



Submission on the Waste Action Plan for a Circular Economy

21 February 2020

Introduction

Dublin Chamber is the representative body for businesses in the Greater Dublin Area. Its 1,300 members span the full spectrum of sectors, and range from SMEs to large multinational firms. Dublin Chamber has been at the forefront of driving the green agenda within the Dublin business community for the past decade and more. The Chamber has made the business community's journey toward a low carbon economy a core element of its own strategy and recently announced the launch of its *Sustainability Academy*.¹

We welcome the opportunity to make a submission to the Department of Communications, Climate Action and the Environment (DCCAE) on the *Waste Action Plan for a Circular Economy* consultation paper.² Furthermore, we commend the direction taken in the consultation to move waste management policy toward furthering the Circular Economy agenda, keeping in mind that in a perfect circular economy, the goal is zero waste.

Considering the clear direction that the European Commission is to take over the coming years under the presidency of Ursula von der Leyen, a review of Irish waste policy is essential, not just for the country's waste reduction commitments as an EU member state, but also for competitiveness. With the new Circular Economy Action Plan that the European Commission has committed to announcing in March 2020, a shift by the business community toward resource efficiency must be supported by the Irish Government.³

Advisory Group on a Waste Action Plan

Dublin Chamber supports the proposed Advisory Group on a Waste Action Plan for a Circular Economy to be headed by the Minister for Communications, Climate Action and the Environment as indicated in the Waste Action Consultation Paper.

In the move to a Circular Economy, it is essential that Irish businesses remain competitive. Policymakers must remain cognisant that waste management is the responsibility of all of society and avoid placing a disproportionate burden on firms. The new Waste Action Plan for a Circular Economy must include provision to support businesses to make the changes necessary. With this in mind, we urge specific inclusion of the Dublin business community on

¹ Sustainability Academy <https://www.dublinchamber.ie/sustainability-academy>

² Government of Ireland, *Public Consultation Waste Action Plan for a Circular Economy*, 2019, https://www.dccae.gov.ie/en-ie/environment/consultations/Documents/26/consultations/Waste_Action_Plan_for_a_Circular_Economy.pdf

³ European Commission, *The European Green Deal*, p.7, https://ec.europa.eu/info/sites/info/files/european-green-deal-communication_en.pdf

the Advisory Group, as much needed leaders in the switch to a circular economy and as key stakeholders in management of a Just Transition. A specifically urban voice in this forum is critical. Similarly, it is important that the business community is present on any Just Transition Commission that might be established.

Sustainable Cities: Institutional Arrangements & Waste Management Infrastructure

Waste management and recycling infrastructure in our cities is poor. “On the go” recycling is not possible on many streets. This is something that needs to be addressed in any waste management policy in order for society to take on responsibility for recycling.

The UN Sustainable Development Goals clearly indicate through Goal 11 that a focus on developing *Sustainable Cities and Communities* is important to overall sustainability, and for Ireland this is certainly the case.⁴ The role of waste management in a circular economy needs to be part of the planning for sustainable cities. Due to density, it is likely that our cities will need their own waste management plans. Dublin Chamber is a member of City Regions Ireland (CRI), an alliance of the chambers of commerce of the 5 cities identified in the National Planning Framework: Dublin, Cork, Galway, Limerick, and Waterford, which have come together in one voice for urban Ireland. CRI made clear in its launch paper that waste and wastewater management is one of eight core principles for a successful and sustainable city.⁵ Considering Dublin’s role as the economic engine of the country, and the city’s current and projected population density, implementing city-specific provisions or a plan for waste management would be appropriate so that capacity is suitably catered for.

Currently, waste management enforcement, prioritisation, and setting of objectives is in the hands of three Waste Enforcement Regional Lead Authorities (WERLAs) of which the Eastern and Midlands Region is managed by Dublin City Council. Meanwhile, Dublin’s climate action planning is split across the four authorities and is overseen by Codema, an energy efficiency consultancy.⁶ Licensing and permitting goes through the Environmental Protection Agency.⁷ In order for waste management to be considered as part of an overall plan for the city’s climate change and waste management strategy, an increased level of clarity across waste management administration should be developed. A single interface for business could possibly aid in providing clarity.

