



Department
for Environment
Food & Rural Affairs

Packaging Extended Producer Responsibility update

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Overview

1. DEFRA Circular Economy
 2. About pEPR (Packaging Extended Producer Responsibility)
 3. About the Scheme Administrator
 4. LA Efficient & Effective
 5. Next Steps
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DEFRA priorities

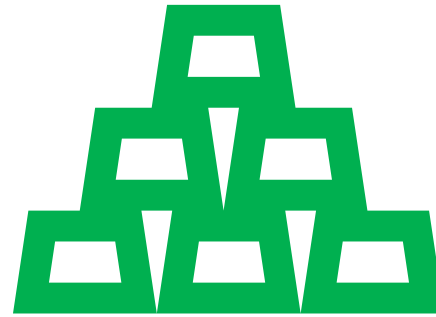
1. To clean up rivers, lakes and seas;
 - 2. CREATE A ROADMAP TO MOVE BRITAIN TO A ZERO WASTE ECONOMY;**
 3. To boost food security
 4. To ensure nature's recovery
 5. Protect communities from the dangers of flooding.
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Why does it matter?

And the rationale for government intervention



**Protecting our
environment and
sustainability**



**Reduce raw material
dependence and improve
resilience**

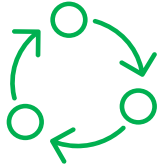


**Boosting economic
growth**

There are many other potential benefits of moving from a linear to a circular economy, such as reducing waste crime and littering, or easing the cost of living through saving consumers money.

Delivering a Circular Economy

We will begin by developing a **Circular Economy Strategy**, which will set out :



- the vision for the circular economy;



- potential new targets to galvanise action at all levels of government;



- a series of economy-wide enablers to drive investment into circular business models and critical infrastructure, stimulate behaviour change, and encourage innovation;
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Delivering a Circular Economy



- a new approach based on collaborative delivery partnerships with local places, academia, industry, investors and civil society; and



- A series of **sector-based roadmaps** that set out long-term pathways to regulatory reform, investment opportunities, sector support and behaviour change interventions.



- The Circular Economy Strategy will be England-only but we will be actively looking for opportunities to work collaboratively and closely across the 4 Nations.
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How we will deliver the Circular Economy Transition



A Circular Economy Taskforce to develop the strategy, comprising representatives from industry, academia, civil society and the civil service.

