



DRS Consultation
To the Department of Environment, Climate Change and
Communications
12th November 2020

Voice of Irish Concern for the Environment (VOICE) would like to make its submission on the Government's consultation call on the structure of a future Deposit Refund Scheme (DRS) in Ireland.

VOICE is an environmental charity and a founding and current member of the Irish Environmental Network. We are the leading environmental charity advocating for effective waste and circular economy policy in Ireland and on the EU level. We also work closely with communities and individuals on public engagement and education to affect behaviour change around waste generation, promoting waste prevention as the first tool to combat waste.

We have many national campaigns, including Zero Waste Communities, the Conscious Cup Campaign, Sick of Plastic, Picker Pals and Circle City. We are leading an apartment recycling pilot in 7 apartment blocks in Dublin, Cork, Limerick and Galway and run waste prevention and recycling workshops with companies and communities. We sit on the government's National Waste Advisory Group and EPA's Waste Prevention Advisory Group. As we are a voice for the environment, we would like to submit our views on how a DRS in Ireland would be established and run.

The Report recommends a centralised, operational model for Ireland. Do you agree with this recommendation?

We would support a centralised, operational model as it

1. Would develop and run more consistent messaging to the public and develop a comprehensive public awareness campaign.
2. Benefit from economies of scale. Adopting a decentralised model in a small and rural country does not make sense.
3. Is easier for the consumer to bring back their containers to any retail outlet, rather to a producer-specific collection system. This approach is the one taken by Michigan, one of the first DRS systems, which has a very high collection rate.
4. Is easier for producers to make financial decisions when forecasting the fees they must pay to the system.
5. Is easier for the Minister and the Department to oversee as there is only one system and one data set to oversee and monitor.

6. This type of system has been adopted by countries that have recently put a DRS in place, including Lithuania¹, Estonia² and Croatia. A fuller summary of the operations of DRS systems in Europe are found in an ACR Report.³ Creating a completely new and unique scheme would incur increased cost in development, roll out, and unique packaging labelling requirements while a benchmarked or standardised scheme would help to integrate solutions across Europe.

Are there other models you believe could work in an Irish context?

No, however, there is a pilot 'smart DRS' ongoing in Northern Ireland whereby individuals can scan a bottle/can, scan the bin via a phone app and receive a credit in their virtual wallet.⁴ This is an interesting approach and one that would address the concerns of the waste industry about the loss of valuable material (PET bottles and AL cans) in the kerbside bins when the DRS is in place. We don't imagine that this approach alone would be sufficient to achieve 90% collection rate for plastic drinks containers, but we would support a pilot in the Republic to determine whether this could be part of a hybrid approach for those people who don't want to bring their bottles/cans to the shops/return centre or who want to retrieve their credit while on the go and placing this container in a street recycling bin, similar to the Circle City pilot that has launched in Dublin this October.⁵ We have been informed that using a QR code rather than a normal bar code, which is used in normal DRS systems, is essential for the 'smart' DRS and much more expensive to put onto the drinks container. Additionally, as many rural areas in Ireland do not have adequate access to broadband, a 'smart' system may not work throughout the country, and adopting a digital only format like this would lock out those who do not have access to a mobile phone or struggle with digital literacy. This system needs much more research and investigation before adopting this as a solution.

Additionally, as a note of caution, we do not believe that this 'smart' system will achieve the same quality of material as will be achieved in a traditional DRS. The contamination levels in our current mixed recycling bin system can be up to 30% and this could adversely affect the quality of the collected plastic bottles and inhibit Ireland's ability to reach the 90% collection rate that is required under the Single Use Plastic Directive. Before any hybrid approach is adopted, waste management companies must prove that plastic bottles collected via a phone app is of good quality and that drinks companies that must meet the 30% recycled content requirement agree to use this material in their bottles.

