Advisory Committee on Packaging (ACP) - Minutes

| Advisory Committee on Packaging Meeting | 5 th February 2024, 1pm | |
|---|---|--|
| At Valpak, Stratford upon Avon and online | | |
| Attendees | Apologies for absences | |
| Members: Deep Sagar – Chair Adrian Hawkes – Compliance Schemes Matthew Demmon – Glass Stuart Hayward-Higham – Waste Management Sokhna Gueye – Filler/Manufacturer John Dye – Wood Joseph Doherty – Waste Management Mike Baxter – Plastic Karen Graley – Retailer Robert Fell – Aluminium Andy Barnetson- Paper Robbie Staniforth – Compliance schemes Emma Beal – Local Authorities (England) Graham Fox – Filler/Manufacturer James Bull – Retailer | Alex Hamilton - WG Chris Preston - Defra Emma Bourne - Defra Tim Walker - Local Authorities (NI) lan Atkinson - Defra Nicola Jones - Steel Amy Scott - DAERA Chris Grove - EA Pete Spink - EA Louise Clarke - WG Ruth Southern - WG Nat Chalamanda - SEPA Charles Holmes - SG Janice Harris - DAERA Mark Cherry - DAERA Andrew Thomson - EA | |
| Officials: Linda Crichton – Defra Vicky Burt – Defra (Secretariat) Georgia Ricketts - Defra Andy Rees – WG Howard Davies - WG Ronan Campbell – DAERA Jordan Girling - WRAP Ian Smirthwaite – EA Charmaine Beer – DAERA John Davies – NRW Christopher Eadie - NIEA Bernard Gaffney – SEPA | | |

| Items | Agenda Item | Actions arising | |
|-------|---|-----------------|--|
| 1. | Welcome, introductions, minutes of October 2023 meeting | | |
| | Recorded attendees and apologies. Welcome to Ronan Campbell from DAERA and Georgia Ricketts from Defra. | | |

| | | _ |
|-----|---|--|
| | Minutes of the last meeting were approved. | |
| | LC updated the Committee on the recruitment for the paper vacancy to replace Andy Barnetson and thanked him for his contribution to the Committee. | |
| | GR. Thanked the Committee for their work and support over the years. Keen to continue the ACP for current scheme management but want to avoid cross over with Scheme Administrator (SA) Interim Steering Group. There are a few common members of the ACP and the Steering Group which will aid interactions. Steering Group updates will be provided through various forums this week. | |
| | AH queried how two groups could interact constructively. | |
| | LC confirmed the ACP to focus on the current scheme and transitional matters, and to conclude its advice on reuse and refill. We will issue reappointment letters shortly. | |
| | KG/RS/GR provided update on first Interim Steering Group meeting. More information will be provided in forums this week. | |
| | GR advised Committee they could register interests in working groups and shared email address in meeting chat. | |
| | MB suggestion for Margaret Bates to join ACP meetings. GR confirmed she is keen to engage, so we will follow this up. | GR and VB to arrange for Margaret to attend future |
| | DS – grateful for clarity on ACP focus and need to consolidate completion of current work. ACP should check future work with Defra and DAs so synergy between ACP and Steering Group is achieved. | meetings. VB to share table of ACP/Steering Group remit |
| 2. | Chair's report | |
| | The Chair's written report was noted. | |
| | AH happy to draft document on WEEE consultation and SHH happy to contribute. | AH to prepare short paper with SHH input to share with |
| | Discussion around packaging and litter ensued and whether the Committee should do more work around this. | Committee. |
| 3 | Working groups' reports: | |
| (i) | Extended Producer Responsibility Transition AH provided update. Six sessions covering lots of issues including modulated fees, definition of household and non-household packaging, enforcement, whether and how PRN system could or should be improved (just starting to look at this in more detail). More | |
| | 1 | |

work to be done on transition arrangements which may require one more meeting.

AH circulated paper (prepared by Valpak) on PRN improvements which was discussed. DS suggested asking govt officials to next working group meeting to discuss this.

