



Deposit Return Schemes in the UK

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Deposit Return Schemes (DRS) in the UK.

DRS aim to boost the recycling of single-use drinks containers by adding a deposit to in-scope products at the point of purchase.



This deposit can be redeemed by consumers upon presenting empty eligible containers at designated return points for recycling, thereby financially incentivising consumers not to litter the packaging.

Separate DRS systems are being implemented in the UK. Scotland's DRS will go live in October 2025. A similar DRS, proposed to be implemented across England, Wales and Northern Ireland is also expected in October 2025; sitting alongside the Scottish DRS, not replacing it.

Both DRS systems will aim to collect 90% of the eligible containers placed on the respective national markets within 3 years of their implementation. Producers can discharge the obligation to meet this target each year to newly established scheme administrators.

The costs carried by an obligated producer as a result of the UK's DRS systems will replace any costs they incur under the reformed EPR Packaging Waste Regulations. Any costs incurred as a result of the upcoming Plastic Packaging Tax will still apply.

Scope.

Container materials

The Scottish DRS has confirmed, and the Rest of UK DRS proposes, to include PET plastic bottles, steel and aluminium cans within their scope. Wales currently intends to include glass bottles in scope of its DRS, and Scotland previously had similar ambitions, although this remains to be confirmed in legislation.

Any secondary or tertiary packaging (for example, the sleeve of a multipack) around individual containers will not be part of the returnable deposit-bearing item. Instead they will be subject to costs payable through the reformed packaging producer responsibility regime.

Beverage type

There will be no beverage specific exemptions to either DRS system, meaning alcohol, dairy-based drinks and concentrated soft drinks will be in-scope of the DRS if they are sold within in-scope containers.

Container size

The DRS systems in the UK currently look to have an 'all-in' scope, where containers from 50ml to 3l in volume will be subject to deposits, including those containers sold within multipacks. This remains to be confirmed in legislation.

Scotland was intending to apply a 20p deposit to containers in scope of its DRS, but we are yet to receive confirmation if this remains the case, or the level of deposit to be applied in the other nations of the UK.



Producers' responsibilities.

Under the UK's DRS systems, the following will be defined as 'producers': UK brand owners of in-scope products, importers of in-scope articles owned by a non-UK brand, and the operators of online platforms offering the sale of in-scope products to consumers.



Producers will be required to label in-scope products to show they're within scope of the UK's DRS systems. The exact details of how this will be done is still to be decided, however it is likely to involve a specialised DRS mark.

In addition to an annual registration fee, producers of in-scope products will be required to pay a deposit amount, producer fee (to fund set-up and ongoing running costs) and handling fee (to fund running of DRS return points) for each in-scope unit placed onto the market. Producers will be compensated deposit amounts they pay to the DRS administrator upon distributing their products to wholesalers and retailers.

Deposit Returns Schemes are a form of Extended Producer Responsibility. Once implemented, producers of in-scope products will be required to make payments to the DRS administrators, replacing the payments they would have made to the UK's reformed producer responsibility system for packaging waste.

Retailers' responsibilities.

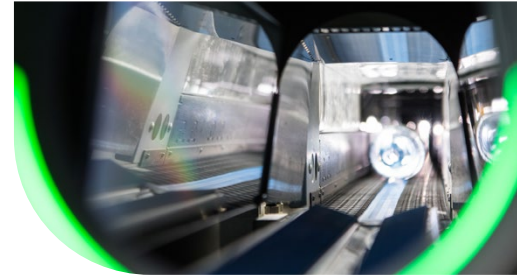
Under DRS a 'retailer' is anyone who markets, offers for sale, or sells a scheme article to a consumer in the applicable UK nation.

In the case of online sales, the operator of the site is the retailer. In the case of vending machines, the owner or business controlling the premises is the retailer.

All retailers offering the sale of in-scope products will be required to charge deposit amounts on each in-scope product purchased. They must also provide pricing information that clearly outlines the deposit attached to the given product, as well as where and how deposits can be redeemed.

Hospitality retailers may not need to charge deposits. Duty free shops will not be required to charge deposits.

All retailers that sell in-scope products to consumers are required to take back empty in-scope containers and refund deposit amounts to consumers. Retailers can facilitate returns by installing reverse vending machines (RVM) or via traditional over-the-counter means.

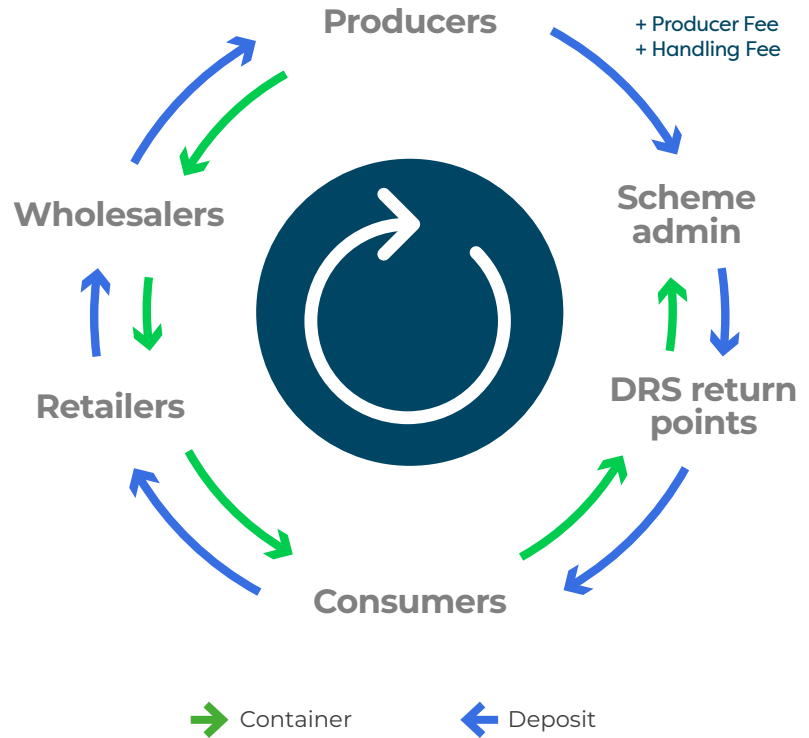


There may be exemptions from these takeback requirements for small retailers and in areas where there are safety concerns owing to space etc.

It is expected that online retailers will also have to provide takeback but the exact details of such a requirement are yet to be determined.

The ongoing costs to retailers of operating return points/ services is to be covered by the payment of handling fees to them by the DRS administrator for each valid unit they collect. The administrator will also reimburse deposit amounts to retailers.

Material and cash flow.



How can Valpak help.
Valpak is a Reconomy
company. Reconomy
is an innovative, tech-
led provider of circular
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purpose of creating
a truly sustainable
world by conserving
finite resources.

EcoVend is Reconomy's range of reverse vending machines that can fulfil a variety of applications as part of a circular economy strategy and national Deposit Return Schemes.



 **EcoVend**
 by Reconomy

To find out
more about
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