

Plastic Bags

The Irish Experience

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Background to plastic bag initiative

- Plastic bag levy – introduced primarily as **anti-litter** initiative
- In the 90's plastic bags constituted significant litter problem -, accounted for **5%** of our litter, highly visible impact.
- Countering Ireland's image as clean & green.
- New Government in 1997 - commitment to examine means of discouraging use of plastic bags



Consultancy Study

1998 - Consultancy study commissioned

“to identify and assess possible fiscal, regulatory or other measures that might be undertaken to minimise the use and environmental impact of plastic bags”.



Consultancy Study

January 1999 – Consultancy Findings:

- **1.26 billion** plastic bags dispensed free of charge at retail outlets per year
- **328** per inhabitant per year



Consultancy Study

- Sources of plastic bags
 - domestic producers (**20%**)
 - imported (**80%**) (**55%** EU; **25%** Third Countries)
- Employment by home producers – circa **200**
- **82%** of plastic bags consumed in grocery sector



Public Consultation Outcome

- Consultants recommended minimum **4 cent** levy to be effective
- Consultants did not recommend whether **'supply side'** or **'point of sale'** levy would be most effective
- Public consultation process undertaken late 1999
- Very strong public support for levy
- Principle opposition from plastic industry, packaging importers/distributors, sections of retail sector



Challenges post consultancy

- Initial preference was for a **supply-side** levy
 - considered simplest and more cost-efficient option;
 - difficulties subsequently encountered with relevant stakeholders re implementation and enforcement mechanisms of supply-side levy;
- Further reflection re levy amount - **15 cent** more effective
- Government approval obtained March 2001 for **point of sale** levy to be applied on customers by retailers (circa **30,000**)



Challenges post consultancy

- Producers/importers/distributors opposed
- Retailers – supportive; worries about customer refusal to pay
- Consumers – supportive; concerns re. effects on low-incomes
- New legislation passed in 2001 and special Environment Fund established



Environment Fund

- Proceeds of the plastic bag levy and the landfill levy are paid into the Environment Fund
- Expenditure can only be for environmental purposes as set out in the legislation
- Fund is controlled by the Minister for Env – **not** the Exchequer



Reasons for setting up Environment Fund

- Fund proceeds are levies – not taxes
- Fundamental difference between taxes and levies - purpose of levies is not to generate revenue but to change consumer behaviour
- Declining receipts are an indication of success, not failure
- When seeking EU approval Commission was informed that plastic bag receipts were to be used for environmental purposes
- Best way to ensure this was by ring-fencing Fund
- New legislation passed in 2001 and special Environment Fund established



Legislation (1)

- Primary Legislation
 - Waste Management (Amendment) Act 2001 provided for –
 - establishment of new Environment Fund,
 - Provision of charges for:
 - landfill levy &
 - plastic bag levy
 - Plastic bag defined as “a bag –
 - (i) made wholly or in part of plastic, and
 - (ii) which is suitable for use by a customer at the point of sale in a supermarket, service station or other sales outlet,other than a class of bag exempted in regulations.”



Legislation (2)

- Secondary Legislation:
 - Regulations –
 - amount of original levy – **15 cent** per bag w.e.f March 2002
 - Increased to 22 cent in July 2007
 - Exemptions from levy
 - in-store bags used to hold meat, poultry, fish
 - in-store bags used to hold fresh fruit and vegetables
 - long-life reusable bags sold for not less than 70 cent



Legislation (3)

- Does not differentiate plastics so biodegradable bags are included
- Long-life bags not included - provided retailer charges 70 cent or more



Implementation and enforcement

- Pre commencement:
 - Service level agreement with Revenue Commissioners
 - Extensive multi-media public information campaign
- Clear distinction between enforcement and collection –
 - Local authorities – responsible for enforcing application of levy at point of sale (spot-checks)
 - Revenue Commissioners responsible for collection of levy due from retailers



