



UK Universities Purchasing Consortia

## Plastics Packaging Tax – How the HE purchasing consortia are supporting members and suppliers

The [Plastic Packaging Tax](#) came into force on 1<sup>st</sup> April 2022. Companies are required to register for the tax if they have manufactured or imported 10 or more tonnes of finished plastic packaging components within the last 12 months or will do so in the next 30 days. The tax only applies to manufacturers and importers of plastic packaging components which contain less than 30% recycled plastic. It will be charged at a rate of £200 per tonne.

In March 2022 UKUPC identified 517 suppliers from their collective supply base that were considered to be impacted by the Plastics Packaging Tax. The suppliers were given a short survey to determine if they were directly or indirectly implicated and asked what mitigating action the supplier was taking.

There have been 102 responses to date with the following breakdown:

Impact	Number
Directly	9
Indirectly	43
Both Directly and Indirectly	6
Not Impacted	44

The limited number of responses has led us to consider whether the suppliers are sufficiently well informed to answer the questions posed to them. It was therefore agreed that an educational piece will be circulated by UKUPC to suppliers to support them in understanding their obligations.

Suppliers who are implicated by this taxation will not be able to expose the members to this cost and this will be made clear on receipt of any commercial review requests. The purpose of the tax is to encourage suppliers to reduce their use of plastics and increase recycled content which is endorsed by UKUPC and member institutions' sustainability practices.

All suppliers that said they will be directly impacted by the tax are actively pursuing alternative packaging materials and working with customers to find different ways of fulfilling deliveries. Many of those who are distributors expressed concern with the difficulty of reducing the amount of plastic used by the manufacturers in their packaging.

Those that will be indirectly impacted expressed concern that the cost was being passed onto them by their downstream suppliers. They were working with their supply chains to identify alternative materials and eliminating and unnecessary single use plastic items from their operations.

Key to those indirectly impacted is the requirement to ensure their suppliers are fulfilling their obligation to pay the packaging tax only one company said they were engaging with partners to obtain evidence that this is being done. It will likely be useful for UKUPC to educate suppliers that they become liable if their suppliers fail to pay.

UKUPC will continue to liaise with the supply base, chasing up those who have not yet responded and advising those who want or need further information.

Further communication will follow as and when it is available.

To discuss any aspects of the plastics packaging tax, please contact your regional purchasing consortium.