The Rt Hon Steve Reed MP Secretary of State for Environment, Food and Rural Affairs Department for Environment, Food & Rural Affairs 2 Marsham Street London SW1P 4DF

20 June 2025

Dear Secretary of State,

## Extended Producer Responsibility for Packaging (pEPR)

We are writing to set out the need to significantly lower glass fees that are currently set at £240/tonne, ahead of any further announcement on base fees later this month.

The Extended Producer Responsibility scheme will impose substantially higher costs on glass compared to other materials. Under the current approach, high pEPR glass fees are proving to have the unintended consequence of encouraging switching to less recyclable materials. Glass is infinitely recyclable but its fees will cover roughly 30% of the scheme's cost, despite being just 5% of the volume of containers placed on market. This represents an unfair and disproportionate cost for businesses and consumers – who will ultimately be facing increased prices. There are also no clear targets for the fees to deliver positive circular economic objectives. At a time when businesses are facing numerous economic headwinds, this uncertainty and lack of accountability goes against the UK Government's growth agenda and risks raising prices without a clear purpose. Fees are likely to increase year-on-year as EPR payments to Local Authorities are not ringfenced - this goes against the polluter pays and circular economy principles and should be resolved urgently. The uncertainty around base fees has proven to have particularly impacted SMEs.

Beyond base fees and the significant cost inflation it will drive, there is concern over the lack of action to address the workability of the scheme in practice. A clear example of this is the definition of household packaging waste, also referred to as 'dual use' packaging. pEPR fees are intended to only apply to packaging disposed of in household waste streams. However, under the current exemptions process, businesses which supply to on-trade via a wholesaler are likely to incur fees for packaging that will always end up on business waste streams. This is against the principle of pEPR and needs to be addressed as a matter of urgency. We welcome that Defra has acknowledged this and look forward to continuing engagement to find a solution.

Before further steps are taken to implement pEPR, action is needed now to make sure the costs are reasonable and that the scheme achieves its intended objectives.

Best wishes,

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Ruth Piggin Director of Industry Sustainability, SWA

Freddie Joosten Associate Director for Sustainability, WSTA

Nicola Bates CEO, WineGB

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Andy Tighe Strategy & Policy Director, BBPA

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Kate Nicholls CEO, UKHospitality

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Dr Nicholas Kirk Director, British Glass Manufacturers' Confederation