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Table of Contents

| | | |
|-----|------------------------------------------------------|----|
| 1 | EXTENDED PRODUCER RESPONSIBILITY (EPR)..... | 3 |
| 2 | FARM PLASTICS EXTENDED PRODUCER RESPONSIBILITY | 5 |
| 2.1 | Policy Framework..... | 5 |
| 2.2 | Self-Compliance..... | 7 |
| 2.3 | Members of Compliance Scheme | 7 |
| 3 | End-Users | 7 |
| 4 | Compliance Scheme | 8 |
| 4.1 | Approval and Terms and Conditions | 8 |
| 4.2 | IFFPG Income..... | 9 |
| 4.3 | IFFPG Expenditure | 9 |
| 4.4 | Corporate governance..... | 10 |
| 5 | Waste Management | 11 |
| 5.1 | Waste Recycling Infrastructure..... | 11 |
| 6 | Enforcement..... | 12 |
| 7 | Information and Awareness..... | 13 |
| 8 | Benchmarking | 13 |
| 8.1 | Waste Management Performance | 13 |
| 8.2 | Costs to Producers and end-users | 13 |
| 8.3 | Need for the Levy..... | 14 |
| 9 | Conclusions | 14 |

1 EXTENDED PRODUCER RESPONSIBILITY (EPR)

Overview of the EPR Model in Ireland

EPR is an environmental policy approach in which a producer's responsibility for a product is extended to the post-consumer stage of a product's life cycle. Under an EPR model producers take over the responsibility (financial and/or organisation) for collecting or taking back used goods and for sorting or treating of these goods for their eventual recycling. Over the last 20 years, the EPR model has been widely used in the EU and has seen EPR schemes and Producer Responsibility Organisations (PRO) set up to deal with numerous waste streams. At EU level, Directives introduced EPR as a policy approach for end-of-life vehicles (ELV), waste electrical and electronic equipment (WEEE) and batteries. EPR is also widely used in support of the implementation of the Packaging and Packaging Waste Directive.

Ireland uses the EPR model for dealing with a number of waste streams. In addition to the four waste streams led by EU Directives, we have introduced national legislation establishing EPR schemes for tyres and farm plastics. The usual model is that a PRO is set up to implement the EPR principle on behalf of the obligated industry and these schemes operate under an approval granted by the Minister. These producer responsibility agreements are underpinned by legal obligations so that individual businesses which do not elect to participate in a compliance scheme must then self-comply, as they cannot opt out of their obligations, or the costs associated with those obligations. There are six compliance schemes in operation in Ireland; these are ERP Ireland, WEEE Ireland (WEEE & Batteries), Repak (Packaging), ELVES (End-of-life vehicles), Repak ELT (tyres) and IFFPG (farm plastics).

In 2014, a review of the Producer Responsibility Initiative Model in Ireland¹ (PRI Review) was completed with the purpose of assessing the nature and level of the challenges that were expected to arise in the management of various waste streams. Out of the review the Department of Environment, Climate and Communications (DECC) sought to develop its relationship with each of Ireland's EPR schemes and optimise the desired environmental outcomes for each stream. Enhanced approvals were introduced for each of the compliance

¹ www.gov.ie - Review of the Producer Responsibility Initiative Model in Ireland (www.gov.ie)

schemes which address key issues including target achievement, awareness raising and communications, enforcement and co-operation. All schemes have signed up to a bespoke Code of Corporate Governance. Under the approvals, schemes continue to work with other agencies operating in the sector including the EPA, the regional lead authorities for waste management and enforcement and local authorities.

EPR schemes form an essential part of efficient waste management and can encourage a change in behaviour of all actors involved in the product value chain: product-makers, retailers, consumers, local authorities, waste management operators, recyclers and social economy actors. To date these schemes have operated very successfully and have enabled Ireland to reach our domestic and EU recycling targets. A summary of Ireland's current performance and progress towards EU targets is available on the EPA statistics [website](#). They have also successfully contributed to Ireland meeting our overall environmental goals and have diverted substantial amounts of waste from landfill.

