



Public Consultation on the Waste Action Plan for the Circular Economy

Ibec Response

February 2020

Introduction

Ibec, the group that represents Irish business, welcomes this opportunity to comment on the '*Waste Action Plan for a Circular Economy*' consultation. Ibec, together with its sectoral organisations, is committed to improving the quality of life of people who live and work in Ireland. This includes helping our members become more sustainable by adopting circular economy principles and practices.

The circular economy starts at the design phase of a product's life with the aim of keeping resources in use for as long as possible, extracting the maximum value from them while in use and finally recovering or regenerating products and materials at the end of each service life. This helps to provide potential solutions to issues such as climate change, pollution, economic and regional development.

As well as creating new opportunities for growth, a circular economy will reduce waste, drive greater resource productivity, better address emerging resource security/scarcity issues in the future and help reduce the environmental impacts of our consumption.

Internationally, there has been a renewed commitment from European policymakers to tackle climate and all environmental-related challenges. The EU's Green Deal highlights the importance of the circular economy. It aims to decouple economic growth from resource use. This approach includes a sustainable product initiative and focuses on resource intense sectors.

Our key priorities, which will be reflected in this response, for governmental policy are as follows;

- Provide additional supports, incentives and funding
- Enable circular principles in policy and regulation
- Develop a long-term, overarching circular economy plan
- Communications to improve understanding and awareness
- Highlight and support businesses as leaders in the transition

Business Preparedness

A transition to a circular economy can be an opportunity for Irish businesses. Ibec, along with the EPA, recently published its report entitled *'Is Irish business getting ready for the Circular Economy?'* The main objective was to assess the perceived importance of the circular economy to senior managers across a range of sectors. It posed a range of questions covering aspects of business planning for the circular economy, initiatives currently in place, attitudes to the circular economy across businesses and the perceptions of Irish business around the circular economy. This empirical research should help inform policies such as the Waste Action Plan. Some key findings from the report include;

- Half of respondents (49%) acknowledged that moving to a more circular economy presents a business opportunity in the long-term.
- 10% of respondent companies had a specific budget in place in their organisation to support circular economy initiatives. These firms appear to be significantly more active in pursuing circular initiatives.
- Many companies are undertaking circular initiatives without realising their actions are circular.
- Almost two out of five (39%) respondents reported that they expect availability of funding to be a major challenge in the next three to five years.
- A large majority recognised that the importance of the circular economy would grow in the next three years.

From these findings, Ibec concludes that targeted education, reinforced by closer cooperation within supply chains, would be beneficial to help more Irish firms to transition successfully.

General Principles and Process

It is vital that the Waste Action Plan is developed as a broad, coherent strategy that provides clear policy signals to business and other stakeholders, based on scientific evidence and backed up with government investment and other supports. Industry has shown many times that it will invest in major transformation, once it is given clarity, certainty and a reasonable timeline. Businesses are aware of the opportunities that transitioning to a circular economy can provide.

The Waste Action Plan should present a coherent strategy to improve Ireland's recycling infrastructure, helping to increase the amount of recycled material available to manufacturers, and providing the necessary R&D support required to help manufacturers to research, identify and scale up production or re-usable and recyclable alternatives.

Before examining any of the specific chapters in detail, we outline several overarching priorities should be taken into consideration in the development of a Waste Action Plan or other policy/legislative initiatives:

- **Coherence with Government policy:** Any waste initiatives must support the overall objectives of Government policy and be considered as part of an overall approach. No measures arising from this process can be considered stand-alone measures; environment policy must be aligned with enterprise policies.

