

Colm Lambert (DECC)

From: [REDACTED]
Sent: Friday 7 May 2021 15:42
To: wastecomments
Cc: [REDACTED]
Subject: DRS Consultation
Attachments: CIWM Ireland DRS Consultation on a Legislative Framework Response - Final Submission.pdf;
DRS Consultation - November 2020 - CIWM Ireland Final Response.pdf

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 Sir / Madam,

Please see our response to the most recent consultation on DRS along with a copy of our November submission for ease of reference.

Thank you for the opportunity to respond.



Ionad Oiliúna Réigiúnach | Baile an Chollaigh | Contae Chorcaí | P31 DX32 | Éire
T: +353-[REDACTED] | M: +[REDACTED]
E: [REDACTED] | W: www.corkcoco.ie
Tairseach na gcustaiméirí: www.yourcouncil.ie

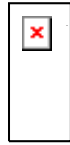
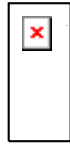
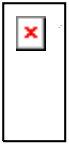


Regional Training Centre | Ballincollig | Co. Cork | P31 DX32 | Ireland
T: +[REDACTED] | M: +[REDACTED]
E: [REDACTED] | W: www.corkcoco.ie
Customer Portal: www.yourcouncil.ie

Smaoinigh ar an timpeallacht sula ndéanann tú an ríomhphost seo a phriontáil. Please consider the Environment before printing this mail.

www.corkcoco.ie





Smaoinigh ar an timpeallacht sula ndéanann tú an ríomhphost seo a phriontáil.
Please consider the Environment before printing this mail.

Tá an t-eolas sa ríomhphost seo (agus in aon chomhad a ghabhann leis) rúnda agus ceaptha i gcomhair úsáide don seolaí amháin. Mura seolaí tú, níl tú údaraithe an ríomhphost nó aon cheangaltán a léamh, a chóipeáil nó a úsáid. Má bhfuair tú an ríomhphost seo trí bhotún, ar mhiste leat é sin a chur in iúl don seoltóir trí r-phost ar ais agus ansin é a scríosadh.

This e-mail and any attachment contains information which is private and confidential and is intended for the addressee only. If you are not an addressee, you are not authorised to read, copy or use the e-mail or any attachment. If you have received this e-mail in error, please notify the sender by return e-mail and then destroy it.



CIWM

Ireland Centre

Centre Chair: [REDACTED] 

E-mail: [REDACTED]

CIWM Ireland response on Deposit Return Scheme - Consultation on legislative framework and scope of the scheme

Submission via e-mail to: Wastecomments@DCCAIE.gov.ie

Date: 7 May 2021.

Introductory Remarks

The Chartered Institution of Wastes Management (CIWM), Ireland Centre (CIWM Ireland) wishes to make the attached submission in relation the Department of Environment, Climate and Communication (DECC) - Consultation on Deposit Return Scheme Consultation Document on Legislative Framework.

CIWM Ireland is one of ten CIWM Centres comprising of c.5,600 waste management professionals working in all sectors and levels of the waste and resource management industry. CIWM Ireland represents up to 115 members. The Centre Council comprises of 11 Councillors (Chartered Resource and Waste Managers) representative of most sectors of the waste management industry in Ireland such as Academia, Consultancy, EPA, Local Authority, Producer Responsibility and Social Enterprise.

CIWM sets the professional standards for individuals working in the industry and has various grades of membership determined by education, qualification, and experience.

On behalf of CIWM Ireland, can I thank you for the opportunity to provide our members collective view on Deposit Return Scheme - Consultation on legislative framework and scope of the scheme. We have requested input from across the Irish Centre Membership to collate this submission but note the views contained below are not necessarily representative of individual Member's positions in relation to the establishment of a DRS in Ireland.

CIWM Ireland acknowledges the milestones in establishing a DRS as set out as follows:

1. Public consultation on Deposit Return Scheme - Consultation on Potential Models for Ireland (November 2020);
2. Public consultation on Deposit Return Scheme - Consultation on legislative framework and scope of the scheme (now);
3. Commencement of underpinning legislation (Q3 2021);
4. Introduction of scheme (Q3 2022).

The framework of consultation is outlined in Section 4 covering:-

- Producer Responsibilities
- DRS System Operator
- Retailer Obligations
- The Deposit
- Citizen / consumer

- Appendix – Draft Regulatory Framework

CIWM Ireland note and acknowledge the conditions of the submissions as outlined in the paper.



General

Name

CIWM Ireland Centre Council. Contact details are on the cover page to this submission.

Who are we?

CIWM Ireland Centre Council is the Republic of Ireland regional representative body for resource and waste management professionals. Our members work in all sectors of the profession.

Consultation Questions

Respondents are asked to consider the issues highlighted briefly per section 4 of the consultation and the draft legal framework for the Scheme as set out in the Appendix.

CIWM Ireland understands the introduction of a Deposit Return Scheme (DRS) in Ireland can be effective mechanism to promote recycling, incentivise people to segregate and return containers, reduce litter, and increase the quality of resources recovered. Much of the detail and supporting information for this response is contained in CIWM Ireland's response to the Deposit Return Scheme - Consultation on Potential Models for Ireland consultation. This has not been included here to save repetition.

