

## Bag to Basics

Why and how free shopping bags should be removed from London's shops

December 2007





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Why and how free shopping bags should be removed from London's shops

Environment committee  
December 2007

## Environment committee Members

|                             |                  |
|-----------------------------|------------------|
| Darren Johnson, Chair       | Green            |
| Tony Arbour                 | Conservative     |
| Angie Bray                  | Conservative     |
| Peter Hulme Cross           | One London       |
| Murad Qureshi, Deputy Chair | Labour           |
| Valerie Shawcross           | Labour           |
| Mike Tuffrey                | Liberal Democrat |

### Role of the environment committee

The environment committee reviews progress on implementing the Mayor's five environmental strategies for London:

- Air quality
- Biodiversity
- Energy
- Noise
- Waste

The committee has also looked at other topical environmental issues like climate change, flooding, managing London's waste, green spaces, graffiti and nuclear waste trains.

Peter Hulme-Cross (One London) does not support the recommendations or argument outlined in Chapter 2 of the report. There is a support statement to this opposition as Appendix A of the report.

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## Chair's Foreword



*Darren Johnson AM (right), pictured with Ireland's Environment Minister, John Gormley TD*

We have all come to recognise the way we package our food and other goods should change. And the most obvious point at which to start tackling this waste is at the point where our shopping finishes – the checkout. Handing out and accepting free shopping bags has become an unnecessary reflex.

As such, plastic bags have become a potent symbol of needless waste and the source of some much-needed attention – from supermarkets, governments and the public alike.

This report assesses how the response to tackling plastic bags could be improved. One immediate improvement is to stop talking about plastic bags alone; the issue extends to paper bags just as much as plastic in many respects.

It is important to get the response to this issue right. I learned in Ireland that their levy on plastic bags has not only brought about a 90 per cent reduction in plastic bag use but has helped generate a positive response to wider recycling and waste issues. Everyone shops; everyone needs to reduce the amount of waste they generate.

On behalf of the committee, I would like to thank the organisations and individuals who submitted their views to our review. I would to thank London Councils especially for their cooperation. It was also particularly instructive to meet with leading academics from University College Dublin and the Republic of Ireland's Environment Minister John Gormley TD. The committee greatly appreciates the time given to help us.

**Darren Johnson AM**

Chair of the London Assembly Environment committee

## Contents

|   |           |
|---|-----------|
| <b>Executive Summary</b>  | <b>1</b>  |
| <hr/>   |           |
| <b>1. Background</b> - The scale of plastic bag usage and its impact on the environment | <b>4</b>  |
| <b>2. The Irish levy and the London ban: how government can act</b>                     | <b>6</b>  |
| <b>3. The voluntary agreement: how businesses are acting</b>                            | <b>10</b> |
| <hr/>   |           |
| Appendix A – Opposition statement from One London                                       | 14        |
| Appendix B – List of Evidence   | 15        |
| Appendix C – Orders and Translations  | 16        |

## Executive Summary

‘Disposable plastic bags [are] one of the most visible symbols of environmental waste. I am convinced that we can eliminate single use disposable bags altogether in favour of longer lasting and more sustainable alternatives.’

*Prime Minister Gordon Brown, 19 November 2007<sup>1</sup>*

‘There is an unprecedented level of energy and resource and commitment from major retailers to reducing the use of bags.’

*Ian Hutchins, Tesco, November 2007<sup>2</sup>*

‘The small and independent retailer is strongly supportive of measures that would, in principle, reduce the number of plastic bags.’

*Nick Winch, Federation of Small Businesses, November 2007<sup>3</sup>*

Whatever debate there has been around the impact of plastic bags on the environment, it is a debate that has clearly been won and lost. From 10 Downing Street to Leicester City Council, from Tesco’s to small business, from Friends of the Earth to the British Retail Consortium, organisations across the country are united in the aim of reducing the amount of single use throw away plastic bags issued in the UK.

