should account for local circumstances.

30.17 In arguing for “..the same payment mechanism ... for collections of household-like packaging from both households and businesses”, a waste management company noted that otherwise it would be “...unclear how business household-like materials collections by local authorities would be managed, reported and compensated...”, with “...a significant risk that two different payment mechanisms would lead to unfair and challengeable treatment of local authority collections of household-like waste or to overly complicated and onerous procedures to identify and separate the materials for the purposes of payment.”

30.18 Linked to this was the concern that businesses might be charged twice for the management of their household-like packaging waste. A compliance scheme asked “...how businesses would avoid [a] double-charge for the collection of household-like packaging from their activities that go beyond the full net cost definition. The current proposals do not make clear whether a business would be directly charged (by their waste collector) or indirectly charge[d] (via the EPR system) for household-like collections. Without sufficient clarity and transparency, there is a significant risk that waste management companies could be effectively paid twice (by the waste holder and the EPR system) for the same packaging items.”

30.19 The Advisory Committee on Packaging was among some respondents raising a risk of fraud, stating “There is concern over the potential for fraud using C&I waste for household and household-like claims.” Others questioned the practicalities of identifying what proportion of waste is recycled by individual business where waste is collected together and sorted off-site.

30.20 A number of respondents felt that the proposals on household-like packaging waste could undermine fair competition in commercial waste management. A packaging manufacturer argued that “We need to ensure businesses do not free ride on local authority collection systems to avoid their responsibilities and maintain collections through commercial contractual arrangements.” Similarly, a business representative organisation stated that “There is a significant risk of market distortions given that local authorities will no longer have a vested interest in securing value for money when tendering for waste management services – effectively removing competition from the system and ultimately resulting in disproportional costs to producers and ultimately to consumers.” From the perspective of some local authorities, minimum standards for business waste collection need to be introduced to protect councils from unfair competition.

30.21 Some respondents including business representative organisations and waste management companies were concerned of a risk of cross-subsidisation. This was expressed by a compliance scheme as “Local Authorities should not be able to use

any income they receive for collecting household packaging to subsidise their commercial waste collections.” It was also stated that council tax payers should not be expected to contribute towards business waste collection by local authorities.

Questions 28 and 29: Businesses and household-like packaging waste

28. Do you agree with our approach to making payments for the collection of household-like packaging waste for recycling?

28.1 A total of 517 responses were recorded for Question 28. 58% responded “Yes”, 21% responded “No” and 20% responded “Neither”.

28.2 A **majority** of the respondents - and a **predominant** number of local government respondents agreed with the proposed approach to making payments for the collection of household-like packaging waste for recycling. Few gave reasons, although some stated that the system should be fair and consistent and not lead to market distortions. A key argument for a number respondents was that the alternative of separate approaches for household and commercial packaging waste would be problematic and lead to market distortions. A waste management company asserted that “having a system with two different payments for household and C&I waste will lead to reporting issues, market distortions and fraud. We also believe that taxpayers should not bear the costs of collection/transport/sorting/treatment and disposal of C&I waste.”

- a. A number of respondents were reassured of the proposal to reward businesses for recycling.
- b. However, some others in agreement were concerned that businesses who “do the right thing” might, in practice, fail to benefit from reductions in waste management costs and whether collectors would reduce their charges to customers to reflect producer payments. Transparency was considered essential to limit opportunities for fraud.
- c. While agreeing with the proposal, a number of respondents thought that how contamination would be accounted for in FNCR payments required clarification, particularly if the associated proposal to not pay businesses for the packaging content within their residual waste is adopted.
- d. The proposal for suitably accredited sorting or transfer facilities to be payment/ reference points attracted different views. A waste management company agreed that this “makes absolute sense as they will hold records for where materials are coming from and where they go to. They also represent the first opportunity to weigh incoming waste / materials and undertake the compositional analysis that is essential for the payments to be calculated and the evidence provided.” Other respondents thought this seemed like an unduly complex system and one “relying on each link in the chain being

transparent, and risking diluting the incentives that are passed through to collectors.”

- e. For some local government respondents agreeing with the proposal, an important caveat – as with household packaging waste – was that the approach, including any payment formulae, should properly account for variations in local circumstances. A waste management company on the other hand thought that the “economics of commercial collections will sort this out on a case by case basis.”

28.3 A **large minority** of respondents answering Question 28 disagreed. Among business representative organisations, product manufacturers and packaging manufacturers, a **majority** were in disagreement. Some respondents argued that the current arrangements for the management of packaging waste from commercial outlet already function well and that (obligated) producers should not pay for an activity that is already being paid for businesses.

- a. A number of respondents in disagreement felt a change to the system could have the unintended consequence of businesses recycling less. One packaging manufacturer felt that keeping the management of household-like packaging waste “within the business-to-business marketplace” meant that “businesses are more likely to innovate to new business models driving circularity.”
- b. Some respondents felt that the approach was complex. A compliance scheme argued that it is “likely to be unworkable due to the number of companies, different circumstances, contractual arrangements etc. involved in the chain.”
- c. Among the local government respondents that disagreed, the matter of how payments to local authorities should be calculated bearing in mind variation in local circumstances was again raised.
- d. How to determine whether waste materials arising in businesses are within the scope of “household-like packaging” was also raised by some respondents. It was suggested that government or the regulators produce further guidance or lists to confirm scoping of packaging, similar to the dual use guidance for waste electrical and electronic equipment.

28.4 A **large minority** of respondents answering Question 28 neither agreed nor disagreed. Many of the issues highlighted by others were raised again, such as the risk of a complex system being vulnerable to fraud, the variations in local circumstances, uncertainty over how businesses might respond to changing incentive regimes, and the possibility of market distortions. Other reasons given by some respondents included the need for more information to inform their decision and a view that the existing system already worked reasonably well.

29. Should businesses producing household-like packaging receive a payment for the costs of household-like packaging waste in residual waste?

29.1 A total of 515 responses were recorded for Question 29. 16% responded “Yes”, 60% responded “No” and 24% responded “Neither”.

29.2 There appeared to be some confusion among respondents as to the question, which may have influenced their response. Specifically, a number of respondents interpreted it as suggesting that businesses including packaging producers that separate out household-like packaging waste (from residual waste) for recycling should receive a payment. In fact, the question is should businesses receive a payment to cover the cost of managing household-like packaging waste disposed of in residual waste. The responses to this question therefore must be read with this potential misinterpretation in mind.

29.3 A **majority** of the respondents answering Question 29 did not agree that businesses producing household-like packaging should receive a payment for the costs of managing household-like packaging waste in residual waste.

- a. A **majority** of those respondents considered the current arrangements, whereby businesses are subject to differential charging for their waste management services, incentivised them to separate materials for recycling. If businesses were to be paid for household-like packaging waste placed in the residual stream this could be counter-productive by reducing their motivation to recycle.
- b. A packaging manufacturer thought “that incentivising packaging waste in residual waste would be a backward step. Payments (or discounts) should only be given where businesses are making the effort to segregate their materials properly to ensure high quality materials enter the recycling system”, while a charity pointed out that “There remain very few drivers to change business behaviour on recycling it would be counterintuitive to reward businesses for not taking measures to segregate and recycle.”
- c. Some respondents pointed out that potentially removing an incentive for businesses to segregate packaging waste would more likely result in contaminated packaging materials. A compliance scheme stated that “Simply reimbursing the cost of an undesirable activity means the costs of the system could escalate as more packaging could appear in the residual waste system. If packaging is in the residual waste, then it stands a much higher chance of contamination or at least, more expensive separation processes.”
- d. Another compliance scheme suggested “there may be a case for packaging producers to fund a contribution towards these costs in order to ensure there are sufficient end markets for the material and recycling targets are achieved. This would not mean a direct payment to business waste producers.”
- e. A number of respondents felt the proposal would also reduce the inclination among businesses to switch to reusable packaging.

- f. For some respondents, the practicalities of making such payments was a consideration. A local government respondent was of the view that the amount of household-like packaging in residual waste “would be difficult to calculate ... per business, even as an overall percentage of the waste that a collector is removing”, while another was concerned “that there is insufficient infrastructure and resource to effectively monitor and regulate such a system to mitigate the chance of fraud.”
- g. Some of the local authority respondents suggested that “if it would help to capture more of the material then it perhaps could be considered at a later date.”

29.4 A **large minority** of the respondents answering Question 29 neither agreed nor disagreed with the proposal.

- a. Some respondents highlighted obstacles to making such payments similar to those described in 29.3,
- b. Some respondents’ highlighted the difficulties in determining the quantity of recyclable packaging in residual waste streams originating from businesses, especially where this waste is co-collected with household residual waste
- c. Some local authorities thought they should receive full net cost recovery for household and household-like packaging materials equally.
- d. A number of local government respondents thought that the inclusion of such costs in producers fees could further incentive producers to adopt more recyclable packaging by placing “an additional compliance cost (payment for costs of residual waste) on producers”. These respondents however thought that if businesses received “a payment for their residual waste this reduces the incentive for them to utilise recycling collections.”
- e. A number of respondents thought the question was ambiguous, unclear or poorly phrased.

29.5 A number of respondents agreed that businesses producing household-like packaging should receive a payment for the costs of household-like packaging waste in residual waste, with a **large minority** of those arguing that the measure would incentivise more recycling by businesses, however it is possible that this view stemmed from a misinterpretation of the question.

29.6 Other reasons given include that the principle of the ‘producer pays’ needs to follow the material through which ever route it takes with the caveat, offered by one local government organisation, that “businesses have direct control over their waste and should therefore be able to deliver residual waste with a lot less household-like packaging within it.” Meanwhile, a local authority cautioned that “this would only work under the brand-owner model. If the rules are the same for household and household-like packaging waste there is less risk of system abuse through passing off one stream as the other.”

Question 31: Costs of cleaning up packaging litter

31. Do you have any information that would help us to establish the costs incurred by local authorities and other organisations of cleaning up littered and fly-tipped packaging items?

31.1 A total of 417 responses were recorded for Question 31, although a **large minority** of these responses consisted of brief remarks to the effect that the respondent was unable to offer any information.

31.2 Some respondents stated that local authorities kept - and would be able to share with Defra - overall costs for street cleansing, including costs for the cleaning up of littered and fly-tipped packaging items. Indeed, some councils provided high-level cost data. A few respondents also mentioned the national Fly Capture database and the Municipal Waste Dataflow system as other potential information sources. However, the general view was that disaggregated data on the packaging component of littered or fly-tipped waste were unlikely to be available.

31.3 A number of local authorities and representative organisations expressed an interest in supporting studies to ascertain the packaging composition of littered and fly-tipped material in their area. Some respondents, such as LARAC and the Welsh Local Government Association, stressed that funding for such analyses should come from the producers.

31.4 A number of respondents wanted more clarity on what would be included when calculating the financial implications of littered and fly-tipped waste.

31.5 A few sources of additional information and guidance were cited. These included the Clean Europe Network, described as a “platform gathering organisations active in the area of litter provision from across Europe, with the aim of developing common methodologies and programmes to tackle the problem.” A few Northern Ireland respondents highlighted that “Keep Northern Ireland Beautiful” may have data. Also referenced was the ‘calculator tool’ developed by SUEZ and partners, which allows local authorities to consider the impact of EPR and DRS on their collections and includes costs of litter collection and other street cleansing activities.

Questions 32 and 33: Improving management of on-the-go packaging waste

32 How do you think producer fees could be used to improve the management of packaging waste generated on-the-go?

32.1 A total of 484 responses were recorded for Question 32, although 46 of these responses consisted of brief remarks to the effect that the respondent was unable to offer any information.

32.2 A **large minority** of respondents including business representative organisations and product manufacturers felt that producer fees should be used to change consumer behaviour through a nationwide awareness-raising and education programme. Some respondents' referenced successful consumer-facing initiatives, such the Hubbub Foundation UK's recent '#LeedsByExample' trial of recycling points and recycle reward machines in Leeds.

32.3 Closely linked to communications, and also identified by a **large minority** of respondents, was the need for significantly improved public infrastructure for capturing on-the-go packaging. There was also a recognition that some of the fees generated from producers could fund recycling on the go infrastructure including in strategic locations.

32.4 Some respondents felt that greater enforcement on anti-littering laws should go hand-in-hand with improved messaging and infrastructure. More frequent and regular bin emptying and litter collection was also cited as important by some respondents.

32.5 How EPR and a proposed DRS would function for on the go packaging was an issue raised by a number of respondents. A business representative organisation felt that "The introduction of a DRS system for beverage containers should help." However, a large pack filler cautioned that "We need to ensure that any changes are easy to understand so it doesn't lead to more confusion for citizens as we introduce a DRS and changes at the kerbside (via consistent collections)."

32.6 Some respondents suggested that contamination of on-the-go packaging collected via recycling bins would be most effectively tackled by offering separate collection of food waste. A number of local government respondents suggested that producer fees be used to enable pre-treatment of litter at 'dirty MRF' facilities to extract packaging materials of a "sufficient standard to enable their onward reprocessing".

32.7 There was some debate as to whether on-the-go waste management services offered by local authorities should in fact be consistent with household collections. A charity noted that "At the moment, nearly half of local authorities do not provide on the go recycling services and many that do collect material that is so contaminated it cannot be recycled ... But we believe this could change over time if people are able to recycle the same things when they are out and about as they can at home – if

something is either recyclable or not regardless of your location and can be labelled as such.” NAWDO suggested that local authorities might “receive an additional payment if their on-the-go recycling system is identical to the minimum standard (dry materials) for kerbside services... but it would be necessary not to disadvantage smaller rural authorities with limited on-the-go provision.”

32.8 However, some respondents argued that the composition of on-the-go packaging was different to materials arising in households, and this should be reflected in the EPR system.

32.9 A business representative organisation felt that a “well-structured fee modulation system that penalises hard to recycle packaging would influence designers and specifiers and drive technological development.” The organisation suggested “an on the go, PRN or similar instrument” recognising “the inherently higher costs associated with collection, sorting and reprocessing of on the go packaging”. The monies raised would be fed back to reprocessors as “an effective deterrent” for those who create this material and “a system to reward those who reprocess it.”

32.10 Some respondents felt producer fees should be used primarily for prevention of on-the-go packaging and, failing that, for improvements in packaging design towards greater recyclability or potential for reuse.

33. Do you have any information that would help us to establish the costs of collection and disposal of increased on-the-go provision?

33.1 A total of 467 responses were recorded for Question 33, although 223 of these responses consisted of brief remarks to the effect that the respondent was unable to offer any information.

33.2 A number of respondents offered costings, actual or projected, relating to on-the-go recycling in local authority areas.

33.3 Some local authority respondents explained that separate costs for on-the-go recycling were not available because on-the-go material is mixed with household kerbside collected waste for disposal.

33.4 Some respondents cited data from the Hubbub Foundation UK and Ecosurety’s #LeedsByExample campaign.

33.5 A number of respondents pointed at the Drinks Recycling On-the-Go report that RECOUP and Valpak produced for WRAP in February 2019.

33.6 Other respondents recommended the Simple Cups 'Square Mile Challenge' in London for useful information, while a number of respondents recommended looking at on-the-go recycling schemes in Germany and Switzerland.

33.7 Some respondents stated that they had information which they would be prepared to share with Defra, while a number of organisations said they would be happy to work with Defra to gather data. Some local authorities, although willing to

undertake “comprehensive surveys and research reports” felt that the “cost of this data gathering should be borne by producers as part of the move to EPR.”

33.8 Some respondents requested further clarity around the definition of ‘on-the-go packaging’. A local authority said that “it would be helpful to have further clarification of what is considered to be ‘on-the-go’, while a charity stated that there was “no practical way to define or distinguish ‘on-the-go’ packaging uses in the first instance.”

Questions 34, 35, and 36: Single-use disposable cups

34. Do you agree that provision for the take back of single-use disposable cups for recycling should continue to be developed on a voluntary basis by business prior to a government decision on whether disposable cups are included under an EPR scheme or DRS?

34.1 A total of 517 responses were recorded for Question 34. 55% responded “Yes”, 32% responded “No” and 13% responded “Neither”.

34.2 The **majority** of respondents agreed that provision for the take back of single-use disposable cups for recycling should continue to be developed on a voluntary basis by business prior to a government decision on whether disposable cups are to be included under an EPR scheme or possible DRS [in England, Wales and Northern Ireland]. This view broadly held regardless of the type of organisation responding.

- a. Some respondents in agreement, particularly businesses, such as food service outlets and packaging manufacturers, stressed the success of the current voluntary approach.
- b. One large retailer cautioned that a halt to industry initiatives could undermine future government policy and a business representative organisation thought there was a role for voluntary targets and for developing additional incentives or penalties to accelerate movement towards reusable cups and high recycling levels of single-use cups.
- c. Some respondents felt the voluntary scheme would provide evidence to inform future policy-making and investment, as well as generally raising consumer awareness.
- d. A number of respondents wanted to see a greater focus on reuse with customers encouraged to bring their own refillable cups.

- e. Some of those in agreement with the current voluntary arrangements viewed them as an interim solution until firmer policy, including potentially a ban, could be enacted in the longer term.
- f. A number of respondents raised the issue of biodegradable coffee cups. While one respondent suggested that “a move to compostable cups would be better”, another argued that single-use cups “classified as ‘biodegradable’, ‘oxodegradable’ or ‘bioplastic’ should be treated in the same way as any traditional polymer plastic, especially as they cannot be closed loop recycled so in many ways are worse than traditional plastics.”

34.3 A **large minority** of respondents disagreed with the proposal. A number felt that the voluntary schemes were simply not effective enough, and more urgent government action was required to address the problem of single-use cups being disposed to landfill. As an example, one charity pointed out that only “1.2 per cent of the 2.5 billion disposable cups used in the UK each year” are currently being recycled.

- a. Some of those disagreeing argued that carrying on with voluntary initiatives would lead to an inconsistent policy landscape and potentially undermine the proposed DRS or EPR scheme.
- b. A number of respondents contended that there was a limit to how many single-use cups could be captured by retail outlet-based voluntary schemes since the products, by their nature, were often consumed on-the-go, ending up as litter with the cost burden falling to local authorities.
- c. Some respondents noted a reluctance among many retailers, especially smaller ones, to join the existing voluntary schemes with one local authority suggesting this led to “an uneven playing field”.
- d. A number of respondents disagreeing with the proposal discussed the recyclability of the materials from which single-use cups were made. For instance, a business representative organisation called for single-use coffee cups to be included in EPR and DRS, suggested that “as composite materials they are not easily recyclable, unlike glass and aluminium which are.”
- e. Others called for bans on cups made from polystyrene or PVC, or an immediate levy to “completely phase out” disposable cups and replace them with reusable cups.

34.4 A number neither agreed nor disagreed. The reasons given broadly covered the issues reported in 34.3, including the limited ability of current voluntary initiatives to capture cups away from retail outlets and the low chance that smaller businesses would adopt the measures. Some of these respondents urged government to prioritise reduction and avoidance of disposable cups, replacing them with reusable alternatives, and others viewed the current voluntary approach only as a short term measure, until government intervened.

35. Do you think the recycling of single-use disposable cups would be better managed through a DRS or EPR scheme?

- a. DRS
- b. EPR
- c. Both
- d. None of these options

35.1 A total of 489 responses were recorded for Question 35. 47% responded “EPR”, 10% responded “DRS”, 9% responded “None of these options” and 33% responded “Both”.

35.2 A **large minority** of respondents thought that recycling of single-use disposable cups would be better managed through an EPR scheme.

