

Business Readiness Forum

Collections and Packaging Reforms

18 April 2023

Agenda

10:00 – 10:10	Welcome	Kayti Boorman, Stakeholder Engagement, CPR Delivery
10:10 – 10:40	Definitions Q&A	Kayti Boorman, Stakeholder Engagement, CPR Delivery Virginia Woolley, Senior Advisor – Producer Responsibility, Environment Agency
10:40 – 11:00	Questions, Round-Up, Next Meeting, Close	Kayti Boorman, Stakeholder Engagement, CPR Delivery

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Virginia Woolley, Senior Advisor – Producer Responsibility, Environment Agency

Q: What is the definition of 'to handle' packaging?

A: Where we have used the term "to handle", this is considered the same as "supplied". Supply is defined in regulation 10 of The Packaging Waste (Data Reporting) (England) Regulations 2023

Q: Does shipment packaging include home delivery bags for groceries that are picked at store and delivered by Deliveroo?

A: Yes

Q: Would the box packaging protecting a single pharmaceutical product be classed as primary packaging?

A: Yes - assuming this was the 'sales unit' (including the box)

Q: Is it only distributers (companies who manufacturer packaging or importer and sell empty packaging) who pick up the packaging of its customers who are below the threshold?

A: Distributors will need to report any UK manufactured or imported unfilled (empty) packaging supplied to customers below the large producer threshold

For reference; a customer will be a large producer if both of the following apply:

- They have an annual turnover of £2 million or more
- They are responsible for handling and supplying more than 50 tonnes of empty packaging or packaged goods in the UK annually

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If the sale was through an online marketplace from someone based outside the UK into the UK, in which case, the online marketplace will report any packaging supplied customers below the large producer threshold

For imported filled packaging supplied on would be reported by the Importer (this could have been supplied to another producer including those under the large producer threshold)

For UK manufactured filled packaging supplied on, this would be reported by the packer/filler (this could have been supplied to another business including those under the large producer threshold)

Q: For the definition of a distributer - does importing empty packaging to sell on include selling on after pack/filling? or is it only selling on as empty packaging

A: When determining how to report packaging, a producer will need to understand whether the packaging is filled or unfilled, branded or unbranded, UK sourced or imported then how the packaging is supplied

When reporting as distributor, this would only be used in relation to any UK manufactured or imported unfilled packaging supplied to a business that is not a large producer. If you are the importer of unfilled packaging and fill the packaging before supplying it, you would report this as packer/filler. However, if the packaging is branded and the brand owner was responsible for the import, it would be reported by the brand owner as brand owner packaging

Q: You mention importing "filled" packaging, what about unfilled packaging importing?

A: This will depend on the supply route of the unfilled packaging and if it was purchased from a business outside the UK via an online marketplace. If the importing business supplies the unfilled imported packaging to producers under the large producer threshold that fill it, then the importing business should report this as the distributor

If the importing business supplies the unfilled imported packaging to a large producer that will fill it, then the large producer should report this as the packer/filler

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If the importing business supplies the unfilled imported packaging to a large producer that will fill it, then the large producer should report this as the packer/filler

If unfilled packaging was purchased from a business outside the UK via an online marketplace by a producer under the large producer threshold, then the online marketplace should report this as the online marketplace

If unfilled packaging was purchased from a business outside the UK via an online marketplace by a large producer who will fill it, then the large producer should report this as the packer/filler

Q: Presume companies selling directly from abroad to consumer in UK won't need to register?

A: If the supply of packaged product is being supplied to the UK market via an online market place from a business outside the UK then it will the business providing the online market place function that will have the Producer Responsibility obligations

Where packaged products are being supplied directly onto the UK market then it will be that individual business who will have the Producer Responsibility obligations subject to that business meeting the defined Producer criteria

Q: What about products damaged or donated to charities and not sold?

A: Packaging associated with products that are gifted or donated still need to be included in the packaging data reported by Producers. The definition of supply is wide ranging and not restricted to just the packaging associated with product sold for a financial consideration

Q: Under current packaging guidance there are some niche exceptions for what is/isn't packaging e.g. teabags, the stick in an ice cream. Will the definition of what constitutes packaging remain the same under the new EPR system or will businesses need to revisit their definitions / understanding?

A: The definitions on what constitutes packaging are not changing for most packaging however, the updated agreed positions document should help to show what has remained the same

Q: Are plastic pallets considered as transport packaging?

A: Yes, plastic pallets considered as packaging, depending on how they are supplied will determined which packaging type they are (Primary/Secondary/Tertiary/Shipment).

Q: How would envelopes for mail items be categorised?

