

VIEWS ON THE PROPOSED SINGLE USE
CARRIER BAG CHARGE (WALES)
REGULATIONS 2010

REPRESENTATIONS FROM
THE BOOKSELLERS ASSOCIATION
TO THE WELSH ASSEMBLY GOVERNMENT
(Dept. of the Environment, Sustainability & Housing)

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BOOKSELLERS ASSOCIATION OF THE UNITED KINGDOM & IRELAND LTD

To: The Welsh Assembly Government (Dept of the Environment, Sustainability & Housing)
From: The Booksellers Association of the United Kingdom
Subject: Views on the proposed Single Use carrier Bag Charge (Wales) Regulations 2010
Date: 29th July 2010

1 EXECUTIVE SUMMARY

1.1 The Booksellers Association [“the BA”] welcomes initiatives to reduce the number of single use bags in circulation. However, rather than by introducing a 7p levy, we have always felt that a better approach is by booksellers and other retailers taking steps, inter alia, to:

- Educate the public by asking buyers if they need/want a bag at the time of purchase
- Promote re-usable *Bags for Life*
- Reduce the amount of raw plastic in bags at the time of manufacture.

1.2 The BA supports the voluntary code set up by DEFRA and WRAP to reduce plastic bag usage [see *Appendix A* for the Code]. We thought that was a sensible way forward.

1.3 Nevertheless, although we think there are better means of reaching a shared objective than by the imposition of a levy, the BA is very grateful for being given the opportunity to respond to the proposals set out in the draft Single Use Carrier Bag Charge (Wales) Regulations 2010.

2 THE BOOKSELLERS ASSOCIATION

Purpose

2.1 But first, a few details on the BA. The latter is a trade association, based in London SW1, with 3,900 bookselling outlets in membership. Of these, 183 are in Wales.

2.2 The Association's purpose is to help members:

- Sell more books
- Operate from a lower cost base
- Improve competitiveness and productivity
- Network with others in the book 'world'
- Represent their views.

Membership

2.3 Members range from all the large bookselling chains to independents and specialists, both big and small. The table below gives some examples of the types of booksellers in membership.

<u>Type of bookseller</u>	<u>Example(s) of BA member</u>
Large chain with mixed business	W H Smith
Large specialist chain	Waterstone's
Large academic business	Blackwells
Small independent	St David's Bookshop
Large independent	Foyles
Supermarket	Tesco, Sainsbury
Wholesaler	Bertrams, Gardners

3 THE SIZE OF THE PROBLEM

3.1 The retail sector is generally regarded as representing some 6% of the UK's Gross Domestic Product but is estimated to account for only 4.5% of all waste.

3.2 But plastic bags represent a very small proportion of the total waste stream – less than 1% of litter and 1% of landfill. In 2005, the Scottish Executive estimated that a levy on plastic bags would lead only to a reduction of 0.26% in outside waste.

3.3 Plastic bag usage has become an iconic issue out of all proportion to the real environmental significance. Even if efforts were made to outlaw ALL plastic bags (which we don't support, because, for instance, our academic booksellers often sell heavy books, which consumers not only want to carry, but need protection from, say, the rain and other shopping), such a move would make a tiny difference to improving the environment as a whole.

4 THE BOOK TRADE SUPPORTS THE ENVIRONMENT

4.1 The book trade was one of the first industries to agree a target for its sector to reduce Green House Gas Emissions. The Booksellers Association, together with The Publishers Association, has urged every publisher and bookseller to reduce their carbon emissions by at least 10% during the period covering January 2006 to December 2015.

4.2 Books are, however, different from most consumer products in that they require no outside packaging when on the shelf or when sold (except if the customer requests a carrier bag).

4.3 In a survey carried out by the BA in February 2007, 95% of all booksellers were found to re-use packaging and packaging materials, and 94% of publishers recycle.

4.4 In a further survey carried out by the BA in February and March 2008 we ascertained the following:

- 85.8% of our members were now asking customers if they required a bag (booksellers reported to us that asking customers the question provoked a huge response)
- 81.7% of booksellers had reduced their plastic bag usage over the period 1st January 2007 to 31st December 2007 when compared to the same period in 2006:
 - 20.9% of these booksellers reported a reduction of over 25%
 - 17.8% - a reduction between 21% and 25%
 - And 19.8% - a reduction between 16% and 20%
- 94% were not charging for plastic bags
 - Of the 6% that were, 45.6% of these were passing monies received onto a charity
- 25.7% were offering *Bags for Life* – especially hessian, jute, recycled cotton and cotton, and stocking string
- 43.4% of booksellers had taken steps to reduce the amount of raw plastic in the manufacturing process.

