



Plastic Packaging Tax: policy design
Wildlife and Countryside Link response

August 2020

Wildlife and Countryside Link (Link) is the largest environment and wildlife coalition in England, bringing together 57 organisations to use their strong joint voice for the protection of nature. Our members campaign to conserve, enhance and access our landscapes, animals, plants, habitats, rivers and seas. Together we have the support of over eight million people in the UK and directly protect over 750,000 hectares of land and 800 miles of coastline. This response is supported by the following Link member organisations:

- British Mountaineering Council
- ClientEarth
- Environmental Investigation Agency
- Greenpeace
- Marine Conservation Society
- RSPCA
- Surfers Against Sewage
- Whale and Dolphin Conservation
- WWF-UK

Executive Summary

Since the publication of the 2018 Resources and Waste Strategy for England and Wales and the first round of packaging consultations in early 2019¹, the way we live has been radically altered by the covid-19 pandemic. Before covid-19, plastic pollution was a priority concern amongst the public and despite the many behaviour changes the world has had to embrace because of the pandemic, it remains a concern. Therefore, the continued support for this plastic packaging tax is welcome. However, covid-19 has created new issues that should be considered and to be truly world leading some outstanding changes must be made and taken into account before the tax is progressed:

- The price of oil has plummeted as a result of the pandemic, leading to low virgin polymer prices. This undoubtedly undermines the market for recycled plastics at a time when businesses have increased cost sensitivities. It is critical that any measures which seek to drive greater use of recycled materials, including this proposed plastics tax, take this firmly into account.
- The EU has announced a new plastics tax, due to come into effect in Jan 2021. This levy, set at €800 per tonne for plastics in member states which are not recycled, dwarfs the £200 per tonne set for the proposed UK Plastics Tax. If the UK is serious about being world leaders on

¹ As well as the initial consultation on introducing a tax on plastic packaging, the UK Government also consulted on reforms to the Extended Producer responsibility scheme, a Deposit Return Scheme (for England and Wales) and Consistency in Household and Business Recycling Collections (for England).

the environment then the government should review the proposed levy and increase it to match the EU or more. This is all the more important given the lower oil prices outlined above which risk companies absorbing the levy due to cheaper virgin polymer costs. A higher levy or placing the tax on virgin plastic would reduce this risk.

- As outlined in our response to the initial consultation in 2019², many businesses are already committing to levels of recycled content beyond 30%. To show leadership in this area, we propose the government stretch their ambition and implement a higher recycled content target, as well as differentiated thresholds for specific materials to boost recycled content for materials where it is more readily available. They should also outline a clear roadmap for increasing the thresholds over time. A precedent for this would be the Fuel Duty Regulations where the tax increased over time.³
- Reduction must be a primary goal of all policies: We cannot recycle our way out of the current packaging crisis, which requires a reduction-led strategy to phase out all non-essential, single-use packaging and support a transition to a refillable, reusable society. We believe the government must do much more to first prevent waste generation and reduce harm, as dictated by the waste hierarchy. With the inclusion of a Resources and Waste chapter in the Environment Bill, we have a once-in-a-generation opportunity to demonstrate our commitment to more efficient use of the planet's precious resources by setting legally binding reduction targets alongside incentives for the reuse of those resources.
- It is not just about plastic: All materials have environmental impacts throughout their full lifecycle and we need to revolutionise the packaging system as a whole rather than focusing on substituting one single-use material for another. The tax should therefore be extended to include other packaging materials or it will lead to perverse shifts to avoid the tax, with negative environmental consequences.

Consultation response

The scope of the tax – chapter 3

- 1. Do you agree with the revised definition of plastic, which removes the 'main structural component' test and limits the exclusion to 'cellulose-based' polymers? Please outline your reasoning.**

We agree broadly with the revised definition of plastic and welcome the removal of 'the main structural component test' which may have served as a loophole by which manufacturers could claim the plastic element of an item did not serve this purpose.

Whilst we welcome the narrowing of the exemption from "natural polymers" to "cellulose-based polymers that have not been chemically modified", we believe there are still potential issues and

² <https://www.wcl.org.uk/docs/ELUK%20Plastic%20packaging%20tax%20consultation%20response.pdf>

³ <https://researchbriefings.files.parliament.uk/documents/SN00824/SN00824.pdf>

therefore loopholes associated with this. The “What Is Plastic?”⁴ report, authored by Eunomia and published by the ReLoop Platform, highlights the issues associated with the exemption of “natural polymers that have not been chemically modified” from the EU’s Single Use Plastics Directive - Directive 2019/904⁵. Whilst the updated definition of plastic for the scope of this tax has been narrowed down to cellulose-based polymers, the challenges relating to upholding this exemption and the potential loopholes identified in this report still apply and so we support the conclusions and recommendations the report identifies.

