

Rosemary Gair

**From:** [Redacted]  
**Sent:** 17 November 2020 11:05  
**To:** Denis Dunne  
**Subject:** RE: Irish Beverage Council - submission to DECC consultation on potential models for an Irish DRS  
**Attachments:** IBC - DECC consultation on DRS.pdf  
**Follow Up Flag:** Follow up  
**Flag Status:** Completed

**CAUTION:** This email originated from outside of the organisation. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Many thanks Denis – appreciate your understanding on this.  
 Corrected version attached. You might delete the previous version before it is circulated internally.  
 Very many thanks again for the opportunity.  
 Shane

**From:** [Redacted]  
**Sent:** Tuesday 17 November 2020 11:02  
**To:** [Redacted]  
**Subject:** RE: Irish Beverage Council - submission to DECC consultation on potential models for an Irish DRS  
 No problem Shane you can send it on.

**From:** [Redacted]  
**Sent:** 17 November 2020 11:00  
**To:** Denis Dunne  
**Subject:** RE: Irish Beverage Council - submission to DECC consultation on potential models for an Irish DRS

**CAUTION:** This email originated from outside of the organisation. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Many thanks Denis.  
 There are two small typos in the version I submitted – is it too late for me to feed you a revised copy? – No change in substance whatsoever, but would like the opportunity to correct the grammar before the submission is considered....

**Irish Beverage Council**  
**Food Drink Ireland**  
**Ibec**  
**T** [Redacted]  
**E** [Redacted]  
**W** [www.fooddrinkireland.ie](http://www.fooddrinkireland.ie) / [www.ibec.ie](http://www.ibec.ie)



**From:** [Redacted]  
**Sent:** Tuesday 17 November 2020 08:45  
**To:** [Redacted]  
**Subject:** RE: Irish Beverage Council - submission to DECC consultation on potential models for an Irish DRS  
 Thank you for taking the time to make a submission, the contents of which will be carefully considered as part of the development of a new Deposit and Refund Scheme for Ireland.

Regards

Denis Dunne, Higher Executive Officer  
Waste Policy & Enforcement Division

An Roinn Comhshaoil, Aeráide agus Cumarsáide  
Department of the Environment, Climate and Communications  
Bóthar an Bhaile Nua, Loch Garman, Y35 AP90  
Newtown Road, Wexford, Y35 AP90

087 0951175 | 01 6782912

From: [REDACTED]  
Sent: 12 November 2020 16:52  
To: wastecomments  
Cc: wastecomments  
Subject: Irish Beverage Council - submission to DECC consultation on potential models for an Irish DRS  
Importance: High

**CAUTION:** This email originated from outside of the organisation. Do not click links or open attachments unless you recognise the sender and know the content is safe.

Dear colleague,

In response to the Department's consultation on potential models for a Deposit and Return Scheme, please find attached submission from the Irish Beverage Council.

We are keen to continue our close engagement with the Department and wider Government on this most important of matters for us, our industry partners and our consumers. Please do not hesitate to contact me at any time to discuss any aspect of the attached.

Very best,

[REDACTED]  
Irish Beverage Council  
Food Drink Ireland  
Ibec

T: 01 605 1638

E: [REDACTED]

W [www.fooddrinkireland.ie](http://www.fooddrinkireland.ie) / [www.ibec.ie](http://www.ibec.ie)



**Irish Beverage  
Council**  
Ibec

**CONFIDENTIALITY NOTICE** - The information contained in this email message is intended only for the confidential use of the named recipient. If the reader of this message is not the intended recipient or the person responsible for delivering it to the recipient, you are hereby notified that you have received this communication in error and that any review, dissemination or copying of this communication is strictly prohibited. If you have received this in error, please notify the sender immediately.

EU Transparency register 479468313744-50

Disclaimer:

This electronic message contains information (and may contain files), which may be privileged or confidential. The information is intended to be for the sole use of the individual(s) or entity named above. If you are not the intended

recipient be aware that any disclosure, copying, distribution or use of the contents of this information and or files is prohibited. If you have received this electronic message in error, please notify the sender immediately. This is also to certify that this mail has been scanned for viruses.

