



DEPOSIT RETURN SCHEME ('DRS')

What is DRS?

Producers, retailers, wholesalers, licensors, bars, restaurants will be required to

- (a) add a 20p levy to each plastic, glass, aluminium or steel container they sell and;
- (b) collect and/or allow consumers to return the drinks containers and reimburse the consumer 20p for each container returned.

When does DRS come into force?

Scotland - 1 July 2022 | England, Wales & Northern Ireland - 2023

SCOTTISH REGIME

Producers/Importers	Retailers & Vending Machine Operators & Hospitality Businesses	Wholesalers & Licensors
<p>Registration</p> <ul style="list-style-type: none"> All producers must register with Scottish Environment Agency, pay a fee and submit an operational plan <p>The deposit</p> <ul style="list-style-type: none"> A 20p deposit must be added to the sale price of each container sold The deposit must be returned to the purchaser on each piece of packaging collected/returned <p>Packaging</p> <ul style="list-style-type: none"> Packaging must be relabelled to show containers are included in DRS <p>Collection/return of packaging</p> <ul style="list-style-type: none"> You must accept the return of packaging You must collect packaging <p>Collection targets – you must collect prescribed packaging sold by you as follows:</p> <p>Y1 – 70% packaging recovery</p> <p>Y2 – 80% packaging recovery</p> <p>Y3 – 90% packaging recovery</p> <p>Handling fee</p> <ul style="list-style-type: none"> To be paid to the businesses you collect packaging from <p>Records</p> <ul style="list-style-type: none"> Must retain records of the types of container you sold, collected and how many sold have been collected 	<p>The deposit</p> <ul style="list-style-type: none"> A 20p deposit must be added to the price of all drinks You must allow consumers to return drinks containers and repay the deposit when they do <p>Display information</p> <ul style="list-style-type: none"> You must tell consumers they can return the containers and recover the 20p deposit <p>Return of packaging</p> <ul style="list-style-type: none"> You must operate a return scheme which allows consumers to return packaging <p>Collect/return</p> <ul style="list-style-type: none"> You must return or allow producers to collect the packaging <p>Handling fee</p> <ul style="list-style-type: none"> Producers must pay you a handling fee, calculated under scheme rules 	<p>Wholesalers</p> <ul style="list-style-type: none"> You are treated the same as retailers if/when you sell to consumers If you only sell to businesses, you may not need to comply with the regulations <p>Collection/return of packaging</p> <ul style="list-style-type: none"> Retailers who you sell to may want to get the deposit back through returning containers and may therefore require you to operate a return scheme If you agree, you will need to act as if you are a retailer <p>Licensors</p> <ul style="list-style-type: none"> Brand owners are responsible for operating the scheme Any licence to produce, market and distribute products should therefore cover the licensee taking on such obligations

Things to think about...

Producers/Importers	Retailers & Vending Machine Operators & Hospitality Businesses & Wholesalers & Licensors
<p>Space</p> <ul style="list-style-type: none"> Where will collected packaging be stored? <p>Logistics</p> <ul style="list-style-type: none"> Will you back haul? You will increase your logistics fleet <p>Regulatory</p> <ul style="list-style-type: none"> Health & Safety procedures must be updated, and training must be rolled out <p>Employees</p> <ul style="list-style-type: none"> Staffing and training <p>Contracts</p> <ul style="list-style-type: none"> Your contracts will need to address levy arrangements, collection process, handling fees, reverse vending machines, concessions, return process and procedures <p>Recycling</p> <ul style="list-style-type: none"> How will you recycle containers? <p>Return Points</p> <ul style="list-style-type: none"> You may want to operate your own return point 	<p>Space</p> <ul style="list-style-type: none"> Where will consumers return packaging and where will you store it? <p>Infrastructure</p> <ul style="list-style-type: none"> What additional infrastructure do you need, reverse vending, specific vehicles, materials (i.e. gloves, protective eyewear, cages and bottle banks)? <p>Employees</p> <ul style="list-style-type: none"> You may need additional staff and to train such staff <p>Health & Safety</p> <ul style="list-style-type: none"> Training, equipment and procedures will need to be updated <p>Contracts</p> <ul style="list-style-type: none"> Contractual arrangements for the levy, returns, collection and handling fee will be needed <p>Distance selling</p> <ul style="list-style-type: none"> Online shopping – you will need to take back the packaging, how will this be done? Vending machines – some vending machines must be able to take back containers and return the deposit

ENGLAND, WALES & NORTHERN IRELAND REGIME

DRS in England and Wales will be run through a Deposit Management Organisation ('DMO'), a government body.

Producers	Retailers	Things to Think About
<p>Registration</p> <ul style="list-style-type: none"> All producers must register with the DMO and pay an annual producer fee The producer fee will be based on the recyclability of drinks containers <p>Levy</p> <ul style="list-style-type: none"> A 20p deposit must be added to the sale price of each drinks container 	<p>Levy</p> <ul style="list-style-type: none"> A 20p deposit must be added to the sale price The deposit will be returned to the consumer when they return the packaging to you The DMO will refund any deposits paid to you 	<p>Collection/return of packaging</p> <p>Space</p> <ul style="list-style-type: none"> Reverse Vending Machines or take back services will need space, in store or at the store You may need to store large quantities of returned containers <p>Payment</p> <ul style="list-style-type: none"> How will you repay the consumers, coins or cards?

Producers	Retailers	Things to Think About
<p>Drinks packaging</p> <ul style="list-style-type: none"> All drinks containers must be relabelled to show they are included in DRS 	<p>Display information</p> <ul style="list-style-type: none"> Where the drinks are sold you are required to display the fact they are subject to the DRS, the deposit amount can be redeemed 	<p>Health & Safety</p> <ul style="list-style-type: none"> Training, equipment and procedures will need to be updated <p>Employees</p> <ul style="list-style-type: none"> Staffing and training <p>Handling Fee</p> <ul style="list-style-type: none"> The DMO will pay you a handling fee to cover the costs of hosting a return point. You will need to calculate these costs

A reminder that all plastic packaging which does not contain at least 30% recycled content will be subject to a new tax from 2022.

KEY CONTACTS



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