Rt Hon George Eustice MP Secretary of State for Environment, Food and Rural Affairs Defra, Seacole Building 2 Marsham Street London SW1P 4DF [An open letter – By email]

16<sup>th</sup> September 2021

Dear Secretary of State,

## Extended Producer Responsibility proposals for business waste

Thank you for taking the time to respond to our previous letter regarding the payment options for the management of packaging waste arising from businesses under the upcoming Extended Producer Responsibility (EPR) for Packaging. We appreciate your acknowledgement of the potential impact this new policy will have on the sector, however the Environmental Services Association, its members, and those countersigned below still have significant doubts about the proposals for including business waste within EPR.

The EPR reforms' advertised benefits are not guaranteed but it will inevitably place a considerable burden on consumers, with Defra's own analysis estimating a £100 annual increase in household shopping bills. It is therefore vital that we get the details right to drive the intended outcomes and ensure that we maintain public confidence in recycling.

The sector supports the ambition and scale of the Resources and Waste Strategy reforms and has committed to invest £10 billion in recycling in the next 10 years. Unfortunately, we fear that the proposition to incorporate business packaging waste under EPR payments has not received sufficient consideration, especially given its substantial cost. We are concerned that the inadequate time given to the development of the policy increases the risk of any methodology errors or flawed analysis going undetected, particularly given that industry practitioners have not been given access to the underpinning analysis despite multiple requests.

We are particularly concerned that none of the 4 options the Government has presented thus far are viable to the collective of sectors that comprise the whole packaging value chain. In the interests of the four governments' ambitions for environmental outcomes, we strongly suggest that more time is needed to garner cross-sector consensus by all those whom will have to implement and deliver the EPR system.

If Defra was to proceed with any of these proposals, it would risk disrupting other waste streams, with potential negative ramifications across the whole sector. Engagement with industry sectors is proving both useful and essential with the emergence of possible solutions other than the four presented by the Government, such as a proposal for a voucher system. These may also include digital technologies which need time over the coming months to assess viability and cross-sector buy-in.

Therefore, we formally request that discussions between the department and industry stakeholders on business payments be allowed to continue until the end of the year, providing an opportunity to collaboratively work up a suitable alternative. These extended discussions on business waste would not impact on the delivery of EPR support for household waste recycling collections and, with two-way collaboration and information sharing, would enable timely delivery of more workable, cost effective and successful solutions to increasing business waste recycling overall, not just packaging.

We look forward to your response.

This letter is copied to:

- The Rt Hon Steve Barclay MP, Minister for the Cabinet Office
- The Rt Hon Rishi Sunak MP, Chancellor of the Exchequer

- The Rt Hon Kwasi Kwarteng MP, Secretary of State for Business, Energy, and Industrial Strategy

- Rebecca Pow MP, Parliamentary Under Secretary of State at Defra
- Chris Preston, Deputy Director Resources and Waste at Defra

Yours sincerely,

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Jacob Hayler Executive Director of the Environmental Services Association (ESA)

Gavin Graveson ESA Board Chairman, Executive Vice-President of Veolia UK & Ireland

On behalf of ESA members and those countersigned below:

**Tom Giddings**, General Manager Aluminium Packaging Recycling Organisation (Alupro)

**Angela Fredericks**, Senior Industrial Issues Executive British Plastics Federation (BPF)

Jon Clark, General Manager British Printing Industries Federation – Cartons

**Graham Backhouse**, General Manager British Printing Industries Federation – Labels

**Andrew Opie**, Director for Food and Sustainability British Retail Consortium (BRC)

**Simon Weston**, Director of Raw Materials Confederation of Paper Industries (CPI)

**Ian Wright**, Chief Executive Officer Food and Drink Federation (FDF)

Martin Kersh, Executive Director Food service Packaging Association (FPA)

Paul Vanston, CEO Industry Council for Packaging and the Environment (INCPEN)

**Robert Fell**, Director and Chief Executive Metal Packaging Manufacturers Association (MPMA)

**Dick Searle**, Chief Executive Packaging Federation

Simon Ellin, Chief Executive Recycling Association

Jennifer Watts, Chief Executive Officer United Resource Operators Consortium (UROC)





























