

## CTPA Feedback to Technical Consultation on the Draft Secondary Legislation for the Plastic Packaging Tax

17 August 2021

CTPA would like to thank HM Revenue & Customs for the opportunity to contribute to the Technical Consultation on the Draft Secondary Legislation for the Plastic Packaging Tax which amends the meaning of a plastic packaging component.

As a reminder, CTPA is the trade association representing the UK's cosmetics industry. Membership covers 80 - 85% of the UK cosmetics and personal care market by value, and comprises small, medium, large and multi-national companies supplying the UK market. Companies include manufacturers, distributors, contract manufacturers and own brand retailers.

CTPA and its members are fully committed to the UK Government's objective to deliver a truly circular economy, including the use of recycled content where the safety of cosmetic products is not compromised. CTPA believes that the proposed changes to the packaging producer responsibility system would incentivise the required changes in packaging as well as enable greater investment in the necessary infrastructure to maximise the meaningful collection and reprocessing of materials.

Packaging plays an important role for cosmetics and personal care products, from displaying legal labelling requirements, enabling suitable application, and dosing of product to offering protection during transportation and enhancing the retail presence on shelf.

Members have contributed the following queries as a result of the latest Explanatory Memorandum and changes to the proposed legislation.

1. **...designed to be an integral part of goods sold to a user or consumer (where those goods are not themselves a packaging component within section 48(1) of the Act), without which the goods could not be used or consumed, and...**

The Explanatory Memorandum (7.4), states that '*it removes products that would otherwise be classified as packaging components under section 48(1) of the Act but that are an integral part of goods sold to the user or consumer **and necessary to contain, support or preserve those goods throughout their lifetime.** This is to ensure that the tax applies to products which are primarily packaging rather than products whose function as packaging is incidental to their main purpose, which is to enable use or consumption of the goods (and without which the goods would be unusable).*'

It is important to reiterate the fundamental safety requirement under the UK Cosmetic Products Regulation that stipulate the requirement for each cosmetic product to be the subject of a safety assessment performed by a duly qualified professional before it is placed on the market. The integrity of a product throughout its intended life would support the position that packaging is an integral part of the goods sold.

The Cosmetic, Toiletry and Perfumery Association Limited

Therefore, members would like clarification of whether this would apply to all cosmetic products where the packaging is used to contain, support or preserve those goods throughout their lifetime or whether it would apply more specifically to cosmetic applicators such as lipsticks, liquid/brush applicators (such as for some concealers), roll-on or stick deodorants, dual-vessel pump dispensers, for example?

2. *...to be suitable to be filled at the time of sale of the goods contained in the product to a user or consumer, and...*

The Explanatory Memorandum (7.5), states *'it removes products that are primarily designed to be suitable for re-use for the presentation of goods to a user or consumer, where, before or as soon as they have been produced or imported, they are permanently designated or set aside for that use (and a record of this is kept). ... This is to ensure that the scope of the tax meets the policy intention of applying to packaging which may normally be disposed of after a limited number of uses.'* Together with the additional statement under (7.3) that *'this is to ensure that products that are primarily designed for long term storage by users or consumers, which do not typically contribute to plastic pollution, are not subject to the tax'*,

Members seek clarification on whether this applies to packaging supplied for in-store filling/re-fill models and whether the tax is therefore not applicable to the packaging, even before reuse has been established?