CIWM Ireland is aware that this consultation document does not have much detail and that it has been structured to allow innovation as much as possible. A significant limiting factor in this regard is the lack of detail in the consultation brief and reference papers provided. In particular, in relation to the environmental and financial benefits of removing valuable material from the established kerbside and bring collection systems and requiring a new collection infrastructure for waste container material which is similar for recycling purposes, to that which is already collected, albeit not yet at optimum quantities to meet future EU targets. For example, the inclusion of aluminium foil trays from takeaways that is packaging is collected at the kerbside, alongside aluminium and other metal cans, whereas a new system would have a minimal tonnage of aluminium collected at the kerbside and a separate collection elsewhere with a disproportionate added cost for collecting lesser amounts of material separately.

There are concerns among some CIWM Ireland members regarding the timeline for its introduction, some of the rationales for introducing a DRS in addition to the existing system including whether it is a political position rather than for environmental benefit and the open nature of the border with Northern Ireland. The uncertainty regarding feasibility and effectiveness surrounding what appears to be support for a traditional 20th Century Reverse Vending Machine (RVM) based DRS introduction, at what will be significant cost, alongside the risks of potential unintended consequences means CIWM Ireland cannot support the proposal in its entirety at this time. Due to the further work needed and time for implementation this proposal should be aligned with proposals considered in NI, Wales and England. This will also allow for any DDRS trials outcomes to then be taken into consideration.

CIWM Ireland would again urge further patience and await the results from practical study and trial operations during 2021 from a Digital DRS (DDRS) to achieve the best environmental outcome from the proposed DRS. At the time of writing, one pilot study has already been undertaken in Northern Ireland and the results are to be made public shortly. One is planned for north Dublin and another in North Wales in the coming months. The members understand the urge to introduce a DRS, however many, using the precautionary principle, would counsel that a DDRS might take longer to research, but most likely be significantly faster, cheaper and have a lower carbon impact to implement than a traditional solely RVM based system.

As has been noted previously, there is no experience for Ireland to refer to for implementing a nationwide DRS on top of an existing household kerbside and bring collection system. CIWM Ireland's members understand the complexities and nuances of changing waste and resources management systems. The diverse CIWM membership would suggest that a DDRS system that uses household bins, smart on-the-go (OTG) bins and RVMs may be the best solution for Ireland with its well established and successful mix of household kerbside and bottle bank infrastructure.

The framework of consultation is outlined in Sections 3 and 4 covering:-

- **Preferred Model**
- **Producer Responsibilities**
- **DRS System Operator**
- **Retailer Obligations**
- **The Deposit**
- **Citizen / consumer**
- **Appendix - Draft Regulatory Framework**

Preferred Model

If a DRS is implemented following further feasibility studies (see recommendations further down) then CIWM Ireland continues to be of the opinion that a centralised model would appear the most suitable.

The choice of PET bottles up to three litre capacity and aluminium beverage cans is a starting point, but there are other containers that are also to be found in litter. CIWM Ireland would therefore strongly recommend that the logic behind the decision making for choosing these items is made available for transparency reasons. This would also minimise the opportunities for unintended consequences. A process for including other containers would also be helpful.

Ownership by producers is an understandable starting point, however, the “system” needs a step change or paradigm shift to move to a greater return on investment and circularity. CIWM Ireland would suggest that allowing a change in compliance process might yield a better result. Not for profit does not always deliver the best value for the producers, the environment or consumers. For example, the approved operator could still be a compliance scheme, but it could be for profit, perhaps with a cap on acceptable profits but with similar obligations as a non-profit one.

Producer Responsibilities

CIWM Ireland agrees with the concept that the producers fund the collection of and the sending for recycling of their materials. This can be done following the method proposed in the consultation document.

With regard to the producer, some questions arise:-

- Has the definition been publicised?
- How will a producer know?
- What happens to stock that is on the shelf or in warehouses on the date of implementation?
- How will refillable containers be categorised?
- What obligations do producers outside the Member State, but supplying into it, have?
- What data, and in what format, will need to be captured?
- If there is failure to meet a target, is it the DRS system operator or the producer that is going to be held responsible?
- What will the frequency of data reporting be?
- What body will be the enforcement/policing agency?
- What will the penalties be?
- Who will fund the enforcement?
- What will happen to a producer that is refused membership of the DRS Operator?
- Can a Producer opt-out and do their own thing?

DRS System Operator

CIWM Ireland agrees in part with the concept as laid out of a DRS System Operator. There is a concern that the process for choosing and appointing a System Operator will not be transparent or competitive. As mentioned above, CIWM Ireland is also of the opinion that a for-profit System Operator could be more beneficial to the producers and environment than a not-for-profit one, for example it would be a commercially oriented organisation and consequently more likely to be leaner and more responsive than a not-for-profit one.