¹ <https://www.openaccessgovernment.org/recycling-lithuania-deposit-system-exceeds-all-expectations/45003/>

² <https://packagingscotland.com/2018/04/baltic-trip-shows-early-drs-control-is-crucial/>

³ <https://acrplus.org/en/epr/deposit-refund-systems-for-one-way-beverage-packaging-an-overview-of-10-systems-in-europe>

⁴ <https://www.bbc.com/news/uk-northern-ireland-54364090>

⁵ <https://www.buzz.ie/news/dublin-circlecity-campaign-394729>



What role should waste collectors play in the operation of a DRS?

With the waste companies' infrastructure and fleet, there is a possibility of using their existing collection vehicles to collect containers that are hand-collected from smaller shops. They can collect the DRS containers at the same time as they collect the mixed dry recyclables (MDR) and divide the truck into two bays: one for the MDR and one for the DRS materials. Each shop will have their DRS containers in labelled bags, which will be credited to their account at the counting facility. Picking up both collected material will reduce the trips to the shops and reduce associated emissions. As retail units and other commercial areas that use reverse vending machines (RVM) will have already counted and credited the deposit to the owner/operator of the RVM, and crushed the containers, these containers will go straight to processing, and we don't envision a role for the waste management companies for this material. As the Eunomia Report stated:

'Containers returned to an RVM have already been registered with the system, counted and compacted, so they can be transported straight to processing, where they are sorted and bulked to be recycled. Containers returned manually must firstly go to a counting centre to be counted and verified so that the CSO knows how much each retailer is owed in terms of refunded deposits and handling fees and to provide data on return volumes.'⁶

Waste companies with existing Material Recycling Facilities (MRFs) normally have a large land area. They could invest in building a counting facility to take these containers, which are then sold on the market. Waste companies are well versed in selling recyclable material and reporting to REPAK, so they will be well placed to count the containers and reporting the data to the centralised DRS authority

The DRS study proposes a deposit per container of €0.20. Do you think this is appropriate? If not should it be higher or lower or should different deposit rates apply depending on container size?

We believe that 20 cents is an appropriate level of deposit—not too low to attribute little value to the container and not too high to encourage fraud. As indicated in the Eunomia Report, it is the sweet spot in comparison to other DRS systems. Additionally, as we have a 20 cent coin, it is very easy to dispense the deposit for single containers for those individuals on the go, looking to return just one container.

We have also been looking into the feasibility of charging a variable rate. There are two sides of this argument, one of which we don't support and one of which we do.

Some stakeholders argue that large plastic bottles should not fall into the DRS system or be charged less as these containers are consumed mostly at home and the DRS is proposed to capture the on the go containers. We argue that this is a

⁶ <https://www.gov.ie/en/consultation/cf94c-deposit-return-scheme-consultation-on-potential-models-for-ireland/>

false argument as many large plastic containers, even when consumed at home, are not placed in the Mixed Dry Recycling bin and are either landfilled or incinerated. Additionally, these containers are used at events and outings and similarly are lost from the recycling stream. Lastly, if there weren't a deposit or a lower deposit, this would create a market distortion, encouraging consumers to buy containers without the deposit because of its lower cost and there is no incentive to recycle them.

However, we do support a variable deposit which places a higher deposit on the large plastic drinks bottle. The proposed 20 cent deposit on 500ml plastic bottles and 330 ml aluminium/metal can or 500 ml aluminium bottle should be the same for both as they reach similar market demographics and are considered single portions.

We support approximately a 40 cent deposit for 1 litre bottles and 80 cent deposit for 2+ litre bottles (equal to the volume of drink). This way, we will avoid a market disruption. The proposed flat rate for all drinks containers would encourage the consumer to buy 4 2-litre plastic bottles for a deposit of 80 cents rather than 24 cans (the equivalent volumetric amount) of the same drink for a deposit of €4.80. While consumers will be reimbursed their deposit when the containers are returned and they will not be out of pocket. The initial outlay differential will make large plastic bottles more economically attractive.

As aluminium is more recyclable than plastic, we contend that this economic impact will foster a behaviour that does not reflect the government's circular economy goal of promoting more sustainable, reusable and recyclable material.