2 FARM PLASTICS EXTENDED PRODUCER RESPONSIBILITY

2.1 Policy Framework

Ireland has had a PRI for farm plastics in place since 1998. The first piece of legislation in Ireland relating to farm plastic recycling was the Waste Management (Farm Plastics) Regulations 1997, S.I. No. 315 of 1997. These have since been replaced by the Waste Management (Farm Plastics) Regulations, 2001² and amended by the Waste Management (Farm Plastics)(Amendment) Regulations 2017³. The regulations are designed to promote the recovery and collection of farm plastics waste (silage wrap and sheeting). The Regulation requires a producer of farm plastics (manufacturers, importers and/or suppliers) to either:

- Become directly involved in the recovery of farm plastics waste from customers through offering a deposit and refund scheme or
- Participate in a government approved recycling scheme, i.e. membership of the existing Producer Responsibility Organisation (Irish Farm Films Producers Group – IFFPG)

A number of other policies / regulations exist, which complement the aims and objectives of the Farm Plastics Regulations as outlined in the overview of the EPR Model in Ireland.

Figure 1 provides an overview of the compliance options under the Farm Plastic Regulations.

²Available at <http://www.irishstatutebook.ie/2001/en/si/0341.html>

³Available at http://www.irishstatutebook.ie/eli/2017/si/396/made/en/print?q=farm+plastics&years=2014-2020&search_type=all