With regard to the System Operator, some questions arise:-

- Who will fund the start up?
- Who will fund the infrastructure?
- Will the fees be set to cover 80% of the full net cost, or 100%?
- Will the fees be set to cover all litter collection or just from public spaces?
- Issue of transparency of payments??
- What requirement will there be to have the material recycled, rather than just collected?
- What will the inter-operability requirements be with Northern Ireland or Great Britain (England, Wales and NI are currently looking at a go live date of late 2024 at the earliest, with Scotland on pause for its launch date. Wales prefers an all-in system, whereas England and NI are open to a final decision on the all-in or just on-the-go)?
- What cost benefit analysis has been conducted comparing installing and servicing on-the-go smart street bins vs RVMs?
- What role will it have in enforcement?
- What actions will it be able to take if there are discrepancies in reporting or claims?
- Will it own the material once the deposit has been paid?
- How will the un-redeemed deposits be used?
- Could a single organisation that operates a closed loop delivery and collection system establish its own system and be its own system operator?
- What is the review or licence period?

Retailer Obligations

CIWM Ireland agrees with some of the responsibilities as laid out for retailers. There is a concern amongst some members that adopting this stance precludes more innovative solutions, such as a Digital DRS (DDRS).

With regard to the Retailer Obligations, some questions arise:-

- Can a retailer refuse to accept back a container; for example, if it is soiled or partial?
- Is the retailer responsible for non-target material accepted back?
- Who will define the space requirements for returned items?
- Should all retailers be required to accept returns as it may pose Health and Safety difficulties for some; for example, those that are sited in kiosks in transport hubs?
- How do those that do not have to accept back returns notify the public?
- How will hospitality or events venues treat deposits?
- If a Reverse Vending Machine (RVM) is to be installed externally, will there be additional planning requirements?
- Will additional waste management obligations or licence requirements be placed on the retailer?

- Will additional funds be made available for handling and storage of returned items?
- Will additional funds be made available for reduced sales or parking area?
- Who will own the RVMs?

The Deposit

CIWM Ireland agrees with a variable deposit based on container volume. There is a view amongst some members that if a variable deposit is introduced that some members of the public will be confused. A possible way around this is to incorporate the deposit amount on the till receipt in a manner similar to the visible WEEE fee.

With regard to the Deposit, some questions arise:-

- Is the amount that is proposed going to be enough of a driver to change habits? If not, how much will be?
- Who is paying for the shortfall in the green bin if the target material is being collected a different way – the consumer or the producer or the waste management collector?
- Does the returned deposit have to be cash?
- If a container is returned to a retailer, does the deposit have to be spent at that outlet?
- Will there be VAT on the deposit?
- Will Revenue be responsible for any of the financial monitoring or auditing of the deposit?
- What is the deposit on multi-packs (total volume or multiples of the individual volume)?

Citizen / consumer

CIWM Ireland is of the view that the focus of the system should be the citizen or consumer. Whether it is litter based or increasing return recycling rates, it is their habits that need to change. A system can support that change, but cannot effect it. The evidence would suggest that a DDRS can help support that change and be more environmentally benign than a traditional RVM based one. It should be noted that containers do not litter, but consumers do.

Most consumers have access to segregated household collection services and an Irish Waste Management survey would indicate that they would prefer to use the domestic service than make a journey, even if combined with another purpose.

With regard to the citizen/consumer, some questions arise:-

- Is there a time limit on refunds?

- Will those that use public transport, rather than a private vehicle, be disadvantaged by having to transport their containers back to a retailer in the proposed model?
- What consideration has there been for residents in communal or high-rise accommodation?
- What labelling will be required?
- Will the labelling be standardised?
- How will the communications be harmonised with other waste communications?

Appendix – Draft Regulatory Framework

CIWM Ireland notes that the Draft Regulatory Framework is of a standard format.

With regard to the draft regulatory framework, some questions arise:-

- Part I
 - To amend the containers that are in scope, what process and timescale is envisaged to change the list?
- Part II
 - Has consideration been given to the timescale that producers need to have to prepare or amend their systems to capture the data required for the DRS?
- Part III
 - What transparency or appeal mechanisms are in place for approving a body?
- Part IV
 - Why does rPET need to be recycled to food grade?
- Part V
 - What is the process if membership is refused?
- Part VI
 - How frequently will the deposit amount(s) be reviewed?
- Part VII
 - Where have the functions been outlined?
- Part VIII
 - Where have the penalties been outlined?

End of submission.



The Chartered Institution
of Wastes Management

REPUBLIC OF IRELAND CENTRE

c/o Sonnagh Lodge, Castleview, Macroom, Co. Cork

Centre Chair: [REDACTED]

E-mail: [REDACTED]

CIWM Ireland response on Deposit Return Scheme Consultation Document on Potential Models for Ireland

Submission via e-mail to: Wastecomments@DCCAIE.gov.ie

Date: 12th November 2020.

Introductory Remarks

The Chartered Institution of Wastes Management (CIWM), Republic of Ireland Centre (CIWM Ireland) wishes to make the attached submission in relation the Department of Environment, Climate and Communication (DECC) - Consultation on Deposit Return Scheme Consultation Document on Potential Models for Ireland.

CIWM Ireland is one of ten CIWM Centres comprising of c.5,600 waste management professionals working in all sectors and levels of the waste and resource management industry. CIWM Ireland represents up to 150 members. The Centre Council comprises 15 Councillors (Chartered Resource and Waste Managers) representative of most sectors of the waste management industry in Ireland such as Academia, Consultancy, EPA, Local Authority, Producer Responsibility and Social Enterprise.