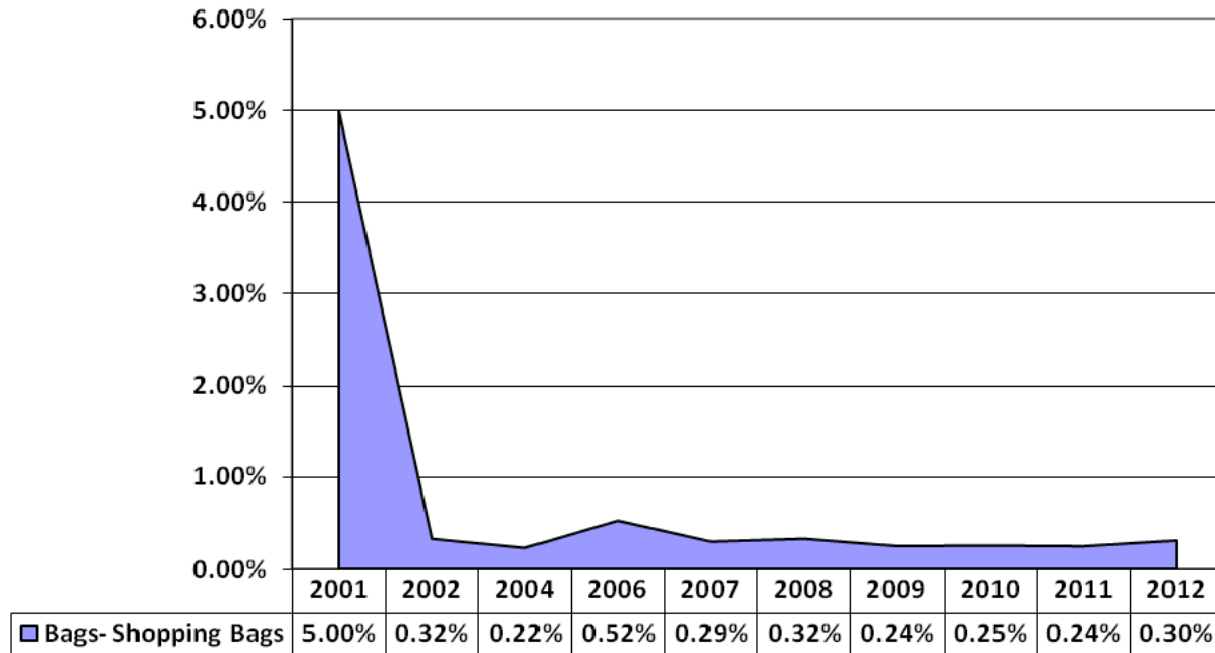
Impact

- **Dramatic change in consumer behaviour - change to using reusable bags**
- **Immediate > 90%** reduction in plastic bag consumption
- Pre levy consumption – **328** bags/inhabitant/year
- Post levy consumption – **21** bags/inhabitant/year
- Pre levy increase 2007 – **33** bags/inhabitant/year
- Post levy increase 2007– **26** bags/inhabitant/year
- Usage in 2010 – **18** bags/inhabitant/year
- Usage in 2012 - **14** bags/inhabitant/year



Effect on Litter

Plastic Bags as a % of National Litter Composition

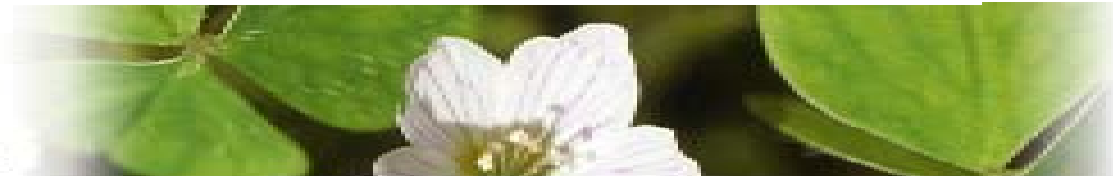
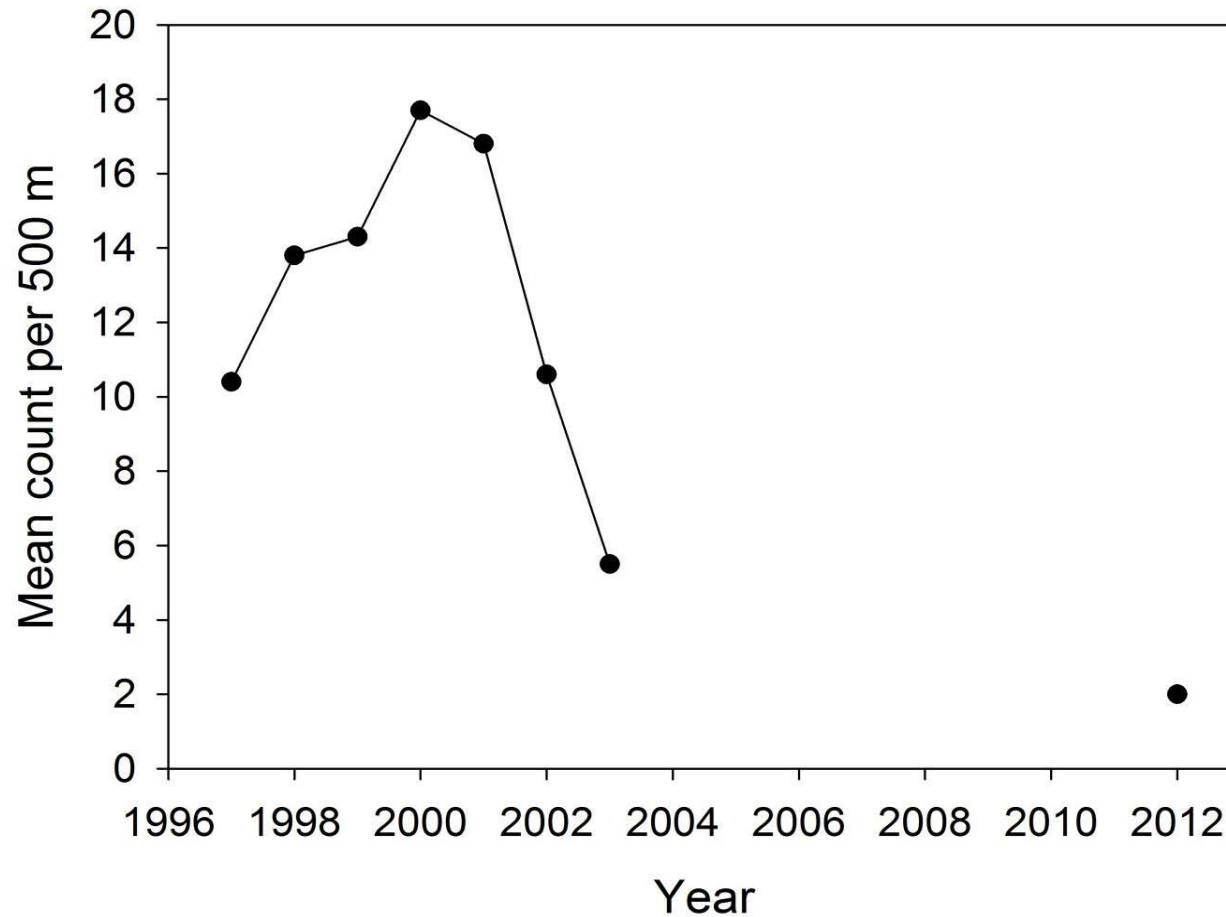


