



Cynulliad National
Cenedlaethol Assembly for
Cymru Wales

Report on the Sustainability Committee's Inquiry into Petition P-03-63 : Banning Plastic Bags

November 2008

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Introduction

1. This report summarises the evidence taken by the Sustainability Committee during its consideration of Petition P-03-63 Banning Plastic Bags, which was referred by the Petition Committee on 6 December 2007.
2. It draws conclusions about the petition and makes recommendations to the Welsh Assembly Government for further action.

Background

3. The Petition (P-03-63) was submitted to the Assembly after being the winning suggestion in the BBC Wales project "If I ruled the World". The petition, submitted by Neil Evans from Carmarthenshire, called for the banning of plastic bags because of the environmental impacts of their manufacture and disposal.
4. The petition was considered by the Petitions Committee and was referred to the Committee considering the Environmental protection and Waste Management Legislative Competence Order for clarification of the powers to ban or impose a levy on plastic bags, which could be given by the Order.
5. The petition was then submitted to the Sustainability Committee for further consideration.
6. At its meeting on 24 April 2008, the Committee agreed to take evidence on the petition from various stakeholders. A list of those invited to give oral evidence is at Annex A.
7. The Committee also agreed to look beyond the scope of the petition and consider the issues surrounding the imposition of a levy on plastic bags.

Recent developments on plastic bags

Irish Levy – 2001

8. The Republic of Ireland introduced a levy by the *Waste Management (Amendment) Act 2001* (section 9)¹, to tackle the problem of littered plastic bags in the Republic. It was based on the idea that:

¹ Irish Statute Book, *Waste Management (Amendment) Act 2001*, <http://www.irishstatutebook.ie/2001/en/act/pub/0036/sec0009.html#sec9>

...by the imposition of product taxes that in some sense reflect the external costs imposed by such products that are not included in the price of the product itself... these external costs are incurred because of 'too many' plastic bags in the Irish environment.

9. The levy was initially set at 15c, but was raised to 22c in 2007 because of the effects of inflation and the fact that plastic bag use, after having initially fallen, was starting to rise once again.

Scottish Bill - June 2005

10. In Scotland, The *Environmental Levy on Plastic Bags (Scotland) Bill*² (a Private Members' Bill) was introduced to the Scottish Parliament by Mike Pringle MSP on 17 June 2005. The stated objectives of the Bill were to:

- Protect the environment both by the reduction in the number of plastic bags and by investing the money raised by the levy in local environmental projects;
- Assist local authorities towards meeting their Scottish National Waste Plan targets by encouraging the reduction and reuse of plastic bags that are in circulation; and
- Raise awareness of environmental issues such as recycling and litter³

11. The Bill fell after its Committee Stage in 2007 mainly because the Committee considered that there was a lack of evidence that the Bill would achieve the environmental benefits it aimed to achieve.

Modbury - Jan 2007

12. On May 1st 2007, Modbury in Devon became the first town in Britain to stop issuing plastic shopping bags, stating that:

“If a trader puts any product into a bag for a customer, then that bag is not to be made from plastic.”

The main objectives of the Modbury ban are to reduce household waste and to protect the local environment.

13. The initiative has started a movement which has seen several towns in the rest of the UK attempting to become plastic bag free.

14. Currently, Hay on Wye is the only Welsh town to declare itself as plastic bag free, with a further 10 towns or areas in Wales planning for plastic bag free status.

Voluntary agreement – March 2007

² Scottish Parliament, *Environmental Levy on Plastic Bags (Scotland) Bill*, <http://www.scottish.parliament.uk/business/bills/43-environmentalLevy/b43s2-introd.pdf>

³ Scottish Parliament, *Environmental Levy on Plastic Bags (Scotland) Bill: Policy memorandum*, <http://www.scottish.parliament.uk/business/bills/43-environmentalLevy/b43s2-introd-pm.pdf>

15. In March 2007, the Waste Resources Action Programme and other stakeholders agreed the following 'Joint Statement on Reducing the Environmental Impact of Carrier Bags':

In response to Ministers from Defra, the Scottish Government, the Welsh Assembly Government and the Northern Ireland Office, and in the context of widespread public interest, the UK Retail sector has agreed to take action and is proposing to adopt a shared objective with the government and WRAP to reduce the environmental impact of carrier bags by 25% by the end of 2008.

In becoming a signatory to this statement, retailers have agreed:

- to work jointly with government and WRAP to monitor the environmental impact of carrier bags and to agree a baseline figure from which to measure reduction;
- to work with the above parties to reduce the overall environmental impact by 25% by the end of 2008; and
- to review experiences by the end of 2008 in order to determine what would be required in order to make a further reduction by 2010.

