

Today's Speakers



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Manufacturing & Retail Waste Update



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Headline changes

- Producers will be required to pay full net costs of recovery
- Modulation of fees will apply to compliance costs
- Material included in **Deposit Return Schemes** will not pick up obligations under Extended Producer Responsibility
- Obligations will change from shared compliance to set points in the supply chain
- Significantly more granular data will be required
- Recyclability labelling requirements may be implemented
- Specific, hard to recycle material / packaging types will be targeted
- **Scheme Administrator** to be set up to oversee system

The total costs of packaging waste management are expected to be £2.7bn per year, close to 10 times the current PRN market.

- Packaging waste from households - **£1bn**
- Packaging waste from businesses - **£1.5bn**
- Packaging waste litter costs - **£200m**

Waste Management Costs vs Nation Specific Reporting

Waste management costs obligation

- Report on obligated packaging placed on market
- Pay full net cost recovery fees
- Pay fee modulation costs

This obligation would apply to:

- **Brand owners** – for packaging filled in the UK
- **Importers** – for imported filled packaging
- **Distributors** – for unfilled packaging sold to businesses under the threshold
- **Online marketplaces** – For filled packaging sold via online retail
- **Service providers** – for leased packaging on its first journey in the UK

Nation specific reporting obligations:

- Submit data on packaging placed on the market in NI, England, Wales and Scotland separately

This obligation would apply to:

- **Sellers** – For filled packaging sold to the end consumer
- **Importers** – for packaging their customer discards and that which they discard from imports
- **Distributors** – for unfilled packaging sold to producers below the threshold
- **Service providers** – for hired out reusable packaging
- **Online marketplaces** – for filled packaging sold to the end consumer (including mailing packaging)

Example 1 – UK Manufacturer selling to retailers



Primary Packaging –

- When sold under own brand – **Manufacturer** (brand owner) picks up waste management costs obligation
- When manufacturing for third party – **Third party brand owner** picks up waste management costs obligation



Secondary Packaging –

- **Manufacturer** picks up waste management costs obligation
- When retailer removes – **Manufacturer** picks up nation specific data reporting obligation



Transit Packaging –

- **Manufacturer** picks up waste management costs obligation
- When retailer removes – **Manufacturer** picks up nation specific data reporting obligation

Example 2 – UK Retailer (online or direct)



Primary Packaging –

- When sold under own brand or imported – **Retailer (brand owner)** picks up waste management costs obligation
- When not sold under own brand – **Retailer** picks up waste management costs obligation only for **additional packaging** sent to consumer (shipping packaging etc)
- **Always picks up** nation specific data reporting obligation for packaging removed by consumer



Secondary Packaging –

- **No Obligation** unless imported
- **If imported** picks up waste management costs obligation and nations specific data reporting obligation



Transit Packaging –

- **No Obligation** unless imported
- **If imported** picks up waste management costs obligation and nations specific data reporting obligation