And with good reason. Thirteen billion are issued annually in the UK; 1.6 billion alone in the capital. They take up to 400 years to breakdown and only one in 200 are recycled.<sup>4</sup> The vast majority of plastic bags issued needn’t be. A slight shift in behavioural change, a nudge from legalisation or a concerted local campaign have all demonstrated that removing the plastic bag from the act of shopping is possible. Go to Dublin, an M&S store in Belfast, San Francisco or the small coastal town of Modbury in Devon and you can see the different ways this has been achieved.

This report seeks to establish what has worked best and what approach could be best applied to London. Is a voluntary agreement, levy or regional ban the best vehicle through which to achieve a significant reduction?

Also should any action be simply restricted to plastic bags or extended to all throwaway shopping bags? After all, paper bags also have a significant impact on the environment.

### What is being done

Major supermarkets are undertaking projects and pilot schemes to tackle the issue of plastic bags. For example, M&S have begun charging five pence for their bags in their Northern Ireland stores and Tesco customers are being rewarded with club card points for shopping with reusable bags. All major supermarkets are rolling out a wide variety of incentives to encourage their customers to change their behaviour. ‘Bags for life’ are now a ubiquitous feature of supermarket checkouts.

All major supermarkets are signatories to the DEFRA/WRAP joint industry/government statement on reducing the environmental impact of carrier bags, signed in February

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<sup>1</sup> <http://www.number10.gov.uk/output/Page13791.asp>

<sup>2</sup> London Assembly environment committee, 15 November 2007, p9 of transcript

<sup>3</sup> Ibid, page 32

<sup>4</sup> EPHC – RIS consultation

2007. The code commits retailers to reducing the impact of carrier bags by 25 per cent by 2008. Sainsbury's, Tesco and M&S all expect to exceed this target – an expectation now shared by the Prime Minister who believes 'we can go further' than this 25 per cent, which in hindsight appears a modest ambition. The committee agrees.

Not least because in the Republic of Ireland, a staggering 94 per cent reduction in the issuing of plastic bags occurred practically overnight when a levy was introduced in 2002. The levy, set at roughly 10p and since raised to 15p, has changed behaviour and met with little or no resistance from the public. The 1.3 billion plastic bags issued per year in Ireland dropped to under 100 million, and although numbers have since crept back up to just over the 100 million mark, the levy's aims have been achieved. Plastic bags have disappeared as an everyday feature of shopping in Ireland and no longer litter the streets and countryside.

Not all the changes in consumer behaviour triggered by the levy in Ireland have been positive. The number of swing bin liners sold in Ireland's branches of Tesco rose by 77 per cent<sup>5</sup> and the number of paper bags used in Ireland has also increased. Both items have a negative impact on the environment and both represent an unintended consequence that has yet to be tackled by the Republic. They do not represent, however, a significant enough reason not to consider a levy in the UK.

London Councils' recent draft bill proposes to ban the free distribution of shopping bags – including paper bags, thereby seeking to learn one of the valuable lessons available from Ireland. But the ban is restricted to London and would by definition have less of an impact than a national levy.

The strengths of the Irish system can only really be effectively enforced at a national level. By integrating the levy into the VAT return process, retailers in Ireland have found the scheme did not carry an unnecessary administrative burden. By informing the public of the levy's aims, the adjustment was made and has become not only effective but popular, achieving 91 per cent approval ratings. And a levy hits at the most impactful point of the waste hierarchy – its pinnacle. It **reduces** waste.

## **Conclusion**

**The London Assembly Environment committee supports the introduction of a national levy on all single use throwaway shopping bags, including paper bags.**

If the government does not support our conclusion for a national levy, we would expect to see the voluntary agreements currently in operation being immediately and significantly strengthened. In the absence of either such move, the committee would support the implementation of a regional ban as proposed by London Councils.

