



London Councils throw out shopping (TOS) bag ban/levy consultation.

1. Introduction.

London Councils is proposing to introduce a London-wide ban or levy on 'throw out' shopping ('TOS') bags under the proposed 10th London Local Authorities Bill. The objective of introducing a ban or levy into the next Bill is to reduce the environmental impact of TOS bags and stretch the national targets¹ in London.

The purpose of this consultation document is to seek the views of stakeholders on a proposed ban or levy on TOS bags (or on plastic bags only). This document describes the environmental impact of such bags, and the reasons for considering a ban/levy. It also outlines what other countries and cities have been doing on this issue, and proposes several options that could be considered.

London Councils is seeking comments and feedback regarding the proposals. Details regarding consultation questions and how to respond are included under section 7 of this consultation document.

2. Definition of a 'TOS' bag.

For the purposes of this consultation 'TOS' bags include plastic, paper and biodegradable polymer-based bags. Although it is plastic bags that are often singled out as the main problem (for one, they are the main type of bag used), all of these types of bags can have significant environmental impacts. The key part of the definition of these shopping bags for the purposes of this consultation is that they are generally given away free and have a very limited intended and actual lifespan.

3. Why should we take action? - the environmental impacts of TOS bags.

An estimated 13 billion TOS bags are given out by UK retailers annually which equates to approximately 220 shopping bags per person per year². For London, a conservative figure based on population size would indicate Londoners use at least 1.6 billion bags per year. This is likely to be much higher however, due to the disproportionately large

¹ On 28 February 2007 a voluntary agreement was announced with UK retailers to reduce the overall environmental impact of carrier bags by 25% by the end of 2008. Available at: <http://www.defra.gov.uk/environment/localenv/litter/plasticbags/index.htm>.

² Defra press release 28 Feb 2007, "UK retailers sign up to cut the environmental impact of carrier bags". Available at: <http://www.defra.gov.uk/news/2007/070228a.htm>

number of tourists that visit London. In addition, the lack of control over the distribution of these bags means far more are used (often one per item per shop) than is necessary.

Of the TOS bags, plastic bags in particular are often perceived to cause the worst environmental problems, since whilst they only make up a small percentage of the total litter dropped, they have a nuisance effect on the public realm that is more 'visible' than their contribution to the total litter volume would suggest. They can also have a disproportionate impact on river and marine wildlife compared with other types of litter. For example, a survey undertaken in the Bay of Biscay (the sea between Spain and France) during the early 1990s reported that plastic bags of all kinds, including lightweight plastic carrier bags that had been washed out to sea from land-based sources, accounted for 95% of all litter in sub-surface tows³. Impacts on the marine environment from plastic bags are not restricted to coastal towns and cities however, due to inland stormwater systems in cities like London still draining into stream and river catchments, which ultimately lead to the sea. Up to a million sea birds and over 100,000 mammals (including whales, seals and turtles) are thought to be killed or injured each year from accidentally ingesting or becoming entangled in plastic (much of which is from plastic bags)⁴.

Paper bags and other alternatives however can also be damaging to the environment. Paper bags can be up to six times heavier / bulkier and therefore use more fossil fuels for their distribution⁵. The increased demand for paper pulp if plastic bags were banned is also of concern if it is not sourced from sustainably harvested forests. Paper can however be more easily recycled in London, with most residential collections accepting most forms of paper and card. No such residential recycling exists for plastic bags; supermarkets are one of the few places they can be taken to be recycled.

Biopolymer-based 'biodegradable' bags can also pose environmental problems, because they are often either landfilled like plastic bags or end up contaminating plastic bag recycling efforts. The methane and other emissions given off by anaerobic decomposition of biodegradable bags in landfills also have implications for climate change (methane as a gas is approximately twenty times more potent in terms of its greenhouse heat trapping effect).

There is also a wider concern regarding use of TOS bags in terms of the attitudes and behaviours of the public. A single use 'throw away mentality' is at odds with sustainability goals and waste management targets, the realities of London's landfill constraints, and the order of the Government's waste hierarchy, which prioritises waste management as follows:

reduce → reuse → recycle/compost → recover energy → landfill⁶

The majority of plastic bags for example, go straight to the last step in this hierarchy. Whilst research by the Somerfield Group suggested that 68% of Londoners claimed to 'recycle' their plastic bags⁷, this is more likely to actually be only a single 're-use' prior to it

³ Galgani *et al.*, *Marine Pollution Bulletin*, 1995, Volume 30, Issue 1: Distribution and Abundance of Debris on the Continental Shelf of the Bay of Biscay and in Seine Bay". In: Scottish Executive, 2006: *Proposed Plastic Bag Levy - Extended Impact Assessment: Volume 1: Main Report*. Available at: <http://www.scotland.gov.uk/Publications/2005/08/1993154/31553>.

