

# Consultation on proposals for reform to the Packaging Waste Recycling Note (PRN) system – Wildlife and Countryside Link and EIA response

5 May 2026

This consultation response is on behalf of nature and animal welfare coalition Wildlife and Countryside Link (Link) and Environmental Investigation Agency (EIA).

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## Overall comments

### Introduction: the harms of the current system

The Wildlife & Countryside Link (WCL) coalition welcomes the opportunity to respond to this consultation. Our evidence base, including the Environmental Investigation Agency (EIA) outputs such as [The Great UK Soft Plastics Scandal](#), [Dirty Deals: Part 1](#), [Dirty Deals: Part 2](#), [The Hard Truth About Soft Plastics](#) (in collaboration with Everyday Plastics) and [Financial Crime Risks in the Plastic Waste Trade](#), demonstrates that the UK's current approach to managing waste, especially plastic waste, is fundamentally flawed. Without urgent intervention, the environmental, social and economic consequences will continue to worsen.

The UK remains heavily reliant on exporting large volumes of plastic waste: over 598 million kilos in 2024,<sup>1</sup> and over 10 million kilos recently in January 2026.<sup>2</sup> This plastic waste is exported through opaque and poorly monitored trade routes. Evidence from the aforementioned *Dirty Deals* investigations, and related investigations, shows that once waste leaves the UK, oversight is limited and accountability diminishes, enabling misreporting, fraud, and illegal activity.

For example, investigators uncovered brokerage firms willing to deliberately mislabel low-quality plastic waste as higher-grade material in order to fraudulently obtain Packaging Recovery Notes (PRNs), even suggesting the movement of waste between sites to make claims appear legitimate. Industry insiders also reported that shipments declared as recyclable PET bottles were routinely contaminated with non-qualifying materials, with PRNs

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<sup>1</sup> [Basel Action Network, 2024: United Kingdom Export Data](#)

<sup>2</sup> [Basel Action Network: January 2026 United Kingdom Export Data](#).

claimed on the full volume regardless. In more serious cases, organised crime groups have established sham waste companies, obtained licences, and brokered plastic exports without ever processing the material, diverting it instead to illegal dumping or mislabelling it entirely, while laundering the proceeds through other ventures.

As a result, plastic waste exported in the name of “recycling” is frequently dumped, burned, or otherwise mismanaged in recipient countries, particularly in the Global South. The consequences are severe. For example in Türkiye, which received 151 million kilos of the UK’s plastic waste in 2024,<sup>3</sup> Human Rights Watch has documented serious health impacts among plastic recycling workers and nearby residents, including toxic exposure and long-term illness.<sup>4</sup> Similarly, in Malaysia, Greenpeace investigations found that plastic waste exported from the UK has contaminated soil and water with heavy metals and hazardous chemicals at illegal dump sites, posing risks to human health and the environment.<sup>5</sup> This causes serious environmental harm and human rights impacts, while masking the UK’s underlying issue of overconsumption and waste generation: the UK is the second largest producer of plastic waste per capita.<sup>6</sup>

Even where waste reaches formal recycling facilities abroad, it can displace locally generated waste, preventing it from being properly managed and driving further environmental and economic harm. These dynamics are enabled by systemic loopholes and weak enforcement, and are actively exploited by criminals operating within the global waste trade.

The UK’s continued reliance on this system reflects a failure to take responsibility for its own waste and highlights the urgent need for policy change. We largely welcome the current proposals, including those to:

- provide further guidance on the “recyclable proportion” of waste;
- reform and place a time limit on national protocols and AAGs;
- cancel illegitimately issued PRNs and PERNs;
- and enhance data transparency.

However, they do not go far enough in tackling the environmental and social harms of waste exports. We set out below the further measures needed.