16. The following 21 organisations signed up to this voluntary agreement: Alliance Boots, Association of Convenience Stores, Booths, British Retail Consortium, Carrier Bag Consortium, Co-operative Group, Federation of Small Businesses Scotland, Home Retail Group, John Lewis Partnership & Waitrose, Marks & Spencer, Musgrave, Next Group plc, Northern Ireland Independent Retail Trade Association, Packaging and Industrial Films Association, Primark Stores Ltd, Sainsbury's, Scottish Grocers Federation, Somerfield, Spar (UK) Ltd, Tesco and WM Morrison.

Climate Change Bill – July 2008

17. In his budget of March 2008, the Chancellor of the Exchequer announced his intention to impose charges on the use of plastic carrier bags unless sufficient progress had been made through the voluntary agreement by the end of 2008.

18. On 8 July 2008, the UK Government introduced an amendment to the Climate Change Bill giving the powers to UK, Northern Irish and Welsh Ministers to introduce a levy on single use carrier bags. The Bill is expected to become the Climate Change Act in November 2008.

Issues arising from the evidence

The key issues coming out of the evidence were:

- The environmental impact of plastic bags;
- The definition of a plastic bag and the implications of the switch to alternative materials;
- The voluntary approach;

- The implications and practicalities of a ban on plastic bags;
- The implications and practicalities of a levy on plastic bags.

The environmental impact of plastic bags

19. The Committee took initial evidence from Keep Wales Tidy and the Marine Conservation Society on the scale of the impact that plastic bags are having on the environment.

20. They raised the following issues:

- An estimated 490 million plastic bags are used in Wales each year;
- Plastic bags contribute between 0.1 – 1% of visible litter in the UK;
- Around 2% of litter on UK beaches is plastic bags;
- It is estimated that a plastic bag takes between 450 and 1,000 years to degrade;
- The impacts of plastic bags on wildlife are only starting to be documented, but it is estimated that annually around 100,000 seabirds and mammals are strangled or suffocated by plastic bags worldwide. The incidence and effects of marine wildlife ingesting plastic has also been seen to be increasing.

21. There were differing views from other witnesses about the environmental impact of plastic bags.

22. Several witnesses stated that, although plastic bags form a small percentage of the total amount of litter in the UK, they are a very visible symptom of the litter problem. It was suggested by Keep Wales Tidy and Marks and Spencer that the banning of plastic bags would not substantially reduce the amount of litter produced in the UK. Rather, they saw it as a means of highlighting the litter issue and encouraging consumers to be more aware of the implications of their purchasing and disposal actions.

23. The Carrier Bag Consortium, however, argued that banning or imposing a levy on plastic bags would do very little to reduce litter in Wales. Their view was that:

“We believe that the only way forward for Governments to ensure real change in reducing environmental impacts is to prioritise actions by tackling macro environmental issues such as transport, heating, industrial energy wastage and food waste etc and not to succumb to populist mythologies such as banning carrier bags which acts as a diversion and threatens to create even greater environmental impacts.”

24. Evidence taken from the Republic of Ireland, however, suggested that, following a levy on plastic bags imposed by the national government, the overall level of litter reduced and the level of litter from plastic bags reduced by around 95%.

25. We agree with the majority of witnesses that a ban or levy on plastic bags would not only be a way of starting to tackle litter issues but also of raising awareness of environmental issues with consumers in general.

The definition of a plastic bag and the implications of the switch to alternative materials.

26. One of the key issues raised during the evidence sessions was that of the importance of being able to give a tight definition to whatever was being banned or levied.

27. Keep Wales Tidy and the Carrier Bag Consortium both argued that banning or levying plastic bags alone could lead to an increase in the use of other types of bag made from different materials that could still have an environmental impact.

28. It was argued that other types of biodegradable plastic, paper and other materials used for single use and disposed of shortly after purchase could all have the same environmental impact as the current bags. The aim should be to encourage consumers to reuse bags for their shopping and not require or expect new bags with every purchase.

29. The British Retail Consortium argued that, according to the Department for Food and Rural Affairs (Defra), around 80% of carrier bags are reused at least once in the home after they are purchased. They expressed the view that these should not be viewed as 'single use' carrier bags as they were fulfilling other purposes around the home.

30. In Ireland, the levy is only on plastic bags. The definition used in Ireland for bags on which a levy is imposed is:

“... a bag made wholly or in part of plastic”

It also applies to bags with plastic handles but does not apply to shopping bags designed for re-use or to contain fresh meat, fish or poultry or loose items such as fruit, vegetables and confectionery.

