

Joint Oireachtas Committee on Communications, Climate Action and Environment

Detailed Scrutiny of Waste Reduction Bill 2017 [PMB] No 80 of 2017

17 January 2018

Presentation by Department of Communications, Climate Action and Environment

Chair, Deputies, Senators,

I would like to thank you for the invitation to participate in the detailed scrutiny of the Waste Reduction Bill 2017.

At the outset, I think it is reasonable to say that all of us broadly share our concerns about waste. We are all aware of incidents of illegal dumping or fly-tipping locations in parts of rural Ireland or streets in our towns and cities. Similarly, we are gravely concerned that over one million tonnes of food waste is disposed of each year in Ireland. Around one-third of this comes from households. In fact, every household in Ireland is responsible for 1 ton of food waste; and the cost per household varies between €400 and €1,000 per year. Perhaps, we may have different views on which issue should be prioritised, as well as what might be the best way to tackle those issues.

The Minister has welcomed the Waste Reduction Bill introduced by Deputy Ryan, along with a number of other bills addressing this issue. However, he had asked for this Bill to be referred to the Committee for detailed scrutiny due to the fact that he has some concerns around the provisions. I would like to take the opportunity to outline some of those concerns.

The Bill proposed by the Deputy suggests two approaches for dealing with single use plastics as follows:

- a ban on non-compostable plastic cups, glasses and tableware; and
- the introduction of a deposit and return scheme for drinks containers.

It should be noted by the Committee that, from a national and EU legislative perspective, plastic cups, glasses and drinks containers are packaging and consequently are subject to regulation by the European Union (Packaging) Regulations 2014 (SI No. 282 of 2014) and the EU Packaging and Waste Packaging Directive (Directive 94/62/EU).

Before dealing with the specifics of the Deputy's two proposals, I think it is useful to put them into Ireland's policy context.

Our national approach to date for dealing with waste packaging has been based around the Extended Producer Responsibility (EPR) principle. EPR seeks to ensure that the producer of a product bears a significant proportion of the cost of dealing with the waste management of the product they supply. In Ireland, this has been done very effectively through a producer funded compliance scheme operated by Repak. Similar schemes operate in other waste streams such as, waste electronic and electrical goods, batteries, farm plastics and most recently end-of-life vehicles and tyres. In a review of EPR schemes, carried out for the Department in 2014, it was concluded that Ireland has achieved great success in recent years in recovering and recycling packaging waste, and one of the key reasons for the success was the shared responsibility approach to packaging waste.

In its most recent bulletin on waste packaging statistics for Ireland, the EPA found that Ireland met and exceeded all EU targets for recovery and recycling. Of the estimated 983,380 tonnes of packaging waste generated in 2015, 91% of the waste was recovered, and the majority of this recovery was recycled (68%).

This is all by way of putting the Deputy's proposals in context and I will now move on to address the specifics associated with the proposals.

Banning non-compostable plastic cups, glasses and tableware

Firstly, I will deal with the provision requiring the Minister to ban disposable, non-compostable plastic cups, glasses and tableware. The Minister has requested the Committee to scrutinise this part of the Bill as it is his understanding that such a ban may be in contravention of Article 18 of the EU Directive on Packaging and Packaging Waste (Directive 94/62/EC) which states the following:

“Member States shall not impede the placing on the market of their territory of packaging which satisfies the provisions of this Directive”.

In considering this proposal, the Committee may be interested to know that France tried to introduce a ban similar to that proposed by the Deputy in 2015 which is supposed to come into effect in 2020. The original idea when the law was adopted was to cover all single use plastic cups, glasses and plates. However, the Commission pointed out that in some circumstances those items were considered as packaging items when sold full with food or drink. This means that the scope has been refined in France to all plastic cups, glasses and plates falling out of the scope of the Packaging and Packaging Waste Directive. In practice, the result is that the ban only concerns packages of empty plastic cups/glasses/plates that you would buy at the supermarket and has become known as “the picnic tax”.

In addition to this, the Minister also had concerns that proposed ban needed to be scrutinised to consider whether it is in breach of the free movement provisions of the Treaty on the Functioning of the European Union.

In recommending a scrutiny of this legislation to the Committee at the Second Stage of the Bill, the Minister suggested that a levy might be a better approach in light of the above reasons. The plastic bag levy worked very well in terms of behavioural change and this might be a possible approach to limit the volume of single use containers being used. Environmental levies are not about revenue generation they are designed to encourage behavioural changes and this might be an excellent way to deal with the issues raised. This may be something the Committee might like to consider further.

Deposit and Return

Moving on, I will next address the Minister's concerns regarding the Deputy's proposal for the introduction of a Deposit and Return Scheme for sealed beverage containers:

As I mentioned previously, packaging in Ireland is subject to a successful Producer Responsibility Compliance Scheme. As part of the review of the Producer Responsibility Compliance Schemes in 2014, a wider examination of issues within the packaging sphere was undertaken and consideration was given to the introduction of a bring-back scheme for waste, including beverage containers. The review report did not recommend the introduction of a Deposit and Return scheme. It concluded that to establish such a scheme was inappropriate, in view of the operation of the existing packaging scheme, and policies concerning household waste collection, plus the high administrative costs of introducing such a system.

At the second stage of this Bill in the Dáil, the Minister indicated that, while he was not convinced of the merits of introducing a deposit and return scheme in Ireland for the reasons outlined above, he was not averse to considering a review, similar to Scotland. What is on-going in Scotland is of particular interest, given that Scotland currently operates a Producer Responsibility Initiative, albeit a different approach to what we do here in Ireland.

A feasibility study - based on practice overseas, previous relevant studies, and stakeholder consultations - identified how a Deposit and Return system could work in Scotland. This study identified the possible costs of setting-up and administering a scheme as follows:

- One-off set-up costs of £15 million sterling;
- Machine take back annual costs of £29 million;
- Manual take back annual costs of £8 million;
- Logistics annual costs of £20 million;
- Counting centres annual cost of £3 million; and,

- Administration annual costs of £3 million.

In total, that gives an estimated cost of a deposit and return scheme of £78 million pounds sterling – or about €88 million.

With suggested costs as significant as these, any scrutiny of this proposal would need to consider, at a minimum, the following:

- How much the installation and running of a deposit and return scheme would cost?
- How should it operate?
- Who should operate it?
- What steps would be needed to provide the necessary infrastructure?
- What would the likely benefits be?
- How could it be made compatible with our existing Producer Responsibility Initiative?

On both of the provisions of the Bill under detailed scrutiny today, it would be preferable to have greater certainty on the legal question, the costs, and the evidence of the effects in Ireland before introducing measures with significant financial implications for producers and householders.

In conclusion, I would suggest to the Committee that we need to look at the situation as a whole; introducing changes without examination can have unintended consequences. If the more valuable materials such as aluminium cans and PET bottles are removed from our recycling bins and brought into a deposit and return system, then the costs to the waste collectors will also change. This could have an impact on the costs of treating material from the recycling bins and also have implications for our waste targets, when we are currently well ahead of most of our EU colleagues.

Now would be an opportune time to consider these proposals as part of a broader review of our national waste policy. The EU waste legislative package will shortly be finalised and it will set out Ireland's new, legally binding waste and recycling targets for 2025, 2030 and 2035. In addition, the long-awaited plastics strategy by the European Commission has been published. These are key steps in the transition by Europe towards a more circular economy and provide greater certainty to Ireland for the development of our resource efficiency policy framework.

Thank you.