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From: [Redacted]
Sent: 12 November 2020 16:13
To: wastecomments
Cc: [Redacted]
Subject: DRS - Consultation on Potential Models for Ireland - Polytag submission
Attachments: Deposit Return Scheme Consultation (rev 1).docx

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Dear DCCAE team,

Please find attached Polytag's answer to the DRS - Consultation on Potential Models for Ireland.

Looking forward to hearing about the outcome of this consultation,

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Deposit Return Scheme - Consultation on Potential Models for Ireland

Polytag's response to the consultation

Polytag is an enabling technology which facilitates governments and brand owners move into the Circular Economy through greater engagement with consumers, regulators and recyclers. Our technology will enable in-home Deposit Return Schemes and assign fair costs for Extended Producer Responsibility programmes.

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

Polytag is supportive of such initiative as it has shown to be driving the right behaviours in countries where it has been implemented.

However, our recommended model would be one of a digital DRS as it would be much more convenient for the users, cost effective for the taxpayers, less prone to fraud and would avoid disruption to the finely tuned existing infrastructures in Ireland:

- Kerbside collection system with RFID tagged bins.
- Household recycling centres.

This digital DRS would have the following elements:

- Unique markers applied to each item of packaging by the manufacturers.
- The consumer pays a deposit at the point of purchase.
- A smartphone app allows consumers to scan the unique markers to reclaim their deposit back into a digital wallet.
- The consumer puts the item of packaging in their existing household bins or, returns to one of the existing local recycling centre network or to one of lesser quantity of DRS points dotted across the geography would cover those consumers with no smartphone.
- A scheme administrator that collects deposits from retailers and returns them to consumers once the items have been scanned as recycled.

The traditional DRS system has relied heavily on the wide deployment of Reverse Vending Machines. However, these are prone to breakdowns and fraud. And they are expensive to deploy and run:

- The UK Department of Environment, Farming and Rural Affairs (Defra) has estimated a cost of installation of £2.2bn and an annual running cost of £500m in the UK

- If we take this proportional to Ireland's population (1.11€/£), it is an installation cost of €180m and annual running cost of €41m.
- These costs exclude the environmental costs associated with the development of traditional DRS.

A digital DRS would allow the Irish Government to achieve their ambitious timeline of introduction in Q3 2022.

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

A digital DRS enables the current waste collection system to continue as normal.

3. 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?

Our current assumption is that the deposit should be enough to motivate the right behaviours and pay for the recycling in case the deposit was not claimed. Our pilot with the Welsh Government (see below), should give us more information about this parameter.

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

On the Phase 1 of the Welsh government pilot, we are working with the Waste Resource and Action Programme (WRAP) developing a full communication strategy that will be further refined in the following phases of the pilot. We can share our learning on how to communicate the scheme with the Irish government.

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

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

The digitisation of the system facilitates greater transparency, levelling the playing field for producers in different jurisdictions while encouraging the transition into the circular economy.

About Polytag

Polytag is a UK based company with an Irish majority stakeholder. It has developed a patent pending Tag and Trace technology which allows brands to apply **intelligent markers** to each unit of a product.

With our supporting IT platform, these codes can be read at any point of the lifecycle of the product, supporting DRS, enabling the brand owners to track the product, reward consumers and recover their packaging at the end of use, limiting their exposure to Extended Producer Liability and plastic packaging taxes.



The technology has already been demonstrated with a community pilot in Greasby to prove the concept of a digital DRS, our data platform and consumer facing App.

The Greasby Pilot achieved a 90%+ return rate.

With the introduction in the UK of a DRS system in 2023, we have partnered with Welsh Government to pilot their efforts as the leading region in the UK. Phase 1 (local) has been delayed to March 2021 due to Covid-19. Phase 2 is scheduled for Q4 2021 with national deployment in 2023.

After their own consultation, Scotland will go ahead with Reverse Vending Machine deployments but it is expected that England and, crucially Northern Ireland will follow the Welsh digital DRS lead.

For further information please visit our website www.polytag.co.uk