A: An envelope is a specific term/descriptor to define an item. What is key is the purpose for which the envelope is to be used. An envelope used to send a letter, or an invoice would not be considered packaging as its not associated with goods

Conversely an envelope used to supply a small electrical component would be considered packaging as its being used for the containment, protection, handling and delivery of goods

Q: What producer type is a packaging manufacturer and what producer type is a packaging supplier (no manufacturing)?

A: Producer types have changed under EPR. The Producer type for reporting specific packaging will depend on whether the packaging is filled or unfilled, branded or unbranded and UK sourced or imported then how the packaging is supplied. Once this is defined, this should determine how to report this packaging.

Examples;

UK manufactured, filled, branded packaging that is supplied by UK manufacturer to businesses under the large producer threshold or supplied to wholesalers that will sell products on or sold to end consumers e.g. direct to public, would be reported by the brand owner.

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UK manufactured, filled, unbranded packaging supplied by UK manufacturer to customers under the large producer threshold or supplied to wholesalers that will sell products on or sold to end consumers e.g. direct to public would be reported by the business that filled the packaging as the packer/filler

Where UK manufactured, filled, unbranded packaging is supplied by UK manufacturer to a brand owner who will place the filled packaging inside branded packaging to complete primary packaged unit for sale then this should be reported by the brand owner.

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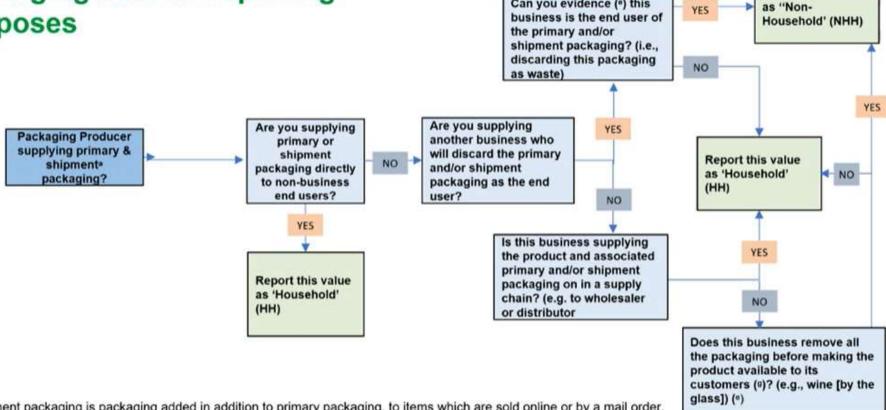
UK manufactured, empty, unbranded packaging supplied by UK manufacturer to customers under the large producer threshold would be reported by the UK manufacturer as distributor

UK manufactured, empty, unbranded packaging supplied by UK manufacturer to large producer that will fill the packaging will be reported by the large producer as packer/filler

Q: What determines Household or Non-Household Packaging?

A: Let's look at some examples...... and as a reminder you can find a webinar recording of this topic on YouTube HH and NHH recording - Household and non - Household Packaging Guidance - YouTube