### **Transparency, reporting and traceability**

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<sup>3</sup> [Greenpeace UK, 2022: Game of Waste](#)

<sup>4</sup> [Human Rights Watch, 2022: “It’s As If They’re Poisoning Us” The Health Impacts of Plastic Recycling in Turkey](#)

<sup>5</sup> [Greenpeace UK, 2020: The Recycling Myth 2.0](#)

<sup>6</sup> [Law et al., 2020: The United States’ contribution of plastic waste to land and ocean](#)

The current PRN and PERN system lacks sufficient transparency, traceability and independent verification to ensure that reported recycling actually takes place.

Evidence demonstrates that the system is highly vulnerable to fraud and manipulation. In 2023 alone, it is estimated that between £30 million and £50 million in PRN and PERN payments, approximately 10–15% of the market, was tied to fraudulent activity where claimed recycling does not match actual recycling.<sup>7</sup>

Fraudulent practices include:

- the issuance of fake PRNs for waste that was never processed;
- mislabelling lower-value or contaminated plastics as higher-grade recyclables to claim credits;
- and double counting of waste across facilities or jurisdictions.

These weaknesses undermine the integrity of recycling data and create a significant accountability gap, particularly where waste is exported and oversight is weakest.

Criminal networks and complicit operators have exploited these vulnerabilities. EIA's *Dirty Deals* investigations have identified organised crime groups establishing fake waste operations, obtaining licences, and generating fraudulent PRNs without processing waste. In some cases, these operations have been linked to broader financial crime, including money laundering.

Financial crime risks in the system include:

- unexplained spikes in PRN transactions without corresponding waste movements;
- complex or opaque payment structures involving offshore entities;
- unusually large payments to newly registered brokers;
- and high-risk trade routes linked to illegal waste activity.

These findings demonstrate that stronger enforcement, traceability and verification are urgently required.

It has already been acknowledged that there are weaknesses in intermediary oversight and there have been attempts to tackle this through the 2022 Carrier Broker Dealer reform and Mandatory Digital waste tracking consultations, but meaningful implementation remains outstanding.

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<sup>7</sup> [EIA, 2024: Dirty Deals – Part One: Evidencing illegalities in the global plastic waste trade](#)

As such, timely implementation of these and additional reforms are also required. Safeguards can draw on principles already reflected in the revised [EU Waste Shipment Regulation](#). By way of example, this can include:

- mandated publication of granular trade flow data - enabling regulators, producers and the public to identify unusual export patterns, destination shifts and dependency on high-risk routes (Articles 27 – 31);
- independent third-party monitoring or audit of receiving facilities (Articles 46 – 47);
- recycling capacity and due diligence checks - requiring evidence that destination facilities have the lawful technical capability and sufficient capacity to manage the waste received (Articles 46, 59 and 60);
- and enhanced digital traceability and greater registration requirements - allowing waste movements and evidence claims to be cross-checked more effectively (Article 27 – 31, 67 - 75).

### The impacts of UK plastic waste exports

The UK's continued reliance on plastic waste exports shifts environmental and social harm to other countries while obscuring the true scale of domestic waste generation. Once exported, plastic waste is frequently subject to illegal dumping, open burning, and unregulated landfilling, practices which cause severe environmental damage including soil, air and water contamination, and contribute to long-term health impacts for local communities. Even where waste enters formal recycling systems abroad, it can displace locally generated waste, preventing it from being properly managed and creating additional environmental and economic harm. Waste can also enter poorly regulated recycling systems with strong human rights impacts, including hundreds of deaths in recycling plants.<sup>8</sup>

This reflects a broader pattern of environmental burden shifting, whereby the impacts of UK's high plastic consumption are externalised to other countries. The UK's reliance on this system is fundamentally inconsistent with key environmental principles, including the polluter pays principle, the principles of proximity and self-sufficiency, and the duty not to cause transboundary harm.