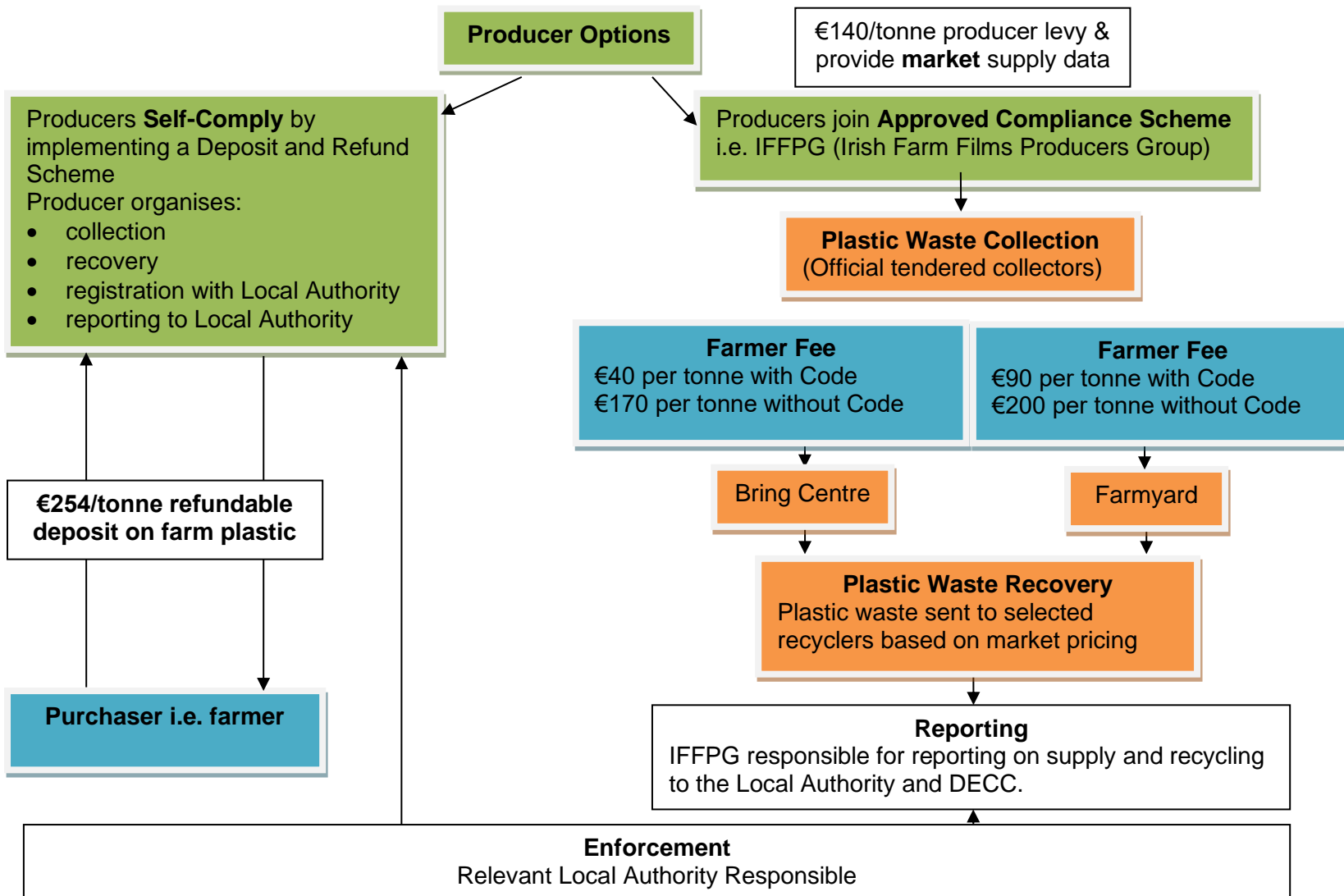


Figure 1: Schematic of the compliance options under the Farm Plastic Regulations

2.2 Self-Compliance

The PRI Review outlined that there is no publically available information on self-compliers and their involvement in target achievement, awareness raising or effectiveness regarding environmental protection. The DECC are not aware of any farm plastic self-compliers- this statement therefore focuses on the EPR scheme operated by IFFPG.

2.3 Members of Compliance Scheme

A producer that is participating in a compliance scheme can transfer their obligations under the regulations to the PRO. Where producers are participating in an approved compliance scheme they:

- Pay the Environmental Protection Contribution, which is a levy of €140 for every tonne of plastic placed on the market
- Provide data regarding product placed on the market

This fund is used by IFFPG to fund the collection and recovery of farm plastics on behalf of the producers.

IFFPG also takes responsibility for the recovery of the farm plastic and for all relevant compliance and reporting. IFFPG is set specific recovery targets and must meet a recovery target of 70% of all farm plastics placed on the market by its members.

IFFPG submit an annual report to DECC on behalf of producers.

3 End-Users

The Farm Plastics Regulations place an obligation on farmers to recover farm plastic waste generated. Farmers pay a contribution towards the collection and recovery of the waste farm plastic, as outlined below.

All waste producers (households and corporate organisations) also have responsibilities under the Waste Management Act 1996, as amended.

IFFPG organises a collection network for farm plastic. Plastic can be brought to Bring Centres within a given Local Authority area where a charge of €40 per tonne of plastic film applies. This fee applies where farmers produce a specific 6 digit label code, a higher charge of €170 per tonne is applied in the absence of the code. Farm collections are also organised and the charge is €90 per tonne of plastic with the code, and €200 per tonne of plastic without the code.

In 2020, 87% of farm plastic was collected through the bring centre system and 13% was collected direct from the farm.

Farmers build up sufficient quantities of farm plastics and go to the bring centre every two or three years. The majority of farmers supply their 6 digit code (i.e. their code number) when presenting farm plastic for recycling.

4 Compliance Scheme

IFFPG, the approved PRO operating the farm plastics compliance scheme, was established in 1997 and its membership includes manufacturers, importers and suppliers. It is a not-for-profit organisation and is at present the sole compliance scheme for the recovery of farm plastics in Ireland. Under the terms of its approval IFFPG is required to meet specified targets for the recovery of farm plastics.

4.1 Approval and Terms and Conditions

Article 19 of the Farm Plastics Regulations outlines how an organisation can apply to become an approved body. Following approval of the Minister for the Environment, Climate & Communications, the PRO is issued an approval document by DECC. The current approval covers the period from 1st January 2021 to 31st December 2025. Table 2 provides a summary of the main provisions for IFFPG.

Table 1: Summary of Approval for IFFPG

| Headings | Description |
|----------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Purpose | <ul style="list-style-type: none"> Operate the system with the objective to ensure the environmental sound management of farm plastics waste and comply with the Farm Plastics Regulations. Adhere to the general minimum requirements for EPR schemes as provided for under the European Union (Waste Directive) Regulations 2020. The aim is to introduce a level of harmonisation to improve the transparency, governance and cost-efficiency for Ireland's EPR schemes. IFFPG is a not for profit organisation |
| Corporate Governance | Adoption by IFFPG of the Code of Corporate Governance published by DECC. |
| Reporting | Annually submit by 30 th June, the following: Audited statements of accounts and; Environmental report including: <ul style="list-style-type: none"> Annual data relating to the collection and treatment of waste farm plastics and the quantities of farm films placed on the market. Review of the take-back system and updated list of collection points. Information relating to sub-contractors for collection and treatment including list of contacts and responsible area. List of affiliated companies for the preceding year. Any special project or key developments in the preceding year and |