- **Evidence base:** Any policy measures with environmental objectives must be evidence-based. Solutions must be based on robust science and transparent metrics. Behavioural change initiatives should be founded on an evidence-based assessment of the behaviour that they aim to change, as well as a clear understanding of the impact that is desired. Once in place, these factors allow initiatives to be assessed and any measures that are not achieving their stated objective should be repealed. It is imperative that we limit the potential of knee-jerk reactions and develop policy with a product's full life cycle in mind.
- **Impact assessment:** It is also vital to fully assess the likely broader impact of any changes, including the impact on employment, SMEs, regional economic development, competitiveness and innovation.
- **Adequate transition time:** Businesses are often part of a complex supply chain. Any shock arising from government policy has the potential to disrupt supply chains and damage the viability of companies. There may also be an environmental impact, for example in the case of an item or material being banned, if adequate time is not given to use existing stock this could result in the disposal of large volumes of stock before they reach the consumer.
- **Enforcement of existing laws:** Illegal dumping and littering must be tackled through effective enforcement of existing laws. Littering can be addressed through enforcement of fines combined with awareness campaigns to change the behaviour of those who litter.

It is a challenge for any company or trade association to respond to a consultation as broad as this one. Ibec requests that a further public consultation takes place in the context of a published draft Waste Action Plan for a Circular Economy, when available. This would give Ibec and other stakeholders an understanding of Government thinking in this area and an opportunity to offer detailed responses, insights and technical information based on the draft approach and provisions.

Funding

According to Ibec's survey data, one quarter of respondent companies expected the 2018 spend on waste reduction to increase compared to the previous year. One-third expected to increase their spend on recycling initiatives. Spending on design of new products was anticipated to increase in nearly one-third of cases and expenditure on the redesign of existing products was expected to increase in almost one quarter. This may help explain why the availability of funding support was flagged as an issue by many of the respondents, this will continue to be the case if we don't prioritise access to funding, grant and other incentives in '*Waste Action Plan for a Circular Economy.*'

Commercial Waste

Segregation of waste requires significant resources and investment in a company's recycling systems. Training and awareness must be given to ensure waste is segregated correctly by all personnel and prevent cross contamination of bins. Governmental support training packages, seminars or guidelines which facilitate this education would be beneficial.

Pricing structures which encourage segregation of waste are an important incentive for business if it reduces costs overall. Pay per lift options should be considered as pay by weight technology adds costs to the collection system which in turn are passed on to the customer by the waste service provider.

There are existing certification schemes already in place which incorporate waste management such as ISO14001 and EMAS. If an additional certification was introduced, it should not be compulsory for businesses that have an existing certified environment management system in place.

EU Regulation EC 1069/2009 has a provision that CAT 1 waste materials in aircraft arriving from outside the EU must be incinerated or sent to landfill. Flights coming from within EU can be classified as CAT 3 waste, which allows airlines to segregate waste. However, the corresponding Irish regulations (S.I. No. 187/2014) require that all airline waste is deemed CAT 1 and therefore must go landfill or be incinerated. If intra-European flights (including the UK) could segregate waste it would prevent circa 30,000 tonnes of waste unnecessarily going to landfill or incineration each year.

Food Waste

Although food waste and packaging waste are dealt with in separate chapters of the consultation, they are closely linked and cannot be considered in isolation. Packaging has a number of important functions, one of the most important being to reduce food waste. Because of effective packaging processes, food wastage rates (pre-consumption) are 2-4% in industrialised countries. This compares with 50% in developing countries.

Zero Waste Scotland has published a report clearly showing that food waste is now a greater contributor to the global climate crisis than waste plastics. Two comparisons are vital to bear in mind when discussing food packaging:

- The environmental impact of avoidable household food waste is eight times greater than the impact of total packaging waste going to landfill.
- Ten to fifteen times more energy and materials are locked up in household goods/food than in the packaging around them.

For this reason, no measures taken on packaging should increase food waste. Ibec understands that a number of member companies conducting trials of new packaging and have recorded a reduction in shelf-life and a consequence risk of increased food waste.

Environment Levies

Please see Annex 1 below, which contains Ibec's submission to the December 2019 public consultation on environmental levies.

Plastic and Packaging Waste

The transportation of a product from production to the warehouse to the retailer carries the additional risk of damage and contamination before it can be consumed. Packaging protects quality, regarding food it ensures freshness and reduces food waste. Packaging plays a key role in protecting, containing and preserving the produce contained within. Consumer safety is the overriding objective of food and beverage producers and packaging ensures effective communication to consumers and its safe use and handling. Packaging ensures that people can buy and use products when they want them, in good condition and with little wastage.

