

Colm Lambert (DECC)

From: [REDACTED]
Sent: Friday 7 May 2021 15:20
To: wastecomments
Subject: Britvic Ireland Response to DRS Consultation on Legislative Framework and Scope of the Scheme
Attachments: Britvic Ireland Response to DRS Consultation on legislative framework and scope of the scheme Final.pdf

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Dear Colleague,

Please find attached Britvic Irelands response to the Deposit Return Scheme Consultation on Legislative Framework and Scope of the Scheme.

Kind Regards

[REDACTED]

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Britvic Ireland, Kylemore Park West, Ballyfermot, D10 XR99.

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Deposit Return Scheme – Consultation on legislative framework and scope of the scheme

Submission made by Britvic Ireland, Kylemore Park West, Dublin 10.

Britvic Ireland is one of the leading soft drinks companies in Ireland. We have a proud brand history that spans over 240 years with a portfolio including iconic Irish brands such as Ballygowan, MiWadi, Club and TK which have been trusted and enjoyed by Irish people for many years.

In our submission to the Department on 12th November 2020 – *DRS – Consultation on Potential Models for Ireland*, we outlined Britvic’s vision, and how sustainable practices are embedded in every element of our business strategy – in particular our sustainable packaging strategy that supports our ambition to see a world where packaging never becomes waste. Circularity of materials is a critical pillar of our strategy to achieve this ambition. For example we have recently introduced 100% recycled PET into our Ballygowan bottles with further ambitious plans towards circularity throughout our portfolio emphasising the importance of an effective solution to maximise collection and recycling of our packaging materials.

We remain fully committed to this vision and strategy, and remain fully committed to accelerating Ireland’s collection and recycling rates across all packaging types, in particular the adoption of a DRS to meet Ireland’s separate collection targets under the EU Single Use Plastics Directive. We continue to believe that a well-designed DRS has the potential to increase the volume of drinks containers collected for recycling, in turn encouraging closed loop recycling systems by increasing the supply of high quality, food-grade recycled plastic in Ireland.

We remain committed to the principles for the introduction of a successful deposit return scheme outlined in our November submission. We also would like to draw attention to the positions and priorities laid out in the Irish Beverage Council and Drinks Ireland paper *Ireland’s beverage industry: Fundamental principles and high-level parameters of a DRS for Ireland (5 March 2021)*, and their subsequent submission to this consultation, to which we are aligned and supportive.

This submission responds specifically to the issues raised in the *Consultation on legislative framework and scope of the scheme*.

We would like to thank the Department for the opportunity to consult on the draft legislation to empower the Minister to introduce a DRS in Ireland – and look forward to continuing the collaborative and constructive relationship between industry partners, the Department, and other stakeholders as the process continues.

Definition of ‘beverage producer’ and ‘retailer’

- It should be made clear that ‘beverage producer’ refers to the first party to place in-scope material on the market in Ireland. This means it may refer to retail companies who offer private-label beverage products, and are legally considered to be ‘beverage producers’ in their own right as well as importers, distributors, wholesalers and potentially other entities.
- A clear definition for ‘retailer’ should make the distinction between the roles played within a DRS system by retailers – both as beverage producers, and also as return point hosts.

Definition of in-scope materials

- The scope of the DRS should always be fully defined and referred to as:
 - All PET consumer beverage bottles from 150mls up to 3l capacity
 - All consumer aluminium and steel drinks cans and beverage containers up to 3 litre capacity.
 - All consumer beverage categories – except milk and dairy products which pose a hygiene and infection control risk
- All component parts of an in-scope beverage container (for example bottle, cap, lid, sleeve, label etc.) should be designated as within scope of the DRS within the regulations.
- The regulations should also make clear that all component parts of an in-scope beverage container are therefore not subject to additional collection or recycling obligations beyond the DRS.