Preventing waste exports and subsequent mismanagement overseas is also essential to preventing marine pollution as much mismanaged plastic waste ultimately ends up in the

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<sup>8</sup> [ENDS Report, 2025: Investigating a boy's death in a Turkish recycling plant led my journalists back to UK shores – their findings cannot be ignored](#)

ocean.<sup>9</sup> Reducing and ultimately eliminating plastic waste exports is therefore essential to achieving international goals such as UN Sustainable Development Goal 14,<sup>10</sup> UNC Ocean Decade Vision 2030 Challenge 1,<sup>11</sup> and the goals of the Commonwealth Clean Ocean Alliance.<sup>12</sup>

### Waste hierarchy, alternatives and system transition

To reduce harmful waste exports, a fundamental shift is required to move up the waste hierarchy. The most effective way to reduce the harms associated with plastic waste exports is to reduce the volume of plastic entering the system in the first place, through measures such as reducing plastic consumption and production, through target-setting, scaling up reuse systems, phasing out toxic chemicals and additives and promoting product redesign. We welcome the planned publication of the Circular Economy Growth Plan for England. Packaging measures within this plan should be ambitious and focus on reducing packaging production and use, through reuse and removal of packaging where possible.

The focus of packaging reforms should not be on untested and harmful downstream solutions which do not tackle the environmental consequences. While often presented as solutions, downstream technologies such as chemical or advanced recycling and incineration risk entrenching the very system they are intended to address. Chemical recycling remains largely unproven at scale and is highly energy intensive, with risks of locking in continued plastic production and associated carbon emissions, enabling greenwashing rather than genuine circularity, and diverting investment away from proven solutions.<sup>13</sup> Incineration similarly is not a circular solution, generating significant carbon emissions, destroying material value, creating long-term infrastructure lock-in, and undermining recycling and waste reduction efforts.<sup>14</sup>

Reliance on these technologies perpetuates a system focused on managing waste rather than preventing it. The policy focus must instead be on waste prevention and the development of genuinely circular systems supported by robust domestic infrastructure.

### System design and incentives

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<sup>9</sup> [Our World in Data, 2023: How much plastic waste ends up in the ocean?](#)

<sup>10</sup> [UNSDGs: Goal 14: Conserve and sustainably use the oceans, seas and marine resources for sustainable development](#)

<sup>11</sup> [UNESCO, 2024: Ocean Decade Vision 2030 White Papers Challenge 1: Understand and beat marine pollution](#)

<sup>12</sup> [The Commonwealth: Commonwealth Clean Ocean Alliance](#)

<sup>13</sup> [Wildlife and Countryside Link, 2023: Plastic Packaging Tax - chemical recycling and adoption of a mass balance approach](#)

<sup>14</sup> [UKWIN, 2023: Incineration Overcapacity in England](#)

However, some reprocessing will continue to be required. Properly managed recycling can reduce greenhouse gas emissions, dependence on new material, pollution and production costs. Unfortunately, the current PRN system creates perverse distorted incentives that favour exports and enable fraud, creating mismanagement risks as detailed above and loss of materials from the UK supply chain, increasing reliance on imported raw and recycled materials and missing out on economic opportunities for the UK.

Exported waste is treated by the current system with less scrutiny to domestically processed waste. Waste is also often cheaper to process overseas due to a combination of lower labour and regulatory costs, and in some cases, weaker environmental enforcement. This creates artificially low prices for export over domestic reprocessing, which in turn creates a structural incentive to export waste rather than invest in UK recycling capacity. This limits growth of the UK recycling sector, as domestic reprocessors cannot compete with artificially deflated export prices, and results in significant environmental and human health harm.

This system:

- results in significant harm and exploitation;
- undermines domestic recyclers, limiting growth in the UK waste processing industry;
- discourages investment in much-needed infrastructure;
- enables misreporting and greenwashing;
- and distorts the true cost of waste management.

### Export ban and phased transition

A full ban on UK plastic waste exports is necessary to address fraud, environmental and human harm, as well as system failure associated specifically with UK plastic waste. The Government must use the existing powers in the Environment Act 2021 to ban all plastic waste exports to non-OECD. There should also be a clear, time-bound plan for phasing out waste exports to OECD countries with a priority placed on those with high risk of waste mismanagement, such as Türkiye. This should be implemented through a phased and managed transition, allowing time for domestic recycling capacity to scale, industry to adapt, and regulatory systems to strengthen.

