

SL(6)774 – The Deposit Scheme for Drinks Containers (Wales) Regulations 2026

Background and Purpose

These Regulations establish a Deposit Return Scheme (“DRS”) in Wales for in-scope drinks containers. These include single-use closed bottles and cans made from PET¹ plastic, steel, glass or aluminium that contain between 150ml to 3 litres of liquid and are supplied for consumption in Wales. HDPE² bottles (usually used to supply milk), cartons and plastic pouches/sachets are not included under the DRS.

From 1 October 2027, a person who is supplied with a drink in a container that is in-scope of the Regulations must pay a deposit to the person who supplied that container. The person who returns the container to a designated point will then be entitled to redeem the deposit or elect that an amount equivalent to the deposit is paid to a charity.

The Explanatory Memorandum to the Regulations states that the purpose of the DRS is to support the transition to a circular, zero waste and net zero carbon Wales. In doing so it will build on Wales’ recycling record by further increasing the quantity and quality of recycling of in-scope materials, reduce littering and fly-tipping, and importantly, phase in the reuse of drinks containers. The commitment to implementing a DRS in Wales is set out in the Welsh Government’s circular economy strategy, Beyond Recycling, the Net Zero Wales emissions reduction plan and is a key part of the implementation of the Welsh Government’s Programme for Government commitment to Extended Producer Responsibility.

The Regulations provide for the appointment of a scheme administrator to operate the scheme, referred to as the Deposit Management Organisation (DMO) and set out:

- the scope of the DRS (as described above);
- the role of retailers, drink producers and suppliers;
- the functions of the DMO;
- a four year transition period during which in-scope glass drinks containers will be subject to a 0p deposit and will not be required to comply with DRS labelling requirements; and
- the monitoring, compliance and enforcement measures that will be in place to support the running of the scheme, including the roles of Welsh Ministers and regulators.

The 2026 Regulations require the DMO to make arrangements to recycle drink containers that have been returned. From year four of the scheme onwards, the DMO will also be under

¹ polyethylene terephthalate

² high-density polyethylene



a duty to make arrangements for the reuse of drink containers that have been returned and are capable of reuse.

Procedure

Senedd approval procedure.

The Welsh Ministers have laid a draft of the Regulations before the Senedd. The Welsh Ministers cannot make the Regulations unless the Senedd approves the draft Regulations.

Technical Scrutiny

The following 15 points are identified for reporting under Standing Order 21.2 in respect of this instrument.

1. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation

Regulation 1(4) of the Regulations states that regulation 73 (reuse) comes into force on 1 October 2030. Reg 73(1) says “The deposit management organisation must make arrangements for the reuse of returned refund items”.

Page 8 of the Explanatory Memorandum provides that: “Apart from the duty on the DMO to make arrangements to reuse drinks containers that are capable of reuse, which is due to come into force on 1 October 2031, the rest of the 2026 Regulations come into force on 1 October 2027 which is the date from which the DRS will be operational.”

The Welsh Government is asked to confirm whether the date in regulation 1(4) is correct, as it is noted that the transition period (regulation 3(2)) comes to an end on 30 September 2031, and all other references in the Explanatory Memorandum are to 1 October 2031.

2. Standing Order 21.2(vii) – that there appear to be inconsistencies between the meaning of its English and Welsh texts

In regulation 7, there is a difference between the English and Welsh text. In the English text, the provision is numbered as regulation 7, but in the Welsh text it is numbered as regulation 7(1).

3. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation

In regulation 9, the term “means of distance communication” is defined. That definition refers to “connected goods and services”, but regulation 9 also defines “connected goods or services”. The Welsh Government is asked to confirm whether the two phrases are intended to have the same meaning and, if not, the context in which they are to be interpreted differently.

4. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation



Regulation 9(10) deals with the provision of documents under the Regulations, and determines when such documents are deemed to be received by reference to "business days". "Business day" is not defined for the purpose of these Regulations so the Welsh Government is asked to:-

- a) confirm what constitutes a business day for the purpose of regulation 9(10);
- b) explain why this term is not defined; and
- c) explain why it did not use the term "working day" which has a defined meaning under the Legislation (Wales) Act 2019 and therefore would not require further definition in the Regulations.

5. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation

In regulation 15(6), in the Welsh text, the definition of "specified" for regulation 15 is noted as "penodedig". However, a different term "a bennir" is used on each occasion to express the meaning of "specified" in regulation 15. Therefore, it would seem more appropriate to note "a bennir" or the root form "pennu" as the definition of "specified" in the Welsh text of regulation 15(6). This also occurs in regulation 31(6) of these Regulations.

6. Standing Order 21.2(vii) – that there appear to be inconsistencies between the meaning of its English and Welsh texts

In regulation 32(2)(b) and (4)(b), there is a difference between the English and Welsh text. In the English text, it notes "state the date" but the meaning given by the Welsh text is "specify the date". It is also inconsistent with the Welsh text of the other provisions in these Regulations where a form of "nodi" has been used for "state" in the same context on almost every occasion. The only exception appears to be in paragraph 3(3)(a) and (b) of Schedule 6 where "datgan" has been used to express "state" in the Welsh text, which is also an appropriate choice of word. The use of the fully standardised term "pennu" ("specify") for both "specify" and "state" also means that the reader of the Welsh text will be unable to distinguish between those terms in these Regulations.

7. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation

Regulation 61(2) sets out the requirements upon a deposit management organisation when determining the amount of the deposit. Regulation 62 provides for that amount to be revised, but does not specify that the requirements set out in regulation 61(2) also apply to any revision under regulation 62. The Welsh Government is asked to clarify whether the requirements in regulation 61(2) are intended to apply to any revision(s) made under regulation 62 and, if so, why this is not made clear on the face of the Regulations.

8. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation



In regulation 86(6)(a), it could be argued that it would aid the reader if the words “of this regulation” were added after the reference to “paragraph (1)”. Likewise, in regulation 86(6)(c), it could aid the reader if the words “of Schedule 18 to the EA 1995” were added after the reference to “in paragraph 6(1)”. This is because there are references to paragraphs in regulation 86 and to paragraphs in Schedule 18 to the EA 1995 in regulation 86(6). Therefore, it would enable the reader to distinguish clearly between them. To a lesser extent, this is also true of the reference in regulation 86(7) to “paragraphs (1) and (2), as modified by paragraph (3)” where an added “of this regulation” could be helpful for the reader.

9. Standing Order 21.2(vi) – that its drafting appears to be defective or it fails to fulfil statutory requirements

In regulation 86(7), in the English text, the definitions of “the applied enforcement powers” and “the EA 1995” are repeated in English in italics and brackets immediately afterwards. However, the definitions in italics and brackets should be the corresponding Welsh language definitions.

10. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation

Regulation 93 deals with enforcement cost recovery notices. Regulation 19(5) states that a person required to pay costs is not liable to pay any costs which are shown to be unnecessarily incurred. However, there is no detail explaining how this will work in practice, for example, how is a person to “show” this, who determines whether the costs were incurred unnecessarily etc. The Welsh Government is therefore asked to provide further information in this regard and asked to explain why this information is not included in the Regulations.

11. Standing Order 21.2(vii) – that there appear to be inconsistencies between the meaning of its English and Welsh texts

In Schedule 3, in paragraph 3(4) and (5), there is a difference between the English and Welsh text. In the English text, it refers to “paragraph (3)(b)(ii)” and “paragraph (3)(b)(iii)” but the meaning given by the Welsh text is “sub-paragraph (3)(b)(ii)” and “sub-paragraph (3)(b)(iii)” respectively. In this regard, the descriptions of the references in the Welsh text are correct rather than those in the English text.

12. Standing Order 21.2(vii) – that there appear to be inconsistencies between the meaning of its English and Welsh texts

In Schedule 4, in paragraph 11(3), there is a difference between the English and Welsh text. In the English text, it refers to “sub-paragraph (1)(b)”, but the meaning given by the Welsh text is “sub-paragraph (1)(a)”.

13. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation



Schedule 5 deals with the appointment of the deposit management organisation. The Schedule sets out when such appointment may be made or revoked, but does not give any information about the application process, such as what form it should take, what information an applicant needs to include in its application, etc. The Welsh Government is therefore asked to provide further information in this regard and asked to explain why this information is not included in the Regulations.

14. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation

Schedule 6 deals with the civil sanctions. The table in Part 2 provides for civil sanctions to be imposed in relation to regulation 27(1) or (6), which relates to the (requirement to provide or display, or provide for display, the Scheme information. However, although regulation 28(1) is included in relation to the requirement to provide or display, or provide for display, the RLVP information, regulation 28(6) is not, which makes the equivalent provision to regulation 27(6). The Welsh Government is asked to confirm why regulation 27(6) is included in the Table of Civil Sanctions but not regulation 28(6).

15. Standing Order 21.2(v) – that for any particular reason its form or meaning needs further explanation

Paragraph 8 of Schedule 6 provides for the power to impose a variable money penalty (VMP). Paragraph 8(1) states that where the civil sanctions table indicates that a VMP is available for an act or contravention of a requirement listed in column 1 of the table, an enforcement authority may, by notice, impose a VMP on a person. in relation to that act or contravention. Paragraph 8(3) begins with “Before serving a notice relating to a VMP for failure to comply with a compliance notice or enforcement undertaking...” The civil sanctions table does not appear to make provision for a VMP to be imposed due to a failure to comply with a compliance notice or enforcement undertaking, so the Welsh Government is asked to explain the basis for any VMP in this regard.

Merits Scrutiny

The following six points are identified for reporting under Standing Order 21.3 in respect of this instrument.

16. Standing Order 21.3(ii) – that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd

The Explanatory Memorandum to the Regulations states:

Continuing the collaborative engagement with the UK Government and other Devolved Governments and in line with the outcome of the UK Government’s review of UKIMA, the Welsh Government has proposed a UKIMA exclusion for the inclusion of glass and reuse in the Welsh DRS, through the Common Frameworks process.