CIWM sets the professional standards for individuals working in the industry and has various grades of membership determined by education, qualification, and experience.

On behalf of CIWM Ireland, can I thank you for the opportunity to provide our members collective view on Potential Models for a Deposit Return Scheme (DRS) in Ireland. We have requested input from across the Irish Centre Membership to collate this submission but note the views contained below are not necessarily representative of individual Member's positions in relation to the establishment of a DRS in Ireland. We have also consulted with and received input from our policy, communications and technical teams at CIWM HQ in Northampton.

CIWM Ireland acknowledges the milestones in establishing a DRS as set out as follows:

1. Public consultation on design options (now);
2. Public consultation on preferred model and draft regulations (Q1 2021);
3. Commencement of underpinning legislation (Q3 2021);
4. Introduction of scheme (Q3 2022).

The framework of consultation is outlined in Sections 2 to 8 covering:-

- 2 What is a DRS?
- 3 How are plastic bottles and cans collected at present
- 4 Why do we need a DRS?
- 5 What will a DRS mean for consumers?
- 6 What beverage containers will be included in scope of the DRS?
- 7 How would a DRS operate?
- 8 Consultation questions:

CIWM Ireland note and acknowledge the conditions of the submissions as outlined in the paper.

I would welcome the opportunity in due course to debate this matter with you at some time soon.

Many thanks.

[Redacted signature line]

[Redacted name line]

CIWM Ireland

General

Name

CIWM Ireland Centre Council. Contact details as per the cover page to this submission.

Who are we?

CIWM Ireland Centre Council is the Republic of Ireland regional representative body for resource and waste management professionals. Our members work in all sectors of the profession.

Opening Comment

CIWM Ireland understands the introduction of a DRS in Ireland could be an effective mechanism to promote recycling, incentivise people to segregate and return containers, assist in the reduction of litter, and increase the quality of resources recovered.

There are significant concerns however among some Members which include: -

- Regarding the ambitious timeline for its introduction,
- The rationale for introducing an old technology-based DRS system alongside the existing collection regime,
- Whether it will achieve the required increase in collection targets for specific beverage container types,
- No explanation why glass has been excluded,
- The options that have not been explored,
- The questions that have not been asked,
- The lack of feasibility studies or trials,
- The lack of significant stakeholder engagement and ongoing support for development,
- A DRS has not been mandated as the method to meet the Single Use Plastics Directive (SUP) targets,
- On its own additionality, a DRS will not address other plastics required in the SUP Directive or increased Circular Economy targets,
- Uncertainty regarding feasibility and effectiveness surrounding DRS introduction in Ireland, at what will be a significant cost; and
- Risk of potential significant unintended consequences has not been addressed.

These concerns cannot be ignored and CIWM Ireland recommends that further research and trial operations during 2021 be undertaken before a full-scale implementation of a DRS can be considered for Ireland.

Consultation Questions

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

Centralised Model

If a DRS is implemented following further feasibility studies (see recommendations further down), then a centralised model would appear the most suitable. A centralised model would be a standalone system, with a transparent method of calculation, for volumes sold onto the Irish market, collected for recycling and recovery weight. It would allow for a ring fenced DRS finance model to be put in place with no cross compliance funding, the application of a clear target of 90% recycling for specified materials and enable clear mandating for the DRS in terms in terms of public awareness engagement and litter reduction impact.

A centralised system will have a more streamlined structure and is more likely to be easier to administer. In addition, the scheme will be authorised by the Government to help ensure performance targets are met. The scheme operator will be responsible for the materials collected and for the implementation of infrastructure for returned plastic bottles/aluminium cans. The centralised model provides a more orderly approach where a central body is responsible for the administration of the scheme, in addition to the educational and reporting aspects. This will help public confidence in the scheme and avoid confusion

However, the caveat remains that a DRS will **not** provide the tonnage required to reach targets for all Single Use Plastics (SUP) as required under Directive 2019/904 which includes additional items. Other measures will be required for non-drinks related SUP and those plastic drinks containers not included in DRS (for example composites and plastic cartons, HDPE, flexible plastic tubes and pockets).

REPAK's annual report (2019) states that 14,363 tonnes of aluminium packaging was recycled in Ireland¹. REPAK also provides a figure of 73% of aluminium cans recycled for the Eunomia report, with a rough estimate of 12,000tpa aluminium cans placed onto the market, this indicates that Ireland has already exceeded the 2025 and 2030 targets for aluminium packaging recycling and therefore there is a question mark over why it should be, one of only two types of beverage material, included in the proposed DRS.

The supporting Eunomia Report² recommends a centralised system. Such a centralised model would be a Producer led EPR Scheme, under the ownership of businesses placing beverage containers on the Irish market i.e. beverage importers and Irish beverage container manufacturers. If Producers establish their own scheme operator or seek to partner with an approved scheme under an existing EPR Scheme Approval, this would still entail a separate collection, sorting and management system, with a new system for consumers to understand.

Costs for set up, collection and management have been clearly outlined in various submissions in recent times from other stakeholders including the (IWMA), as well as in numerous reports produced over the past eight years for REPAK and the Department.