As expressed in our response to the first consultation in May 2019⁶, we continue to call for consistency with the single-use plastics ban, and therefore, the inclusion of bio-based, compostable, biodegradable and oxo-degradable plastics alongside fossil-fuel based plastic.

Of specific concern would be the complexities associated with accounting for the full lifecycle impacts of any material regardless of the original source. A shift to alternative and novel polymers can result in greater negative environmental impacts due to resources consumed during sourcing and processing of such materials. Section “3.2 Production Impacts” of the previously referenced “What is Plastic?” report, highlights a cellulose-based example - that whilst certified sustainable sourcing of cellulose-derived materials such as lyocell and viscose may result in lower water, fertiliser and pesticide consumption, there are still risks relating to biodiversity loss, land-use competition, water abstraction and chemical use in crop production.

On the definition of “plastic packaging” within the scope of the consultation including items which are “predominantly plastic by weight”, consistent with our responses to the first consultation, we believe the optimum environmental outcome can be achieved if packaging containing any amount of plastic should be within scope of the tax. The proposed definition leaves open the risk of packaging designers and manufacturers adjusting the proportion of plastic in a given package so it is not the predominant material and thereby avoiding the tax.

This is especially relevant in relation to the treatment of multi-material packaging formats such as food and beverage cartons and laminated pouches which are likely to fall outside the scope of the tax. Whilst the consultation suggests the reforms to the extended producer responsibility scheme will discourage a shift towards these complex materials, we believe inclusion within the tax would further serve to highlight the challenges with recovering and recycling these complex formats and dissuade businesses from specifying them for their products.

2. Do you agree that packaging-type products that do not fulfil a packaging function until they are used by the end consumer should be included in the tax unless they are for longer term storage? Please outline your reasoning.

We agree that packaging-type products that do not fulfil their function as packaging before they are sold and used by consumers should be included within the scope of the tax. The example of cling-

⁴ “What is Plastic? A summary report exploring the potential for certain materials to be exempted from the Single-Use Plastics Directive” https://www.eunomia.co.uk/wp-content/uploads/2020/01/What-is-Plastic-Summary_Final.pdf

⁵ European Parliament and Council (2019) Directive (EU) 2019/ of the European Parliament and of the Council of 5 June 2019 on the reduction of the impact of certain plastic products on the environment, Official Journal of the European Union.

⁶ <https://www.wcl.org.uk/docs/ELUK%20Plastic%20packaging%20tax%20consultation%20response.pdf>

film is particularly relevant as it generally contains PVC, the most toxic of all polymers. *“The PVC lifecycle -- its production, use, and disposal -- results in the release of toxic, chlorine-based chemicals. These toxins are building up in the water, air and food chain.....this commonplace plastic is one of the biggest contributors to the flood of toxic substances saturating our planet and its inhabitants. PVC contaminates humans and the environment throughout its lifecycle during its production, use and disposal.”*⁷

The function provided by cling-film can also be fulfilled by longer-term reusable storage containers. And whilst we support the government’s intention to exempt these longer-term storage containers from the scope of the tax, we call for a forward-thinking approach whereby even these items will fall within the scope of the tax where it is technically feasible to include recycled content in compliance with relevant standards on food safety.

In line with our response to the first consultation in May 2019, we would welcome the scope of this tax being broadened beyond single-use plastic packaging and to other non-packaging applications. This would stimulate demand across all plastic products and reduce further our dependency on virgin polymers for anything made from plastic. It would also send a signal to the market that shifting to recycled content and alternative reusable systems should become the norm.

Expanding the scope of this tax would capture these as well as other similar products. Additionally, cigarette butts, the most littered item globally with 4.5 trillion discarded every year, are a serious environmental threat specifically in the marine environment, as highlighted by a report published by the United Nations Development Programme.⁸ The government urgently needs to consider how policy measures such as this plastics tax and extended producer responsibility can start to tackle this unacceptable issue.