The Explanatory Memorandum does not provide any further information regarding the current status of the Welsh Government's request but it is noted that the [Written Statement issued by the Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs on 12 February 2026](#) confirms that the other Governments in the UK have agreed to the exclusion being brought forward. A [UK Government policy paper published on 25 February 2026](#) also notes:

The UK government has therefore offered an exclusion for single-use glass bottles in Wales, which will be implemented in legislation at the earliest opportunity. This exclusion is subject to the Welsh Government committing to all of these points:

- *commencing its DRS for plastic and metal drinks containers as planned on 1 October 2027*
- *ensuring that its DRS for plastic and metal drinks containers meets key criteria for integrating with a UK-wide scheme (this includes ensuring that schemes have a single registration and reporting system, processes for reciprocal takeback of material – for example, material can be returned in any nation, consistent logos and the same deposit level)*
- *extending its proposed transitional period for single use glass (where a 0p deposit applies and no labelling requirements or targets apply) to October 2031 – this will provide industry with additional lead-in time to prepare for the introduction of glass in the Welsh DRS*

The UK government has also agreed to a proposal from the Welsh Government to establish a joint taskforce on implementation under the Resources and Waste Common Framework, including the devolved governments and the relevant deposit management organisations, in order to oversee interoperability and support the smooth implementation of DRS across the UK.

It would assist the Committee if the Welsh Government could provide a clear, detailed and comprehensive update on the position regarding the exclusion process and the timescales for the progression and completion of the process.

17. Standing Order 21.3(ii) – that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd

The Committee notes that the Regulations do not make detailed provisions regarding reuse. The Explanatory Memorandum notes that this has been the subject of recent public consultation and amendment will therefore be required to the Regulations in the next Senedd, to include detailed provisions relating to reuse and reusable containers in the scheme. The Welsh Government is asked to explain why it felt it necessary to address reuse in the Regulations at this stage, when it is not yet in a position to provide the applicable details.



18. Standing Order 21.3(ii) – that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd

Paragraph 5 of the Explanatory Memorandum to the Regulations sets out the details of various formal and informal consultation exercises that have been carried out in relation to the Regulations. The Committee notes that links are provided for information relating to the consultations carried out in 2019 and 2021, but since then links to information regarding the results for any further consultations are not provided. The Welsh Government is asked to provide links or further details as to where information regarding the results of the 2025 consultation noted in the Explanatory Memorandum, and any other consultation exercises, regarding any aspect of the Regulations can be found.

19. Standing Order 21.3(ii) – that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd

The Regulatory Impact Assessment (“RIA”) for the Regulations appears to be based upon an initial impact assessment that was undertaken for Wales, England and Northern Ireland in 2021. The Welsh Government is asked to confirm:

- a) whether the RIA is, in fact, based upon the assessment undertaken in 2021 and, if so, why a more recent assessment has not been carried out; and
- b) why it was considered appropriate to use an impact assessment for the three nations, rather than an assessment that is specific to Wales, particularly given the proposed differences between the Welsh scheme and the scheme in England and Northern Ireland.

20. Standing Order 21.3(ii) – that it is of political or legal importance or gives rise to issues of public policy likely to be of interest to the Senedd

These Regulations are related to other regulations. The Explanatory Memorandum to the Regulations states:

These Regulations make provision for the DRS in Wales and will sit in parallel with the schemes developed by the other UK nations’ governments. Whilst the scheme has been developed to deliver in a Welsh context against Wales’ baseline recycling rate, including glass within its scope, the aim is for an aligned 1 October 2027 launch date to support interoperability across the UK.

The Producer Responsibility Obligations (Packaging and Packaging Waste) Regulations 2024, which have been developed on a UK-wide basis, place obligations on producers of packaging. Such obligations however do not apply in respect of drinks containers within the scope of DRS. Whilst glass drinks containers are currently in scope of Extended Producer Responsibility (EPR) for packaging, this will only apply until the point at which a DRS is operational in Wales. Products will therefore be obligated under either the DRS or EPR for packaging, but not both. However, if DRS is not operational by January 2028, then containers will fall within the scope of the Producer



Responsibility Obligations (Packaging and Packaging Waste) Regulations 2024 by default.

Consequential to the 2026 Regulations further legislation is proposed in respect of permitted development rights for reverse vending machines.

21. Standing Order 21.3(i) – that it imposes a charge on the Welsh Consolidated Fund or contains provisions requiring payments to be made to that Fund or any part of the government or to any local or public authority in consideration of any licence or consent or of any services to be rendered, or prescribes the amount of any such charge or payment

Regulation 94(1) requires any penalty payment that Natural Resources Wales receives under Part 9 of the Regulations to be paid into the Welsh Consolidated Fund.

Welsh Government response

A Welsh Government response is required for points 1-19 inclusive.

Committee Consideration

The Committee considered the instrument at its meeting on 9 March 2026 and reports to the Senedd in line with the reporting points above.

