





3 November 2025

Extended Producer Responsibility for packaging: draft amending regulations laid in Parliament

The governments across the UK are committed to an economy where we keep our resources in use for longer, accelerate the path to net zero and increase investment in critical infrastructure and green jobs.

Businesses across the UK are already transforming packaging – from the Packaging Reuse Partnership with nine of the largest household supermarkets, to their investment and innovation in packaging design and recycling processes.

Together, we are continuing to support this through policy and legislative means. Today, the UK Government, on behalf of the four nations of the UK, laid draft amending regulations regarding the Extended Producer Responsibility for packaging (pEPR) scheme before the UK Parliament. If passed, the legislation will come into force at the beginning of January 2026.

As previously communicated, the draft legislation lays out some key changes on behalf of the four nations.

1. Producer Responsibility Organisation (PRO)

The amending legislation will introduce the powers for making the appointment of a Producer Responsibility Organisation (PRO), an independent, not-for-profit, producer-led body working alongside PackUK in delivery of the pEPR.

The PRO puts businesses at the heart of the solution, giving industry greater influence over scheme delivery whilst PackUK maintains oversight to ensure accountability to governments of the four UK nations.

The introduction of the PRO is a direct response from all four devolved governments to stakeholder input on the Extended Producer Responsibility scheme. It demonstrates commitment to working in partnership with businesses and recognises cost pressures facing industry.



The application process for the PRO opens today, on 3 November 2025 and will run for six weeks, closing on Friday 12 December 2025. <u>PackUK</u> intends to make the appointment of the PRO in March 2026.

2. Offsetting for Closed Loop Recycling Systems

Some producers collect their food grade plastics waste directly from consumers and send it for reprocessing in a closed loop recycling system that turns the waste back into valuable food grade recyclate, at no cost to taxpayers. This also decreases reliance on virgin plastics so supports moving the UK towards a circular economy.

The amendments in these regulations will allow producers using closed loop recycling systems to offset the food grade plastic packaging waste they collect and send for recycling against their packaging household disposal fees.

3. Operability changes

The amending regulations will also introduce changes to improve the operational efficiency of the pEPR scheme, and provide greater clarity to producers on where obligations sit, including:

- Amending the fibre-based composite (FBC) material definition for pEPR by introducing a threshold such that some FBCs are included under paper and card, where the plastic layers are not more than 5% of the packaging material by mass.
- Providing clarity on how obligations apply to each class of producers obligated by the Regulations, including how obligations are transferred when a company is merged or acquired.
- Removing barriers to compliance and enforcement by providing regulators
 with powers to request information from organisations that are connected to
 obligated parties and to request data for previous assessment years for historic
 'freeriders' so that PackUK can invoice these producers. These changes also
 update regulator fees to account for new compliance duties.

The draft amending regulations will be available to view on Legislation.gov.uk.

The four nations have been working closely with industry on key areas of packaging reform throughout the summer and early autumn.

4. Update on dual-use packaging

Under the Extended Producer Responsibility for packaging scheme, some packaging which can be discarded by both consumers and businesses ('dual-use packaging') is currently captured by the household packaging definition.

This packaging can be difficult to track or evidence where it will be discarded when first supplied by a producer. We recognise producer concerns but also the need for a system that can be effectively monitored and enforced. We are continuing to explore options with producers and will legislate for a solution as soon as is reasonably possible.

It is important to note that any amendment that exempts more packaging will increase fees for material that remains obligated. This is because the total costs producers need to cover collectively will not be affected by any such amendment. If there is less obligated packaging, then the fee-per-tonne will increase.

5. Reforming of the Packaging Recovery Note (PRN) system

We have previously legislated to introduce new registration and accreditation requirements for reprocessors and exporters, alongside enhanced reporting requirements. The regulators across the four nations continue to work with exporters and reprocessors to ensure that they understand the new regulations before they come into force on 1 January 2026.

Beyond this, we have been engaging with relevant stakeholders to further explore options for reform and potential enhancements to the PRN system, ensuring packaging waste is managed in an environmentally sustainable way and we increase the circularity of our packaging system.

We plan to consult on options in early 2026.

6. Improving Efficiency & Effectiveness of Local Authority Packaging Services

We continue to work closely with PACKUK to ensure that the investment through pEPR fees will drive improvements in the efficiency and effectiveness of services in managing packaging waste. As previously communicated, we have been clear across the four nations that the pEPR payments have been introduced in order to meet the costs associated with the efficient and effective management of packaging waste by Local Authorities, recognising the specific legal purposes for which these payments are being introduced. We are confident that LAs are committed to these reforms and view pEPR as an opportunity to improve the services offered to citizens and to support a circular economy for packaging.

In England, the Secretary of State for Environment, Food and Rural Affairs has further instructed PackUK to exercise its existing regulatory powers to ensure that pEPR funds are spent exclusively on household packaging waste management and recycling. Although considered unlikely, if an English LA does not spend the funds as specified, PackUK may then use its powers to deduct funds accordingly for the following year's payment.

We will continue to work alongside industry and PackUK to deliver on these important areas. Thank you to you and your members for their continued constructive engagement to support the effective implementation of these reforms.

Yours sincerely,

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