Tá eolas sa teachtaireacht leictreonach seo (agus b'fhéidir sa chomhaid ceangailte leis) a d'fhéadfadh bheith príobháideach nó faoi rún. Is le h-aghaidh an duine/na ndaoine nó le h-aghaidh an aonáin atá ainmnithe thuas agus le haghaidh an duine/na ndaoine sin amháin atá an t-eolas. Murab ionann tusa agus an té a bhfuil an teachtaireacht ceaptha dó bíodh a fhios agat nach gceadaítear nochtadh, cóipeáil, scaipeadh nó úsáid an eolais agus/nó an chomhaid seo. Más trí earráid a fuair tú an teachtaireacht leictreonach seo cuir, más é do thoil é, an té ar sheol an teachtaireacht ar an eolas láithreach. Deimhnítear leis seo freisin nár aims odh víreas sa phost seo tar éis a scanadh.

**CONFIDENTIALITY NOTICE** - The information contained in this email message is intended only for the confidential use of the named recipient. If the reader of this message is not the intended recipient or the person responsible for delivering it to the recipient, you are hereby notified that you have received this communication in error and that any review, dissemination or copying of this communication is strictly prohibited. If you have received this in error, please notify the sender immediately.

EU Transparency register 479468313744-50

Disclaimer:

This electronic message contains information (and may contain files), which may be privileged or confidential. The information is intended to be for the sole use of the individual(s) or entity named above. If you are not the intended recipient be aware that any disclosure, copying, distribution or use of the contents of this information and or files is prohibited. If you have received this electronic message in error, please notify the sender immediately. This is also to certify that this mail has been scanned for viruses.

Tá eolas sa teachtaireacht leictreonach seo (agus b'fhéidir sa chomhaid ceangailte leis) a d'fhéadfadh bheith príobháideach nó faoi rún. Is le h-aghaidh an duine/na ndaoine nó le h-aghaidh an aonáin atá ainmnithe thuas agus le haghaidh an duine/na ndaoine sin amháin atá an t-eolas. Murab ionann tusa agus an té a bhfuil an teachtaireacht ceaptha dó bíodh a fhios agat nach gceadaítear nochtadh, cóipeáil, scaipeadh nó úsáid an eolais agus/nó an chomhaid seo. Más trí earráid a fuair tú an teachtaireacht leictreonach seo cuir, más é do thoil é, an té ar sheol an teachtaireacht ar an eolas láithreach. Deimhnítear leis seo freisin nár aims odh víreas sa phost seo tar éis a scanadh.

**CONFIDENTIALITY NOTICE** - The information contained in this email message is intended only for the confidential use of the named recipient. If the reader of this message is not the intended recipient or the person responsible for delivering it to the recipient, you are hereby notified that you have received this communication in error and that any review, dissemination or copying of this communication is strictly prohibited. If you have received this in error, please notify the sender immediately.

EU Transparency register 479468313744-50





**Irish Beverage  
Council**  
Ibec

Irish Beverage Council  
84/86 Lower Baggot Street  
Dublin 2  
Ireland  
D02 H720

T: +353 1 605 1500  
E: [info@ibec.ie](mailto:info@ibec.ie)  
[www.fooddrinkireland.ie](http://www.fooddrinkireland.ie)

**Deposit Return Scheme – Consultation on Potential Models for Ireland  
Department of the Environment, Climate and Communications**

Via e-mail to: [wastecomments@dccae.gov.ie](mailto:wastecomments@dccae.gov.ie)

**12 November 2020**

Dear Colleague,

Firstly, on behalf of the member companies of the Irish Beverage Council-led DRS project consortium, thank you for affording us this valuable opportunity to submit our initial thoughts on the optimal design features and potential models for a Deposit Return Scheme (DRS) for beverage containers in Ireland, the first of what will be many stages in the decision-making process.

The Irish Beverage Council (IBC) is the dedicated body representing Ireland's non-alcoholic beverage industry. Uniting companies which produce, distribute and market soft drinks, sports and energy drinks, fruit juices and packaged waters in both Ireland and Northern Ireland, the IBC is a unit of Food Drink Ireland and one of the family of trade associations within Ibec. Together we employ over 3,500 people, support an additional 3,000 jobs and generate an annual economic contribution of some €1.5 billion.