Dublin Chamber recommends that plans for waste management for a circular economy include a specific sustainable city policy. This need for a holistic planning approach is supported by NESCC.⁸

Circular Economy

While recycling practices are essential in efforts to reduce damage to the environment, the best way forward is to be more efficient with resources and produce less waste and items

⁴ UN Sustainable Development Goals, <https://www.un.org/sustainabledevelopment/cities/>

⁵ City Regions Ireland, <https://www.cityregionsireland.ie/>

⁶ Codema, <https://www.codema.ie/>

⁷ Environmental Protection Agency, <https://www.epa.ie/licensing/>

⁸ NESCC http://files.nesc.ie/nesc_reports/en/144_Moving_Towards_the_Circular_Economy.pdf
p.35

requiring recycling. This can be achieved through a circular approach, life-cycle costing, and changing the procurement mind-set.

In order for the circular economy to be successful, the business community will need help to lead the change. To facilitate this, more work needs to be done to outline the business case for the Circular Economy, in addition to the current focus on outlining the ethical and environmental case.

Work needs to be done to communicate the business case for circular practices, both in terms of meeting customer demand and in terms of business costs. Dublin Chamber research shows that more than one in ten firms still do not see sustainability measures as a business priority. The term 'Circular Economy' needs to be understood as a means of resource efficiency and in the context of reducing business costs.⁹

Recent Dublin Chamber focus group feedback has shown that the meaning of sustainability is understood differently by many businesses. It is likely that the term 'Circular Economy' will be only vaguely understood unless there is clear communication by Government. This concern is reflected in the consultation document's reference to business leaders' understanding of the Circular Economy. This indicates an acknowledgement of the requirement for strong communication of what a Circular Economy will mean for businesses, from SMEs to large multinationals.

In the move to a Circular Economy, policymakers must remain cognisant of safeguarding Irish competitiveness in the European market. This will need to be at the core of the *Waste Management Policy for a Circular Economy* and will need to take into consideration the impacts of greening supply chains and the international green procurement environment.

Green Public Procurement

Green Public Procurement (GPP) will in the coming years have an increasingly important role in Ireland's move toward a low carbon economy and in its waste management initiatives. The goals outlined in the *All of Government Plan to Tackle Climate Breakdown*, the goal of net zero emissions by 2050, and the goal of a move to circular practices will not be met if GPP is not effectively implemented. Dublin Chamber is in favour of committing to green procurement practices. Currently, Ireland lags far behind its European neighbours in implementing GPP. We need to ensure that the business community is ready to respond to newly enforced Green Public Procurement criteria, and as a Chamber we want to take the opportunity to communicate steps that need to be taken for this to be successful.

Feedback from Dublin Chamber members indicates that many larger businesses recognise the need to work towards net zero emissions. Large scale business services, including banking, and tech organisations have made announcements in recent years on their intentions to become carbon neutral. There is work to be done to educate smaller businesses and those that are solely B2B as to what this will mean for them as part of a supply chain.

Currently, life cycle costing is not practiced widely by Irish businesses or encouraged by the overall procurement environment, despite European Commission policy encouraging its use.¹⁰

⁹ Dublin Chamber Business Outlook Q1 2019

¹⁰ European Commission https://ec.europa.eu/environment/gpp/index_en.htm

In order for Circular Economy practices to be successful, and for waste generation to be curtailed, it must be mitigated at the beginning of the cycle. Part of this can be achieved through educating on how life cycle costing works, and, importantly, through implementing green procurement practices and life cycle costing analysis.

The focus on sustainability in procurement practices will have a knock-on impact from large companies down to SMEs. As larger businesses require sustainable or circular credentials from their supply chains, this will be felt across the business community. This is to be welcomed as it works to improve the overall sustainability credentials of the business community; it is however a process that needs to be managed appropriately so as not to disadvantage Irish businesses. Small and medium firms need to be in a position to effectively compete for GPP contracts.

Dublin Chamber recommends that the commitment to GPP includes the following:

- A phased introduction of mandatory GPP with a view to sustainability criteria eventually becoming mandatory.
- GPP training for the business sector during the phased introduction.
- Introduction of a suggested mandatory five percentage point allocation specifically for sustainability criteria in tender documents.
- Mandatory GPP criteria should be piloted in specific sectors before a more widespread roll out.
- Engagement with the business community in establishing the means of reporting green/sustainable criteria. What can be included as information for this sustainability criteria cannot be rigid. It needs to be open to the full impact of factors including process, materials, location etc.
- We recommend that the use of life cycle costing should be widely implemented. A new focus on life cycle costing will be positive in pushing procurement further toward providing quality as well as value for money, whilst also encouraging more sustainable product and service provision. This should include a decisive directive to all Government departments that a 'lowest cost option' should not be the goal in procurement and that life cycle principles must be implemented. Life cycle costing should consider sustained performance. For example, where does the tendered good come from, how well will it perform, and, for how long? It should also ask if the good be reused or feed into the circular economy when the equipment, goods or infrastructure has reached end of life.