Companies recognise the need to minimise packaging impact. They continually work to ensure their packaging is functional and fully recyclable. Significant investment has been by companies in these following initiatives;

- Phasing out certain difficult-to-recycle materials
- Working towards reducing the use of complex packaging combinations and move toward simpler, single material, circular packaging formats and materials
- Developing packaging that encourages re-use or better recycling rates
- Setting targets and deadlines to meet ambitious packaging milestones

As previously stated, companies are working to make their packaging more circular without creating significant adverse or unintended consequences. Often substitute materials are recommended for use being without a suitable system being in place for the treatment and collection of them. A full-life cycle analysis is essential to avoid unintended consequences. Government policy should recognise and support this objective in a number of ways:

- Ensure a realistic timeframe for transition to any new legislative or regulatory regime.
- Hierarchy of packaging materials, with a full life cycle analysis conducted.
- Support the creation of more closed-loop recycling processes
- Recognised the concern of companies on the availability of recycled content.
- Consider the likely trajectory of prices for recycled content as demand increases for a constrained supply of material, especially in the lead up to key EU and other deadlines. Provide supports or a phased timeline to level out spikes in prices of recycled content.
- Encourage a harmonised, science-based approach within Ireland and across the EU. Own initiatives from retailers, going beyond the already-challenging legal requirements coming from the EU, could be counterproductive if different retailers have diverging requirements.

Solutions to several of these key challenges need to be developed collectively in order to create a functioning and economically viable circular economy.

Separate collection target for PET beverage containers

Ireland's non-alcoholic beverage industry – made up of soft drinks, fruit juices, bottled waters and sports and energy drinks – is proudly committed to supporting Ireland's environmental obligations under EU legislation on plastic recycling.

Together employing 3,500 people, supporting an additional 3,000 jobs and generating an annual economic contribution of €1.5 billion, the sector takes seriously its role in leading an effective solution to the enhanced plastic bottle collection targets in particular.

Putting that commitment into early practice, we are working with a renowned team of global specialists to determine the feasibility of introducing a Deposit Return Scheme (DRS) in Ireland. We look forward to assessing and communicating the outcome of this landmark project in due course.

Citizen Engagement – Awareness & Education

All State agencies engage with citizens daily through awareness and education campaigns. Simple and effective education could have a large impact, for example, the development of a practical campaign that empowers citizens to make informed purchasing decisions. This would change the conversation from focusing on waste management to waste prevention. It could help redirect discarded resources back into the value chain and not to landfill. This would need infrastructure investment and a robust education campaign.

Awareness and education must also be a key priority within businesses. According to Ibec's research for companies to become more circular, the respondents state that the employees need to be engaged and committed to the journey. 40% of respondents were currently engaging in training programmes for staff on sustainable business practices. The preparation of staff for initiatives that may impact their roles is therefore an important element of implementing aspects of the transition. Segregation of waste requires significant resources and investment in recycling systems, training and awareness in the commercial sector to ensure waste is segregated correctly by all personnel and prevent cross contamination of bins. Governmental support would be crucial in the development of education campaigns within businesses, this would also ensure that the message is consistent. Training packages should be developed at national level for commercial sector waste segregation.

Construction & Demolition Waste

Construction and demolition waste (C&D) are from any building, demolition and infrastructure development. A large proportion of this is excavated soil and stone, but also includes concrete, brick, tiles, wood, plastic and metal.

Source segregation and having an agreed set of 'end of waste' specifications to be applied nationally for the full range of common C&D wastes would facilitate greater traceability and higher value recycling. Such certainty in the sector would also allow operators to invest in suitable infrastructure and systems to process these materials.

Waste Management Infrastructure

The development of an all-island approach to waste management and resource efficiency would help to ensure a joined up approach to strategic infrastructure and investment decisions that have a cross-border dimension and would also assist in the development of mutually beneficial policy to address common environmental challenges.

It is vital that regulatory divergence and policy differentiation are avoided, and that specific account is taken of the unique impact any departure from EU predicated norms would have on environmental regulation and on the proper functioning of the all-island economy.

