

Amendments to Extended Producer Responsibility for Packaging to cover street binned and littered packaging waste in Wales

Q1) Which policy option for producer fees do you think is the best solution?

Please select one of the following options:

- Option A – Flat rate
- **Option B – Commonly littered items**
- Option C – Hybrid
- An alternative solution – please provide details in response to question 2 below.
- Unsure or no preference

Q2) Please provide an explanation or reasons for your preferred policy option.

In accordance with the Polluter Pays Principle, packaging used for cosmetics and personal care products should not be included within any proposed litter fees. These products are designed for use in the household, and as such, their packaging is not commonly disposed of in street bins, nor is it littered.

CTPA noted that the Welsh Government’s accompanying Regulatory Impact Assessment included an ‘Option 2: Keep the status quo (no litter fees)’. This option has not been taken forward to consultation, which is disappointing. CTPA would consider it best practice for all options assessed within an Impact Assessment to be presented within the consultation process. In this instance, producers should first be consulted on whether the introduction of litter fees is appropriate, and if there is agreement in principle, further consultation should be undertaken on the implementation of such fees.

CTPA members support Option 2. Consumer behaviour is a complex and determining factor in littering outcomes. The introduction of litter fees for producers is unlikely to influence whether specific types of packaging are littered. While the objective of packaging Extended Producer Responsibility (pEPR) is to encourage producers to place more sustainable packaging on the market, producers have limited ability to influence how consumers ultimately dispose of that packaging. As such, there is limited scope for producers to make changes that would meaningfully reduce their exposure to litter fees, given that these costs are largely driven by consumer behaviour rather than packaging design.

Producers are already contending with significant and sustained cost pressures. Imposing additional costs and administrative burdens risks compounding these challenges. In the context of an ongoing cost of living crisis, such measures could reasonably be expected to contribute to increases in the price of essential goods, leading to disproportionate impacts on consumers.

CTPA fully supports Option 2. However, in the absence of this option, and should the Welsh Government proceed with the introduction of litter fees, CTPA would like it to consider the following rationale as to why, among Options A–C, only Option B would be appropriate.

The main Statutory Instrument for pEPR, The Producer Responsibility Obligations (Packaging and Packaging Waste) Regulations 2024, prescribes the formulas for calculating waste disposal fees.

The Cosmetic Toiletry and Perfumery Association Limited

Under Regulation 61, the liability of a producer is calculated as a function of the packaging supplied by the producer (denoted as 'A' in the equation). Likewise, under Regulation 62, the liability of a producer is calculated via a consideration of the weight of packaging supplied by the respective producer (denoted as 'CW' in the equation). As both provisions link liability directly to the packaging placed on the market by each producer, financial obligations must reflect the costs arising from that producer's own packaging, rather than broader, unrelated costs. This approach supports Option B and rules out Options A and C.

CTPA's Sustainability Strategy, *Driving Towards a Net Positive Cosmetics Industry*, aims to ensure the cosmetics and personal care industry is acting responsibly toward the consumer and the environment. CTPA therefore supports the goals of pEPR, as well as the Polluter Pays Principle upon which the EPR framework is based. While CTPA recognises that producers have limited control over consumer behaviour, it would be inconsistent with this principle to require producers of cosmetics and personal care products, whose packaging is not commonly littered, to fund litter clean-up costs. If litter fees are introduced, liability should be directed toward those packaging types that demonstrably contribute to litter, based on robust and reliable data.

Cosmetic packaging is not commonly littered, and the cosmetics industry is already facing significant financial pressures under the planned modulation system. For example, many cosmetic products use small packaging, such as makeup. Even when this packaging is made from recyclable materials, it automatically receives a Red rating in the Recyclability Assessment Methodology (RAM) owing to its small size. Although some cosmetic products may be suitable for larger packaging formats, many cannot be increased in size without compromising functionality or consumer use. Therefore, packaging for these types of products will continue to face escalating modulated fees, without suitable alternatives to mitigate these rising costs. Whilst CTPA is pleased that the take-back scheme protocol is in place in the RAM to allow eligible small packaging formats to receive an Amber rather than Red rating, many cosmetic and personal care producers still face rising pEPR fees.

Furthermore, in recent years, producers have invested in research and development to transition to mono-material, recyclable tube packaging. However, this format remains capped at an Amber RAM rating until Simpler Recycling is fully implemented. Tube packaging is widely used across the cosmetics sector, and even where recyclable materials are used, these products will still be penalised during the first year of modulated fees, as the Simpler Recycling requirements did not come into effect until 31 March 2026, and it is unclear whether Local Authorities have met this deadline. Cosmetic and personal care producers should not face further penalties through fees for commonly littered packaging they do not place on the market.

Q3) What do you think is the best way to ensure that producer fees are levied proportionally to producers supplying products to Wales?

Please select one of the following options:

- Allocate a share of charges to all producers based on the share of the UK population that resides in Wales
- Use nation of sale data supplied by producers to identify the share of products sold in Wales for each producer
- Another method – please provide details in response to question 4 below.
- **Unsure or no preference**

Q4) Please provide an explanation or reasons for your answer to the previous question.

Introducing nation-level litter fees carries a clear risk of fragmentation across the UK. If one nation proceeds with its own mechanism, it is reasonable to expect others to consider similar approaches, potentially leading to multiple parallel regimes. Over time, this could result in differing fee structures and reporting requirements layered onto what was intended to operate as a single, coherent UK-wide system. Such divergence would increase complexity and administrative burden for businesses already adapting to existing pEPR obligations.

