

Report on	Consultation on Extended Producer Responsibility for Packaging
Date of Meeting	15 th June 2021
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Is this report restricted for confidential business?	Yes	
If 'Yes', confirm below the exempt information category relied upon	No	X

1.0	Purpose of Report
1.1	To inform members of a recent UK wide consultation on Extended Producer Responsibility (EPR) for Packaging Waste by DAERA, DEFRA and the Scottish and Welsh Governments.
2.0	Background
2.1	The UK Government and the Devolved Administrations are committed to protecting the environment and have all signalled their strong intent to introduce Extended Producer Responsibility for packaging so that producers pay the full costs of dealing with the waste they produce. These commitments include those in NI <i>Waste Management Plan</i> 2019.
2.2	In order to comply with the Ireland/Northern Ireland Protocol under the EU Withdrawal Agreement, the UK Government must ensure that Northern Ireland continues to transpose the Packaging and Packaging Waste Directive, as amended. The Directive was most recently amended by the Waste Circular Economy Package which requires Extended Producer Responsibility for packaging.
2.3	The system of producer responsibility for packaging has been in place in the UK since 1997 and has helped to increase recycling of packaging waste from 25% 20 years ago to 63.9% in 2017. However, as with any system that is over 20 years old, it needs reform. In 2019 Government set out the case for significant reforms to the current system in the consultation document <i>Reforming the UK Packaging Producer Responsibility System</i> . This included making producers responsible for the full net cost of managing packaging once it becomes waste, setting more ambitious targets for producers, and introducing clear and consistent labelling for recyclability.
2.4	A further consultation on these proposals was published on 24 th March inviting responses no later than 4 th June 2021. A full copy of the consultation document (which extends to 213 pages and seeks responses to 104 questions) is available via the below link however a summary of the proposals contained therein are outlined in the remainder of this report. https://consult.defra.gov.uk/extended-producer-responsibility/extended-producer-responsibility-fopackaging/supporting_documents/23.03.21%20EPR%20Consultation.pdf

3.0	Main Report
3.1	Under the proposals set out in the consultation, packaging producers will be made responsible for the full cost of managing the packaging they place on the market. Government estimates that their costs will be in the region of £2.7bn in the first full year.
3.2	This cost transfer, from the public purse and those who dispose of packaging waste, will incentivise producers to question whether the packaging they use is necessary, could be reduced or not used at all. Government also proposes introducing obligations, possibly in the form of packaging reuse targets from 2025, to provide an additional incentive to reduce packaging use and encourage take up of reuse or refill models. Government will bring forward proposals by the end of 2023 working with the sector on the details in advance of this. Given businesses are already exploring such models this commitment will send a strong signal to accelerate their development/deployment in advance of 2025.
3.3	Producers' fees will be varied (modulated), providing further incentive to support the achievement of scheme outcomes, such as increased recycling. For example, producers who use unrecyclable packaging (such as polystyrene or black plastic), will be required to pay higher fees thereby incentivising them to use recyclable packaging. Fees will also be modulated to deliver funding to support additional upgrading of infrastructure to allow recycling of currently unrecyclable materials, where producers are willing to invest e.g. fund the roll out of collections for plastic films, where reduction of packaging is not possible, or to incentivise greater uptake of reuse and refill models and systems.
3.4	In driving increased recycling, it is important that quality does not reduce but is enhanced. The consultation therefore includes proposals to maintain and enhance the quality of material through collection and sorting, to ensure more of what is collected is recycled, including back into packaging, and encourages more domestic reprocessing and fewer exports of poor quality and contaminated packaging for recycling.
3.5	To support consumers in homes and businesses across the country to make the right recycling decisions, all packaging will be clearly and consistently labelled to inform consumers whether it can or cannot be recycled. This will reduce confusion and make it easier for us all to do the right thing. To inform the fees packaging producers pay, and how they label their packaging, producers will need to self-assess their packaging to determine its recyclability. This will not just be based on whether it is technically recyclable, as can be the case at present, but also on whether the infrastructure is in place to enable packaging to be recycled (i.e. nationwide collection and sorting systems).
3.6	As part of full net cost payments, producers of commonly littered packaging, such as fast food packaging and single use cups, will be made responsible for the costs of its management. This will place a strong incentive on those producers to seek to prevent littering, and where this is not possible, ensure it is effectively managed through litter bins and street cleansing. In addition the consultation is also seeking views on whether sellers of filled single use paper cups should be required to provide takeback facilities for single use paper cups and ensure these are recycled. In the longer term, recycling targets will be introduced for laminated card, which will help facilitate increased 'on the go' recycling of single use cups, in places such as transport hubs, where necessary, to meet targets.
3.7	The proposal is for the first phase of Extended Producer Responsibility to be established in 2023, enabling initial payments for household packaging waste to local authorities from October 2023. This will depend on the ability of the Scheme Administrator to mobilise and establish the necessary systems and processes to commence roll-out. Subject to parliamentary approval of the Environment Bill, Government will undertake an open procurement exercise starting in late 2021 and would aim to appoint the successful