UK and EU Plastics Update



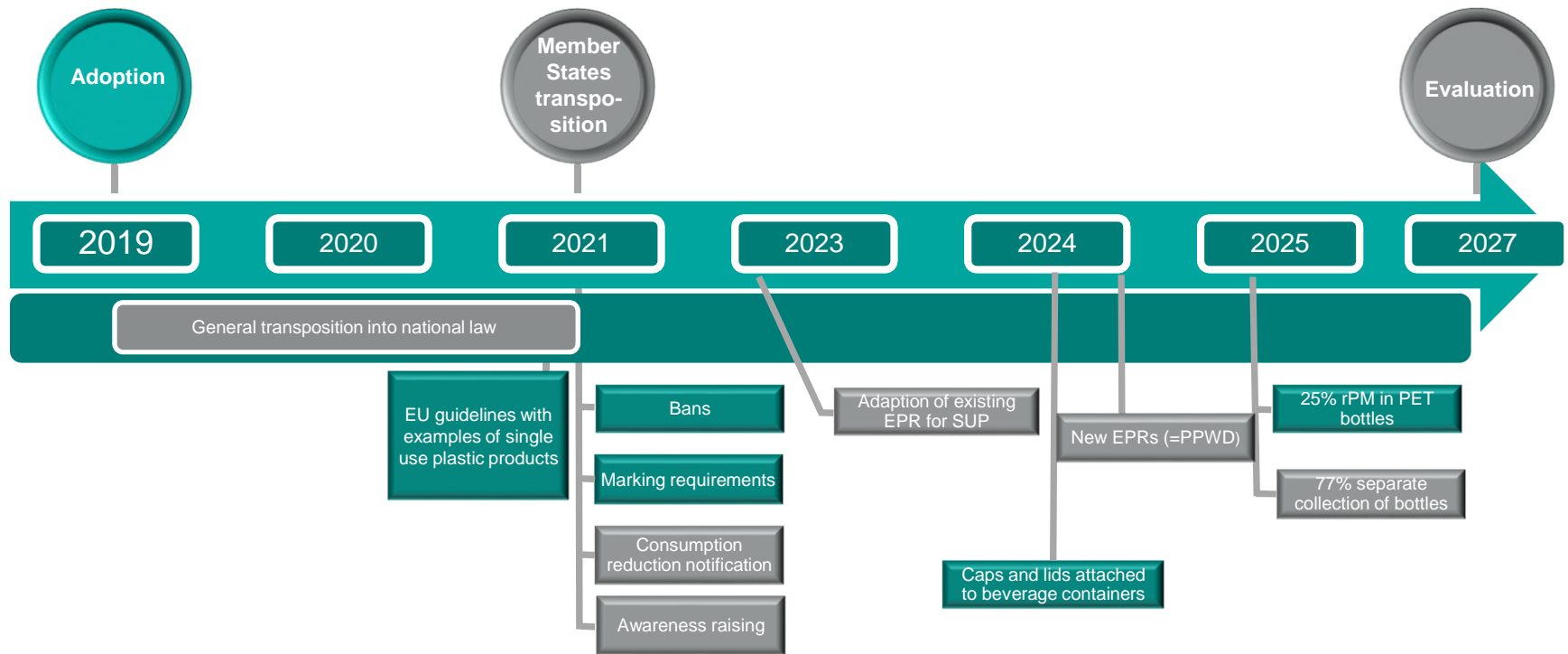
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Single Use Plastics Directive Timeline



SUPD Scope and Target Products

- **Plastic** - polymer material, to which additives or other substances may have been added, and which can function as a main structural component of final products, with the exception of natural polymers that have not been chemically modified. Intended to exclude polymeric paints, inks and adhesives but include bio-based and biodegradable plastics
- **SUPP** - made wholly or partly from plastic and not conceived, designed and placed on the market to accomplish multiple trips or rotations by being returned for refill or re-used for the same purpose
- **Scope:** SUP in various product categories & fishing gear & (all) oxo-degradables
- **Bans from 3 July 2021:** All products made of oxo-degradable plastic; Cotton bud sticks, cutlery, plates, straws, beverage stirrers; balloon sticks; EPS food and drink containers
- **Labelling from 3 July 2021:** drink cups, wet wipes, sanitary towels, tobacco products with filters, and filters supplied for such products

- April 2022
- Tax on “plastic packaging” imported into or manufactured in the UK that does not contain 30% recycled content @ £200 per tonne
- Definition of “plastic” v. similar to SUPD
- 30% recycled content test based on a mass balance calculation
- Self-assessment/quarterly declaration – like VAT
- Payable by UK manufacture of packaging/convertor of material into packaging, or on import the tax point is when the packaging is first commercially exploited in the UK (usually but not always by the importer)
- Mixed materials - if plastic is the greatest by weight, the whole weight of the packaging is within scope of the PPT. If not, then none is within scope
- Recycled plastic – includes mechanical and chemical recycling, using pre- or post-consumer waste (excl. plastic reused in the same process in which it was generated as scrap)

- Not an EU plastic tax!
- It is a requirement for EU Member States to pay a levy to the EU
- Levy based on unrecycled plastic packaging waste (€800/tonne)
- Each Member State will decide how/if they pass this cost on to its citizens
- Note the difference in focus to UK tax too – amount of waste plastic that is not actually recycled –v- UK tax on recycled content of plastic packaging

Questions?



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Next Webinar

Women in Energy and Environment Series

The Biden Administration's Regulatory Agenda for Energy and Environment

Tuesday, June 29

11 a.m. EDT / 4 p.m. BST

Speakers

- Carolyn McIntosh, Partner
- Emily Huggins Jones, Partner
- Lianne Mantione, Principal