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From: [Redacted]
Sent: 12 November 2020 15:54
To: wastecomments
Subject: RGDATA Submission
Attachments: DRS Scheme Submission.pdf

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Good afternoon,

Please see attached submission on behalf of Tara Buckley, Director General, RGDATA

Regards,

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LOCAL SHOPS - LOCAL COMMUNITIES

Wastecomments@DCCAE.gov.ie

Deposit Return Scheme Consultation
Department of Environment, Climate & Communications
29-31 Adelaide Rd
Saint Kevin's
Dublin D02 X285

12 November 2020

**Deposit Return Scheme
Consultation Document on Potential Models for Ireland**

RGDATA would like to make the following submission on the consultation process on the potential models for the design and operation of a Deposit Return Scheme (DRS) in Ireland.

RGDATA represents the owners and operators of over 3,500 local community-based grocery/convenience shops, convenience stores, supermarkets and forecourt stores located throughout the State. As local community retailers, RGDATA members are very keen to play their part in delivering on the sustainability agenda and expect to play a significant role in the operation and roll out of any new DRS Scheme. They will also have a primary role in managing the customer interface concerning the new Scheme.

As key stakeholders it is important that their perspective is taken into account in the context of agreeing and designing the appropriate model that will apply in Ireland.

In this context it is vital that the practicalities of how the DRS will operate across the full range of retail providers – big and small, independents and multiples - in Ireland is fully examined before any final decision is taken on its design and operation.

The attached response to the questions raised in the consultation sets out some issues that will need to be addressed when examining the appropriate model and flags some of the issues that are of direct concern to independent retailers.

RGDATA is happy to meet with officials from the Department to address the specific points raised in the attached reply and looks forward to further engagement as the process to finalise the DRS proceeds.

Tara Buckley

Director General

Replies by RGDATA to the Consultation Document on the Potential Models for a Deposit Return Scheme in Ireland

Consultation questions

1. The Report recommends a centralised, operational model for Ireland. Do you agree with this recommendation?

In the context of the three models that are presented in the Consultation Document, the centralised operational model has merit – there are already similar schemes operating in Ireland and they have achieved a significant degree of success in respect of their particular waste streams.

The main criteria from an RGDATA perspective is that the chosen model should be efficient, effective and work to achieve the targets that need to be met under our EU obligations while not imposing additional burdens or costs on independent retailers. The chosen model should be agreed and designed to maximise the use of existing infrastructure, be the most efficient, effective and best value for money option.

It is critical that the model which is chosen takes proper account of the impact of a new scheme at retail level and factors in all of the operational and cost challenges that the DRS Scheme will place on retailers. There are concerns among independent retailers that a new DRS will create additional overheads (eg employment costs, security, cleaning, insurance, paperwork, & returns) and place new requirements for space within premises that in many cases are challenged with regard to freeing up retail floorspace to accommodate new services. The practicalities of the proposed Scheme and the impact at retail level need to be fully worked out before making a decision on the design of the scheme. RGDATA would urge the Department to have direct engagement with RGDATA and other retail representative bodies at an early stage of the process and to ensure their participation in the process from the outset.

It is also important that whatever model is chosen takes due account of existing practices, existing infrastructure and, more importantly, developments in technology which may facilitate a smart DRS scheme. The option of using smart technology to bring the DRS directly to consumers and enable consumers to use the existing deposit infrastructure for returning PET bottles and cans should be thoroughly examined. There are some interesting models (reward4waste.com) being trialed which appear to demonstrate that a smart DRS can achieve a number of different public policy objectives and secure recovery targets without adding new structures or obligations on retailers. For instance, a Smart DRS scheme could encourage high levels of recovery through a cashless structure with real time reporting available through the circular economy.

Consequently, while RGDATA can see the merit in a centralised operational model for Ireland, it is important that whatever model is adopted takes full account of and facilitates smart technologies which can support strong consumer recycling practices through using existing infrastructure. It would be a regressive step if the model chosen for Ireland acted to disincentivise the development and roll out of such an innovative scheme here.

2. If not, do you favour a;

- a. Decentralised/financial DRS, or,
- b. Hybrid

In light of the answer to 1 above, RGDATA believes that there is merit in exploring a centralised operational model which can operate in a way that sustains the development of a smart DRS Scheme – either through the centralised operator or as a separate offering.

Clearly the feasibility of two competing schemes would need to be assessed from a practical and economic perspective, but with proper controls, there is no reason why they could not co-exist. At the very least, if a centralised operational model is selected for Ireland, the operator should be mandated by licence to use smart technology to underpin the DRS.

3. Are there other models that you believe could work in an Irish context?

Not to RGDATA's knowledge. However, all models should be explored to ensure Ireland gets the one that is most fit for purpose. The examination of successful models in other jurisdictions must include what practices existed in the jurisdiction prior to the introduction of the DRS, what the recycling rates were and what recycling opportunities were in place. E.g. Did they have a Green bin/kerbside recycling system.

4. What role should waste collectors play in the operation of a DRS?

It would appear to make sense to continue to use the existing waste collection infrastructure to collect PET bottles and cans, rather than requiring new investment by businesses in duplicating a collection structure. The exact role that they will play will be one of the key operational issues that must be considered as part of the design process. Depending on the DRS which is adopted, the Waste Collectors may need to expand their operations to facilitate additional collections from retailers, either using Reverse Vending Machines or manual collection systems.

5. The DRS Study proposes a deposit per container of €0.20. Do you think this is appropriate? If not, should it be higher or lower or should different deposit rates apply depending on container size?

RGDATA believes that the deposit level must be set at a level that incentivises consumers to engage with the scheme. RGDATA has concerns about different deposit rates being introduced for different container sizes and if this would add significantly to the administrative burden and complexity of the Scheme. This may also have the unintended impact of making some containers less attractive for recycling by consumers – for instance, lower value containers may not be recycled.

6. Consumers need to know about a DRS before it becomes operational – do you have any suggestions as to how best the introduction of a DRS can be communicated to the public?

Once the design of the Scheme has been configured and settled there should be a detailed communication campaign funded by producers to support awareness among consumers. It would be important to involve retailers in the design of the communications campaign given their pivotal role in the process. Audio and visual POS materials can be designed and circulated so that independent retailers can display them in their stores, on their social media and in-store audio/visual systems.

7. What enforcement measures should be considered in parallel with the introduction of a DRS?

It will be important to incentivise consumers to participate in the Scheme, but the range of penal sanctions and enforcement measures should be reviewed to determine their effectiveness in underpinning the Scheme.

8. How should cross border issues be treated to ensure producers are not at a competitive disadvantage relative to producers in Northern Ireland?

RGDATA has a significant number of retailers in the Border counties – if retailers are to be a central part of the DRS it is imperative that their obligations under the Scheme are confined to PET bottles and aluminium containers that are put on the market by producers that are part of the Scheme. Under no circumstances should retailers be liable to handle or process deposit refunds for products that are generated from outside the State.

Tara Buckley
Director General
RGDATA