

**EXPLANATORY MEMORANDUM TO
THE PRODUCER RESPONSIBILITY OBLIGATIONS (PACKAGING WASTE)
(AMENDMENT) REGULATIONS 2014**

2014 No. 2890

1. This explanatory memorandum has been prepared by the Department for Environment, Food and Rural Affairs and is laid before Parliament by Command of Her Majesty.

2. Description

These Regulations change the recycling and the recycling by re-melt targets for glass packaging waste for the years 2014-17 in light of new evidence about the glass packaging market.

3. Matters of special interest to the Joint Committee on Statutory Instruments

None.

4. Legislative Context

4.1 The glass packaging waste recycling and recycling by re-melt targets are set out in the Producer Responsibility Obligations (Packaging Waste) Regulations 2007 (S.I. 2007/871 (“the 2007 Regulations”). The 2007 Regulations transpose into the law of Great Britain, Council Directive 94/62/EC on packaging and packaging waste (“the Directive”). Similar changes will be made by the Department of the Environment (Northern Ireland) to the instrument transposing the Directive into the law of Northern Ireland.

5. Territorial Extent and Application

5.1 This instrument applies to Great Britain.

6. European Convention on Human Rights

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

7. Policy background

7.1 These Regulations change the recycling and the recycling by re-melt targets for glass packaging waste for the years 2014-17 in light of new evidence about the glass packaging market in Great Britain. The targets represent the amount of glass packaging waste required to be recycled and recycled by re-melt by the glass packaging industry in Great Britain as a whole.

7.2 The Directive came into force in 1994. It aims to harmonise the management of packaging waste and prevent or reduce the impact of packaging and packaging waste

on the environment by encouraging minimisation and reuse and by setting recovery and recycling targets. At the same time, it aims to avoid obstacles to trade and the distortion and restriction of competition within the EU.

7.3 Article 6(1) of the Directive, as amended, sets minimum recovery and recycling targets for packaging waste for the period to 2008, which then had to be sustained over subsequent years. The UK must thereafter continue to ensure that at least this level of recovery and recycling is sustained. The Directive targets are:

Minimum recovery 60%
Recycling 55% - 80%

Differentiated material-specific recycling targets of:

Glass 60%
Paper/board 60%
Metals 50%
Plastics 22.5%
Wood 15%

7.4 The 2007 Regulations transpose the packaging waste recovery and recycling targets set out in the Directive into a set of targets for Great Britain, including glass packaging waste recycling and recycling by re-melt targets which reflect domestic glass packaging markets and glass packaging waste arisings. The glass packaging waste recycling and recycling by re-melt targets in the 2007 Regulations and those in the Directive are not exactly the same. Those in the 2007 Regulations are set at a higher level than the Directive targets. This is to take account of the fact that a number of businesses will be exempt due to the de minimis threshold set in the Regulations.

8. Consultation outcome

8.1 The draft Regulations are put forward following extensive engagement with a broad range of representatives from the glass industry, regulators and other interested parties. Informal consultation with the Advisory Committee on Packaging, other government departments and regulators took place in developing the proposals contained within the associated Impact Assessment and consultation document.

8.2 The Government undertook a formal consultation on these proposals, which ran from December 2013 to January 2014. A number of bilateral discussions and meetings were held during the formal consultation. The consultation was accompanied by an impact assessment which presented the overall costs and benefits of the proposals. A total of 62 responses were received.

8.3 Overall, the majority of respondents were supportive of reducing glass targets and in addition a 'hybrid' option was proposed as an alternative by a number of respondents. This option proposed reducing the target in 2014 from 81% to 75% and then subsequently increase it year-on-year by 1%, up to 77%. Those who suggested this option felt that the step-change would introduce the desired reduction of glass tonnage from the market immediately, which producers considered desirable based on

the new evidence, but that by increasing the target over subsequent years the incentive to invest in the system would be maintained.

8.4 9 responses supported no reduction to the targets, because of the subsequent reduction in funding for infrastructure that this would cause. The Government remains committed to achieving our European targets in a way which is environmentally sound, efficient for business, and for the wider economy. The target reduction better reflects more up to date industry data thereby achieving the EU glass packaging recycling target more accurately. However, by setting an incrementally increasing glass target, Government give industry a clear investment signal and time to invest. This should enable higher recycling rates to be delivered in future at a lower cost than currently possible.

8.5 The consultation documents and summaries of responses can be found at <https://www.gov.uk/government/consultations/glass-packaging-recycling-proposed-changes-to-business-target>

Other documents can be obtained from the contact at the end of this memorandum.

9. Guidance

9.1 The environment agencies will update their guidance based on the changes made by this instrument as necessary.

10. Impact

10.1 The glass packaging waste recycling and recycling by re-melt targets apply to the glass packaging industry in Great Britain as a whole. The 2007 Regulations require each producer to recycle an amount of glass packaging waste based on the target for the year in question as well as the amount they handle and the category of business they fall within. This requirement is known as a “recovery and recycling obligation”. As the Regulations lower the targets for the years 2014-17, the impact on business, or voluntary bodies is limited. The proposed targets are expected to deliver overall net benefits estimated at £2.23m over 4 years.

10.2 Charities are exempt from the Regulations

10.3 The impact on the public sector is negligible.

10.4 An Impact Assessment is attached to this memorandum and will be published alongside the Explanatory Memorandum on www.legislation.gov.uk

11. Regulating small business

11.1 The 2007 Regulations exempt small producers from recovery and recycling obligations. A small producer is defined as a producer whose turnover in the last financial year is £5m or less.

12. Monitoring & review

12.1 Glass packaging and glass packaging waste are monitored continually by Government, the Agencies, the Advisory Committee on Packaging and industry generally. The Advisory Committee on Packaging, which includes representatives of the packaging industry, as well as retailers and local authorities, also monitors the effectiveness of the Packaging Regulations and advises Government as and when changes are needed.

13. Contact

Sarah Steeds at the Department for Environment, Food and Rural Affairs, Area 2B, Nobel House, 17 Smith Square , London SW1P 3JR, telephone: 020 7238 4346 and e-mail sarah.steeds@defra.gsi.gov.uk