



Alliance for Fibre-Based Packaging

**Smart. Sustainable. Secure.
The Future of Fibre-Based Packaging.**

Fibre-based packaging: a practical, sustainable and functional alternative to plastics

The Alliance for Fibre-Based Packaging represents UK manufacturers and producers of fibre-based and fibre-based composite (FBC) packaging, alongside major household brands and retailers.

Together, members account for more than £24 billion in turnover and 210,000 UK jobs. We share the Government's goal of a circular economy that reduces waste and carbon emissions while retaining material value, investment and employment in the UK.



Why consumers choose our packaging

Fibre-based and FBC formats combine three benefits that are essential to consumers and supply chains:



Recyclable through established systems

Many fibre-based and FBC formats can be collected, sorted and reprocessed through established UK routes. The priority is consistent collection and investment across all four nations, rather than presenting an England-only policy as the whole solution.

Food protection and shelf-life

Fibre-based packaging helps keep food safe, fresh, and protected from damage. By extending shelf-life and reducing food waste, these benefits should be considered alongside how recyclable the packaging is.



The Opportunity

The UK already has technical reprocessing capability, but collection coverage, sorting performance and access to suitable mills remain inconsistent. pEPR and waste management policies should be used to remove these system barriers and unlock further investment in reprocessing capacity.



The Solution

A fairer framework should: distinguish materially different FBC formats; publish and correct the evidence behind fees; introduce modulation at a pace that reflects investment cycles; collect all recyclable formats and make local-authority payments conditional on measurable improvements in packaging collection and recycling.

Why this matters to politicians

pEPR is a UK-wide reform. Its success should be measured by better collection, sorting, and reprocessing outcomes across all four nations, not simply by the amount of money transferred from producers to local authorities. Local-authority payments must deliver visible improvements and link a meaningful share of each payment to published performance milestones.

pEPR provides an opportunity to improve collection, sorting and reprocessing across all four UK nations, while ensuring producer funding supports visible improvements.

A clear, evidence-led fee structure must help avoid unintended material switching and support continued investment in fibre-based packaging and UK recycling infrastructure.

Greater consistency across UK waste-management policies, including collection rules, would help ensure recyclable packaging is captured and reprocessed effectively.

EPR

Make the incentives work for better outcomes

Publish and correct the evidence behind FBC fees

01

The current Year 1 fee for FBC is £461 per tonne. This is more than double the fee for paper, which stands at £196, and higher than the £423 fee for plastic.

A Beyondly review commissioned by ACE UK (The Alliance for Beverage Cartons and the Environment) found that FBC fees may have been overpaid by between £6.3 million and £13.7 million because of questionable assumptions on collection costs, bulk density and the split between liquid and non-liquid formats.

Before final Year 2 fees are confirmed, PackUK should publish the full FBC cost model – including tonnage data, collection and residual-waste assumptions, bulk density, market split, sorting yield, reprocessing costs and the treatment of misreported material – and commission an independent review of the £461 per tonne Year 1 FBC fee, as well as correct future notices where assumptions are shown to be materially inaccurate.

Reassess the classification threshold between paper and FBCs

02

The current distinction between the paper & board and FBC categories is based on a 5% plastic-content threshold beyond which products move from paying the lowest fees of any material as paper to the highest fees as FBCs.

This risks penalising fibre-based innovation and encouraging businesses to return to plastic even where a fibre-based pack performs well in existing paper-recycling infrastructure.

The evidence for this threshold is unclear and has been decided without consulting much of the packaging industry or considering design for recyclability criteria which has been designed and is now well established by paper industry bodies such as CEPI.

The government should publish the evidence used to set the 5% plastic-content boundary between paper and board and FBCs.

The Alliance for Fibre-Based Packaging met with Mary Creagh, Parliamentary Under-Secretary of State at the Department for Environment, Food and Rural Affairs, on the 11th of June 2026. In this meeting it was agreed that a review would be undertaken by Defra into the impacts of a 10% wider threshold. To date we have not seen any evidence of the work undertaken and outcome.

Create separate FBC subcategories and fee rates for liquid and non-liquid cartons

03

The current classification places all FBCs within a single category, despite material differences in their composition and reprocessing requirements. PackUK should therefore establish the principle of separate FBC subcategories and associated fee rates, with the immediate focus on distinguishing liquid beverage cartons from non-liquid carton board. The final definitions should be agreed following further industry engagement and align as closely as possible with the Recyclability Assessment Methodology, including its treatment of non-fibre content.

The Recyclability Assessment Methodology under pEPR assesses liquid and non-liquid FBCs separately. That technical distinction should also be reflected in the material classification and the associated fees, just as PackUK has created rigid and flexible plastic subcategories.

PackUK should create two FBC subcategories for reporting and disposal fees: (a) liquid cartons requiring specialist reprocessing and (b) non-liquid FBCs capable of being reprocessed through standard paper-mill routes.

Slow modulation and protect the green pathway.

04

Under the current policy, the red fee multiplier rises from 1.2 times the base fee in 2026/27 to 1.6 times and then 2.0 times over the following two years. This is too rapid for packaging redesign, testing, capital investment and customer conversion cycles.

The red multiplier should remain at 1.2 times the base fee for at least two assessment years, followed by an evidence-based review before any increase. Businesses should receive at least 24 months' notice of material changes to RAM criteria or modulation factors.

The green pathway for non-liquid FBCs that meet collection, sortation, reprocessing and application criteria must continue to be retained. Removing it would create a structural incentive to move from fibre-based packs back to plastic, undermining the environmental purpose of pEPR.

Recycling

Make the system work in practice

Collect like-for-like fibre-based packaging consistently

All beverage cups are currently excluded from the household paper and board recycling stream under Simpler Recycling rules in England, regardless of their composition. There is no justification for this exclusion as cups are materially the same as other formats that are widely collected. Collection policies should ensure that all paper and FBC formats are subject to the same criteria, to prevent fully recyclable packaging from ending up in EFW or landfill.

England's Simpler Recycling reforms should be aligned with equivalent arrangements in Scotland, Wales and Northern Ireland, supported by clear consumer labelling and consistent local-authority communications.

Make local-authority payments conditional on outcomes

Each local authority should publish an annual pEPR improvement plan and report against a small set of comparable measures: household-packaging capture, contamination, sorting yield, residual disposal, FBC collection coverage and investment in sorting or reprocessing.

Twenty per cent of each authority's annual payment should be explicitly conditional on delivery of agreed improvement milestones. Where milestones are missed without a justified reason, that share should be reduced or redirected to projects that will improve packaging recycling performance.

Payments should be permitted and encouraged to support the whole system - collection, sorting, reprocessing, market development and public communications - rather than simply maintaining existing collection services.

Conclusion

Fibre-based packaging is a practical and vital part of the UK's transition away from unnecessary plastic.

The Alliance is asking for a pEPR system that follows the evidence: separate FBC formats with different recycling requirements, reassess the plastic threshold separating FBCs from paper, correct fee assumptions, phase modulation at an investable pace, preserve the green pathway, apply the same collection criteria to all FBC and paper packaging and hold local authorities accountable for measurable recycling improvements.

These changes would reduce waste, protect innovation and strengthen confidence to invest in UK circular-economy infrastructure.



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