CTPA members are fully supportive of Option 2; however, in the instance that litter fees are introduced, the first option refers to all producers and therefore should not be considered. As outlined in response to question 2, any potential fees should only apply to producers that place relevant commonly littered packaging on the market.

Although the second option appears fair, even with nation data reporting, most producers do not have sight of how their products are distributed across the UK. Producers supply packaged goods to their customers (retailers) who then distribute products throughout the UK to sell to consumers. Whilst nation data must be submitted, it is not necessarily submitted by the producer that is responsible for the waste disposal fees. As nation data submissions do not require accompanying brand or producer identification information, it would not be feasible to attribute that data accurately to the individual producers liable for paying disposal costs.

CTPA would like to emphasise that any proposed approach must be both data-driven and evidence-based.

Q5) What is the best method of determining the total costs of Local Authority litter management (including emptying public bins and clearing ground litter) for pEPR?

Please select one of the following options:

- Use cost estimates from recent research by Waste and Resources Action Programme (WRAP).
- **Require Local Authorities to submit litter management cost data annually to PackUK**
- Another method – please give details below in response to question 6
- Unsure or no preference

Q6) Please provide an explanation or reasons for your answer to the previous question.

CTPA members are fully supportive of Option 2; however, in the instance that litter fees are introduced, CTPA would like to emphasise the importance of an evidence-based, data-driven approach. The purpose of pEPR is to shift the cost of managing household packaging waste onto the producers responsible for placing the packaging on the market. To hold producers accountable for the costs of cleaning up litter arising from that packaging, the actual costs of litter management services must be known. Therefore, if this proposal is implemented, it is essential that Local Authorities submit annual litter management data to PackUK. This would ensure that producers cover the full costs of waste management, and that any funds allocated to Local Authorities are used solely for their intended purpose. Relying on estimates could result in financial discrepancies, creating further complications for the allocation of these funds.

Accurate cost data would also allow PackUK to assess Local Authorities against criteria for efficient and effective waste collection, ensuring that they address litter management appropriately.

Q7) What is the best method for allocating litter payments to each Local Authority?

Please select one of the following options:

- A flat rate for all litter, with litter payments to Local Authorities based on the tonnage of litter collected
- Different rates for different materials, with payments to Local Authorities based on both tonnage and composition of litter collected
- Allocate litter payments to Local Authorities based on population or number of households
- Allocate litter payments to Local Authorities based on area of 'relevant land' from which litter is cleared [18]
- A combination of the above
- Another method (please provide details in response to question 8)
- **Unsure or no preference**

Q8) Please provide an explanation or reasons for your answer to the previous question.

CTPA members are fully supportive of Option 2; however, in the instance that litter fees are introduced, as outlined in response to question 6, it is crucial that litter payments reflect the actual costs incurred by Local Authorities for litter management services, and that the principles of efficient and effective waste management are also applied to this function.

Q9) Do you agree that adjustments to Local Authority litter payments for efficiency and/or effectiveness should be delayed for twelve months after litter payments being introduced, to allow time to gather extra data on Local Authority litter management performance?

Please select one of the following options:

- Yes – delay adjustments for twelve months after litter payments introduced
- No – introduce adjustments at the same time as introducing litter payments
- **Unsure or no preference**

Q10) What do you think is the best way to account for efficiency in Local Authority litter management?

Please select one of the following options:

- Cost per tonne of litter collected
- Cost per capita
- Cost per hectare of relevant land from which litter is cleared
- **A combination of the above**
- Another method (please give details below)
- Unsure or no preference

Q11) What do you think is the best way to account for effectiveness in Local Authority litter management?

Please select one of the following options:

- COPLAR compliance audits
- Street cleanliness based on surveys – such as LEAMS
- Recycling rates of collected litter

- Evidence of a litter management strategy and action plan
- **A combination of the above**
- Another method (please give details below)
- Unsure or no preference

Q12) Please provide an explanation or reasons for your answers to questions 9, 10 and 11.

CTPA members are fully supportive of Option 2; however, in the instance that litter fees are introduced, with respect to questions 10 and 11, the use of multiple metrics would provide valuable context and perspective for assessing efficiency and effectiveness. For example, the formula for reimbursing Local Authorities for household waste disposal costs considers several factors, such as population density, types of properties, and socio-economic demographics. Having a range of metrics available would help to explain performance variances and identify any outliers.

Q13) Do you think that litter management payments should be made to other organisations that manage litter, as well as Local Authorities?

Please select one of the following options:

- Yes
- No
- **Unsure or no preference**

Q14) Do you support the idea of a bidding pot for other organisations who manage litter?

Please select one of the following options:

- Yes
- No
- **Unsure or no preference**

Q15) Do you have any alternative suggestions for how to address funding for organisations other than Local Authorities that manage litter? If so, please outline these here.

N/A

Q16) Please provide an explanation or reasons for your answers to questions 13, 14 and 15.

CTPA members are fully supportive of Option 2; however, in the instance that litter fees are introduced, only producers that place commonly littered packaging on the market should be responsible for the associated litter collection costs. As such, it is these producers that should be consulted regarding payments to organisations that manage litter outside of Local Authorities.

Q17) Please let us know if you have any comments on the Regulatory Impact Assessment (RIA).

N/A

Q18) We have asked a number of specific questions. If you have any related issues which we have not specifically addressed, please use this space to convey them:

N/A