4.5 A number of booksellers had taken some interesting initiatives. These included:

- Using 70% degradable biothene rather than polythene (unfortunately 100% degradable biothene seems not to be strong enough for the heavy books)
- Sourcing printed jute bags, overprinted with the shop's details, with comfortable wooden handles.

4.6 But booksellers have told us that they feel really let down by the lack of good recycling facilities for businesses. Local authorities seem to have focused their attention on providing services for domestic households and not for business. The result of this is that unfortunately more material needlessly ends up in landfill. Anything the Welsh Assembly Government can do to bring improvements in this area would be very much appreciated.

4.7 Nevertheless, the BA realises we have to do more to help preserve the environment, so The Booksellers Association and The Publishers Association have formed an Environmental Action Group ["EAG"]. The EAG has set up a website www.green4books.org.uk to help individual booksellers and publishers to:

- reduce the use of packaging and plastic bags
- reduce their carbon emissions
- recycle more
- reduce energy consumption and transport costs
- reduce returns
- source environmentally friendly paper and other products.

4.8 Furthermore, The BA has given the following till sticker to all members to encourage a reduction in plastic bag usage:



4.9 And the BA produces for its members a booksellers' *Bag for Life* which can be sold – or given – by booksellers to their customers.

4.10 We would now like to respond specifically to the proposed draft Regulations 2010, commenting on the proposed timing, type of bag covered by the Regulations, process in the shops, record keeping, the role of local authorities, and the education of consumers.

5 SINGLE USE CARRIER BAG CHARGE REGS 2010: PROPOSED TIMING

5.1 We note that the proposal is to introduce this 7p charge per bag in March 2011, before the Election.

5.2 If the proposals secure general support, we would urge that more time is given before the introduction. As the draft regulations [<http://wales.gov.uk/docs/desh/consultation/100604wastecarrierbagsregen.pdf>] indicate, this is, in fact, quite a complex piece of legislation, requiring many proposed exemptions and considerable preparation.

5.3 The period between publication of the regulations and the current proposed implementation date is extremely short. In addition, it spans Christmas and the New Year, the busiest trading period for most of our members. We urge that the implementation takes place a few months' after March 2011.

6 SINGLE USE CARRIER BAG CHARGE REGS 2010: PROPOSED CHARGE

6.1 The Welsh Government is suggesting a charge of 7p per bag.

6.2 In our view, the proposed charge is way too high. Most retailers believe that the charge should not be more than 5p.

7 SINGLE USE CARRIER BAG CHARGE REGS 2010: PROPOSED TYPE OF BAGS

7.1 There is a belief that this new proposed legislation overcomplicates the issue. A simpler way of progressing would be to charge for ALL plastic bags that have a handle. Food retailers can use lightweight plastic non-handle bags for meat, fish etc; and paper bags without handles, regardless of size, can be used by everyone else.

7.2 You just then charge if someone asks for a plastic carrier bag to put their shopping in. As we say above, 5 pence would be a better charge for most retailers.

7.3 As for the administration 2 pence could be deducted to cover the extra work by the shops and 3 pence could be directed to the environmental cause the retailer picks. Spot checks on retailers to check that they are following the legislation could be done by the Assembly and payments to the environmental causes made once a year at the end of the retailer's financial year.

8 SINGLE USE CARRIER BAG CHARGE REGS 2010: PROPOSED PROCESS IN THE SHOPS

8.1 We understand that the current proposals will require retailers to scan/enter the items into the till, put them into a carrier bag, and then charge the consumer for the bag(s).

8.2 If this is the case, we believe this area needs to be looked at again. Such a process would put the bookseller in a vulnerable position if a retrospective charge was to be made on something which the customer hasn't technically even decided to purchase.

9 SINGLE USE CARRIER BAG CHARGE REGS 2010: PROPOSED RECORD KEEPING

9.1 As far as we can ascertain, booksellers and other retailers will be required to keep records on the following:

- the number of single use carrier bags sold;
- the gross amount received by a seller from the charge on single use carrier bags;
- the net proceeds of the charge (net proceeds means the gross charges minus VAT and reasonable costs for administering the charge); and
- where the net proceeds have gone (booksellers would have the freedom to choose the charity etc).

