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# Waste & Sustainability

# Waste Regulatory Reforms

# Affecting All Businesses

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Updated April 2024.



# Introduction

There is plenty of change on the near horizon for all businesses because of forthcoming changes to every business' obligations in terms of how they deal with their waste.

We set out below a summary of the legislation together with an overview of timescales for implementation and our view on likely challenges, steps to be taken by businesses to prepare for the changes and opportunities the changes may present.

Businesses importing packaging into the UK, manufacturing packaging in the UK or selling goods to consumers in the UK will be particularly affected.

We also set out below, a reminder of the waste regulations with which your business should already be complying.

## Key contacts

If you have any questions or would like to know more about how we can support you, please contact us:



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*“Ben Derrington – great on gritty environmental disputes, including waste and water”.*

Client testimonial

# New Obligations: Simpler Recycling Reform

## Source

The Government’s 25 Year Environment Plan published in 2018, Environment Act 2021 and secondary legislation.

## Overview

The Simpler Recycling reforms aim to standardise recycling across England, making it easier for people to recycle the same materials at home, work, or school. All businesses will be obliged to present their waste for collection having been already segregated by waste stream.

## What businesses are affected

All.

## Part of the UK affected

England only.

## Timescales

Collection of:

- dry recyclable waste streams by 31 March 2025 (excluding plastic films which is by 31 March 2027).
  - food waste by 31 March 2025
- Micro-firms (businesses with fewer than 10 full-time equivalent – FTE – employees), 31 March 2027

## Challenges

The reforms could lead to increased operational costs. Businesses may need to invest in new waste management systems and infrastructure to comply with the new recycling guidelines. It is to

be noted that enforcement will be via local trading standards teams, placing additional pressure on teams which are already overstretched. Therefore, it is not clear how enforcement will take place in practice.

## Steps

A business should prepare by ensuring it has the necessary infrastructure for collection, and educating staff and their customers about the changes.

## How can a business effectively communicate the changes brought about by the Simpler Recycling reforms to its customers?

We would suggest that businesses adopt a multi-faceted approach to communicate the changes brought about by the Simpler Recycling reforms to their customers.

- Firstly, in-store signage can be an effective way to inform customers about the new recycling rules. This could include posters, leaflets, and stickers placed near relevant products or recycling points.
- Secondly, a business could use its online platforms such as websites, social media, and email newsletters to reach a wider audience. These platforms can provide more detailed information, including the reasons behind the changes and the benefits of recycling.
- Thirdly, staff training is crucial. Well-informed staff can answer customer queries and provide

clear guidance on the new recycling rules.

Remember, the key to effective communication is consistency and clarity. Make sure all messages are clear, concise, and aligned with the new recycling guidelines. This will not only help customers adapt to the changes but also reinforce your commitment to sustainability.

## What infrastructure changes might a business need to implement to comply with the Simpler Recycling reforms?

We would recommend several infrastructure changes that a business might need to implement to comply with the Simpler Recycling reforms.

- Firstly, a business may need to update its waste management systems to accommodate the new recycling categories. This could involve purchasing new bins or modifying existing ones to separate different types of recyclable materials.
- Secondly, a business should consider improving storage facilities for recyclable materials. This could involve creating designated areas for storing different types of recyclables before they are collected.
- Thirdly, a business may need to invest in training and equipment for its staff. This could include training staff on the new recycling guidelines and providing them with the necessary equipment to handle recyclable materials safely and efficiently.



**Continued...**

## **New Obligations: Simpler Recycling Reform**

- Lastly, a business should consider working with waste management companies that can handle the increased volume and variety of recyclable materials. This could involve renegotiating contracts or seeking new service providers

### **Opportunities**

These changes may require upfront investment, but they can lead to long-term cost savings, improved environmental performance, and enhanced reputation among customers and stakeholders. It's important for businesses to view these changes not as a burden, but as an opportunity to contribute to a more sustainable future.



# New Obligations: Extended Producer Responsibility For Packing

## Source

The Government’s 25 Year Environment Plan published in 2018, Environment Act 2021 and secondary legislation.

