

Single Use

From: [REDACTED]@rgdata.ie>
Sent: Friday 25 November 2022 10:40
To: SingleUse; [REDACTED]
Subject: Letter from RGDATA in relation to Consultation on draft regulations to introduce an environmental levy on single use
Attachments: Ossian Smyth 251122.pdf

Dear Minister

Please see attached letter from RGDATA in relation to Consultation on draft regulations to introduce an environmental levy on single use disposable cups.

Regards

[REDACTED]

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Ossian Smyth TD

Minister of State for the Circular Economy

Department of Environment, Climate and Communications

25 November 2022

Consultation on draft regulations to introduce an environmental levy on single use disposable cups

Dear Minister,

We refer to the above consultation process on the proposed levy.

RGDATA represents over 3,500 independently owned retail grocery shops operating throughout Ireland. Our members operate from supermarkets, convenience stores and forecourt outlets throughout Ireland and sales of hot beverages form a core part of their current retail offering.

Our members also have first hand experience of implementing the Plastic Bag Levy which is extensively referenced through the Consultation document.

Based on feedback from our members, RGDATA has a number of specific observations to make to the consultation process and which we hope you will take into consideration in relation to this issue.

1. Timing of introduction of a new Environmental Charge – At present most retailers are under acute pressure arising from unsustainable increases in energy costs, general rising costs and a decrease in consumer expenditure. The current challenges being faced by retailers present an existential threat to the survival of many retail businesses. For at least the next 12 months, as retailers struggle to trade and survive, with an unprecedented high cost environment, they will be ill equipped to manage the new costs and compliance burden associated with the introduction of a new environmental charge. Consequently, RGDATA requests that the introduction of a new environmental levy should be deferred for at least 12 months and revisited again at the end of 2023, when economic and trading conditions should hopefully be more conducive to a change programme of this nature.

2. Scope of the levy – RGDATA remains strongly of the view that the scope and focus of the proposed levy is misplaced. Compostable cups have a distinct residual value and should not be regarded in the same light as non-compostable single use cups.

The focus of any environmental levy should be to influence consumer behaviour away from unsustainable choices and options towards purchasing decisions which contribute to the Circular Economy. Incentivising consumers (and retailers) to use compostable cups and supporting the infrastructure for the collection and recovery of these cups, both in store and in public waste collection systems, is likely to be far more effective than the proposed scheme. Is it a better choice from a sustainability perspective to penalise consumers and retailers using compostable cups towards using reusable cups that are primarily made of plastic –how is that a better outcome? Our concern would be that the scheme sanctioned in the Regulations will merely see a continuation of the use of single use cups, with no incentive for compostable cups to be used and that many consumers will simply suffer the levy for the sake of the convenience of a morning cup of coffee. We believe that the public policy objectives behind this scheme will not be achieved and respectfully suggest that the Circular Waste Economy Act 2022 should be revised accordingly to make a distinction between compostable cups and food containers and single use non compostable cups and food containers.

3. Absence of detail – there are key and significant details omitted in the draft regulations which will need to be disclosed in order for meaningful consultation and engagement to take place. For instance, there is no detail on the collection authority – will it be the Revenue or Local Authorities, or some other Scheme? In addition are the Appeals Commissioners referenced in proposed Article 16 of the draft Regulations, the Revenue Appeals Commissioners? Details also need to be provided on the proposed rate of any levy – given that the consultation process seems to countenance a levy rate of in excess of 20 cent.
4. Implementation – it will be imperative that there are detailed discussions with the retailer representative bodies in relation to the implementation of the Scheme, to ensure that systems and processes are properly aligned and configured to manage any new system. The extent of the changes required at Point of Sale are not insignificant.
5. Cost neutrality – in light of the pressures being faced by retailers at present it is imperative that the introduction of the Scheme is done in a manner which is cost neutral for retailers – they should not face any increase in overheads as a consequence of this new measure being introduced. We are happy to discuss how this can be addressed with the Department, but it needs to mirror the commitment that has been made to retailers on the proposed introduction of the Deposit Return Scheme, or otherwise it will fail.

We would welcome an opportunity to meet with you as part of this consultation process to discuss the issues raised in this note and in particular the timescales and scope for the commencement of the proposed Scheme.

Yours sincerely,

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Director General

RGDATA