

# AVA ENVIRONMENT & SUSTAINABILITY COMMITTEE NEWSLETTER

No 2

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**Welcome** to the AVA Environment & Sustainability Committee Newsletter. We hope you will find it interesting and useful and would also appreciate any comments or suggestions for items to be covered in future newsletters.

If you or your colleagues would like to receive future copies of the Environmental Newsletter please email [Penny.Rowell@the-ava.com](mailto:Penny.Rowell@the-ava.com)

All AVA Newsletters can be found in the Members' section of the AVA Website [HERE](#):

If you want to find out more - come and see us at **VENDEX NORTH** in Leeds on 10th November: [Register Here](#)

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## Carbon Footprint Measurement

With the approach of COP26 in Glasgow many businesses are reviewing their environmental policies, their energy use and beginning the process of assessing their carbon footprint.

You will have seen a lot about terms like carbon neutral or zero carbon which

suggest that the process or business has no net effect on the carbon dioxide level in the atmosphere. Most ways of measuring the amount of carbon dioxide for which your business is responsible divide the emissions into 3 categories or "Scopes".



- **Scope 1** emissions are direct greenhouse gas emissions (generally carbon dioxide or methane) that occur from sources that are controlled or owned by the company, for example emissions resulting from fuel combustion in boilers, roasters or vehicles.
- **Scope 2** emissions are indirect greenhouse gas emissions associated with the purchase of electricity, heat, or cooling. They are accounted for by the company as they are a result of the company's energy use.
- **Scope 3** emissions include all sources not within the company's scope 1 and 2. Scope 3 emissions often represent the majority of a company's total greenhouse gas emissions

Companies generally have the data needed to calculate their scopes 1 and 2 emissions from utility invoices and bills for petrol. The AVA can provide conversion figures for converting energy consumed to carbon dioxide emitted. Electricity purchased from a supplier who guarantees their electricity is provided by renewable sources is responsible for no emissions. Many global and national business have already published Net-Zero Carbon strategies, and we can expect to learn of the detail of the UK Government strategy to achieve net-Zero, as well as those of the Home Nations during and after Cop26.

The AVA is developing guidance for the calculation of scope 3 emissions but knowing your scope 1 and 2 emissions will make a good start to reducing them and providing some information to those clients who ask.

[Guidance on first steps to calculate Scopes 1 and 2 for Vending Operators can be found in the Members area of the AVA website \*\*HERE\*\*](#)

## Plastics Packaging Tax – towards April 2022



**The single use plastics tax** will come into force in April 2022. It will be applied to plastic packaging products where the majority of the product by weight is plastic when the plastic contains less than 30% recycled material.

- The tax will be applied at the point of the “last substantial modification’ of the packaging product.

- All plastic packaging will be assumed to contain no recycled content.
- The tax will apply to plastic packaging manufactured in, or imported into, the UK where the plastic used in its manufacture is less than 30% recycled.

The rate of the tax will be £200 per metric tonne of plastic packaging – about £2 per case of 1,000 cups. Which you will see reflected in your supplier invoices from April.

If you are a business that manufactures or imports plastic packaging, even if it is less than 10 tonnes a year, you will need to keep records of the packaging you manufacture or import, even if all the packaging you manufacture, or import contains more than 30% recycled plastic. However little you manufacture or import, you must still register as this will enable the impact of the tax to be monitored and enable compliance auditing. Details of how register have yet to be agreed – the AVA will notify you as soon as we know.

If you are a business that buys plastic packaging on which the tax should have already been paid, you may need to check that this is being properly accounted for to avoid the possibility of being held liable for any unpaid tax yourself.

If you're responsible for accounting for the tax as the manufacturer or importer of plastic packaging, the requirement to include a statement with your invoice that the tax has been paid, which was due to commence in April 2022, will be delayed. At this time the impact of the Plastics Packaging Tax will appear as an increase in prices for the materials concerned as they are passed on.

HMRC will be looking carefully at claims that plastics do contain recycled material. This will need to be a great deal more than a certificate from the supplier and it is likely that the cost of producing the necessary evidence in the case of imported products will exceed the benefit of avoiding the tax.

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## Deposit Return Schemes: Scotland, England, Wales & Northern Ireland



**The introduction** of the Deposit Return Scheme in Scotland is due to be introduced from June next year. The Scheme Administrator, Circularity Scotland Limited has been appointed to oversee the running of the DRS.

The DRS will require consumers to pay a 20p deposit when they buy a glass bottle, can or PET plastic container. The money is then reimbursed when the empty containers are