31. Amendments to the Climate Change Bill, which insert clauses to impose a levy, refer to single use carrier bags. The definition of these bags is to be made by regulation but can refer to:

“(a) a bag’s size, thickness, construction, composition or other characteristics, or
(b) Its intended use, or any combination of those factors.”

32. We recognise that the success of any action taken to tackle the issue of carrier bags will rely heavily on the type of bags being clearly and unambiguously defined.

The voluntary approach

33. The majority of the witnesses representing the views of industry were in favour of a voluntary approach to reduce the number of plastic bags.

34. The Waste and Resources Action Programme (WRAP) estimated that by February 2008, there was a 14% reduction in the environmental impact of carrier bags (as measured by the use of virgin plastic) since 21 organisations signed up to the voluntary agreement in 2007. The total number of bags used by the signatories reduced by 1 billion to 12.4 billion.

35. The British Retail Consortium argued that a voluntary agreement would deliver the levels of reduction required, stating that:

“Retailers are fully committed to reaching and exceeding the targets set out in the voluntary agreement. Retailers are aiming to achieve this through a variety of methods, including:

- Promoting the sale of ‘bags for life’, including short-term free giveaways;
- Offering an array of ‘bags for life’ to fit in with consumer lifestyles;
- Removing single-use bags from till points so consumers are required to ask for bags;
- Increased engagement with customers at till point through asking if they ‘need’ a bag rather than ‘want’ a bag;
- Rewarding consumers with green bonus loyalty points when they remember to use ‘bags for life’;
- Increasing the amount of recycled material from which plastic bags are made;
- Extensive promotion throughout their stores of their initiatives;
- Increased recycling facilities in the grounds of large stores.”

36. Marks and Spencer, however, in explaining their decision to impose a charge for carrier bags in their food halls, disputed this saying:

“We were clear as a retailer that the usage [of carrier bags] had become profligate, not just across our business but across the whole retail space and that we needed to do something about it. The initial commitments that we made helped us to reduce bag usage by about 14 per cent, which was a start, but we were clear as a business that that was not the kind of substantial change that we wanted to effect in our environmental footprint.”

37. In an impact assessment of the powers needed to require charges for single-use carrier bags, Defra cast doubt on the ability of a voluntary agreement amongst retailers to deliver the required reduction in carrier bag use:

The Government is committed (Waste Strategy 2007, Prime Minister's November 2007 speech) to phasing out (free) single-use carrier bags. Yet the Government has been unable to orchestrate a sufficient response to public demand for a huge reduction in carrier bag usage. Government intervention is needed because retailers are unlikely to be able to achieve this themselves without resorting to charging for bags – and their ability to do this collectively is impeded by Competition Law. Responding to public demand in this way will build trust in the Government's other environmental programmes as well as leading to beneficial behaviour change by consumers⁴.

⁴ Defra 2008 - *Partial Impact Assessment of powers to require charges for single-use carrier bags*
<http://www.defra.gov.uk/environment/climatechange/uk/legislation/pdf/partial-ia-carrierbags.pdf>

38. We are concerned about the progress made under the current voluntary agreement and agree with the UK Government's assessment that Government intervention is needed to achieve a sea change in behaviour surrounding the use of plastic bags in Wales.

The implications and practicalities of a ban on plastic bags

39. Bans on plastic bags have been introduced in a number of areas. Bans have tended to focus on specific issues: in Bangladesh, for example, a plastic bag ban was enforced following severe flooding, for which a contributory factor was bags blocking drains⁵. Elsewhere, bans in developing countries have tended to focus on very thin plastic bags which rip easily and are less likely to be reused than thicker bags⁶. The only ban covering a large population in the OECD is in San Francisco⁷. The head of the city's Environment Department estimated the ban would save approximately 4,200 tonnes of carbon dioxide annually⁸.

40. In January 2009, France and Italy are introducing a ban on plastic bags that are not made of biodegradable materials.

41. The majority of the witnesses who gave us evidence were not in favour of a complete ban on carrier bags being imposed by the Welsh Assembly or UK Government.

42. The Marine Conservation Society did support the call for a ban made in the petition. They argued that:

“A plastic bag ban, if implemented correctly, ensuring that other forms of packaging do not simply replace them, could contribute to a significant reduction in the quantities of plastic bags littering our landscapes, beaches and seas and help reduce one of the modern-day consumer's impacts on marine wildlife.”

43. Keep Wales Tidy considers that a ban would be practical, but that it would have to be enforceable and that there is a need that any legislation to ban plastic bags is a driver of behavioural change.

