

Joint Committee on Enterprise, Trade and Employment

Wednesday, 4th October 2023

Minister Ossian Smyth - Opening Statement

Introduction

- Firstly, I would like to thank the Committee for their invitation to speak here today. We are just over a year on from the enactment of the Circular Economy Act and it is an opportunity to review progress made in the last year and to discuss the priority areas where we now need to focus our attention.
- I think we are all agreed that the linear economic model of take – make - waste is environmentally and economically unsustainable.
- The transition to a circular economy offers an alternative. In a circular economy waste and resource use is minimised, and the value of products and materials is maintained for as long as possible. In a circular economy, when a product has reached the end of its life, its parts can then be used again and again to create further useful products.
- A circular economy normalises the efficient use, reuse and ultimate recycling of our material resources.
- Materials can be designed to be less resource intensive, and waste can be recaptured as a resource to manufacture new materials and products. By making the transition to a circular economy we can move away from the model of managing and disposing of waste towards preserving resources.
- It also has the potential to significantly reduce our dependency on primary resource extraction and complex global supply chains, thereby strengthening state and business resilience in the face of supply shocks.
- Circular economy practices and improvements in sustainability can result in real benefits for business and enterprise. So, it is important that our policy and regulatory framework support the business community in making the circular transition – not just in terms of direct funding but also through the provision of funding for research and innovation – delivering on the potential for increased cost savings, improved resource efficiency and new business opportunities.
- Meeting our climate targets also requires a transformation in the way we produce and use goods. Therefore, making less - or making with fewer

resources – will play a key role in climate action and reduce our carbon emissions.

- In recent years and in response to the triple global emergencies we face in climate, biodiversity and pollution, the EU has ramped up its ambition and delivery of new legislation in the circular economy space.
- In addition to textiles and eco-design, negotiations are underway on a new Packaging Regulation, Food Waste Prevention, and Critical Raw Materials.
- Further legislative proposals have been announced on End of Life Vehicles and more are promised for Waste Electrical and Electronic Equipment.

Achievements to Date

- We are making progress at a national level also.
- In line with the evolution of EU and UN environmental policy, the Waste Action Plan for a Circular Economy was published in September 2020. The first Circular Economy Strategy and the Circular Economy Programme were published in November 2021, and in July 2022 the Circular Economy Act completed its passage through the Oireachtas.
- Over the past 2 years we have put in place the necessary policy and regulatory framework required for a successful circular transition. But now that the policy and regulatory framework is in place, I intend to build on that momentum.
- In November last year, I launched, with Minister McConalogue, Ireland's first National Food Waste Prevention Roadmap, which is a key step in steering our efforts towards achieving the goal of reducing food waste by 50% by 2030.
- I also announced the second call for funding under the Circular Economy Innovation Grant Scheme, bringing total allocations to date under the scheme to €1.25m. I intend to launch the third round of funding under the Scheme before the end of the year.
- The new Circular Economy Fund was established under the Act in July, signalling a clear commitment to further integration of circular economy principles in practise.
- July also saw the introduction of incentivised waste collection in the commercial sector, and from January next year waste collection service providers will be

obliged to provide all households with a separate collection for biowaste - or what is known as a 'brown bin' - by the end of the year.

- From 1 September 2023, I introduced a levy of €10 for every tonne of municipal waste recovered in Ireland, or exported abroad for recovery. I also announced a corresponding increase in the existing Landfill Levy to €85 per tonne. These levies will encourage more recycling and re-use, and greater efforts to segregate waste at source.

Priorities to end 2023/2024

- But while we have made progress, there are further issues that I intend to address.
- Work is continuing on the next iteration of the Circular Economy Strategy.
- The next version of the Strategy will have a statutory basis and, in line with the requirements under the Act, will include targets for specified sectors, delivering on the potential to make significant contributions to the circular transition.
- I am also very keen to see the issue of disposable vaping products addressed. The recent public consultation survey that sought views in relation to a potential ban on disposable vapes indicated that a clear majority favour their ban and I am working to find the best way forward to address this environmental threat.
- I am also committed to the introduction of a new regulatory system for End of Waste and By-Products. End of Waste is one of the pivotal issues for our circular economy ambition in Ireland and a key area for industry. The publication of a sectoral roadmap for the Construction sector, as part of the work of the Construction Sector Group, is also a priority.
- Work is continuing on the preparation of a new Green Public Procurement Strategy and Action Plan, which will replace the current national policy 'Green Tenders'. The draft plan is currently the subject of a public consultation process and I hope the final version will be approved by Government by the end of the year.
- February 2024 will see the introduction of Ireland's Deposit Return Scheme for plastic bottles.

- This is the final step in this very exciting project, which has been a major undertaking for the beverage industry, retailers and the DRS company Re-turn. This is the first such system across Britain and Ireland and is an example of how we can all embrace circularity in our everyday lives.
- I am also hopeful that 2024 will also see the delivery of two key circular economy projects. The first is the delivery of a national circular economy platform to provide an authoritative source of information about the circular economy. If we are to embrace the circular economy and effect real behavioural change, then we must raise awareness of circular economy practices in society in general. The establishment of a national circular economy platform will achieve that objective.
- The establishment of a centre of excellence for circular manufacturing and innovation is a priority and I know members of this committee have also been supportive of this approach. Embedding circularity in business and enterprise is fundamental to a successful circular transition and one of the areas in which we can make the most impact. Support for business and enterprise in making that transition is a priority for my Department and across Government.