**SPC report September 2017**

**A deposit refund scheme for recyclables**

**Introduction**

Wikipedia describes a reverse vending machine as a device that accepts used (empty) [beverage containers](https://en.wikipedia.org/wiki/Beverage_containers) and returns money (a deposit return scheme) or coupons (a non - deposit return scheme) to the user. The machines are popular in places that have mandatory [recycling](https://en.wikipedia.org/wiki/Recycling) laws or [container deposit legislation](https://en.wikipedia.org/wiki/Container_deposit_legislation).

**SDCC historical**

In 2008 as part of an SDCC Environmental Awareness campaign to encourage recycling by residents and school children, a reverse vending machine was placed in a school and community centre. The reverse vending machines were leased from a company called Reuse Reward Limited/GreenTown and a service agreement was put in place. The cost per annum for the delivery, installation, lease and maintenance of two reverse vending machines was €9,505.76.

Reuse Reward Limited/GreenTown ceased trading on 11th February 2010. This resulted in the removal of reverse vending machines and cessation of supply of same.

**Motion 10 July 2017**

Following from [motion 10](http://intranet/cmas/documentsview.aspx?id=56403) at the July Council meeting contact was made with the Eastern Midlands Waste Region (Prevention) Office and Repak to discuss a deposit/non-deposit return scheme in South Dublin. In addition SDCC contacted Reverse Vending Corporation in the UK regarding the possibility of engaging with SDCC on a pilot project and the placement of a reverse vending machine within the county.

The findings were as follows:

**Eastern Midlands Waste Region Prevention Office**

In collaboration with the local authorities, Eastern Midlands Waste Region Prevention Office run a range of environmental education and awareness programmes. These programmes are designed to encourage and empower households and communities to minimise waste, reuse materials and recycle.

The Eastern Midland Waste Regional (prevention) office advised to make direct contact with Repak and provided contact detail within Repak and access to research documentation.

**Repak:**

Repak is a not for profit company set up by Irish businesses and owned by its members. It is approved under licenced from DCCE to operate a compliance scheme for packaging recovery.

Following initial discussion with Repak, the following written response was received

“With respect to your specific query on the “The feasibility of introducing a deposit return system into South Dublin County”. There is no visibility on detail on what is being proposed in the “[Waste Reduction Bill](https://scanmail.trustwave.com/?c=6600&d=8amN2Wp4hIZrTfWVsnBhnanvM4MdgWfEbGluv_ZAwA&s=344&u=https%3a%2f%2fwww%2eoireachtas%2eie%2fdocuments%2fbills28%2fbills%2f2017%2f8017%2fb8017d%2epdf)” – consequently we are unable to advise.

However, in general with regard to the introduction of National Deposit and Return System as proposed in the [Waste Reduction Bill](https://scanmail.trustwave.com/?c=6600&d=8amN2Wp4hIZrTfWVsnBhnanvM4MdgWfEbGluv_ZAwA&s=344&u=https%3a%2f%2fwww%2eoireachtas%2eie%2fdocuments%2fbills28%2fbills%2f2017%2f8017%2fb8017d%2epdf) under consideration we would comment as follows:-

* Recycling of sub –components of packaging material waste streams such as Metal cans and Plastic Bottles are above European norms;
* The successful producer responsibility system exceeds national recycling targets for all packaging;
* The environmental benefit gains would be disproportionate to the cost and knock on impacts on other waste packaging streams;
* Fees paid for metal can recycling under deposit systems are significantly (2-3 times) higher than that paid to producer responsibility organisations;
* Of the 27 member States in the Union only has five have Deposit and Return Systems, Ireland in terms recycling is ahead of all bar one of these Member States;
* Litter problems even with a Deposit Return System would remain. Litter is “behavioural” issue. Drinks cans in any event makes up a very small percentage of the total street litter (1.2%);
* The establishment of a national network of Deposit Return System would need power supply and security. Even in standby mode energy, consumption is required with associated environmental footprint together with serving (emptying) and maintenance;
* Planning permission may be required adding to a complex and costly rollout of Deposit Return systems, who will be responsible for managing such systems, Local Authority’s?;
* Further, this will be exacerbated via different VAT rates and excise duties between member states, let alone non-EU countries.

This subject within the Irish and European Union context has been considered thoroughly.

For your information and reference, the table below lists relevant documents. These are all available for down load.

