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By email only to [environmental.levies@DCCAE.gov.ie](mailto:environmental.levies@DCCAE.gov.ie)

17<sup>th</sup> December 2019

**Re: Public Consultation on the Proposed Introduction of New Environmental Levies**

Dear Sir/Madam,

Further to your call for consultation on the above-referenced subject, I offer the following responses and comments on behalf of the Irish waste Management Association (IWMA). The IWMA is comprised of 40 members that operate 50 waste companies.

Our website, [www.iwma.ie](http://www.iwma.ie) , provides details of our members. Note that some members have acquired other companies in recent years and therefore trade under several brand names.

Our members handle household, commercial, C&D, liquid and hazardous wastes and are involved in the following waste management activities:

- Waste Collection
- Waste Transfer
- Recycling Operations
- Composting
- Anaerobic Digestion
- Hazardous Waste Management
- Specialist Treatments (such as Sterilisation)
- Soil Treatment and Recovery
- Waste to Energy
- SRF Production
- Landfill Operations
- Export of Waste for Treatment Abroad

It is clear that the IWMA represents a broad spectrum of waste management activities, so we have no inherent bias towards or against any particular waste management options. Our main goals are to raise standards in the industry, to promote compliance with all legislation and to

assist Ireland in meeting the targets set by the EU in a variety of Directives. All our submissions are available publicly on our website.

### ***Waste Management Levies***

The IWMA supports the existing privatised waste management market in Ireland and we believe that it offers fair and open competition. We recognise that the Irish State has obligations to meet EU targets and must influence the behaviour of consumers, businesses and industry to meet those targets. We agree in principle with using fiscal measures to achieve those ends, so a system of levies and incentives is necessary and is supported by the IWMA.

We also recognise that the State needs funding to support public awareness initiatives, waste enforcement, waste planning and the provision of civic amenity sites / bring banks. We accept that levies are a good source of such funding and we recommend that the Environment Fund is ring-fenced for these purposes and is used effectively to assist Ireland with meeting the challenging targets set by the EU.

We also acknowledge the provisions around Extended Producer Responsibility (EPR) and we see that as a significant contributor to funding waste prevention, reuse and recycling activities in Ireland in future years.

In relation to levies, the IWMA supports levies that will influence consumer and/or waste industry behaviour in a positive way. For that to occur, there must be clear, viable and environmentally preferable alternatives to the activities that are levied. Anything less is merely a tax on waste management and could do more harm than good.

The landfill levy and the plastic bag levies have worked very well and achieved their aims. The blight of plastic bag litter in Ireland is now confined to history and landfill disposal of municipal waste is now reduced to 13.5% of total MSW, based on our analysis.

### ***Specific Questions for the Waste Industry***

The IWMA is generally supportive of the measures under consideration in Section 3 of the consultation document as they appear to be levies that are likely to change consumer, business and industry behaviour. We have not considered the specifics of those levies (plastic bags, coffee cups, takeaway containers and food packaging) in this response, as the questions are directed at consumers and retailers/suppliers, rather than at the waste industry. However, as mentioned earlier in this submission, the levies will only be effective if there is a clear, viable and environmentally preferable alternative in each case and we recommend that due consideration be given to that issue.

Section 4 of the consultation document addresses '*Levies which may Impact on the Waste Industry*' and we answer the relevant consultation questions below.

## Proposal 6: Waste Recovery Levy (Phase 1:2020-2021)

### Consultation Paper says:

*“The objective for municipal waste treatment is to prevent it arising, to increase preparation for reuse and to increase recycling. To meet more challenging recycling rates proposed under the Circular Economy package, additional initiatives and policies are required and in this regard a new Waste Recovery Levy of €5 per tonne is proposed as a mechanism to encourage waste disposal/recovery in the most appropriate way at a given time and to encourage greater efforts to segregate waste. This would apply to recovery operations at Municipal Solid Waste (MSW) Landfills, Waste to Energy Plants and Co-Incineration Plants and the Export of MSW.”*

### Questions

*63. Do you think that it is appropriate to apply a waste recovery levy to recovery operations at Municipal Solid Waste (MSW) Landfills, Waste to Energy Plants and Co-Incineration Plants and the Export of MSW?*