- a. The **large minority** of those respondents argued that the alternative of a DRS would have a low capture rate for used cups, with some respondents such as LARAC citing the ‘on-the-go’ nature of their use making DRS “inconvenient for the individual”. Other stakeholders pointed out that trials of similar schemes for paper cups had been tried by retailers and there was no evidence of this measure being successful for paper cups. Others also cited the decision by Scottish Government not to include disposable cups in a Scotland DRS.
- b. A **large minority** of those supporting the EPR approach felt that it would encourage producers to develop more recyclable designs of single-use cups, as opposed to DRS, which they thought would not. A number also thought that an EPR approach would help fund the necessary infrastructure for managing single-use disposable cups.
- c. Some respondents favouring an EPR for single-use cups suggested that it would, ultimately, encourage a switch towards reuse as it became more expensive to use difficult-to-recycle disposable cups.
- d. A number of respondents suggested that the alternative of a DRS for cups would be impractical given the relatively messy nature of the product / contents compared to other packaging types such as plastic or glass bottles; they thought that contamination of cups could cause problems if collected through a DRS.
- e. Whilst supporting the EPR approach some respondents recommended the imposition of a charge on single-use cups.
- f. Other arguments advanced by a number of those in favour of an EPR approach for recycling single-use disposable cups included:
 - the perceived benefits in tackling litter,

- the observation that this type of packaging was included in the existing producer responsibility scheme, and included in the EU's Single Use Plastics Directive,
- the inability of reverse-vending machines to accept relatively flimsy cups (necessitating more costly manual take-back),
- the likely complexity and confusion for the public of including disposable cups in a DRS.

35.3 A **large minority** of respondents thought that recycling of single-use disposable cups would be better managed through a DRS and EPR scheme as this would be likely to capture a maximum number of cups for recycling and ensure that the cost of handling all cups is recovered from producers.

- A **large minority** of respondents preferring both schemes felt that implementing a DRS would encourage consumer behaviour change towards greater levels of reuse as opposed to just return for recycling. This view was shared by a number of local government respondents, although one saw a role too for EPR in driving behaviour change stating that "A DRS has the potential to mislead consumers into believing that they have 'done their bit' by returning their cup for a deposit, whereas the use of a reusable alternative would present a better overall environmental outcome over time
- A **large minority** of respondents in favour of both options, highlighted the need for a DRS to supplement the proposed EPR in order to tackle littering.
- A **large minority** also stated that EPR could encourage producers to improve cup design, boost their recyclability, as well as drive them towards reusable alternatives.

35.4 Further reasoning offered by some respondents favouring both schemes included:

- the risk of unintended consequences if only one or the other was introduced,
 - the view that the current voluntary industry-led approach was failing,
 - the risk that DRS alone would lead to fraud, as well as suffer from the practical issues of contamination,
- A number of respondents that favoured both schemes nevertheless recommended also bringing in a levy on single-use disposable cups. The success of the plastic bag charge was cited as evidence of this approach reducing use.
 - Some respondents recommended starting with EPR first, and introducing the DRS at a later date.

35.5 Some respondents thought that recycling of single-use disposable cups would be better managed through a DRS scheme alone. Although a **large minority** of these respondents failed to give a reason, a number viewed this approach as best for changing consumer behaviour towards reuse and reducing litter. Other arguments given by a number of those in favour of a DRS included:

- disposable cups are difficult to recycle consumed on the go and are not commonly captured through kerbside collections.”
- the suggestion that cups could be collected separately and provide a consistent material for re-processors,
- the evidence that DRS was already tried and tested for other types of drinks container and therefore could readily be expanded for disposable cups,
- DRS’s suggested effectiveness in tackling litter.

35.6 Some respondents thought that recycling of single-use disposable cups would not be better managed through a DRS or EPR scheme. A **large minority** of these did not offer a reason, but a number of respondents, including two charities suggested that the immediate priority should be phasing out single-use cups through the introduction of a levy or even an outright ban. By contrast another respondent called for more time to “gauge the success of the voluntary efforts.”

36. Do you think a recycling target should be set for single-use disposable cups?

36.1 A total of 506 responses were recorded for Question 36. 62% responded “Yes”, 24% responded “No” and 14% responded “Neither”.

36.2 The **majority** of the respondents agreed that a recycling target should be set for single-use disposable cups. However, a **large minority** of these respondents stressed the need to go beyond a recycling target to drive reuse, in accordance with the waste hierarchy

- a. A number of those in agreement felt a target would ensure consistency with other obligated products under the proposed EPR.
- b. Some thought that targets provided focus and led to change.
- c. A number of respondents thought that targets would enable industry performance to be monitored more effectively and encourage data collection
- d. Some respondents called for the target to relate to the type of material from which the disposable cup was made as opposed to the type of /product i.e. cups, in line with other EPR targets. A local government stakeholder argued that setting targets by material type could better “drive the development of end markets” for recycled materials.

- e. Some respondents, while supporting a target for recycling single-use disposable cups, stated that it should be mandatory, with one respondent suggesting that targets would need to be “reinforced with a penalty for poor performance” in order to be effective.
- f. A number of those in agreement wanted to drive improvements in recyclability of single-use disposable cups. One waste management company called not just for a recycling target “but also an agreed set of parameters making it easier for single use disposable cups to be recycled,” as they are currently varied in their size and composition.
- g. Some respondents offered suggestions for targets, other than recycling ones. One local government respondent suggested a target for “the number of single use cup recycling points and delivery of a national campaign to publicise such points” as well as targets relating to “reduction in the number of cups given out each year per head of population” and to “the use of reusable cups to see if consumers are switching to more sustainable alternatives.”
- h. A **large minority** of respondents disagreed with a recycling target for single-use disposable cups. A **large minority** of those felt that the existing approach whereby targets are set by material type was adequate, without introducing a new product-specific target; several business representative organisations, and retailers offered comments of this type of target.
- i. A **large minority** of respondents in disagreement suggested a focus on reduction rather than recycling was more important, in accordance with the waste hierarchy and a preference for voluntary targets.
- j. A number of those in disagreement suggested that introducing a specific target for single-use disposable cups would be too complex and costly.
- k. Other reasons given by some respondents included a preference for an outright ban and the need instead to focus on communication and education.

36.3 A number neither agreed nor disagreed with a recycling target for single-use disposable cups.

- a. Some of these respondents were, as above, concerned about any departure from the current material-focused approach to producer responsibility, feeling that it would add unnecessary complexity to set separate targets for specific product-types; several business representative organisations and compliance schemes echoed these thoughts.
- b. The issue of recyclability was also raised, with one business representative organisation querying how a recycling target would take into account the varying recyclability of different sorts of disposable cups.
- c. Some respondents neither agreeing nor disagreeing, again referred that reduction and reuse of single-use cups be addressed rather than recycling, while others, including a compliance scheme, felt a potential target should be

“considered post EPR and collection consistency reform,” as this would be easier to do when the impact of these reforms was more transparent.

Part A: Section 5. Helping consumers do the right thing – communications and labelling (Questions 37-44)

This section explored in more detail how producer funding could be used to support communications campaigns to increase recycling. It asks whether producer fees should be used to fund communications campaigns on both a local and national level. The section also asks for views on a proposed mandatory labelling scheme for packaging and whether the level of recycled content should be stated on packaging.

Questions 37, 38, and 39: Funding communication campaigns

37. Should producer fees be used to support local service related communications delivered by local authorities?

37.1 A total of 561 responses were received for Question 37. 88% responded “Yes”, 7% responded “No” and 5% responded “Neither”.

37.2 The **predominant** response to Question 37 was “Yes” with only a small number of responses stating “No” and “I neither agree nor disagree”.

37.3 Overall, a **predominant** number of respondents agreed with the proposal that producer fees should be used to support local service related communications delivered by local authorities. A **majority** of these respondents qualified their comments.

37.4 A **large minority** of respondents thought that for local authority campaigns to benefit from producer fees they should be consistent with any agreed national campaigns, messaging, icons and labelling system, and that funding should be co-ordinated and disbursed through a central fund (either UK-wide or in each nation). A business representative organisation noted that “councils remain a vital source of information for residents. Funding of local authority-based communications should therefore be part of any recycling communications strategy to be funded by producer fees”.

37.5 A number also answered “No”. A **large minority** of those stating “No” noted that there is a lack of consistency around which materials can be recycled currently and this has led to confusion in the general public. A number including a compliance scheme clarified that “Local recycling information campaigns have been very specific to local needs”, and continued on to say “It would be better to keep communications for a standard set of commodities, collected in a standard way, national.”

38. Should producer fees be used to support nationally-led communications campaigns in each nation?

38.1 A total of 563 responses were received for Question 38. 90% responded “Yes”, 5% responded “No” and 5% responded “Neither”.

38.2 The **predominant** response to this question was “Yes”, with only a small number of responses stating “No” and “I neither agree nor disagree”.

38.3 Of those that answered “Yes”, the view of the **majority** of respondents was that communications should be delivered within a UK-wide framework. A business representative organisation responded “National communications campaigns should be a priority for funding under any new producer responsibility system. These should be co-ordinated within a UK-wide framework overseen by an independent board or a single not-for-profit body according to which governance model is chosen ... and in line with the ambitions and targets of each nation.”

- a. A number of other respondents from business and business representative organisations highlighted that funding should be split by nation. One stated that “a formula may need to be agreed to disburse funding and to enable each government to forward plan their communications activities.”
- b. Others, primarily from local government suggested that funding for campaign delivery should not be allocated until consistent collections are in place.

38.4 Of the number of respondents who answered “No” and “I neither agree nor disagree” no clear themes were identified mainly due to the limited number of respondents who provided reasons.

39. Are there any circumstances where producers should be exempt from contributing to the cost of communications campaigns?

39.1 A total of 539 responses were received for this question. 27% responded “Yes”, 63% responded “No” and 10% responded “Neither”.

39.2 Of the responses received to this question, a **majority** of those answering “No” thought that all producers should contribute to the cost of communication campaigns.

39.3 Of those respondents answering “Yes”, a number of respondents highlighted that producers should not have to contribute to campaigns that are not consistent with nationally agreed messaging. One business representative organisation responded “Producers should not be required to contribute to the costs of consumer communication campaigns where a local campaign chooses not to use, or diverge away from, nationally agreed campaign messages.”

39.4 A number of responses noted that there may be a case where those obligated under another form of producer responsibility such as a DRS should be exempt. A product manufacturer stated “While we believe in principle that all producers should contribute proportionately to a nationally approved and co-ordinated communications framework under EPR, we think DRS-obligated producers should be excluded as DRS fees will necessarily cover the communications element of that system”.

39.5 A number of respondents also noted that small producers could contribute to the cost of communications campaigns through the flat fee approach.

Questions 40, 41, and 42: Labelling for recyclability and recycled content

40. Do you agree it should be mandatory for producers to label their packaging as Recyclable/Not Recyclable?

40.1 A total of 569 responses were received for Question 40. 90% responded “Yes”, 5% responded “No” and 5% responded “Neither”.

40.2 A **predominant** number of respondents answered “Yes” that it should be mandatory for producers to label their packaging as Recyclable or Not Recyclable, with only a small number answering “No” or “I neither agree nor disagree”.

40.3 Of those answering “Yes” a **large minority** of responses pointed to the need for consistency between the proposed labelling system and the list of core materials for kerbside collection and that labelling should be clear and unambiguous.

40.4 Another **large minority** theme was that the OPRL labelling system would form a good starting point or frame of reference as it is already in use by major producers. A business representative organisation stated that “it is widely acknowledged that the OPRL scheme (as the only evidenced and compliance-audited recycling label in the UK) may be a very well-established starting point for any mandatory labelling, with expertise and systems already in use by producers.”

40.5 There were a number of respondents who voiced concerns about a mandated labelling scheme introducing barriers to trade between countries. A business representative organisation noted that “Mandated use of the UK OPRL would be a potential barrier to free movement of goods in the same way as the French Triman. Separate packaging executions for different countries represents an additional burden, loss of scale and a barrier to free movement of goods”. Another added that “the UK may inadvertently create barriers to trade, increase complexity and add costs to manufacturing processes” from introducing a mandatory scheme.

40.6 A number of respondents highlighted the already significant labelling requirements for product information, allergy information and nutritional values.

41. Do you think that the percentage of recycled content should be stated on product packaging?

41.1 A total of 560 responses were received for this question. 53% responded “Yes”, 24% responded “No” and 23% responded “Neither”.

41.2 A **majority** of respondents answered “Yes” to this question with the responses for “No” and “I neither agree nor disagree” being approximately equal in proportion.

41.3 Of those answering “Yes”, a **majority** provided further reasoning.

- a. The **predominant** view was that by including the percentage of recycled content on product packaging it would increase consumer awareness and lead to more informed choices. A waste management company stated that “Companies should promote the good news on their packaging and their green credentials. This will help restore consumer confidence in UK recycling and consumer choice.”
- b. A number of those responding “Yes” noted that the addition of percentage recycled content labelling must not add to consumer confusion. A waste management company noted “Consumers expect packaging to contain recycled content so this will help to inform consumers However, it is important that this is done in a way that does not add to consumer confusion.”

41.4 Of those answering “No” and “I neither agree nor disagree”, the main reasons were similar and so are reported together.

- a. A **large minority** of these responses noted that it is questionable whether the display of the percentage of recycled content on product packaging will motivate consumers to recycle. A business representative organisation said “before a case can be made for mandatory labels for recycled content, more research is required on the motivational value to consumers.”
- b. Another **large minority** response was that for many materials, there are no agreed methods for establishing recycled content. This was raised by a number business representative organisations and one expanded by saying “there is no system in place to verify recycled content. There is no European wide method of verifying recycled content and until there is a system in place there is a risk of misleading statements and fraud.”
- c. A number of respondents noted that should percentage recycled content labelling become mandatory it could disadvantage certain product sectors such as food contact packaging. A product manufacturer elaborated on this “There are also potentially trade barrier and legal considerations arising from this approach especially given the [current] rules governing food contact packaging”.

42. If you responded yes to the previous question, how could recycled content information be provided to consumers?

42.1. A total of 265 responses were received for Question 42.

42.2. Of those who responded yes to question 41, respondents suggested several ways of providing information on recycled content to consumers. These are listed below in descending order of number of responses sharing these views.

- a. A **large minority** of responses highlighted the need to keep labelling simple, clear and easy to understand.
- b. A **large minority** suggested using traffic light symbols to indicate the level of recycled content of packaging.
- c. A number of respondents suggested using a graph or pie chart to display information on recycled content.
- d. Some respondents highlighted an issue with labelling multi-material packaging. A local government respondent said it should be, “clear to which part of the packaging each percentage refers. It should not be permissible for producers to, for instance, state “30% recycled content” when that only refers to the cardboard sleeve round a tray made entirely from virgin plastics”.

Question 43: Other proposals for labelling

43. Do you have any other proposals for a labelling system?

43.1. A total of 292 responses were received for Question 43.

43.2. The respondents suggested several labelling systems. These are listed below in descending order of number of responses sharing these views.

- a. A number of respondents highlighted the need to consider the labelling on imported goods and making sure UK products adhere to international / European labelling standards which means it is sometimes necessary to display other symbols, such as the Green Dot. On the other hand, OPRL stated that in order to avoid confusion “packaging destined for both the UK and Irish markets would need to bear the Green Dot, mandatory in the Republic of Ireland, [however] UK-specific packaging should not.”
- b. Some of respondents indicated that they are happy with the On-Pack Recycling Label scheme and that any changes to the labelling system, such as additional information, would need to fit with within the OPRL scheme.
- c. A number suggested that other logos should be removed as there is some confusion with consumers. For instance a product manufacturer stated, “...we would also like to see other logos removed from pack which could confuse consumers about the recyclability of packaging, for example, the icon encouraging consumers not to litter. There is not enough known by consumers about what each of these different icons mean and it leads to items being placed in recycling bins when they aren't actually recyclable.”
- d. A number commented that labelling would need to work alongside any labelling that is developed for a Deposit Return Scheme.
- e. A number proposed adding links to other sources to present information, such as through QR codes, barcodes, chips, URLs or to dedicated apps.
- f. A waste management company suggested a universal labelling system of ‘recycling by numbers’. This has been informed by consumer research to determine a system of labelling of products and to establish the easiest relationships to the bin structures they might encounter at home, at work, on the go and other locations.”
- g. OPRL suggested using a packaging design tool called PREP (Packaging Recyclability Evaluation Portal for which they hold an exclusive UK licence) from PREP Design Pty, which operates the tool to underpin the Australian Recycling Label. OPRL Ltd has re-calibrated this tool to UK parameters.

Question 44: Timescales for mandatory labelling

44. Do you have experience to suggest an appropriate lead-in time for businesses to incorporate any mandatory labelling requirements?

44.1. A total of 210 responses were received for Question 44.

44.2. Approximately half of respondents suggested a lead-in time would be necessary. A **large minority** of responses suggested either 1-2 years or 2-3 years. A number of responses suggested 6-12 months, 1-6 months and more than 3 years.

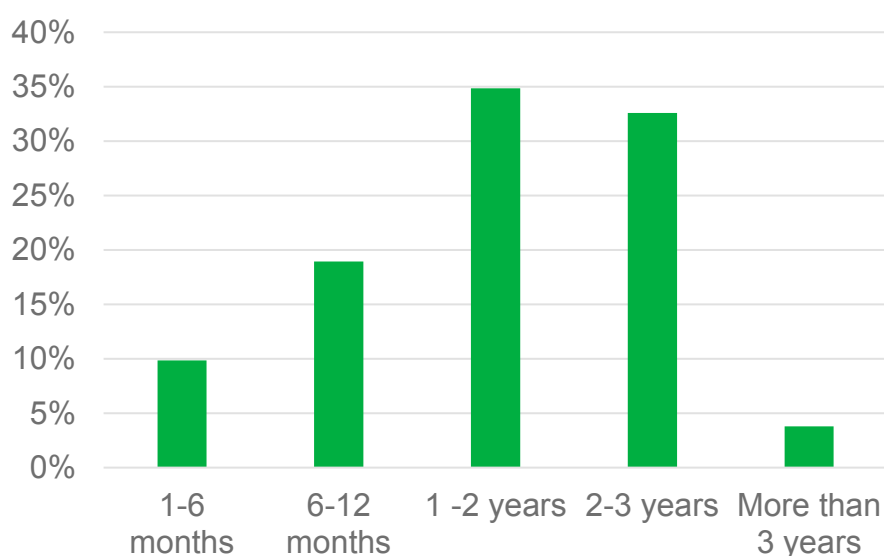


Figure 7. Suggested lead-in time responses to Question 44

44.3. One product manufacturer provided a detailed breakdown of the lead-in times. They stated that "...taking into account retailer consultation (determined by the brand owners), label design and approval (approx. 12 weeks), printing (up to 12 weeks) and shipping (up to 6 weeks for overseas sites), this process can take 6 months. However, taking into account long-life products with large stock holding more time should be allowed to use up existing inventory. Based on experience with Food Information Regulation implementation, this process can take around two years."

44.4. OPRL provided detailed reasoning and supporting survey evidence recommending "a minimum 3-year lead in time for obligated producers to adopt new mandatory labelling on all packaging, with a waiver of a further 3 years for packaging already carrying the evidence-based current OPRL labelling where this gives the correct overall advice to consumers within the new labelling regime".

44.5. Some other respondents also indicated a minimum 3-year lead in time.

Part B: Section 6. Packaging waste recycling targets to 2030 (Questions 45-55)

Annual packaging waste recycling targets are in place to 2020. This section sought views on packaging waste recycling targets to 2030 including views on introducing packaging targets for additional packaging formats. It also sought views on the underpinning data government uses to determine packaging waste recycling targets.

Questions 45, 46, and 47: Estimates of packaging waste entering the waste stream

45. In your view, are the estimates made in the Material Flow reports for packaging waste arisings the best available data?

45.1 A total of 566 responses were received for this question. 30% responded “Yes”, 3% responded “No” and 67% responded “I don’t know/I don’t have enough information”.

