Foreword

Every year Scotland uses approximately 1 BILLION plastic bags. This is 200 bags for every man, woman and child in Scotland. Many of these plastic bags are not reused and eventually find their way into landfill sites or end up as litter on our streets. They contribute significantly to our throwaway culture of waste and I believe their use needs to be curbed. This will be good for the environment, and good for business. Hopefully it will also encourage people to think more about the products and services that they are using and raise an awareness of reuse and recycling in general.

In October 2003 I introduced a proposal for a bill in the Scottish Parliament that would place a levy on specified plastic bags given away in Scotland. If consumers choose to take certain plastic bag they will be required to pay this levy. I do not want to see plastic bags disappear and by imposing a moderate levy people can decide for themselves whether or not they really need one. The sums raised will go to the local authority to use for environmental projects in their area.

The inspiration behind the proposal was the enactment of a similar law in The Republic of Ireland which appears to have greatly reduced the use of plastic bags and has encouraged shoppers to reuse their bags and to use more environmentally sustainable alternatives. I would like to thank the Department of Environment and Local Government in the Republic of Ireland for a Consultancy Study on Plastic Bags that contributed to this consultation document.

This consultation document is designed to inform debate before drafting of the bill, it gives you the opportunity to directly influence the writing of the legislation. I look forward to hearing your responses. Please pass this consultation on to any individuals or organisations to which it may be of interest. It is also available to download at http://www.mikepringle.msp.com

In order to help inform debate on the questions covered by this consultation paper on the bill, I intend making copies of the responses received publicly available, unless respondents indicate that all or part of their responses is confidential. Such confidentiality will be strictly respected and these responses only used in statistical analysis.
The closing date for responses is **14\textsuperscript{th} May 2004**. Please forward all responses, whether by email or written to the addresses below.

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1. Introduction

Proposal for an Environmental Levy Bill

A proposal for a bill to enable local authorities to impose an environmental levy on specified plastic bags, payable by the consumer at the point of sale

1. My proposal for the bill was lodged on 26 October 2003 in the Scottish Parliament. This is the first stage of the parliamentary procedure for a member’s bill, highlighting the issue and allowing other parliamentarians to register support. The proposal gained the required 11 signatures (it gained the cross party support of 32 members) and I am now entitled to introduce a bill giving effect to the proposal.

2. This consultation document seeks to inform the debate and seek views on a number of areas to assist with the drafting of the bill.

3. The use of disposable plastic bags has been a feature of Scottish retailing for over 30 years. Customers in shops have become accustomed to receiving almost all products purchased in plastic bags and freely receiving as many plastic bags as they desire for their supermarket shopping. Many people will often take a few extra “just in case”. Two issues are now of particular concern and need to be addressed: (i) a lack of public awareness and concern for the environment and (ii) the issue of litter.

4. Firstly, many retailers and local authorities have tried voluntary schemes to reduce plastic bag use but public awareness of the concerns around plastic bags seems to be missing or people are very reluctant to change. I feel that legislation is necessary to promote the reuse of plastic bags and to focus the public and retailers on reducing waste and promoting reuse and alternatives. This is in line with the targets for reduction of plastic packaging waste set by recent national, EU and indeed global initiatives.

5. Secondly, there is the issue of litter. Windborne, lightweight plastic packaging (including plastic bags) is closely associated in the public mind with the issue of litter. We have all seen bags stuck in trees and bushes, along our rivers, in parks and other public spaces. A further cause for concern is that this type of litter can also pose a danger for wildlife that often accidentally ingests plastic bags. I hope that a levy will make people think twice before discarding their plastic bag and that it will encourage people to reuse them.

6. The Scotland Act at Schedule 5 lists matters reserved to the Westminster Parliament. Within Section 5 at part II under the reservation at A1 Financial and Economic matters “taxes and excise duties” are listed as being reserved. There is however an exception to the list in that paragraph relating to raising revenue “to fund local Authority expenditure.” Thus it does permit local levies to be created and enforced. The levy raised would have to be distributed within the area it was to be collected. Cross-subsidy from one council to another is not permitted.