According to a recent VOICE study of over 1,000 Irish people, some 77 percent of those quizzed said they backed the introduction of a variable deposit fee.⁷ There is some precedence for this approach as Sweden, Denmark and Norway charge a higher deposit for larger plastic drinks containers.

Additionally, there should be no limit on the size of the container to be covered in the DRS. We have seen 5 litre bottles of soft drinks as well as 3.1 litre bottles, to avoid the DRS which only applied to drinks containers 3l and less. As well, the legislation should not specify 'PET' bottles but rather state 'plastic' drinks containers to include HDPE and other future resins, and all shapes of future drinks containers. We need to future-proof the legislation to ensure that industry does not change the shape of the drinks container or the material used to fall outside the DRS.



⁷ <https://www.independent.ie/breaking-news/irish-news/majority-support-all-drinks-containers-in-deposit-return-scheme-39644549.html>



The DRS should also apply to a wide variety of drinks, including carbonated and non-carbonated drinks, alcoholic and non-alcoholic. In many DRS jurisdictions, containers with milk products have been excluded because of hygiene concerns as well as the opinion that most milk drinks are consumed at home and would normally be placed in the MDR bin. We believe that a separate reuse system for milk containers, particularly glass containers, would be well received by the public as it brings back a popular milk delivery service. This is something the government should investigate, including barriers working against the establishment of such infrastructure.

We also contend that the DRS should broaden its scope to include glass containers, as is the case in many of other DRS jurisdictions, including Lithuania, Germany, Estonia, and many US States. As mentioned above, we are concerned about the potential ramifications on consumer behaviour if one material is preferred over another or treated differently. Additionally, producers may choose a different packaging material that is potentially less environmentally sustainable and is not covered by the DRS, to avoid the deposit. We need to ensure that this piece of legislation is not too restrictive and does not create unexpected consequences. As a cautionary tale, the State of Michigan adopted a DRS for containers that contain carbonated drinks in its constitution in the 1970's. This 'carbonated' restriction was put in place to ensure that wine was excluded. As a result, the collection rate after the adoption of a DRS was very high. However, back then, legislators never anticipated bottled water or juices, which are very common now. As a result, containers with juices and still water are not included in the DRS, thus decreasing their rate of collection. Without the deposit, customers do not value these containers and they are not recycled as widely.

We truly believe that a DRS must include glass even though Ireland's recycling rate for glass is high, though trending downward. According to REPAK's annual reports, glass collected has reduced from 88% in 2017 down to 78% in 2019. We envision that if glass containers are included, this will allow the system the flexibility to morph into a reusable system in a few years, whereby glass bottles will be standardised and be reused over and over again for up to 40-50 times. The State of Oregon, which was one of the first jurisdictions to adopt a DRS for drinks containers, in 2018 decided to change its system to allow for the collection of reusable glass containers.⁸ They had their existing infrastructure and added to it.

According to a Greenpeace Report, 'Unpacked'⁹, reusable glass bottles in Germany account for 25% of the bottled water market, which grew by 10% between 2017 and

⁸ <https://www.npr.org/sections/thesalt/2018/09/17/645548896/oregon-launches-first-statewide-refillable-bottle-system-in-u-s?t=1603124742582>

⁹ file:///C:/Users/Mindy/Documents/Mindy%20Content/Documents/Documents/VOICE/Greenpeace_Unpacked_Report.pdf

2018.¹⁰ The State of Oregon's Beverage Recycling Cooperative recognises the Greenhouse Gases emissions benefits of going reusable. They calculate that each bottle can be reused 25 times, which would lead to a 92% savings in carbon footprint versus recycling aluminium or glass. It takes a lot less energy to wash out a bottle than to melt and mould a new one.¹¹

As Ireland must reach reuse targets under the Single Use Plastics Directive, having the flexibility to add reusable bottles would go a long way for us to reach our targets. Additionally, the people of Ireland agree with us with 9 out of 10 people agreeing that glass containers (as well as tetrapaks, milk cartons and coffee cups) should be included in a deposit scheme.¹²

Retail shops also must have a definite direction about the types of containers included in the DRS to create the store infrastructure to collect the items. If glass is not included at the start and then added at a later date, the space dedicated to the DRS will be too small and attempting to retrofit later will be costly and difficult. Better now to include glass to prepare the way for future refill opportunities.

