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Darren Jones MP, Chair,  
BEIS Select Committee,  
House of Commons,  
London, SW1A 0AA

5 February 2021

Dear Darren,

I am writing to draw your attention to a Statutory Instrument (SI) which has now been laid in Parliament that will make changes to our single-use carrier bag (SUCB) charge. Since its introduction in 2015, the charge has led to a 95 per cent cut in SUCB sales in the major supermarkets and we are keen to build on this success. Given your role as chair of the BEIS Select Committee, I thought this development would be of interest to you as it impacts micro, small and medium sized enterprises (MSMEs), so I wanted to share further details and wanted to explain the steps we have taken to minimise the burden on MSMEs. I would be grateful if you could share this letter with the other members of the committee.

The SI will amend the Single Use Carrier Bags Charges (England) Order 2015 ("the 2015 Order") under powers set out in section 90(3), 90(5) of, and Schedule 6 to, the Climate Change Act 2008. A Single Use Carrier Bag (SUCB) is defined in the legislation as an unused bag made of lightweight plastic material with handles.

The amendments to the 2015 Order will extend the requirement to charge for SUCB supplied to customers to MSMEs thus bringing any person who sells goods into scope of the requirement. The amendments will also increase the minimum mandatory charge that sellers have to apply for SUCB from 5 pence to 10 pence. Previously only large businesses with more than 250 employees were legally obligated to charge for SUCBs and to report on SUCB sales. It is important to note that we are not extending the obligations to report on the number of SUCB supplied by MSMEs, however, reporting obligations will remain for large retailers.

The amendments will ensure a level playing field for all sellers of SUCB, this will include MSME's, civic/voluntary organisations, and retail outlets in airports. MSMEs circulated around 3.2 billion SUCB in 2018, which accounts for over 80% of the SUCB in circulation in England. The policy is expected to reduce SUCB issued by MSMEs by 80% within 10 years.

There will be no requirement for MSMEs to report on the sale of SUCBs to ease regulatory pressures on already stretched businesses. Furthermore, MSMEs will not be legally obliged to donate the proceeds from the charge to good causes, and they will be permitted

to invest the proceeds from the charge into their own businesses. However, DEFRA will continue to encourage all sellers to donate the proceeds from the charge.

The policy is expected to deliver significant environmental benefit through reducing the use of SUCB, which use natural resources and cause greenhouse gas emissions during production as well as accumulating in landfill or going to incineration where they release carbon back into the environment. They are also a cause of significant damage to marine and terrestrial ecosystems when littered. It will also encourage citizens to use reusable alternatives as we move towards a more circular economy.

Due to its success in reducing the volumes of SUCB consumed, the SUCB charge is a popular policy with cross government support and as such I anticipate the amending SI will have a smooth passage through parliament. However, should you have any concerns or wish to discuss these changes in more detail I would be happy to arrange a meeting.



**REBECCA POW MP**