## Overview

Extended Producer Responsibility (EPR) for packaging (called **pEPR** for short) will introduce obligations for businesses selling, importing, and handling packaged goods. This policy is designed to improve efficiency by placing responsibility on businesses for the environmental impact of their packaging.

## What businesses are affected

The regulations will apply to all UK organisations that import or supply packaging.

You need to collect and report packaging data if all the following apply:

- you are an individual business, subsidiary or group (but not a charity)
- you have an annual turnover of £1 million or more (based on your most recent annual accounts)
- you were responsible for more than 25 tonnes of packaging in 2022
- you carry out any of the packaging activities

“Packaging activities” are if you do any of the following:

- supply packaged goods to the UK market under your own brand

- place goods into packaging
- import products in packaging
- own an online marketplace
- hire or loan out reusable packaging
- supply empty packaging

Some organisations that supply packaged goods to the UK market will also need to report ‘nation data’. Nation data should show where in the UK you’ve supplied packaging to a person or business who’s gone on to discard it.

## Part of the UK affected

UK.

## Timescales

### Deadlines for reporting packaging data:

- Small organisations must:
  - collect 2023 packaging data but do not have to report it
  - collect 2024 data and submit it by April 2025
- Large organisations:
  - England, Scotland and Northern Ireland must submit by:
    - 1 October 2023 to report for January to June 2023
    - 1 April 2024 to report for July to December 2023
  - Wales, must submit data for July to December 2023 by 1 April 2024. Businesses in Wales can include data from January to June 2023 if they have it

There will be a penalty charge if a deadline for submitting data is missed. However, no enforcement

action will be taken about late submission of data if a business’ data is submitted by 31 May 2024. There are also proposals for civil and criminal penalties to drive compliance.

## Fees

The financial obligations are:

- A registration fee; and
- The full net cost of managing the packaging once it becomes waste

pEPR fees have been deferred for 1 year. Fees were due to start in October 2024. They will now start in October 2025.

It is not yet known how fees under pEPR will be affected (if at all) by DRS once that goes live.

## Challenges

pEPR could significantly affect the cost of doing business for retail companies in England and Wales.

Firstly, EPR imposes financial obligations on businesses that produce or use packaging. Businesses are required to cover the costs of collecting, treating, and disposing of their packaging waste.

This could lead to increased operational costs.

Secondly, businesses may need to invest in infrastructure and systems to manage their packaging waste effectively. This could involve setting up collection points, investing in waste management equipment, or partnering with waste management companies.



## Continued...

# New Obligations: Extended Producer Responsibility For Packing

Thirdly, there could be administrative costs associated with complying with EPR regulations. Businesses will need to track and report on their packaging waste, which could require additional staff or software.

If DRS is delayed (as currently reported) until at least 2025, then businesses affected by pEPR may also have to pay the costs of dealing with waste that would otherwise have fallen within DRS. The Government is yet to make public its views on this.

### Steps

A business will need to prepare for pEPR and will have to collate and report data on the packaging it places on the UK market.

There are 6 obligated producers that will be caught under pEPR:

1. Brand Owner – Businesses which either (i) put goods into packaging or (ii) have goods put into packaging and then place these goods on the UK market under their brand name.
2. Importers – Businesses which are responsible for importing filled packaging into the UK for sale.
3. Distributors – Businesses which sell unfilled packaging to a business which falls within one of the other obligated categories.
4. Online marketplace – Businesses which operate a website (through which people outside the UK can offer filled packaging for sale in the UK).
5. Sellers – Businesses which sell filled packaging to end users.

6. Service Providers – Businesses which supply reusable packaging to a user of that packaging where the supply is made by hiring/lending the packaging.

In terms of what size of business is caught by pEPR:

Business, subsidiary or Group, with annual turnover of £1 million or more and responsible for handling or supplying packaged goods through the UK market.

Fall within one of the 6 categories of obligated producers.

Responsible for submitting data on packaging and packaged goods and paying full net cost of managing packaging once it becomes waste.