This approach reflects and builds upon measures already being taken under the EU Waste Shipment Regulation, but best suited to current UK circumstance. Without such a transition, the UK will remain dependent on exporting its plastic waste problem overseas, environmental and human rights harms will continue, and the system will fail to transition to genuine

circularity. A phased approach provides a credible pathway to end export reliance while allowing for adequate domestic infrastructure.

### Possible options and proposals for further consultation

Whilst a plastic waste export ban is needed to minimise harms from plastic waste, the proposals in Section 4 could help the transition to domestic reprocessing of plastics in the interim and support growth in the recycling industry for all other materials.

Of the two options proposed, we support material specific domestic reprocessing targets. This option, alongside a plastic waste export ban, was supported by industry and eNGOs in a [joint letter to the Chancellor and Defra Secretary of State](#). Domestic reprocessing targets, scaled up over time, would also help support a clear transition pathway to reducing and eliminating waste exports, giving industry the certainty needed to invest in and grow the UK economy.

Minimum material sorting standards are unlikely to provide the shift needed to encourage domestic reprocessing. As evidenced above, significant fraud takes place in the waste export market, and additional standards are likely to be ignored by fraudulent actors. In addition, the impact of these standards on domestic processing levels is uncertain compared to clear domestic reprocessing targets. This will not give industry the confidence to invest in reprocessing capacity and grow the UK economy.

### Conclusion and key recommendations

While Link supports the direction of travel in PRN reform and pEPR, the current proposals do not go far enough to address the structural issues in the system. Without bold action, the UK will remain dependent on exporting its waste problems overseas, environmental and social harms will continue in receiving countries, and opportunities to enable true UK circularity and waste reduction will be missed.

The UK must:

- strengthen transparency, traceability and enforcement, including through increased capacity and funding for regulators, especially the Environment Agency;
- address fraud and financial crime within the PRN system;
- prioritise waste prevention, reuse, refill and repair, and mechanical recycling over disposal technologies, including incineration and chemical recycling;
- phase out plastic waste exports through a managed transition;

- and invest in domestic, genuinely circular infrastructure, including dealing with toxicity in the plastics supply chain which undermines a safe and sustainable circular economy.

A fundamental shift is required to move from a system that externalises harm, to one that prioritises accountability, waste prevention and reduction, and environmental integrity.

## About you

### Q1. Would you like your response to be confidential?

No

### Q2. Your name

Tom Ash

### Q3. Your email address

tom@wcl.org.uk

### Q4. Which best describes you?

Non-governmental organisation

### Q5. Please provide the name of the organisation/ business you represent:

Wildlife and Countryside Link and Environmental Investigation Agency

### Q6. Please provide an approximate size/number of staff (where applicable):

N/A

### Q7. Government will need to understand the needs of users to build digital services for Extended Producer Responsibility. Would you like your contact details to be added to a user panel for Extended Producer Responsibility so that we can invite you to participate in user

research (for example surveys, workshops and interviews) or to test digital services as they are designed and built?

No

## Proposed amendments

Q8. Do you agree or disagree nationally agreed protocols and AAIGs should be set at the lower range of what is reported by reprocessors and exporters who have used actual data and sampling and inspection plans?

Agree

We agree with this proposal, as long as it is delivered with additional measures. It is important that evidence supporting recycling claims is accurate. Setting nationally agreed protocols and AAIGs at the lower range of reported actual data helps reduce the risk of overestimation of recycling rates, and incentivises use of actual data on recycling rates from reprocessors. This approach strengthens the integrity of the system and ensures that environmental claims reflect reality rather than optimistic assumptions. It also helps prevent inflation of recycling evidence, ensuring that payments reflect the actual cost of recycling and increase investment in reprocessing. As such, lower-range assumptions are appropriate as a safeguard, but should not displace investment in regular direct measurement and robust sampling.