(ii)

Reuse and Refill

KG provided update. Group met last week and lots of activity in this area. Policy Connect provided report and they want to look into different models and more universal approaches to reuse and refill. Also looking into Flexible Plastics Fund front of store collections. This could be something that is producer led without having to wait for govt policies, but involving policy officials where we can. Various groups including WRAP coming together to move things forward. Suggests next working group meeting is an in person meeting to conclude work with officials This will include repair work and collect information on support by government for related repair activities.

LC confirmed Defra has also commissioned WRAP to look into reuse and refill policy options.

Discussion ensued around a DRS-type reuse/refill model. The committee recommended that instead of DRS as presently designed governments should focus on a Deposit return scheme which was specifically for reuse-refill. That would be additional to present volumes, correct a gap and complement kerbside recycling.

KG to share Policy Connect report

Commented [LC1]: Check - I don't have my notes to hand but I think this was about a FOS model for returnign reusabe containers similar to model for flexible plastic packaging. FlexCollect is about kerbisde

Commented [LC2]: Check - I don't think modelling would be done at a meeting

Commented [LC3R2]: Also can you check with Sarah/Muna ahead of the next ACP meeting if any arrangements have been made for a meeting with the ACP working group? If not, then can you get some suggestions from them - think we need to be a bit more proactive

4. Defra Update

LC provided update. Continuing to work on new EPR regulations, been through recent consultation responses and now close to final draft of the regulations having considered this feedback and further legal review. Remain on track to notify the regulations to WTO and EU in late Spring.

We have laid an amending SI to the Data Reporting SI in England and waiting for debates. Should come into force on 1st April 2024. DAs are taking forward similar amending SIs.

Post meeting note – Regulations now in force <u>The</u> <u>Packaging Waste</u> (<u>Data Reporting</u>) (<u>England</u>) (<u>Amendment</u>) <u>Regulations 2024</u> (legislation.gov.uk)

Update provided by Barbara Leach at last working group on fees.

AH raised issue around registrations and obligations.

LC to take this back to Defra team

5. Updates from Welsh Government, Scottish Government, DAERA and WRAP

Welsh Government

HD provided update.

Workplace Recycling Regulations to come into force on 6th April 2024 and Code of Practise published. NRW to be regulator.

MB noted good communications from Welsh Government on Workplace Recycling Regulations. Continuing to work with Defra on EPR and DRS.

Happy to hear discussion about reuse. Looking to fund and move forward more work on this.

AR gave update on new plastic recycling facility in Wales and new board mill. There are also plans for a new glass bottle factory. Wales providing good packaging and processing infrastructure.

HD confirmed a report on digital DRS pilot is also being finalised.

Discussion around repair and reuse hubs in Wales. As wide ranging as possible to make them economically and socially attractive.

Discussion around Tata Steel and scrap metal contamination issues.

DAERA

CB gave update.

Restored government back in NI, with new Minister from the Alliance Party. Supportive of EPR and DRS.

A lot of stakeholder engagement recently and pleased to see Interim Steering Group set up.

ROI DRS went live last week and officials are in close contact.

Amending SI for Data Reporting Regulations underway.

Noted the Department supports NI Resources Network – small scale but more focus coming on packaging. CB shared link to information Northern Ireland Resources Network (ni-rn.com).

Discussion ensued around chewing gum litter removal schemes in NI.

WRAP

JG provided update.

On EPR – WRAP supporting Barbara Leach with stakeholder consultations on modulated fees for certain sectors.

Plastics Pact – colleagues in Africa last month to coordinate with other networks to ensure alignment with the Global Plastics Treaty. Current consultation with members to look at post 2025 proposals for the Pact which is ending soon.

Litter - completed recent project around cigarette litter.

JG to get further details on cigarette litter to share with ACP if able to.

Updates from members

Written updates from members were noted.

DS thanked all for sending their written reports and asked for any further updates.

