



Submission on the Proposed Introduction of new Environmental Levies

December 2019

Proposal 1: Increase Plastic Bag Levy (Phase 1: 2020-2021)

The Plastic Bag Levy is currently 22c. The Minister for Communications, Climate Action and Environment may make regulations amending the existing plastic bag levy up to a maximum of 70 cent using a formula set out in the 1996 Waste Management Act, as amended. Using this formula, an increase of 3 cent is permissible in 2019 which would increase the levy to 25c.

Questions for the Consumer:

1. Do you think that it is appropriate to increase the plastic bag levy by 3 cent?

I don't know whether this will have a big impact on behaviour, but it may bring more money into the environmental fund.

2. Do you think that it is appropriate to increase the plastic bag levy at frequent intervals?

Yes, if there is an increase in the take-up of plastic bags. However, a small increment may not have the desired effect as a shock factor may affect behaviour more effectively.

3. What do you think is an appropriate plastic bag levy rate to encourage behaviour change?

€.45

4. Does the existing levy discourage you from purchasing plastic bags?

I don't purchase bags on principal.

5. In what circumstances do you purchase a plastic bag?

Never

6. Any other comments?

Does the levy attach to bulk purchases of plastic bags bought by community groups, take-aways, schools or other purchasers? It appears that many take-away/delivery food services are not subject to the levy or the levy is not passed along in a visible manner to the ultimate consumer.

Additionally, as many shops are moving towards single use paper bags, which also have a hefty environmental footprint, paper bags should also have a levy to encourage the take-up of reusable bags. Paper bags break easily and are rarely used more than once. They are recyclable, but the

resources, water and energy embedded in the product are significant. A paper bag has to be used 3 times to equal the carbon emissions associated with a single use plastic bag.¹

Proposal 2: Remove the Exemption of the Medium Weight Plastic Bags from Plastic Bag Levy (Phase 1: 2020-2021)

Certain plastic bags are currently exempted from the Plastic Bag Levy such as plastic bags designed for re-use and the free bags of a specific size used for items such as fish/meat/poultry/vegetables. In relation to plastic bags for purchase, there are typically 3 options available in larger retail outlets: (1) the light small plastic bag, currently levied; (2) a medium weight, stronger plastic bag typically costing more than 70 cent; and (3) a larger, more expensive and durable 'bag-for-life'.

To encourage a shift to the larger option at (3), it is proposed to remove the exemption on the medium plastic bags at (2).

Questions for the Consumer:

12. Do you think that it is appropriate that medium weight plastic bags should be levied?

Yes, because most of these bags are used only once, and it should apply to both plastic, paper and compostable bags

13. How often do you purchase medium weight plastic bags?

rarely

14. What do you think is an appropriate plastic bag levy rate for these types of bags to encourage behaviour change?

€.40

15. Do you think that the larger, more expensive and durable bags-for-life should also be levied?

No

16. Any other comments?

Bags used for vegetables, meat, fish, poultry, etc. should also be levied. These are taken up in large numbers by consumers and immediately thrown away either because they are too small to use as liners in rubbish bins or they are contaminated by food. Vendors selling meat/poultry/fish often use numerous plastic bags and the absence of a levy encourages overuse. Additionally, shoppers sometimes use these 'free' bags for other items when they forget their reusable bags. There should

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be a price associated with their use of around €20. This will also encourage shops to offer reusable bags for fruit and veg as Lidl is attempting and encourages customers to reuse bags.

Proposal 3: Introduce Coffee Cup Levy (Phase 1:2020- 2021)

Consideration of a disposable cup levy (Coffee Cup Levy) is timely in the context of Article 4 of the SUP Directive referred to in Section 1. Sustainable alternatives exist to disposable cups which makes this levy suitable for implementation in Phase 1.

A flat levy is proposed on all disposable cups with the rate to be determined following this public consultation.

Questions for the Consumer

23. Do you think that it is appropriate to impose a levy on disposable cups?

Yes, the levy should be imposed on all types of disposable cups, including standard, recyclable and compostable, as well as cups used for cold drinks in restaurants, fast food outlets and movie theatres.

24. Which of the following three is the lowest levy rate which would encourage you not to use a disposable cup – 10c, 15c or 25c?

25c

25. Do you think that a levy of more than 25c would be appropriate?

Yes, businesses that charge 50c for the provision of coffee in-house find that this approach truly changes behaviour. Increasing the price significantly makes the consumer sit up and take notice. Additionally, large retail outlets will be discouraged to absorb the levy by lowering the price of the drink. There is a fear that if the levy is too low, large retailers will lower their prices so that the consumer will not feel the bite of the levy.

26. What sustainable options do you believe there are to the disposable cup?

Consumers to bring their own reusable cups; cafes offering ceramic cups for customers that want to 'sit and sip'; investing in a deposit/refund scenario where the consumer 'rents' the cup for a fee and then is reimbursed when the cup is returned (2GoCup and RíCup).