| Headings | Description |
|------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| | <p>projects to be undertaken in the coming year.</p> <ul style="list-style-type: none"> • Details of Marketing and Promotion activity undertaken in the preceding year. <p>The annual report and financial report should be made available to all stakeholders, including members of the public.</p> |
| Target Achievement | <p>Recycling rate for sheeting, bale wrap and bale bags 70%. Recycling rate for netting and twine 19% rising incrementally each year of the approval to 27%.</p> |
| Enforcement | <p>Facilitate enhanced cooperation between IFFPG and enforcement authorities. Continued engagement of a compliance officer in IFFPG. Engage with DECC on assessing a financial contribution towards a national funding model for enforcement.</p> |
| Awareness Raising & Communications | <p>Operate a programme of national and sectoral educational and awareness raising activities for farm plastics waste holders.</p> |
| Financial Contributions | <p>The fees charged by IFFPG should be based on the polluter pays principle for both the operational costs and the costs of the administration of the compliance scheme. The minimum proportion of costs borne by producers is 70% of the necessary costs.</p> |
| Contingency Reserve | <p>The contingency reserve should provide for 12 months operational costs of IFFPG, deemed to be in order of €3m. If this approval lapses all reserves including the contingency must be transferred to the body approved by the Minister.</p> |
| Risk and issue management | <p>Building on the challenges posed by the global pandemic of 2020/21 IFFPG will develop and adopt an effective risk management system.</p> |
| Green Procurement | <p>Adopt policies that are committed to environmental best practice in the procurement of goods and services.</p> |

4.2 IFFPG Income

Details of IFFPG’s annual income are published on their website⁴, it equated to €4.5m in 2019. The income comes from a number of sources such as producer fees, end user (farmer) fees, subsidies from Repak for the collection of other farm plastic packaging and when market conditions prevail the sale of waste plastic

4.3 IFFPG Expenditure

IFFPG expenditure can be divided into two broad categories:

⁴ <https://www.farmplastics.ie/publications/>

- Direct Recycling Costs: including collection, baling, shipping & transport account for the majority of the direct recycling costs.
- Administrative costs : including Prevention, Education and Public Awareness Costs.

4.4 Corporate governance

An annual report is produced each year and published on the IFFPG website⁵.

Procurement for collection services is by tender process to ensure fairness, equity and value for money to members. The remaining IFFPG procurement does not go through such a formal process as the goods and services procured are of lower value but value for money is still a key consideration in the process.

IFFPG has a green procurement policy that incorporates sustainability to meet the following objectives:

- Reduce environmental impacts
- Drive social improvements
- Achieve financial efficiency

The board is comprised of 11 persons, 1 chairman and 10 directors (including 2 independent members).

Board members are drawn from four membership categories representing all levels of the farm plastics trade in Ireland, namely:

- Manufacturers of farm film
- Distributors/wholesalers of farm film
- Retailers/co-op sale of farm film
- The Irish Farmers Association

⁵ <https://www.farmplastics.ie/>

The company is controlled through its Board of Directors. In broad terms the role of the Board can be summarised as follows:

- To oversee the operation of the company
- To provide leadership
- To approve strategic objectives
- To ensure that the necessary financial and other resources are made available to enable objectives to be met

IFFPG applied for renewal of the approved body status in 2020. DECC has approved the PRO and approval is in place from the start of 2021 until the end of 2025. There will be an interim review in H1 2023.

5 Waste Management

5.1 Waste Recycling Infrastructure

In Ireland, there are currently a number of different organisations involved in the reprocessing of farm films. To date there has been mainly intermediate reprocessing of farm films. A number of companies have engaged in farm film recycling however it is a technically challenging material and over the years many companies have left the market. In the PRI Review, these organisations indicated that lower levels of contamination in farm plastic would be of benefit and create greater opportunities for recycling and recovery activity in Ireland.

As IFFPG is a members based organisation it is important that they present value for money to their members; and they must select end recycling markets on a number of criteria including cost. While IFFPG sends material for recycling both within Ireland and in Europe the preference is to use indigenous organisations where feasible as this supports the local economy and is in line with the proximity principle.

From an indigenous end recycler perspective technical understanding of the material, contamination, volume of material and consistency of supply are the main considerations informing decisions to develop recycling infrastructure.

In 2020, IFFPG sent 34,250 tonnes for recycling. Table 3 contains information on the indigenous waste infrastructure utilised.