¹ Repak Annual Report, 2019

² Improving the Capture Rate of Single Use Beverage Containers in Ireland, 2019

The capital cost and revenue generated by a DRS will be substantial and this should be considered carefully in deciding the most efficient and transparent approach to take in system management and to ensure independent targets are met for these materials. If a centralised DRS is to be implemented then corporate governance, risk assessment protocols, regulatory oversight and control aspects will all be very important, to ensure the system works for all stakeholders and delivers a cost-effective solution. There are precedents in control and oversight systems in other DRS systems in other countries that can be considered, possibly the better examples are in [Scandinavia](#). In this regard, an extensive trial to test and identify risks and challenges is the recommendation from CIWM Ireland before a full-scale implementation of a DRS in Ireland.

Recycling rates and cost

With regard to the overall impact on recycling rates by implementation of a DRS alongside a kerbside scheme, SLR on behalf of Irish Waste Management Association (IWMA)³ examined the quantities of beverage containers already recycled in Ireland and assessed the impact, *on MSW recycling and packaging waste recycling*, of an increase to 90% recycling of those materials. The results were as follows:

PET Bottles:

- Total collected = 25,490 t/a.
- Uplift from 60.7% to 90% = 29.3% = 7,469 t/a extra recycled.
- 7,469 t/a out of a total MSW generation of 2.8 million t/a = 0.27%

Aluminium Cans:

- Total collected = c.11,456 t/a.
- Uplift from 73% to 90% = 17% = 1,948 t/a extra recycled.
- 1,948 t/a out of a total MSW generation of 2.8 million t/a = 0.07%

Total uplift in Municipal Solid Waste (MSW) recycling rate = 0.34%

This data suggests a successful DRS would only increase overall MSW recycling rates by 0.34% which would do little to assist with the Waste Framework Directive (WFD) requirement to increase MSW recycling rates from the current 41% rate to 65% by 2035, with intermediate targets for 2025 and 2030. The extra tonnage of PET bottles would increase the plastic packaging recycling rate from 34% to 36.5%, still well short of the 50% target by 2025 and the 55% target by 2030.

The effect of a successful DRS on the overall packaging recycling targets would likely result in a very small percentage increase in recycling.

According to the Eunomia supporting report, the additional costs to producers, and ultimately this will be passed back to consumers, is estimated at €82M for set up costs and anticipated running costs of €67M per year. These running costs are potentially ameliorated by unredeemed deposits which are estimated to be 47%, which seems at odds with the target of 90% redemption, €23M of material values (and these are subject to external forces particularly

³ Likely-Impact-of-DRS-on-Irish-Waste-Management_Final-Report_Jan2020

during the current challenging global market situation). The balance of €20M (30% of annual costs) is made up from producer fees.

To meet the 2029 Circular Economy targets, for the additional 9,417T of recyclate collected, this would equate to €8,707/T for set up costs and €7,115/T for tonnage collection costs to increase from the current rate to 90%. However, in the intervening period, these would actually be higher per tonne rates as the collection rates would be ramping up.

Using the Eunomia weights of 30g for a PET bottle and 16g for a can³, this gives a requirement to collect an additional 249M PET bottles and 122M cans, or about 371M additional containers. This is equivalent to €0.03 per container in set up costs (for the first seven years) and €0.18 per additional container to collect. As previously noted, these costs are to increase the collection rate from current to 90%. It would seem to be poor value for money.

Although a DRS may be implemented as an EPR Scheme and financed by Producers these costs will be passed on to consumers. This finance along with the additional administration and management infrastructure required to source separate PET and Aluminium beverage cans, could potentially be put to better use if the key impetus is to only increase overall recycling rates and reduce litter by:-

- Making changes to existing kerbside collection systems for Household (HH) and Commercial waste;
- Improving ‘on the go’ collection systems (currently in pilot); and
- More detailed analysis of fly ash metals recovered from incineration.

Additional challenges and comments from CIWM Members

- There is no evidence of a DRS being implemented elsewhere on top of an existing successful kerbside collection that has significantly increased the collection rates for recyclate;
- Reverse Vending Machines or RVMs are older, high cost technologies which will require detailed procurement tenders, significant investment, and longer-term maintenance contract commitments to roll out across Ireland;
- A static RVM based DRS will require additional collection, infrastructure and operational requirements increasing the carbon footprint of the existing resource management system in Ireland;
- The suggestion in the Eunomia report is that the current Packaging EPR REPAK, operates the DRS. There is no other country where the operator of a DRS is also a pre-existing EPR Scheme; and
- While this consultation is a starting point, more clarification is needed on the Department’s view of the Eunomia report and recommendations as well as any detail about the process for the appointment of an operator of the proposed DRS.

There are significant challenges and opportunities under the Circular Economy transposition in Ireland including the SUP Directive and new EPR requirement implementation. The Waste Action Plan focus for stakeholders should remain on these aspects while DRS trials are undertaken to gather evidence and more information.

If not, do you favour a:

decentralised / financial DRS; or, hybrid.

No, however for completeness, we look at the characteristics of these options below.