44. Basil Tucker from Cardinal Packaging Ltd argued that, although the majority of plastic carrier bags currently in use in the UK are sourced from other countries, a ban on plastic bags would lead to job losses in Wales. He stated that he had already laid off 45 staff from his packaging manufacturing business as a direct result of public pressure on the use of plastic bags as fewer were coming to his plant to be recycled and used in other types of plastic packaging.

⁵ The Independent, *China boosts global war against menace of the plastic bag*, 12 January 2008, <http://www.guardian.co.uk/environment/2008/jan/12/plasticbags.recycling>

⁶ McDonnell S and Convery F, 2008. *The Irish plastic bag levy – A review of its performance 5 years on*, Draft paper awaiting publication.

⁷ City and County of San Francisco, *Commission on the Environment: Regular meeting approved minutes*, 27 March 2007,

http://www.sfgov.org/site/sfenvironment_page.asp?id=58406

⁸ CBC, *San Francisco bans traditional plastic grocery bags*, <http://www.cbc.ca/technology/story/2007/03/28/sanfrancisco-plastic.html>

45. The Carrier Bag Consortium cast serious doubt on the legality of a ban or a levy on plastic carrier bags stating that:

“We have serious concerns that any legislation or regulatory move against a single material, that is, plastics, would be anti-competitive under European competition law and, we believe, in contravention of European human rights legislation, as it restricts the freedom of choice of the shopper and the retailer over the method of taking goods home.

They admitted that this had not yet been tested in a court of law.

46. We have concerns about the ability of Wales to enforce a unilateral ban on plastic bags. Not only would it demand a large amount of resources to police, there are also issues for those communities living close to the English border. We do not consider that banning plastic bags in Wales would be a feasible option for the Welsh Assembly Government.

47. We also have concerns about the evidence given to us regarding the effects of the ban on jobs in Wales and the UK. As the Carrier Bag Consortium stated, nearly all the plastic carrier bags used in the UK are sources from the Far East.

The implications and practicalities of a levy on plastic bags

48. The Committee took evidence from government officials, retailers, local authorities and Coastwatch in the Republic of Ireland on their experience of a levy on plastic shopping bags, which has been in place since 2002.

49. The Irish Department of the Environment, Heritage and Local Government estimated that the levy has resulted in a 90% fall in the consumption of plastic bags and reduction of over 95% in plastic bag litter.

50. Despite the recent rise in the use of plastic bags, which has resulted in an increase in the levy imposed on them, it is estimated that there is still a 91% reduction over 2001 figures of plastic bags entering the waste stream.

51. It has been suggested that one of the factors leading to the success of the levy has been that the money raised from the levy goes directly into the Environment Fund for use on environmental initiatives. Since its inception, the fund has been used for initiatives such as the provision and running of additional recycling facilities and return centres, waste awareness and education schemes and campaigns.

52. A study of the operation of the levy, conducted 5 years after its introduction, concluded that the administrative burden was not excessive (one-off establishment costs amounted to approximately €1.2 million and annual administration costs were in the region of €350,000 with an additional \$358,000 publicity costs) compared to the income generated (€85,287,627.29 being collected from 2002 – August 2007).

53. Marks and Spencer reported that the levy that they had introduced on their single use carrier bags in food halls had resulted in an 80% reduction in plastic bag usage in their stores in around 4 months.

54. They considered that an important part of the policy was that any profits created by the levy were given to the Groundwork Trust for community based environmental initiatives. They also emphasised the need to keep customers and staff informed of the reasons for the levy and the results gained from the money raised.

55. Doubt was cast on the Irish figures by some of the witnesses who claimed that by banning plastic bags the sale of bags made of other material, such as paper had increased. This resulted in different environmental issues, such as the increase in transport emissions due to them requiring more space to be transported. They also claimed that sales of black plastic bags, bin liners and nappy sacks had increased in the Republic since the levy was introduced.

56. All the witnesses we spoke to in Ireland, however, viewed the levy as being positive and achieving a greater reduction in carrier bag usage than had been anticipated.

57. The Carrier Bag Consortium expressed concern that a levy would unfairly disadvantage those on low incomes. They argued that those on low incomes did not always have access to a car and that:

“They need a lightweight, portable and free container to take shopping home in and they then use that as a bin liner. Some people, particularly on low incomes, would find it onerous to have to buy bags for bins. We could even envisage a situation where certain households would incur greater public hygiene risks simply because they did not have the ability to contain safely the waste that the household was creating.”

When questioned, however, the Carrier Bag Consortium did not have evidence to back up this assertion.