Major supermarkets retailers have demonstrated an ability to meet and exceed existing targets. Any voluntary agreement needs therefore to be more rigorous, tightly defined and ambitious. The committee therefore recommends the following, immediate changes to the current voluntary agreement:

- The committee calls for the immediate revision of the WRAP/DEFRA agreement, which should set a firm, binding target on reducing the number of bags issued rather than just 'reducing their environmental impact'. This should include

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<sup>5</sup> Evidence to Scottish Parliament, Environment and Rural Development committee Hearings 2005



additional measures to limit the use of virgin material in the production of the bags.

- The new reduction targets should build on the success of major food retailers and require a further acceleration in reducing the number of plastic bags issued - for example a 75 per cent reduction in bags issued by 2010 by all major food retailers.
- That WRAP seek the cooperation and ultimately a commitment from a wider section of the economy including high street clothes stores and organisations such as the Federation of Small Businesses to sign up to the WRAP agreement.<sup>6</sup>
- Sector specific agreements should be set so that the significant progress made by major food retailers does not obscure or compensate for failures in other sectors.

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<sup>6</sup> The Federation of Small Businesses addressed the committee from the audience and sought greater involvement with the small business sector, for which any potential change has the most impact and where bad practice in needless issuing of plastic bags is prevalent.

## Background

### The scale of plastic bag usage and its impact on the environment

- 1.1 Plastic bags represent a highly visible component of litter and have become a potent symbol for needless consumption and waste. This chapter will place the debate around plastic bags into context. The scale of the use of plastic bags is not in question<sup>7</sup>.

#### Scale of use: key facts

- Thirteen billion carrier bags are issued nationally every year
- Each adult receives on average 200 disposable bags each year
- Eighty eight per cent of shoppers currently put all their shopping bags into free carrier bags
- On average shoppers take three to four bags at every shopping trip.

- 1.2 Use of plastic bags has become so widespread because they are convenient for retailers and customers alike. For customers, they are a hygienic, odourless bag that is strong<sup>8</sup> and waterproof and may often be re-used for alternative uses such as to collect domestic litter and nappies. For retailers, they are a cheap<sup>9</sup> easily mass produced form of packaging that can be transported in large numbers at relatively little cost. One metre square pallet can carry 150,000 plastic bags; the same number for paper bags would require an entire heavy goods vehicle.

#### Impact of use: key facts

- Only one in every 200 plastic bags are recycled – roughly one per person per year
- Plastic bags can take up to 400 years to break down.
- While plastic bags represent a relatively small part of waste stream – only one per cent of litter dropped and only one per cent of landfill<sup>10</sup> – this equates to 168,000 tonnes of waste to landfill annually in the UK annually<sup>11</sup>

- 1.3 The London Retail Consortium argues that ‘we do not believe the introduction of a plastic bag tax is an effective and proportionate’<sup>12</sup> course of action when the impact of plastic bags on litter and waste arising appears relatively limited. So, why therefore is there such a massive drive from politicians, the public and campaigners alike to reduce their usage?

<sup>7</sup> Around 13 billion carrier bags are issued nationally every year, with each adult receiving on average 200 disposable bags each year; 88 per cent of shoppers currently put all their shopping bags into free carrier bags; on average shoppers take three to four bags at every shopping trip; only one in every 200 plastic bags are recycled;

<sup>8</sup> The Carrier Bag Consortium in 2001 estimated that no other shopping container can 2,500 times its own weight and remain water resistant

<sup>9</sup> According to a Simpac Ltd study for the Carrier Bag Consortium in 2005, plastic bags cost less than 0.01p to produce

<sup>10</sup> According to the British Retail Consortium

<sup>11</sup> Based on Municipal waste management statistics 2006/07 produced by Defra on 6 November 2007 – which can be found at: <http://www.defra.gov.uk/news/2007/071106a.htm>

<sup>12</sup> London Retail Consortium, November 2007, written response to London Councils’ consultation