In the two prescribed alternative models ‘decentralised’ and ‘hybrid’, the scheme operator does not take ownership of the material, which is currently the case for all MSW collection in Ireland. This leaves scope for ambiguity in relation to responsibility for target achievement. The response from the CIWM would be the centralised DRS system as in other countries, would be a more transparent system.

Decentralised – Producers would be required to take responsibility for their product directly. It should tighten the current collection system and apportion responsibility along the supply chain. It would provide better quality recyclate as source segregated material, and the framework for other materials to be included at a later stage would be established. Producers are likely to contract out collection of their own containers, thereby allowing multiple collectors and different systems under a decentralised system, leading to extra cost. Producers however are not the ‘holders of the waste’ and therefore not the ‘owners of the waste’. Unless the returned beverage containers are sorted and stored separately by producers themselves, they do not have ownership of waste materials.

However, shared of responsibilities under a decentralised system means that overall governance and accountability is shared by the scheme operator, producers, collectors and retailers. Responsibility for other aspects such as awareness raising, and outreach may also be shared rather than held by a single entity as under the centralised model. This makes accountability and target achievement more difficult to implement and regulate. The responsibility on each operator across the system in this model would need be laid out in legislation.

Hybrid – this system proposed is the same as decentralised system outlined above in all aspects except that all collectors would collect all Producers cans/PET bottles, which is currently the method in train (no separate containers provided by producers). It is not clear if the ‘source segregation’ as required in the Waste Framework Directive would be complied with in this option and who would be responsible. There are potentially too many unknowns.

Are there other models you believe could work in an Irish context?

Smart DRS

A Smart DRS alongside existing green bin infrastructure is an alternative model to the proposed DRS model in the Eunomia report. The current trial⁴ being conducted in Whitehead, Co. Antrim needs to be understood and reviewed in an Irish context along with two similar trials that CIWM Ireland understands are being planned for Wales in 2021. Examples from other countries utilising smart technology have also been described in submissions from other stakeholders including the Irish Waste Management Association and deserve further review.

⁴ Reward4Waste Latest Presentation Nov 4th

This technology may have the following advantages over an RVM based DRS: -

- Each householder has a return point;
- It uses existing kerbside collection infrastructure;
- On-the-Go return points can be developed;
- Uses a unique QR code;
- Could be developed to include any product or packaging ranging from yoghurt pots to plant pots to pouches to cartons; and
- It may be 50-90% cheaper to implement.

Yet to be determined: -

- Facility for those that do not have a smartphone;
- Data ownership and GDPR type concerns;
- Will RVMs be required at all; and
- Capability for unique QR code to be applied in manufacturing setting.

Feedback from CIWM Ireland Members in the waste collection and recycling sector is supportive of the use of: -

“A smart DRS that allows the customer to self-scan and place within their own green bin is a much more sensible route. I also believe that it will be much more cost effective and yield better results, in addition it can be rolled out on a much wider scope of materials should we wish to expand the system. Use of stand-alone machines in shops where you turn up with bags of material is really not conducive to providing a long term nor sustainable solution. Technology has well out-stripped this idea and I feel that a self-scan smart DRS is an innovative and much more practical approach to solving problems.”

CIWM Ireland fully supports proposals from other stakeholders for trials to be implemented in Ireland during 2021 with a corresponding analysis of results and impact assessment, including an economic feasibility study and regulatory impact assessment against the requirements of the SUP, CE and Packaging and Packaging Waste (PW) Directive requirements.

DRS in collaboration with an EPR body

There is the potential model of a DRS in collaboration with EPR body, which provides a collection and material ownership agreement with waste contractors, and is independently regulated with stakeholders broadly defined as :

DRS – owner of the waste regardless of waste holder and responsible for target attainment

EPR Packaging Scheme –ensure mandatory handover whereby all DSR material is provided to DSR by RPS contractors, thereby avoiding double or loss to the DR system

Waste Companies – specified contractual agreement to collect all DRS materials separately and store as prescribed by the DRS (holder of the waste)

Retailers – Contract to ensure Deposit received from end users is separately noted on till receipt and remains in legal stewardship of the DRS

Necessary Costs - associated with RV infrastructure is covered by DRS

Product marking & labelling – for example barcoding and / or appropriate labelling to identify DRS materials must be applied by vendor before sale or supply – failure to do so must be a statutory offence and subject to anti-fraud enforcement measures.

Additional Material Flows

The capture at kerbside is currently the main source of collection by percentage volume in Ireland for these material types. Segregation at source for kerbside is essential to producing a quality product, as with other systems (for example in Belgium, UK) clearly, separate material for collection and not mixed in with Mixed Dry Recyclables (MDR) is essential to improving quality therefore resource efficiency.

In conjunction with retail DRS, Civic Amenity Sites, retail centres, larger educational campuses as well as tourism and visitor attractions and festivals/gatherings, where cans and bottles are permitted for onsite sale or personal consumption, including those where deposit systems are in place (e.g. the Heineken concert refill reward scheme), should also provide mobile DRS onsite or alternative separate collection options for can and PET bottles under DRS guidelines.

There will be DRS materials in Household (HH) and Commercial wastes irrespective of refund value, these materials must be kept separately to MDR, in clear bags. Possibly these materials, collected by the waste companies, could be sold to the DRS as no refund will have been given to the consumer, provision must be made to ensure these materials, be returned to the DRS.