27. Should retailers display the cost of the drink with and without the levy included?

Definitely...customers should have the choice of buying the product (drink) or the packaging. Like the plastic bag tax, it is visible to the consumer and they have the choice to bring their own or buy a disposable cup.

28. Should retailers continue to offer discounts for reusable cups?

Yes, if they can. Studies show that the carrot and stick work well to change behaviour.

29. Any other comments?

Proposal 4: Introduce Takeaway Levy (Phase 2:2022-2023)

Consideration of a levy on disposable take away food containers (Takeaway Levy) is also timely in the context of Article 4 of the SUP Directive. Proposals to levy disposable take away food containers will be considered in Phase 2 of the planned programme on the basis that further research is required primarily in relation to the types of alternative receptacles that could be used. Lessons will be learned from the design and implementation of the Coffee Cup Levy which will assist in this regard. Developments at EU level in relation to plastic packaging will also need to be considered in the development of any such levy.

Questions for the Consumer

39. Do you think that it is appropriate to impose a levy on take away containers?

Yes, again we need a seismic shift in consumption practices and offer systems where we can buy the product, not the packaging. Putting a levy on single-use food containers will focus consumers' minds. This should be imposed both on single-use plastic and compostable packaging, maybe on a two-tier basis. However, if there is a move towards compostable on the go food containers, there must be the installation of street bins to collect the compostable material (including food).

40. Which levy rate would encourage you not to use a take away container?

€1

41. What sustainable options do you believe there are to take away containers?

Individuals should be allowed to bring their own containers to purchase take-away food and the take-away food establishment should be relieved of liability for any potential cross contamination. Liability concerns are a barrier to many reuse/repair activities, ranging from food donations to FoodCloud to Repair Cafes and reusable containers. The US has a law, the Good Samaritan Food Donation Act² which relieves food donor liability as long as they are not 'grossly negligent'. Italy has a similar law to encourage food donation.³ Government must address how to remove this liability barrier to the use of reusable containers and other actions that support the circular economy.

Also, take-away restaurants and delivery services should offer the option of a deposit/return system for containers and cutlery where the deposit is placed on a container and then returned when the container comes back to the restaurant, either through dropping off at the food establishment or through reverse logistics in delivery models. The food establishment would be responsible for the washing of the containers. This system has been well developed in Switzerland through the ReCircle initiative.⁴

² <https://www.law.cornell.edu/uscode/text/42/1791>

³ https://www.eesc.europa.eu/resources/docs/comparative-study-on-eu-member-states-legislation-and-practices-on-food-donation_finalreport_010714.pdf, page 36

⁴ <https://zerowasteswitzerland.ch/en/2018/06/08/recircle-en/>

In Ireland, VOICE has started a reusable container pilot, ReCircle Ireland, in University College Cork, which launched in November.⁵

This type of system would work well in a closed loop system, either in company canteens, food courts or delivery services, including Meals on Wheels.

This type of levy should apply to any food establishment that offers on the go food intended to be consumed within a day, whether it is a food delivery service, café/restaurant/takeaway or supermarket.

42. Should retailers offer discounts for reusable takeaway containers?

Yes, we are aware of several cafes and small food vendors that offer a discount to customers bringing their own containers. This will be an incentive, but a levy would be more impactful and as shown in a recent study on disposable cups by Cardiff University for Bewleys, that an incentive alone is not as effective as it is in conjunction with a levy. It states that their "...field experiment explored how the use of reusable coffee cups could be encouraged by easily implementable measures. It found that through clear messaging, the provision of reusable alternatives, and financial incentives, the use of reusable coffee cups can be increased by (on average) 2.3 to 12.5%.

"The study suggests that a charge may be more effective than a discount. These results are in line with *prospect theory*, which suggests that people are more sensitive to losses than to gains when making decisions. A charge on disposable cups (a loss) is therefore more likely to produce behaviour change than a discount on a reusable cup."⁶ (Emphasis added)

43. Any other comments?

Proposal 5: Introduce Food Packaging Levy (Phase 3: Timeline to be determined)

It is envisaged that successful design and implementation of the Coffee Cup Levy and the Takeaway Levy will have a knock-on effect in terms of behaviour change and awareness raising in relation to plastic packaging for food. Therefore, Phase 3 of the planned programme will consider food packaging including packaging in retail outlets for bakery items, fruit, vegetables etc.

Work is ongoing at EU level to address such plastic packaging and developments in this regard will be fully considered in the development of any such levy.

Questions for the Consumer

52. Do you think that it is appropriate to impose a levy on consumers for plastic food packaging for items such as bakery items, fruit and vegetables?