⁴ Marine Conservation Society, 2005: "Long Term Impacts of Plastic Bags in the Marine Environment.

⁵ Scottish Executive, 2005: *Proposed Plastic Bag Levy - Extended Impact Assessment: Volume 1: Main Report*. Available at: <http://www.scotland.gov.uk/Publications/2005/08/1993154/31553>.

⁶ Source: <http://www.defra.gov.uk/environment/waste/topics/index.htm>

⁷ Somerfield Press Release, 8 Feb 2007: "Bad Bag Habits - 40,000 tonnes of plastic wasted in carrier bags each year". Available at: http://www.somerfieldgroup.co.uk/index.asp?sid=201&press_ID=1156

going to landfill (e.g., use as a home bin liner). This is also evidenced by the increase in plastic bin liner sales seen after the introduction of the plastic bag tax in the Republic of Ireland.

4. What are others doing?

Several examples from Ireland, Scotland, Modbury, San Francisco, Hong Kong, Denmark and Switzerland highlight similar existing and proposed schemes to reduce TOS bag use, principally plastic bags. This is not an exhaustive list, as many countries and cities are looking to introduce or already have some form of ban, tax or levy on TOS bags. Scotland's example highlights where the proposals to levy solely plastic bags were rejected and the status quo has remained. All the other examples show variations on bans and levies that have been introduced. These examples can be found in Annex 1.

5. Detailed Options.

There are several options available to London for reducing the use of TOS bags. Seven options are outlined as follows:

- OPTION 1:** **Status quo- 'do nothing'**- This option retains the current system, which includes a voluntary UK-wide agreement between Defra and retailers to reduce the overall environmental impact of carrier bags by 25% by end of 2008.
- OPTION 2:** **Outright ban**- This option involves banning the handing out of TOS bags by retailers in the Greater London area.
- OPTION 3:** **Council-collected levy on shoppers**- This option involves local authorities collecting a levy from retailers arising from the sale of TOS bags to shoppers.
- OPTION 4:** **Council-collected levy on retailers**- retailers pay a levy directly to councils on the number of shopping bags purchased for use at retail outlets.
- OPTION 5:** **Retailer-collected levy with environment fund**- This option involves retailers collecting a levy from the sale of TOS bags and require them to put some of the money from this into an environmental fund of some description.
- OPTION 6:** **Plastic bags only**- Any of the above (ii)-(v) options, but including only plastic bags.
- OPTION 7:** **Major retailers only**- Any of the above (ii)-(vi) options, but focusing only on the major retailers (an annual turnover criteria or similar could be used to define this).

6. Options available.

The following matrix outlines some of the advantages and disadvantages of the seven options presented above. The 'advantages' and 'disadvantages' listed are not exhaustive, but outline some of the key issues we have identified surrounding the various options.

Options	Advantages	Disadvantages
Option 1: 'Do nothing'	<ul style="list-style-type: none"> ✓ No implementation difficulties that are possibly envisaged with other options. 	<ul style="list-style-type: none"> x Environmental impacts of bags continue; x Limited behaviour change occurs.
Option 2: outright ban	<ul style="list-style-type: none"> ✓ May be easier to enforce than a levy e.g., using trading standards officers to check stores for compliance; ✓ Allows environmental impacts from disposable bags to be significantly reduced; ✓ Implements a compulsory behaviour change instantly, and could lead to more responsible attitudes towards waste and packaging generally. 	<ul style="list-style-type: none"> x Practical difficulties to get such a rapid behaviour change 'overnight'; x Practical difficulties regarding enforcement, especially on boundary areas of London.
Option 3: Council-collected levy on shoppers	<ul style="list-style-type: none"> ✓ Allows environmental impacts from disposable bags to be significantly reduced; ✓ Allows continued use of TOS bags whilst incentivising consumers to use alternatives; ✓ Creates a more formalised and monitorable system of levy collection than Option 5; ✓ Could provide a revenue stream to fund environmental projects e.g., related to packaging reduction. 	<ul style="list-style-type: none"> x Difficulties regarding reporting bag use and hence 'tax' to be paid to Councils; x Resource issue for councils to have a new 'revenue collection' function introduced; x Enforcement difficulties and costs of levy collection.
Option 4: Council-collected levy on retailers	<ul style="list-style-type: none"> ✓ Creates a more formalised and monitorable system of levy collection than Option 5; ✓ Could provide a revenue stream to fund environmental projects e.g., related to packaging reduction; ✓ Would not require enforcement in retail outlets by councils; ✓ Could provide a revenue stream to fund environmental projects e.g., related to packaging reduction. 	<ul style="list-style-type: none"> x Would be passed onto the customer indirectly or absorbed into retailers' costs and therefore the public would not necessarily be aware of the charge, and therefore would be less likely to change their behaviour compared to being faced with a direct request to pay; x Resource issue for councils to have a new 'revenue collection' function introduced; x Enforcement difficulties for councils and reporting difficulties for retailers, in terms of knowing which bags purchased get distributed to shoppers in London.