45.2 A **majority** of respondents said “I don’t know / I don’t have enough information” to respond to the question.

45.3 A **large minority** of respondents agreed that the estimates made in the material flow reports were the best available data while a number disagreed. Whilst acknowledging that these reports represent the best available data most who agreed added that more effort was required to improve the accuracy and robustness of packaging data. Respondents thought that lowering the de-minimis threshold and better capture of internet sellers under the regulations would help improve placed on the market data. One respondent expressed concern over the potential use of waste composition data to inform estimates of packaging placed on the market. They stated that “waste composition analysis is a point-in-time assessment from a limited sample, and non-packaging materials are likely to be erroneously counted as packaging.”

45.4 A **majority** of those who disagreed which included individual and business respondents cited reliability and accuracy of data and reporting practices as their primary concerns with the data available through the reports. Among those who disagreed, the current de-minimis threshold and approach to online sellers were cited as reasons for gaps in the placed on the market data. A charity cautioned against setting weight as the key criteria for reporting reduction in packaging use due to the potential for this to encourage “light weighting and use of hard-to-recycle films and linings” to meet producer obligations.

46. Are you aware of any other factors which may affect the estimates of packaging waste entering the waste stream?

46.1 A total of 556 respondents including members of public and organisations provided answers to this question. 18% responded “Yes”, 22% responded “No” and 60% responded “I don’t know/I don’t have enough information”.

46.2 A **majority** of respondents expressed that they did not know or did not have enough information to be able to answer the question. Some respondents answering ‘Yes’ and ‘No’ listed a number of factors they thought influenced packaging waste. These factors were listed by respondents who responded with a to the question as detailed below.

46.3 There was no clear majority in the numbers of respondents who responded Yes or No. Those who responded Yes shared the opinion that the following factors played a primary role in estimating the amount of packaging waste entering the waste stream:

- a. consistency in the sampling regimes at material recovery facilities
- b. reporting by local authorities through the Waste Data Flow portal
- c. local authority collection systems

46.4 Other factors listed by respondents include contamination of recycling, process losses, online sales, inaccuracies due to weight-based reporting, the potential impact of DRS and EPR as well as other minor concerns such as imported products made of cheap plastics with labelling in different languages, under-reporting of packaging placed on the market and old or reused packaging that escapes reporting.

46.5 Although only a number of respondents mentioned the current de-minimis threshold, a number of respondents re-iterated that lowering or removing the de-minimis threshold will increase the amount of packaging placed on market estimates thereby improving accuracy of the collected data.

46.6 One waste management company alluded to their benefits of weighing recycling and residual bins along with composition testing to provide better understanding of the material flows including of packaging waste. They added that this type of testing will also be essential to the payment mechanisms for the EPR system.

46.7 Local government respondents remarked that concerns regarding sample size and frequency can be allayed by enforcing a consistent sampling regime. They emphasised the need for contamination including process loss being reported through Waste Data Flow to be “evidenced accordingly”.

47. In your view, are there other factors which may affect the amounts of obligated tonnage reported?

47.1 A total of 551 responses were recorded for this question. 18% responded “Yes”, 22% responded “No” and 60% responded “I don’t know/I don’t have enough information”.

Among the **majority** of respondents who responded “I don’t know / I don’t have enough information”, some suggested the following:

- a. One London Borough suggested using weights for composites, plastic and wood.
- b. A charity drew attention to the “the auditing of the system to ensure only packaging materials are linked to obligated tonnage, and the inclusion of the smaller companies currently exempt from producer responsibility requirements”. They advocate more data for, which for plastics means “information regarding format and polymer as a minimum”.

47.2 A **majority** of responses reiterated the de-minimis threshold and internally used transit packaging as the main factors affecting obligated plastic tonnages.

- a. Following this line of thought, some other respondents explained that retaining a de-minimis will lead to under-reporting of obligated tonnages.
- b. Several respondents added to the above to include internally used packaging exemptions as another major factor.

47.3 A **large minority** of respondents who agreed stated that lack of enforcement has an impact on how obligated tonnages are reported. Some local authorities and compliance schemes also drew attention to the loss of obligated tonnage data due to the lack of awareness among businesses regarding their obligations or due to wilful non-compliance with the current regulations despite being obligated to report their packaging placed on market.

47.4 Although a relatively larger group of respondents disagreed with the question no consensus was drawn for their responses.

Question 48: Packaging waste recycling targets for 2025

48. Do you agree with the packaging waste recycling targets proposed for 2025?

48.1 A total of 601 responses were received to the question. 31% responded “Yes”, 31% responded “No” and 37% responded “Neither”.

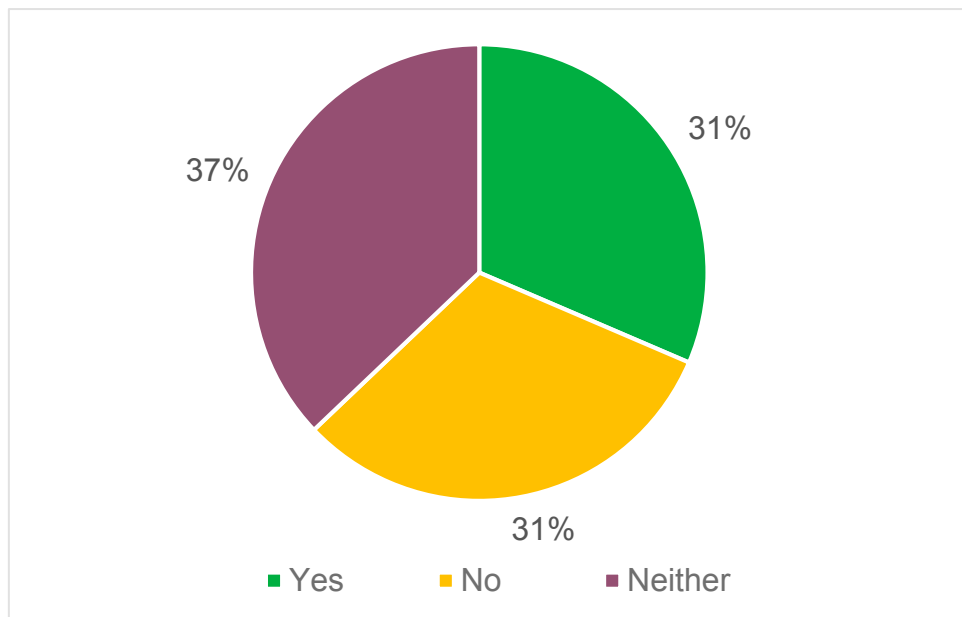


Figure 8: Responses to Question 48

48.2 There was no overarching majority in the responses received. An approximately equal number of respondents both agreed and disagreed with the proposed targets for 2025 and a **large minority** neither agreeing nor disagreeing.

48.3 The respondents agreeing with the targets were dominated by local government respondents. The responses disagreeing with the proposed targets were dominated by individuals. The 'I neither agree nor disagree' category was dominated by local government and business representative organisations. Many types of organisations gave **mixed** responses for this question, with opinions split between all three responses

48.4 Overarching concerns expressed by respondents who agreed with the targets related to the achievability of the targets. These respondents were mostly from local government. Their responses shared the following major themes:

- a. The implementation of EPR, potentially DRS and other key legislative changes in 2023 present a risk to the achievement of the targets by

2025. Suggestions were to make the proposed targets indicative until a clear picture of the influence of EPR and DRS begins to form.

- b. The possibility of less overall packaging if EPR implementation impacts packaging design.
- c. It was also observed that “no consideration appears to have been made around waste prevention and reuse targets”.
- d. Other minority issues included the need for improved consumer awareness and participation in addition to the introduction of consistent collections proposed in the consultation [for England].

48.5 In addition to the above, some large producers stressed the need for a long term approach to provide businesses with certainty to make effective investments and to enable the growth of reprocessing capacity and secondary material markets.

48.6 The **majority** sentiment among those who did not support the packaging targets for 2025 was that the targets for specific material streams were unambitious. Some respondents noted that industry targets for materials such as wood, aluminium and glass are higher than those proposed in the consultation. Views shared by respondents are as follows:

- a. Representative metal trade bodies alluded to the industry forecasts for aluminium recycling being much higher by 2025 (65%) compared to the proposed 55% target in the consultation.
- b. Representing 90% of the waste wood processing industry, the Wood Recycling Association cautioned against the downgrading of wood in the waste hierarchy if recycling targets are set too low as it would “cease to be recycled in existing quantities as it will be cannibalised into biomass (where the plants funding the supply chains have the benefit of ROCs).”
- c. In addition to calls for higher plastic recycling targets, some respondents proposed splitting the target by bottles, pots, tubs and trays, pouches, film etc. to enable better collection and reporting.

48.7 Referring to the initial rapid increase in recycling rates up to 2023 and then a relatively small annual increase thereafter, some organisations have called for a more gradual increase in targets to allow “industry to plan necessary investments and likely provide producers with more consistent costs”.

48.8 Those who neither agreed nor disagreed echoed the aforementioned concerns around low targets, need for gradual year-on-year increase in targets and commensurate growth in reprocessing capacity as well as the impact of the implementation EPR costs and the DRS system.

48.9 A large producer added that it was difficult to understand the viability of these targets without understanding “how the four policy consultations will truly interact and drive change”.

Question 49: Packaging waste recycling targets for 2030

49. Do you agree with the packaging waste recycling targets proposed for 2030?

49.1 A total of 599 responses were received to the question. 34% responded “Yes”, 30% responded “No” and 36% responded “Neither”.

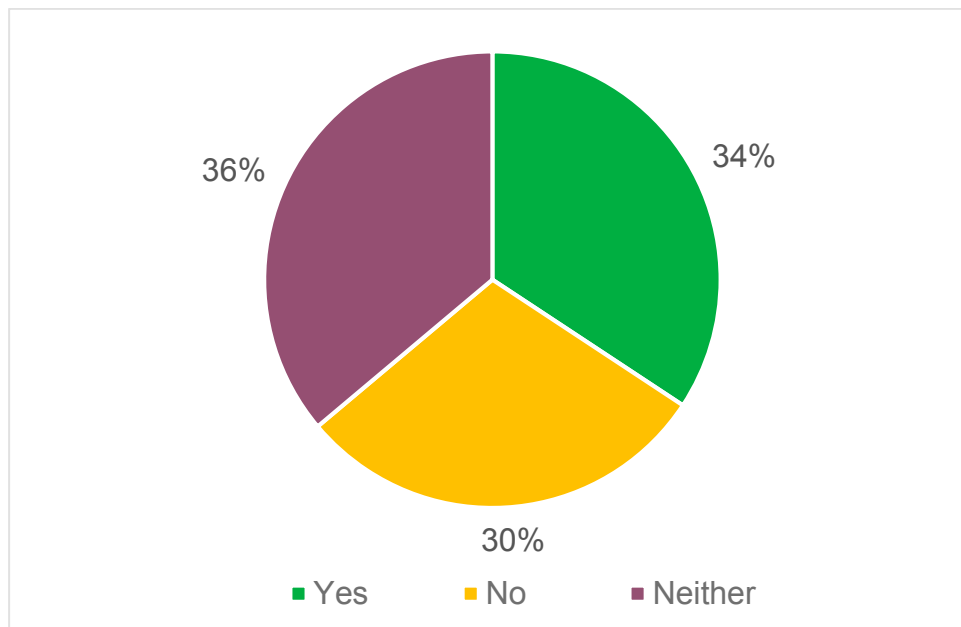


Figure 92: Responses to Question 49

49.2 There was no majority response to this question. On the whole, similar points to those raised for Question 48 were observed in the responses to this question.

49.3 A **large minority** agreed with the proposed targets. The **large minority** in support of the proposed 2030 targets was dominated by responses from local government and business representative organisation responses:

- a. A **large minority** of those who agreed referred to their response to Question 48 on targets proposed for 2025. Some among them reiterated concerns such as rate of growth of reprocessing capacity and alignment with other policy and legislative interventions

- b. A **large minority** also pointed to the need to consider factors such as consistent collection cautioning against the expectation of increase in the packaging waste uptake by 4-5% and the sharp increase and then decrease of targets between 2022 and 2030.

49.4 A **large minority** of respondents disagreed with the proposed targets. This group of respondents was dominated by individuals.

- a. A **majority** of those who disagreed did not think the targets were ambitious enough. Respondents reiterated the need for a gradual increase in targets year on year and for the targets in the consultation to be in line with higher targets set by industry.

49.5 Similarly, among those who neither agreed nor disagreed, there was concern over the lack of clarity over how these targets would be placed when other policy measures such as DRS are implemented and how these may affect year on year targets. This group of respondents was dominated by local government, business representative organisations and others. Many types of organisations gave mixed responses to this question, with opinions split between all three responses.

Question 50: Achieving higher packaging recycling rates

50. Please provide your views on the policies and actions that could help us achieve an even higher overall packaging recycling rate, for example 75%, as well as your views on the costs associated with doing so.

50.1 A total of 465 responses were received.

50.2 A **large minority** of respondents emphasised the role of behaviour change, consumer participation in recycling and nation-wide communication campaigns in addition to other policy measures. Local government respondents made up a significant proportion of these responses. They identified greater enforcement power over residents, restrictions on residual waste capacity and compulsory household recycling as other factors they thought would enhance overall recycling rates.

50.3 A **large minority** of respondents including from business called for a “pay as you throw” system [for household residual waste] to lay equal responsibility on citizens as on producers. Other measures suggested were an “incineration tax” to disincentivise disposal of waste that can be recovered.

50.4 Some respondents including business representative organisations and product manufacturers thought that a well implemented DRS (all-inclusive and/or on-the-go) will contribute to high recycling targets.

50.5 Respondents highlighted the need for simultaneous investment and growth of reprocessing infrastructure and development of viable end markets for post-consumer recycled packaging for targets to become achievable.

50.6 On the subject of EPR, one waste management company noted that product designs must be aligned between producers to minimise losses and contamination at sorting and recycling plants.

50.7 A number of respondents expressed concerns regarding factors enabling and affecting future recycling targets. These include:

- a. understanding of how the implementation of measures considered in the current four consultations will impact on recycling rates
- b. attention towards waste minimisation through reuse targets
- c. caution against setting future targets without a thorough cost-benefit analysis

Question 51: Obtaining and managing nation specific data

51. Do you foresee any issues with obtaining and managing nation specific data?

51.1 A total of 552 responses were received to this question. 40% responded “Yes”, 18% responded “No” and 42% responded “I don’t know/I don’t have enough information”.

51.2 There was a **mixed** response to this question between those who thought that there would be issues with obtaining nation specific data and those who said “I don’t know / I don’t have enough information”. Only a **minority** of respondents, mostly from local government did not foresee any issues.

51.3 The **predominant** views among those who anticipated some issues related to: i) the data collection point because the location that packaging is placed on the market varies greatly from where sales occur and where waste movements take place. This means that brand owners/pack fillers do not always have all the information; and ii) cross-border movements of packaging and packaging waste could potentially lead to “double or missed counting” making data collection and tracking further complicated.

- a. Some producers and business representative organisations highlighted the need to take a decision regarding nation specific data collection “without prejudice to the overriding need to maintain a UK-wide approach to packaging producer responsibility”.

- b. A number of respondents (**predominantly** local authorities) also alluded to the perceptions of commercial confidentiality that might prevent the private sector in aggregating data with the level of detail that may be necessary for nation specific reporting to work successfully.
- c. Another minority view from businesses and some business representative organisations was for nation-specific reporting to work successfully the single point of compliance would need to be sellers.

51.4 Those who claimed to not have enough information raised issues regarding standardisation of information, variations in collection infrastructure between nations, pros and cons of having UK-wide targets and nation specific targets as well as the need to define the type and level of information sought from nation specific data collection.

51.5 A number of those who did not foresee any issues (responded 'no') reasoned that as the data gathering infrastructure for waste data already exists in the form of Waste Data Flow, extending this for nation specific data collection on packaging or implementing a new reporting system addressing the above needs is possible. Some however also noted that this is possible for household waste but household-like waste and other commercial wastes may prove more challenging.

Question 52: Closed loop recycling targets

52. Should a proportion of each material target be met by “closed loop” recycling, e.g. as is the case for glass recycling targets?

52.1 A total of 576 responses were received in response to this question. 58% responded “Yes”, 21% responded “No” and 21% responded “I don’t know/I don’t have enough information”.

52.2 A **majority** of respondents agreed with the proposal that targets could be used to encourage “closed loop” recycling. A **majority** of these responses came from local government and individuals with ‘other’ organisations made up the remaining responses.

52.3 Most agreed with embedding the principles of “closed loop recycling” within a circular economy but raised some issues in relation to setting targets on this basis:

- a. Respondents emphasised the need for lifecycle and cost benefit analysis of closed loop recycling for individual material streams, keeping in mind existing data and reprocessing infrastructure. Others cautioned that in setting specific material stream targets “the nature of the material, its uses and its natural spiral of degradation” should be considered

- b. Many local government respondents stressed the need to consider the availability of UK markets as evidenced by the amount of material that is currently exported.
- c. Local authorities additionally noted the potential additional costs of collection and sorting that they recommend should be covered under full net cost recovery if closed loop markets are more costly to provide material for.

52.4 Responses from those who disagreed or did not have enough information were dominated by respondents from organisations other than local government or individuals.

52.5 While they made up a minority, those who disagreed echoed similar sentiments regarding availability of innovation and infrastructure and degradation of materials like plastic and paper.

- a. A **majority** of these respondents noted that as the intent is to replace the use of virgin material rather than recycle materials back to their original use, such a change could be considered on a medium to longer term basis after the effects of the new EPR system are understood. A product manufacturer suggested that this new [EPR] system must “factor in the use of recycled content rather than through a separate tax mechanism”
- b. Practicalities of implementing closed loop recycling under the existing food safety regulations were among key issues raised by respondents.
- c. Concerns regarding the viability of closed loop recycling for materials like wood, paper and some types of plastics were another concern for respondents.
- d. There was a view that material collection must enable sufficient volume and quantity for closed loop recycling to be possible.

52.6 There was some cause for caution regarding the potential for confusion between ‘closed loop recycling’ versus ‘equivalent closed loop recycling’ used in various parts of the consultation.

52.7 An almost equal number of respondents who responded “I don’t know / I don’t have enough information” reiterated the above comments:

- a. Some respondents called for material-by-material analysis to understand the feasibility of such an approach. One compliance scheme explained that glass would be the “only material which can achieve true closed loop recycling” while the same would be more complicated for plastics.
- b. It was also pointed out by a local government network that while mechanical recycling allows simple and easy collection schemes, a

“closed loop recycling system” might depend on better source segregated collection systems which might be challenging for residents who are less likely to recycle.

Question 53: Targets for different types of composite packaging

53. Should government set specific targets for individual formats of composite packaging?

53.1 A total of 563 responses were received for Question 53. 52% responded “Yes”, 23% responded “No” and 25% responded “I don’t know/I don’t have enough information”.

53.2 A **majority** of respondents, **predominantly** from local government and individuals, agreed with setting targets for composite packaging.

53.3 A **large minority** of respondents specified the types of packaging that should have their own targets.

- a. These included various types of films, food trays, bonded paper (cartons) and laminated packaging, waxed or lined packaging (cups), pouches or sachets, tubes and liquid carton board (eg. Tetra Pak) to name a few.
- b. Some respondents provided a detailed list of packaging based on plastic polymer and application categories.
- c. Additional materials suggested include gel pouches, crisp tubes and materials/polymers combined in other ways e.g. bottles with flip-top lids.

53.4 A number of local authorities added that individual targets will “significantly improve sorting and recycling infrastructure” for products that do not have a readily available end market.

53.5 Others suggested that targets should be based on the recyclability of the material and not tonnages. Some respondents suggested there should be an intention to “disincentivise composites and instead focus on the individual components to help reach recycling targets”.

53.6 A minority among those who did not support such targets were of the opinion that such targets should not be set at the outset but considered after the effects of the new EPR system established. A number also alluded to likely complexity of implementing and monitoring a system with sub-categories of packaging with their individual targets.