The State should assist in funding the development of indigenous waste recycling facilities. This is especially important for processing of plastics as we cannot depend on sending wastes outside the country long term. Many countries refuse to accept light plastics from Ireland, which is why we are currently putting potentially recyclable material into our general waste bin. There is a clear opportunity to remedy this at European scale, although it may prove economically unviable as a stand-alone project in a small individual member state.

By-Products

Additional resources are needed by the Environmental Protection Agency and An Bord Pleanála to efficiently process applications that have regional and national significance, including a more streamlined and systematic approach to 'by-product' and 'end of life' assessments and decisions.

End of Waste

As suggested in the consultation document, a dedicated working group should be established to focus on End of Waste (EoW) for appropriate materials. Such reuse is compatible with the principle of self-sufficiency as laid down in the Waste Framework Directive. For example, incinerator bottom ash is routinely used in EU countries. It is processed for use as an aggregate in construction of roads or other large-scale projects. A dedicated working group with the applicable industries and Government representatives should be established to discuss the key issues and the future of EoW in Ireland.

In addition, the development of a policy framework centered on reuse and EoW for appropriate materials should be given priority in order that all materials can be reused in line with circular economy principles.

EoW applications need to be processed in an efficient manner by the EPA. Currently the process for EoW applications is taking a considerable time. Appropriate timeframes are necessary to facilitate the reuse of various materials in the near to medium term. This will allow companies to transition to circular economy at a quicker rate. It will also open the possibility of companies creating a closed loop system within their facility.

Extended Producer Responsibility

Ibec supports the harmonisation of fee modulation across Member States with a practical and timely lead in time for implementation by systems, schemes and producers.

The criteria underpinning the modulated fees must be harmonised at EU level and applied consistently across the EU in order to secure a smooth functioning of the internal market. A patchwork of different criteria in all the Member States would have no positive impact on products design. On the contrary, they would create administrative burden and costs for producers, and outweigh potential environmental benefits of modulated fees.

Visible fees in the Irish WEEE system has provided clear and substantial benefits and has contributed hugely to a high performing takeback and recycling programme. This has been particularly successful regarding white goods, achieving all targets for B2C WEEE. The significant contributions by producers via the schemes to retailer and local authority collection points as well as to consumer awareness, research and EPA enforcement programmes has been supported by the continuation of visible fees since 2014. Removal of the visible fee option in Ireland would be a retrograde step. Ibec would review the potential benefits of a harmonised product rating schedule but would not support the removal of a visible fee option.

Waste Data & Waste Flows

The EPA is responsible for compiling waste statistics and compile validated data in line with reporting timelines under EU legislation. All EPA licenced facilities already generate annual reports on waste data and waste flows. Although the Annual Environment Reporting process has been simplified in 2020, these annual reports are still onerous to complete. Tracking all waste from creation to final destination would be a considerable resource burden for all companies with no clear indication on how beneficial the collected data would be.

Research & Innovation

Research has an important role in informing policy making and the technological advances that will be required to support the achievement of a circular economy. Ireland's national innovation strategy Innovation 2020 highlights the need for innovation to help address climate change, resource depletion, environmental degradation, and pollution. The challenges informing Innovation 2020 are therefore the same as those driving the development of both the bioeconomy and the circular economy in Ireland.

A coordinated national policy will be required to assess the value of resources in a circular economy. To progressively improve our economy's resource efficiency a better understanding of material flows within the economy will be necessary. Mapping how and where resources are used, opportunities for collaboration and industrial symbiosis will arise. This exercise will also identify any infrastructure gaps.

It would be beneficial to upskill organisations on how to innovate through the application of circular economy principles, and how to manage associated risks. A better understanding of how to access financial support, training and advice from state agencies, research institutions and supply chain partners would encourage more innovation.

Green Public Procurement

Selling to the public sector is an important channel for Irish business. Over the past decade, public procurement has been undergoing considerable change. The Office of Government Procurement (OGP) has been established. New EU rules have come into force. Greater centralisation and aggregation of contracts for goods and services can be expected. Buying decisions should no longer be based solely on lowest price, a major barrier for SMEs, and the new centralised structures should focus on value for money.