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

CIWM Ireland acknowledges the pivotal role that waste collectors play in the existing system, and uniquely that they own the material once collected. If this material is removed from the current DMR kerbside collection, then it will have an inflationary cost on black, brown and possibly green bin collection costs, as the recyclate will have been removed from the waste collectors' "basket" value. This could be offset if waste collectors are provided for by a service fee arrangement for providing collection of the specified materials from the kerbside, but this must be factored into the DRS management cost.

The practical role waste collectors would play in this scenario can be summarised as: -

- Service provider to the DRS.
- Potential client to DRS, where DRS materials in the HH and Commercial MSW are returned, once the collection method, frequency of collection, levels of permitted contamination fall within a specified price range.

As important stakeholders in Irish waste management infrastructure and service providers, waste collectors should be involved and represented on any taskforce put in place by the Department, to coordinate or review next steps in any DRS implementation – including feasibility studies. If a DRS is implemented then a Stakeholder Platform should be put in place ongoing, with Departmental oversight; to engage with all actors including waste collectors, enabling progressive system development, ensure views are considered and reports are presented in a transparent forum for review.

It is important that there is support from waste collectors when the final model for a DRS is agreed and rolled out. It is important that the system works efficiently from the start and at all times. Otherwise, the public may be discouraged from returning their plastic/bottles cans if they experience inconvenience. For example, if traditional RVMs do not work because it (or the associated container) is full because there is not a frequent enough collection by the waste collector, this will lead to long queues and the need for the public to return again on a separate occasion with their bottles/cans. This will lead to frustration and lost time by the public. Therefore, this will discourage public interest and participation in the scheme.

Engaging with waste collectors as active stakeholders through collaboration is an important part of the development of a successful DRS implementation in Ireland.

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?

CIWM Ireland supports a harmonised deposit rate where possible, with neighbouring marketplaces – (Great Britain and Northern Ireland) to avoid the potential for fraudulent claiming of deposits on packaging from other countries. The deposit rate or rates should reflect the ‘tipping point’ needed to encourage the return of the container and the €0.20 rate would be an appropriate rate in this regard.

CIWM Ireland, however, supports the use of differential deposits to avoid market distortion whereby Producers change containers to different formats and types, which would be perceived as cheaper but without added environmental benefit or even resulting in negative environmental impacts. Significantly, this is expected to be glass, large PET containers or different polymer containers. The DRS report conducted on the proposed Scottish model highlighted movement to material of least cost – so for example unit cost on items in multi packs will be disproportionately affected. Differential rates have been successfully introduced by Scandinavian DR Systems, in Norway (two values of deposit), Sweden (two values of deposit), Denmark (three values of deposit) and Finland (four values of deposit). In these countries consumers clearly understand a system where different pack sizes have different deposit levels⁵.

CIWM Ireland proposes more research is required on this specific topic through an active trial in the Irish marketplace and an impact assessment on deposit rates effect on container types, prior to full-scale DRS implementation in Ireland.

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?

CIWM Ireland are of the opinion that the waste producers, waste collectors and container acceptors need to be informed well ahead of any DRS introduction. Focus should be on supply chain, regulatory and resource management stakeholders, and Producer sector representative

⁵ Alupro Ireland Briefing, Sept 2020

engagement to achieve a successful DRS model in Ireland with buy-in from all actors, before widespread consumer campaigns are considered.

There is also the view that an ongoing national awareness programme across all media is required for beverage container environmental management, with defined calls to action to the public regarding material separation and litter avoidance and a clear behavioural change ethos, incorporated into a wider Circular Economy communications programme. This should commence regardless of DRS implementation with metrics developed to ascertain impact and effectiveness of communications alone.

Co-ordination of communication across the wider waste and environmental management stakeholders in Ireland is key to the successful achievement of a more circular and resource efficient economy. We must take this opportunity to engage the public in the Circular Economy and its importance in people's everyday lives. This is the opportunity to educate on the broad principles of circularity and the necessary movement away from a single use throwaway society whilst clarifying specific changes to our current waste management system under the new Waste Action Plan for the Circular Economy.

Additional Communications Opportunities proposed by Members

- Utilise the existing centralised communications platform MyWaste.ie;
- Develop the for the existing NWPP communication strategy group to a wider Circular Economy communications group;
- Create a national DRS 'brandmark' and require use by consumer facing stakeholders such as mandatory badge/poster in retail shops, required information on websites and media platforms, a standardised tagline and landing site (such as the www.drinkaware.ie or *Bin Your Gum*) with oversight and development by a DRS stakeholder platform;
- Realise the digital potential and new smart technologies, for example Reward4Waste or the Australian Tomra app⁶;
- Quality is the key aspect that will connect stakeholders and get support for DRS from all actors. Co-ordinated Communications can help deliver quality; and
- Engagement with waste collectors can help deliver messages directly to their customer base through existing text message systems for example.

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

Wider Enforcement concerns raised by Members

Who will oversee the Corporate Governance of the proposed DRS, in particular in relation to the significant revenue management that will result from its implementation?

Which enforcement agency/agencies will be responsible for the following?

