

From: [REDACTED] <[REDACTED]@chambers.ie>
Sent: Friday 25 November 2022 13:44
To: SingleUse
Subject: Chambers Ireland submission regarding the consultation on draft regulations to introduce an environmental levy on single-use disposable cups
Attachments: Chambers Ireland submission regarding the consultation to introduce an environmental levy on single use disposable cups.pdf

To Whom It Concerns,

Please find attached Chambers Ireland’s submission to the Department of the Environment, Climate and Communications regarding the consultation on draft regulations to introduce an environmental levy on single-use disposable cups.

Best wishes,

[REDACTED]

[REDACTED]

Policy and Research Executive
Chambers Ireland
11 St Stephens Green, Dublin 2, D02 FY84

P: [REDACTED]
E: [REDACTED]@chambers.ie

W: www.chambers.ie

[Connect on LinkedIn](#)



Disclaimer: Copyright in this e-mail and any document created by us will be and remain vested in us and will not be transferred to you. We assert the right to be identified as the author of and to object to any misuses of the contents of this email or such documents. The information transmitted is intended only for the addressee and may contain confidential and/or privileged information. Any review, retransmission, dissemination or other use of or taking any action in reliance upon this information by persons or entities other than the intended recipient is prohibited and may be unlawful. Please note that any views, advice or opinions contained in this communication are those of the sending individual and not necessarily those of Chambers Ireland or ICC Ireland. If you have received this e-mail in error please notify us immediately, destroy any copies and delete it from your computer system. Registered in Dublin Reg No: 7202 Registered office: Ground Floor, 11 St. Stephen's Green, Dublin 2, Ireland Chambers Ireland and ICC Ireland are registered business names of The Chambers of Commerce of Ireland, a company limited by guarantee.

Disclaimer:

Copyright in this e-mail and any document created by us will be and remain vested in us and will not be transferred to you. We assert the right to be identified as the author of and to object to any misuses of the contents of this email or such documents. The information transmitted is intended only for the addressee and may contain confidential and/or privileged information. Any review, retransmission, dissemination or other use of or taking any action in reliance upon this information by persons or entities other than the intended recipient is prohibited and may be unlawful. Please note that

any views, advice or opinions contained in this communication are those of the sending individual and not necessarily those of Chambers Ireland or ICC Ireland. If you have received this e-mail in error please notify us immediately, destroy any copies and delete it from your computer system.

Registered in Dublin Reg No: 7202

Registered office: Ground Floor, 11 St. Stephen's Green, Dublin 2, Ireland

Chambers Ireland and ICC Ireland are registered business names of The Chambers of Commerce of Ireland, a company limited by guarantee.

This message has been checked by myITdepartment.ie and is believed to be clean.



**Chambers
Ireland**
Advancing business together



**Chambers Ireland submission to the
Department of the Environment,
Climate and Communications regarding
the consultation on draft regulations to
introduce an environmental levy on
single-use disposable cups**

November 2022

Key Points:

- Disposable coffee cups are an increasing issue in Ireland's waste disposal systems and the numbers in circulation have risen dramatically over the years and are only continuing to rise.
- Businesses have a very important role to play in the just transition and leading the way on the circular economy.
- Consideration should be given to business interests and working with retailers to find the right time to introduce the Levy. Business costs across the board have risen significantly over the last year and a new levy may deter consumers and have a negative impact on sales.
- Cafes are important contributors to the economy and represent valuable social spaces.
- There are complications in drawing direct comparisons with the plastic bag levy and forecasting the same results.
- Many retailers have already adopted in-house measures that increase the sustainability of their practices and promote circularity.
- The proposed regulations contain no exceptions for compostable, biodegradable, or recyclable cups, as these items are still considered to be single use, however, there is more flexibility in-built in the plastic bag levy.
- With concerns relating to increased business costs, potential consideration could be given to allowing some exceptions in the short-term.

Chambers Ireland Perspective

Chambers Ireland, the voice of business throughout Ireland, is an all-island organisation with a unique geographical reach. Our 40 members are the Chambers of Commerce in the cities and towns throughout the country – active in every constituency. Each of our member Chambers is central to their local business community and all seek to promote thriving local economies that can support sustainable cities and communities.