⁵ <https://voicereiland.org/project-work/recircle-ireland.php>

⁶ <http://orca.cf.ac.uk/99366/1/Coffee%20cup%20summary%20report%20-%20Poortinga%20%28FINAL%29.pdf>

We don't think it is appropriate to charge a levy on plastic food packaging where the consumer has no choice in buying the item without packaging. However, the supermarket should pay more hefty fees to REPAK for plastic packaging. Right now, as a general rule, multi-pack produce wrapped in plastic packaging is less per kilo than the loose alternatives. This encourages shoppers to buy the cheaper plastic wrapped alternative. While supermarkets argue that plastic packaging reduces food waste, it reduces food waste for the supermarket, but transfers that food waste on to the consumer as they are often buying more than they need from pre-packaged products.

Supermarkets must be required to offer loose options at the same or reduced price per kilo as the pre-packed variety and then consumers should pay for any plastic bags they use to pack the items.

Buying loose items must be economically attractive to the shopper.

53. Would such a levy encourage you to use a sustainable alternative?

We need to push the cost back on to the supermarket so that pre-packaged fruit and veg is less attractive.

54. What levy rate would encourage you not to use such packaging?

Increase the REPAK rate for plastic packaging significantly.

55. What sustainable options do you believe there are to such packaging?

The first choice is to allow consumers to bring their own containers/bags for fruit and veg. However, for the deli counter, salads, meat, fish and poultry, but there is a liability concern that plagues many food retailers and this need to be addressed to encourage behaviour change. Other shops in the UK, including Waitrose⁷, Tesco⁸ and Morrisons⁹ are all encouraging customers to bring their own container to reduce the use of single use plastic packaging. However, in Ireland, it's a different story as Musgraves has issued a directive to its MOPI Supervalu stores to prohibit consumers from bringing their own containers for salads, deli or meat counters. At the same time, there are many smaller retailers that permit their customers to bring their own.

56. Any other comments?

A recent PWC reports on Irish retailer habits noted that 52% of consumers are avoiding plastic if they can. "Companies need to be mindful of the growing consciousness of sustainability amongst customers and the need to provide a range of products that are ethically sourced, organic and locally produced. This consciousness will continue to grow with the greater awareness of climate change"¹⁰

Allowing customers a way to re-use containers is one way to establish real sustainability credentials. At present no major retailer in Ireland is offering this service, however many independent stores are.

⁷ <https://www.bbc.com/news/business-48498346>

⁸ <https://www.bbc.com/news/business-46863114>

⁹ <https://www.mirror.co.uk/money/morrisons-own-container-fish-meat-12426391>

¹⁰ <https://www.pwc.ie/publications/2019/irish-retail-consumer-report-investing-in-experience.pdf>

Increasingly the move is towards new ways of viewing the consumer – retailer relationship, and reusable containers offer the opportunity to build a relationship with your customer.

In Ireland, 'Ó Crualaoi Butchers and Delicatessen has launched its 'ÓCruaware - Reducing Our Environmental Footprint' initiative which encourages customers to bring their own reusable containers when shopping. The initiative is being rolled out across the company's Ballincollig-based butchers and delicatessen and its butcher shops in Fermoy and Wilton.'¹¹

Section 4 – which may Impact on the Waste Industry Proposal 6: Waste Recovery Levy (Phase 1:2020-2021) Levies

The objective for municipal waste treatment is to prevent it arising, to increase preparation for reuse and to increase recycling. To meet more challenging recycling rates proposed under the Circular Economy package, additional initiatives and policies are required and in this regard a new Waste Recovery Levy of €5 per tonne is proposed as a mechanism to encourage waste disposal/recovery in the most appropriate way at a given time and to encourage greater efforts to segregate waste.

This would apply to recovery operations at Municipal Solid Waste (MSW) Landfills, Waste to Energy Plants and Co-Incineration Plants and the Export of MSW.

Questions 63. Do you think that it is appropriate to apply a waste recovery levy to recovery operations at Municipal Solid Waste (MSW) Landfills, Waste to Energy Plants and Co-Incineration Plants and the Export of MSW?

Yes, a levy should be placed on all waste disposal facilities, including landfills, waste to energy facilities, incinerators and cement kilns, as they are at the bottom of the waste hierarchy. Waste prevention should be the priority.

64. What impact, if any, would such a levy have on your business?

65. Any other comments?

Proposal 7: Increase the Landfill Levy (Phase 1:2020-2021)

It is intended to increase the landfill disposal levy by €5 at the same time as the introduction of a Waste Recovery Levy to ensure that disposal or recovery to landfill is not relatively incentivised.

Questions 66. Do you think that it is appropriate to increase the landfill disposal levy by €5 at the same time as the introduction of a Waste Recovery Levy?

¹¹ <https://www.independent.ie/regionals/corkman/news/butchers-aims-to-cut-their-environmental-hoofprint-37836651.html>

I don't think this will have a huge impact on the waste industry decisions, but any disincentive to waste disposal in landfills is beneficial.

67. What impact, if any, would such a levy have on your business?

68. Any other comments?