



We've Got You Covered

Kingfisher

Plastic Packaging Tax 2022 A Guide from Kingfisher Packaging

Many, if not most of you will have heard of the Plastic Packaging Tax which will come into force in the UK in April 2022. This tax, the 'PPT', is targeted at plastic packaging manufactured in or imported into the UK. The government website gives more detail as to the objective of this new law:

'the aim of the tax is to provide a clear economic incentive for businesses to use recycled plastic in the manufacture of plastic packaging, which will create greater demand for this material. In turn this will stimulate increased levels of recycling and collection of plastic waste, diverting it away from landfill or incineration.'

The government expects the tax to impact an estimated 20,000 manufacturers and importers of plastic packaging.

At Kingfisher Packaging we are passionate about caring for the environment in any way we can, whether that be through reducing excess packaging waste, increasing recycled content in products, and helping customers switch to more environmentally-friendly packaging. Therefore, we are embracing this new tax and seeing it as a positive step forward in increasing recycling of plastic material.

However, we recognise that many of our customers may be confused, anxious, and uncertain about the new tax. With only a couple of months until it is law, there is not much time left to prepare!

What is the Plastic Packaging Tax?

The tax will apply to plastic packaging manufactured in, or imported into, the UK where less than 30% of the plastic used in its manufacture is recycled. The rate of the tax will be £200 per tonne of plastic packaging.

The tax will apply to plastic packaging on a per component basis. Packaging components made from multiple materials will be classed as plastic packaging if they contain more plastic by weight than other materials.

The government have been periodically releasing new guidance about the tax; however there is still a lack of clarity in some areas which makes it hard for companies to prepare fully for implementation of the tax, and time is running tight for companies to do what is necessary for this.





How will the Plastic Packaging Tax impact you?

If you are a business that imports or manufactures more than 10 tonnes of plastic packaging over a 12-month period you will have to register for the tax. The Government website includes helpful steps to work through to determine your responsibility under the new tax, along with guidance for how to get your business ready. (See below link)



If you buy plastic packaging from a UK packaging company such as Kingfisher Packaging, you will not be liable for the tax, however you may find that the price of plastic packaging with less than 30% recycled content, increases as a result of the tax. It is unclear at this stage how much effect this will have on our customers, however costs may be passed through the supply chain.

What can you do to prepare for the tax?

If you will be impacted by the tax through the products that you currently use, it may be worth seeing if there are any alternative products you can use, or if you can switch to a product with a higher recycled content.

Our procurement and research teams have been working hard over the last year or so to increase the recycled content in our plastic products, as well as expanding our portfolio of plastic-free products, to mitigate the impact of the Plastic Packaging Tax.

We have a very comprehensive and broad range of paper-based, plastic-free products, as excellent alternatives to offer to our customers. Some of these are listed below.



Plastic-Free Sustainable Packaging Options:

- Actuspack Cardboard Layer Boards
- Actuspack Crumpler & Paper
- Actuspack Gummed & Self-Adhesive Paper Tape
- Actuspack Heavy Duty Cardboard Bottle Pack
- Actuspack Paper Bubble Wrap
- **Actuspack Paper Document Wallets**
- Actuspack Paper Pallet Wrap
- Actuspack 'Speed'n Eze' Self-Adhesive Corrugated Rolls
- Board Envelopes
- Biodegradable Loosefill
- Cardboard Postal Tubes
- Cardboard Single Wall & Double Wall Boxes
- Cellophane Bags
- Corrugated Paper Rolls
- Paper Padded Postal Bags
- Kraft Paper Layflat Tubing
- Kraft Paper Rolls & Sheets
- Masking Tape
- Paper Voidfill
- Paper Bags & Carriers
- Propak Cardboard Edge Boards
- Propak Cardboard Postal Boxes
- Pulp Corners and Channels
- Sheet Labels and Warning Labels
- Tissue Paper
- Twine & String
- Woodwool

This range of sustainable packaging is increasing all the time as our team continually adapt to the market, research new trends, and create cutting-edge innovative products.

Why not give our sales team a call to find out more about these products and how you could try switching from your current plastic packaging?



What if you have to use plastic packaging?

There may still be packaging applications where you need to use plastic packaging, and a paper-based alternative is not a viable option. For example, you may need to use a clear polythene bag to be able to see a product inside, or a polythene mailing bag may be required to prevent a product from getting wet.

However, the good news is that a lot of Kingfisher Packaging's current plastic packaging range already contains 30% or more recycled content, with more products set to move across to recycled content in the near future. Some of our plastic products contain 100% recycled plastic! This will mean there are many products exempt from the Plastic Packaging Tax, without compromising on quality. For example, the following products already contain, or will contain 30% or more recycled content:

- **Affix Document Wallets**
- <u>Airtech Film</u> made from minimum 50% recycled content
- Envosafe Bubble Lined Mailers
- Omegatech Hand Pallet Wrap & Stretchfilm
- **Omegatech Hand Strapping**
- Omegatech Machine Pallet Wrap & Stretchfilm including 100% recycled content Stretchfilm!
- Omegatech Pallet Top Sheets made from 100% recycled content!
- **PET Strapping**
- PP Tape
- <u>Plastic Corner Protectors</u> made from 100% recycled content!
- Polythene Bags & Polythene Carrier Bags
- Polythene Lay Flat Tube
- Polythene Mailing Bags
- Refuse Sacks
- Spiral Wrap Film
- Wrapflex Bubble Wrap Rolls & Bubble Bags
- Wrapflex Foam Profile made from 100% recycled content!

The government recognises that there are regulations regarding the use of recycled plastic in certain industries such as food and medical. Packaging should only contain recycled content where it is permitted to do so under regulations. Currently many of our customers in these industries require Virgin-Grade plastic packaging, and therefore we will still be supplying these products where our customers require.



How else can you reduce your plastic packaging use?

Over the last 5-10 years, we have been developing unique eco-friendly pallet wrapping films using the latest thin-film technology. These films are made from a unique thin-grade formula, massively reducing plastic film usage while still giving fantastic load retention. Some of our customers have more than halved their plastic usage through switching to these pallet films. However, as these optimum films are so technologically advanced in the world of pallet wrapping, it would be counter-productive to include recycled content, as this would mean the film would have to be made thicker. These films are more eco-friendly without including recycled content, due to massively reducing plastic usage.

How can we help you?

As always, Kingfisher Packaging is dedicated to supporting our customers. We can help you prepare for the Plastic Packaging Tax and identify ways in which we can increase efficiency and reduce costs in your packaging operation. Contact us today to find out what more we can offer you.