“Legislation is now necessary to promote the reuse of plastic bags.”
2. Background

Plastic bags in context

7. Although common usage tends to apply the generic term “plastic” to a wide range of products there are in fact numerous types of plastics, with a wide variety of different characteristics designed for a range of different applications. In their basic form plastics are produced as powders, granules, liquids and solutions. The application of pressure and heat to these raw materials is required to produce the range of plastic products in use. Plastic bags are generally made from polyethylene film, which is then overprinted with the companies advertising. Such bags are non-biodegradable.

8. Generally, in Scotland, the retail sector purchases plastic bags and makes them available, usually on a free-of-charge basis, for the use and convenience of its customers. Around 10 billion plastic bags are handed out by supermarkets and other retailers in the UK every year. Our country’s appetite for free plastic bags shows no sign of diminishing despite many voluntary schemes such as bags for life, boxes or recycling of plastic bags.

9. Most plastic bags used in Scotland are imported from the Far East particularly China. The few manufacturers in Scotland produce only for the luxury end of the market.

Disposal of used plastic bags

10. The average household is estimated to have 40 plastic bags stuffed in cupboards or drawers, all eventually find their way into landfill sites. Surveys have suggested that 80% of plastic bags are reused however the majority of this would be single use before the plastic bags are sent to landfill. It is also suggested that this figure is aspirational and may mask actual, low re-use of plastic bags.

11. Once in the waste stream plastic bags will typically be collected for disposal by municipal or private services from households and businesses. A further proportion will be deposited in litter bins and another fraction is discarded, either by accident or design, directly into the environment and appears as street litter. Because of their make up, plastic bags do not biodegrade therefore windborne plastic bags will continue to contribute to the litter problem until eventually collected and taken to landfill sites.

12. It is clear from the findings of National Litter Surveys in Ireland and from research carried out in the UK that plastic bags are amongst the most visible litter items along with plastic bottles and fast food containers. They are a source of considerable nuisance. We have all seen bags stuck in trees, in bushes and along riverbanks. This is particularly acute in rural areas where councils do not have the capacity to provide such regular street cleaning as in urban areas. Due
to their relatively low weight plastic bags are readily dispersed by the wind. They can be dispersed widely in this manner and the task of recovering them can be difficult for the local authorities. Plastic bags are also the second most common pollutant washed up on beaches. In Ireland up to 600,000 bags are washed up every year on a coastline that is shorter than Scotland’s.

Landfill

13. The landfill tax sends a strong signal from the UK government that waste should be diverted away from landfill and this measure will help. Although not the primary aim, this legislation will have an impact on the amount of waste going to landfill. While plastic only makes up a small percentage by weight of landfill any reduction is welcome. The landfill tax currently stands at £15 per tonne and a reduction in plastic waste will save local authorities and businesses money. Durham County Council estimated that its cost of sending plastic bags to landfill is £20,000 per year. This measure will encourage the use of more easily recyclable materials for carrier bags and is in line with the partnership commitment to increase Local Authority recycling to 55% by 2020.

14. Windborne plastic bags originating from landfill sites are also be a major cause of litter for communities around landfill sites. Plastic bags contribute to the adverse negative impact on the environment associated with landfills. Although operators take precautions to eliminate windborne waste from landfill sites, carrier bags are one of the most mobile of all waste and they can find their way into rivers, harbours and streets in surrounding communities.

Review of alternative measures

Reuse

15. Reuse of plastic bags is an obvious way to reduce the type of waste. In recent years a number of measures have been attempted by a number of the major multiple chains. Consumers have been encouraged under these schemes to use a variety of alternative containers at the point of sale in place of the free plastic bag, such as strong multi use bags or plastic boxes. In addition, several retail outlets print messages on their bags advising the consumer to reuse the bag or dispose of it properly, in a litter bin.

16. Some stores at the low-cost end of the market do charge for their carrier bags to cover the cost. This has stopped people from taking carrier bags “just in case”, as happens in supermarkets where they are freely available. However due to competition the larger supermarkets which have the majority of the market share have not introduced this even in areas where Councils are actively trying to reduce bag use.
17. Sainsbury’s currently offers 1p for each plastic bag re-used but the experience in shops is that the use of this is marginal compared to the number of free plastic bags still being given out. The Tesco Group in Ireland had implemented a bring-back scheme for bags from 1995 and it estimated that only 0.5% of the group’s annual bag consumption was returned.

