

## Consultation on Using the Tax System or Charges to Address Single-use Plastic Waste

## <u>Introduction</u>

arc21 is a Local Government sector entity embracing six Councils located along the Eastern Region of Northern Ireland which covers approximately 33% of the land base, populated by approximately 59% of the national population and accounts for approximately 60% of the national Local Government controlled municipal waste arisings.

The establishment of arc21 together with its functionality has been enshrined in various pieces of legislation with the most recent provision being The Local Government (Constituting a Joint Committee a Body Corporate) Order (Northern Ireland) 2015.

In essence, it is primarily responsible for activities associated with the production, ongoing development and implementation of a Waste Management Plan for the arc21 area.

The six Constituent Councils of arc21 are Antrim and Newtownabbey Borough Council, Ards and North Down Borough Council, Belfast City Council, Lisburn & Castlereagh City Council, Mid and East Antrim Borough Council and Newry Mourne and Down District Council.

## Report

arc21 welcomes the opportunity to respond to this consultation. Prior to responding to the specific questions contained in the consultation document arc21 would offer some general comments as follows:

- I. There are a number of measures and possible initiatives currently being considered throughout the UK including the Devolved Administrations and it will be vital that there is a holistic and coordinated approach is adopted by central government to such to avoid potential unintended consequences that may not be in the best interests of all or any part of the UK.
- II. It will be important to factor into deliberations the situation relative to Northern Ireland which is the only part of the UK that has a land border with another member State and the potential cross border impact relative to this matter.
- III. In considering the introduction of such a measure, it will be important to ensure that the potential for the displacement of single use plastics by other material and its possible impact is fully considered.

IV. In the event that such a tax or charge are introduced, arc21 would welcome consideration being given to developing a scheme whereby the revenue from such is ring fenced for use in environmentally beneficial projects developed by councils or duly determined by a process involving councils.

In terms of the specific questions contained in the consultation, we would respond as follows:

- Q1. How should the government define single-use plastics, and what items should be included and excluded, and why?
- A1. We are broadly content with the definition suggested in the document. To be clear we believe this would apply to such items as plastic bottles, pots, tubs and trays.

In terms of exclusions, we would ask that compostable liners used in kitchen caddies and other containers for the collection of food waste is specifically excluded. It has been established through research conducted by WRAP that the use of such liners by householders does result in a greater capture of separate food waste.

- *Q2.* What are the most important problems associated with single-use plastics, and why?
- Which polymer types are particularly problematic?
- Which items are particularly problematic?
- A2. We understand that there are different plastic polymers used in the production of single used plastics and such a multitude of mixtures adds a significant layer of complexity to the supply chain leading to downstream treatment. Accordingly there appears to be some rational that would suggest a more consistent approach should be adopted to the production of single use plastic products used in the market place in terms of the polymers utilised.

For councils, the single use plastic products that pose the most problems fall into the following categories:

- 1. are frequently littered;
- 2. are not recyclable via current processes and are therefore either sent to landfill/energy from waste, or contaminate the recycling waste streams;
- 3. are impracticable or impossible to separate from other recyclables at materials recovery facilities (MRFs) or plastics recovery facilities (PRFs), and therefore are not sent for recycling; and
- 4. have a low or negative market value.

Examples of single use plastics that fall into most of these categories include: plastic films, expanded polystyrene packaging or food containers, plastic drinking straws and composite items such as coffee cups, pouches, crisp tube packaging and black plastic trays (which MRFs often struggle to separate).

Plastic bottles fit into only the first category, i.e. they are easy to recycle and separate and have a relatively high market value, but are frequently littered. We therefore feel that, from a council perspective, plastic bottles are one of the least problematic form of single use plastic. Having said that, plastic bottles still have negative environmental impacts due to the oil and energy used in creating them and the limited number of times that they can be recycled, so their remains an argument that measures should be introduced to reduce their use.

Examples of single use plastics that fall mainly into the final category include: liquid cartons and plastic pots, tubs and trays.

- Q3. Are there more environmentally friendly alternatives, currently available or possible in the future, to these types of single-use plastic items or their manufacturing processes, and can they still offer similar benefits?
- Should the government encourage biodegradability in plastics, and if so, how?
- A3. In general arc21 understand that biodegradable plastics can be categorised into two different types:
- a) Those made from plant based materials (bioplastics); and
- b) Those made from petrochemicals with chemical additives which facilitate.

Regardless of the type it is currently not feasible to recycle these into new plastic products. However, those in category a) can be composted under properly controlled conditions. All the councils in arc21 collect food waste separate from residual waste and supply and/or promote the use of compostable kitchen caddy liners. They are of the view this is a very important component in their efforts to optimise capture of food waste for treatment of organic waste. Accordingly, and as indicated above, we would advocate that such products are specifically excluded from any tax or charge currently under consideration.

We are not convinced there is sufficient evidence that would enable us to support the view that bioplastics are a viable alternatives to single use plastics. Enhanced efforts need to applied to reduce the level of packaging with greater utilisation of reusable containers.