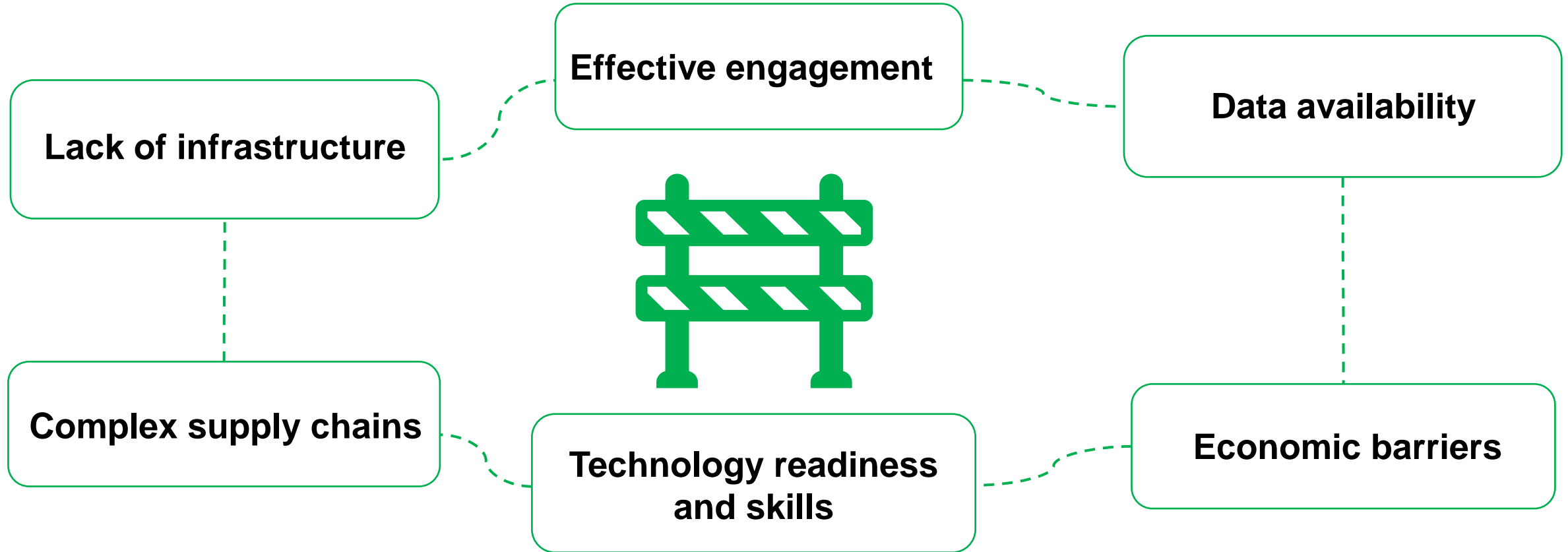


This work will be overseen by a **Small Ministerial Group on Circular Economy**, comprising the Secretaries of State for Defra, the Department for Energy Security and Net Zero (DESNZ), the Department of Business and Trade (DBT), and the Department for Transport (DfT); the Deputy Prime Minister (MHCLG) and the Chancellor of the Exchequer. The first meeting took place in early October.



We are engaging with potential “**pathfinders**” – high-ambition local, regional, and combined authorities that are already developing and/or delivering circular economy initiatives at a local level.

Key barriers to circularity



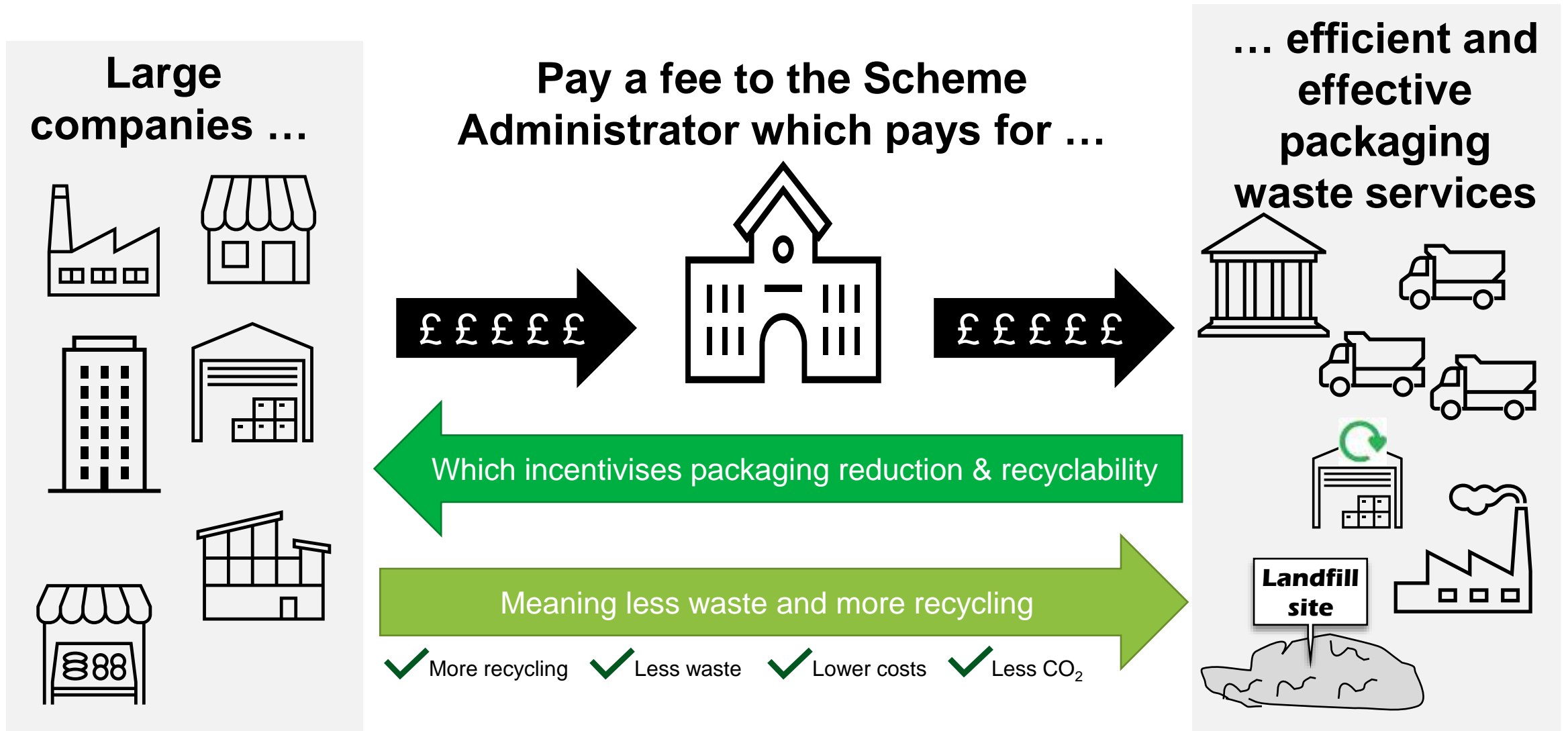
Most of the **barriers are generally due to the infancy of circular economy** in the UK. Specific barriers will become more apparent as sectors try to action their circular pledges.