Marine Litter

- Coastwatch carry out annual litter survey
- Collect data on 7 types of litter including plastic bags
- Data shows the impact of the plastic bag levy with a reduction of plastic bags on beaches since the levy was introduced



Effect on Marine Litter



Recent changes to legislation

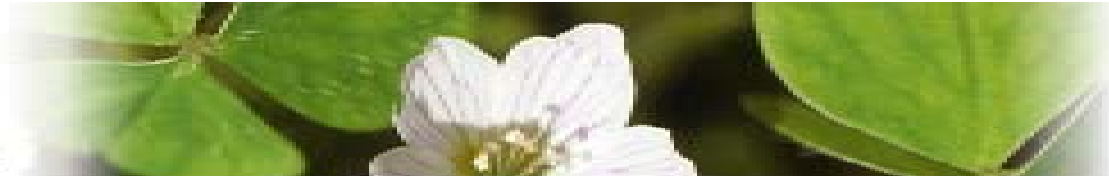
- increase was limited to change in the Consumer Price Index (CPI);
- Ineffective in a time of low inflation;
- Amended by Environment (Miscellaneous Provisions) Act 2011 - now inflation plus 10%
- However no plans to increase the levy at this time.



Public Acceptance

– National survey on the Environment "Attitudes and Actions 2003

- **91%** in favour –
 - better for the environment,
 - there are no plastic bags visible in the streets, and
 - re-usable bags are more convenient for holding shopping
- **6%** against –
 - missed having plastic bags about the house, and
 - were frustrated when they forgot to bring-usable bags into the shop
- **3%** no opinion



Administration

- Levies are –

- Itemised on till receipts
- Collected by Revenue Commissioners
 - Service level agreement in place
 - Robust collection systems
 - Web based quarterly returns
 - High level of compliance
 - Revenue are reimbursed on basis of actual costs incurred
 - Revenue transfer proceeds back to Environment Dept for Environment Fund



Conclusion (1)

– Irish producers & public have shown great flexibility by providing & using reusable “long life” shopping bags

- » **90%** of shoppers use reusable/long life bags
- » **6%** use cardboard boxes
- » **4%** plastic bags and
- » **1%** other means



Conclusion – The key to success

- Simplicity – easy to enforce; easy to administer
- Has resulted in changes of behaviour
- Ring-fencing of proceeds has assisted in public acceptance of measure
- Can also be seen to reduce marine litter as evidenced by Coastwatch surveys



Future Challenges

- Can we improve our performance?
- How will the EU proposal on plastic bags under the Packaging Directive be implemented?



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UCC