Given these technical protocols determine the creation of tradeable compliance evidence, they are not merely administrative but act as market rules and should therefore meet modern transparency standards. As such, it is important that:

1. Data, sampling and inspection plans used as a basis should be undertaken by independent third-party auditors.
2. Proper reporting as outlined above, from all reprocessors and exporters, should be mandatory.
3. It is mandatory that all live and historic protocols are published, publicly accessible in the form of a public register.
4. It is mandatory that the methodology and evidence base used is disclosed within the protocols.
5. That protocol creation allows for periodic consultation and independent review of relevant stakeholders, including those beyond directly affected commercial interests,

such as local authorities, civil society, technical experts and compliance scheme representatives.

6. That effective whistle-blowing mechanisms and appeal routes are put in place.

Greater transparency would improve confidence among obligated producers as well as the wider public. Similar principles are already used in environmental compliance markets such as the UK Emissions Trading Scheme (ETS), where tradeable units rely on monitored data, third-party verification and approved methodologies, with conservative estimation approaches where direct measurement is not possible. In addition, Packaging EPR systems such as Belgium's demonstrate that producer responsibility schemes can operate with centralised reporting, audited data submissions and transparent performance reporting, helping to build confidence in recycling outcomes.<sup>15,16</sup>

**Q9. Do you agree or disagree with the proposal to make national protocols and AAIGs time limited?**

Agree

Protocols and AAIGs that remain in place for extended periods will become outdated and misaligned with current waste composition, packaging design and recycling practices. Making them time limited ensures they are regularly reviewed and updated in line with changes in material flows, technology, and waste management practices. This supports more accurate measurement of recycling and helps ensure that the system continues to reflect actual environmental performance and reprocessing costs. In line with our answer to question 8, time limits would also improve governance by preventing temporary assumptions from becoming permanent without scrutiny. Renewal should therefore always be linked to updated evidence, stakeholder consultation and independent review. Comparable approaches are already used, the UK Emissions Trading Scheme being one example.

**Q10. Do you agree or disagree that protocols and AAIGs should be reviewed and updated as necessary at least every 3 years?**

Agree

We agree with this measure as an overall backstop, but higher-risk waste streams should be reviewed more frequently.

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<sup>15</sup> [Fostplus](#)

<sup>16</sup> [OECD: Extended producer responsibility and economic instruments](#)

A regular review cycle of at least every three years provides a reasonable balance between stability and responsiveness. It ensures that methodologies remain evidence-based and reflective of current conditions, while allowing sufficient time for data collection and analysis. From an environmental perspective, regular updates are essential to ensure that recycling rates are not overstated and that policy decisions are based on accurate and current information.

However, in sectors where material streams and packaging formats can change rapidly, and a three-year review cycle risks becoming inaccurate, compliance evidence must reflect genuine real-time performance so as not to distort supply and price. As such, a risk-based approach would be more appropriate, with volatile and high-volume waste streams requiring annual review and low-risk waste streams having a three-year maximum review cycle. Given large producers are already required to report data annually under EPR, the systems are already in place to allow for such an approach.

**Q11. Do you think that regulators should have discretion to shorten this period where necessary?**

Agree

Allowing regulators discretion to shorten the review period provides an important safeguard in cases where there is evidence that a protocol or AAIG is no longer accurate or appropriate. This flexibility helps ensure that the system can respond quickly to emerging issues, such as significant changes in waste composition or identified inaccuracies. This supports the overall integrity of the recycling evidence system and helps maintain public trust. For some waste streams the time-period should be shorter as standard, as set out in our response to question 10.

In line with our answer to question 8, regulators should also establish clear whistleblowing mechanisms, so that credible concerns raised also trigger an early review where there is evidence of misreporting, outdated assumptions or misuse of a protocol.