Legislation must establish a periodic review to measure the success of the scheme and whether all collection targets are being met. There should be reviews every five years to determine the effectiveness of the system: are targets being met, should deposit levels be altered, and should additional materials used in drinks packaging be added to the scheme to ensure that the system keeps up with packaging innovation? During this 5-year review, an analysis of how the DRS has impacted the waste industry should be conducted to determine whether the feared loss of PET and Aluminium in the kerbside system has had an impact on their operations and profitability.

Consumers need to know about a DRS long before it becomes operational – do you have any suggestions as to how best the introduction of a DRS can be communicated to the public?

Similar to the communications done before the introduction of the plastic bag levy, there must be a good lead in before the implementation of a DRS and a 'why' we are doing this. A clever awareness campaign must be launched through all media channels, including traditional and social media. Prior to the introduction in Lithuania, they had a media campaign that said that a DRS is so easy, even a dog can do this on his own. See: <https://www.youtube.com/watch?v=OeejAc9bVxw>.

¹⁰ Arndt, F. (2019). Beaded Glass Bottle Reaches 50: The Reusable Glass Bottle Makes Its Comeback. Available at: <https://blog.drinktec.com/cross-industry/beaded-glass-bottle-reaches-50-reusable-glass-bottle-makes-its-comeback/>

¹¹ Wilson, M. (2019). This Reusable Beer Bottle Could Change The Way America Drinks. Available at: <https://www.fastcompany.com/90239092/this-reusablebeer-bottle-could-change-the-way-america-drinks>

¹² <https://www.independent.ie/breaking-news/irish-news/majority-support-all-drinks-containers-in-deposit-return-scheme-39644549.html>



England video: <https://www.youtube.com/watch?v=qxeWGVsm818>

Scotland video: <https://www.youtube.com/watch?v=V4n1JnboGwA>

Australia video: https://www.youtube.com/watch?v=A_WQMCT0oH4 We can get a celebrity to demonstrate how this works.

In addition to any government public awareness campaign (media, social media, public info et al), there must be direct communication. This can be done at shopping centres with demonstrations and public info stalls. Community organisations can be identified and funded to run info workshops at shopping centres and supermarkets to explain how the system works. Additionally, reverse vending machines can be programmed to allow individuals returning their containers to donate their deposits to local charities, who will be involved in the outreach. This would help the community sector and built community awareness and acceptance of the DRS

In England, a small convenience store was involved in the campaign and worked with local schools about the importance of the DRS and educating the students about how to use it. They found that it improved their visibility in the community and they were happy about the ‘feel good’ factor.¹³

What enforcement measures should be considered in parallel with the introduction of a DRS?

As a default, all retailers that sell similar drinks containers must take back such containers either by a reverse vending machine or manually. The government might consider an exemption for very small convenience stores, however, this will put them at a disadvantage because customers may shop elsewhere where they can bring back their containers.

Owners of small retail outlets might also have concerns of how a DRS might impact them:¹⁴

- They lose valuable floor space if they install a RVM;
- Hygiene issues by accepting dirty bottles/cans by hand – will they have problems with health and safety inspectors; and
- If they have a single till, will it be taken up by people returning their containers rather than buying goods.

However, these issues can be resolved by working with the small retailers, understanding their issues and compensating them for their administration and loss of commercial floor space.

