

SUBMISSION FROM THE DEPARTMENT OF THE ENVIRONMENT,
HERITAGE AND LOCAL GOVERNMENT

Plastic Bag Levy

Background

The 15 cent levy on disposable plastic shopping bags was introduced in Ireland on 14 March 2002. To date the levy has raised ~~€46m~~. €13.5m was collected in 2004. Our original estimate was that €11m would be raised per annum.

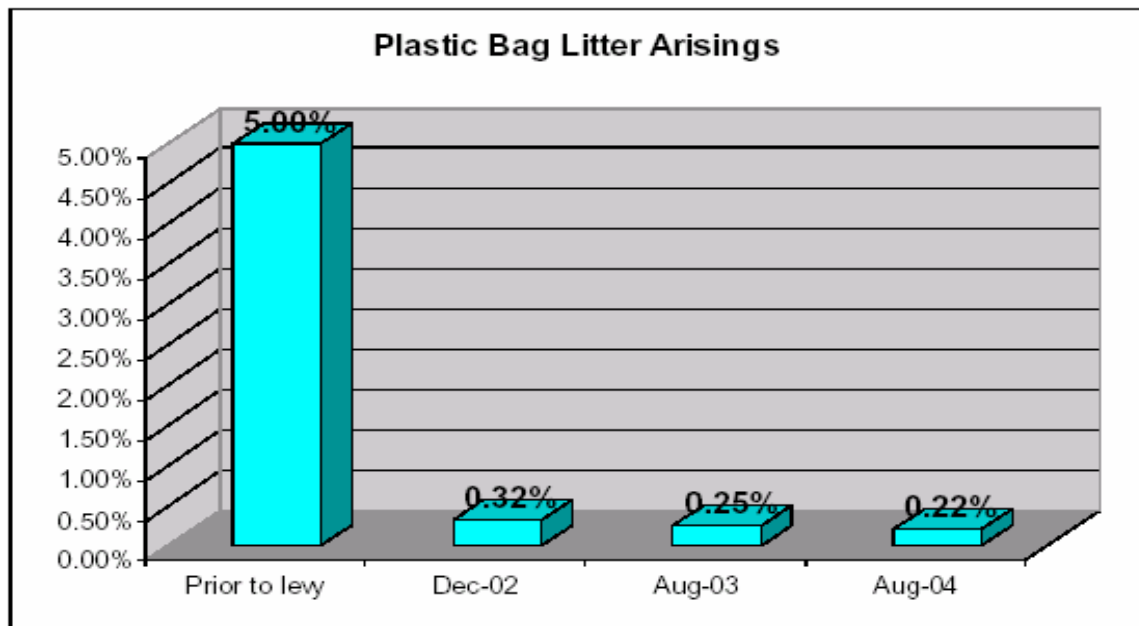
All plastic Bag Levy receipts together with Landfill Levy receipts are paid into a ring fenced "Environment Fund". In general, the Fund may be used to support waste management, recycling and other environmental projects including waste reduction programmes, operation of waste recovery activities, promotion of environmentally friendly products, waste prevention initiatives, to assist implementation of aspects of local authority waste management plans, litter prevention, initiatives in relation to the protection of the environment and/or sustainable development, partnership environmental projects, environmental education and awareness initiatives.

Effect

It is estimated that the use of disposable plastic shopping bags has been reduced by approx. 93% since its introduction. Prior to its introduction approx. 1.2 billion disposable plastic bags were given away free by retailers.

The primary purpose of the Plastic Bag Levy is that it is a litter control measure rather than a measure to discourage plastic waste going to landfill, such as the €15 a metric tonne Landfill Levy which is intended to act as a disincentive in placing waste, particularly recyclates and compostable material into landfill. It was for this reason that biodegradable disposable shopping bags were not exempted. The Department does not have statistics concerning sales of refuse bags and pedal bin-liners. However, it has been reported that sales of these items have increased following the introduction of the levy.

Whereas it has not reduced levels of plastic going to landfill (as many households previously used plastic shopping bags as pedal bin liners and now as an alternative purchase conventional bin liners) it has had a huge impact on visible litter. Plastic bags used to account for 5% of our litter arisings. Since the introduction of the levy they now account for only 0.22% of litter arisings.



Source: The National Litter Pollution Monitoring System

Retailers now sell cloth and heavy duty plastic shopping bags designed for re-use which are in widespread use. Plastic shopping bags designed for re-use are exempt from the levy provided that the retailer charges at least 70 cent for the bag. Small plastic bags for holding loose fruit and vegetables and meat are also exempt.

Public Attitudes

A recent national survey on the Environment "Attitudes and Actions 2003", found that 91% of those surveyed believe the Plastic Bag Levy is a good idea. Among the many reasons given are that it is better for the environment, there are no plastic bags visible in the streets (it was also a rural problem with bags snagged in fences, hedgerows and trees) and that re-usable bags are more convenient for holding shopping. This is a major change in attitude as during the course of the previous survey 1999, 40% of those surveyed stated they would not be willing to pay a levy. The 6% who did not believe that the levy was a good idea cited that they missed having plastic bags about the house and were also frustrated when they forgot to bring-reusable bags into the shop. Although the survey report does not say so, it is reasonable to assume that the remaining 4% of respondents had no opinion either way in the matter.

The survey also indicates that 90% of shoppers use reusable/long life bags, 6% use cardboard boxes, 4 % plastic bags and 1% other means.

Collection

The Revenue Commissioners (the State tax collection agency) are the designated collection authority for the levy under the Waste Management ((Environmental Levy) (Plastic Bag) Regulations 2001. These Regulations

are made under the Waste Management (Amendment) Act, 2001 which also provides for the establishment of the Environment Fund.

The Regulations adapt various provisions of the Tax Acts for the purposes of the Revenue Commissioners' functions.

The operation of the levy is also subject to the normal Revenue Commissioners auditing arrangements. The levy is collected quarterly from retailers and is paid directly in to the Environment Fund for use in support of waste recycling, litter and other environmental initiatives.

Enforcement

Local Authorities central to the enforcement of the levy on the ground. They are responsible for ensuring compliance by retailers with the requirements of the levy regulations. Enforcement officers have extensive powers to enter any retail premises, to conduct any searches or investigations considered necessary, and to inspect or remove any records, books and documents for the purposes of any proceedings in relation to the levy.