In order for green procurement practices to be successful, there must be cross-departmental support from Government, and from the Department of Public Expenditure and Reform in particular.

Furthermore, green procurement principles will need to be introduced in a cohesive move with circular economy practices. Failure to include this will leave GPP policy at odds with Circular Economy principles as current tendering still focuses on lowest price, as opposed to life cycle and resource efficiency. Without changing the Irish procurement environment away from a 'lowest price wins' mind-set and toward GPP principles and the inclusion of life cycle analysis, it will not be possible for Government to push for business and wider society to move toward a circular economy. Competitiveness for Irish business in the European market must also be considered in the drive toward implementing green procurement principles.

Green Public Procurement, and green procurement tendering overall, will likely have a positive impact on reducing construction waste in particular. For large state infrastructure projects and state buildings generally, the potential to reduce waste is significant.

Commercial Waste Management

There are strong indications that customer demand has a part to play in business becoming more waste efficient. Customer demand for less packaging is particularly strong in the UK where supermarket retailers are beginning to make changes competitively.¹¹

Surveys show that 41% of customers would pay a premium for a more sustainable product. In consideration of this, a type of product mark that can be achieved in relation to good commercial waste practice could be a positive incentive for many businesses.¹² This could be linked to a simple marking system to indicate to businesses how well they are doing at recycling and waste efficiency. This would be a positive means of encouragement to engage with waste management practices effectively.

Resource efficiency information for sectors that will be most impacted is essential. Similarly, waste management policy must not put excessive cost on the business community as this will result in a negative reception by key stakeholders in achieving circular economy goals. Considering the level of cooperation that will be required across society, encouragement as opposed to penalisation should be prioritised.

Education

Dublin Chamber recommends that a communications and education campaign targeting Irish business on their waste management practices be rolled out. Further promotion of the MyWaste.ie website is a welcome initiative, and a MyWaste.ie webpage for the business community specifically would be beneficial. Businesses, public sector bodies and private citizens should all be fully aware and clear on their own responsibilities in resource efficiency and waste management. This will aid accountability and improve on Ireland's waste separation.¹³

A quarter of businesses surveyed by Dublin Chamber report that they are willing to make changes to become more sustainable but are lacking in the knowledge of how to do so.¹⁴ A further quarter are deterred by the prohibitive initial expense of changing practices to be more environmentally sustainable. Dublin Chamber urges the DCCAE not to take for granted the basics of waste management ability, and to include targeted messaging for the business community in its MyWaste.ie planning and expansion.

A good example of where confusion can hold back waste management and sustainability initiatives is evidenced by Bord Bia's Origin Green programme.¹⁵ Origin Green is Ireland's food

¹¹ BBC, <https://www.bbc.com/news/uk-49674153>

¹² PWC, *2019 Irish Retail & Consumer Report*, <https://www.pwc.ie/publications/2019/irish-retail-consumer-report-investing-in-experience.pdf>

¹³ European Recycling Platform, <https://erp-recycling.org/wp-content/uploads/2019/09/Landbell-Group-White-Paper-September-2019-final.pdf> p7

¹⁴ Dublin Chamber Business Outlook Survey Q1 2019

¹⁵ Origin Green, <https://www.origingreen.ie/what-is-origin-green/about-origin-green/>

and drink sustainability programme. However, despite significant efforts on the part of Bord Bia, take-up by the sector and further understanding of what the mark means by the consumer has been slow. The lack of clarity around the campaign is something to be avoided in waste management initiatives.

Plastics

Excessive packaging and waste generation is something that is already being impacted by customer demand. For example, supermarkets are now beginning to respond to customer demand for less packaging.¹⁶ It is likely that increased consumer demand for change will aid in the move away from single-use plastics. It would be wise for Government to leverage this trend when the ban on single-use plastics is applied in Ireland.

Dublin Chamber acknowledge that Ireland must comply with the EU Directive on single-use plastics, and supports the Directive's goal of eliminating this source of waste. We encourage Irish policymakers to put in place a realistic timeline for industry to plan ahead and phase out single-use plastics.

