

BUSINESS WALES HAS A GREEN AMBITION

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AN INTRODUCTION TO **EXTENDED PRODUCER RESPONSIBILITY**

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WHAT IS EXTENDED PRODUCER RESPONSIBILITY (EPR)?

There is increasing awareness of the need to reduce packaging waste to minimise impact on the environment, reduce resource waste, waste management costs and pressures, and to move to more circular economy.

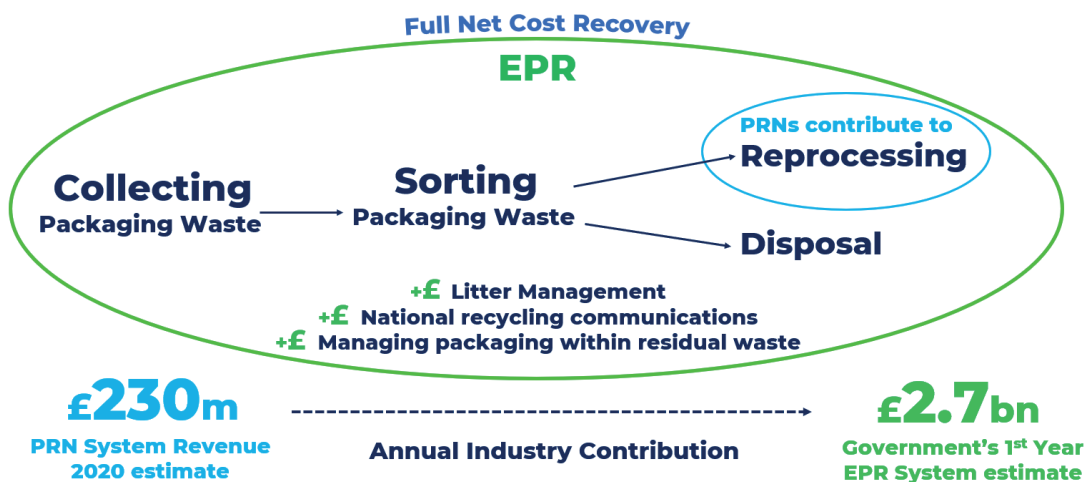
Though the final design of the reforms are still being developed, EPR aims to encourage producers of packaging to reduce the amount they produce and use, particularly plastic, and to drive innovation of more reusable and less environmentally damaging products in Wales and the UK.

Currently, The Producer Responsibility Obligations (Packaging Waste) Regulations 1997 (as amended) require packaging producers (businesses that perform an activity on packaging) to take responsibility for their environmental impact.

'Obligated producers' currently only pay a proportion of the cost of the recovery and recycling of packaging via the purchase of certificates or recycling evidence, otherwise known as Packaging Waste Recovery Notes (PRNs).

Changes to the Packaging Waste Regulations will require obligated businesses to pay 100% of the costs associated with waste management of items they place on the UK market –both collection and recycling of packaging waste.

EPR expands producers' responsibility to fund packaging waste management



What does it mean for my business?

Under the proposed reforms, the costs to obligated producers could be 6 to 20 times higher than they currently are¹, however from 2024, it's likely that **modulated fees** will incentivise producers to increase the recyclability of packaging.

Other proposed reforms are likely to require:

- **More detailed reporting:**
 - New reporting formats (Jan 2024)
 - Monthly online reporting
 - A fibre-based composites reporting category to be added (2023)
- **Mandatory, binary recycling labelling**
 - An approved set of labels, or a single mandatory label e.g. 'recyclable' / 'not recyclable'
 - Labelling for primary and consumer delivery packaging (2024/5), films later
- **Mandatory takeback of disposable paper cups**
 - Required for large sellers of filled paper cups (2023), with all sellers later (2025)
 - Irrespective of brand or purchase destination
- **New compliance system**
 - Either a single administrator or compliance schemes-based approach

Modulated fees: Under the current Packaging Recovery Note (PRN) system, the fee for putting different types of packaging on the UK market is not differentiated. Modulated fees are proposed to reduce the amount paid on packaging with high recyclability and compatibility with current packaging waste collection and recycling infrastructure in Wales. Those with low recyclability and compatibility will likely see increased fees.

EPR refocuses which businesses are required to contribute to packaging waste management costs. In the current system, businesses with different roles in the packaging supply chain pay different portions of responsibility to finance the recycling of packaging placed on the UK market. This will change to make a Single Party responsible for the whole cost of packaging waste management:

¹ Valpak, 2022: Packaging Legislation Reform. Available from: <https://www.valpak.co.uk/more/guidance/packaging-legislation-reform>

EPR refocuses which businesses are required to contribute to packaging waste management costs



Valpak, 2022

What can I do now?

Though the design of the legislation reforms is still being finalised and any reforms will have an implementation period, ensuring your business understands its responsibilities and the potential costs now means you can consider alternative packaging and redesign opportunities now, and discuss the potential changes and implications with your suppliers.

Valpak is offering 1-2-1 Clinics to help understand the implications of EPR on your business. Contact Business Wales to find out more.



WHERE CAN I FIND MORE INFORMATION?

[UK Government – Packaging waste: changing the UK producer responsibility system for packaging waste](#)

[Natural Resources Wales: Guidance for packaging producers](#)

[Valpak](#)

[Business Wales – Green Growth Pledge](#)