18. Most supermarkets now promote a bag-for-life scheme where you pay around 10p for a thicker plastic bag that will be replaced free when it wears out. These schemes however still have a marginal impact on plastic bag use, as there is no incentive to bring the reusable bag. Prior to the levy in Ireland the Superquinn group found that their bag for life scheme reduced plastic bag consumption by only 2%.

Recycling

19. Recycling of waste plastic has distinct advantages over the use of virgin material. Notwithstanding these advantages, recycling of post-use, and specifically post-consumer, plastic presents difficulties. The principal of these, given the lightweight nature of the product and its wide dispersal through use, is the acquisition of economic quantities of material. Post-use material from commercial and industrial sources (cuttings, off-spec product, etc.) is reasonably accessible and a number of small recycling operations have developed in the Republic of Ireland based on these sources. The collection of post-consumer plastic packaging is more fraught and to date the collection in Scotland is limited.

20. A number of supermarkets offer collection points for old plastic bags but, as with re-use, uptake has been slow. Despite messages on the bags and the involvement of the plastic carrier bag industry, people’s attitude to plastic bags is still as a throwaway product.

21. A number of Local Authorities now collect plastic from homes and at recycling points, but the current market for this in Scotland is small. There is also an issue in large urban areas such as Edinburgh, where there is no door step recycling in tenement areas. Most initiatives to date have focused on paper recycling as this is most economical.

22. Incineration is a form of recycling as the heat content of plastic waste can be released and utilised. There are however other pollutants in plastic and the public resistance to incinerators has always been strong.

23. In summary various measures have been tried to encourage use of multi-trip bags and to recycle plastic bags but to date this has had little effect. We want now to legislate to encourage re-use of bags.

What is happening in the rest of the UK?

24. Following the introduction of the Irish levy the then UK Environment Minister Michael Meacher in May 2002 called for a report on the Irish Scheme to see if a similar scheme could be implemented in the UK. Following a debate in the House of Commons (Hansard 27th November 2002 vol.395 no.10) the
Environment Minister said there was interest in the scheme but nothing further has been heard from the UK Government.

25. The Minister for the Environment for Wales has been active in relation to the possibility of following the Irish although the Welsh Assembly does not have the power to initiate their own legislation. A project aimed at encouraging shoppers to reuse their plastic bags is receiving assembly funding but like other reuse schemes the uptake is slow. Before the suspension of the Assembly in Northern Ireland the Environment Minister said that they would be closely monitoring the levy in the Republic of Ireland. Northern Ireland, like Wales does not have the powers to initiate their own legislation.

26. Since March 2003 Durham County Council has been working with retailers to try and reduce the use of single-trip plastic bags. 70% of retailers were in favour of the plans as it would save business money but sadly by the end of 2003 Sainsbury’s, which had been leading the project with recyclable bags made from tapioca, stopped the trials as take up had been poor.

What is happening in the rest of the world?

27. In March 2002 the Irish Government by way of regulations under the Waste Management Act 1996 introduced an environmental levy on plastic bags payable by consumers of supermarkets, service station or sales outlets. The purpose of the legislation being environmental: to reduce the number of windblown, discarded bags littering the countryside. This was done by changing people’s throwaway attitude to plastic bags and encouraging their reuse and the use of more recyclable materials. Certain types of bags were exempt including those sold for over 70 cents (49p), bags used to contain fresh meat, fish or poultry, loose fruit and vegetables and other types of food-stuffs not pre-packaged.

28. The levy was set at 15 cents (10p) and all money from the scheme is earmarked for environmental improvements. To date the reduction in plastic bag use has been around 90% and around 11m euros (£8m) earned despite the main purpose of the scheme not being to raise money.

29. In Australia, where plastic bag use is 3 times that of the UK, a levy of 25 Australian cents (9p) was being considered. The decision to impose the levy was deferred for 2 years while an attempt to reduce consumption by 50% by other means was attempted. This agreement runs out in 2005. This reduction was achieved overnight in Ireland on the introduction of their levy.