- 1.4 Plastic bags are ubiquitous, used in high volume and often not at maximum capacity. For example, for their home delivery services, Sainsbury's used 11 bags to pack 33 items and Asda used 15 bags for 32 items – both figures up from previous studies.<sup>13</sup>
- 1.5 They are also a highly visible form of litter, often collecting at pinch points in huge numbers near shops. There is also a wider point about why plastic bags have become a focus for the public. They are easy to replace, albeit with more expensive alternatives. But these alternatives are only more expensive because plastic bags are issued for free and as such are not subject to consideration by consumers of costs compared to benefits.
- 1.6 Whilst consumers have expressed concern about the need to reduce the consumption of single use carrier bags, that concern is not being transformed into sustained behaviour; whilst 45 per cent of shoppers claim to have bought a reusable "Bag for Life" but only 12 per cent use them regularly.
- 1.7 This consideration of cost and benefit is essential. As WRAP states, 'single use carrier bags are one of the most potent symbols of our throwaway society. Encouraging customers to make a small change in their shopping habits here may lead them to extend their thinking to other areas.'<sup>14</sup>
- 1.8 Some commentators believe that plastic bags are symbolic and their removal from the shops, bins and landfills of the UK could serve as one of many necessary catalysts required for the country to address the issue of climate change. This is because any initiative to reduce the use of plastic bags targets consumer behaviour directly which is essential in making many of us address the idea of sustainable living. Consequently a consensus has emerged that no longer asks should we be seeking to reduce the number of plastic bags, but how?
- 1.9 The London Assembly Environment committee has sought the views of leading national organisations such as WRAP and WasteWatch; local authorities via London Councils; leading retailers, largely drawn from the supermarket sector and also spoken to leading experts and the Environment Minister from the Republic of Ireland where a national levy has been in place since 2002.

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<sup>13</sup> [http://www.thisismoney.co.uk/consumer/caring/article.html?in\\_article\\_id=423963&in\\_page\\_id=511](http://www.thisismoney.co.uk/consumer/caring/article.html?in_article_id=423963&in_page_id=511)

<sup>14</sup> [http://www.wrap.org.uk/retail/news\\_events/news/move\\_by\\_tesco\\_to.html](http://www.wrap.org.uk/retail/news_events/news/move_by_tesco_to.html)

## **2. The Irish levy and the London ban: how government can act**

- 2.1 In 2001, it was estimated that 1.2 billion plastic bags were dispensed free of charge at retail outlets every year in the Republic of Ireland, equating to roughly 328 bags per inhabitant per year. Plastic bags accounted for approximately five per cent of litter. By June 2007, this figure had dropped to approximately 108 million, an estimated 30 bags per person per year. Plastic bags now account for 0.52 per cent of litter. What happened? A levy was introduced.
- 2.2 The levy charged on plastic bags in the Republic of Ireland is widely admired as one of the most successful environmental taxes in operation. The Chair and Deputy Chair of the Environment committee undertook a visit to Dublin on 6 November to meet with environmental policy experts from University College Dublin and Ireland's Environment Minister John Gormley TD to establish how the scheme was implemented and managed and what could be usefully applied to any such scheme in London or the UK.
- 2.3 This chapter examines the valuable lessons that can be learnt from the Irish experience and how the unintended consequences of the levy could be countered. This chapter also analyses the proposals from London Councils, tabled in Parliament in November this year, that seek powers to impose a regional ban on the free distribution of shopping bags to customers.

### **The introduction and working of the levy**

- 2.4 The Irish scheme was introduced in 2002, primarily as a tool to reduce littering, and not as a means of reducing the amount of waste going to landfill. Its introduction was a manifesto pledge from *Fianna Fáil* but did not attract great public attention during the preceding election campaign. However once it became set down in the coalition government's programme for office, the political will from the then Environment Minister, Noel Dempsey TD, meant that debates around whether a levy should or should not be imposed turned to how such a levy would be implemented.
- 2.5 Two key elements behind the success of the levy became crystallized during these discussions. Extensive consultation with the retail sector led to a variety of compromises (for example, smaller plastic bags were still issued for meat and fish) and agreement to a government funded publicity campaign explaining how and why such a levy would be used to deflect potentially negative publicity away from the supermarkets.
- 2.6 Second, the method for the collection of the tax was settled on. Retailers large and small would simply include as part of their VAT returns the amount of plastic bags they had distributed. According to studies<sup>15</sup> this has been key to the levy's success. Its administration costs represent less than four per cent of its revenue. For example, one-off establishment costs amounted to approximately €1.2 million and annual administration costs were in the region of €350,000. In addition to this, advertising costs associated with a publicity and awareness campaign were €358,000. In the first full year of operation (March 2002 to

