

AVA ENVIRONMENT & SUSTAINABILITY COMMITTEE BULLETIN

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Extended Producer Responsibility (EPR)



Department
for Environment
Food & Rural Affairs

All aspects of EPR continue to make progress – although some more slowly than others. In this issue of the EnvCom Bulletin, we will simply look at the parts which are likely to have a more immediate effect on AVA Operator members.

<p>Packaging Waste Regulations 'EPR' Reform UK Wide</p> <p>Producers become responsible for Funding local authority packaging & waste management costs</p>	<p>Deposit Return Scheme For drinks: cans & bottles UK Wide</p> <p>Deposit paid & redeemed by consumers – Incentivising them to recycle</p> <p> Re-turn</p>
<p>Simpler Recycling UK Wide (England)</p> <p>Identical waste categorisation & collection around UK. Same for households and business</p> <p>Wales: Business Recycling Consistency</p> 	<p>Plastic Packaging Tax UK Wide Scotland, Wales, Northern Ireland & England</p> <p>£200/tonne tax on newly produced/imported plastic packaging with <30% recycled content</p> <p>Now £217.85/tonne</p>

There are four main parts to EPR introduction – if we deal with these one-by-one:

Packaging Waste Regulations

As an Operator you are unlikely to be affected by the requirements for data reporting and EPR fees.

Just to remind you, companies with a turnover of greater than £1 million and an eligible packaging use of greater than 25 tonnes a year must report on how much packaging they

have put on the market every 6 months. When EPR is finally introduced, companies with a turnover of greater than £2 million and an eligible packaging use of greater than 50 tonnes will have to pay fees dependent on the amount of packaging and the difficulty of recycling it (called “modulated fees”). The tonnage that matters is the amount with your brand on it. If your company sells drinks in cups with your brand then all the packaging associated with the cups counts towards the tonnage, but if there is no brand at all then the manufacturer of the cups takes responsibility for the tonnage even if there is only a manufacturing batch number or date code on the bottom of the cup.

However, this does mean that operator companies that use cups with no marking at all will have to make a return if they use enough cups. The AVA has calculated that a yearly throughput of 2.7 million cups (that is about 200 machines doing just over 250 cups a week) will be enough to make the operator company liable for reporting and over those using over 5.4 million a year will be liable for reporting and fees.

If you use over 5½ million of your own branded cups per year and believe your company may be liable – then see details [HERE](#)

BUT – Even if you are not liable for EPR Fees, your suppliers will be affected. These fees will add over £1billion a year to the costs borne by packaging manufacturers and importers. Obviously, these increases cannot simply be absorbed and will be passed on in price increases through 2025.

EPR Fees on fibre-based packaging (which includes paper cups) are due from April 2025. The AVA – together with the Alliance for Fibre-Based Packaging (AfFBP), a lobbying group, continues to work with Defra to refine/reduce these costs. Based on current AfFBP estimates, this could add between 1p to 3p per paper cup. The detail of the charges and formally recognised ‘recyclability’ of packaging will determine the final costs. Keep an eye on AVA Newsletters and Bulletins for further information.

Mandatory Cup Takeback - cancelled

The UK Government has cancelled plans to mandate businesses to take back single-use cups and recycle them.

The policy was developed under the previous government and planned for introduction through extended producer responsibility for packaging (pEPR) regulations.

The mandatory cups take-back policy would have affected businesses that supply drinks in fibre-based composite (FBC) cups filled at the point of supply and employ at least 10 full-time staff members. These businesses would have been obligated to:

- Supply a bin on their premises to collect used cups.
- Make arrangements for recycling.
- Report the weight of cups sold and collected to the regulator.

A spokesperson for the Defra said analysis showed the scheme would add £52 million in costs to the government and industry. They estimated the cost of implementing the policy would exceed the benefits and have a limited impact on environmental objectives.

BUT – this means that there is an increased likelihood of political pressure to introduce a 'single-use cup levy across the UK. As we have seen in Scotland. Martin Kersh (Executive Director of the [Foodservice Packaging Association](#) – FPA) said: “The dropping of the scheme by government is of course a setback, but we mustn't let it devalue the benefits of a successful takeback scheme for paper cups. Rather, we should be spurred on to develop it further and prove that on this occasion government has got it very wrong.”

Operators should continue to work with clients and their existing waster contractors to arrange collection and recycling of single use paper cups (see 'Simpler Recycling' section).