Different obligations apply depending on whether you are a small organisation or a large organisation, with responsibility under pEPR starting earlier for large organisations.

Small organisations are categorised as:

- Annual turnover is £1million to £2million and you supply or handle more than 25 tonnes in a calendar year; or
- Annual turnover is over £1million and you supply or handle between 25 and 50 tonnes in a calendar year

### Opportunities

It's important to note that EPR presents opportunities for businesses. By reducing packaging waste and improving recycling, businesses can enhance their sustainability credentials, attract environmentally conscious customers, and potentially save money in the long term. Therefore, while EPR for Packaging may increase costs in the short term, it could also provide long-term benefits for businesses.

Like the Plastic Packaging Tax, EPR for Packaging will encourage businesses to use more recycled materials, which can contribute to circular economy objectives. By using more recycled materials, businesses can demonstrate their commitment to resource conservation and waste reduction.

In addition EPR for Packaging can drive innovation in packaging design. Businesses have an incentive to develop packaging that uses more recycled materials (and when combined with the effects of the Plastic Packaging Tax, less plastic overall). This could lead to new, sustainable packaging solutions that are both environmentally friendly and cost-effective. Businesses which tried to circumvent the Plastic Packaging Tax by using just as much packaging but less plastic will find themselves paying for that once EPR for Packaging is introduced.

# New Obligations: Deposit Return Scheme

## Source

The Government’s 25 Year Environment Plan published in 2018, Environment Act 2021 and secondary legislation.

## Overview

The Deposit Return Scheme (DRS) is a system where consumers pay a deposit on beverage containers, which is refunded when the container is returned.

## What businesses are affected

Producers and retailers of in-scheme articles. In terms of what will be in scheme articles, the Government has confirmed that the UK government would decline a request from the Welsh government for full exclusion from the Internal Market Act, which would allow them to collect glass as part of its DRS i.e. glass bottles will not count as scheme articles

## Part of the UK affected

Each nation will run its own scheme.

## Timescales

The Government’s official position is that all parts of the UK are now planning to introduce a DRS and that a 2027 deadline is now “more likely”, although this is the subject of ongoing discussions within government. In the meantime, Ireland’s DRS went live on 1 February, requiring anyone who buys a drink in a plastic bottle or aluminium can featuring a Re-turn logo to pay a deposit which can be redeemed when returning the container empty and undamaged to a participating retailer. A 15-cent deposit applies to containers between 150ml to 500mls, while a deposit of 25 cents applies to containers between 500ml and 3 litres. The Irish DRS collected over 2,000,000 drinks containers in its first month.

## Challenges

Fees payable by affected businesses to Scheme Administrators. In relation to DRS fees, it is not yet known how fees under pEPR will be affected (if at all) by DRS once that goes live.

Space to store returned items (on which consumers have claimed back a deposit) and the cost of equipment such as reverse vending machines.

## Steps

After what happened in Scotland and the wasted costs that many businesses in Scotland experienced when Scotland DRS was put on hold, most affected businesses are adopting a wait and see approach.





# New Obligations: Mandatory Digital Waste Tracking

## Source

The Government's 25 Year Environment Plan published in 2018, Environment Act 2021 and secondary legislation.

## Overview

The Government is to introduce a new system for digital waste tracking which will record information on waste from the point it is produced to the point it is disposed of. The initiative forms part of the UK government's broader commitment to smarter regulation and sustainable growth, aligning with strategies like the 25 Year Environment Plan and the Clean Growth Strategy.

## Part of the UK affected

UK.

## Timescales

April 2025.

Mandatory digital waste tracking will come into force from April 2025 – with the digital waste tracking service being publicly available to users on a voluntary basis in 2024. DEFRA has stated that it will confirm by the end of May the forward look of milestones and opportunities for businesses to engage with the service

**Operational Costs:** Transitioning to a digital system may incur initial costs for training and system integration.

**Data Management:** Retailers will be responsible for the accuracy of waste data entered into the tracking service, which could be resource-intensive.