Determining 'household' packaging data for reporting purposes



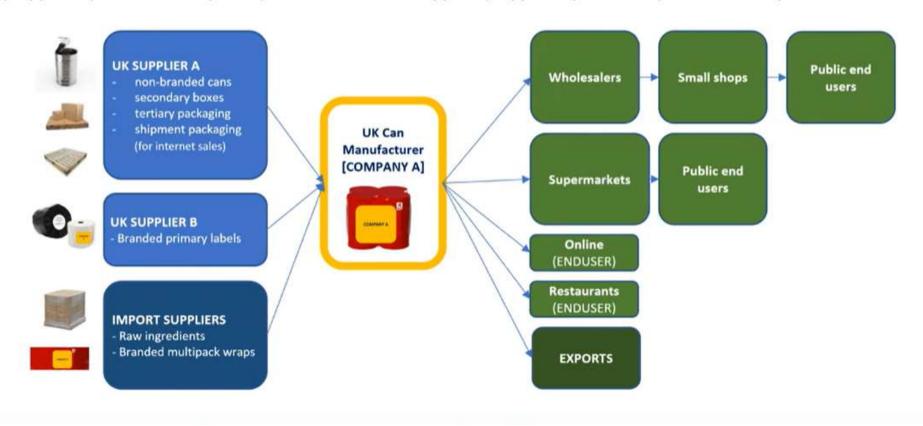
Can you evidence (*) this

Report this value

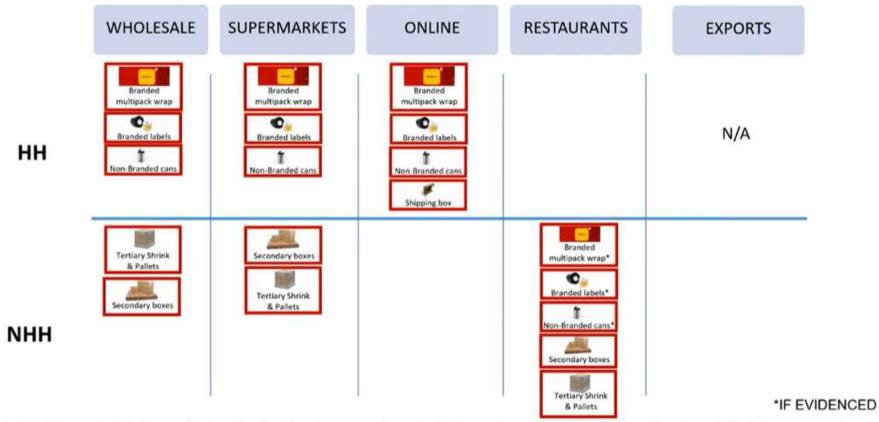
- (a) Shipment packaging is packaging added in addition to primary packaging, to items which are sold online or by a mail order.
- (e) See further guidance on evidencing the end user position
- (9) If business supplies product in both its entirety and in part e.g. supplies wine both by the bottle and by the glass, the answer will be yes i.e. all packaging reported as Household.
- * Once Household packaging has been identified, this should be further checked against binned packaging list (Data SIs, Schedule 1 Part 17 (2)) and these are reported separately.

Example 1- UK canned food manufacturer Company A

Company A imports raw ingredients and branded multipack wraps. They purchased non-branded cans, secondary card boxes, tertiary packaging and shipment packaging (for internet sales) from a UK supplier (Supplier A) and branded primary labels from a UK supplier (Supplier B). A Primary unit is a multipack of 4.



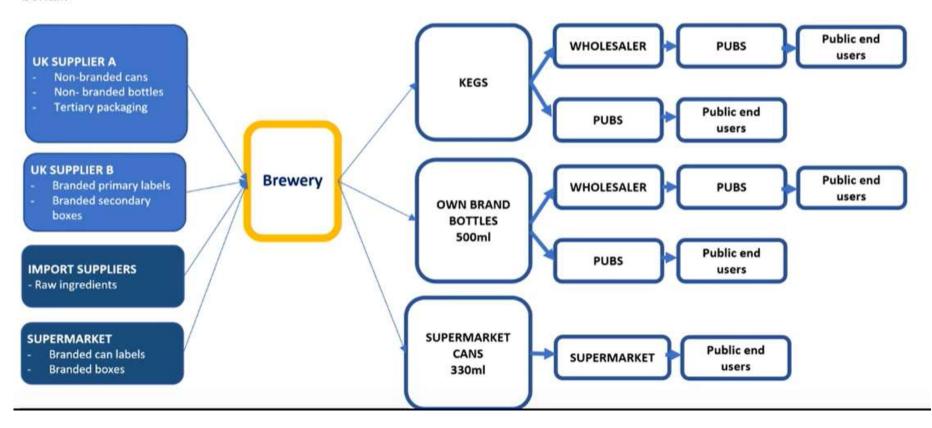
Household (HH) v non-Household (NHH): UK Canned Food Manufacturer



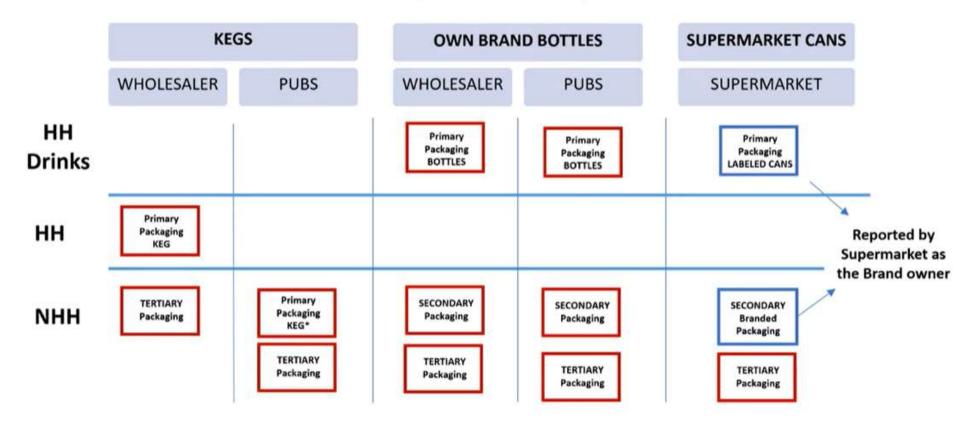
<u>Example: Not household</u> when sold direct to final business user (e.g. factories, restaurants, cafes etc), packaging will likely be removed before product sold to consumer. Producer will need evidence from the business that they do not supply any of that packaging to another business or consumer.