## **Cancellation of PRNs - Increasing Sector Led Due Diligence**

**Q12. Do you agree or disagree with the proposal to place a duty on regulators to cancel PRN/PERNs that they determine have been improperly issued?**

Agree

Evidence from investigations, including EIA investigations such as [Dirty Deals: Part 1](#) and [Dirty Deals: Part 2](#), highlights systemic weaknesses in the PRN/PERN system, including fraud, misreporting, and the issuance of recycling evidence for waste that is not genuinely recycled. These failures have significant environmental and social consequences, particularly where waste is exported and mismanaged overseas.

A mandatory duty to cancel improperly issued PRN/PERNs is essential to uphold environmental integrity and prevent greenwashing within the system. Allowing invalid evidence to persist undermines real-world recycling outcomes by reducing funding for legitimate recycling operations and risks legitimising environmental harm.

From an environmental, social and economic justice perspective, failure to remove fraudulent or improperly issued evidence allows producers to continue to benefit from purchased PRN/PERNs even where harm is caused by inappropriately managed waste. This includes harm to communities in the UK where waste is not properly processed and to countries receiving waste exports, where communities and ecosystems may bear the consequences of poor waste management practices. By cancelling improperly issued PRN/PERNs, producers will be incentivised to carry out appropriate due diligence and ensure they buy PRN/PERNs that support proper management of waste.

In addition, our understanding is that existing revocation powers already exist with regards to reprocessor and exporter licences, but stronger provisions for repeat or serious misconduct need to also be considered alongside PRN/PERN cancellation duties.

**Q13. If so, would you still be supportive of introducing this duty if it required the introduction of a compliance mechanism?**

Yes

We support this as long as constraints are put in place on the compliance mechanism as outlined below.

Support for a duty on regulators to cancel improperly issued PRN/PERNs should not be conditional on the introduction of a compliance mechanism. Introducing a compliance mechanism must not weaken or delay the enforcement of this duty. The priority must be to ensure that only legitimate recycling is counted, and that fraudulent or improperly issued evidence is removed from the system.

Any compliance mechanism should therefore be tightly constrained, used only in exceptional circumstances, and designed in a way that does not:

- allow invalid evidence to remain in circulation;
- create loopholes that could be exploited by bad actors;
- or reduce incentives for genuine recycling and waste reduction.

Maintaining a strong, enforceable duty to cancel improper PRN/PERNs is essential to addressing environmental harm, preventing fraud, and restoring integrity and public trust in the system.

**Q14. Do you agree or disagree with the proposal to give the regulators discretionary powers to cancel PRN/PERNs that they determine have been improperly issued?**

Disagree

Discretionary cancellation powers are insufficient to protect environmental integrity and risk enabling continued circulation of invalid evidence. This introduces inconsistency in enforcement and weakens the incentive for producers to conduct proper due diligence when purchasing PRN/PERNs.

From an environmental justice standpoint, discretion increases the risk that improperly issued PRN/PERNs, particularly those linked to exports, may not always be cancelled. This could allow waste to be falsely accounted for as recycled, while environmental harm continues to be displaced onto communities abroad. This would also reduce funding for legitimate reprocessors. A discretionary approach undermines transparency, accountability, and public trust in the system.

**Q15. If so, would you still be supportive of introducing these powers if it required the introduction of a compliance mechanism?**

N/A

We do not support discretionary powers to cancel PRN/PERNs, as outlined under question 14. We support a duty on regulators to cancel PRN/PERNs that they determine have been improperly issued.

**Q16. Do you foresee any unintended consequences or impacts if improperly issued PRNs/PERNs are cancelled?**

No

Cancelling improperly issued PRN/PERNs may lead to short-term disruption, including adjustments to reported recycling rates and potential market volatility. However, these impacts should not be viewed as the intended correction of a system that has allowed inaccurate and, in some cases, fraudulent evidence to persist.

Evidence, including EIA evidence cited, demonstrates that the current system is vulnerable to fraud and misreporting, with recycling evidence sometimes issued for waste that is not genuinely recycled, including exported waste that may be mismanaged overseas. The continued use of such evidence masks the true environmental and social impacts of the UK's waste system, including pollution, illegal dumping, and harm to communities in receiving countries.