53.7 A **majority** of respondents who said “No” added that since the proposed modulated fee-based system is based on the ease of treatment towards the end of life for packaging, this would be sufficient to address composite plastics without the need for separate targets.

53.8 Those who said “I don’t know / I don’t have enough information”, repeated the above concerns regarding the potential complexity of introducing separate targets and their preference for this to be a future consideration.

53.9 One local government respondent from Scotland emphasised that the proposed “fee system (should) encourage design change”.

Questions 54 and 55: Interim targets and allocations for 2021 and 2022

54. Do you agree with the proposed interim targets for 2021 and 2022 set out in Table 6?

54.1 A total of 565 responses were received for Question 54 and 549 for Question 55. For Question 54, 36% responded “Yes”, 27% responded “No” and 37% responded “Neither”.

54.2 For Question 54, there was no majority response with each response making representing **large minority** of respondents.

54.3 Of those that responded ‘I neither agree nor disagree’, the **majority** did not provide a reason.

54.4 A **large minority** agreed with the proposed interim targets for 2021 and 2022. Of those that provided further reasoning, a **majority** of respondents commented that the interim targets seem reasonable and achievable and indicated that they will drive positive change.”

- a. A **large minority** of those that provided further reasoning thought that the targets are good ‘stepping stones’ and allow for a steady transition at the right trajectory.
- b. A number of respondents queried whether the implications of the UK exiting the EU had been considered

54.5 A **large minority** disagreed with the proposed interim targets for 2021 and 2022. Of those that disagreed and provided further reasoning, a **large minority** of respondents thought the targets should be higher.

- a. A **large minority** of these respondents commented specifically on the interim targets for wood and questioned why the targets have dropped. A recycling company warned that “If targets are reduced then wood PRN prices would collapse and wood packaging would cease to be recycled in

existing quantities as it will be cannibalised into biomass (where the plants funding the supply chains have the benefit of ROCs). Therefore the recycling performance of wood packaging will go significantly backwards if the targets are reduced.”

- b. A **large minority** of respondents thought the targets to be too high and would be unachievable. A number commented that the targets would be difficult to reach due to the current issues facing the export market.
- c. A number of respondents stated that the interim targets should have a steady increase, rather than a steep increase. They also identified some discrepancies in the targets proposed for 2025 and 2030 compared to 2012/22 and referred to Table 5 of the consultation document.
- d. A number of respondents commented on the interim targets for specific materials:
 - Glass: Some mentioned that the interim targets for glass do not seem proportional. A compliance scheme commented that “Glass has increased by 1% annually from 2018 – 2020 so a 5% increase in 2021 and a 3% increase in 2022 does not seem proportionate to an incremental increase.” Another organisation commented that the re-melt target for glass should be much higher.
 - Plastic: A number of respondents pointed to restrictions in export markets that are already increasing the cost of compliance. Along this line, a compliance scheme commented that “the plastic evidence and export market is already under significant pressure, this has seen evidence prices rise to near historical levels. With this in mind, a further target increase of 6% in 2020 is alarming as it may cause unforeseen market volatility.”
 - Paper: Some respondents commented that the interim targets for paper represent a sharp increase. A representative business organisation commented that “the proposed interim targets require growth of over 10% in a 2-year period. This at a time when global markets for recycled paper are in turmoil, there is diminishing investment in collection infrastructure in the UK and before the outcome of the government’s review of the amount of fibre packaging material being placed on the market is known.”

55. Do you agree with the proposal to increase the allocation method percentage to 35% for 2021 and 2022?

55.1 For Question 55, 19% responded “Yes”, 8% responded “No” and 73% responded “Neither”.

55.2 For Question 55, a **majority** of respondents responded “I neither agree nor disagree”. A **large minority** of these provided reasoning for their answer.

- a. Of those, a **large minority** of respondents said they were unable to provide an answer as they did not know or did not have enough information. Some commented that they did not know how the figure of 35% was generated, or what the figure currently is in order to provide an informed answer.
- b. A number of respondents stated that no justification was provided for the figure of 35%, and that it seems like an arbitrary number.
- c. A distributor, suggested that rather than a potentially sharp increase, the allocation should be increased gradually, for example by 1% per year.

55.3 A **large minority** of respondents agreed with the proposal to increase the allocation method to 35% for 2021 and 2022.

- a. A **large minority** of those that provided further reasoning to their answer commented that the increase in the allocation method percentage seemed appropriate and fair.
- b. A compliance scheme raised the three -year rule which locks producers into the allocation method for three years after they adopt it. They commented that “whilst this makes sense as a method of discouraging strategic method swapping to minimise costs, it may lead to unfair punitive measures for businesses whom have just submitted as a small producer for the first time [in 2019]. This is because the three-year rule means that these businesses would likely still be obliged to use the allocation method in 2021. We believe that if the current regulations are to be amended as such, then producers whom submitted as small producers for the first time this year (2019 compliance year) should be given the option to use either compliance method in 2021. Many of these businesses will have submitted their data to their compliance scheme prior to the consultations release in February and therefore could not have been aware of these changes until post submission.”

55.4 A number of respondents disagreed with the proposed increase in the allocation method percentage.

- a. Of those that provided a reason for their answer, a **large minority** commented that no justification for the percentage increase has been provided in the consultation document, and so they are unable to agree with the change.
- b. A **large minority** thought that the allocation method percentage should be higher than 35%.
- c. Some stated that the allocation method would be too high and may risk putting small companies out of business.

Part C: Section 7. Governance models (Questions 56-66)

This section presented four different governance models for a future packaging EPR system. It included a high level description of how each model might operate and the roles and responsibilities of key stakeholders. It sought views on each of the models and asked respondents to indicate a preference for one of the models.

Questions 56 and 57: Governance models

56. Overall, which governance model for packaging EPR do you prefer?

- Model 1: Enhanced near-to-business as usual – compliance schemes
- Model 2: Single-not-for-profit management organisation
- Model 3: Separate scheme for household/household-like packaging and commercial/industrial packaging
- Model 4: Deposit-based government managed system

56.1 A total of 617 respondents responded in full, or in part, to Question 56. Respondents either indicated their support for one of these models using the Defra citizen space consultation hub, or they provided a response by e-mail. Those responding by email included other options in their response to this question. Those that responded via the consultation hub were not able to include other options. A preference for a combination of more than one model was expressed by 32 respondents who submitted a response by email – these were classified as “hybrid”.

56.2 27% of respondents stated a preference for “Model 1”, 43% responded “Model 2”, 6% responded “Model 3”, 19% responded “Model 4” and 5% advocated a Hybrid model. Respondents who did not make their preference clear were not counted.

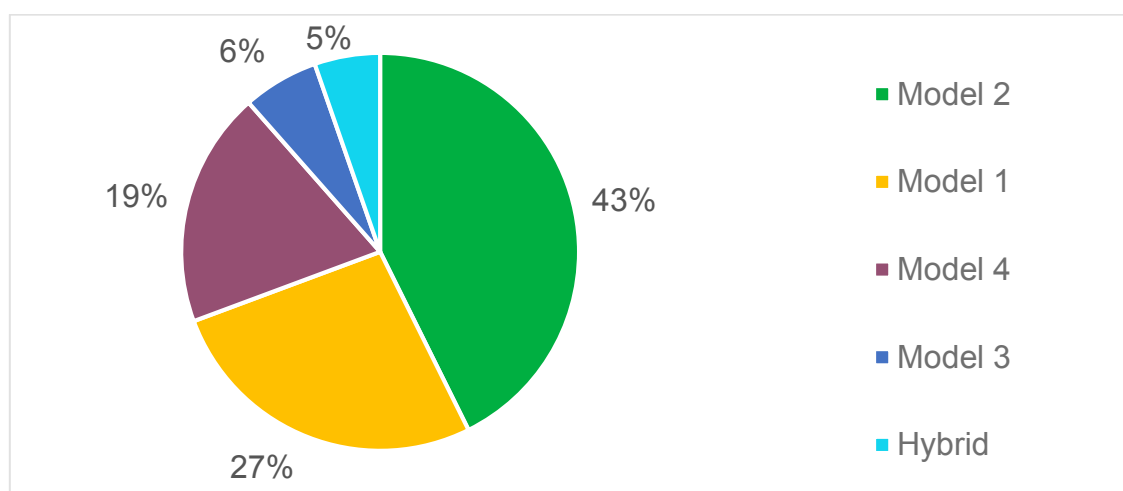


Figure 10: Responses to Question 56

56.3 Of the four models described in the consultation document, no one model was preferred by a majority of respondents. Model 2 was the preferred option overall (preferred by a large minority at 43%), followed by Model 1 (preferred by a large minority at 27%) and then Model 4 (preferred by a number of respondents at 19%). Model 3 was the least preferred of the options put forward. A hybrid model was an option put forward by email respondents. This option was not available to those responding on Citizen Space, however it was raised by a number of respondents in response to the second part of this question (see 56.5 – 56.7 below).

56.4 The profile of respondents that expressed a preference for each of the models was as follows:

- a. The 160 who favoured Model 1 were dominated by business representative organisations, 'other' organisations, distributors, reproducers and waste management companies.
- b. The 256 that favoured Model 2 were dominated by local government and third sector organisations.
- c. The 37 that favoured Model 3 were from a mix of organisations.
- d. The 115 that favoured Model 4 were dominated by individuals and community groups.

56.5 The second part of Question 56 asked respondents to briefly express the reason for their preference. While indicating a preferred model in the first part of this question, some respondents chose to raise alternative options in their accompanying free text response. As an example, a business representative organisation indicated a preference for Model 2, but stated in the free text that "...there is a view from many that a hybrid option of Model 2 and Model 1 would be worth exploring in the next phase of the process."

56.6 A total of 35 respondents made reference to Valpak's Packflow Hybrid Model – *An Enhanced Approach to EPR Reform*⁶. Nineteen respondents referred to Ecosurety's *Centralised Competition Model*⁷. Suez proposed a hybrid approach by making an assessment of the four models put forward in the consultation against their 10 principles of extended producer responsibility.⁸ All three organisations published their alternative models during the consultation period.

56.7 A number of respondents suggesting a hybrid approach were of the view that whilst all the models presented in the consultation document included good elements none was ideal or contained all the features necessary to manage a more complex packaging EPR system and much higher producer fees. Some also suggested that

⁶ https://www.valpak.co.uk/docs/default-source/flow-reports-2019/valpak_packflow-2025-revisited.pdf

⁷ <https://www.ecosurety.com/centralised-competition-model>

⁸ <https://www.suez.co.uk/en-gb/news/press-releases/190418-suez-publishes-review-of-defra-producer-responsibility-proposals>

the approach should be developed in conjunction with industry and based on a set of agreed principles or attributes. Many of these reflected the principles set out in the consultation document and included: not overly complicated or burdensome, easy for producers to interact with, transparency of finances and data, enables improved data collection and reporting, allows all monies raised from producers to be reinvested into the system, and appropriate accountability of local authorities for the producer funding they receive. Those respondents advocating a hybrid approach thought that an element of competition between compliance schemes was necessary to drive efficiencies and lower the overall cost of compliance to producers but a central governance body would be required to oversee allocation of funding, data flows and the labelling system.

56.8 Reasons given in support of Model 2 was that it was simple to understand, it would drive compliance (the process) more effectively and give full transparency of flow of funding and investment strategy to meet targets. It was also the model that appeared to give the greatest certainty in passing funding to local authorities. It was also thought to address perceived failings in the current system arising from all reprocessors not being required to be accredited and issue PRNs.

56.9 Reasons given in support of Model 1 included that potentially it was the most competitive for producers whilst allowing transparency and fairness, and that legal responsibility is clear and fits with supporting the recycling targets. A risk raised of having no competition (between compliance schemes) was that there would be no control on prices resulting in high costs for producers.

56.10 Model 4 was considered untested and without empirical support.

57. If you had to modify any of the models in any way to make them better suited to achieve the principles and outcomes government has set for packaging EPR what changes would you suggest?

57.1 Respondents were able to answer Question 57 in a free-text format.

57.2 Across all the responses there was a wide variety of suggestions, and general commentary made (as opposed to offering specific modifications to the four models presented). These suggestions will be considered in more detailed as we develop our final policy proposals, however a **large minority** of responses raised matters relating to efficiencies and financial considerations. Views expressed included that modulated fee rates should be set under a competitive compliance scheme model to ensure schemes are driving the same changes in behaviour; that any approach needs to be clear on how it will drive efficiencies in collections (of packaging waste); and that any system needs to ensure best value to producers and consumers

57.3 In responding to this question some respondents referred to consideration of a hybrid approach and references again were made to the hybrid model proposed by Valpak, as mentioned in the summary of responses to Question 56.

Question 58: Feasibility of proposed governance models

58. Do you have any concerns about the feasibility of implementing any of the proposed governance models?

58.1 A total of 601 respondents responded in full, or in part, to Question 58. Respondents were asked to select “Yes” or “No”, of which 589 responses were received. 70% of those responded “Yes” and 30% responded “No”.

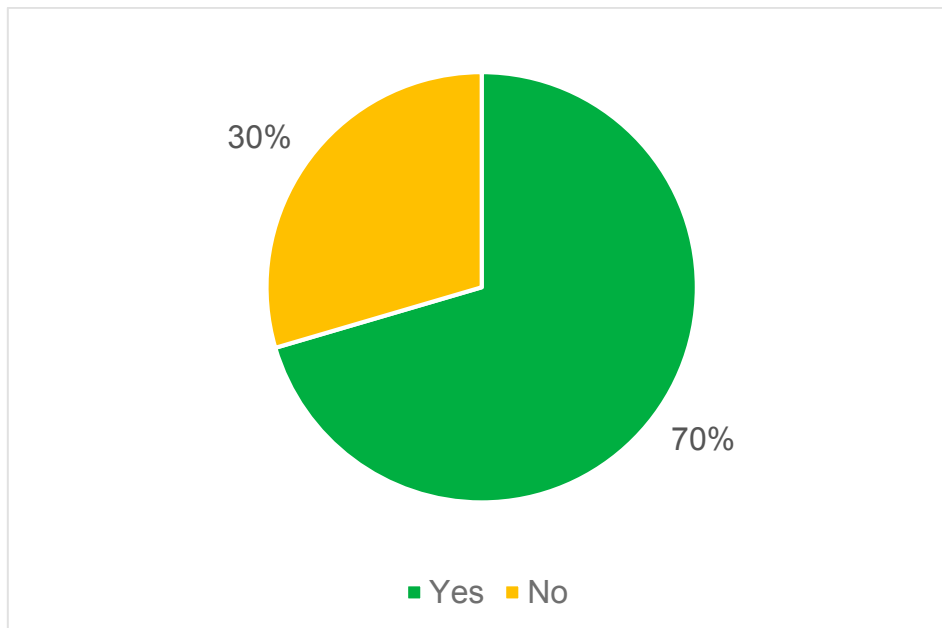


Figure 3. Responses to Question 58

58.2 Of those responding over two-thirds indicated that they had concerns with aspects of the governance models proposed. The **majority** of respondents indicating some concerns were from local government, business representative organisations, ‘other’ organisations, product manufacturers and distributors. Respondents indicating no concern regarding the feasibility of implementing any of the models were dominated by individuals.

58.3 Those answering “yes” were invited to provide reasons in support of their answer. A wide range of concerns and commentary was offered by respondents. A concern for **the majority** of respondents related to costs/financial implications for producers and the discussion was broad. **Large minorities** each expressed issues related to compliance; risk as some approaches were unproven; and potential complexity of the EPR model and system.

58.4 The following contributions reflect some of the views expressed:

- a. The CIWM stated “Common challenges to all models include a fundamental change to data capture and reporting processes and enforcement requirements to provide the necessary transparency and ‘whole system’ monitoring capability. Specific issues raised by members include local authority contractual payments in Model 1, and time and resource issues linked to the setup of the management organisation in Model 2. The radical nature of Model 4, and therefore the magnitude of the change, is a risk but there is too little detail on the model to accurately assess the full impact.”
- b. The British Plastics Federation stated its concerns for each of the four models, including compliance (oversight), competition timelines and risk:
 - “Model 1 is the closest to the existing system of compliance and therefore could build on existing context, expertise, IT and reporting systems. However, there will be revisions required to account for the significant increase arising from the [potential] lowering of the de-minimis level. Other revisions include an increased requirement for monitoring councils’ performance and delivering associated communications material and insufficient oversight by industry.
 - Model 2 will require the setting up of a new organisation which will need to be fully operational before the date of implementation of January 2023. This organisation would require the recruiting of a considerable number of staff, implementation of new systems and be financed and be operating before the regulations can be enforced. Also due to its monopolistic nature this option is likely to result in inefficiencies.
 - Model 3 would permit the existing compliance schemes associated with C&I packaging to continue to operate. However a new organisation, with new staff, IT systems, newly developed software management tools, policing methods etc. will need to be established before the scheme can become operational for all other than C&I waste as in Model 2.
 - Model 4 is untried and untested. This model would also require the setting up a new organisation which will need to be independent and will have adverse cash flow implications for businesses that are obligated. In addition, under this model there is a risk that evidence prices will rise towards the level of the deposit fee, even where this is not necessary to drive increased recycling. Also no overall responsibility for achieving targets.”
- c. A multi-national product manufacturer expressing a preference for Model 2, stated its concerns for Models 1, 3 and 4 including:
 - “We have a concern that Model 1 would not achieve enough reform in the waste management arena to achieve targets.
 - Model 3, while favourable for its principle to provide for greater oversight of producers at a regional level, would result in a plethora of compliance schemes in addition to the single not-for-profit body which would add unnecessary complication. The competition between the schemes, as proposed, could also lead to a ‘cherry-picking’ situation

whereby schemes would have the power to choose which contracts are the more lucrative...

- Model 4, whilst ambitious, is untested as a model and would create higher risks. We believe that such a model would require greater investment in recycling infrastructure before being successfully implemented across the UK. It also runs a risk that consumers may become confused by multiple take-back schemes deployed by producers. Industry would also lack 'one voice' in shaping consumer behaviour in relation to recycling and littering."

58.5 A charity raised the issue of competition between multiple compliance schemes or limited or no such competition under a single compliance scheme model. In relation to Model 2 their view was that: "a lack of an obvious competition, will inevitably increase costs and limit innovation", and that in relation to Model 4 "less innovation and price control because of the lack of obvious competition".

Question 59: UK-wide approach to governance

59. Do you think that any of the governance models better enable a UK-wide approach to packaging producer responsibility to be maintained whilst respecting devolved responsibilities?

59.1 Respondents were able to answer Question 59 in a free-text format. 601 responses were received. After discounting responses such as "N/A" "Unsure" "No comment", a total of 350 responses remained.

59.2 A **large minority** of the respondents favoured Model 2 as suitable for a UK-wide approach. Local authority respondents from Northern Ireland indicated their preference for Model 2: "...because there could be single not-for-profit management organisations within each nation." This view was supported by an Northern Ireland NGO who commented that "Model 2 appears to have simpler infrastructure, with a single not-for-profit management organisation proposed, in which case there may be potential for a local presence of this organisation within each of the devolved administrations....Regardless of the model chosen, the imperative for local government in Northern Ireland, is to ensure clear lines of communication and financial flows with the 11 district councils.

59.3 Model 4 was raised by a large minority with some respondents thinking it would facilitate a UK-wide approach but raising some questions. A waste management company thought that "Model 4 would allow the direct flow of funds to the respective collectors regardless of the base of the scheme or reprocessor. A local authority respondent queried which government would have "overall control or if control is shared between all governments how do competing or conflicting demands of devolved waste policy, if they arise, get managed by the scheme administrator".

Question 60: Compliance fee mechanism

60. Stakeholders have suggested that a compliance fee mechanism similar to the arrangements currently in place under the WEEE producer responsibility scheme should be introduced if a competitive evidence market continues to operate such as in Model 1. Do you agree?