9.2 We further believe that booksellers would be asked to publish details about where the net proceeds have gone at the end of May each year.

9.3 We believe the IT, staff training, and other set up costs for some of our members in Wales are going to be considerable. Yet another expensive administrative burden for the bookseller to absorb.

9.4 We think it far better if the reporting requirements could be based on each retailer's existing year end. On the question of the 'net proceeds of the charge' we believe that 'reasonable costs' should include the cost of training, installing new systems, the additional time that will be required to undertake transactions and other processes as a result of the introduction of the charge - as well as the cost of the bag

10 SINGLE USE CARRIER BAG CHARGE REGS 2010: PROPOSED ROLE OF THE LOCAL AUTHORITIES

10.1 The Regulations are proposing that local authorities will administer and enforce the charge.

10.2 The draft regulations include provisions about enforcement and civil sanctions. Civil sanctions include fixed financial penalties and/or discretionary requirements (such as a variable monetary penalty or specific steps to be taken to ensure that non-compliance does not continue or recur). A civil sanction regime is intended to help make sure that anyone who doesn't comply with the regulations can be penalised.

10.3 We have a concern about this proposal. The problem with placing the responsibility for administration into the hands of local authorities is that it allows for local interpretation.

10.4 The BA favours a 'Lead Authority' approach.

11 SINGLE USE CARRIER BAG CHARGE REGS 2010: EDUCATION OF CONSUMERS

11.1 As we have stressed in this submission, we do feel the education of consumers is very important.

11.2 If the Regulations 2010 go ahead, booksellers and other retailers will need to be provided by the Welsh Government with a web Tool Kit, to enable them to

download and print promotional material in order to help educate the consumers.

11.3 We trust that sufficient provision will be made in the budget to support a Consumers' Education Programme.

12 CONCLUSION

12.1 Rather than imposing a levy on plastic bags, we think the following four steps are more sensible and practical:

- A new Voluntary Code of Practice should be introduced, along the lines of the DEFRA/WRAP initiative.
- The environmental impact of each individual carrier bag should be reduced, by:
 - Using bio-degradable materials (e.g. cornstarch)
 - Using recycled degradable polypropylene bags (which break down quickly under the influence of light and heat) or calico bags
- Conducting a programme to educate consumers so that they take fewer bags at the point of purchase. (Retailers can play a big part in this, especially by talking to customers and having appropriate point of sale information.)
- Retailers encouraging their customers to use *Bags for Life*.
- Retailers rewarding customers who reuse bags through their loyalty schemes.
- Local authorities improving yet further their recycling facilities.

12.2 These measures, we believe, will play a real part in reducing yet further – and substantially – the number of environmentally unfriendly bags in circulation.

12.3 If the Welsh Assembly Government wishes to introduce these Regulations, then we believe that the following amendments could usefully be made:

- The launch is put back a couple of months after March 2011.
- The 7p charge is too high. It should not be more than 5p.
- Consideration could be given to imposing a levy only on those plastic bags that have a handle.
- Retailers would be put in a vulnerable situation of a retrospective charge

at the point-of-sale was to made which the customer hadn't technically even decided to purchase – if that is the case, a re-think of the process would be welcomed.

- The cost of the bag should be viewed as 'reasonable costs' when considering the Net Proceeds of the Charge.
- A Lead Authority approach should be adopted as far as enforcement by the local authorities is concerned
- Booksellers would welcome being provided with a tool kit to enable them to download promotional material to help educate consumers.

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Appendix A

DEFRA/WRAP VOLUNTARY CODE

In the context of widespread public interest, the UK Retail sector has agreed to take action and is proposing to set itself a shared objective with the government and WRAP to reduce the environmental impact of carrier bags. This will be achieved via the following routes:

- *by reducing the environmental impact of each individual carrier bag*
- *by encouraging customers to significantly reduce the number of carrier bags they use*
- *by enabling the recycling of more carrier bags where appropriate*

Further discussion will be required to agree a baseline figure and appropriate unit of measurement to report annually on meeting reduction targets. This will need to take account of reusable bag initiatives and the use of recycled materials in preference to virgin.

The circumstances in different parts of the retail sector vary and so a uniform target reduction for all sectors will not be appropriate. Store location, format, frequency of visit, product range and average spend per shopping visit are all factors which have an impact on the potential for reducing the environmental impact of bags.

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

- *to work jointly with government and WRAP (the Waste and Resources Action Programme) 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*
- *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*