Cancelling invalid PRN/PERNs will help expose the real performance of the system, even if this results in lower reported recycling rates in the short term. This transparency is essential to restoring credibility, preventing environmental harm, and ensuring that policy is based on accurate data.

The greater risk lies in failing to act. Allowing improperly issued evidence to remain in circulation perpetuates environmental harm, enables fraud, and undermines both domestic recycling and the UK's responsibility for the global impacts of its waste.

**Q17. If the duty on regulators to cancel improperly issued PRNs/PERNs was implemented, what costs or additional requirements would your organisation expect to face?**

No response

## Compliance Mechanisms

**Q18. Which of the proposed compliance mechanisms would you be supportive of?**

Fee mechanism

From an environmental and social justice perspective, compliance mechanisms risk introducing flexibility into a system that already suffers from weak enforcement, fraud, and misreporting. EIA evidence from the *Dirty Deals* series highlights that the PRN/PERN system

has enabled the circulation of recycling evidence that does not reflect real-world outcomes, including waste that is exported and potentially mismanaged.

Introducing mechanisms that allow obligations to be met without securing valid PRN/PERNs risks further weakening system integrity and could create additional loopholes. This may reduce incentives for genuine recycling, obscure environmental outcomes, and allow the continuation of practices that externalise harm to communities and ecosystems abroad.

The priority should be strengthening enforcement, improving transparency, and ensuring that only verified, high-quality recycling is counted, rather than introducing alternative pathways to compliance. As set out in our response to question 20, the compliance mechanism should only be used in circumstances where there is a genuine need and should ensure the PRN/PERN system's support for recycling infrastructure is maintained.

In these cases, the compliance mechanism should take the form of a fee mechanism with punitive fee levels to encourage proper due diligence and purchase of legitimate PRN/PERNs. As the consultation notes, any compliance mechanism should not control prices, or be easier or cheaper than acquiring PRN/PERNs. The fee should therefore be significantly higher than PRN/PERNs available on the market. In particular, the fee should be at least 150% of the maximum paid for PRN/PERNs on the open market in that compliance year.

We do not support a year extension mechanism. This would fail to provide the proper incentives to purchase legitimate PRN/PERNs as it would give additional flexibility to producers, essentially removing or limiting the consequences of failing to purchase legitimate PRN/PERNs on time. This would not fit the requirement for a compliance mechanism to be difficult to use and only for cases of last resort.

#### **Q19. If only one compliance mechanism were implemented, which would you prefer?**

##### Fee mechanism

As set out in our response to question 18, a fee mechanism, if the fee is set at a punitive level, can ensure the compliance mechanism is genuinely for cases of last resort. This will incentivise purchasing of legitimate PRN/PERNs on time.

By contrast, a year extension mechanism provides flexibility that does not encourage producers to buy legitimate PRN/PERNs on time. It would allow producers who have failed to purchase PRN/PERNs, or who have purchased fraudulent PRN/PERNs that are later cancelled,

to merely buy additional PRN/PERNs at market rates, creating little incentive for proper compliance.

**Q20. What specific criteria or conditions should apply for triggering the use of either of the mechanisms? Please provide the reason for your response.**

If introduced, mechanisms should only be triggered under strictly limited and exceptional circumstances. Given the systemic weaknesses already identified in the PRN/PERN system, including fraud and misreporting, any compliance mechanism must be tightly constrained to avoid exacerbating these issues by providing an easy fallback for those who fail to comply.

At a minimum, mechanisms should:

- only be used as a genuine last resort where there is clear, independently verified evidence of unavoidable system-wide shortfall;
- not be used to compensate for structural reliance on exports or insufficient domestic recycling capacity;
- include full transparency and public reporting on their use;
- and not undermine incentives for waste reduction or high-quality recycling.