Deposit Return Schemes

A Defra release said recently: “We are firmly committed to our timeframe of launching a Deposit Return Scheme in October 2027. As the next step in delivery of the scheme, we intend to lay regulations for England and Northern Ireland in November 2024 . . . which will enable us to progress with the appointment of the Deposit Management Organisations in April 2025.”

The AVA and its members fully support the introduction of a single, effective DRS for drinks PET bottles and cans across the whole of the UK. Thankfully AVA lobbying on behalf of our industry has had some impact in that the current Defra profile for the UK DRS states: “Where the only form of sales of in-scope drinks containers is via a drinks vending machine, the person(s) managing that premises would not be obligated to operate a return point.”

This is not, as yet, enshrined in legislation, so we need to continue to be vigilant and lobby to ensure that vending and all 'unattended/automated retailing' is exempt.

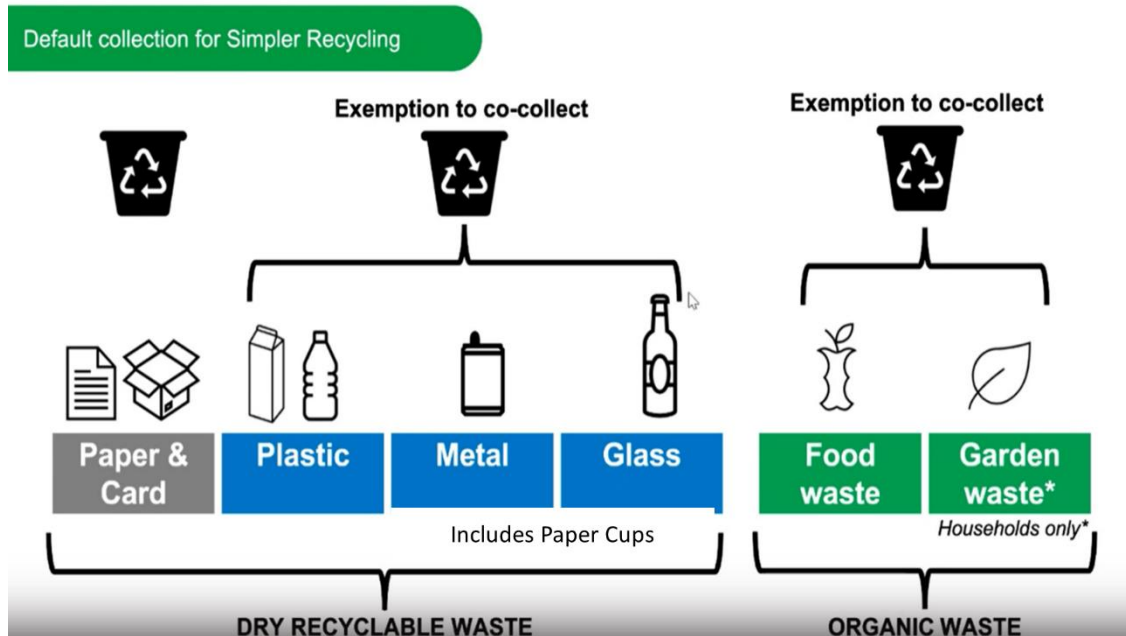
Paper Cup Levy

Scotland continues on its course to introduce a 'Single-Use Cup Levy in Spring 2026. The recent consultation proposed an exemption “for drinks sold from vending machines”. All other businesses must impose a point of purchase levy on all single use cup, whatever they are made of. The current proposal includes a 20p to 50p(or more!) levy on single-use disposable cups. Scottish government will publish a summary of responses in February 2025.

Simpler Recycling - England

This legislation will affect AVA member's own business premises. Whether a Commodities, Operator or Machines & Components member. For Operators the site responsibility sits with the Client company, which should have a commercial waste contract in place.

- By 31 March 2025, non-household premises, including businesses (except business with under 10 full-time equivalent employees – defined as 'micro-firms') must recycle all recyclable waste streams: plastic, metal, glass, paper/card, food waste.
- By 31 March 2027, micro-firms must recycle all recyclable waste streams, excluding garden waste.
- By 31 March 2027 Plastic film collections from all properties starts



You can read a detailed article on EPR and its impact on industry in an INNOVATORS article [HERE](#)

If you want to find out more about any of these topics - contact the AVA Office on +44 (0) 3300 883 267



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