Public procurement is a cornerstone of the EU Single Market as it is an essential component of competitiveness and growth. EU procurement rules are designed from the supplier point of view, not the buyer. This is overlooked in national public procurement policy discussions. Strategic procurement across the EU embraces the pivotal importance of SMEs in contributing to future growth. The EU rules transposed in 2016 have three main objectives: simplification, flexibility and legal certainty. The directives aim to provide more flexible and simpler instruments which allow public authorities and their suppliers to conclude transparent, competitive contracts as easily as possible and at the best value for money.

The Irish public sector marketplace is the most centralised in Europe. This is due to the nature of our system of public administration. There has been a strong focus has been on embedding collaborative procurement across the public sector, with the establishment of the OGP and category councils. This has resulted in greater centralisation and aggregation of contracts. The emphasis has largely been on achieving short-term savings rather than strategic purchasing. There is the need to understand the market characteristics of different goods and services, delivering local requirements effectively.

Debate on public procurement policy is too focused on the buyer. The term procurement is essentially purchasing. But there are people on the selling side too. Sales tactics and approaches by individual companies can too often take a back seat to discussions over bureaucracy and administrative burden. A better approach all round to procurement benefits companies, not just buyers, because after-all procurement is a transaction.

Promoting green or sustainable procurement requires measures to improve public procurement more generally. For example, there is the urgent need to counter the continued perception around emphasis still being placed on lowest price over value for money when awarding contracts to a tenderer. Buying green could result in higher cost items or services, whilst representing better value for the State. This requires a mindset change and acknowledgement that increased costs may occur. Corporate procurement plans should specifically address GPP practices.

A collaborative approach between buyers and sellers will be essential. Framework contracts are the most visible manifestation of collaborative procurement in Ireland. Aggregation of contracts have the tricky task of achieving economies of scale as opposed to diseconomies of scale. Getting it wrong could lead to fewer bidders, higher costs and a lack of innovation. For example, a recent construction contract called for in excess of 70 different designs. This is likely to prevent true innovation, faster delivery and secured efficiencies from occurring. There is a need nationally for a new collaborative procurement strategy, which takes the following into consideration:

- Appropriate assessment of impact on the marketplace
- Supports roll-out of standardised and simplified tendering documentation
- Development of true centres of procurement expertise
- Achieves buy-in and commitment from public sector buyers
- Management of contracts is streamlined in terms of size and complexity

Supported by an up-to-date management information system, which provides spend analytics capabilities to allow evidence-based decision making and most appropriate purchasing strategies suitable for the market.

Circular 20/2019: Promoting the use of Environmental and Social Considerations in Public Procurement was published in October 2019. The OGP should coordinate the training, upskilling and professionalisation of public sector buyers, particularly in terms of advancing the GPP agenda. It must also actively support formal and informal training opportunities available to suppliers, including providing speakers, guidance material and facilitate engagement with the broader public sector.

Effective roll-out of GPP practices requires a communication and supplier engagement strategy. Market research and analysis will inform public buyers of what goods and services exist, which would support GPP objectives. Pre-commercial engagement must be embedded as standard across the public sector. Public buyers must engage with the marketplace outside of formal tender procedures in order to understand the products and services available in the marketplace. This would allow them to understand new and innovative products that may be available but have not yet been procured by the public sector.

Meet the Buyer events are a key mechanism allowing suppliers to showcase what products and services exist. These events also allow the public sector to inform the marketplace on procurement opportunities and how the public sector procures goods and services. They can be organised at a sectoral or category council-level and can take the form of regular briefings and engagement with the business community. GPP policies should feature at these events.