30. Many other countries such as South Africa, Nigeria, and Bangladesh have gone much further and attempted to ban plastic bags due to extreme litter problems, clogging of drains, which can cause flooding, and the threat to wildlife. These however are not seen as models for Scotland as our plastic bag use is not as high per head as the developing world and we do not have an issue with extreme climate. Our experience is much closer to the Irish situation.
3. Key areas for consultation

What the bill will do

31. The bill will place a duty on Local Authorities to collect a levy from businesses for each plastic bag supplied to customers. Businesses will be required to pass this levy directly on to the customer at the point of sale. Businesses would not be permitted to absorb the costs themselves.

32. The scheme could contain exemptions for certain types of plastic bags and/or perhaps for certain types of businesses.

33. The money raised from the levy must be used (ring-fenced) by the Local Authority, after running costs, for environmental measures and improvements.

34. The bill’s aim is to reduce the use of plastic bags in Scotland. This will help reduce litter and encourage the use of more easily recyclable alternatives. As a consequence it is hoped that it will encourage people to consider issues of waste in other areas.

Enforcement and collection of the levy

35. It is proposed that Local Authorities will collect the levy from businesses. One suggestion is that the business would have to submit a return to the Local Authority on a regular basis of the number of bags issued.

36. The desire is to minimise the effects of the introduction of the levy on Local Authorities and businesses by keeping red tape to an absolute minimum.

Q1 Views are sought on the most appropriate way for Local Authorities to collect the levy. We are particularly keen to hear from businesses as to how the levy can be collected with the least impact upon their business.

Q2 Views are sought from Local Authorities on how much they estimate it would cost them to implement the provisions of the bill.

Q3 Views are sought from businesses on how much they estimate it would cost them to implement the provisions of the bill.

37. It is proposed to give Local Authorities the power to carry out ‘spot checks’ on businesses to ensure they are complying. It is also proposed that there would be penalties for businesses that do not comply with the levy.

Q4 Views are sought on an appropriate penalty for businesses that do not comply.

Q5 Views are sought on the most appropriate method for Local Authorities to monitor compliance.
Exemption of certain types of businesses and bags

38. It is suggested that certain types of businesses could be exempt from the provisions in the bill, for example shops that are run as a source of funding for registered charities or because of the nature of the goods that they sell. In Ireland, exemptions have been made for goods that are bought from businesses at ports and airports.

Q6 Views are sought on whether or not certain businesses should be exempt from the provisions in the bill. In providing such suggestions it would assist if respondents would specify which businesses and give reason to support their suggestions.

39. It is also proposed that certain plastic bags are exempt from the levy. This could be because their use is required in order to meet health and safety requirements or to encourage their use e.g. multi-use bags. In Ireland thicker long-life bags are exempt along with small thin bags for loose fruit and fresh meat.

Q7 Which plastic bags, if any, do you feel should be exempt from this scheme?

Amount of levy and use of money raised

40. The amount at which the levy is set needs to balance the need to discourage people from taking plastic bags unnecessarily while not being so low as to have no effect. The aim is not to see plastic bags disappear from use but to make people think whether they actually need one before taking them. In Ireland, the levy is set at 15 cents (10p) per bag.

Q8 What are your views on an appropriate amount for the levy to be set at? It would be helpful if you could provide the reasons for your suggestion.

41. Under the provisions of the Scotland Act, the Parliament can only introduce local levies that will fund Local Authority expenditure in the area in which it was collected i.e. money that is gathered and spent locally such as the Council Tax and Domestic Rates.

42. It is proposed that the money raised should go towards environmental projects. Examples could include litter clear up, supporting community recycling projects or environmental wardens responsible for improving the quality of the local environment.

43. If this scheme reduces plastic bag use in Scotland by 90% as it did in Ireland then the annual consumption of plastic bags in Scotland would fall to 100 million. If the levy was 10p, as it is in Ireland, it would raise £10 million for Local Authorities to spend on running the scheme and on environmental improvements.

Q9 Do you believe that the money raised from the levy should be ring fenced for use in environmental projects? If so what are the environmental issues it should be spent on?
4. Summary of Questions

Enforcement and Collection of the Levy

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5. Bibliography

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