## Challenges

**Compliance:** Retailers must adapt to the new regulations by April 2025, ensuring their waste management practices align with the digital tracking requirements. As is currently the case, unless you are the person responsible for organising the waste movement, you will not have to create the waste movement record and DEFRA has confirmed that it does not intend the system to include producer verification of the waste they have generated because that would be likely to add time and complexity to waste management processes. It was also confirmed that if the producer and carrier are the same person, then it will have the responsibility for creating the record. DEFRA also noted that the producer will always have the option to go into the system and check where its waste has gone.

## Steps

**Assess Current Practices:** Conduct a thorough assessment of your current waste management practices. Identify gaps between your current practices and the requirements of the new system. **Plan for Integration:** Develop a plan for integrating digital waste tracking into your operations. This may include upgrading IT systems, adopting new software, or changing operational processes.

**Training and Awareness:** Invest in training for your staff to ensure they are aware of the new requirements and competent in using the digital tracking system.

**Data Accuracy:** Establish procedures to ensure the accuracy and completeness of the waste

data you will be required to input into the tracking service.

**Pilot Testing:** If possible, participate in pilot testing of the new system to gain early insights and prepare for a smoother transition.

**Compliance Checks:** Regularly check the compliance status of your supply chain and subcontractors to ensure they are also prepared for the new requirements.

## Opportunities

**Efficiency Gains:** Measuring your waste can have the consequence that when you see the volume and composition of your waste, you can work out where your largest area of waste is and you are incentivised to reduce it which may save you money. Digital tracking can, therefore, result in streamlined waste management processes, leading to operational efficiencies.

**Circular Economy:** The system supports a move towards a circular economy, potentially opening up new business models based on resource recovery and recycling. What is waste to Company A may be a valuable resource to Company B that Company B is willing to pay for. Therefore, Company A not only saves money on waste removal but may have a new income stream and help both companies on their sustainability journeys.

If you have any comments on the draft, The UK Government has today (Monday 11 March 2024) published [draft legislation](#) relating to the ban on the supply and sale of disposable vapes.



## New Obligations: Ban On Supply And Sale Of Disposable Vapes

### Source

The Environmental Protection (Single-use Vapes) (England) Regulations 2024 draft SI.

[The Environmental Protection \(Single-use Vapes\) \(England\) Regulations 2024 \(publishing.service.gov.uk\)](https://www.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/123456/the-environmental-protection-single-use-vapes-england-regulations-2024-draft-si.pdf).

### Overview

The UK Government has today (Monday 11 March 2024) published draft legislation relating to the ban on the supply and sale of disposable vapes in England and is designed to prevent pollution to the environment and harm to animal health.

### Part of the UK affected

England.

### Timescales

Proposed commencement date is 1st April 2025.

## New Obligations: EU Packaging And Waste Packaging Regulations

### Source

European Commission – European Commission Proposal for a revision of EU legislation on Packaging and Packaging Waste (Directive 94/62/EC).

### Overview

The proposed regulation updates the EU legislative framework for packaging and packaging waste and aims to harmonise national measures, protect the environment, and ensure a good functioning of the internal market. It requires Member States to ensure that packaging placed on the EU market meets a number of “Essential Requirements” related to the manufacturing and labelling of packaging, and its reusable and recoverable nature (through material recycling, energy recovery or composting).

### Part of the UK affected

Northern Ireland. Businesses selling into the EU will also be affected.

### Timescales

Under consideration.

## Existing Obligations: Waste Duty Of Care Requirements

### Source

[Environmental Protection Act 1990 Waste duty of care code of practice - GOV.UK \(www.gov.uk\)](#).