pEPR (Packaging Extended Producer Responsibility)

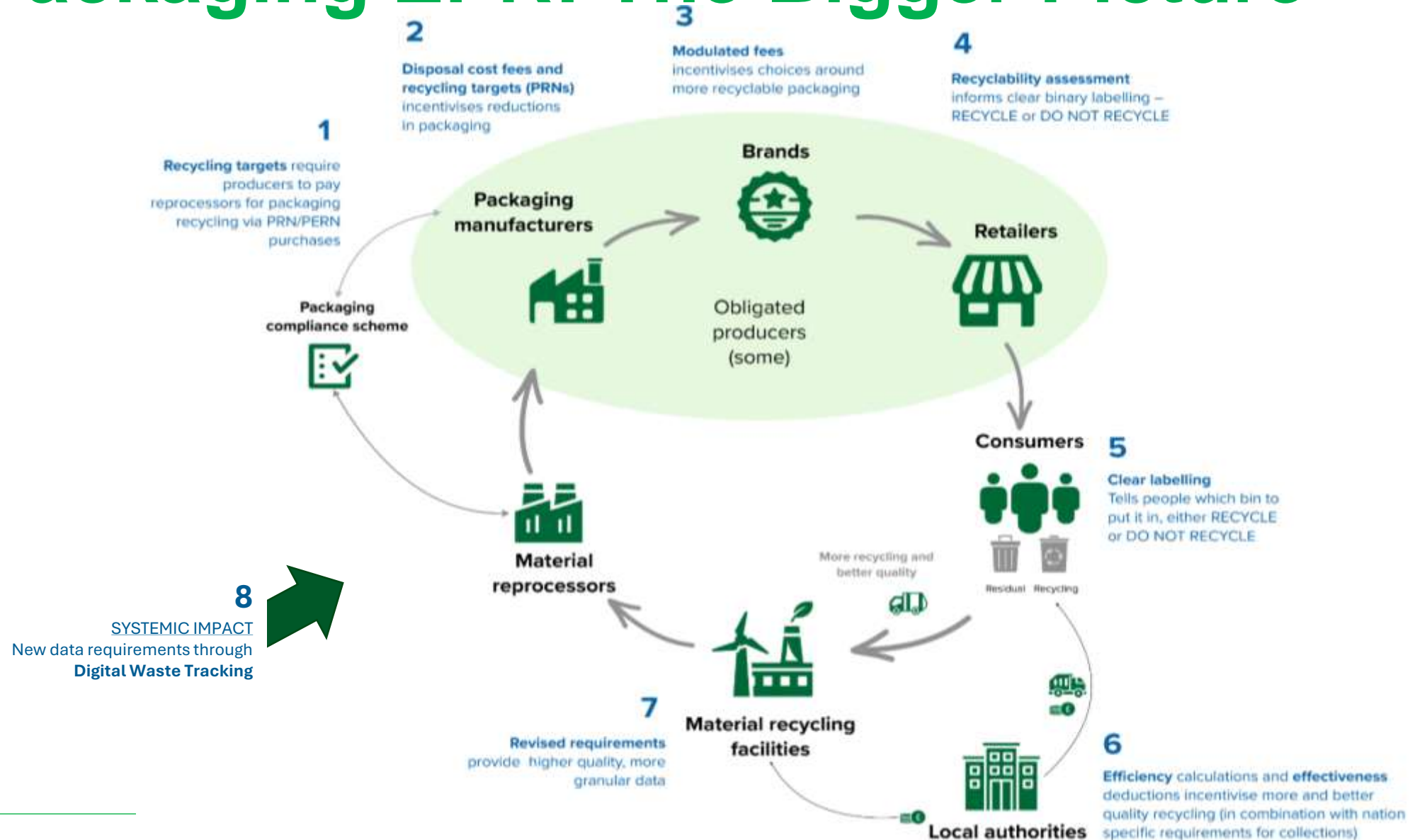
How it works?