In September 2019, our Network pledged to advocate for and support the advancement of the Sustainable Development Goals. In doing so, we use the Goals as a framework to identify policy priorities and communicate our recommendations, and we have a particular focus on five of the goals encompassing decent work and economic growth (SDG 8), sustainable cities and communities (SDG 11), advancements in gender equality (SDG 5), viable industries, innovation, and infrastructure (SDG 9) and progress in climate action (SDG 13).¹

In upholding the Sustainable Development Goals both the Chamber Network and Chambers Ireland are keen supporters of the circular economy and have made several submissions on this topic.²

In 2002, Ireland was regarded as a trailblazer in the battle against waste when it became the first country in the world to introduce a plastic bag levy. The results were immediate and wide-reaching with a dramatic reduction in the use of plastic bags from an estimated 328 bags per capita down to an estimated 14 bags per capita in 2014. The levy, which increased from 15 cent to 22 cent in 2007, also generated a total of 200 million euro over 12 years (2002-2013)³.

Twenty years after the initial introduction of the plastic bag levy, the focus is now being levelled at other significant contributors to our national waste, with single-use products, including cups, containers and packaging, of particular attention. The volume of these products in society, coupled with their harmful impact on the environment, is a cause for concern and action is required.

¹ The Chambers Ireland SDGs. Available at: <https://www.chambers.ie/policy/sustainable-development-goals/chambers-ireland-sdgs/>

² [Chambers Ireland response to the general scheme of the Circular Economy Bill 2021](#)
[Chambers Ireland submission to the Department of Environment, Climate & Communications on Ireland's First Whole of Government Circular Economy Strategy](#)
[Chambers Ireland Submission to the Department of Communications, Climate Action & Environment on the development of a Waste Action Plan for a Circular Economy](#)
[Chambers Ireland submission to the Department of Environment, Climate and Communications on potential models of a Deposit Return Scheme for Ireland](#)
[Chambers Ireland submission to the Department of Communications, Climate Action and Environment on the Proposed Introduction of New Environmental Levies](#)

³ [Green Budget Europe – Institute for European Environmental Policy: 'Plastic Bag Levy in Ireland'](#)

Recent reports have shown that 22,000 coffee cups are disposed of in Ireland every hour, which is the equivalent of 200 million every year.⁴ According to a 2018 report by the Clean Technology Centre⁵ 2.5% of mixed residual or non-recyclable waste was found to be coffee cups, with particularly high levels recorded across offices, general retail and restaurants.

This is a significant issue as coffee cups are difficult to recycle owing to the combination of the polyethylene or plastic layer on the inside of the cup that allows it to hold hot beverages without falling apart and the chemically treated paper layer on the outside that makes it 'wet-strength'.

With such a significant volume of cups in circulation and the difficulties in effectively recycling or treating the core materials, it is important that the government investigates ways in which we can mitigate the harm.

The proposal of a new environmental levy on single-use cups is the first measure that is being proposed under the newly enacted Circular Economy and Miscellaneous Provisions Act 2022⁶, with section 11 of the Act setting out the legal parameters for such a levy.

Chambers Ireland is very supportive of promoting a circular economy and embedding sustainable practices at all levels of society, from the individual right up to government. A just transition is one that sees society move towards a climate-neutral economy in a fair way that

⁴ [Recycling List Ireland Report 2018](#)

⁵ [Non-household Waste Characterization Campaign Report by CTC](#)

⁶ [Circular Economy and Miscellaneous Provisions Act 2022](#)

benefits everyone and leaves no one behind. Businesses have a very important role to play in the just transition and leading the way on sustainability.

We will now explore some of the challenges and particular issues that may arise under the new proposed levy.

Issue of timing

In a recent economic survey carried out by Eurochambres⁷ across 42,000 companies in 25 European countries, business confidence was reported as even lower than the Great Financial Crisis and the height of the Covid-19 pandemic. Concerns about affordable access to energy and raw materials, skills shortages and labour costs were among the key challenges shaping the findings.

We are hearing from our network across the country that businesses that weathered the storm of the pandemic are now being forced to close due to rising costs across the board.