### Overview

A duty of care is imposed (under section 34 of the EPA 1990) on anyone handling controlled waste (that is, producers, carriers, importers, those storing or treating waste, disposers and dealers or brokers) to take all reasonable steps to ensure that the waste:

- Is not disposed of unlawfully, without a permit or in breach of any permit, or treated, kept or disposed of in a way that causes pollution or harm (that is, in breach of *section 33(1) of the EPA 1990 or the EP Regulations 2016*).
- Does not escape from a person's control.
- Is only transferred to an authorised person, such as a:
  - waste collection authority (WCA);
  - registered carrier; or
  - licensed disposer.
- When transferred, is:
  - only to an authorised person; and
  - accompanied by a written description that enables the transferee to know enough about it to deal with it properly and avoid breaching their permit or section 33(1). This is a waste transfer note

For more information on the duty of care, see [EA: Managing your waste - duty of care](#).

### Waste transfer notes

A waste transfer note is a document that provides a written description of waste when it is being transferred from one establishment or person to another, to ensure there is a clear audit trail from production to disposal of waste (*section 34(1)(c), EPA 1990*). Providing a waste transfer note is part of the waste duty of care that applies to anyone who handles controlled waste.

*Regulation 35* of the Waste Regulations 2011 sets out what must be recorded in the written description of waste in order to comply with *section 34(1)(c)*.

The waste transfer note system includes the following flexible features:

- Transfers of the same type of waste from the same place and between the same parties can use a single "season ticket" waste transfer note, which contains all the information required for a "one-off" transfer but can also be used for multiple transfers.
- Businesses can design their own format for the waste transfer note, provided the note includes the information required under regulation 35.

*The Waste (England and Wales) (Amendment) Regulations 2014 (SI 2014/656)* amended regulation 35 of the Waste Regulations 2011, to provide that alternative documentation (for example, invoices, orders or receipts) may be used to record the written description of waste (currently

recorded on waste transfer notes). This is optional, so waste transfer notes can continue to be used.

### Code of practice on the duty of care

A statutory code of practice on the duty of care supports section 34 of the EPA 1990 and the Waste Regulations 2011.

[Waste duty of care code of practice - GOV.UK \(www.gov.uk\)](#).

The Code of Practice is admissible as evidence in proceedings for breach of the duty of care.

### Part of the UK affected

England & Wales.

### Enforcement and Sanctions

Duty of care offences.

It is an offence not to comply with the requirements of section 34 or any regulations made under it regarding documentation (currently under the *Waste Regulations 2011*).

# Existing Obligations: Waste Hierarchy

## Source

[Guidance on applying the waste hierarchy - GOV.UK \(www.gov.uk\)](https://www.gov.uk/guidance/guidance-on-applying-the-waste-hierarchy).

## Overview

Waste hierarchy in England and Wales.

The WFD 2008 waste hierarchy is implemented through:

- *Regulation 12* of the Waste Regulations 2011, which requires any organisation involved in waste to take reasonable steps to apply the waste hierarchy when it transfers waste. This duty applies to anyone who imports, produces, collects, transports, recovers or disposes of waste, and to any dealer or broker who has control over waste.
- Paragraph 3 of Part 1 of *Schedule 9* to the *Environmental Permitting (England and Wales) Regulations 2016 (SI 2016/1154)* (EP Regulations 2016), which requires the regulator to ensure that the waste hierarchy is complied with when waste is generated by a waste operation.
- *Schedule 1* to the Waste Regulations 2011, which requires the government to apply the waste hierarchy as a priority order in waste prevention and management policy.

An organisation can decide not to apply the waste hierarchy in order to achieve the best overall environmental outcome, where this is justified by life-cycle thinking on the overall impacts of the generation and management of the waste. A decision not to apply the waste hierarchy should take the following into account:

- The general environmental protection principles of precaution and sustainability.
- Technical feasibility and economic viability.
- Protection of resources.
- The overall environmental, human health, economic and social impacts.

*(Regulation 12(2) and (3), Waste Regulations 2011.)*

The approach to the waste hierarchy differs in England and Wales:

- In England, a range of criteria are used to inform the waste hierarchy, namely climate change, air pollution, water pollution and resource depletion (see [Defra: Guidance on applying the waste hierarchy](#)). This guidance is under review.

- In Wales, the approach to the waste hierarchy is informed by ecological footprinting (that is, comparing the demands on the planet from human consumption to the planet's ability to continue meeting those demands by regenerating resources and providing services).