Without such safeguards, there is a significant risk that compliance mechanisms could normalise underperformance and obscure the true environmental impacts of the system.

The compliance mechanism should primarily apply where fraudulent PRN/PERNs have been cancelled near to or after the end of a compliance year. This is a clear case where there could be a genuine limitation on producers' ability to purchase PRN/PERNs within the compliance year. In this case the compliance mechanism could apply but, as set out in our response to question 18, there should be a fee and it should be at a punitive level to encourage prior due diligence and purchasing of legitimate PRN/PERNs.

**Q21. What specific criteria or conditions should apply to the operator of the compliance mechanism? Please provide the reason for your response.**

The operator should be independent, transparently governed, and required to publish annual audited accounts. The operator should also be required to devote all proceeds raised through the compliance mechanism to investment in UK packaging reduction initiatives (i.e. reuse infrastructure) in addition to environmentally-sound reprocessing infrastructure.

**Q22. If the compliance fee mechanism was implemented, what costs or additional requirements would your organisation expect to face? Please tick all relevant options below.**

No response

**Q23. If the compliance fee mechanism is triggered, what estimate of tonnage would you expect the mechanism to cover (the anticipated shortfall in evidence)?**

No response

**Q24. If the year-end extension was implemented, what costs or additional requirements would your organisation expect to face? Please tick all relevant options below.**

No response

## Transparency

**Q25. Do you agree or disagree with the proposal to provide further information on the nature and/or severity of the breach?**

Agree

Greater transparency on the nature and severity of breaches is essential to addressing well-documented weaknesses in the PRN/PERN system, including fraud, misreporting, and lack of accountability. Evidence from EIA investigations highlights that the system has been exploited through practices such as the issuance of PRNs for waste that is not genuinely recycled, mislabelling of materials, and other forms of fraudulent activity.

Providing more detailed information on breaches would:

- support stronger due diligence by market participants;
- act as a deterrent against non-compliance;
- improve regulatory oversight and accountability;
- and increase public confidence in the system.

Transparency is particularly important given the risks associated with waste exports, where oversight is reduced and environmental and social harms may occur outside UK jurisdiction.

Improved disclosure helps ensure that poor practices are identified and not hidden within the system.

**Q26. Do you agree or disagree with the proposal to require brokers and trading platforms to register?**

Agree

Mandatory registration of brokers and trading platforms is a critical step toward addressing systemic risks within the PRN/PERN system. Currently, limited oversight of intermediaries creates opportunities for fraud, misreporting, and financial crime.

EIA evidence demonstrates that the system is vulnerable to abuse, including:

- fraudulent PRNs issued for waste that was never recycled;
- mislabelling of low-quality or contaminated waste to claim higher-value recycling credits;
- double counting of waste across jurisdictions;
- and complex trading arrangements that obscure accountability;

The lack of transparency in broker-mediated transactions reduces visibility for regulators and enables these practices to persist. This is particularly concerning in the context of waste exports, where complex international trade routes further obscure the final destination and treatment of waste.

Mandatory registration and reporting would:

- improve traceability across the system;
- enhance regulators' ability to detect and prevent fraud;
- increase accountability among intermediaries;
- and strengthen overall market integrity.

Registered brokers and platforms should be subject to:

- fit-and-proper-person tests;
- record-keeping obligations;
- anti-money laundering checks;
- and audit trails.

Given the scale of financial losses linked to fraud in the PRN/PERN system, as demonstrated in EIA and other investigations, and the associated environmental and social harms, stronger regulation of brokers is necessary and proportionate. In particular, increased transparency will provide the information needed for producers to conduct due diligence and ensure they are buying legitimate PRN/PERNs

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Wildlife and Countryside Link (Link) is the largest nature coalition in England, bringing together 97 organisations to use their joint voice for the protection of the natural world and animals.

For questions or further information please contact:

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[www.wcl.org.uk](http://www.wcl.org.uk)

The following organisations support this consultation response:

Marine Conservation Society

Surfers Against Sewage