



Rialtas na hÉireann
Government of Ireland

Advisory Group on a ‘Waste Action Plan for a Circular Economy’

**Fourth Meeting, 11:00 am, Wednesday 15 April 2020 –
Structure of the Market**

Virtual Meeting via Zoom

1. Welcome and Introduction

Philip Nugent opened the meeting and welcomed all those who were available to join in. The topic for discussion at the meeting, which took place on-line using the Zoom application, was the structure of the waste collection market.

2. Presentations

Leo Duffy of the National Waste Collection Permit Office (NWCPO) gave a presentation on the work of his office. He was followed by Niall McLoughlin from DCCA who presented an overview of the regulation of the collection market in Ireland.

3. Competition and Consumer Protection Commission (CCPC) Report on the Operation of the Household Waste Collection Market

Isolde Goggin, Chairperson of the CCPC, gave a summary of the 2018 CCPC report into the waste market and its recommendation regarding the establishment of an economic regulator. The main points are:

- The waste market exhibits many of the characteristics of a major utility however without the usual controls for such utilities eg. There is no universal service agreement, there are numerous consumer protection issues and there are no incentives/penalties for operators which would normally be present under a franchise bidding model.
- CCPC recommendation was not to suggest a big-bang, across the board price control system. Rather they are advocating a gradual change over-time with elements such as franchise bidding being introduced where necessary if side-by-side competition isn't delivering the desired outcomes.

In response Conor Walsh of IWMA outlined their broad position- that the current system is working well with targets being met, good standard of service being provided and prices per household being €100 less than 15 years ago. Current incentivised system allows consumer behaviour to be informed, incentivised, encouraged and rewarded which will be necessary if we hope to move from current 40% recycling rate to 55% in next five years. Any suggestion of a policy change to alter the current market structure would have a very detrimental impact on investment in the industry and would switch focus away from target attainment towards a potential legal battle.

4. Other contributions and comments

- Regulatory roles and responsibilities: it was suggested that the current system can leave consumers confused about where to go or who enforces various issues such as service provision in an area, service provision in apartments, provision of brown bins, who deals with complaints etc.
- Customer in a position of weakness: the lack of a statutory, dedicated complaints process for customers (household and commercial) was cited by a number of speakers. While the customer charters introduced by all authorised collectors was welcome, but these lack real teeth and are not consistent. Customers need to be more empowered under any new waste policy.
- Clarity of pricing structures: one of the effects of the current system of side by side competition is that there is a multiplicity of pricing structures and plans which makes price comparison difficult for customers. This should be addressed.
- Employee conditions: an economic regulator for the waste sector might help address some issues for workers in the industry including union recognition, rates of pay, use of agency workers etc.

- Role of local government sector: establishment of a regulator would not provide a solution for all challenges. For example, talking unauthorised disposal from those without a service, issues around multi-occupancy dwellings, commercial waste collection, pricing, consumer complaints etc. Given the extensive expertise and reach of the local government sector it may be more effective to strengthen the regulatory functions of local government shared services to help ensure we meet our targets and transition to a more circular economy.
- Philip Nugent brought the discussion to a close with a summary of the main points raised.
 - There is general consensus around the need to empower and inform consumers and strengthen their position in a new policy and regulatory framework.
 - No support was expressed for a direct move from the current system of side-by-side competition to competition for the market on a national basis, especially given the legal complexities, potential cost and disruption.
 - There is consensus on the need for enhanced powers for the system through either enhanced powers for existing regulatory system or some form of economic regulator.
 - The current system is more streamlined than it is often presented.
- As usual any further comments in writing would be welcomed which should be submitted to Paula.OToole@dccae.gov.ie or Denis.Dunne@dccae.gov.ie .

5. Update on Covid-19 Waste Issues

- Kevin O'Donoghue of DCCAE updated the group on the operation of waste collection and treatment services during the current crisis. Waste collection and treatment systems (which are listed as essential services), including access to waste export markets, are operating largely as normal at this time. The network of civic amenity sites remains open, although opening hours may be reduced. There have been some operational issues arising in relation to collection, treatment and capacity for medical waste but these are in hand. There has been a significant drop-off in commercial waste volumes, and a corresponding increase in domestic waste.
- This service continuity in the sector was commended and has served to emphasise the significance of the waste sector in terms of provision of services to frontline industries and wider society.

6. Next Meeting

Next meeting which will discuss the issue of food waste will take place at 11:00 on Wednesday 22 April again via the Zoom application with a discussion note to issue in advance.