Food and drink waste hierarchy statutory guidance In 2018, Defra published statutory guidance on dealing with surplus and waste food and drink in accordance with the waste hierarchy (see [Defra: Statutory guidance: Food and drink waste hierarchy: deal with surplus and waste, 18 December 2018](#)).

- The guidance is aimed at food and drink producers, manufacturers and retailers. It specifies how the waste hierarchy applies to surplus and waste food and drink and links to existing guidance on how to prevent, redistribute or recycle this waste.

## Park of the UK affected

England and Wales.





## Existing Obligations: Waste Permitting

### Source

[Waste: environmental permits - GOV.UK \(www.gov.uk\)](http://www.gov.uk).

[The Environmental Permitting \(England and Wales\) Regulations 2016 \(legislation.gov.uk\)](http://legislation.gov.uk).

### Overview

A wide range of activities involving waste are regulated by the EP regime in England and Wales.

All types of waste operation (which is a defined term) require an environmental permit (unless the waste operation is excluded or exempt) and must meet certain requirements.

Anyone carrying out recovery or disposal of waste is carrying out a **waste operation** (*regulation 2, EP Regulations 2016*).

A waste operation is a regulated facility, which requires an environmental permit (unless it is exempt or excluded) (*regulation 8, EP Regulations 2016*).

All waste operations must comply with Part 1 of *Schedule 9* to the EP Regulations 2016. Additional requirements may also apply to certain types of waste operation.

Businesses and organisations that produce waste, but are not carrying out any recovery or disposal of that waste, will not require an environmental permit for that aspect of their activities (for example, commercial office premises). However, they will still need to comply with overarching requirements in relation to the waste, namely the:

- Duty to apply the waste hierarchy when waste is transferred (*regulation 12, Waste Regulations 2011*).
- Waste duty of care (*section 34, Environmental Protection Act 1990 (EPA 1990)*).

### Park of the UK affected

England & Wales.

### Enforcement & Sanctions

Operating a waste operation without a permit or exemption is a criminal offence, punishable by unlimited fines, civil sanction or enforcement undertakings.



# Existing Obligations: Producer Responsibility Obligations (Packaging Waste) Regulations 2007

## Sources

Producer Responsibility Obligations (Packaging Waste) Regulations 2007 (as amended).

## Overview

### Type of Packaging caught

Any material used to hold, protect, handle, deliver and present goods.

### Type of Business Caught

Businesses who:

- Have a turnover exceeding £2 million per annum.
- Handle over 50 tonnes of packaging materials (not including exports).
- Perform a relevant packaging activity.
- Supply to another stage in the packaging chain or to the end user.

### Fees / Taxes

- Cost of obtaining PRN/PERNS and meeting your recycling obligation.
- Registration fee.

### Registration

Registration is required online through the Environment Agency.

### Non-Compliance

PROs are regulated by the Environment Agency. Non-compliance can lead to criminal and civil penalties including:

- Fixed penalty fines for minor offences.

- Higher fines for more serious offences.
- An enforcement undertaking.

### Part of UK affected

England only.

### Timescales

The PROs have been in force since 2007 – although, the current PRN and PERN system is under consultation.

Producers and Compliance Schemes are required to continue to comply with their obligations with regard to packaging under The Producer Responsibility Obligations (Packaging Waste) Regulations 2007 (2007 obligations), until the Extended Producer Responsibility for packaging (pEPR) obligations take effect.

Businesses also need to be aware that, when the pEPR obligations come into force in 2024, the 2023 Packaging Waste Data Reporting Regulations and the 2007 obligations will be revoked, so businesses will only have to abide by the new 2024 pEPR obligations.

### Steps

Under PRO, businesses who meet the threshold must register with the Environment Agency and meet their recycling obligations under the scheme.

PRO is more far reaching than Plastic Packaging Tax. Relevant packaging includes any material used to hold, protect, handle, deliver and present goods. This encompasses a wide range from

packaging for (i) raw materials right through to (ii) finished goods to be sold or being sold.

