

Huw Irranca-Davies AS/MS
Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid
Hinsawdd a Materion Gwledig
Deputy First Minister and Cabinet Secretary for Climate Change
and Rural Affairs



Llywodraeth Cymru
Welsh Government

Mike Hedges MS
Chair - Legislation, Justice and Constitution Committee

SeneddLJC@senedd.wales

25 February 2026

Dear Mike,

Thank you for your letter of 6 February regarding Wales' Deposit Return Scheme (DRS) and the request for an exclusion under the UK Internal Market Act 2020 (UKIMA). I welcome the Committee's continued interest in this important matter and am pleased to provide the clarification you have requested.

The Welsh Government is following the agreed UKIMA exclusion process for Common Framework areas, as established between the UK Government and the devolved governments. DRS falls within the scope of the Resources and Waste Common Framework, and it is through this framework that our request for an exclusion has been made.

The UKIMA exclusion process was initiated in accordance with the revised procedure developed through the UK Government's review of the Act, this included setting out the scheme's relevance to environmental protection and public health grounds. The exclusion proposal was discussed at the Resources and Waste Common Framework, and I wrote to the UK Government and the other devolved governments in November setting out the case for adding an exclusion to Schedule 1 of UKIMA for PET plastic, glass, steel and aluminium and drinks containers.

DRS and the potential UKIMA implications have been discussed extensively at intergovernmental meetings, including at an interministerial level. This includes:

- At a four-nation ministerial meeting on 3 June 2025, Ministers collectively agreed that officials should work jointly to assess the UKIMA implications of different DRS approaches and explore mitigation options;
- Officials discussing the exclusion proposal at the Resources and Waste Common Framework Working Group meetings in October and November 2025; and,
- DRS was discussed at the EFRA Interministerial Group Meeting on the 24th November 2025.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Our proposal has therefore been made in full accordance with the agreed intergovernmental approach, using the established Common Framework governance structures.

The Northern Ireland and Scottish Governments confirmed that they supported the granting of the proposed exclusion via the Common Framework process, and I am pleased to inform the committee that on 2 February 2026 the UK Government confirmed that it would agree a UKIMA exclusion in relation to single-use glass drinks containers, subject to specified conditions. These being the alignment of the launch date for plastic and metal containers with the rest of the UK in October 2027, adherence to agreed interoperability principles and an extension of the transitional period for glass to October 2031.

This means that the scheme in Wales will encompass PET plastic bottles, aluminium and steel cans, and glass bottles drinks single use containers from day one. It will also commence a clear pathway towards the roll out of reuse, supported by the pilots which industry are committed to delivering and meaning that Wales' scheme will reflect international best practice and continue to lead the way within the UK.

While the UK Government did not at this stage agree to an exclusion covering reusable drink containers, it has stated its support for the Welsh Government's ambitions on reuse and its intention to continue working with the Welsh Government on an exclusion. Securing an exclusion for reuse is therefore a priority for the Welsh Government.

The UK Government's new approach of enacting exclusions agreed via Common Frameworks, provides improved clarity and will encourage a more transparent and collaborative approach to applying the Internal Market principles across the UK. We hope this will lead to more consistency, greater certainty, and a more predictable environment for businesses and regulators alike. By using the jointly agreed Common Framework processes, the new approach can reinforce opportunities for improved intergovernmental cooperation, ensuring devolved policy objectives can continue to be pursued whilst supporting the functioning of the UK Internal Market.

The Deposit Scheme for Drinks Containers (Wales) Regulations 2026 were laid before the Senedd on 12th February. If approved by the Senedd, the regulations will then be made in March. In parallel, the UK Government has committed to bringing forward affirmative regulations to amend Schedule 1 to UKIMA in order to give effect to the agreed exclusion. I would be happy to keep this Committee updated as the exclusion process progresses.

Separately, in relation to the second phase of bans under the Environmental Protection (Single-use Plastic Products) (Wales) Act 2023, work on the timetable and policy approach is ongoing. As this develops, the Welsh Government will consider carefully whether a UKIMA exclusion is necessary - informed by the experience of the DRS process and engagement through the relevant Common Framework. The Committee will be kept informed as decisions are taken.

Thank you again for your letter and for the Committee's constructive engagement on these issues. I look forward to continuing to work closely with you as scrutiny of these matters continues.

Yours sincerely,

A handwritten signature in black ink, consisting of several overlapping, fluid strokes that form a cursive, somewhat abstract shape.

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