The scope of the tax needs to be sufficiently robust to include any plastic-related or plastic-alternative material innovation that may not strictly fall under the proposed definition of plastic or are out of scope as a result of the proposed exemption of “cellulose-based polymers that have not been chemically modified”. However, the scope should also allow for the exemption of any material innovation which proves to be environmentally beneficial. We acknowledge there is a fine balance here and therefore we reiterate our earlier point that the full lifecycle impacts of any material must be considered.

3. Do you have any observations on the government’s proposed approach to excluding plastic packaging used to facilitate the transport of imported goods?

Whilst supply chain complexity and the lack of transparency are being cited as reasons for why it would be challenging to include plastic transport packaging within the scope of the tax, it is difficult to reconcile how there is sufficient transparency which allows for packaging materials within supply

⁷ “PVC: The Poison Plastic” <https://www.greenpeace.org/usa/wp-content/uploads/legacy/Global/usa/report/2009/4/pvc-the-poison-plastic.html>

⁸ Findings from the United Nations Development Programme: <http://www.undp.org/content/undp/en/home/blog/2017/5/24/-Tobacco-a-threat-to-our-oceans.html> (2017)

chains to be included within extended producer responsibility obligations but not sufficient transparency for inclusion in the tax.

If it can be proven that the approach taken to account for obligations under EPR would not work for the tax, we believe the government should set a medium to long-term ambition to improve the situation and ensure supply chains are set-up to be more transparent in the future and these materials are brought within the scope of the tax as soon as practicable.

Additionally, we call for the government to put in place policies which minimise the use of single-use packaging for transport purposes and encourage these to be replaced by reusable packaging.

Overall, this situation calls for greater due diligence requirements, so businesses take more responsibility for the materials used within their supply chains and therefore the impacts associated with the full lifecycle costs of those materials.

4. Do you think it is feasible to provide evidence that packaging has been commissioned for use as immediate packaging for licensed human medicines at the time the tax is chargeable? If not, please explain why.

There is a risk related to the eventual use of generic plastic packaging formats i.e. not bespoke, as the manufacturer may not know what the packaging will be used for until it is purchased by the medicine product supplier. However, even if this is the case, at the point the packaging is sold on to the product supplier, its use will be established and this evidence can be provided in a timely way. This highlights the importance of transparent and traceable supply chains.

Whilst it is being proposed that human licensed medicine packaging will be exempt from the tax upon introduction, the long-term ambition must be the inclusion of all plastic packaging. And where this is deemed unreasonable, these packaging-types must be accounted for within the proposed reforms to the extended producer responsibility scheme.

5. Would the proposed exemption cause any market distortion or other unintended consequences? If yes, please provide more details.

The proposed exemption could lead to invalid claims of packaging being intended for use for medicines. It is critical that there is a clear audit trail to prove the packaging's final use. Given all medicine products require approval via the Medicines and Healthcare products Regulatory Agency (MHRA), there are categories of borderline products such as vitamins, food supplements and cosmetics, where the packaging is required to comply with food safety regulations and therefore should not be exempt from the tax⁹.

To maximise the environmental benefit of this tax, there needs to be a long-term ambition for all plastic packaging to be within scope. Currently there is no clear evidence either way as to the impact

⁹ "A guide to what is a medicinal product"

https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/872742/GN8_FINAL_10_03_2020_combined.pdf

(neutral or negative) of recycled content use in medicine packaging and we call for the government to investigate this further. Where medicine packaging falls outside of the scope of the tax, it is important that this is covered by the government's reforms to the extended producer responsibility scheme.

Liability for the tax – chapter 4

- 6. Do you agree the proposed charging conditions will ensure that the UK manufacturer of plastic packaging is liable for the tax? If not, please explain why.**

Agree.

- 7. Do you foresee any issues for specific packaging components due to the proposed approach of disregarding further ancillary processes for the purposes of the tax? Please explain what these issues are.**

We anticipate issues may arise for manufacturers who do not have full visibility of the final application for the packaging or the material they manufacture. This would be relevant to plastic film producers who manufacture a generic product which then goes on to be converted into the final packaging. For example, plastic film suppliers where the film is then used to line coffee cups, sandwich cartons or beverage cartons.

Based on the proposed weight-based approach to inform tax liability, these final items - i.e. where a plastic film is used as a laminate layer and therefore is lighter than the other materials used - would result in the film being exempt from the tax.

However, we do not object to a scenario where plastic is taxed before there is full visibility of the final application and call again for all packaging to be taxed based on the proportion of plastic contained, regardless of whether it is the heaviest component of the pack. This inclusive approach would also serve to minimise the risk of a shift to complex, multi-layered packaging formats such as beverage cartons, for the purpose of avoiding the tax. Inclusion in the tax alongside the impact of the modulated fee approach for EPR reforms must ladder up to drive down the use of these complex packaging formats.