- Extended Producer Responsibility (EPR) is about ensuring producers take responsibility for the end-of-life costs of these products, while moving away from our current linear economic model of **'take, make, use, throw'** to achieve a circular economy the use of packaging materials.
 - Extended Producer Responsibility for packaging (pEPR) will ensure that producers are charged a fee for the packaging they place on the market that ends up in households or street bins. The fee will cover the full net cost of disposing this waste
 - Producers will pay more if they use a) more packaging b) more difficult to recycle packaging.
 - Costs paid by producers will support a cost-effective and efficient system for managing packaging waste, including consistent collection of packaging materials for recycling from households.
 - Local authorities will receive the funds paid by producers to deliver effective and efficient collection and recycling services that deliver an ever-improving supply of good quality recycled materials back to producers: a circular economy.
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What is the purpose of packaging EPR?



Packaging EPR: The Bigger Picture



pEPR

Key benefits

- Incentivises better use and design of packaging, stimulating innovation.
 - Costs for disposal of packaging will be transferred from the taxpayer to producers.
 - Improved and consistent labelling of packaging, thereby boosting consumer awareness of the recyclability of the products they buy.
 - Incentivises and enables improvements in local authorities to improve the effectiveness and efficiency of their collection and recycling services thereby supporting the creation of a circular economy.
 - Drives infrastructure investment that supports economic growth.
 - Reduced carbon emissions as increased use of recycled and recyclable packaging and therefore reduced levels of residual waste sent to land fill.
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pEPR

Key benefits

- Generate more than £1 billion annually to support local collection and disposal services, including recycling services – benefiting every household in the UK
 - In England, this will fund the improvements to household recycling collections, enabling the consistent collection of all dry materials (paper/card, metals, plastics and glass) from every household.
 - pEPR is the cornerstone of the wider packaging reforms which will, collectively,
 - support 21,000 jobs,
 - stimulate more than £10 billion investment in recycling capability during the next decade, and
 - present £1 billion worth of investment opportunities in plastics infrastructure.
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pEPR Scheme Administrator Vision

To create, establish and maintain a Scheme Administrator in an efficient and effective manner to work across all four UK Nations to increase the sustainability and reduce the environmental impact of packaging