60.1 A total of 555 responses were received for Question 60. 24% responded “Yes”, 17% responded “No” and 59% responded “I don’t know/I don’t have enough information”.

60.2 **The majority** of respondents were unable to answer the question as they did not know or did not have enough information. This is understandable as to respond to this question does require a detailed understanding of how the current packaging and WEEE schemes operate. Respondents who were able to answer yes or no to this question included compliance schemes, waste management companies and local government. LARAC and several other respondents stated that they were “concerned about aspects of the operation of Model 1 but it is unclear if a compliance fee mechanism like that of the WEEE producer responsibility scheme would address, improve or exacerbate the issues.”

60.3 **A large minority** of respondents agreed that a compliance fee mechanism should be introduced if a competitive evidence market continues to operate.

- a. Of these, a **large minority** highlighted the additional funding that would be provided through the compliance fee mechanism that could be used to support communications campaigns and investments in recycling infrastructure.
- b. A number of respondents stated that the compliance fee mechanism prevents market distortion and helps stabilise the compliance market. Others commented that the fee acts as a safeguard if there is not sufficient capacity to meet recycling targets.
- c. Other reasons given in support of a Compliance Fee mechanism reflecting on the experience of WEEE scheme included:
 - Minimising unexpected market volatility
 - Providing an alternative mechanism where there is simply insufficient recycling capacity available or there is excessive profiteering in the sector
 - Providing a fund which can be used for suitable projects to grow recycling capacity

60.4 A number of respondents disagreed with introducing a compliance fee mechanism.

- a. Some considered the WEEE producer responsibility scheme to have failed to deliver benefits to local authorities and does not cover all local authority costs associated with WEEE.
- b. A number of respondents pointed to the WEEE compliance fee mechanism leading to the oversupply and over-trading of evidence. Some indicated that this oversupply has dis-incentivised the collection and treatment of WEEE, with one local authority respondent referring to a previous issue with fridge recycling where in their view “once producers had achieved their targets they had no incentive or requirement to collect excess material and the additional costs fell to local authorities.
- c. Another expressed concerns about producers preferring to pay the fee rather than increasing the recycling of such waste above a certain threshold.

Question 61: Establishing a packaging advisory board (model 1)

61. Should a Packaging Advisory Board be established to oversee the functioning of the EPR system and the compliance schemes in the competitive compliance scheme model 1 or do you think other arrangements should be put in place?

61.1 A total of 499 responses were received for Question 61. 78% responded “Packaging Advisory Board” and 22% responded “Other”.

61.2 Overall, a **majority** of respondents indicated their support for the establishment of a Packaging Advisory Board under this model.

- a. Of these, a **large minority** of respondents indicated that the Packaging Advisory Board should be widely representative of the sector. A multi-national product manufacturer commented that the Packaging Advisory Board “must have representation of all four nations’ governments, as well as from all parts of the packaging value chain.”
- b. A number of respondents commented that the Packaging Advisory Board should offer oversight, guidance and coordination of the compliance schemes. A large UK food and drink producer stated that “a Packaging Advisory Board should maintain whole system-level oversight, including effective oversight of the compliance schemes operating within it.”
- c. Some respondents indicated concern that the role of the Packaging Advisory Board might overlap with other bodies. LARAC commented that “the consultation does not contain much detail on the remit and powers of a Packaging Advisory Board. Therefore, it is unclear how they would interact with compliance schemes and the regulator.”
- d. Although agreeing with a proposed Packaging Advisory Board, a number of respondents re-iterated that they do not support governance Model 1.

61.3 **A large minority** of respondents indicated that other arrangements should be put in place rather than a Packaging Advisory Board.

- a. A number indicated that this role should be performed by an existing body either government or non-governmental. A UK retailer responded that it would be “another unnecessary “middle man” in the process, overseeing schemes and the functionality of the EPR should remain with the Environment Agency” [in England]. Furthermore, a number of responses highlighted the additional costs involved in establishing a Packaging Advisory Board.
- b. An alternative view was provided by a product manufacturer who indicated that the role should be performed by an arm’s length government run organisation in order to “prevent large companies bidding for it, distributing the work and not providing the service promised and ultimately costing more.”

- c. **A large minority** of respondents that stated that other arrangements should be considered do not support Model 1 in general.

Questions 62 and 63: Establishing a single management organisation (model 2)

62. Please let us know your thoughts as to whether the proposed single management organisation should be established on a not-for-profit basis or as a government Arm's Length Organisation.

62.1 A total of 459 responses were recorded for Question 62 and a total of 484 responses were recorded for Question 63. For Question 62, 62% responded "Not-for-profit organisation", 10% responded "Arm's length organisation" and 28% responded "Unclear".

62.2 For Question 62, the **majority** of responses indicated support for the proposed single management organisation being established on a not-for-profit basis. A local government organisation and a number of other respondents stated that "given that there is no evidence from other countries that a government arm's length organisation is in operation it would appear to make sense to have a not for profit organisation as the single management organisation." A representative business organisation commented that a not-for-profit basis would allow "the management organisation to operate in an open and transparent way while having to demonstrate it is working in the interests of all involved, helping to secure the confidence of the businesses that fund it and whose operations it regulates." The majority of manufacturers and retailers also indicated support for establishing the single management organisation on a not-for-profit basis.

62.3 A number of responses indicated support for the proposed single management organisation being set up as a government Arm's Length Organisation. One local government respondent said "we would prefer it be established as a government Arm's Length Organisation as we believe it will provide greater transparency and surety that it will operated in the manner described."

62.4 A number of responses highlighted that the decision to establish the single management organisation as a not-for-profit or Arm's Length Organisation should be subject to further research and could not be fully determined yet.

62.5 Some respondents expressed that as they were not in support of the proposed governance model 2, which calls for a single management body, they do not have a preference in response to this question.

63. If such a management organisation is established as not-for-profit, one option is for government to invite proposals from potential operators and then issue a licence to operate for a defined period of time. Do you agree with this approach?

63.1 For Question 63, 71% responded “Yes” and 29% responded “No”.

63.2 A **majority** of respondents supported the option of the government inviting proposals from potential operators and then issuing a licence to operate for a defined period of time.

63.3 **A large minority** of respondents did not support this option, however only a number suggested an alternative approach.

- a. A representative business organisation said “the single not-for-profit body should be run by those obligated to fund and deliver the schemes, this would include producers, retailers, local authorities and repressors.” Another trade body supported this view stating “a body jointly owned and run by producers and the supply chain would be the preferred option.” and another indicated preference for “oversight by a supervisory board with stakeholder representation.”
- b. Another option proposed was that “an organisation such as WRAP (Government funded) could act as the central body, with material specific sub-bodies below it and a limited number of compliance scheme tendering for licenses to operate the commercial fraction.”

Questions 64 and 65: Separate scheme for household and commercial/industrial packaging (model 3)

64. Should a single scheme be established for household/household-like packaging and C&I packaging as described for model 2?

64.1 A total of 540 responses were recorded for Question 64 and a total of 461 responses were recorded for Question 65. For Question 64, 49% responded “Yes”, 23% responded “No” and 28% responded “I don’t know/I don’t have enough information”.

64.2 For Question 64, responses were **mixed**. Local government organisations, charities and individuals tended to favour the single scheme. Business representative organisations, consultancies, distributors, reproducers and waste management companies were less supportive of a single scheme for household/household-like packaging and C&I packaging.

64.3 A **large minority** of responses agreed that a single scheme should be established for household/household-like packaging and C&I packaging as described for Model 2. Of those that agreed, there was no overarching majority reason.

- a. A **large minority** commented that the proposed single scheme would keep the system simple, consistent and easier to understand and manage. One local authority respondent thought that a single scheme will be simpler to manage and pointed to the issue that “if there are different schemes for household/household-like and C&I, then LAs offering trade waste collections will need to engage with both schemes, adding additional burdens.” Along this line, one retailer added that a single scheme “seems like the solution with the best balance of minimising admin (simplest solution to have a single organisation running all schemes), while maintaining a robust compliance and enforcement operation.”
- b. A number of respondents argued that the single scheme would ensure a coordinated approach to data collection and reporting, therefore avoiding confusion and reducing administrative costs. A number thought that the proposed single scheme would align better with proposals outlined in other parallel consultations.

64.4 A large minority of respondents did not agree that a single scheme should be established.

- a. The reason most mentioned was that household/household-like packaging and C&I packaging are very different and should therefore have separate schemes. A leading drinks manufacturer commented that “there should be separate systems for household/household-like packaging and C&I packaging

as the practicalities and economics of these two streams are very different and it makes sense to consider them separately.” Another manufacturer supported this view, commenting that “the two waste streams are managed in such different ways, a system that accounts for them both together would cost all companies more.”

- b. A number of respondents argued that a single scheme is not preferable as there is already an active market for C&I packaging. The Confederation of Paper Industries thought that the systems should be kept separate because “the paper and board packaging reprocessors in the UK have well-established business to business systems to recover C&I recyclables from back of store. This has little bearing on the operation of post-consumer collection systems.” Along this line, a reprocessor added that “C&I needs to be taken out of the system from now on, it has an active marketplace, and has no need of subsidy.”
- c. Some respondents responded to the question by re-iterating their opposition to Model 2 and a single scheme overall. They expressed concern that a single scheme would create a monopoly and therefore have a negative impact on market competition. A waste management company thought that the lack of competition provides “no incentive to streamline service and value to the producer, whereas multiple schemes offer producers the choice according to performance and service delivered.” A compliance scheme and others commented that “as experienced elsewhere in Europe, we do not believe monopolistic EPR regimes provide the best value for money to citizens nor do they deliver greater recycling rates. There must be an element of competition, linked to material market dynamics, in the new system.”

65. Or, should there be a separate system for managing compliance for household/household-like packaging and C&I packaging as described for model 3?

65.1 For Question 65, 14% responded “Yes” and 86% responded “No”.

65.2 A **predominant** number of respondents disagreed that there should be a separate system for managing compliance for household/household-like packaging and C&I packaging as described for model 3.

- a. Of those respondents a large minority explained that they would prefer to see a single scheme (Model 2), one of the other proposed models (Model 1 or 4) or an alternative hybrid model in place over the separate schemes as described in model 3. The reasons for this have been described in Questions 56 and 64.
- b. A number of respondents agreed with the proposal for separate schemes.
- c. Some provided justification of how the system would work as described in the consultation document. For example, one trade body commented that “Model 3 could help local authorities with the certainty they require, whilst leaving C&I

to work successfully as per the current system (EPR will bring further improvements still).”

- d. A number of respondents were of the view that a hybrid model could allow for both C&I and household-like to be handled within the same system but with different targets.

Question 66: Role of compliance schemes (model 4)

66. Under model 4 are producers more likely to:

- Manage their own compliance?
- Join a compliance scheme?

66.1 A total of 288 responses were received for Question 66. 84% responded “Join a compliance scheme” and 16% responded “Manage their own compliance”.

66.2 Overall, the **predominant** view from respondents is that producers are more likely to join a compliance scheme.

- a. Of those who thought producers would join a compliance scheme, **a large minority** considered that producers would choose to join a compliance scheme due to the need for administrative support, especially given a potentially complex system. One food and drink manufacturer stated that “in the event that Model 4 is implemented, we envision that producers would be more likely to join a compliance scheme for simplicity and assurance of compliance. Producers are unlikely to have the competency to manage this entirely in house.”
- b. Some respondents argued that many producers don’t have the internal resources and expertise to manage their compliance, particularly smaller to medium sized producers.
- c. A number of respondents indicated that it would be more economical to join a compliance scheme.
- d. Others mentioned the potential financial risk of managing compliance in-house due to uncertainty about deposit redemptions and this would encourage producers to join a compliance scheme. There is also a large risk of failure under self-compliance, with the potential risk of fines for non-compliance.
- e. Others pointed to the fact that producers already have relationships with compliance schemes and trust them to deal with compliance and there is no reason why this would change in the future.

66.3 A number of respondents thought that producers would be more likely to manage their own compliance as this would enable them to self-declare and have more control over their materials. They also commented that in-house compliance

management would reduce financial risks and avoid costs as there would be no need to pay for compliance support. One trade body stated that “given the significant sums of money involved in this system and the potential cash flow implications of a deposit-based system, we anticipate that producers are far more likely to manage their own compliance. They will want to own and control the materials they are responsible for.”

Part C: Section 8. Responsible management of packaging waste domestically and globally (Questions 67-78)

This section sought views on how a reformed system can ensure the environmentally responsible management of packaging waste, both domestically and for UK packaging waste exports. It asks for views on 10 proposed measures aimed at achieving this.

Question 67: Packaging waste exports

67. Do you agree that government should seek to ensure export of packaging waste is undertaken in a transparent and environmentally responsible manner?

67.1 A total of 517 responses were recorded for Question 67. 96% responded “Yes”, 1% responded “No” and 3% responded “Neither”.

67.2 A **predominant** number of respondents agreed that government should seek to ensure export of packaging waste is undertaken in a transparent and environmentally responsible manner.

- a. A **large minority** of those agreeing did not offer a reason.
- b. Some respondents felt that ensuring the export of packaging waste (for recycling) was undertaken in a transparent and environmentally responsible manner was likely to boost public confidence in the UK’s recycling system. A local government respondent expressed the point as “...coverage in the media in recent times has played a significant part in creating an impression that the current export of UK secondary materials is largely unregulated with little being recycled. This in turn creates a sceptical public who is harder to engage with. Therefore how the government addresses this question, including the transparency of mechanisms put in place to achieve the objective, could have significant bearing on how well consumers engage with the new EPR and DRS systems.”
- c. A number of those in agreement from across all categories of respondent stressed the importance of developing domestic reprocessing capacity in the UK to reduce the reliance on exports. Some felt that exports should cease while others recognised a continued role of exports given the flow of resources and products in the global economy but qualified this by saying that exports should only be possible to “properly accredited and audited processors with full transparency and accountability.”

- d. Linked to the above point, some respondents felt that improving the quality of the recyclable materials collected in the UK would help boost local reprocessing infrastructure, particularly as greater volumes of material were anticipated should the EPR and DRS reforms be taken forward. Higher quality materials are likely also to give the UK continued access to export markets. A business representative organisation argued that “Without marketable, quality outputs the UK will not drive domestic investment or see stable outlets for secondary commodities, and it will struggle to reach its recycling targets because it will be denied access to high volume export markets.”
- e. A number of respondents felt that the proposals would help create a level playing field between UK reproducers and those overseas. A charity stated that “It is essential for the export of packaging waste to be controlled and enforced to ensure it conforms with the same standards as will be applied to packaging waste that is dealt with within the UK”, and a product manufacturer argued that “It is clearly unacceptable for exported waste to be handled at lower environmental standards than those in the UK.” Some respondents felt the proposals did not go far enough in equalising the PRNs and PERNs.
- f. Some respondents emphasised the importance of also addressing the potential negative social impacts in overseas nations where the UK’s packaging waste is being recycled when setting standards for waste exports.
- g. A number of respondents called for improved monitoring and inspection of waste shipments for export, as well as greater enforcement of the current regulations. A business representative organisation argued that “Failure to adequately police illegal exports of contaminated recyclables have played a big part in the current predicament of UK recycling, overly dependent on febrile export markets with poor regulation and no transparency on end destination or efficacy of recycling route.” However, a number of respondents were concerned about a lack of resources for inspections and enforcement and called for the regulators to be better resourced. Some also referred to the conclusions of the National Audit Office⁹ report in 2018 on the Packaging Recycling Obligations to support their point.

67.3 A number of respondents disagreed, or neither agreed nor disagreed with them.

- a. Among those that provided reasoning for their response, the **majority** argued that the UK should not be exporting at all and that policy measures should focus firmly on growing domestic recycling capacity

⁹ <https://www.nao.org.uk/press-release/the-packaging-recycling-obligations>

and capability including that for plastics that are currently considered to be 'harder to recycle' and on building a circular economy in the UK.

Questions 68, 69, and 70: Measures to ensure environmentally responsible management of packaging waste exports

68. Do you agree that measures identified here would help ensure the export of packaging waste is undertaken in a transparent and environmentally responsible manner?

68.1 A total of 510 respondents responded to this question. 79% responded "Yes", 5% responded "No" and 16% responded "Neither".

68.2 A **majority** of respondents agreed that the proposed measures would ensure transparent and environmentally responsible export of packaging waste. Approximately half these respondents provided a reason. The following themes were identified from these responses:

- a. A **large minority** who supported the proposals also highlighted that the system must account for the costs of enforcement to prevent malpractice and that fees are reflective of the regulatory effort involved.
- b. A number of respondents offered different views with respect to Measure 5 regarding notification 7 days in advance of shipment of packaging waste. Most respondents felt the notification period could be reduced to 3 days, whilst a local authority suggested that the period be extended to 14 days to allow regulators to organise pre-shipment inspections.
- c. A **large minority** of responses thought measures were required to disincentivise exports.
- d. A number of respondents (mostly from local government) who supported the measures also held the view that a requirement for sorting and cleaning waste prior to export (Measure 10) might introduce unnecessary costs in the system.

68.3 Of the respondents who neither agreed nor disagreed, the views shared by a number of respondents are detailed below:

- a. Some respondents felt that the some of the proposed measures needed more clarity to understand how they would work. For instance, a business representative organisation questioned who would pay for the overseas inspection proposed in Measure 6 – whether each

exporter would pay for every new mill registered or would this be shared by all those registered.

- b. Some respondents recommended that domestic reprocessors must be subject to similar accreditation and fee requirements as exporters to create a level playing field.

68.4 Of the number of respondents who disagreed, the **predominant** view was that the proposed measures were insufficient and there was a need for the export process to be enforced more effectively with better regulation and tracking of waste after it leaves the country.

69. Have we missed potential measures that you believe need to be considered alongside those measures we have proposed?

69.1 A total of 430 responses were received. 43% responded “Yes” and 57% responded “No”.

69.2 A **majority** of respondents thought additional measures should be considered including:

- a. A **large minority** of these respondents were in favour of revisions to the current PRN/PERN system regarding evidencing recycling. A business representative organisation re-iterated views expressed by others that access to export PERNs presently undermined the case for investment in domestic reprocessing infrastructure.
- b. Some felt the government must be more ambitious and phase out waste exports in the medium to long term supported by targets and fiscal measures.
- c. Respondents also called for improved standards for waste material exported for recycling through clear and measurable mechanisms for quality checks and enforcement against established guidelines and protocols.
- d. Some respondents recommended separate targets for some or all materials to be diverted to UK reprocessing systems before export.

69.3 Of the respondents who thought there was not a need for additional measures, there are no general themes that can be drawn out from the reasons provided.

70. Do you have any concerns about the feasibility and / or costs of implementing any of the proposed measures?

70.1 A total of 448 respondents including individuals and organisations responded to the question. 67% responded “Yes” and 33% responded “No”.

70.2 A **majority** of respondents had concerns about the feasibility of implementing the proposed measures for more responsible management of packaging waste. The **predominant** concern was the potential cost of both implementing these measures and the implications of these additional costs on businesses operating in a global market. A business representative organisation was joined by others in cautioning that costs must not reach a level where it is “no longer economically viable for exporters and reprocessors to take part in the system”. Local government respondents re-iterated a point raised in relation to Q.69 and were concerned that the costs associated with Measure 10 requiring sorting and cleaning of packaging would ultimately be passed down to local authorities and producers.

70.3 Other concerns raised were:

- a. Some respondents were concerned over the proposed shift in the point of reporting. A business representative organisation stated the proposal to “shift the point of evidence of reprocessing from when materials are received by a reprocessor or exported to the point at which packaging waste has been actually reprocessed may introduce more complexity from a monitoring standpoint to avoid counting non packaging sources”.
- b. A number expressed views on the costs of managing and regulating these measures and felt that more work was needed to understand what resources would be required.