- Producers
- Container collectors

⁶ <https://www.tomra.com/en/collection/reverse-vending/tcs-digital/mytomra>

- DRS operator

How will the following aspects be monitored and enforced?

- Data integrity
- Auditing of cash flows and amounts
- Recyclate ownership
- Recyclate quality
- DRS operator
- Meeting Targets
- TFS and end destinations

Controls

For monitoring and control of any DRS at least two new bodies would be required to be set up, the costs of which are included in the DRS and legislated for as necessary costs under Producer EPR requirements. The first, approved organisation(s), acts as the Scheme Administrator(s) and runs on a not-for-profit basis. The second, a regulatory agency, would have oversight of the scheme and its administration. The costs of the regulatory body are covered by the revenues from producer fees and from sales of recyclate.

A regulator would in turn need to be appointed to monitor the performance of the Scheme Administrator. The appointed regulator should request and review annual reports that detail performance of the Scheme Administrator against the capture rate target and strategic objectives of the DRS. It could also report on collection, sorting and other scheme costs, audits DRS Member declarations to prevent free-riding and checks that legal obligations are being met. Sanctions must be put in place and enforced if the Scheme Administrator fails to adhere to reporting requirements and meet the capture rate target.

An appointed regulator could also have a role in monitoring and enforcing waste compliance such as waste storage, transport, and treatment of deposit return beverage containers in conjunction with statutory waste regulators. Illegal trading practices with regards to DRS compliance will also need to be monitored by an appointed regulator, specifically in relation to fraud.

The involvement of the EPA and Local Authorities as monitoring and enforcement agencies seems an obvious choice however it is recognised across CIWM Ireland membership that their enforcement resources are already stretched and therefore, limited. Contributions should be sought from any proposed DRS system to support enforcement, monitoring and control activity if EPA and LAs are nominated enforcement agencies.

A network of DRS contracted surveillance or inspection officers could be a requirement of the system setup to support the implementation of deposit and return labelling, revenue management, take back and reporting.

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

CIWM has a wide membership from the waste and resource sector across the UK and Europe and various Centres have engaged in DRS consultations as a result. The UK is looking at a DRS implementation with Department of Environment, Farming and Rural Affairs (DEFRA) expected to consult a second time in Q1 2021 for England, Wales and NI. This is for implementation in 2023/2024. Scotland has already laid down the regulatory framework Regulations for a DRS to be operational in July 2022⁷.

However, it must be noted that the UK has yet to determine many operational factors including:

-

- How will data be managed?
- How will data be managed between the individual devolved administrations?
- How will the material be managed between the individual devolved administrations?
- If Scotland introduces the Regulations in mid-2022, and the rest of the UK has not, what impact will that have on data and compliance costs?
- How will fraud be tackled?

The UK DRS envisages glass bottles to be included in the system, whereas the Irish one does not and this is likely to lead to glass container deposits being claimed in NI on Irish material, and this will affect the recycling percentage that Ireland achieves (as well as costing UK producers more than necessary). The inclusion or exclusion of glass within the scope of an Irish DRS requires further review.

Significantly if NI introduces a DRS at a different time to Ireland, then that has increased potential for fraud as well as errors. If, as mentioned above, the deposit values are significantly different, then that is likely to exacerbate any movement of material across the border, both legitimately and illegitimately.

Pinsent Masons (environmental law firm) recently raised concern with the approach taken across the devolved administrations in the UK, given the potential for cross-border fraudulent activity. There are similar implications for Ireland if the intention to introduce a deposit return scheme, is in isolation from neighbouring marketplaces.

A harmonised approach across Ireland and the UK including Northern Ireland, would make logical sense and reduce the potential for fraud, whilst making production costs, labelling and infrastructure cost more efficient. The vast majority of products relating to cans and PET is produced for both markets UK and Ireland, providing a coherent strategy following a timeline and similar fee structure with NI and UK would negate potential negative impacts regarding fraud and production cost.

⁷ Scottish Statutory Instruments, 2020 No. 154, Environmental Protection, The Deposit and Return Scheme for Scotland Regulations 2020

Summary

CIWM Ireland is fully committed to the aims of the Circular Economy, resource management and litter reduction. We are acutely aware of the finite resources available to us, the geographical position of Ireland and our indigenous recovery capacity. Concern over DRS implementation at this time is based on the limited scope of the consultation, the condensed timeframe, and the estimated costs versus the potential benefits.

This is especially important, as CIWM Ireland is not aware of any DRS introduced on top of a successful kerbside collection. Ireland does not have to be the guinea pig having ruled out other alternatives without even looking at them.

Being evidenced based professionals, CIWM Ireland would encourage and support a field trial to determine the cost benefit of a Smart DRS, such as the Reward4Waste system. CIWM Ireland suspects that the trial could be organised and the results analysed in 2021, and has the potential to be significantly better value than the traditional Reverse Vending Machine model put forward for consultation.

CIWM would urge the Department and Government to examine the alternatives, based on:

- The Precautionary Principle;*
- The additional material that will actually be collected; and*
- In view of the available fiscal headroom available to producers and consumers*

rather than rush headlong into another potential eVoting machine situation.

End of submission.