Plastic

MB provided update around plastic recycling and media attention on virgin plastic (inc tax) being cheaper than recycled, which he disagrees with. Argued that we need longer term ambitions – need HMRC or government to set targets for recycled content for future years to give industry certainty. Chemical recycling is required to deal with film, especially with Simpler Recycling introduced by 2027, but policy response to HMRC consultation on mass balance is still awaited.

Glass

MD provided update.

Pleased to hear of ban of disposable vapes.

Pleased to see of the conclusion of a recent enforcement action relating to glass and a large sum being donated to charity via an Enforcement Undertaking, but considers this money should have been paid into the packaging regime

On beverage and non-beverage glass containers – re-iterated the view that the glass sector consider DRS is wrong for glass.

Aluminium

RF provided update.

Noted new aluminium filling plant near Leicester. These bottles are not cheap to make but expanding, including into reuse and refill.

Recycled content – not enough aluminium scrap currently, but if additional sorting and processing required to take scrap and move it around, putting more carbon into the environment. This puts the sector in difficult position.

Discussion around German DRS scheme. Evidence from Ireland now supporting metals sector views, re-iterated the metal sectors view that DRS for metals and not glass will cause market distortion.

Paper

AB provided update.

No additions to paper but update and discussion taking place around distributors obligations in respect of corrugated packaging.

On Simpler Recycling – paper industry has concerns and thinks proposal to remove the exemption on co-mingling will result in a decrease in paper recycling. Have submitted Freedom of Information request to find out more about Defra thinking behind this proposal.

Brand Owners

SG provided update and apologised for not providing written update.

Noted 'packaging fatigue' –. people tired of hearing about 2025 commitments which will not be able to be achieved. Infrastructure not following at same pace.

Nestle investing in Impact Recycling plant in Durham – expected to be operational over the summer. Investment enabled by PRNs. PRN model has to be updated to make it more efficient and reduce volatility but does support projects like this Nestlé invests £7m in pioneering recycling facility | Nestlé (nestle.co.uk)

Retailers

JB provided update.

Mostly in written report, but lots of moving parts in legislation and retailers trying to work out operations to accommodate these.

Expertise doesn't exist to generate data globally for what we need for EPR/DRS/PPT etc. No single point of data and concern growing as to how retailers move forward wearing lots of different hats.

KG added to this. Some brands have clear strategy but also agrees with 'packaging fatigue' point.

Local Authorities

EB provided update. 65-70% recycling rate for what is going through the system. Argued that there needs to be a focus on flats/densely populated areas as these are the areas where recycling is not being captured. Also emphasised the importance of measuring reduction of waste.

Waste Processing

SHH provided update.

Flex Collect interim report published last week. Public is very good at recycling flexibles, not much contamination, hopefully this will flow through to better evidence for the reprocessing side.

Compliance Schemes

RS - no further update to paper.

AH provided update around proportion of member tonnage which they currently have registered for EPR as opposed to number of producers.

On interaction between compliance schemes and RPD system – there is no real way of interacting with it – keen to be involved with developing further versions.

2023 Compliance – Recycling obligations and data, Regulators' updates

EΑ

6.

IS update on 2023 compliance.

2023 Drop Offs

765 companies failed to register by 2023 deadline totalling just over 1 million tonnes of obligation.

Since then, 483 companies brought into compliance totalling just under 739,000t

226 companies were no longer obligated in 2023 totalling just over 289,000t. But a large proportion of this tonnage has been taken on by different legal entities for different reasons so actual unobligated tonnage likely to be around 60,000t

56 companies failed to register in 2023 with a tonnage totalling just over $12,\!500t$

EA will be deciding on actions to bring them into compliance and enforcement approach. In addition, they will discuss what enforcement action they may take against those that registered late and any repeat late offenders.