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| --- | --- | --- |
| **Title** | **Author(s)** | **Date Published** |
| Repak Annual Report 2016 – Membership Adding Value.Source:http://repak.wpengine.com/wp-content/uploads/2017/06/Repak-Annual-Report-2016.pdf | Repak | May 2017 |
|  |  |  |
| Review of the Producer Responsibility Initiative Model in Ireland A Packaging Levy for Ireland? Source:https://www.esri.ie/pubs/BKMNEXT270.pdf | Paul K Gorecki, Economic and Social Research Institute and Department of Economics, Trinity College Dublin | 1st May 2013 |

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| --- | --- | --- |
| PRO EUROPE’s position in a European refund system for Metal Beverage CansSource:http://www.pro-e.org/files/11-07\_PRO-EUROPE-position-paper-on-refund-systems.pdf | PRO Europe s.p.r.l. (Packaging Recovery Organisation Europe) | 5th April 2012 |
| Options and Feasibility of a European Refund System for Metal Beverage CansSource: [http://ec.europa.eu/environment/waste/packaging/cans/pdf](http://scanmail.trustwave.com/?c=6600&d=8amN2Wp4hIZrTfWVsnBhnanvM4MdgWfEbGk67KERmg&s=344&u=http%3a%2f%2fec%2eeuropa%2eeu%2fenvironment%2fwaste%2fpackaging%2fcans%2fpdf) | Dominic Hogg, Tim Elliott, Simon Croasdell,  Ann Ballinger, Thomas Vergunst, Chris Cullen, Leila Bendali - Eunomia Research & Consulting Ltd | 16th November 2011 |
|  |  |  |
| Study On The Progress Of The Implementation And Impact Of Directive 94/62/EC On The Functioning Of The Internal Market:Source: [http://www.pedz.uni-mannheim.de/daten/edz-h/gdb/05/report\_packaging\_direct.pdf](http://scanmail.trustwave.com/?c=6600&d=8amN2Wp4hIZrTfWVsnBhnanvM4MdgWfEbDhp7qNHlw&s=344&u=http%3a%2f%2fwww%2epedz%2euni-mannheim%2ede%2fdaten%2fedz-h%2fgdb%2f05%2freport%5fpackaging%5fdirect%2epdf) | David Perchard Perchards, Gill Bevington St Albans, UK Fred Soomers FFact Management Consultants, Kees Wielenga Rijen, The Netherlands Raphael Veit SAGIS Ltd, Sliema, Malta | 6th May 2005 |
|  |  |  |
| The National Litter Pollution Monitoring System Litter Monitoring Body System Results 2015 | The Litter Monitoring Body, TOBIN Consulting Engineers, Block 10-4, Blanchardstown Corporate Park, Dublin 15. | April 2016 |

[Research](https://scanmail.trustwave.com/?c=6600&d=97qB2V_yHybXzkPj8aUxSSLJD7KwG_9ruAK8gLq8Ig&s=344&u=https%3a%2f%2frepak%2ewpengine%2ecom%2fwp-content%2fuploads%2f2015%2f06%2fDeposits%5ffor%5fIreland%5fSeptember%5f2008%5ffinal%2epdf) commissioned by Repak, based on a brief for a study being commissioned by the Department of Environment, Heritage and Local Government (DoEHLG) into future waste management policy in Irelandindicates that EU States as referred to above where the Refundable Deposit Scheme exists are significantly subsidized by central government.

**Reverse Vending Corporation, UK**

In July / August 2017 contact was made withReverse Vending Corporation in the UK, previous supplier to the company Reuse Reward Limited/GreenTown who are referred to in the earlier part of this report (previous pilot 2008).

Reverse Vending Corporation in the UK responded that they no longer supply Reverse Vending Machines in Non-Deposit Markets and the company Reuse Reward Limited/GreenTown are no longer in business. However Reverse Vending Corporation will retain the Councils details and revert should a national Deposit Return Scheme in Ireland

Anecdotal evidence from Reverse Vending Corporation who have been in the industry for 35 years indicate that non-deposit vending machines which provide rewards as opposed to cash work well for 8 / 10 months after which time they are subject to antisocial behaviour and heavy drop off in use.

**Conclusions**

It would appear that the introduction of a non-deposit return scheme for recyclables is not currently possible due to the following:

* Currently there is no supplier available to provide a receptacle in an EU jurisdiction which does not have a national Deposit Return Scheme

Should a supplier be sourced from outside of the UK the following implementation / management issues would also need to be considered:

* 1. Servicing - Mechanical and electrical maintenance
	2. Routine cleaning and emptying of the receptacle
	3. Financial management – stocking of coins
	4. Operational risks - vandal proof
	5. Budget for refund scheme