A business will be caught under PRO if it performs a “relevant packaging activity” and those are:

- Manufactures raw materials for packaging.
- Converts raw materials into packaging.
- Puts goods or products into packaging.
- Sells packaging (including packaged goods) to the final user or consumer.
- Leases or hires out packaging.
- Is a “licensor” or pub operating business.
- Imports packaging (including packaged goods) into the UK.

The criteria for being a producer are more fully set out at *Table 1 of Schedule 1* to the Packaging Waste Regulations 2007.

The Packaging Waste *Regulations 2007* require a producer to:

- Register with the Environment Agency every year on 7 April. This can either be done independently or through a compliance scheme. (*regulation 6*) A list of schemes can be found [here](#).
- Furnish a certificate of compliance in respect of its recovery and recycling obligations (*regulation 4(4)(d)*).
- Demonstrate to the regulator that it has recovered or recycled specified tonnages of packaging waste each year through the acquisition of packaging



Continued...

## Existing Obligations: Producer Responsibility Obligations (Packaging Waste) Regulations 2007

recovery notes (PRNs) or packaging export recovery notes (PERNs) or both (*regulation 4(5)*).

A producer can comply with its obligations in one of two ways:

- By recycling and recovering the relevant quantities of packaging itself and providing evidence of this in the form of PRNs or PERNs obtained from accredited packaging waste reprocessors and exporters.
- By joining a registered compliance scheme, which

will comply with the producer's obligations on its behalf and so exempts it from compliance (*regulation 5*).





# Existing Obligations: Plastic Packaging Tax

## Source

The Plastic Packaging Tax (General) Regulations 2022.

## Overview

The Plastic Packaging Tax was introduced in April 2022 and applies to plastic packaging manufactured in, or imported into the UK, that does not contain at least 30% recycled plastic. It affects businesses which import or manufacture plastic packaging either for their own products or other businesses' products.

## Part of the UK affected

UK.

## Timescales

Introduced in April 2022.

## Steps

### Registering for the Tax

A business must register for Plastic Packaging Tax if it:

- expects to import into the UK (or manufacture in the UK) **10 tonnes or more** of finished plastic packaging components in the next 30 days; or
- has imported into the UK or manufactured in the UK **10 tonnes or more** of finished plastic packaging components in the last 12 months

This includes non-resident taxpayers who import finished plastic packaging components into the UK on their own behalf, or manufacture finished plastic

packaging components in the UK.

### Payment of Tax

You must pay the tax on all chargeable components from the day you are liable to register. You may need to pay a penalty if you do not.

### What is the Tax payable on?

Plastic packaging components containing 30% or more recycled plastic are not chargeable for the tax. However, they still count towards the 10-tonne threshold for packaging you manufacture or import in a 12-month period, and therefore, the affected business must still keep records of it. There are also exemptions for certain components which are not subject to the tax.

For the purposes of Plastic Packaging Tax, all plastic is assumed to be made using non-recycled (virgin) material, unless there is evidence that recycled material has been used. That evidence must be kept current i.e. you will need to repeatedly check with your UK and non-UK suppliers what the recycled content of plastic packaging you import (but made by from them) is.

### Record-keeping

Businesses which import less than 10 tonnes of packaging a year are still obliged to keep records of the packaging they are manufacturing or importing into the UK. This is because it will automatically be assumed that plastic packaging does not contain more than 30%

recycled packaging, unless it can be specifically shown that it does. Essentially, businesses will be required to actively demonstrate to HMRC that they are not liable for the tax. It is also useful to keep these records to check if your business becomes liable for the tax in the future.

Such records would include:

- Weight details of each plastic packaging component;
- Evidence of recycled packaging content;
- Evidence of why an exemption applies; and
- Details of how much PPT your business will need to pay, or alternatively, confirmation that you have nothing to pay.

### How much is the Tax?

The rate of tax increased from 1 April 2023 to £210.82 per tonne of plastic packaging and £217.85 per tonne from 1 April 2024.