Option 5: retailer collected levy	<ul style="list-style-type: none"> ✓ Allows environmental impacts from disposable bags to be significantly reduced; ✓ Allows continued use of TOS bags whilst incentivising consumers to use alternatives; ✓ Allows a less bureaucratic approach than Option 3 or 4, allowing retailers to use a ‘good faith’ approach to collection of such a levy; ✓ Provides a revenue stream to fund environmental projects e.g., related to packaging reduction etc. 	<ul style="list-style-type: none"> x Difficulties monitoring and ‘policing’ the collection of these levies with regard to the number of bags given away and whether a levy is charged.
Option 6: Plastic bags only	<ul style="list-style-type: none"> • <i>As per options 2-5 above, plus:</i> ✓ Will allow the free practical use of non-plastic alternatives, that have lesser or different environmental consequences. 	<ul style="list-style-type: none"> • <i>As per options 2-5, above plus:</i> x Doesn’t change the culture around the use and disposal of TOS bags; x Environmental impacts of non-plastic TOS bags will increase; x The use of other types of TOS bags still goes against the Government’s waste hierarchy.
Option 7: Major retailers only	<ul style="list-style-type: none"> • <i>As per options 2-6 above, plus:</i> ✓ The larger retailers are responsible for the majority of the bags used and hence would reduce bureaucracy required to introduce across all retailers, yet would still reduce a significant number of the bags used; ✓ Would lessen the burden of levies on smaller businesses, by making them exempt. 	<ul style="list-style-type: none"> • <i>As per options 2-6 above, plus:</i> x Unfairly targets more successful or widespread businesses, resulting in unfair competition; x Doesn’t spread the message for behaviour change across the whole retail sector due to free bags remaining available for the majority of shops (in terms of number of outlets). x May not target one of the main sources of TOS bags which are local convenience stores.

This consultation document is an initial analysis of the possible benefits and implications of reducing the use of TOS bags in London via a levy or ban. The consultation will enable some further detail to be gathered and discussed. It is also important to note that many of the costs and benefits identified in other studies and analyses are not necessarily directly comparable or easily measurable, so a judgement call often has to be made. For example, the Scotland example provided here rejected the idea based upon cost:benefit analysis of the impacts on plastic bag use or their alternatives, whereas Ireland adopted such measures.

Whilst London Councils is aware of the fact that TOS bags only make up a small percentage of the waste stream (volume wise) and that there are many other things that are causing environmental degradation, tackling this particular issue can help raise people’s awareness of wider issues surrounding our unsustainable ‘throw away’ society,

an area that the public are increasingly concerned about, and allows a debate to continue between central government, local government, the public and retailers regarding the environmental impacts of our every day activities.

7. Consultation questions and responses.

(i) Consultation questions:

London Councils would like to receive feedback on its proposals to reduce the environmental impacts on 'throw out' shopping (TOS) bags. The following questions highlight some of the areas we would like your input into. However, we welcome all your comments on the proposals and discussions outlined in this consultation.

Question 1: Do you support a proposed ban or levy on throw out shopping (TOS) bags across London? Please give reasons for your support or opposition, and whether it is a ban, levy or both that you support/oppose.

Question 2: Do you have a preferred option from the list of seven options outlined? Please explain your reasons for your preference/s.

Question 3: Do you have further suggestions for options not covered by the seven already proposed by London Councils? If so, please outline the details and how they differ from the seven proposed options.

Question 4: If you support a levy on TOS (or just plastic) bags, do you have a preference for the way in which the levy is collected, administered and used? Please outline your reasons for your preferences.

Question 5: Are you aware of any similar voluntary initiatives in your local area? If so, please provide details regarding these.