Harnessing the vast majority of Ireland's combined beverage industry speaking with one voice on this important issue, our project consortium also comprises several large brewing companies, represented by our sister associations within Ibec, Drinks Ireland | Beer and Drinks Ireland | Cider. As Europe's seventh largest beer exporter, the Irish brewing sector has contributed €3.8 billion in excise to the exchequer over the past decade. For its part, Irish cider exports were worth over €64 million in 2019, generating an exchequer contribution of some €60 million in excise alone last year.

The combined beverage industry is part of the fabric of Ireland's economy and society, proudly making a significant contribution throughout the supply chain – from agriculture, to manufacturing, to packing, through to transport and logistics, retail, hospitality and tourism.

We are proudly dedicated to accelerating Ireland's collection and recycling rates across all packaging types and are actively exploring new programmes and infrastructure to help deliver a true circular economy. Importantly, we are committed to the adoption of a DRS in meeting Ireland's separate collection targets under the EU Single Use Plastics Directive.

Irish Beverage Council is a trade association of Ibec clg. Ibec clg is registered in Ireland, registration number 8706.  
Website: [www.ibec.ie](http://www.ibec.ie)

Directors: Alastair Blair (President), Frank Gleeson, Gerry Collins, Edel Creely, Paraic Curtis, Kari Daniels, Cathriona Hallahan, Anne Heraty, Imelda Hurley, Oliver Loomes, Eugene McCague, Pat McCann, Danny McCoy, Francesca McDonagh, Liam O'Donoghue, Anne O'Leary, Dalton Philips, Siobhán Talbot, Kevin Toland.



DRS is a transformative and complicated measure, not without its challenges. However, a well-designed DRS, specifically tailored to address the uniqueness of the Irish market, presents many positives. Proven to enhance a culture of recycling, address littering and our consumer's legitimate environmental concerns, DRS also guarantees a cost-effective source of high-quality, food-grade recycled plastic in Ireland, thereby affording an opportunity to achieve true end-to-end, closed-loop circularity in beverage packaging. Put simply, DRS is an opportunity for all of us to do the right thing.

Demonstrating our commitment, the Department will be aware that late in 2019, we commissioned an independent international specialist to determine the merit, feasibility and cost of introducing and operating a DRS in Ireland. The terms of reference are very broad – covering all materials used in the packaging of beverage containers (plastics, glass, aluminium cans and composites/cartons) – and also encompassing the Northern Ireland market and the cross-border dimension. It is therefore the most extensive analysis of its kind to date and will serve as a significant contribution to understanding and decision-making.

Initial outputs from our study have illustrated the complexity of the challenge ahead by highlighting the anomalies of the Irish market and how these must be addressed in the design of the final system – including our diverse and fragmented retail network serving a low population density; the relatively high popularity of multipacks as a consumer purchase format; and the cross-border effect on what is essentially one single, combined marketplace. Nevertheless, we have one opportunity to get this right and we are committed to doing so.

As our group continues to assess and interpret the complex findings of our study, we look forward to being in a position to nominate an optimised model. Indeed, a bespoke model entirely outside the recommendations of the report and the parameters of those set out in the consultation paper may ultimately be the most appropriate solution to address the complex realities of the Irish market and best deliver on our shared objectives. For now, as we continue to explore how we can best make DRS a reality, we have identified several fundamental elements which will be central to delivering an efficient and effective system whatever the final model.

### **Overarching considerations**

Exemplary governance, transparency and accountability will be paramount to harness the trust of producers, wider industry actors and the public.

International best practice conclusively indicates that the entity charged with running a DRS should always be operated by industry. Government's role should be limited to implementing enabling legislation, structural regulations and mandates to approve and licence the establishment of a national, mandatory DRS. Once established, DRS must be owned and operated by producers in an industry-led, not-for-profit entity with a wholly separate P&L. As is the case in other extended producer responsibility schemes, that entity should be authorised to independently manage all



operational and financial aspects of the system and the relationship between system participants. Likewise, unredeemed deposits and all returned materials must be owned by the operating entity.