As the IWMA comprises a wide range of companies that operate WtE plants, operate landfills, produce SRF and export MSW, we do not have an agreed position on the merits of a levy on each of these activities. However, our members agreed at our November General Meeting that there should be no levies on the landfill of Incinerator Bottom Ash (IBA) and C&D fines for the following reasons:

**IBA** – A levy on IBA would be a double tax as the material would already be levied at the gate of the WtE plant. This would apply to IBA sent to landfill and IBA exported for recovery. There are currently no options to recycle IBA in Ireland and no end of waste criteria for material derived from IBA. Until such time as there is a clear, viable and environmentally preferable option for treatment of IBA in Ireland, we see no advantage in this double tax.

**C&D Fines** - There are currently no options to recycle C&D fines in Ireland and no ‘end of waste’ criteria for material derived from C&D Fines. The material is generally polluting in nature due to high levels of sulphate, which is derived from the gypsum in plaster and plasterboard. It is therefore important that C&D fines are contained in lined landfills either as cover or as deposited waste.

Until such time as there is a clear, viable and environmentally preferable option for treatment of C&D fines in Ireland, we see no advantage in this levy. In fact, we are concerned that a levy on C&D fines at landfill could lead to unauthorised disposal of that material, as it is difficult to track and looks relatively harmless to the naked eye. Such illegal dumping may go unreported until groundwater or rivers become polluted and remediation at that point is likely to be very costly.

With regard to **Recycled Aggregate**, we suggest that the introduction of a levy should be timed to coincide with other measures that promote the use of recycled aggregate in place of virgin aggregate. These measures could include ‘end of waste’ status and pull measures to encourage the use of these secondary raw materials in projects.

The pull measures could include any or all of the following:

- Mandatory use of recycled aggregate in certain non-structural applications<sup>1</sup>
- Tax relief or other incentives when recycled aggregate is used in place of virgin aggregate
- A tax on virgin aggregates

Until such time as there is an established market for recycled aggregates, including National EoW standards, recovery in landfill remains the best environmental option for this material, so we recommend a delay in imposing a levy on this practice. However, we will support such a levy at the right time.

#### *64. What impact, if any, would such a levy have on your business?*

This question is directed at individual businesses, rather than a trade association, so we will leave this for our members to answer individually in submissions. However, we recommend that adequate lead-in time be allowed prior to the introduction of any new levies for two reasons.

Firstly, if the levy is aimed at consumers or businesses, the waste industry needs at least 12 months' notice to ensure that the levy is passed on to our customers.

Secondly, if the recycling alternative to a recovery operation requires lead-in time for development, including end of waste procedures, the levy should be stalled until such alternatives are in place and represent a better environmental outcome at a competitive price.

#### *65. Any other comments?*

We suggest that new legislation introducing levies should ensure that levies can only be increased every 3 or 5 years. The market needs stability to ensure future investment and the risk of annual increases in levies could deter investors.

We are also concerned that we do not have enough detail at this time on the specifics of recovery levies and we request further consultation on draft legislation before it is finalised. By such further engagement we would seek to assist the DCCAE in avoiding double taxes, avoiding loopholes and avoiding levies that may have unintended consequences or may skew the market unfairly towards or against specific technologies. We therefore suggest that further consultation with the waste industry is very important before the new recovery levies are set in legislation.

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<sup>1</sup> It may be necessary to wash the aggregate first to avoid contamination or to achieve EoW status

## Proposal 7: Increase the Landfill Levy (Phase 1:2020-2021)

### Consultation Paper says:

*“It is intended to increase the landfill disposal levy by €5 at the same time as the introduction of a Waste Recovery Levy to ensure that disposal or recovery to landfill is not relatively incentivised.”*

### Questions

*66. Do you think that it is appropriate to increase the landfill disposal levy by €5 at the same time as the introduction of a Waste Recovery Levy?*

Yes. To ensure that landfill disposal remains the least preferable option for MSW (apart from illegal dumping).

*67. What impact, if any, would such a levy have on your business?*

As detailed above, this question is for individual members.

*68. Any other comments?*

No.

We hope that this submission is helpful and we look forward to further positive engagement with the DCCAE on this and other waste policy issues.

Yours Sincerely,



Conor Walsh  
IWMA Secretary

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