(ii) Consultation responses:

Please note that responses must be received by **5pm on Friday 26 October 2007**.

Please send your consultation responses via email to:
jared.boow@londoncouncils.gov.uk or via post to:

Throw Out Shopping (TOS) Bag tax/levy consultation
Transport, Planning and Environment Division
London Councils
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ANNEX 1: Examples of Bag levies and bans from the UK and around the world.

Ireland

In Ireland the Plastic Bag Environmental Levy was introduced on 4th March 2002. It is a charge on plastic shopping bags that applies at the point of sale in shops, supermarkets, service stations and all sales outlets. Retailers are required to pass on the full amount of the levy as a charge to customers at the checkout. The initial charge was 15 Euro cents per bag for carrying goods that are not exempt⁸. Revenue generated from the Plastic Bag Environmental Levy goes into an Environmental Fund. This fund is used to support waste management, litter and other environmental initiatives.

Prior to the introduction of the levy it was estimated that over 1.2 billion plastic bags were dispensed free of charge at retail outlets annually, equating to roughly 328 bags per inhabitant per year. Plastic bags accounted for approximately 5% of litter arisings prior to the introduction of the levy.

It is estimated that consumption of plastic bags has fallen by over 90% since the introduction of the levy in March 2002, while receipts collected by the Revenue Commissioners have realised over €80 million. Data from the National Litter Pollution Monitoring System shows that in 2005 plastic bags constituted approximately 0.22% of litter pollution nationally compared with 5% before the introduction of the levy. An Irish national survey on the Environment "Attitudes and Actions 2003" found that 91% of those surveyed supported the Plastic Bag Levy.

Plastic bag manufacturers and distributors have said that the Irish scheme has led to more plastic packaging and a huge increase in the use of paper bags. However, the Attitudes and Actions survey indicated that 90% of shoppers use reusable/long life bags, 6% use cardboard boxes, 4 % plastic bags and 1% other means. In the grocery sector disposable plastic bags have largely been replaced by reusable 'long life' shopping bags. In the clothing and other sectors, higher quality plastic bags have in general been replaced by high quality paper bags. It has been reported that sales of plastic bin liners and nappy bags items have significantly increased following the introduction of the levy. However, this does not appear to have negatively impacted on litter figures after the ban's introduction, and bin liners are also less likely to end up in waterways compared with TOS bags.

Following the introduction of the levy there was an immediate decrease in plastic bag usage from 328 bags per capita to 21. Subsequently there has been a gradual increase, rising to 31 in 2006. To ensure that the levy's effectiveness is maintained the levy was increased to 22c, on 1st July 2007.

Scotland

The Environmental Levy on Plastic Bags (Scotland) Bill was introduced into the Scottish Parliament in June 2005, but subsequently withdrawn.

⁸ Exemptions from the levy: Smaller plastic bags that are used to store non-packaged goods; Smaller plastic bags that are used to store fresh meat, fish and poultry, both packaged and unpackaged; Bags for life costing more than 70 cent; Bags supplied to intending passengers in airports and ports and passengers on board commercial aircraft and ships; Items sold in the secure 'duty free' zone of airports in Ireland.

The Bill would have required anyone who supplied certain plastic bags to a customer in the course of business to charge the customer a levy of 10 pence per bag. The majority of bags supplied by supermarkets, non-food stores, small retailers and other businesses would have been subject to the levy. The levy would have been administered by local authorities, who would have collected the levy from suppliers and spent the net amount (after recovery of the authorities' administrative costs) on environmental projects.

The Environment and Rural Development Committee looked at oral and written evidence from a range of interested organisations and individuals in late 2005. The evidence focused on whether imposing a levy on plastic bags would achieve its stated objectives and whether it would have unintended consequences which might undermine or contradict its potential benefits. Evidence to the Committee demonstrated that assessing the expected impacts is very complex, and complicated by the fact that it is thought likely that there will be some degree of compensatory shift towards greater use of paper bags. As well as assessing the impact of the Bill on environmental objectives, the Committee sought to assess its expected impact in relation to Consumers, Business and Administration and enforcement of the levy by local authorities. In December 2005 the Committee reported but did not make a final recommendation on the general principles of the Bill. The Committee sought further clarification on several points.

In September 2006 the Committee issued its final report and recommended that Parliament did not agree to the introduction of a levy. The report stated that although sympathetic to the aims of the Bill, the Committee was of the view that there would be a number of unintended consequences likely to be connected with using a levy to achieve a large reduction in the number of single-use plastic bags issued at checkouts and that the net environmental impact of the levy is an issue of considerable dispute. The Committee also noted that integration of the aims of the Bill into a wider waste prevention strategy by the Executive would encourage development of such initiatives to reduce plastic bag use throughout the retail industry⁹.