- Q4. Are there single-use plastic items that are deemed essential by their nature or application, which cannot be substituted or avoided?
- A4. As indicated above we would contend that compostable kitchen caddy liners should not be the subject of any tax or charge introduced by central government.
- Q5. What factors influence the choice of polymer, or combination of polymers, in the production of single-use items?
- Can you provide data on the production and use of single-use plastic items you produce?
- What proportion of the polymers you use or sell do you import and export, respectively?
- What proportion of the single-use plastics you produce do you export?
- Q6. What proportion of the plastic that you produce is made of recycled plastic, and what are the barriers to increasing this?
- Q7. What proportion of the plastic that you produce is commercially recyclable and what are the barriers to increasing this and improving the grade it can be recycled to?
- Q8. In your opinion, how can the tax system or charges play a role in delivering better environmental outcomes at this stage?
- What interventions should be implemented, and why?

• What behavioural effect would these interventions have, both on this stage in the supply chain, and more broadly?

- What would be the impact on your business?
- Q9. What factors influence the design and specifications you make for the single-use plastic items you sell, and what are the barriers to using alternatives?
- In what way, and to what extent, do the decisions of producers and consumers influence the choice of single-use plastics you use in the items you sell?
- Q10. Can you provide data on the volumes and costs of different types of single-use plastic used?
- Q11. Have you taken any steps to address the environmental impact of the single-use plastic items you sell, including their end-of-life?
- Can you provide evidence of the effect these actions have had?
- Q12. In your opinion, how can the tax system or charges play a role in delivering better environmental outcomes at this stage?
- What interventions should be implemented, and why?
- What behavioural effect would these interventions have, both on this stage in the supply chain, and more broadly?
- What would be the impact on your business?
- A5-12. arc21 are content to defer to other parties more appropriately placed to provide responses in relation to these questions.
- *Q13. What factors influence consumers' choices related to single-use plastic items?*
- *How can the government encourage the re-use of these items?*
- A13. Firstly, consumers' choices relating to single use plastic items appear to be primarily restricted through the lack of viable alternatives.

Notwithstanding the above, we are of the view that consumers will take the following factors into account with regard to single use plastic packaging:

- Transparency: plastic packaging is often see-through, so the consumer can clearly see the product that they are buying.
- Transportability: plastic keeps loose items well contained. Rigid plastics are also strong and can protect products well during transit.
- Hygiene: plastic is a strong impermeable barrier and can prevent bacteria spreading between food items at the point of purchase, particularly meat items.

It may be that an effective Extended Producer Responsibility system will significantly influence the potential for reducing single use plastic packaging. arc21 understands that detailed discussions in connection with such may commence soon and we would be happy to contribute to such.

Q14. What are the barriers to consumers choosing alternatives to single-use plastic items, and how responsive would consumers be to price changes?

A14 As indicated above, single use plastics are often the only option for consumers. It is unusual for consumers to have a choice between buying a product packaged in single use plastic and the same product sold either loose or packaged in more sustainable materials. The results of the plastic bag levy in Northern Ireland has demonstrated that consumers can be very responsive to price changes allied to strong environmental evidence even if the price change is relatively minor in quantum.

Q15. In what way, and to what extent, do the decisions of producers and retailers influence consumer choice?

A15. Arc21 would contend that decisions of producers/retailers are highly influential when it comes to consumer choice in this regard. as already suggested consumers are very rarely faced with a choice around the nature of packaging used particularly with single use plastics. The nature of packaging is primarily determined by the producers/ retailers and as such there is little consumer choice.

Q16. In your opinion, how can the tax system or charges play a role in delivering better environmental outcomes at this stage?

- What interventions should be implemented, and why?
- What behavioural effect would these interventions have, both on this stage in the supply chain, and more broadly?
- What would be the impact on consumers?
- Are there specific items the government should be focussing on?

A16. As previously mentioned, it is important to ensure that a suitably balanced package of measures are developed. These potentially include Extended Producer Responsibility, Deposit Return Schemes, as well as the imposition of a single use plastic tax /charge.

Central government may also wish to consider encouraging measures that result in single use plastic which contain a degree of recycled material are not as 'heavily penalised' as those that do not contain recycled material. This could help create a pull within the market for material that is separated for recycling so that there is more stability in the long-term value of the recycled plastic material.

Q17. What are the barriers to the collection of single-use plastics and more environmentally friendly methods of waste treatment, including barriers to any existing technologies?

A17. A major barrier involves single use plastics being put on the market by producers that are unable to be recycled via current technologies and/or impossible to separate from other materials at Material Recovery Facilities due to their size, shape, structure or polymer type.

Such materials are either put in residual waste bins by householders or put in recycling bins, where they are later removed as 'contamination' and treated as residual waste. It not particularly realistic to expect sorting and recycling technology, given cost etc to continue to cope with the myriad of single use plastics products that is either on or will be put on the market.

Q18. In your opinion, how can the tax system or charges play a role in delivering better environmental outcomes at this stage?

- What interventions should be implemented, and why?
- What behavioural effect would these interventions have, both on this stage in the supply chain, and more broadly?
- What would be the impact on Local Authorities and business?

A18. As previously suggested it will require a suitably balanced package of measures are developed. These potentially include Extended Producer Responsibility, Deposit Return Schemes, as well as the imposition of a single use plastic tax /charge. This could be augmented with the development of appropriate legislative provisions in Northern Ireland for use by councils to encourage householders to fully and properly utilise council kerbside recycling services.

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