70.4 A **large minority** did not have concerns, but raised the following points:

- a. That the costs of policing the system should be borne by those responsible for exports.
- b. That while the proposed measures are essential and need to be enforced, more detail is required to understand whether they are deliverable and affordable and how they will be delivered.

Part C: Section 9. A more transparent system (Questions 71-78)

This section sought views on proposals to improve the transparency of the packaging producer responsibility system including how the data that underpins the reformed system is collected and handled and improving the transparency of any market-based evidence system. Specifically it sought views on measures that could place additional requirements on reprocessors, exporters, compliance schemes and producers.

Questions 71, 72, and 73: Reporting requirements of reprocessors and exporters

71. Do you agree that accredited reprocessors and exporters should be required to report their financial information?

71.1 A total of 517 respondents provided responses to Question 71. 86% responded “Yes”, 3% responded “No” and 11% responded “Neither”.

71.2 A **majority** of respondents answered “Yes” to this question and agreed that accredited reprocessors and exporters should be required to report their financial information. The reasons given included:

- a. A **large minority** of respondents shared the view that reporting is necessary to achieve the transparency that is required and for industry to have confidence in the system that they are financing. A local government respondent stated that “Transparency on funds needs to change in such a way that we have confidence that they are being spent on true system change designed to increase recycling.” A charity stated “We would encourage government to develop further mechanisms for companies to explain their impact to an increasingly interested public.”
- b. A number felt it was important that reprocessors and exporters disclose how they use the funding or fees they receive to increase or enhance recycling collections/services and/or support capacity building.
- c. A number of businesses argued that further careful consideration is given to this proposal to avoid any breaches of legitimate commercial interest and others questioned how effectively this requirement would be enforced.
- d. An environmental group stated that the “EU Non-Financial Reporting Directive requires non-financial disclosures concerning [a range of other] categories, which the UK could look to replicate.”

72. Should accredited reprocessors and exporters be required to generate evidence for every tonne of packaging waste that they process?

72.1 A total of 521 respondents provided responses to Question 72. 92% responded “Yes”, 1% responded “No” and 7% responded “Don’t Know”.

72.2 A **predominant** number of respondents agreed that accredited reprocessors and exporters should be required to generate evidence for every tonne of packaging waste they process.

- a. A large minority of these respondents agreed that generating evidence for every tonne of packaging waste produced would ensure a complete picture of recycling performance is available and will avoid the potential for reprocessors or exporters to withhold evidence, which can cause perceived shortfalls and an unnecessary increase in costs.
- b. It was also agreed by a large minority of these respondents that generating evidence of reprocessing/ recycling of all packaging waste handled will aid transparency and give the public the confidence that recyclables, particularly those that are exported, are being managed in a responsible manner.
- c. A further view shared by a number of local authorities was that the evidence should indicate the quality of materials as well as the quantity.

72.3 A number of local authority and business respondents shared the view that evidence for every tonne of packaging waste processed should be generated where this is of relevance to the governance model that is chosen for a reformed system. They thought there is merit in keeping market trading to a minimum within the new system to mitigate against some of the issues that have caused problems with the PRN system.

72.4 A local government respondent argued that the question of what happens to the information provided, who uses it, how will it be analysed and what actions will be taken for every tonne of waste processed, needs to be clear, and stated that they felt this is not clear at present.

72.5 A campaign of 34 individuals responded with the following recommendations “Implement robust monitoring and full transparency: Strong accountability and enforcement measures must be put in place, with third party audits rather than self-monitoring by producers.”

73. Should accredited reprocessors and exporters be required to report on the packaging waste they handle monthly?

73.1 A total of 519 respondents provided responses to Question 73. 74% responded “Yes”, 7% responded “No” and 19% responded “Don’t Know”.

73.2 The **majority** of respondents answered “Yes” to this question. Common views expressed by those responding “Yes”, were that reporting monthly would offer more ‘real time’ visibility of recycling rates, would reduce the incidence of errors, more quickly expose non-conformers and offer higher levels of transparency of material flow.

73.3 A number agreed that monthly reporting will assist in developing a clear picture of the state of the markets and that it could prevent market distorting behaviour. A waste management company commented “Recycling markets are volatile and can change quickly, often through reasons unconnected with the general principles of supply and demand. Monthly reporting will produce a clearer market picture.” A producer manufacturer argued that “Monthly returns will assist the regulators [to] keep track of obligated reprocessors and exporters. Less frequent returns risk delay in spotting and acting on non-compliance”.

73.4 A central theme amongst the respondents who answered “No” was the concern that monthly reporting may be onerous or burdensome and would impose higher costs on reprocessors. Some questioned the additional benefit it would bring. This view was also shared by a number of respondents who answered “Yes”. A number felt quarterly reporting was preferable to monthly and that quarterly reporting would be more manageable.

Question 74: Improving transparent operating of the evidence market (model 4)

74. Do you think that any additional measures to those already described would be required to ensure transparent operating of the evidence market in model 4?

74.1 A total of 433 respondents provided responses to Question 74. 39% responded “Yes”, 9% responded “No” and 52% responded “Don’t Know”. Many respondents shared views on improving transparency of the system, regardless of which governance model is implemented.

74.2 A **majority** of respondents answered “Don’t know” to this question with some giving the reason that they didn’t have enough information or knowledge to suggest additional measures, and others stating that they did not agree with model 4 in principle.

74.3 A **large minority** of respondents thought that further measures would be required to ensure transparent operating of the evidence market in model 4 particularly as it builds on aspects of the current market based system. Of those that answered “Yes”:

- a. Some stated that there was a risk that schemes would pay more than they needed to at the start of the year, arguing that accurate estimates would be required, particularly for small businesses where paying the fee up-front could

cause unnecessary cash-flow difficulties. This was a view shared by respondents from all sectors.

- b. A number of respondents expressed the view that there would need to be robust oversight of all acquired evidence, firstly to ensure that performance information is submitted and verified in accordance with a clear and enforceable timetable and secondly that reprocessors are not 'selling' the same tonnage to different schemes or directly-complying producers.
- c. Some recognised that more granular reporting of data on reprocessing would be required that distinguishes between material that went to closed-loop reprocessing operations and material that went to other applications.
- d. The Advisory Committee on Packaging held the view that as the real value of the PRN is unknown and not transparent in the current system, then in a system where "the value of evidence increases then a licensed trading floor might be the clearest way to ensure transparency."
- e. There was also a view that the market would need to be controlled to stop evidence prices mirroring deposit fees on the basis of perceived value alone.

Questions 75 and 76: Operating, reporting and approving compliance schemes

75. Are there any additional requirements that should be placed on compliance schemes to ensure greater transparency of their operations and reporting?

75.1 A total of 574 respondents provided responses to Question 75. 40% responded "Yes", 7% responded "No" and 53% responded "Don't Know".

75.2 A **majority** of respondents answered "Don't know" to this question.

75.3 A **large minority** responded "Yes" to the question, and suggestions for additional requirements to be placed on the compliance schemes included:

- a. Some expressed the view that compliance schemes should be required to produce strategic plans and that these should be subject to scrutiny by the regulator, government or any new oversight Board. A business representative organisation suggested "The [annual strategic] plan should cover key aspects (registration, data reporting, monitoring, producer funds and transparency, supplier arrangements,) and would need to respect the commercial sensitivities of schemes and other parties in the chain."
- b. A compliance scheme advocated that a retrospective annual report should be provided and should "outline the 'end-market development'

activities of the company and report on the financial outlay on their members' behalf. They then recommended that "This information should be provided to the Packaging Management Organisation in order for them to adequately oversee the system and make recommendations to government."

- c. A product manufacturer suggested that a hybrid model containing elements of Models 1 and 2 could help with improving the transparency of compliance schemes.
- d. A local authority suggested that compliance schemes should be required to sign up to a strict Code of Conduct which includes clauses for Non-collusion, fair competition and transparency. They also suggested that compliance schemes should be incentivised/required to purchase evidence on a rolling (e.g. at least quarterly) basis to avoid spikes in demand and regulate price volatility.

76. Under a reformed system do you think compliance schemes should continue to be approved by the existing regulators or do you think a different approach is required?

76.1 A total of 436 respondents provided responses to Question 76. 60% responded "Yes, approved as now" and 40% responded "Other".

76.2 A **majority** of respondents stated that compliance schemes should be approved as now, and a **large minority** stated that a different approach is needed.

76.3 Of those who responded "Yes, approved as now", some responses were caveated:

- a. A number of respondents shared the view that the regulators must have adequate resource to carry out their role and must have the required levels of expertise for a reformed system to operate effectively and ensure a robust and high level of scrutiny.
- b. A number commented that the existing regulators should be given a wider range of enforcement tools.
- c. Some respondents commented that a reformed system will require structural change but felt they could not respond fully to this question until:
 - a preferred delivery model is selected,
 - the roles and responsibilities of all stakeholders are clear, and
 - the requirements of the regulator and their enforcement powers are confirmed.

76.4 Of those who responded “Other” the most prevalent comment was that whichever route is chosen the regulator(s) needed to be adequately resourced so that it can fully discharge its role. Another view shared by respondents was that strategic oversight was required to monitor the aims and targets established for the EPR system as whole and that if this was not led by government then it needed to feed into all governments. Other comments included:

- a. A number of respondents thought that a different approach to the existing regulator should be investigated as this may help to increase transparency and the confidence of councils in compliance schemes. The Packaging [Compliance] Scheme Forum stated “we would suggest that a combination of approval and monitoring activities by both the existing regulators together with any central body [that may be established] would be required”.
- b. It was recognised by business representative organisations and compliance schemes that the roles and responsibility of compliance schemes will need to change to reflect the additional responsibilities in relation to monitoring associated with local councils, exporters, waste management companies and reprocessors and the significant cost of funds under management.
- c. A suggestion from a number of respondents including representative business organisations was that an obligatory independent third-party audit of all schemes would ensure the whole system was verified and provide greater transparency.
- d. Some respondents felt it was too big for the current regulator and a separate organisation is required to ensure compliance. Another respondent suggested that consistent regulation with speedy enforcement of transgression is required, either by the existing environment agencies, or through a separate body if necessary.

76.5 Across all respondents, a number replied that they favoured Model 2 which does not have role for compliance schemes.

Question 77: Single producer organisation transparency

77. Are there any additional requirements of a single producer organisation to ensure transparency of its operation and reporting?

77.1 A total of 446 respondents provided responses to Question 77. 48% responded “Yes”, 14% responded “No” and 38% responded “Don’t Know”.

77.2 Although there was no majority answer, a **large minority** of respondents answered “Yes” to this question.

77.3 Of those that answered “Don’t know”, a few offered suggestions as to additional requirements to ensure transparency, such as the need for a suitable board to oversee the functioning of the organisation, auditing to be carried out by the Environment Agency or a similar government body, and the need for reporting on a quarterly basis rather than annually.

77.4 Across all answers, a number of respondents suggested that as the single producer organisation could essentially be operating as a public body, it should be compliant with the Nolan Principles of public life¹⁰.

77.5 With regards to reporting requirements, a number felt that reporting should be more frequent than annual, with some suggesting quarterly and some monthly. Some respondents called for a greater breadth of reporting with a few suggesting it should include any difference between the amount of each material placed on the market and the amount recovered as well as what packaging is recyclable, at what cost and to what end markets.

- a. A business representative organisation held the view that “there should be reporting requirements on reduction efforts and we believe reporting and obligations should be for units of packaging and not just weight of material.” Whilst another argued that “Reporting should include amounts of products put on the market, amounts of discards reused, recycled, composted and sent to disposal, and redesign and reduction efforts taken by each producer.”
- b. Further suggestions on additional reporting were:
 - Key performance indicators should be set and reported on a frequent basis, quarterly was suggested. It was suggested that key indicators and performance targets are set with input from all stakeholders, including local authorities
 - Feedback from the producer organisation and obligated businesses on the performance of the regulator(s).

¹⁰ <https://www.gov.uk/government/publications/the-7-principles-of-public-life>

- Publishing of accounts, salaries of senior staff, direction and recipients of producer funding.

77.6 An overarching view shared by a number of respondents to this question was that as a single producer organisation would operate as a monopoly it should be an arms-length public body with direct accountability to Ministers. This however contrasts with the response to Q.62 where the majority of respondents (62%) stated their preference for single producer organisation to be established on a not-for-profit basis.

- a. A number of respondents shared the view that government might consider building in some form of self-regulating role for a Single Producer Organisation. They added that this could be an autonomous unit within the Single Producer Organisation that be funded through producer fees meaning that producers would not have to make separate payments to another regulatory body.
- b. A business representative organisation recommended that local government should be represented in the governance arrangements given the large amounts of funding that they will receive and to increase confidence and visibility in how funds are distributed.
- c. Given the level of public interest in packaging and recycling it was suggested that consideration be given to extending the Freedom of Information Act and Environmental Information Regulations (or appropriate alternative transparency requirements) to a producer organisation.

77.7 A number of responses supported the proposals set out in the consultation document for strategic planning. Several independent views were expressed with no one view being dominant. These included:

- A short and punchy annual action plan focused on the key areas of activity.
- Demonstration of cost benchmarking and cost innovation.
- A requirement for regular auditing, not just of finances but also of data handling.
- A requirement to set out a long-term financial plans and commitments to financial prudence and efficiency.

Question 78: Consumer information on packaging

78. Do you think there is a need to make more information on packaging available to consumers?

78.1. A total of 509 responses were received for Question 78. 92% responded “Yes” and 8% responded “No”.

78.2. Overall, a **predominant** number of respondents agreed that there is a need to make more information on packaging available to consumers. It should be noted that many respondents (especially those that responded ‘No’) focussed on on-pack labelling information rather than considering other information sources.

78.3. For those that agreed and provided further details, the reasons are listed below in descending order of number of respondents sharing these views:

- a. A **large minority** indicated that more information on packaging should be available to consumers in order to engage citizens and aid behaviour change.
- b. A number were of the view that more information would increase the transparency of the system and build trust with consumers.
- c. A number expressed concern that the information would allow NGOs to hold producers to account, as described in the consultation document. They highlighted the need for official regulation and reporting alongside these ‘unofficial’ checks.
- d. A number commented that as the costs to producers of these new measures would likely be reflected in product prices, will have to pay then consumers should as one respondent put it “be able to easily find out more information about the details of this extra spend and how it has contributed to increased recycling performance.”
- e. A number indicated that more available information would reduce the risk of confusion, misinformation and myths around recycling. A compliance scheme stated that “...misinformation [on packaging], combined with a tendency for “knee jerk” reactions by both producers and consumers could lead to members of the public making purchasing decisions with the best intentions which actually cause more environmental damage than perceived.” An individual respondent commented “Anything we can do to provide consumers with actual facts and help them to make decisions based on accurate data will help us drive forward towards being a low carbon economy - rather than us waste time going in the wrong direction and losing the trust of the consumer through misinformation.”

78.4. For those that disagreed that more information should be available to consumers and provided further details, the reasons are listed below in descending order of number of responses sharing these views.

- a. A **large minority** stated that consumers do not need access to more information on packaging, but clearer and simpler information. One business representative body expressed it as “Less but clearer information on recyclability would be welcome in addition to the proposed communications campaigns.”
- b. A number expressed concern about the cost of a potential database, and that information may be commercially sensitive.
- c. A number indicated that a database would not be an appropriate method of presenting the information (as customers would be unlikely to refer to it) and that all relevant information should be provided on the packaging.

Part C: Section 10. Compliance monitoring and enforcement (Questions 79-92)

This section asks for views on how a reformed system should be effectively monitored and enforced. It looks at the likely issues facing different stakeholders (producers, compliance schemes, waste management companies, importers) and proposes a range of data requirements and enforcement activities.

Questions 79, 80, and 81: Collecting accurate data

79. Are there other datasets that will be required in order to monitor producers in any of the proposed models?

79.1 A total of 378 responses were recorded for Question 79. 38% responded “Yes”, 55% responded “No” and 7% responded “I don’t know”.

79.2 The **majority** of responses indicated that other data sets would not be required. However, of those that responded “no” and provided further comments, a **large minority** suggested that data requirements should be kept under review.

79.3 Similarly, a **large minority** of those that answered “yes” to Question 79 stated that more data / other datasets might be required once more detail was available. Furthermore, of those that answered “yes”, some respondents also mentioned the importance of accessing data that could be used for intelligence gathering and prioritising enforcement work. Respondents also acknowledged that packaging placed on the market data would be required by nation.

- a. A number of respondents, including several charities and social enterprises, had reservations about reliance being placed on weight data. They suggested that data on units (of packaging) placed on the market should also be reported citing that it would enable trends in packaging formats and materials to be monitored particularly as efforts to reduce the weight of packaging could lead to the use of harder to (mechanically) recycle packaging. Also tonnage data can mask trends in the total number of units of packaging being used.
- b. Some respondents cited that data on the recyclability of individual packaging items as well as packaging materials should be gathered. To demonstrate the point a charity gave the example of a national retailer that reported its single-use plastic plastic packaging recycling rate by weight and by item, the recycling rate was lower when reported by item.
- c. Data on plastic packaging by polymer type was identified and a number of respondents also identified data on the recycled content of packaging.

80. Is there a specific material, packaging type or industry sector whereby producing accurate data is an issue?

80.1 326 responses were received for Question 80. 52% responded “Yes”, 40% responded “No” and 8% responded “Don’t Know”.

80.2 The **majority** of respondents answered “yes” to the question on whether data was an issue for a specific material, packaging type or industry sector. Respondents did not clearly separate their responses by material, packaging type or industry sector, however general issues and themes have been identified from the responses and are summarised below.

80.3 Of the “yes” responses a **predominant** number provided further reasoning:

- a. **A large minority** of respondents were concerned that the potential requirement to report by nation would require data to be gathered by sellers/retailers, as upstream suppliers would struggle to separate data by nation. Some thought this would entail significant work on the detail of the data required from retailers and how it would be reported as well as avoiding double counting.
- b. **A large minority** of respondents thought that there would be a significant impact in terms of resource and / or costs on SMEs regarding new data requirements (albeit they were not specific as to which requirements).
- c. Two business representative organisations mentioned that potentially there would be an increase in the number of “actors” within “scope” and to which any regulations would apply, if the de-minimis threshold was to change.
- d. Issues regarding gathering accurate data on imported packaging and packaged goods were mentioned by a number of respondents.
- e. A number of other respondents thought that the potential new requirement to report by format, grade and polymer would require significant resource and a clearer methodology for classifying packaging, especially as packaging technology progresses. A business representative organisation also thought that the “quantity of each generic type of laminate (pouches, food cartons) need[s] to be recorded.” There was a view that any changes to data requirements should be “looked at holistically across all the policy solutions proposed and other initiatives (e.g. UK Plastics Pact).
- f. Recycled content was mentioned by a number of respondents. Accurately reporting on recycled content was cited as an issue as there was considered to be no method for accurately confirming claims made for recycled content.

80.4 **A large minority** of respondents did not consider gathering accurate data to be an issue, however only some provided further reasoning. For instance, a waste management company stated that “There would be a way for each sector to develop

a system to support the reporting of this so overall no issue with producing accurate data if the same principles of AARP¹¹ apply.”

81. Do you think a single database, as opposed to the current range of methodologies available, would be an effective alternative?

81.1 422 responses were received for Question 81. 78% responded “Yes” and 22% responded “No”. This question specifically related to the range of methodologies available to producers and compliance schemes to determine the quantity (weight) of packaging handled/placed on the market.

81.2 The **majority** of respondents supported a single database.

81.3 Of those answering “yes” and providing further comment, a **large minority** stated that a single database would provide consistency and transparency, but that the scale of the task should not be under-estimated and would be challenging.

- a. A number of respondents added caveats, such as “provided it meets the needs of the four nations and members of the packaging value chain” and if there was “flexibility for SMEs.”
- b. **A large minority** of respondents thought that a single database would assist compliance with “obligations” with a **predominant** number being local government respondents.