Similarly, the cost benefit of initiatives on the environment must be considered in any plastics initiative. Putting an excessive cost on businesses to make changes to their supply chain, without consideration for the real positive impact on carbon emissions and plastics, would be a step in the wrong direction for waste management policy.

It is essential that decisions on plastics are based on robust data. It should be noted that Eurostat figures showing Ireland's recycling rates at just 31% are based on now three-year-old data and renewed official figures are not yet due until the summer of 2020.¹⁷

Similarly, industry needs lead-in time and clear guidelines as to what is included and excluded in future measures such as proposed 'Coffee Cup Levies', or an overall ban on single-use coffee cups. For example, it needs to be made clear how compostable cups are viewed. It is important to consult with both large chains and independent businesses that have implemented innovative systems to reduce use of single use takeaway packaging.

The retail sector should be included in the policy discussion about how to put in place more creative alternatives to single use plastics as well as other recyclable takeaway packaging. Lastly, if Government policy is to effect considerable change to business practices in relation to plastics, leadership must be shown by, for example, introducing deposit schemes for plastic bottles.

Extended Producer Responsibility

The concept of Extended Producer Responsibility (EPR) has had positive impacts internationally, and has made good progress in Ireland in recent years.¹⁸ It involves producers accepting responsibility when designing products for their life cycle and environmental impact,

¹⁶ The Irish Times, <https://www.irishtimes.com/news/consumer/lidl-to-remove-non-recyclable-packaging-from-all-fruit-and-veg-1.3655559>

¹⁷ Eurostat <https://ec.europa.eu/eurostat/web/products-eurostat-news/-/DDN-20191105-2>

¹⁸ Repak <https://repak.ie/>; European Recycling Platform <https://erp-recycling.org/ie/>

thus giving an economic incentive to reducing the environmental impact. Increased cost arising for the producer is then internalised to the cost for the consumer, thus sharing responsibility for waste production. This has the potential to significantly contribute to Ireland's move to a circular economy. Government should commit to communicating the benefits of EPR, its general facilitation, and prioritisation in the *Waste Action Plan for a Circular Economy*.

Business and Innovation

The business community is in many ways the answer to resource efficiency, as commercial innovation in the space may provide the solutions to waste management challenges.¹⁹ For example, businesses like Smurfit Kappa are leaders in sustainable packaging. Nurturing businesses that are seeking to close the loop through innovation in packaging will be essential for a low waste future.

Dublin Chamber recommends that the *Waste Action Plan for a Circular Economy* include a fund to support innovation by Irish indigenous business in resource management, packaging, life cycle extension, and working with recycled material. This fund should be marketed to the business community and innovation campuses specifically.

Summary of Recommendations

Dublin Chamber welcomes the Department of Communications, Climate Action, and Environment consultation on its waste and Circular Economy strategy and the policy shift toward accelerating circular practices as a waste management approach.

The Chamber recommends that the business community be given a place at the table at the Waste Management Advisory Committee as the competitiveness of Irish business must be considered in climate action policy. We also recommend that as the economic engine of the country, the Dublin business community specifically is represented.

The SDGs clearly indicate that a city approach to sustainability needs to be a priority. In consideration of Ireland's urban density and Dublin's density specifically, we recommend a specific waste management strategy for cities.

We also recommend that Green Public Procurement practices are implemented. This will require cross-departmental support. Implementing Green Public Procurement practices and embedding life cycle costing in Irish business practice will be essential if Ireland is to progress to a circular economy.

Dublin Chamber recommends that Government engage in a comprehensive education and communications campaign directed at the business community specifically on what the Circular Economy is, and on the forthcoming changes that will be required by Irish businesses due to EU policy.

This communications campaign needs to include messaging around the business case for the Circular Economy, as well as what circular practices entail. This campaign needs to have a

¹⁹ NESCC, *Moving Towards the Circular Economy in Ireland*, p.30, <https://www.nesc.ie/publications/moving-towards-the-circular-economy-irish-case-studies/>

significant education component regarding the basics of waste management and recycling, as well as on business costs like lighting, furniture etc., and the more innovative options that are available such as 'as a service options'. The campaign should also include evidence of consumer demand.

This campaign needs to be undertaken urgently to allow businesses the time to understand and implement circular practices to coincide with impending European deadlines. This is essential to safeguard Irish business from becoming disadvantaged in competition with EU peers.