- 8. Do you have any observations on the proposed treatment of imports of plastic packaging, particularly linking the tax point to "first commercial exploitation" i.e. when it is controlled, moved, stored, is subject to an agreement to sell, or otherwise used in the UK in the course or furtherance of business?**

A key observation on the proposed treatment of imports is that the examples laid out in the consultation are already complex and may not even cover all potential scenarios of how imported plastic packaging is handled in the sourcing country nor on arrival in the UK. However, recognising that it may not be possible to anticipate all eventual scenarios and to avoid the risk of behaviours in order to circumvent the tax, we would call for maximum simplicity when applying the tax to both unfilled and filled imported plastic packaging and the liability should sit with the consignee

regardless of whether they go on to commercially exploit the plastic packaging in the UK or not. If the original consignee is not the party who commercially exploits the packaging in the UK, it should be their responsibility to recover the tax liability from the party acquiring the packaging for commercial exploitation. This approach allows for a consistent taxation point and avoids the complexity of joint and several liability.

However, we also note that the taxation point for imports is applied at a later stage in the “exploitation” of the plastic packaging than is proposed for UK manufactured plastic packaging. This may lead to calls from UK-based packaging manufacturers to shift the liability for imports to be in line with the proposed domestic taxation point. Whilst this could be considered a reasonable ask, the practicalities of packaging manufacturers outside the UK being liable for the tax will be unnecessarily challenging and therefore our call for simplicity would support maximising the effectiveness of the tax in all import scenarios.

Additionally, we would call for the tax to be applied automatically to any imports, requiring the consignee to provide evidence of the inclusion of the minimum 30% recycled content in order to receive a rebate. If consignee businesses are unable to provide the required evidence to a satisfactory level, liability for the tax should stand. This would also serve to mitigate the risk of offshoring packaging production if the tax is automatically applied and the burden of proof is placed on the importing business.

With imported plastic packaging, it is worth noting there is an increased risk of production waste / regrind being claimed as recycled content as plastics recovery and reprocessing infrastructure is less developed than in local markets such as the EU. There is also poor availability of food grade recycled materials outside the EU. Therefore, importing businesses should provide suitable evidence from the manufacturer to demonstrate the source of the recycled content complies with the definition of recycled content within the scope of the tax. Additionally, compliance with the EU legislative framework on recycled materials used for food applications should be a prerequisite for plastic packaging. It is common practice for other countries to look to the EU when developing their own standards - China and Japan have recently adopted standards similar to the EU¹⁰ - food safety and the protection of human health must not be compromised as a result of this tax.

9. Do you agree the “consignee” on import documentation is likely to be the taxable person for imports of plastic packaging? In what scenarios might someone else be the person on whose behalf the plastic packaging is commercially exploited?

On the basis that the taxation point for imported plastic packaging is when the packaging is first commercially exploited in the UK, no - it is not strictly the case that the “consignee” on import documentation is likely to be the taxable party on plastic packaging imports. For example, we are aware that a business such as Pret a Manger uses a third party (Best Food Logistics) to order and pay for the packaging which Pret then commercially exploits in their stores. Pret does not purchase the packaging from Best Food Logistics, the handling of orders on behalf of Pret is regarded part of the

¹⁰ “Recycled content used in plastic packaging applications” <https://www.fdf.org.uk/publicgeneral/recycled-content-used-plastic-packaging-applications.pdf>

service provided by Best Food Logistics and remuneration for this will be covered by the logistics service contract in place between the two parties. In this and similar scenarios, it could be argued Best Food Logistics is not liable for the tax and the taxable party is Pret.

This is only one supply chain example which demonstrates the taxable person is not always the consignee with regards to commercial exploitation.

The above example is also evidence of the potential complexities surrounding the handling of imported packaging and reinforces our call for simplicity when dealing with both unfilled and filled imported packaging. The burden of proof for compliance with the tax regime must be placed on the importing business, regardless of whether they go on to be the first party to commercially exploit the packaging in the UK.

10. Do you agree that packaging that is damaged after the tax has become due should not be relieved? If not, please explain why you think this packaging should be relieved.

We agree that all packaging which is manufactured with the intention of being commercially exploited should be within the scope of the tax. This will account for the full lifecycle impacts of all plastic packaging, including recovery and recycling, regardless of whether it is saleable or not.