Table 2: Indigenous waste infrastructure

| Organisation | 2020 |
|--------------------------------------------|----------------------|
| Walkers Recycling, Portlaoise ⁶ | 18,448 tonnes |
| AES, Littleton | 525 tonnes |
| ADN Material, Carrickmacross | 925 tonnes |
| Total | 19,898 tonnes |

6 Enforcement

Local authorities are responsible for enforcing the Farm Plastics Regulations. IFFPG works closely with the Local Authorities to identify illegal operators and free riders. There is particular emphasis in early summer when the farm film products go on the market. IFFPG developed a site inspection protocol for Local Authorities to assist them identify unlevied product. The consequence of illegal suppliers of farm plastic to the market results in loss of revenue through the environmental contribution levy and the loss of VAT to Revenue.

IFFPG has also engaged in an awareness campaign with the farmers to encourage them to report plastic that is unlevied.

IFFPG appointed a compliance officer in 2012. The role of the compliance officer is to gather intelligence on illegal suppliers to the market i.e. neither self-compliers nor members of an approved scheme, and pass this on to the Enforcement Section of the relevant local authority.

IFFPG also has internal compliance mechanisms such as penalties on members who submit late returns and sanctions for non-pass rates on audits. The label code system in place for farmers incentivises farmers to buy levied product as they receive a much reduced recycling charge for presenting farm film that they can prove is levied product.

⁶ Walkers Recycling is a pre-treatment facility.

7 Information and Awareness

Details of the extensive awareness raising and communications campaign carried out by IFFPG is detailed in their annual report. The main focus was to maximise volumes and improve the quality of farm plastics wastes collected.

8 Benchmarking

8.1 Waste Management Performance

Since the introduction of the Farm Plastics Regulations in 1997 and the approved compliance scheme in 1998 recycling of farm plastic has increased from 1,980 tonnes in 1998 to 34,250 tonnes in 2020. The recycling rate for 2020 was 80% significantly exceeding the target of 70%.

Several European member states have their own national regulations in place with regard to the recovery of agricultural plastics but, apart from packaging products, there is no common European regulation in this respect. For countries having implemented national collection schemes, the collecting rate is between 75% and 95%. Only a small number of countries have specific legislation. Ireland was among the first to introduce legislation, others include Iceland, France, Norway, Sweden, Spain, the UK, and Germany⁷.

8.2 Costs to Producers and end-users

The cost to producers which are participating in the compliance scheme is €140 per tonne in 2020). There is also a fee charged to farmers, with the charge determined by whether the plastic is dropped to a bring centre or collected at the farm, and on whether a unique identification code is provided by the farmer which proves the waste plastic is levied. The ratio of producer: farmer per tonne cost is 70:30. The revenue generated covers all the costs of collection and recycling on behalf of the producers and farmers.

The PRI Review could not compare producer costs with other European schemes as no cost data was available. It did however, confirm that the IFFPG collection system based largely on bring centres is providing value for money.

⁷ [Agricultural plastics european regulation: APE Europe \(plastiques-agricoles.com\)](https://www.plastiques-agricoles.com/)

8.3 Need for the Levy

The current funding mechanism for farm plastic collection is in line with the polluter pays principle with the cost of managing end-of-life farm plastics shared between the farm film producer and the farmer. This has dual benefits: It incentivises producers to reduce the weight of the farm plastics products as they pay a levy based on the quantity placed on the market and it incentivises farmers to reduce the level of contamination as they pay a weight based fee for disposal of their waste.

The current producer levy is used to cover 70% of the farm plastics collection cost and the end-users (farmers) pay for 30% of the collection cost. Without this levy the cost of waste management would have to be borne fully by the end-users. Increasing the cost of waste management for the farmer may lead farmers to resort to other disposal practices such as burning, burial, stockpiling or inclusion in household waste collection. This would lead to a decrease in the quantities of farm plastics collected by IFFPG and they would no longer be able to meet its recycling targets. Some of the farm plastic waste may be collected by other authorised waste collectors not affiliated to IFFPG, but the viability of such collection has been affected by the volatility in the price of recycled materials. It would be more difficult to track the flow of farm plastic waste. Illegal disposal of farm plastics will also take place resulting in negative environmental outcomes.

9 Conclusions

Farm plastic recycling has been in place in Ireland since 1998, following the introduction of the Farm Plastics Regulations in 1997 and has grown significantly since this time. The existing arrangements are functioning effectively and the targets in place are being achieved.

The current funding mechanism used by IFFPG for farm plastic collection is in line with the polluter pays principle and the PRI Review recommended it to ensure the ongoing viability of farm plastic collection and associated benefits, the levy should be maintained, monitored. This issue is monitored as part of the approval process and the annual reporting requirements.