In terms of actual enforcement, the government must be very helpful and provide ample assistance to shops in adapting to the new system. However, after an initial

¹³ <https://www.talkingretail.com/news/special-reports/drs-work-small-stores-12-04-2019/>

¹⁴ <https://www.talkingretail.com/news/special-reports/drs-work-small-stores-12-04-2019/>

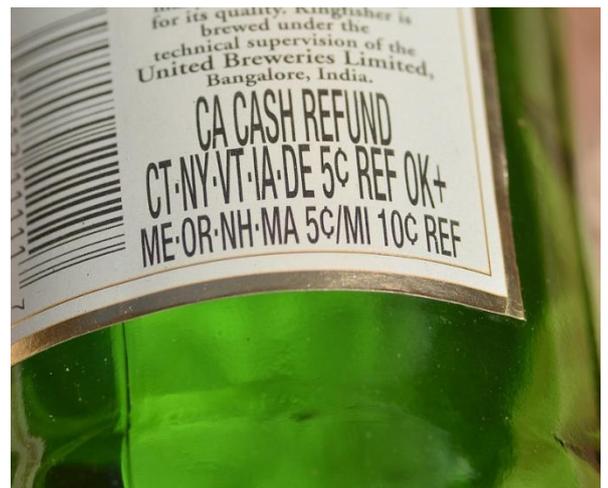
set-up period and implementation of the DRS, a complaints line should be set up to receive information about shops that are not complying with the take-back requirements. As local authority enforcement officers would not have the capacity to inspect all premises and as there will be a new DRS central facility, it should fall onto this entity to ensure that all retailers are complying with their collection requirements.

Additionally, collection targets must be set under any DRS legislation for each year leading up to 2029, when 90% of plastic bottles must be collected separately.¹⁵ This legislation must set penalties if this collection rate is not achieved as well as a review of the deposit, possibly increasing the deposit, should the collection rate not reach 90% or fall below 90% as the scheme matures.

In terms of fraud and collecting deposits where they have already been dispensed or where a deposit is demanded where no deposit was imposed, such as containers from another jurisdiction, would be covered under existing legislation addressing fraud.¹⁶

How should cross-border issues be treated to ensure producers are not at a competitive disadvantage relative to producers in Northern Ireland?

The Irish Government must work closely with their Northern Irish contemporaries to ensure that whatever DRS adopted in the Republic will be mirrored in NI, including the material/container covered as well as the deposit imposed so that a market distortion is not created and an opening for fraud is not exploited. Labelling on the container can show both deposits, such as is the case in the US for 10 participating States



Scotland has progressed further than any other region in the UK and according to the recent consultation document, the UK government wants to ensure consistency between Scotland, England, Wales and Northern Ireland. "Our ambition is to implement a scheme which ensures regulatory consistency across the UK, noting the Scottish Government has already brought forward proposals for a wide-ranging DRS. We will continue to work with the devolved administrations to accomplish a coherent UK-wide approach."¹⁷ Additionally, Scotland has included glass bottles along with plastic bottles and aluminium cans in its DRS, so it is very likely that the rest of the UK will follow their lead.

¹⁵ <https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32019L0904&from=EN>

¹⁶ <http://www.irishstatutebook.ie/eli/2001/act/50/section/6/enacted/en/html#sec6>

¹⁷ <https://www.gov.uk/government/consultations/introducing-a-deposit-return-scheme-drs-for-drinks-containers-bottles-and-cans/outcome/introducing-a-deposit-return-scheme-drs-in-england-wales-and-northern-ireland-executive-summary-and-next-steps>

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If Ireland wants to record the amount of the deposit and where it was incurred (whether in the Republic or in Northern Ireland), producers will have to move towards a QR code rather than a bar code. This is more expensive, but might be necessary particularly if both sides of the border adopt a DRS.

VOICE and the rest of the environmental community support the introduction of a DRS in Ireland and conclude that this is the only way that Ireland can meet its obligation of a 90% collection rate of plastic drinks containers. We also contend that the legislation should be broad enough to avoid situations whereby industry changes either the container or the material to avoid being part of the DRS. Lastly, the proposed scheme should be expanded to include glass bottles to future proof the system and create an environment for future reuse systems.