11. Do you foresee any difficulty or added costs with the proposal for the taxable person to incorporate the amount of Plastic Packaging Tax onto the sales invoice, and if so, could this information be provided to customers in any other way?

Whilst businesses may claim there are limitations within accounting systems which would support why they are unable to incorporate the amount of Plastic Packaging Tax onto a sales invoice, this should not be accepted as a valid excuse for non-communication of this information to their customers. The majority of accounting systems have the ability to include additional charging lines on invoices (beyond VAT) and where this is not possible, businesses should be required to upgrade their processes and systems to facilitate this requirement or arrange for manual accounting of this charging line. According to the Association for Accounting Technicians, there are no foreseeable issues with this approach.

12. Are the proposals for joint and several liability reasonable? If not, please say why?

We believe the proposals for joint and several liability are necessary as a way to ensure the responsibility for compliance with the tax regime is shared across the supply chain and to avoid activity which may lead to the onus of that compliance falling on a single party. Especially where a party may have an influence over the liable person's company affairs.

The approach must be in line with *Clause 1 and Schedule 1: Joint and several liability of company directors etc*¹¹ of the government's Finance Bill.

¹¹ "Tax abuse using company insolvencies - explanatory note"
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/816294/Joint_and_several_liability_of_company_directors_etc_-_EN.pdf

13. Do you envisage any problems with extending joint and several liability to online marketplaces and fulfilment house operators who knew, or had reasonable grounds to suspect that the tax had not been accounted for on sales made through their platform?

We are not sufficiently familiar with how online marketplaces and fulfilment house operators record the sales transactions of individual sellers nor if they capture the detail of what has been sold, nor the packaging involved. However, extending joint and several liability to these businesses would send a clear signal that they need to put in place the appropriate systems to capture this information and ultimately support the ambitions of the tax regime.

14. Will extending joint and several liability to third-party fulfilment house operators and online marketplaces be sufficient to deter overseas sellers from non-compliance with the tax? If not, what other steps should HMRC consider?

Whilst not a definitive safeguard against non-compliance, extending joint and several liability will serve to incentivise fulfilment house operators and online marketplaces to seek the necessary compliance from suppliers who are obligated within the scope of the tax.

Additionally, we believe HMRC must call for visibility from these businesses to demonstrate they have requested compliance from their suppliers where applicable. To facilitate compliance, the mechanism for paying the tax needs to be as simple and inclusive as possible.

Excluding small operators ('de minimis') – chapter 5

15. Do you agree with the proposed guidance and tools to help business determine if they are above or below the de minimis? What other help could the government provide?

Whilst we agree with the proposed guidance and tools - it will be critical that the guidance and tools are simple to navigate to ensure businesses on the de minimis threshold can easily determine whether they are liable or not.

Information on the tax needs to be included in government guidance documents such as "Supporting Small Business"¹² and also via small business associations such as the Chamber of Commerce and the Federation of Small Businesses.

We are also mindful that there is a long tail of businesses who will fall outside the scope of the tax and this will amount to a significant volume of plastic on the market. Therefore it is critical the government monitors the tonnage of plastic which is exempt as a result of this de minimis and ensure that there are other measures which incentivise the reduction in the use of virgin plastic

¹² "Supporting Small Business - Making tax easier, quicker and simpler"
https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/385224/Supporting_Small_Business_-_making_tax_easier_quicker_and_simpler_HMRC_.pdf

packaging throughout these smaller businesses. Especially the harder-to-recycle polymers such as EPS which are often used by independent food service businesses who will also be exempt from EPR obligations.

We are aware that the Association of Accounting Technicians (AAT) are continuing to call for the de minimis to be in line with the VAT tax threshold to allow utilisation of *Making Tax Digital*¹³ without having to create something new. This appears to be a practical suggestion as long as an assessment is carried out to demonstrate the VAT threshold would capture within the scope of the tax, at least the equivalent number of businesses or more than the proposed 10T de minimis, thereby delivering a positive environmental outcome as well as keeping it simple for small businesses.

16. Do you agree with the approach to record keeping for businesses below de minimis? If you disagree, please suggest what alternative approaches would be more appropriate and why.

We agree with the proposed approach to record keeping for businesses below the de minimis. We suggest this approach can be further strengthened by advising businesses that the audit process will include cross-checking declarations against records of products sold.