58. Keep Wales Tidy listed a levy on all carrier bags as their favoured option stating that:

“A levy option would not restrict consumer choice but would clearly benefit individuals that re-use their carrier bags.”

59. We consider that, on balance, imposing a levy on plastic bags would be the most effective way to change customer behaviour in a short space of time and reduce the number of bags used by retailers and customers.

Conclusions and Recommendations.

60. From the evidence we have received, we consider that the issuing of single use carrier bags at the point of sale should be controlled. Whilst we accept that the environmental impact of these bags may be small in terms of

volume, we believe that they represent an important and visible symbol of the environmental impact of consumer choices.

61. We consider that government intervention is required to control the issuing of single use carrier bags to give a strong, deliverable message to consumers about how a small change in their purchasing and disposal behaviours can quickly affect a large change on the environment.

62. We believe that the imposition of a levy is the best and most practical form of intervention that the Welsh Assembly Government could make but that any profits raised from such a levy should be used for environmental benefits. An estimate of the amounts that could potentially be raised by a levy is at Annex B.

63. We recommend, therefore, that the Welsh Assembly Government uses the powers given to it under section 75 of the Climate Change Bill as soon as possible to impose a levy on single use carrier bags at the point of sale. We believe that the levy should cover all types of carrier bag and not be limited to plastic.

64. We also recommend that any monies raised by the levy should be used by an arms length body in an open and transparent way to fund environmental projects within Wales.

Sustainability Committee
November 2008

Witnesses

24 April – [SC\(3\)-08-08 : Transcript](#)

Keep Wales Tidy: [SC\(3\)-08-08 : Paper 2 : Evidence from Keep Wales Tidy on Petition P-03-63, Calling for Ban on Plastic Bags](#)

The Marine Conservation Society: [SC\(3\)-08-08 : Paper 3 : Evidence from Marine Conservation Society on Petition P-03-63, Ban on Plastic Bags](#)

22 May 2008 - [SC\(3\)-11-08 : Transcript](#)

British Retail Consortium: [SC\(3\)-11-08 : Paper 1 : Paper from British Retail Consortium on plastic bags petition](#)

Waste and Resources Action Programme: [SC\(3\)-11-08 : Paper 2 : Paper from Waste and Resources Action Programme on plastic bag petition](#)

14 July – Informal fact finding visit to the Republic of Ireland.

Informal evidence session with:

Department of the Environment, Heritage and Local Government

Revenue Commissioners

South Dublin County Council

Dublin City Council

Retail Ireland

Tesco Ireland

Coastwatch Europe

[SC\(3\)-18-08 : Paper 5 : Report on the Committee's Fact-finding Visit to Dublin in Relation to the Plastic bag Shopping Levy, 14 July 2008](#)

25 September - [SC\(3\)-18-08 : Transcript](#)

Marks and Spencer and the Groundwork Trust: [SC\(3\)-18-08 : Paper 1 : Submission from Marks and Spencer and Groundwork on Petition to Ban Plastic Carrier Bags](#)

Plastic Bag Levy Analysis

These calculations for the potential monies raised by a levy in Wales are based on the following assumptions:

- A reduction in plastic bag use of a similar scale as that in Ireland (90 per cent) would occur on implementation of a levy.
- The reduction is unaffected by the level of the levy.

DEFRA research indicates that the number of plastic bags distributed in the UK is greater than 13 billion per annum⁹, or 216 per person per year. In Wales, this equates to approximately 648 million plastic bags per year. In the Republic of Ireland, plastic bag use decreased by approximately 90 per cent following the levy's implementation¹⁰. If a 90% reduction was achieved in Wales, it is estimated that:

- At a levy of 10p per bag, the annual revenue from a levy would be £6.48 million.
- At a levy of 15p per bag, the annual revenue would be £9.72 million.
- At a levy of 20p per bag, the annual revenue would be £13.96 million.

As has been borne out in the Republic of Ireland, a higher levy reduces the distribution of carrier bags, so the annual revenue would be less than is indicated in the figures above.

For comparative purposes, the income of Keep Wales Tidy was £1.6 million in 2005/06, the income from charitable donations for BTCV UK was £17.1 million in 2006/07 and the Groundwork Trust Cymru spent £9.4 million on regeneration projects in 2007/08.

⁹ DEFRA, [Local environmental quality: Carrier bags](#) [accessed 13 October 2008]

¹⁰ Convery *et al*, 2006. The most popular tax in Europe? Lessons from the Irish plastic bag levy. *Environ Resource Econ*, 2007, 38: 1-11.