Enforcement undertakings

Q4 2023

No. of packaging EUs offers accepted – 8

No. of completion certificates issued (cases closed) - 8

Total financial contributions raised for environmental projects/charities - £238,717

Audits

In Q4 of 2023 carried out a total of 112 audits;

Producers - 51 compliance monitoring audits

Schemes - 0

Reprocessors - 23, 11 pre-apps and 12 compliance monitoring audits Exporters - 38, 9 pre-apps and 29 compliance monitoring audits

Suspensions

4 in total

Cancellations

3 in total.

Deemed Cancellations

Occurring under Regulation 26(4) where the operator ceases to hold a relevant authorisation or ceases to be a reprocessor/exporter. Often at operator request and regularly due to changes of legal entity. 2 in total.

Numbers of accreditations (rep and exp) in 2023 in comparison to 2022

Increase of 42.

IS to get information from Chris Grove around funding available for enforcement LC provided update on compliance with recycling obligations (broadly compliant for 2023) and on PRN carry-over. We only have interim data, but EA will be publishing final figures around end of March.

NRW

JD provided update.

All packaging producers registered directly with NRW, and the single compliance scheme registered in Wales fully met their 2023 obligations.

The 4 producers who failed to fully meet their 2022 obligations have submitted enforcement undertakings (EU's) that have been agreed and the EU's are with NRW legal department to be completed.

No significant changes/issues to report in terms of reprocessors or exporters in Wales.

SEPA

BG provided update.

Producers & Schemes

- Producer Drop-offs the number of Scottish Registered Companies that failed to register for 2023 is 1 (the figure was 5 at the time of the October ACP); an investigation will now be undertaken into the non-compliance.
- 2023 Compliance all 6 compliance schemes complied; 63 (out of 64) Direct Registrants complied fully; 1 Direct Registrant failed to meet all their recycling obligations, and an investigation will be undertaken into the non-compliance.

Enforcement

- Continuing to progress 3 investigations for producers who failed to comply (meet recycling obligations) for 2022.
- Enforcement Undertakings since the October ACP have received another EU, so have 2 EU assessments ongoing (both are unrelated to the 2022 investigations); 1 EU was accepted in 2023 (this was mentioned at the Oct ACP).
- In 2023 1 packaging (plastic) exporter accreditation was cancelled (this was mentioned at the Oct ACP).

Reprocessor/Exporter Accreditations

 For 2024 - 20 x Reprocessor and 11 x Exporter approved (in 2023 had 23 x Rep and 11 x Exp); also have 2 Reprocessor applications submitted/being assessed currently for 2024.

| | In 2023 - 2 'deemed cancellations' of Reprocessors (not enforcement related). Reviewing 2023 Q4 data (and the associated supporting information uploaded by operators) at the end of the February (due by 28th Feb). | |
|----|---|---|
| | NIEA | |
| | CE provided update. | |
| | 2023 Producer Compliance – one producer did not fulfil their obligation. | |
| | 2022 Producer Compliance – As previously reported 10 producers did not fulfil their obligations. | |
| | All of the above instances are now part of an enforcement case with each producer having been invited to attend NIEA offices for an interview under caution. A decision on further enforcement will be taken following these meeting. | |
| | All the expected producers have registered for this year. | |
| | There are 13 accredited reprocessors and 19 exporters which is a slight fall on last year, but believe some more will come online shortly. | |
| 7. | Work plan | |
| | DS – two working groups due to conclude shortly. EB and MB discussion around more work on chemical recycling, but this dependent on outcome of HMRC recent consultation. | LC to find out when government response might be published and invite someone from HMRC to next quarterly meeting |
| 8. | Any other business | DS and VB to look at |
| | AH – timing of next meetings – July and October dates to be looked at again due to school holidays. | dates to rearrange later meetings. |
| | Next ACP meeting: Tuesday 30 th April 2024 1-4pm, date and venue to be confirmed, DS left this open for volunteers. Tuesday 30 th July 2024 Tuesday 29 th October 2024 | |
| | Chair thanked AH for hosting the meeting, members for their contributions and VB for organising meetings. | |