17. Do you agree with the proposed forward and backward look test to apply the 10 tonne threshold? If you disagree, please suggest what would be more suitable and provide evidence to support your view.

Yes, we agree with this proposed approach on the basis that it is consistent with the approach for other tax systems. However, we are aware of the paucity of reliable data on packaging weights across existing compliance schemes e.g. extended producer responsibility, so to maximise the impact of the tax, there needs to be greater emphasis on acquiring more consistent data.

Evidence requirements – chapter 6

18. Do you agree with the government’s proposal to restrict calculations of recycled plastic content to approved methods? If not, please explain why. What methods other than the proposed mass balance approach should be considered?

Yes, we agree with the government’s proposal to restrict calculations of recycled content to approved methods only to ensure there is a consistency in assessing compliance with the tax. We want to reinforce the merits of the mass balance approach proposed - that the calculation is based on a production run / unit basis to encourage the use of recycled content across all packaging rather than assessing recycled content at an overall business level. This will avoid the averaging out of recycled content across a business’ total volume, where some SKUs will contain a higher level and compensate for no recycled content on other SKUs.

¹³ “Making Tax Digital: An evaluation of the VAT service and update on the Income Tax Service - Budget 2020”
“https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/873574/Making_Tax_Digital_-_An_evaluation_of_the_VAT_service_and_update_on_the_Income_Tax_Service.pdf”

Furthermore, there needs to be a requirement to declare that the recycled content is either post-consumer or pre-consumer (as defined within the scope of the tax). Proof of this must be included as part of the audit process.

19. Where businesses are importing plastic packaging with at least 30% recycled content, will it be feasible for them to obtain the mass balance evidence from overseas manufacturers? What other ways could importers demonstrate the proportion of recycled plastic?

Whilst it may present a challenge for businesses to prove the level of recycled content in imported goods, existing systems within packaging manufacturers require detailed bills of material for production and will capture the raw material input on a given production run. That said, without a robust recycled content test, the risk for fraud will exist.

An alternative approach is to levy the tax on all imports automatically and require the manufacturer to provide an audit trail to prove the recycled content level. This will prevent businesses taking advantage of any loopholes and encourage them to get the systems in place to prove their compliance with the tax.

20. Do you agree with the government's proposed method for calculating the weight of the packaging? If not, please explain why and how you would calculate it.

On the basis that manufacturers will have the weight of the unit of packaging they are producing as part of the specification, we agree with the government's proposed method.

21. Are the types of evidence within the government's list appropriate for proving recycled plastic content and the other information required by HMRC? Are there any additional sources of evidence which could be used? If so, please provide details.

The types of evidence permitted seem appropriate to prove recycled plastic content. However, it is critical that any evidence demonstrates that the recycled content is post-consumer or qualifying pre-consumer recycled content.

22. What further due diligence could businesses reasonably conduct to ensure their products meet the relevant specifications for tonnage and recycled plastic?

We call for the HMRC to establish a register of reprocessors who are approved to supply qualifying post-consumer and pre-consumer recycled material from which recycled content can be sourced in order for businesses to be exempt from the tax. Sourcing from registered reprocessors will also give businesses the confidence that they are complying with the tax.

Exports – chapter 7

- 23. Are there any observations or issues you can see with the government’s proposals to provide relief for exported plastic packaging through direct exports, REPs and tax credits? Please provide details of any alternative methods of relieving exports you would recommend.**

We are in agreement with the proposals. However, we are aware of cases where plastic packaging intended for export can remain in stock beyond the 6 months period proposed for tax suspension. As proposed, in such cases, plastic packaging which has not been dispatched within this timeframe should fall within the scope of the tax and a credit applied upon proof of export at a later date. Furthermore, any plastic packaging intended for export which, for whatever reason, is not used or is scrapped due to it being no longer required, must fall within the scope of the tax.

As proposed, the REP will be required to provide evidence as to the fate of the packaging stock if not exported and liability for the tax can be assessed accordingly.

- 24. Do you agree with the proposed information requirements to evidence the proposed export reliefs? If not, please explain how you could evidence the export.**

Agree.

- 25. Do you agree with the proposal not to relieve transport packaging used on exports? If not, do you have any suggestions on how transport packaging could be offered relief?**

We support the inclusion of as much plastic packaging as practicable within the scope of the tax and therefore support this proposal. To reinforce further our response to question 3, there needs to be a clear pathway to bringing within scope all transport packaging used along the supply chain and call for greater transparency and traceability to facilitate this ambition.