- Robust
- Transparent
- Credible
- Fair
- Improvable

- Not For Profit
- 4 Nation Governance
- Value Chain involvement



pEPR Scheme Administrator

- The UK delivery body for pEPR, developed jointly by Defra, Scottish Government, DAERA in Northern Ireland and Welsh Government - constituted as a public body
 - Focus on delivering benefits:
 - reduction in unnecessary packaging
 - more recyclable packaging, where it is necessary
 - more efficient and effective management of packaging waste by LAs
 - more and better-quality recycled content packaging available to industry
 - Governance
 - Defra, DAERA, Scottish Government, Welsh Government
 - Interim Steering Group (producers, associations, compliance schemes)
 - Local authority working group
 - Currently 10 FTE will be 65 FTE
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Second Release of Illustrative Base Fees for 2025/26

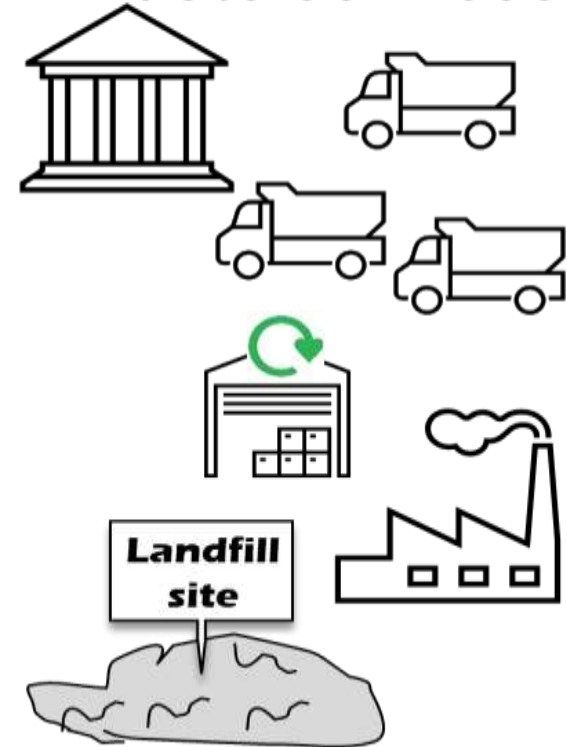
Packaging Category	Lower (in £/tonne)	Intermediate (in £/tonne)	Higher (in £/tonne)	Change in fee range size (%)
Aluminium	320	405	605	-30%
Fibre-based composite	355	450	565	-14%
Glass	110	175	215	-48%
Paper and card	135	190	250	-30%
Plastic	360	425	520	-37%
Steel	220	265	330	-56%
Wood	145	240	340	+86%
Other	180	205	240	-43%

Government is in the process of confirming the calculation of local authority cost to manage household packaging waste. As a result, the range of fees reflects the current range of scenarios being considered for these costs. The intermediate illustrative base fees correspond to fees based on the central case scenario of local authority disposal costs. The fees are rounded to the nearest £5.

Local Authorities – Efficient & Effective

- There will be one payment per local authority, covering its estimated total costs of household waste management.
- Initial LA payments will be based on efficiency mode formula
- Effective metrics will be communicated in early 2025
- Effective metrics will be deployed from 2028
- Improvement action process (IAP) for LA's falling under metrics
- Payment deductions for not meeting IAP actions

... efficient and effective packaging waste services



Next Steps

- **Obligated producers**
 - Submit packaging data (April 25 H2 2024)
 - Engage with compliance schemes
 - Base fees communication (H1 2025)
 - First invoices (October 2025)
 - **Local authorities**
 - Payment notification communication (soon)
 - Start preparing for Efficient & Effective
 - First payment (November 2025)
 - **SA launch (Jan 25)**
 - **Modulation (2026)**
 - **Labelling (TBC)**
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Resources & Waste Newsletter

Defra Resources and Waste Newsletter Sign-Up for all the latest updates and news on our resources and waste reforms



Questions



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