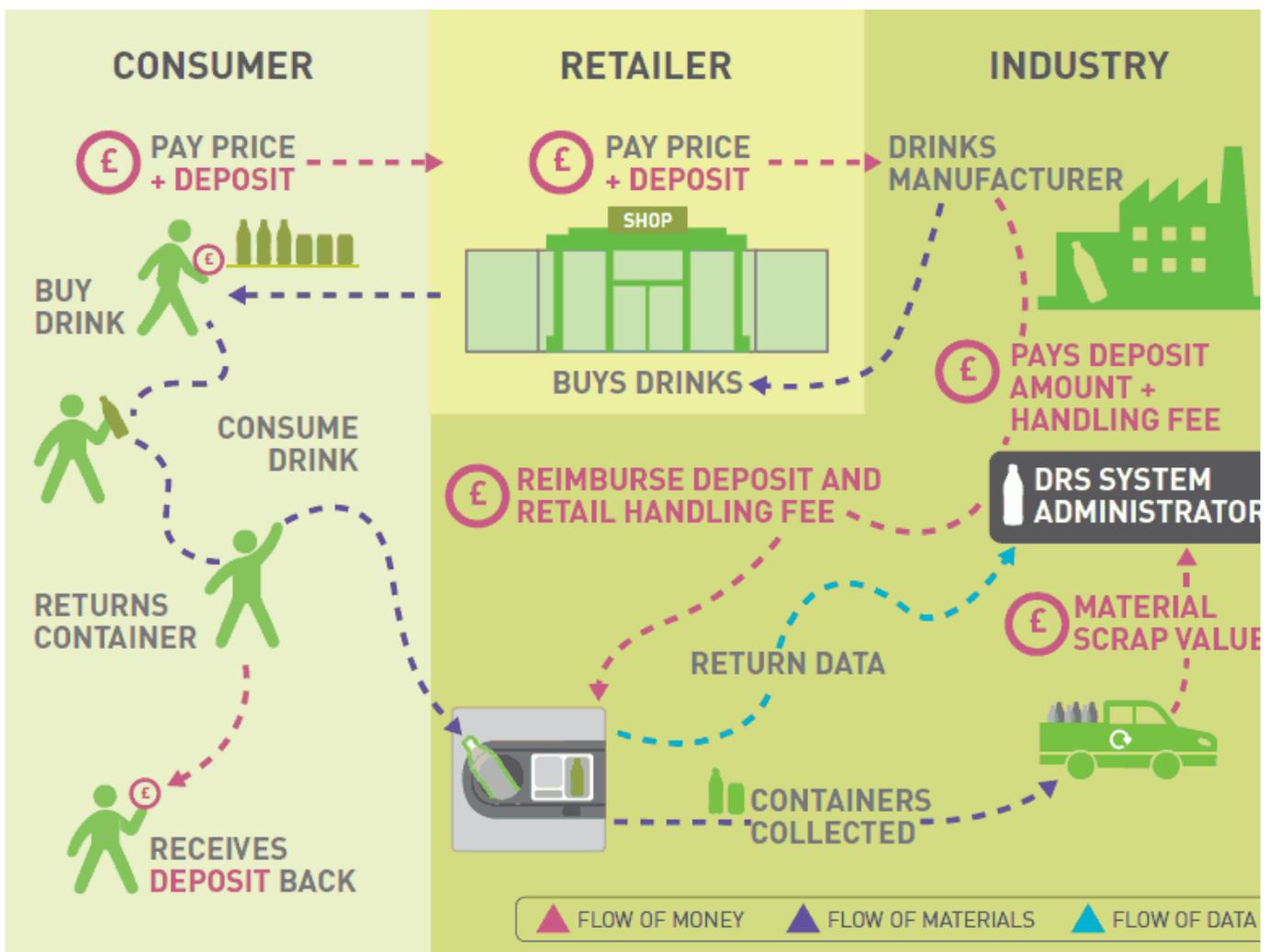
returned to a return point.

Circularity Scotland will work with companies throughout the supply chain – from producers through to hospitality, wholesalers and retailers – to deliver a system that is expected to collect at least 90% of drinks containers across Scotland, according to the Scottish Government. After lobbying by the AVA, any site where vending is the only retail source of product will be exempt from offering a deposit return mechanism.

The response to the second England and Wales and Northern Ireland DRS Consultation is expected by the end of the year. The scope of the scheme, the deposit level, and operational framework will be confirmed at this time. The introduction of the DRS in England, Wales and Northern Ireland should be effective in 2023.

The British Soft Drinks Association (BSDA) has joined with manufacturers to press for a common rather than fragmented approach and implementation dates across the UK. You can read more [HERE](#)

### How it will work:



Scottish Government Illustration

## Competition and Markets Authority Guidelines on Greenwashing



**The Competition and Market Authority (CMA)** has published the Green Claims Code: a new anti-greenwash guide for all brands and businesses making environmental claims.

### [Green Claims Code](#)

The UK is currently under scrutiny from the global community on how it plans to tackle its role in the climate crisis. Ahead of COP26, the launch of the code marks a clear message from the CMA that it intends to do its part in addressing greenwashing and misleading environmental claims by brands and business, allowing consumers to make more educated choices on how their purchases impact the planet.

The CMA's Green Claims Code enables businesses to check their environmental claims are genuinely green. You should begin by stress-testing your published marketing communications against the comprehensive recommendations that fall into six key principles:

- *Claims must be truthful and accurate*
- *Claims must be clear and unambiguous*
- *Claims must not omit or hide important information*
- *Claims must only make fair and meaningful comparisons*
- *Claims must consider the full life cycle of the product*
- *Claims must be substantiated*

Following the CMA Green Claims Code, the Advertising Standards Authority is to produce new guidance on ensuring advertising doesn't mislead the public on the environment. The ASA is commissioning research into carbon neutral and net zero promises. The ASA work will also include research to understand claims packaging is 'recyclable', 'biodegradable' and/or a 'plastic alternative'. The ASA's remit covers all communication including online and email marketing.

It is also expected that the CMA will instigate a number of test cases to reinforce the message about non-compliance. With fines of up to 10% of Global company turnover for those found guilty of false or inaccurate claims.



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