Modbury (England)

The small town of Modbury in Devon earlier this year saw its 43 retail traders introduce a voluntary plastic bag ban, after wildlife photographer Rebecca Hosking showed them footage of the damage plastic bags are doing to wildlife in the Pacific. It is the first town in Europe to introduce a complete ban.

The town has introduced alternatives such as biopolymers, paper and cotton bags. However, one retailer, the town's deli, has seen the 200 or so plastic bags he used to give out reduced to one or two corn starch bags, since most shoppers have changed to bringing their own bags¹⁰

San Francisco

The city of San Francisco wished to reduce waste and litter from the 50 million bags used within the city each year. The aim was to encourage consumers to switch to more

⁹ Scottish Executive, 2006: *Environment and Rural Development Committee Report 12th Report, 2006 (Session 2)*.

Available at: <http://www.scottish.parliament.uk/business/committees/environment/reports-06/rar06-12.htm>

¹⁰ (Guardian, Saturday May 12 2007, Patrick Barkham: *World asks town that banned the plastic bag: how can we do it too*. Available at: <http://environment.guardian.co.uk/waste/story/0,,2077992,00.html>)

sustainable reusable bags and to recycle the plastic bags they do use, rather than disposing them to landfill¹¹. Initially, a 17 cent tax was considered, however, early in 2007 the City decided to bring in a ban on plastic bags at checkouts initially of large supermarkets followed by large chain pharmacies. Neighbouring Oakland voted for a similar ban shortly afterwards.

Hong Kong

In Hong Kong in 2001, it was estimated that 27 million plastic shopping bags were disposed of each day in Hong Kong (this is 9.5 billion per annum, which is approximately 4 bags per person per day)¹². A scheme was implemented to encourage the reuse of bags and to encourage customers to make environmentally friendly decisions and purchases and retailers above a certain size are also prohibited from giving away free bags. Together, these actions were intended to educate the public on making more environmentally sensitive choices¹³. A tax of 50 HK cents has now been proposed, as the voluntary measures have only reduced use by approximately 20%¹⁴.

Denmark

Denmark makes considerable use of economic instruments in managing non-hazardous waste. A general tax on waste disposal was introduced in 1987 at a low level, rising during the 1990s and from 1993 onwards being increasingly differentiated according to the method of disposal with specific duties on a number of individual products (e.g. plastic bags, tyres, disposable tableware, rechargeable NiCd batteries, electric bulbs) or materials, in addition to the general waste disposal tax¹⁵. Unlike Ireland, in Denmark the tax is payable by the retailers when they buy the bags¹⁶, therefore, the costs can be absorbed in the cost of products and, as such, consumer behaviour change is not the direct target. However consumption of paper and plastic bags has declined by 66% following the introduction of these measures.

Switzerland

A levy scheme already exists in Switzerland, where bags cost around 10p, but most Swiss shoppers use their own reusable bags.

¹¹ Scottish Executive, 2005: Environment Group Research Report- "Proposed Plastic Bag Levy - Extended Impact Assessment". Available at: <http://www.scotland.gov.uk/Resource/Doc/57346/0016900.pdf>

¹² OECD, 2001: Economics Department Working Paper no. 277- Encouraging Environmentally Sustainable Growth in Denmark. Available at: <http://www.oecd.org/dataoecd/38/40/1888645.pdf>

¹³ Scottish Executive, 2005: Environment Group Research Report- Proposed Plastic Bag Levy - Extended Impact Assessment. Available at: <http://www.scotland.gov.uk/Resource/Doc/57346/0016900.pdf>

¹⁴ Plastics News, 2007: "Industry Group opposes Hong Kong bag tax plan". Available at: <http://www.plasticsnews.com/china/english/environment/headlines2.html?id=1181860354>

¹⁵ OECD, 2001: Economics Department Working Paper no. 277- Encouraging Environmentally Sustainable Growth in Denmark. Available at: <http://www.oecd.org/dataoecd/38/40/1888645.pdf>

¹⁶ The tax applies at a rate of 10 DKK per kilo for paper, and 22 DKK per kilo for plastic. The relative tax levels are intended to account for the fact that plastic bags are lighter than paper ones. The tax yield has been reported to be around 170 million DKK (Danish EPA, 1999), though a European report estimates this to be around 50 million DKK.