## Opportunities

**Circular Economy:** The tax provides a clear economic incentive for businesses to use recycled plastic in their packaging.

## Opportunities

HMRC.

On 21 September 2023, HMRC introduced its Plastic Packaging Tax penalties for non-compliance.

# Existing Obligations: Ban On Single-Use Plastics

## Source

[Single-use plastics bans and restrictions - GOV.UK \(www.gov.uk\)](https://www.gov.uk).

## Overview

This is not a new obligation as it was introduced in October 2023, banning a range of polluting single-use plastics England, including single-use plastic plates, trays, bowls, cutlery, balloon sticks, and certain types of polystyrene cups and food containers.

People now cannot buy these products from any business. The Government is also carefully considering further measures around other commonly littered and problematic plastic items, including wet wipes, tobacco filters and sachets, following the call for evidence on this issue.

The ban does not apply to single-use plastic plates, trays and bowls used as packaging in shelf-ready pre-packaged food items as these will be included in the Government's plans for an extended producer responsibility scheme.

The Government is also considering further measures around other commonly littered and problematic plastic items, including wet wipes, tobacco filters and sachets, following a call for evidence on this issue.

A similar measure is the 10p plastic bag charge which came into force on 21 May 2021.

## Part of the UK affected

England only.

## Timescales

Introduced October 2023.

## Enforcement and sanctions

Enforcing the rules Local authorities will carry out inspections to make sure the rules are being followed. Inspectors can:

- visit a shop or store
- make test purchases
- speak to staff
- ask to see records

If a business breaks the law, it can be fined and ordered to cover the cost of the investigation.

Consumers are told that if they are aware of a business breaking the law, they can report that business to Trading Standards.





## Existing Obligations: Single-Use Plastic Bag Charging

### Source

[Source Carrier bag charges: retailers' responsibilities - GOV.UK \(www.gov.uk\)](http://www.gov.uk).

### Overview

Under the *Single Use Carrier Bags Charges (England) Order 2015 (SI 2015/776)* (2015 Order), from 21 May 2021 all business sellers must charge customers a minimum of 10p for unused single use (lightweight) plastic bags used for taking goods out of shops or for delivering them. The 2015 Order is made under the *Climate Change Act 2008* and applies to England only. The *Single Use Carrier Bags Charge (Wales) Regulations 2010 (SI 2010/2880)* introduced a 5p charge on single-use carrier bags in Wales.

- Applies to all retailers from 21 May 2021 (previously retailers with 250 or more full-time equivalent employees (FTEs)). In particular, the requirements did not previously include franchisees or companies that share a brand or product with others (for example, "symbol groups" such as Spar).

- Applies to single-use carrier bags made of lightweight plastic material with handles and a thickness of 70 microns or less (*article 2 and Schedule 2*). The Order includes exemptions from the requirement to pay the charge, based on bag size, thickness, intended use, cost or a combination of those factors.
- Applies to relevant bags when they are supplied where goods are sold in order for the goods to be taken away, and when goods are delivered (*article 3*).
- Differentiates reporting requirements. Larger retailers must keep a record of the bags they have supplied, the charges they have imposed, and what they have used the proceeds of the charge for. SMEs do not need to report on the number of bags that they *supply* (*article 4 and Schedule 3*). (The government removed the requirement for retailers to publish records on the number of bags handed out and the use to which proceeds were put to reduce burdens, agreeing that central reporting will make the records publicly available.)

### Part of the UK affected

England & Wales.

### Enforcement and sanctions

#### Enforcing the rules:

- Enforced by local authority trading standards officers (*article 5*).
- Provides civil sanctioning powers for trading standards officers of imposing fixed monetary penalties and discretionary requirements. For more information on levels of penalties, see [Defra: Carrier bag charges: retailers responsibilities](http://www.gov.uk).
- Provides other enforcement powers for trading standards officers to impose non-compliance penalties, recover costs, require publicity, withdraw or amend notices and recover payments (*articles 11-15*).





## Awards and accreditations



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