Every public body should have visible “doing business with us” content on their home page, clearly showing how goods, services and works are procured (e.g. directly, via Framework Agreements etc). This would allow business to tailor their sales strategies. The new eTenders website should be maximised as a key communications channel between buyers, policymakers and suppliers. The website design must facilitate easy access to policies and guidance, information on upcoming events and of course alerting the marketplace of immediate and upcoming opportunities. There should be a high degree of interaction and complementarity between eTenders, the OGP’s website (www.procurement.ie) and other government procurement policies (e.g. GPP). Businesses should be able to experience a seamless interface and user experience, without having to refer to different websites independently.

Leveraging the buying powers of the public sector is increasingly viewed by European Commission and national governments to drive specific policy objectives. Collaboration is key to embedding policy proposals. Policy makers must work together in the development of procurement practices to deliver on policy goals such as GPP and climate action measures, innovation, social considerations etc. This has not always been the case. Business must also be part of the discussion.

Public procurement has been an easy target to implement policy priorities. However, these need proper guidance and may require specific training in how to approach purchasing. For example, guidance and training is required on lifecycle costing. GPP policy has been decoupled from general public procurement policy and greater alignment is needed between the OGP and circular economy stakeholders such as DCCAE and the EPA. The OGP is responsible for ensuring new policy developments are consistent with the EU directives. It also has responsibility for developing specific guidance (e.g. social considerations) and ensuring it is disseminated across the public procurement community.

Innovation in procurement should be increased. However, confusion exists amongst buyers on the topic. There is a significant difference between buying innovatively (i.e using new processes, approaches etc) and buying new/innovative products. Public bodies should take full advantage of the opportunities to promote innovation through pre-commercial opportunity (e.g. SBIR scheme, Innovation Partnerships etc). Public sector bodies should also look to pre-commercial procurement opportunities funded by the European Commission (e.g. Horizon 2020 programme).

The Green Public Procurement Guidance for the Public Sector (2014) is to be updated. It largely addressed standard commodity items within the following sectors: construction, transport, energy, food and catering, textiles, cleaning products, paper and IT equipment. The new guidance must better allow for new and innovative products to be purchased. A more dynamic approach market engagement will help. However, public buyers must become strong advocates for peer-to-peer knowledge sharing in terms of promoting procurement best practices. The OGP has a key role in facilitating this but also buyers should look across the EU to learn how similar goods and services are procured.

Awarding a contract according to specific green or sustainable criteria could be the basis for legal challenge. Government must ensure the remedies and redress provision for public procurement in Ireland functions efficiently. This is important not just for buyers and suppliers. However, Ireland ranks last in the EU in terms of time taken to reach a decision on public procurement appeals. The European Commission has extensively reviewed the functioning of the remedies regime across the EU Single Market. It concluded that non-judicial review bodies are “more effective” than the courts in terms of the “duration of procedures and standards of review”. The EU is prioritising the establishment of fast and fair remedy bodies in all EU Member States. Government should introduce a non-judicial or administrative first instance review body.

The public procurement process, if conducted properly, should be the hidden hand of the supply chain. Procurement can play a key role in promoting innovation & green business, while also ensuring better value for the public sector. Contracting authorities can stimulate innovation by describing their needs in a broad and performance-based way, which allows the bidders to propose better and a wider variety of solutions. Finally, our drive to establish Irish companies in foreign markets can be facilitated through references gained in Ireland (if we look for right products/services through GPP). As a country, we need to develop a critical mass companies with both niche product and service offerings. They can then leverage the common EU rules to their advantage and sell to the public sector in other countries around Europe.

Bioeconomy

The importance of the bioeconomy is increasingly recognised nationally and internationally. Future Jobs Ireland 2019 contains the ambition to leverage Ireland's natural resources, enterprise strengths and innovative capacity to be a global leader in the circular and bioeconomy. It includes actions related to overcoming regulatory barriers, raising awareness, developing infrastructure and scoping of biomass resources and business support services.

Annex 1

Ibec response to the Department of Communications, Climate Action and Environment's Review of Environment Fund consultation.

Environmental Levies Consultation,
Environmental Policy Division,
Department of Communications, Climate Action and Environment,
29-31 Adelaide Road,
Dublin 2,
D02 X285.

20th December 2019

Re: Ibec views on the Department of Communications, Climate Action and Environment's Review of Environment Fund.