81.4 Of those that answered “no”; key concerns raised included commercial confidentiality, insufficient benefit to be gained and a view that enhancing the existing system would be preferable as it had “grown to meet” what was required. Some respondents added that “we cannot envisage how a central database of packaging weights for every producer would work”.

Questions 82 and 83: Reporting to regulators

82. Do you agree that compliance schemes (models 1 and 3), the producer management organisation (model 2) or the scheme administrator (model 4) should be responsible for carrying out audits of producers, which should be reportable to the regulators?

82.1 There were 462 responses received for Question 82. 65% responded “Yes”, 12% responded “No” and 23% responded “Neither”.

82.2 The **majority** of responses received were “yes”. It is assumed, for the purposes of this analysis, that all those answering “yes” agreed with the broad proposal and those answering either “no” and “neither” are not in favour, although there were some inconsistencies across the responses.

¹¹ As accurate as reasonably possible.

- a. Regarding compliance schemes undertaking audits of companies who are their members, a number of respondents cited concern over conflicts of interest particularly as compliance schemes compete for members.
- b. Providing that there is sufficient assurance that compliance schemes are doing this effectively and consistently, then a number of respondents thought that this approach has been shown to be successful under the existing regulations. A compliance scheme added that “producer audits are not the only method of ensuring producers report and comply correctly. Schemes should also be responsible for implementing other measures such as regular training, providing advice and guidance, on-line systems which guide their members and internal cross checking systems to look for inconsistencies.”
- c. A number of respondents provided general comments about the advantages of auditing producers, including that auditing and enforcement are key to preventing fraud.

82.3 Of those that answered “no”, the **majority** of respondents were from local government or non-government organisations. Many of the concerns expressed were similar to points made by those responding “yes”. The requirement for some form of independent auditing of producers to ensure compliance was considered a priority and that a proportion of audits undertaken by compliance schemes should be reviewed by the regulator. As expressed by one local government respondent, “the regulator should retain the right to undertake their own independent audits, to verify robustness of audits and to conduct investigations where they have concerns”. A consultant thought one or all of the schemes to be acceptable as long as there is “robust monitoring of compliance schemes by the regulator.”

83. Do you support the broadening of legally enforceable notices to obtain required information?

83.1 There were 600 responses received for Question 83. 89% responded “Yes”, 1% responded “No” and 10% responded “Neither”. The **predominant** answer to this question was “yes”.

83.2 Of those that answered “yes” a predominant number did not provide further reasoning.

- a. A **number** of respondents mentioned that broadening enforcement powers would help to track-down free-riders and bring them into compliance.
- b. **A large minority** of respondents provided general comments referencing the importance of strong enforcement, particularly if the oversight body has reason to believe that an organisation is avoiding its obligations. A strong legal framework was considered to be required in order to deliver a “level playing field” for all obligated producers. Many also referenced that increased enforcement powers will be seen as a shift away from the current PRN system in terms of transparency.

83.3 Of those that responded “neither” the **predominant** number did not provide any reasons. However commercial confidentiality was raised by a business representative organisation. They questioned whether a ‘legally enforceable notice’ would be sufficient to require a business to furnish the required information and were concerned that once obtained by the regulator, commercially sensitive information would “potentially be available to the public under Freedom of Information Act / Environmental Information Regulations.”

Question 84: Other enforcement mechanisms to ensure producer compliance

84. Are there other enforcement mechanisms that should be considered which would be timely and effective to bring producers into compliance, for example in relation to free riders?

84.1 316 responses were received for this question. 59% responded “Yes”, 33% responded “No” and 8% responded “I don’t know”. A **majority** of those who expressed a view, indicated that other enforcement mechanisms should be considered to bring producers into compliance.

84.2 Only a number of respondents that answered “no” provided any further reasoning.

84.3 There were a wide variety of concerns and issues regarding enforcement mechanisms, addressed by both “yes” and “no” respondents who provided further information.

84.4 Of those responding “yes”, a **large minority** mentioned that fees and penalties should be increased for non-compliant companies, with some saying that payments should be “backdated” and some stating that fees should be higher for late registration. The Advisory Committee on Packaging suggested increased penalties for later registration including fixed penalty notices. A number of respondents suggested that fees could be “modulated” which was similar in approach to those suggesting increasing penalties over time. Some “yes” respondents also thought there should be a “limited-period amnesty” for free-riders to encourage them to register.

84.5 A **large minority** of those who commented mentioned the importance of preventing non-compliance and there was strong support for the government addressing legislative barriers to funding enforcement activity including through producer and reprocessor fees and charges. Respondents’ thought this could help fund more investigations into detecting producer free-riders as well as the operations of reproducers and exporters including through more unannounced site inspections.

84.6 A number of respondents said that limiting funding of enforcement to cost-recovery was not sufficient and that adequate resourcing would be required. A waste management company stated “the enforcement authorities need to be funded

sufficiently to provide the necessary levels of enforcement activity required to deal with free-riders and also wider reprocessor monitoring.”

84.7 There was a recognition by a large minority of these respondents that the current system of civil sanctions and enforcement undertakings has been proved to be an effective mechanism and should be continued. However, others said that it could be improved upon and suggested that the sanctions paid could be used to support activities relevant to the EPR scheme (rather than any environmental initiative as currently) such as agreed communications campaigns. Another suggestion was for the money to be used support non-compliance investigations by the regulator.

84.8 Import restrictions were mentioned by a number of respondents, some quoting the “draft practical manual on Extended Producer Responsibility” developed by UNEP for an Open-ended Working Group of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal.¹²

84.9 A Scottish local authority saw the benefits of linking enforcement activities by the (EPR) regulator with local enforcement networks such as environmental health, trading standards and local authority waste compliance and environmental wardens teams “as they know individual businesses” and were also of the view that “even with regard to national organisations there can be a disparity between the policy/procedure, and what happens on the ground at a local level.” Others suggested that the regulator should work closely with HMRC and other government agencies, and a number of local government respondents thought “that fines for non-compliance must be significantly more than the cost of compliance”.

84.10 Answering “no”, a business representative organisation stated that further enforcement mechanisms were not required “beyond those listed on page 105 of the consultation document”, and another said they would be unnecessary “as a new system should already cover measures against free riders.”

¹² UNEP/CHW/OEWG.11/INF/7

Question 85: Improvements to data collected through compliance schemes or a single management organisation

85. Are there any further data that should be required to be collated / collected via compliance schemes or a single management organisation?

85.1 431 responses were provided to this 'free-text' question.

85.2 Of those that provided further commentary a **large minority** stated that they "didn't know," were "unsure," "didn't have enough knowledge," were "not in a position to comment further" or stated "No, none that I am aware of".

85.3 A number of respondents raised the requirement to monitor packaging placed on the market by nation which would require data to be provided/reported by businesses who may not necessarily be defined as producers in future regulations "as fillers/brands/importers do not necessarily know in which [UK] country their products are sold."

85.4 Respondents put forward a variety of suggestions regarding new or additional data that could be collected and which may be required to monitor key outcomes. The point was also made that data requirements should be kept under review as the system develops:

- a. Data required to monitor compliance with the proposed mandatory packaging labelling scheme.
- b. Data sets in a reformed EPR with the number and type of complaints received through the packaging essential requirements regulations."
- c. More information to be collected on the split of municipal/consumer packaging waste and industrial packaging waste.
- d. A register to record the specific recycled content in all types of packaging.
- e. Data on material quality, and that quality of material be established as a KPI for producers and compliance schemes, and related to this a measure of the outcome or use of the recycled materials
- f. Data to enable the effectiveness of consumer campaigns funded by producers to be monitored

Question 86: Penalty charges

86. Do you think a penalty charge, as described, is the correct lever to ensure packaging recycling targets are met?

86.1 A total of 460 respondents provided responses to Question 86. 49% responded “Yes”, 14% responded “No” and 37% responded “I don’t know”.

86.2 For question 86, there was a **mixed** response, with no response receiving an overall majority. A **large minority** of responses agreed that a penalty charge, as described in the consultation document, is the correct lever to help ensure packaging recycling targets are met. A smaller **minority** of respondents disagreed. A **large minority** did not know or felt they did not have enough expertise to decide.

86.3 Across all responses, a key theme was that any penalty must be sufficiently punitive to incentivise compliance, otherwise some producers may just choose to pay the penalty if it is cheaper than the cost of compliance. Of those who agreed with the penalty charge and gave reasons, a **large minority** made this point. Of those that disagreed, a **majority** gave this reason. Likewise, this view was mentioned by a **large minority** of the respondents who answered “I don’t know”.

86.4 Another message from respondents (both ‘yes’ and ‘no’) was that if recycling targets are not met, there is a need to understand why, as failure could be beyond the control of obligated businesses and that the application of penalties should only apply to circumstances beyond the control of the offender.

86.5 Of those that agreed, a **majority** did not give any reason for their response, however, the following key points were raised by those who did provide a response:

- a. Some respondents likened the penalty, as described, to the mechanism currently used in WEEE, which they regarded as largely working well. Therefore, they felt the penalty should be viewed as a ‘compliance fee’ rather than a penalty.
- b. A number of respondents added that the funds gathered from these fees could be utilised to improve future recycling initiatives or infrastructure.

86.6 Of those that disagreed with the proposal, a **large minority** felt that a penalty charge related to the market-based PRN system and would not go far enough in reforming a system which many of these respondents felt should be replaced. This included respondents from local government and business representative organisations who added that “under model 2 [single producer management organisation] different assumptions will apply and the questions on penalties and solutions will be necessarily different”.

Question 87: Evidence of recycling

87. Should stakeholders other than reprocessors or exporters be able to issue evidence of recycling?

87.1 A total of 464 respondents provided responses to Question 87. 29% responded “Yes”, 47% responded “No” and 24% responded “I don’t know”.

87.2 There was no majority response to this question, with each response receiving a **large minority** of respondents. However, “no” received the largest number of responses meaning that those respondents thought that reprocessors and exporters only should be able to issue evidence of recycling.

- a. Of those that responded “no” and gave reasoning, a **large minority** thought that too many parties issuing evidence could risk fraud, therefore reducing credibility and trust in the new system and risk. A number of respondents also pointed to the risk of “double-counting” tonnage.
- b. A **large minority** who responded “no” proposed that evidence should only be issued at the point at which the material is reprocessed into a product and is no longer waste, and that this requirement should apply to material that is exported for reprocessing overseas as well to material recycled in the UK. It was the view of a number of respondents that this is consistent with the approach being adopted by the EU.

87.3 A **large minority** thought that stakeholders other than reprocessors or exporters should be able to issue evidence of recycling.

- a. Of those, a **large minority** pointed out that currently a number of local authorities are already permitted to issue evidence of recycling and argued that they should not be excluded from doing so in the future. There was a view that “By issuing compliance earlier in the chain the cost is likely to be less and so be of benefit to producers.”
- b. A number thought that limiting the issue of evidence to reprocessors or exporters could stifle innovation in the recovery of packaging material.
- c. Some waste management companies stated that evidence issued at the sorting stage could be used to adjust payments to account for contamination.
- d. A number of respondents also pointed to the importance of a well monitored and regulated system. Some also pointed out that allowing evidence from other stakeholders could increase the costs of monitoring and therefore costs to producers.

87.4 Of the **large minority** of those that answered “I don’t know”, a **large minority** of these gave reasons, but no overarching themes were identified and points similar to those above were made. However, if others in the supply were able to issue evidence (e.g. MRFs) then the need for more work on how this would work and be

monitored and audited, and how the risk of double counting could be eliminated was raised.

Question 88: Additional enforcement powers for handling packaging waste

88. Are there any additional enforcement powers that should be applied to waste sorters, MRFs and transfer stations handling packaging waste?

88.1 A total of 371 responses were received for Question 88. 42% responded “Yes”, 57% responded “No” and 1% responded “I don’t know”.

88.2 The **majority** response to this question was “No” to any additional enforcement powers being applied with a **large minority** selecting “Yes”. A number of respondents chose the “I don’t know” response.

88.3 Of the respondents stating “No”, a **large minority** qualified their response.

- a. Of these respondents, the view of a **large minority** was that enforcement powers are already in place and should be sufficient if used to their full extent. A business representative organisation noted that “Proper enforcement of existing statutes and powers ought to be capable of delivering, provided they are used properly. They cited the Materials Facilities Regulations as an example of regulations, which in their view had not been properly enforced, added that “this should be capable of being addressed in the review of that legislation.”

88.4 A **large minority** of responses to this question stated “Yes”. Of these a **predominant** number qualified their response. The main points were as follows:

- a. A **large minority** of respondents suggested that there should be additional responsibilities for reporting to ensure greater transparency throughout the whole supply chain. A packaging manufacturer noted that “...the same level of transparency and standards should apply through the supply-chain” and went on to say “[each] participant should be obliged to ensure accurate data and therefore be subject to the same enforcement protocols.”
- b. A number noted that resources should be allocated to enforce existing powers associated with the PRN system (such as the Transfrontier Shipment of Waste Regulations).

Question 89: Amending enforcement powers for reprocessors and exporters

89. Do you agree with the proposed amendments to enforcement powers relating to reprocessors and exporters?

89.1 A total of 448 responses were received for Question 89. 76% responded “Yes”, 2% responded “No” and 22% responded “Neither”.

89.2 In this question, the **majority** of respondents answered “Yes” and were in agreement with the proposed amendments to enforcement powers with a **large minority** of respondents answering “I neither agree nor disagree”. A number responded “No”.

89.3 Of those respondents answering “Yes”, a **large minority** chose to qualify their response.

- a. The **majority** of these respondents restated their agreement with the proposed amendments.
- b. A number of respondents noted that accreditation should be mandatory for all UK reprocessors and exporters handling packaging waste so that all packaging waste recycled remains accounted for.
- c. A number of respondents stated that fixed monetary penalties and variable monetary penalties need to be set at a level sufficient to encourage the intended behaviour, so that compliance costs are not just passed onto other stakeholders within the supply chain.

89.4 Of the **large minority** of responses answering “I neither agree nor disagree”, only a number chose to add further reasoning. There were no clear themes emerging from these responses due to the limited number of responses received.

89.5 A number of “No” responses were received. These responses included a number of examples of which enforcement powers should be restricted: failure to register as a reprocessor or exporter, failure to submit information by the relevant deadline(s), provision of false and misleading information, failure to re-submit information when requested, and failure to meet the requirements of any Notice served upon them. The respondents noted that failure to achieve recycling targets may result from matters outside the control of the industry, including participation by consumers in recycling schemes.

Question 90: Packaging waste imports

90. Do you have any evidence to indicate that under any of the proposed governance models the likelihood of waste packaging being imported and claimed as UK packaging waste might increase?

90.1 A total of 410 responses were recorded for Question 90. 4% responded “Yes” and 96% responded “No”.

90.2 Responses for Question 90 were near unanimous, with a **predominant** number of respondents indicating that they did not have any evidence.

90.3 The likelihood of waste packaging being imported and claimed as UK packaging was considered to have less to do with which governance model is adopted, and more to do with the approach to monitoring and enforcement. However, the view of many respondents including product manufacturers and business representative organisations was that a strategic, single, not-for-profit body as proposed in Model 2 would “provide greater confidence that this, and any other scheme issues, will be managed appropriately”.

Question 91: Auditing of imported packaging waste

91. Is the current requirement for a sampling and inspection plan and subsequent auditing by the regulator sufficient to address any misclassification of imported packaging waste?

91.1 A total of 276 responses were recorded for Question 91. 52% responded “Yes”, 43% responded “No” and 5% responded “I don’t know”.

91.2 Of those indicating that the current system is sufficient to address misclassification of imported packaging waste, a **majority** added that given the substantial increase in compliance cost under any of the proposed governance schemes, there should also be a substantial increase in the rigour and frequency of sampling, inspection plans and audits, at least in the early years.

91.3 Of those that answered “No”, a **majority** supported increased inspections and spot checks. Like the “Yes” respondents they identified the risk of fraudulent activity increasing, given the increase in costs of compliance to business. A business representative organisation suggested a “standard code of practice and guidelines on sampling published by the regulatory authority, and used by all enforcing/accrediting officers.”

91.4 A business representative organisation suggested that organisations exporting material to the UK should be required to notify the regulator, this would provide data that would enable tonnage flows in the UK to be reconciled.

Question 92: Preventing misclassification of imported packaging waste

92. Are there other mechanisms that could be considered that would prevent imported UK packaging waste being claimed as UK packaging waste under the proposed governance models?

92.1 A total of 292 responses were recorded for Question 92. 39% responded “Yes”, 55% responded “No” and 6% responded “I don’t know”.

92.2 A **majority** of respondents responded “No”, and did not provide any additional information or evidence.

92.3 Of those that responded “Yes”, LARAC, whose views was supported by other local government respondents, suggested that “if accredited reprocessors are required to update a central database which incorporates a mass balance facility, this will enable the regulator to identify any anomalies”. They added that this could work similarly to Question 100 in WasteDataFlow where “a waste supply ‘tree’ is created which outlines the end destination of all output materials”, enabling mass balances to be completed and anomalies to be highlighted.

92.4 A **large minority** of respondents answering “No” thought that there should be an increase in reporting requirements for reprocessors and exporters on the sources of their raw (recycled) material including stating that which is UK derived.

Section 11. Estimated costs and benefits

This section summarised the costs and benefits of the proposals put forward for consultation as determined by an early-stage Impact Assessment. It sought comments on this Impact Assessment and requested respondents to make available or alert us to additional data or information that could inform the final Impact Assessment.

Questions 93 and 94: Costs and benefits of reforms

93. Do you have any additional data or information that will help us to further assess the costs and benefits (monetised or non-monetised) that these reforms will have?

93.1 A total of 418 responded to Question 93.

93.2 The **majority** of those that did respond stated that they had no additional data or information. A number of respondents, mainly local authorities, provided further data and information. The Resource and Waste Policy Impact Calculator developed by Suez and Anthesis was referred to frequently, mainly by local authorities but also by some large pack fillers.

93.3 There was a noticeable coordination of responses from local authorities to this question, providing the same information through responses with the same or similar wording. Some local authorities had used the Resource and Waste Policy Impact Calculator mentioned above to estimate the tonnages of packaging waste in their authorities that might be obligated under an EPR and DRS.

93.4 There were a number of references to the use of household waste compositional data to help assess the costs of collecting different materials through kerbside collections and to assess the impact of DRS (both 'all in' and 'on the go') on the costs of household waste collections for local authorities.

93.5 Northern Ireland Local Government Association highlighted that there may be regional factors to consider "Councils in Northern Ireland currently spend more than £43m p.a. on clearing up litter and illegal dumping activity, but have 'built-in' reliance on the revenue streams associated with recyclates that may negate any savings associated with litter reduction as a result of a DRS. A detailed Northern Ireland specific cost-benefit analysis would be vitally important prior to unpicking the current system."

93.6 A prevalent theme among those who responded was the need for further details on the cost implications to business. The need for increased administration to comply with EPR and the time and costs associated with this were noted by some respondents, the **majority** of which were from business representative organisations and individual businesses.

94. Do you have further comments on our impact assessment, including the evidence, data and assumptions used? Please be specific.

94.1 A total of 464 responded to Question 94. The **majority** of respondents had no further comments. Many local authority respondents co-ordinated their responses, providing the same or similar wording.

94.2 The overarching theme identified was the need for further development of a more thorough and detailed impact assessment which stems from a strengthened evidence base. More consideration of the transition costs to government and producers was highlighted as was the opportunity to monetise some of the benefits of EPR not currently considered such as the reduction of non-essential packaging.

94.3 Specific aspects of the impact assessment which were mentioned include the assumption that commercial and industrial recycling rates will not change due to a lack of further recycling potential, and there were concerns regarding assumptions of the quantity of packaging in residual waste, with calls for it to be informed by more robust waste compositional analysis data.