Scheme Administrator in early 2023. Further elements of Extended Producer Responsibility, including modulation of fees based on recyclability of packaging, payments for the management of litter and payments to businesses for the cost of managing packaging waste would be introduced in Phase 2, from 2024 (see Figure 1).

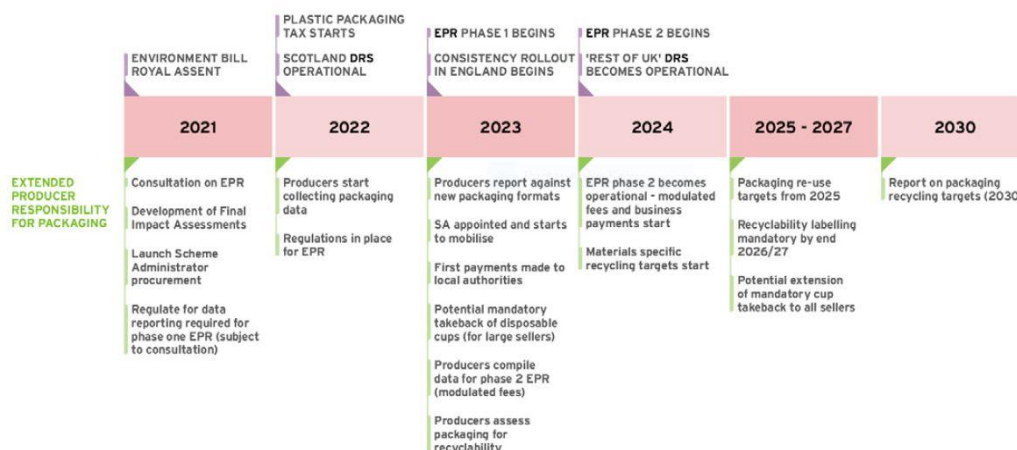


Figure 1 - Phased introduction of Extended Producer Responsibility - indicative timeline

- 3.8 The consultation proposes minimum recycling targets for the six packaging materials. These equate to an overall recycling rate for Extended Producer Responsibility packaging of 73% by 2030. It also proposes the introduction of a recycling target for fibre-based composite packaging such as food and drink cartons and single use paper cups.
- 3.9 The consultation confirms that Government intends to progress with the broad scope of full net costs of managing packaging which includes:
- The collecting, sorting and recycling of packaging waste from households and businesses;
 - The collecting and disposing of packaging in the residual waste stream from households only;
 - Litter and refuse management costs, including bin and ground litter
- 3.10 The estimates indicate that the annual packaging waste management costs that producers will be required to pay will be in the region of £2.7bn in the first full year of implementation (corresponding to £35m for Northern Ireland) with £1bn of this related to packaging waste collected from households, £1.5bn for packaging waste collected from businesses, and £200m for the management of bin and ground packaging litter.
- 3.11 In confirming this approach, Government recognises that this is not a new cost for the economy, but a transfer from one part to another. This will incentivise producers to reduce their use of packaging, adopt reusable packaging where reduction is not feasible, or use easily recyclable packaging, and fund the recycling and management of single use packaging where it remains necessary.
- 3.12 The Northern Ireland Local Government Association (NILGA) produced a response to the consultation in conjunction with the Technical Advisors Group Northern Ireland (TAGNI), National Association of Waste Disposal Officers (NAWDO) and Local Authority Advisory Committee (LARAC) which is attached as an appendix for the information of members.

4.0	Other Considerations
4.1	Financial, Human Resources & Risk Implications
	Financial: If the proposals are implemented as outlined in the consultation the Council will benefit significantly by receiving payments from the EPR Scheme to manage the packaging waste elements of recyclables collected at the kerbside and also through litter collection.
	Human: None
	Risk Management: None
4.2	Screening & Impact Assessments
	Equality & Good Relations Implications: None
	Rural Needs Implications: None
5.0	Recommendation(s)
5.1	Members are asked to note the content of the consultation and response from NILGA.
6.0	Documents Attached & References
6.1	NILGA response to the EPR consultation