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& Customs

Plastic Packaging Tax and a Mass Balance Approach

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Objectives of the tax


Provide an economic incentive to use recycled plastic in packaging



Increase demand for recycled plastic



Stimulate recycling and collection of plastic waste



Divert plastic from going to landfill or incineration



The Story So Far

- Visible that the tax is already having an impact
- Increase use of recycled plastic in packaging as well as substitution towards other materials
- Anecdotal evidence of greater investment in recycling technologies
- PPT raised £276m in 2022-23
- Committed to evaluation of the tax



The next step – why MBA?

- Tax must keep pace with technology
- Important to encourage recycling of all plastics
- Ongoing close working relationship with the industry
- Essential to balance integrity of the tax and environmental objectives with encouraging innovation and investment
- Consultation closed on 10 October 2023.
- Summary of responses and next steps will be published in the coming months



MBA consultation: Key areas covered

- The case for a MBA
- Integrity of the tax and public perception
- Controls and standards
 - Mass balance models
 - Allocation methods
 - Certification requirements
- Impact on business and beyond



Ongoing engagement with stakeholders



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Thank you

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