Dear Sir / Madam,

Ibec, the group that represents Irish business, welcomes this opportunity to comment on the 'Review of the Environment Fund' consultation. Ibec, together with its sectoral organisations, are committed to improving the quality of life of people who live and work in Ireland. This includes helping our members to become more sustainable by adopting circular economy principles and practices.

There is a commitment by Government and European policymakers to tackle climate and environmental-related challenges. The EU's Green Deal highlights the importance of the circular economy. It aims to decouple economic growth from resource use. This approach includes a sustainable product initiative and focuses on resource intense sectors. Nationally, there has been a renewed focus on the future of waste policy.

In regard to this consultation it is important to mention Repak and its work. Repak, the industry funded packaging collection, sorting and recycling system - is working. Before industry set up and paid for Repak over 90% of all packaging went to landfill. Now under 10% goes to landfill. Through multimillion-euro annual subscriptions to Repak, companies contribute for every container and piece of packaging to be collected and recycled.

Business Commitment

The business community is also stepping up to this challenge and moving towards a circular economy. Ibec, with the support of the EPA, recently published a survey entitled 'Is Irish Business Getting Ready for the Circular Economy'. Our research confirms that most businesses are striving for efficiency savings in their use of resources such as energy, water and are actively seeking to reduce waste generation. One out of every two respondents

acknowledged that moving to a more circular economy presents a business opportunity in the long-term, with such initiatives being increasingly important to company operations. Additionally, 10% of the respondent companies had a specific budget in place in their organisation to support circular economy initiatives. Business are aware they will play an essential role in a transition to a circular economy.

Specific Issues in Response to Consultation

Regarding this consultation's proposals see it as a pathway to a sustainable future. We support the principle of levies under the following conditions;

1. Levies must support the overall objectives of Government policy and be considered as part of an overall approach. They should not be considered as stand-alone measures. In this case, environmental levies must be aligned with enterprise and waste management policies, among others.
2. The plastic bag levy has been successful in shifting behaviour to more sustainable options. It has been a valuable revenue raising venture. It is important to state a levy cannot be the only mechanism used to encourage behavioural change. It is recognised that addressing environmental issues requires an all-of-Government and all-of-society approach. Bearing this in mind, it is essential to increase funding towards environmental education among consumers. We cannot rely on economic instruments, such as levies, to promote sustainable consumption. Consumer education will encourage better decision making when purchasing a product. It will also establish a better foundation for the future.
3. The introduction or amendment of levies should be evidence based. This includes establishing an evidence-based understanding of the behaviour that the levy aims to change as well as a clear understanding of the impact that is desired. Once in place, these factors allow a levy to be assessed and levies that are not achieving the stated objective should be removed. Robust analysis would appear to be a prerequisite to the introduction of any levy in order to make evident this requirement and to determine the likelihood of such a levy leading to tangible behavioural change.
4. Businesses are often low margin operations based on complex supply chains. Any shock arising from Government policy has the potential to disrupt supply chains and damage the profitability of companies. There may also be an environmental impact, for example in the case of coffee cups if adequate time is not given to use existing stock, this could result in the disposal of a large number of cups before they reach the consumer. For these reasons, at least 12-18 months' notice of any new levies should be provided.
5. Revenue generated from the established plastic bag levy is ringfenced into the Environmental Fund. This fund has been used to support waste management, litter and other environmental initiatives since its inception. It is essential that this continues considering the vast amount of potential revenue raised from the variety of levies proposed in this consultation. A list of specific environmental projects with transparent and measurable goals should be published annually. Initiatives should include those with a nationwide environment impact;
 - i. Development of sustainable transport including robust cycling and walking infrastructure

- ii. Consumer education on waste streams, waste reduction and reuse activities
- iii. Promotion of the waste hierarchy principles
- iv. On-street waste collection infrastructure
- v. Further research & development into waste management

Finally, Ibec would welcome the opportunity of continued bilateral engagement with the Department. Thank you in advance for your consideration of our position.

Yours Sincerely,

Aoife O'Donovan

Environment, Transport and Infrastructure Policy Executive