



CONSULTATION BRIEF ON DRAFT WASTE MANAGEMENT (PACKAGING AND PACKAGING WASTE) (AMENDMENT) REGULATIONS, 2016

1. BACKGROUND

The Budget Speech for 2016 clearly announced the exemptions from eco-contribution of packaging or packaging material, mainly plastic carrier bags and containers for soft drinks and non-alcoholic beverages. In the case of such products the eco-contribution will be replaced by an excise duty.

Moreover, the Budget Speech for 2016 asserts that during the coming year, the Government aims to finalise the total removal of the eco-contribution tax.

The aforementioned Budget reform complements the spirit of the “*Waste Management Plan for the Maltese Island, 2014-2020*”, which highlights the need:-

- i. to review the current eco-contribution legislative framework, taking into account the experiences registered by the operations of schemes in the packaging and packaging waste sector; and
- ii. to consider all options available to design a system which reinforces the waste management principles.

In order to complement the 2016 Budget Measure related to the removal of eco-contribution on the majority of packaging or packaging material, the following amendments to national Legislations are being proposed:

a) *The Waste Management Fund*

Amendments to S.L. 504.37 – the Waste Regulations aim to establish the “*Waste Management Fund*” under the provisions of the Act.

All the revenue generated by the fees and fines emanating from the Packaging Regulations shall be deposited in the “*Waste Management Fund*” to be established under the Waste Regulations. Amendments to Regulation 12 of the principal Regulations as per Regulation 6 of this amendment will be used to finance preventive measures, a packaging waste characterisation survey, policy incentives for local councils/producers and random audits to be carried out by the competent authority on producers of packaging or packaging material.

b) *Additional fee for producers and packaging waste recovery scheme(s) failing to achieve the recycling & recovery targets*

The introduction of new provisions to Regulations 21 and 24 of the principal Regulations as per Regulations 13 and 15 of this amendment, together with the introduction of new schedules, Schedule 8 and 11, to the principal Regulations aim to introduce an additional fee in Year_x for each self-

compliant producer or third parties acting on their behalf who fail to achieve the recovery targets in Year_{x-1}, calculated as follows:-

$$A*(55\% - B)*C = \text{Additional Fee} \quad \text{where}$$

- "A" is the total weight of packaging/packaging material put on the market
- "B" is the rate of total packaging waste recycled by the scheme/self-compliant producer in Year_{x-1} provided that if B is greater than 55%, the additional fee would be considered to be equal to zero (0)
- "C" is a fee of €100 per tonne.

c) *Fee for packaging waste recovery scheme(s) being granted a permit/renewal of permit*

Amendments to Regulation 24 of the principal Regulations, as per Regulation 15 of this amendment introduce a fee for any packaging waste recovery scheme that has been granted a permit (or renewal of permit), calculated as follows:-

$$A*B = SF \quad \text{where:-}$$

- "A" is the number of registered producers participating in the scheme;
- "B" is a fee of ten Euro (€10) to be charged for each registered producer participating in the scheme;
- "SF" is the scheme fee.

d) *Fine for any person who fails to register or renew his registration*

Amendments to Regulation 21 of the principal Regulations as per Regulation 13 of this amendment, together with the introduction of a new schedule, Schedule 9, to the principal Regulations ensure that any person who fails to register or renew his registration as a producer of packaging or packaging with the competent authority would be liable to a fine at a flat rate of €750 per tonne of packaging or packaging put on the market in those years for which the individual should have registered/renewed his registration.

e) *Further amendments to the Packaging Regulations*

- Amendments to Regulations 3 of the principal Regulations, as per Regulation 3 of this amendment, aim to amend certain definitions, particularly the definition of a "scheme", a "producer" and "put on the market".
- Amendments to Regulations 8, 10, 16 and 20 of the principal Regulations, as per Regulations 4, 5, 10 and 12 of this amendment aim to enable better implementation of the Packaging Regulations.
- Renaming and amendments to Regulation 13 of the principal Regulations, as per Regulation 7 of this amendment aim to ensure the sustainable collection, treatment and disposal of collected packaging waste.
- Renaming and replacing Regulation 14 of the principal Regulations, as per Regulation 8 of this amendment, aim to establish the requirements for carrying out a packaging waste characterisation survey.

- Renaming and replacement of Regulation 15 of the principal Regulations, as per Regulation 9 of this amendment, aim to enable better regulation and better implementation of the Packaging Regulations vis-à-vis the presentation of proof of recovery and recycling by the producers or third parties acting on their behalf.
- Renaming and replacement of Regulation 17 of the principal Regulations, as per Regulation 11 define the requirements for the operation of a packaging waste recovery scheme.
- Renaming and replacement of Regulation 25 of the principal Regulations, as per Regulation 16 introduce new requirements for exempted producer putting less than 100kgs on the market of packaging or packaging material.

2. QUESTIONS

2.1 What do you believe are the main reasons as to why producers fail to register with the competent authority in a timely manner? How can the competent authority facilitate the registration process?

2.2 What are your views on the proposed additional fees on self-compliant producers and Packaging Waste Recovery Scheme(s) who fail to achieve the overall recycling target pursuant to Regulation 8 of the Packaging Regulations (S.L. 504.72)?

2.3 Do you think that any further changes should be made to the draft Packaging Regulations?

3. COMMENTS

The draft Regulations amending Subsidiary Legislation 504.72 – the Waste Management (Packaging and Packaging Waste) Regulations, 2006 as published by means of Legal Notice 277 of 2006 may be viewed on <http://www.mepa.org.mt/public-consultation>.

The Ministry for Sustainable Development, the Environment and Climate Change and the Malta Environment and Planning Authority welcomes any feedback on the specific questions set out in Section 2.

You may wish to submit any comments by 2/3/2016 on the following email addresses: contact.waste@mepa.org.mt or eu.affairs@mepa.org.mt.

The Ministry for Sustainable Development, the Environment and Climate Change and the Malta Environment and Planning Authority shall take into consideration your concerns and comments.