Scheme operator

- Beverage producers obligated under a DRS must have the right to decide which is the appropriate entity to operate the DRS – whether this is via an existing EPR scheme, or an entirely new entity.
- The scheme operator must achieve optimum environmental outputs, but also guarantee the integrity of the system including its financial independence. There must be no cross-subsidisation from the DRS to the collection of any non-DRS materials, or other entity.
- The financial independence of the scheme should be enshrined in the enabling regulations.

Waste collectors

- A key principle of a successful DRS is that it contributes to packaging circularity, and as such, the quality of materials collected for recycling is paramount.
- Existing collection channels do not necessarily facilitate ‘separate collection’ of waste streams, and therefore DRS material returned to the scheme operator via existing waste collectors may not be of the required quality.
- While waste collectors should be allowed to return DRS material they acquire, the regulations should ensure that the scheme operator is responsible for designing such a return mechanism for those actors – to ensure that it supports the environmental objectives of the DRS.

Material ownership

- The regulations must clarify that the legal ownership of the material collected by existing channels and returned to the DRS scheme rests with the scheme itself as this is one of the three sources of revenue which will be required to fund a well-functioning DRS alongside the material-specific producer input fee and unredeemed deposits. Material ownership by the scheme will also facilitate our linked obligations to source recycled material for use in future packaging and supporting our commitment to achieve full closed-loop recycling.

Producer access to returned material

- As recognised in the consultation paper, material collected by the DRS will be legally owned by the scheme, and it shall be for the scheme operator to sell or distribute that material.
- In order to support packaging circularity and the increased use of recycled content in packaging, the regulations should provide obligated producers with the right to access their share of this returned material.

Deposit level

- Given that the scheme itself will be responsible for the overall economic viability and integrity of the system, it is essential that every aspect of decision-making relating to the deposit must also be reserved for the scheme operator itself, and should not be regulated. Once established, the scheme operator will have the expertise required to advise the Minister accordingly.
- While the Minister will be empowered by the regulations to set the deposit level for obligated packaging – we would welcome the introduction of a ‘consultation’ mechanism within the regulations, to obligate the Minister to consult closely with the scheme operator before setting or changing the deposit. The deposit level is a critical lever to the scheme’s success in terms of achieving its collection targets, but also its economic viability. The scheme operator will be best placed to advise on the optimal deposit level required to ensure the DRS succeeds on all fronts.
- The regulations should state clearly that the deposit, and any unredeemed deposits within the system, will always be VAT exempt

Labelling

- The scheme operator should be responsible for making decisions on any labelling and/or barcoding criteria that may be required to prevent fraud, so that it can create a flexible and pragmatic framework best suited for Ireland’s requirements.

- Therefore these requirements should not be included in the regulations.

Geography and timings

- As stated in our submission to the Department in November 2020, the consumer market in beverages operates as an all-island model, across Ireland and Northern Ireland; with shared labelling, uniform distribution networks and an integrated supply chain. Therefore a single, fully integrated system, or at minimum a dual system with complementary, interoperable and compatible functionality will deliver the greatest environmental outcomes.
- Although it is clear that the establishment of one single scheme is uncertain, we would welcome a commitment in the regulations to achieving a high degree of compatibility and interoperability between an Ireland DRS, and any scheme operating in Northern Ireland.
- We remain committed partners to delivering a well-designed DRS in Ireland – however sufficient time must be allowed to create a successful system that raises public awareness, embeds the necessary infrastructure, and allows for the required changes to retail environments and packaging/labelling changes on obligated materials. International best practice derived from the IBC and Drinks Ireland work suggests that a lead-in period of up to thirty months from the time the legislation is enacted and the license to operate granted may be necessary. This time will allow for all parties to ensure the best possible system is available at launch.

We thank the Department of the Environment, Climate and Communications for this opportunity to consult on the draft legislation around the introduction of a DRS for Ireland. We look forward to working with all stakeholders in establishing a strong and successful scheme in service of our shared vision of a greener Ireland.