To enable the system to reach its full potential, the operating entity must be permitted to remain flexible and nimble, able to adapt quickly and appropriately to market evolutions and changing trends over time. As such, the deposit level should not be set as part of the establishing legislation. Rather, responsibility for fixing the deposit and all handling fees must rest with the operating entity.

### **Timelines**

Member companies of the IBC DRS project consortium are committed to doing everything possible to meet the Department's goal of launching a DRS by the third quarter of 2022. However, our analysis of the steps necessary to prepare for the introduction of a well-designed DRS – notwithstanding the possibly lasting impact of the Covid-19 crisis on our operations and the limits posed by the ongoing closure of the hospitality sector on our current capacity to invest – indicate that a lead-in period of at least three years may be necessary from the time the ultimate scheme is agreed. To maximise the potential of all stakeholders being ready to meet the desired outcomes, indicative timelines should be considered in light of the significance of the decisions ahead and the subsequent preparations to be made.

### **Ireland/Northern Ireland harmonisation**

It is critical that the Department and the Irish Government recognise and acknowledge that the final model must be facilitative of the very nature of the all-island consumer market in beverages across Ireland and Northern Ireland, with its shared labelling, uniform distribution networks, integrated supply chains and the reality of cross-border shopping.

Our early analysis indicates the complexity of the cross-border dimension in several ways. Non-aligned systems will mean it necessary to create separate product ranges with individual labelling for each jurisdiction, adding significant cost and complexity for producers and suppliers. The loss of scale is likely to disproportionately impact smaller businesses and niche products and may result in the reduction of product choice and availability for consumers. Non-aligned systems will also limit the success of what we are trying to achieve by permitting the return of containers for a deposit refund only in the territory of purchase.

Earlier this year, the European Parliament's resolution on the European Green Deal called for "measures for cross-border coordination of deposit return systems". With this in mind, we urge the Department and the Government to formally endorse an all-island solution for an all-island market. We need a system that works and only a single, fully integrated model reflecting a single, fully integrated market, or at the very least a dual system with complimentary, interoperable, and compatible functionality, will deliver.



In so doing, we urge the Department to progress active engagement with its counterparts at the Department of Agriculture, Environment and Rural Affairs in the Northern Ireland Executive. Early collaboration, coordinated decision-making and shared implementation timelines will be essential. The beverage industry looks forward to actively supporting this relationship.

Further, although the Government has recently renewed its commitment to introducing a minimum unit price (MUP) on alcohol in consultation with Northern Ireland, it remains possible that its implementation in only one jurisdiction or a difference in approach across both jurisdictions may generate cross-border fraud in alcohol products subject to a DRS. The Department will wish to ensure that important and linked decisions are not made in isolation and do not lead to unintended consequences for either or both initiatives.

#### **Ownership of returned material**

DRS is not just about elevating responsible disposal of beverage containers. A well-designed and functional separate collection system such as a DRS provides the only proven source of cost effective, high-quality, food-grade recycled plastic, affording the first opportunity to achieve true circularity in Irish bottle-to-bottle and can-to-can recycling. As such, it is imperative that the model chosen enshrines the producer-led operating entity as owner of the returned material.

#### **Deposit level**

The report supporting the consultation recommends the adoption of a single deposit of €0.20 per container unit, regardless of size or package type.

Our experience of DRS in other countries indicates that differentiated deposit levels can be employed very effectively to stimulate return behaviour across different container sizes and/or packaging types. While Ireland already exceeds its recycling target for aluminium cans for instance, significant work is needed to elevate the collection of PET bottles. Similarly, multipacks – both non-alcoholic and alcoholic – represent a significant proportion of the Irish beverage market, somewhat unique among EU member states. Here again, a single uniform deposit for each unit may be unsuitable. With these factors in mind, we will need time as an industry to determine the most appropriate deposit structure, balancing the need to adequately incentivise return with the perceived cost to consumers, whilst maximising simplicity and avoiding unintended consequences.