94.4 Some respondents thought the impact assessment was limited, and that partial estimates of costs was of concern. A non-governmental organisation emphasised that “many of the non-monetarised costs that are not included in the [impact assessment] are amongst the most important measures of success for the scheme – such as reduced use of virgin materials, a more vibrant domestic reprocessing market, and reduced landfill and energy-from waste. The quantified estimates are based only upon increasing the recyclability of plastic packaging by replacing PVC and polystyrene with recyclable alternatives.” Other respondents thought that the impact assessment overlooks costs such as staff, transportation, infrastructure, and loss of revenue for local authorities from current collections.

94.5 A number of respondents expressed concerns regarding the focus on PVC and polystyrene packaging “given the huge potential cost implications for business of these changes.....Moreover, it does not take into account the cost of a plastics tax nor the four proposed governance models. We would therefore very much like the opportunity to scrutinise a fully developed impact assessment once available and before any important decisions are made.”

94.6 Some respondents mentioned the interconnections and impacts of the other consultations on this consultation and the implications of this, namely DRS, consistent collections, and the proposed tax on plastic packaging.

94.7 A number of local government respondents expressed that “It is difficult to validate key aspects of the impact assessments without being provided with the supporting data and calculations. We would like Defra and WRAP to be more transparent about the assumptions they have used for apportioning local authority costs. It is essential to local government that actual costs are used within any modelling and the variation of costs related to local delivery of services is fully factored in.”

Section 12. Further comments

This section reiterated the outcomes government wants to see from a reform producer responsibility system and set out key dates for reform. Respondents were asked if they had any further comments or views on the reforms.

Question 95: Additional views or evidence

95. If you have any other views or evidence that you think we should be considering when reforming the packaging waste regulations, which you have not yet shared, please add them here.

95.1 A total of 200 respondents provided a response to Question 95.

95.2 A **large minority** mentioned the other parallel consultations on consistent collections of household waste, the proposed tax on plastic packaging, and the DRS for drinks containers. Respondents indicated that there needs to be a joined up approach to these policy measures, and that government should avoid “double-charging” of businesses.

95.3 A number of respondents including several business representative associations, gave similar responses regarding the next stages of policy development. They stressed the importance of keeping industry involved throughout and keeping timings ‘realistic’ so that all changes are not implemented at once. Introducing EPR in advance of a DRS, if both measures are taken forward, was reiterated as was the need to allow sufficient time for strategic investments in the waste management sector to take place.

95.4 Other suggestions included combining measures with other instruments to incentivise reusable and refillable packaging, and an incineration tax to move away from recovery and towards more circular solutions.

95.5 A small number of respondents from the medical and pharmaceutical sectors suggested an exemption for packaging in the medical sector. They cited the potential safety implications to patients of mandating recycled content that has not been adequately tested.

95.6 A number of respondents mentioned compostable or biodegradable packaging. One respondent highlighted the increase in biodegradable material usage and the projected tenfold increase by 2025. They highlighted that these materials do not biodegrade in conventional AD plants or garden compost and often end up polluting other waste-streams and causing consumer confusion. Action from government to clarify the best treatment route for this waste stream was necessary.

Annex A: List of respondents

This list does not include those respondents that asked for their response to be kept confidential or responses from individuals.

- 360 Environmental
- 3Adapt
- Adama Agricultural Solutions UK Ltd
- Advisory Committee on Packaging
- AIC (Agricultural Industries Confederation)
- Aldersgate Group
- Alexir Packaging Ltd
- Alliance for Beverage Cartons and the Environment (ACE UK)
- Alpha Assembly Solutions UK Ltd
- Amcor Ltd.
- AMDEA
- Amey plc
- AMT fruit
- Anglian Water
- Anna McMorrin MP
- Antrim and Newtonabbey Borough Council
- arc21
- Ards and North Down Borough Council
- Asda
- Ashford Borough Council
- Association of Convenience Stores
- Automatic Vending Association
- Ballast Phoenix Ltd
- Barnsley MBC
- Basildon Borough Council
- Basingstoke and Deane Borough Council
- Bath & North East Somerset Council
- Bay of Colwyn Town Council
- BBIA
- Beacon Consulting Group
- Bedford Borough Council
- Belfast City Council - Waste Management Service
- Benders Paper Cups
- Bericap UK Ltd
- Bertazzoni UK
- BHETA
- Biffa Plc
- Bio-Based and Biodegradable Industries Association (BBIA)
- Birmingham City Council
- Blaby District Council
- Blackburn with Darwen Borough Council
- Blaenau Gwent County Borough Council
- Bolsover and NE Derbyshire District Council
- Borough Council of Kings Lynn & West Norfolk
- BPIF Cartons
- Bracknell, Reading and Wokingham Borough Councils (re3)
- Braintree District Council
- Brecon Beacons, Pembrokeshire Coast and Snowdonia National Parks
- Bridgend County Borough Council
- BRITA
- British Aerosol Manufacturers' Association
- British and Irish Portable Batteries Association

- British Beer and Pub Association
- British Brands Group
- British Coffee Association
- British Meat Processors Association
- British Plastics Federation (BPF)
- British Precast Concrete Federation
- British Retail Consortium
- British Soft Drinks Association (BSDA)
- British Toy & Hobby Association
- Britvic plc
- Broadland District Council
- Bromsgrove District Council, Malvern Hills District Council, Redditch Borough Council, Worcester City Council, Worcestershire County Council, Wychavon District Council and Wyre Forest District Council.
- Buckinghamshire County Council
- Bywaters
- Caerphilly County Borough
- Cambridge City Council and South Cambridgeshire Council
- Cambridgeshire County Council
- Campaign to Protect Rural England
- Cannock Chase Council
- Canterbury City Council
- Cast Metals Federation
- Castle Howells Food
- Castle Point Borough Council
- Celebration Paper and Plastics Limited
- Central Bedfordshire Council
- Charity Retail Association
- Charnwood Borough Council
- Charpak Ltd
- Chartered Institution of Wastes Management (CIWM)
- Chartered Institution of Water and Environmental Management
- Chelmsford City Council
- Chemical Business Association
- Chemical Industries Association
- Cheshire East Borough Council
- Cheshire West and Chester Council
- Chiltern, Wycombe and South Bucks Council
- Circular Economy Research and Innovation Group Wales
- City and county of Swansea
- City of Bradford Metropolitan District Council
- Clean & Green
- Climax Molybdenum
- Co2 Compliance Limited
- Coca-Cola European Partners/Coca-Cola Great Britain (joint submission)
- Community Playthings
- Community R4C
- Compass Group UK & Ireland
- Comply Direct Ltd
- Complypak Ltd
- Confederation of Paper Industries
- Conwy County Borough Council
- Cornwall Council
- CORSERV
- Cory Riverside Energy
- Convention of Scottish Local Authorities (COSLA - Scotland)
- Cosmetic Toiletry & Perfumery Association
- Council for Responsible Nutrition UK (CRN UK)

- Coveris
- Cryptocycle Limited
- Cumbria County Council
- Dacorum Borough Council
- Dairy UK
- Danone UK & Ireland
- Dart Products Europe
- David Goodenough
- Delamere Dairy Limited
- Delaware North UK
- Delta Global Source UK Ltd
- Department for International Trade
- Derbyshire County Council
- Devon Authorities Strategic Waste Committee
- Devon County Council
- District Councils' Network
- Dorset Council
- Dover District Council and Folkestone & Hythe District Council
- Dow
- DS Smith plc
- Durham County Council
- Ealing Council
- East and North Herts District Council
- East London Waste Authority
- East Riding of Yorkshire Council
- East Sussex County Council
- East Sussex Waste Collection Partnership
- Eastleigh Borough Council
- Ecodesign Centre, PDR, Cardiff Metropolitan University
- Ecosurety
- Ella's Kitchen
- Elmbridge Borough Council
- Environmental Industries Commission
- Environmental Investigation Agency
- Environmental Packaging Solutions
- Environmental Policy Forum
- Environmental Services Association (ESA)
- Epping Forest District Council
- Epsom & Ewell Borough Council
- Essex County Council
- EXPRA
- Faerch UK Ltd
- Fareham Borough Council
- FCC Environment
- Federation of Wholesale Distributors
- Fenland District Council
- Fidra
- FKA Brands Ltd.
- Food and Drink Federation
- Foodservice Packaging Association
- Fresh Produce Consortium
- Frith Resource Management Ltd
- Frugalpac Ltd
- Glasgow City Council
- GlaxoSmithKline
- Gloucester City Council
- Gloucestershire Joint Waste Committee
- Glyncoed Community Group
- Gosport City Council
- Grantham Centre for Sustainable Futures, University of Sheffield
- Gravesham Borough Council
- Greater London Authority
- Greater Manchester Combined Authority

- Green Alliance
- Green Party Northern Ireland
- Greggs plc
- Guildford Borough Council
- Hambleton District Council
- Hampshire County Council
- Harborough District Council
- Haribo
- Harlow Council
- Harrison Packaging
- Harrogate Borough Councils
- Harrogate Spring Water Ltd
- Hart District Council
- Heart of London Business Alliance
- Heineken UK
- Helpful Ltd
- Hertfordshire CC Waste Planning Authority
- Hertfordshire County Council
- Hertfordshire Waste Partnership response
- Hertsmere Borough Council
- High Peak Borough Council
- Horticultural Trades Association
- Hounslow Borough
- Hubbub Foundation UK
- Huhtamaki
- Hull City Council
- Huntingdonshire District Council
- Iceland
- Industry Council for Packaging and the Environment - INCPEN
- innocent drinks
- Institute of Environmental Management & Assessment (IEMA)
- Institute of Materials, Minerals and Mining
- IVC Brunel Healthcare Ltd
- JML
- John Liscombe Ltd
- Johnson Matthey
- Joint Trades Association
- Joint Waste Solutions
- K J Bray & Associates
- Karen Millen Fashions Ltd
- Keep Britain Tidy
- Keep Scotland Beautiful
- Kensington and Chelsea Council
- Kent County Council
- Kent Resource Partnership
- Kilco International Ltd
- Kirklees Council
- Kite Environmental Solutions Ltd
- Klockner Pentaplast
- KM Packaging Services Ltd.
- kMatrix
- Knowsley Metropolitan Borough Council
- Kotkamills Oy
- Lactalis Nestle Chilled Dairy UK
- LARAC
- Law Society of Scotland
- Lechler Coatings Ltd
- Leeds City Council
- Leicester City Council
- Leicestershire County Council
- Lewes District and Eastbourne Borough Councils
- Lincolnshire County Council response
- Lincolnshire Waste Partnership response
- Lisburn and Castlereagh City Council
- Local Government Association
- London Borough Merton
- London Borough of Barnet
- London Borough of Camden
- London Borough of Enfield

- London Borough of Hackney
- London Borough of Haringey
- London Borough of Havering
- London Borough of Islington
- London Borough of Lambeth
- London Borough of Sutton
- London Borough of Waltham Forest
- London Labour Assembly
- London Waste and Recycling Board
- Luton Council
- MAKE UK and UK Steel
- Maldon District Council
- Manchester City Council
- Marlin Industries Ltd
- Mars UK
- McDonalds UK
- McKesson
- Medway Unitary Authority
- Melton Borough Council
- Merseyside and Halton Waste Partnership (MHWP)
- Merthyr Tydfil County Borough Council
- Metal Packaging Manufacturers Association
- Mid and East Antrim Borough Council
- Middlesbrough Council
- Mineral Products Association
- MKD32 Ltd
- MM Flowers
- Mole Valley District Council (MVDC)
- Molson Coors
- Moores Furniture Group Ltd
- Muller UK&I LLP
- Munoz Group
- NACM Cider Makers Ltd (NACM)
- National Farmers Union
- Natural Hydration Council
- Natural Weigh - Zero Waste Shop
- National Association of Waste Disposal Officers (NAWDO)
- Neal's Yard Remedies
- Nestlé UK & Ireland
- New Forest District Council
- Newcastle City Council
- Newcastle under Lyme Borough Council
- Newport City Council
- Newport Recycling Limited
- News Media Association
- NFU
- Nipak and Scotpak
- Norfolk County Council
- Norfolk Waste Partnership
- North East Derbyshire District Council
- North Lincolnshire Council
- North London Waste Authority (NLWA)
- North Norfolk District Council
- North West Leicestershire District Council
- North Yorkshire County Council
- Northamptonshire Waste Partnership
- Northern Ireland Environment Link
- Northern Ireland Local Government Association (NILGA)
- Northumberland County Council
- Not 1 Bean Ltd
- Nottinghamshire County Council
- Novamont
- Numatic
- Nupik-Flo UK Ltd

- Oadby & Wigston Borough Council
- Ocado PLC
- On-Pack Recycle Label Ltd (OPRL)
- Oxford City Council
- Oxfordshire County Council
- Oxfordshire Environment Partnerships
- Packaging Scheme Forum
- Panasonic UK
- Paper Cup Alliance
- Paperpak Ltd
- Pendle Borough Council
- Peterborough City Council
- Plastic Energy Limited
- Plastic Free Abergavenny
- Plastic Free Chepstow
- Plastic free Chudleigh
- Pluckley Parish Council
- Plymouth City Council
- Policy Connect
- Polydist
- Portsmouth City Council
- Potato Processors Association Ltd (PPA)
- PPRC
- Princes Limited
- Professional Publishers Association
- Project Integra
- Properpak Ltd
- Proprietary Association of Great Britain
- Provision Trade Federation
- RDF Industry Group
- Rebel Kitchen
- RECAP Waste Partnership
- Recolight
- RECOUP
- Recycle NI
- Recycle-Pak (Scotland) Ltd
- Recycling Technologies
- Reigate & Banstead Borough Council
- Renfrewshire Council
- REPIC
- Resource Association
- Rotherham Council
- Royal Borough of Kingston Upon Thames
- Royal Holloway Students' Union (RHSU)
- RPC Group plc
- RPC-BPI Recycled Products
- Rushcliffe Borough Council
- Rutland County Council
- Ryedale District Council
- Sackmaker J&HM Dickson Ltd
- SAICA NATUR
- Sainsbury's Supermarkets Ltd
- Scotch Whisky Association
- Scottish Wholesale Association
- Seda UK Ltd
- Selby District Council
- Sevenoaks District Council
- SHARP INTERPACK (Groupe GUILLIN)
- Sheffield City Council
- Shole
- Shropshire Council
- SIBA
- Siemens
- Simpson Print Ltd
- Smart Comply
- Social Style Ltd
- Society of Independent Brewers (SIBA)
- Sodexo
- Solihull MBC
- Somerset County Council
- Somerset Waste Partnership

- South Gloucestershire Council
- South Hams District Council
- South Holland District Council
- South Lakeland District Council
- South London Waste Partnership
- South Norfolk Council
- South Norfolk Council and Broadland District Council
- South Oxfordshire and Vale of White Horse District Councils
- South Staffordshire Council
- South Tyne and Wear Waste Management Partnership
- South Yorkshire Waste Partnership
- Southern Cross Packaging
- Southwark Borough Council
- SPAR (UK) Limited, AF Blakemore (SPAR Distribution), CJ Lang (SPAR Scotland), Hendersons (SPAR NI), Appleby Westward (SPAR) and James Hall & Company
- Stafford Borough Council
- Staffordshire County Council
- Staffordshire Moorlands District Council
- Staffordshire Waste Partnership
- Stevenage Borough Council
- Stobart Energy
- Stockton Borough Council
- Stoke-on-Trent City Council
- Stora Enso Ltd
- Stratford D. C. Waste collection Authority
- SUEZ Recycling & Recovery UK Ltd (SUEZ)
- Suffolk Waste Partnership
- Surfers Against Sewage
- Surrey County Council
- Surrey Environment Partnership
- Surrey Heath Borough Council (SHBC)
- Sustainable NI
- Sven Christiansen plc
- Swale Borough Council
- Synergy Compliance
- t2e
- Tata Steel
- TDK-Lambda UK Ltd
- techUK
- Teignbridge District Council
- Telford and Wrekin Council
- Test Valley Borough Council
- Thakeham Parish Council
- The Aluminium Packaging Recycling Organisation (Alupro)
- The Association of Directors of Environment, Economy, Planning and Transport (ADEPT)
- The Association of the British Pharmaceutical Industry (ABPI)
- The Builders Merchants' Federation Ltd.
- The City of Edinburgh Council
- The GBN
- The Ice Co Ltd
- The Independent Packaging Environment and Safety Forum
- The International Meat Trade Association
- The Packaging Federation
- The Paper Cup Recovery and Recycling Group
- The Recycling Association
- The Renewable Energy Association (REA)
- The Royal Borough of Greenwich
- The West Sussex Waste Partnership

- The Wine and Spirit Trade Association
- The Wood Recyclers' Association
- Three Rivers District Council
- TIMCON
- Torbay Council
- Torfaen County Borough Council
- Tower Hamlets Borough
- TPH(UK) Limited
- Transition Monmouth
- Travis Perkins plc
- Tunbridge Wells Borough Council
- UK Cleaning Products Industry Association
- UK Hospitality
- UK Metals Council
- Uni-Com (Global) Ltd.
- Unilever UK
- United Kingdom Without Incineration Network (UKWIN)
- Uttlesford District Council
- Valpak Ltd
- Vegware
- Vestel UK Limited
- Viridor
- Wakefield Council
- Wandsworth Borough Council
- Warwickshire Waste Partnership
- Wastepack, Recycle Wales, SWS Compak and Compliance Link
- Water UK
- Watford Borough Council
- Wealden District Council
- Welsh Local Government Association
- Welwyn Hatfield Council
- West Berkshire Council
- West Devon Borough Council
- West London Waste Authority
- West Sussex County Council
- Western Riverside Waste Authority
- Whitbread
- White Young Green
- Wigan Council
- Wightman and Parrish Limited
- Wildlife and Countryside Link
- Wiltshire Council
- Woking Borough Council
- Wood Panel Industries Federation
- WRAP
- Wrexham County Borough Council
- Wyre Council
- York and North Yorkshire waste Partnership

Annex B: Receipt and analysis of responses

Responses received

Respondents were encouraged to submit an online response by completing an online survey hosted on Defra's consultation website, Citizen Space. A link to the Citizen Space survey was widely advertised online.

The online survey followed the questions asked in the consultation paper, featuring both closed (for example, tick-box questions), and open questions (asking for respondents to detail their views). Nine questions were mandatory. Apart from these, respondents were able to answer as many or as few questions as they wanted.

Responses could be submitted directly by email or post. 50 of the e-mailed responses were not structured against the consultation questions. Each of these responses was analysed and, where text was identified which was specifically relevant to consultation questions, it was added to the main analysis of the consultation responses and questions.

In total 679 separate responses to the consultation were received. This comprised 478 responses submitted via the Citizen Space online questionnaire and 201 responses submitted by email. Of the 201 responses submitted by email 151 followed the structure of the Citizen Space questionnaire and answered all or some of the consultation questions directly. Fifty responses did not answer the consultation questions directly, these contributions have been summarised under the most relevant questions.

The analysis of the responses also identified several e-mails which were identical or very similar in their nature, indicating these might be attributable to campaign groups. These represented only a small minority of the individual responses received. Where these responses were relevant for a consultation question, text has been included in the report for completeness, e.g. "A campaign of 34 individuals responded with the following suggestions".

Analysis

Quantitative analysis was conducted in Excel and answers analysed against organisation type. Figures shown are based on the numbers of respondents for each question, which differ between questions. Not all respondents answered every question.

The majority of qualitative responses were analysed using keywords. These were used to categorise all the text responses, both structured and where e-mailed responses were not structured but contained text the coders felt was relevant to the questions being analysed. Particular focus was given to the responses of key stakeholders. Selected quotes from organisations were reproduced in the report where the response reflected wider themes or the sentiment of others.