Example 2- Brewery

Brewery produces own brand beer kegs, bottles and a supermarket branded canned beer. Brewery imports raw ingredients. They purchased non-branded cans and bottles, tertiary packaging from a UK supplier (Supplier A) and brewery branded primary labels and secondary boxes from a UK supplier (Supplier B). Supermarket provides labels and boxes for Brewery to apply/fill on their behalf.



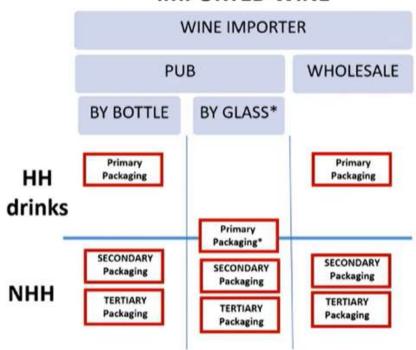
Household (HH) v non-Household (NHH): Brewery



Example: Not household if producer can evidence to regulator that contents is removed from packaging and disposed of by their business customer before it is sold to the user to consumer – e.g. Keg sold direct to a pub and all beer is dispensed and keg becomes waste for the pub.

Household (HH) v non- Household (NHH)

IMPORTED WINE



ONLINE MARKET PLACES

Reporting total packaging and household packaging



^{*} Requires evidence that business is end user of packaging

^{*} Household: if business sells both packaged and unpackaged product to the consumer – e.g. wine by the glass and wine by the bottle

Non- Household: If sold exclusively by the glass and this is evidenced then NHH

Q: Do we need to include the weight of valves and actuators for aluminium/steel aerosols, or just the weight of the empty aerosol can?

A: Yes. All the components that form the packaging for the sales unit need to be included in the packaging data that is reported by a Producer

Q: Do transit fillers and pack filler pieces also count as packaging?

A: Packaging is defined as anything which provides for the containment, protection, handling, delivery and presentation of goods. If these items are performing a packaging function for the supply of products, then the weight needs to be included in the reported packaging data to be provided by Producers

Q: Re. Steel Cages – I heard that steel cages are considered packaging and therefore would need to be recorded and reported, but this needs to be clarified as soon as possible

A: Packaging is defined as anything which provides for the containment, protection, handling, delivery and presentation of goods. If the steel cages are fulfilling one of these functions in respect of 'goods' then they will need to be included in the weight of packaging reported by Producers. If the cages are part of a reusable packaging system they will only need to be reported the first time they are used

Q: As a global manufacturer of primary household packaging (aluminium aerosols) are we obligated or does responsibility fall with the filler/ brand owner? Does this also include the transit packaging we supply our cans in (pallets, plastic wrap and cardboard layer pads)?

We will fall under the large organisation bracket (turnover more than £2m and handle/ import more that 50t of transit packaging)

A: The brand owner is responsible for their branded products and the associated primary packaging as long as they are a large producer and are established in the UK.

Where a brand owner contracts out the pack filling of any products, they will still retain the responsibility for that branded packaging.

Where a pack/filler is undertaking that activity with unbranded packaging (including transit packaging), then the pack/filler will have the reporting requirements and associated obligations.

Q: Is there alignment around terminology used for reporting across EPR/PRN/Plastic packaging tax?

Where a multipack is a unit of sale, in some cases the packaging around the multipack is considered as 'primary outer', not secondary, how does this align with EPR?

A: Where a multi-pack constitutes a single unit of sale, the packaging that creates the multi-pack (e.g. the box around a selection of Quality Street chocolates that are sold as a single box), outer plastic bag around a 6 pack of crisps, would be defined as primary packaging.

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The data reported into EPR will support both EPR disposal cost payments and PRNs. It is the same packaging data, so we would use the EPR data to calculate both.

In regards to the Plastic Packaging Tax (PPT), the two don't align. They cover separate issues; PPT is focused on just plastic and how much of that plastic packaging is made of recycled content. It also only applies to manufacturer and importers of packaging. Under EPR, the focus is on supplied packaging, and how recyclable the packaging itself is, as opposed to whether the material was recycled before manufacture

The two policies differ.

Useful links

Subject	Recording
Household and None-Household Packaging	HH and NHH recording - Household and non – Household Packaging Guidance - YouTube
DRS	DRS recording - Deposit Return Scheme for Drinks Containers - YouTube
PRNs and EPR	PRN and EPR Presentation - YouTube
Nation Data Sales	Nation of Sale Data Webinar - YouTube
Main Statutory Instrument	EPR Statutory Instrument SI Webinar - YouTube

Useful links

EPR Updated Guidance and Published Data Specification

- https://www.gov.uk/guidance/packaging-waste-prepare-forextended-producer-responsibility
- https://www.gov.uk/guidance/how-to-collect-your-packagingdata-for-extended-producer-responsibility
- https://www.gov.uk/government/publications/packaging-datahow-to-create-your-file-for-extended-producer-responsibility

Next Meeting

Tuesday 9 May

10am - 11.30am