Whatever the final level or structure, the deposit amount to be charged – and its refundable nature – must be made clear and distinct from the retail cost to point-of-purchase consumers. Likewise, the deposit amount must be clearly indicated on invoices and other documentation in the B2B chain, such as at the point of import and wholesale, etc. Although there should be no obligation to levy the deposit for on-premise consumption in the hospitality and food service sectors, such operators engaged in takeaway and/or delivery services must be obligated to levy the deposit and accept





returns. Finally, all containers subject to the deposit must be clearly marked or labelled to identify them as such.

As previously stated, full responsibility for fixing the deposit level and making appropriate adjustments over time must rest with the DRS operating entity and should not be addressed in the enabling legislation.

#### **Public awareness and consumer activation**

Members of the IBC DRS Project Consortium comprise Irish subsidiaries and affiliates of some of the world's largest and best-known consumer brands. We are experts in devising and coordinating consumer marketing and promotional campaigns, responsibility driving awareness of our products and our activities. In order to maximise its success, the eventual DRS model chosen for Ireland must be as simple as possible for consumers to understand, access and navigate. As an industry group, we are committed to supporting the Department and the Irish Government to achieving high levels of consumer awareness and engagement, before, during and after DRS is launched. We look forward to engaging on this in more detail in due course.

#### **Enforcement measures**

In order to maximise its success, DRS must be clear, fair and equitable for all producers and other industry stakeholders in the value chain.

A DRS can only function with a regulated, mandatory obligation on all producers and/or importers placing applicable product on the market, irrespective of company size and product type – there must be no exemptions. Likewise, all retail and food service/hospitality operators stocking applicable beverages must be subject to regulated, mandatory participation to collect the deposit on behalf of the system and accept all returns.

Once DRS is established, the relevant packaging must be excluded from the scope of existing regulations and associated recycling targets will need to be adjusted accordingly. The existing packaging regulations exempt small producers and are based on the principle of shared obligation throughout the packaging supply chain. This is wholly incompatible with a functioning DRS. In tandem with forthcoming changes initiated by the EU, every actor must now be responsible.

Finally, compliance and enforcement powers must be vested in central Government or a competent national authority rather than at local authority level. Substantial monetary fines are recommended to discourage non-compliance.



**Irish Beverage  
Council**  
ibec

Irish Beverage Council  
84/86 Lower Baggot Street  
Dublin 2  
Ireland  
D02 H720

T: +353 1 605 1500  
E: [info@ibec.ie](mailto:info@ibec.ie)  
[www.fooddrinkireland.ie](http://www.fooddrinkireland.ie)

We take this opportunity again to thank the Department of the Environment, Climate and Communications for the opportunity to submit our initial comments on the potential models for an Irish DRS. Stressing again the beverage industry's commitment to leading a pragmatic, responsible and efficient solution, the ongoing assessment of our research outcomes marks only the start of what will be a long and active dialogue with all our partners and stakeholders.

As we continue to actively explore the various paths available to make DRS a reality, we look forward to devising the most appropriate model for our market. In so doing, we are keen to continue our close and valuable collaboration with the Department as we work together to construct a world class recycling system which delivers for decades to come.

Yours sincerely,

*Shane Lyster*

---

**Shane Lyster**  
Director, Irish Beverage Council  
Food Drink Ireland  
Ibec

~~01 605 1439 / [shane.lyster@ibec.ie](mailto:shane.lyster@ibec.ie)~~

*Jonathan McDade*

---

**Jonathan McDade**  
Head of Drinks Ireland | Beer & Drinks Ireland | Cider  
Drinks Ireland  
Ibec

~~01 605 1439 / [jonathan.mcdade@ibec.ie](mailto:jonathan.mcdade@ibec.ie)~~

Irish Beverage Council is a trade association of Ibec clg. Ibec clg is registered in Ireland, registration number 8706.  
Website: [www.ibec.ie](http://www.ibec.ie)

Directors: Alastair Blair (President), Frank Gleeson, Gerry Collins, Edel Creely, Paraic Curtis, Kari Daniels, Cathriona Hallahan, Anne Heraty, Imelda Hurley, Oliver Loomes, Eugene McCague, Pat McCann, Danny McCoy, Francesca McDonagh, Liam O'Donoghue, Anne O'Leary, Dalton Phillips, Siobhán Talbot, Kevin Toland