While there will be no opportune time to introduce a new levy, consideration should be given to business interests and working with retailers to find the right time. We welcome the commitment to carrying out an SME test on the potential impact of this proposed levy and identifying, where possible, mitigating measures. We also welcome the specific, targeted engagement with both consumers and retailers on the subject. We would encourage a robust assessment of all viewpoints to ensure fairness for all micro, small and medium sized

⁷ [Eurochambres Economic Survey 2023](#)

businesses, as these will likely be the most impacted by the levy, which will drive up costs for take-away beverages and may deter consumer spending.

Coffee, for many, is considered a luxury, discretionary spend. With inflation on the rise and households suffering from increased energy costs, discretionary spending will be reduced, as individuals look to make cutbacks where possible. If the cost of every take-away coffee is to rise by 20 cent overnight, this may be enough to deter many from making such a purchase.

Small, independent cafes are a prominent feature of most high streets in towns across the country. They are an important contributor to the economy and represent valuable social spaces. If the cost of a cup of coffee needs to factor in the cost of the raw materials, distribution, commercial rent, energy, labour and all other business costs, then retailers may be forced to try and absorb the cost of the levy to keep customers buying their products. Larger retailers may be at a particular advantage where they can distribute the increased costs across their supply chains, whereas this may not be an option for SMEs.

While many of these businesses recognise the harmful impact of single-use, disposable coffee cups and some may have even introduced their own mitigating measures, the majority would point to their current operating costs as unsustainable. Therefore, caution should be given to finding the right initiation date for the new levy.

Comparisons with the plastic bag levy

The Department is proposing to model administration of this levy on the existing Plastic Bag Levy, which has been a huge success in effecting behavioural change in Ireland. However, there are complications in drawing direct comparisons and forecasting the same results.

For small coffee shops, selling cups of coffee is their primary business, whereas the plastic bag levy had an indirect impact on supermarkets and retailers. As mentioned above, when consumers are confronted with the increased cost of a cup of a coffee, they may choose not to make that purchase and the unintended behavioural change may be a reduction altogether in their coffee consumption. While this will have the desired impact of reducing the level of disposable cup waste, it will have a detrimental impact on businesses.

Supermarkets, in contrast, sell essential items and are used by all consumers across the country. In that scenario, when faced with the plastic bag levy, there are only two options – pay the plastic bag levy or bring your own shopping bag.

Therefore, the new levy should differentiate from the plastic bag levy, as it may be misleading to draw direct comparisons.

The potential scope for behavioural change

The plastic bag levy was hailed for inciting unprecedented levels of behavioural change in consumers, with a reduction in the use of these bags of up to 90%.

Many retailers have already adopted in-house measures that increase the sustainability of their practices and promote circularity. These include discounts for consumers that use their own reusable cups, deposit and return schemes, and investing in specially crafted biodegradable or recyclable cups. The retailer responses to this consultation may indicate the effectiveness of such measures in changing the minds of their consumers and inspiring alternative modes of consumption.

The proposed regulations, as they stand, contain no exceptions for compostable, biodegradable, or recyclable cups, as these items are still considered to be single use. Many of these products can also be difficult to treat accordingly due to complexities in their composition and can be difficult to sort due to inadequate or insufficient technology in sorting centres across Ireland. However, when we look at the plastic bag levy, there is more flexibility inbuilt. Some retailers moved to producing paper bags and, although such bags may be easier to recycle, in most cases these are still single-use items.

With the concerns outlined above in relation to increased business costs, potential consideration could be given to allowing some exceptions. High-grade compostable, biodegradable or recyclable cups, in tandem with increased investment in Ireland's waste management systems and waste treatment technology, and a public awareness campaign would offer a positive short-term solution that would move retailers and consumers ever closer to more sustainable and circular practices without the full effects of a financially punitive levy in the midst of a cost-of-living crisis.

Ultimately, the most effective measure of minimising waste and its harmful impact on the environment is to reduce our levels of consumption. Reuse and recycling, although still effective at promoting circular practices, must be executed and managed appropriately if they are to have the desired effect. The end goal of this levy is to reduce the levels of single-use harmful waste and Chambers Ireland is fully supportive of pursuing this goal.