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<sup>15</sup> The most popular tax in Europe? Lessons from the Irish plastic bags levy, Environmental Resource Economics, F. Convey, S McDonnell, S Ferreira, 2007 Vol 38:1 pp1-11

February 2003), revenues were approximately €12 million – equivalent to revenues approximately 30 times the costs of collection.

### **The impact of the plastic bag ban levy in Ireland**

- 2.7 The immediate impact was dramatic. The number of bags purchased in 2002 was 91.6 million<sup>16</sup> – down by 94 per cent on the 1.2 billion bags issued for free previously. In 2003, the number of bags purchased dropped even further to 84.7 million. By 2004 and 2005 litter arising from plastic bags had dropped from five per cent to 0.22 per cent. An Irish national survey on the environment ‘Attitudes and Actions 2003’ found that 91 per cent of those surveyed supported the plastic bag levy.
- 2.8 In the past three years there has been a slight reversal. Between 2004 and 2007, the number of plastic bags sold has risen to over 100 million a year; litter arising from plastic bags too has increased from the 0.22 per cent of 2005 to 0.52 per cent in 2007. Indeed, to counter these trends, the Irish government has announced its intention to increase the levy from € 0.15c to € 0.22c. As David Tyson, Chief Executive of the Packaging and Films Association, informed the committee ‘people get used to it.’<sup>17</sup>
- 2.9 The reversal of the past three years is worth noting but only partially detracts from the overall success of the scheme. In terms of both the number of bags sold and litter, the levy has brought about a 90 per cent reduction on pre levy levels. Between 2002 and 2007, five billion plastic bags have not been issued that otherwise probably would have been. Five billion bags have not gone to landfill. That is the undeniable positive outcome to the introduction of the levy.
- 2.10 There are negative effects however as people substituted with other carriers. For example, the number of swing bin liners sold in Ireland’s branches of Tesco rose by 77 per cent<sup>18</sup>. Swing bin liners are much more damaging to the environment, taking significantly longer to degrade and requiring more virgin materials in their production.
- 2.11 The use of paper bags has increased in Ireland, though the extent of this increase is disputed<sup>19</sup>. Irrespective of the exact scale of the number of paper bags used, it is a legitimate concern. Paper bags require significantly more storage space for transportation and would therefore require significantly more trips to provide the equivalent number of plastic bags to a retailer. Given their negative impact on the environment, the use of paper bags also needs to be mitigated.

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<sup>16</sup> Friends of the Earth (Ireland), press release March 2006

<sup>17</sup> London Assembly environment committee, 15 November 2007

<sup>18</sup> Evidence to Scottish Parliament, Environment and Rural Development committee Hearings 2005

<sup>19</sup> Simon McDonnell notes in *The Irish Plastic Bag Levy – A Review of its Performance 5 years on*, a Scottish Parliament report estimated a 25 per cent switch to paper bags without any concrete evidence to support this assumption and also assumes a 36 per cent switch of those who remain using a bag (as opposed to those who refuse bags) switch to paper. McDonnell concludes that this seems ‘an unreasonable assumption given the Irish experience’. The Irish government noted when introducing the plastic bag levy that if there was a considerable leakage to paper bags, a levy would be introduced on these bags too. As of now, paper bags remain exempt from the levy.

- 2.12 Both the Scottish Parliament<sup>20</sup> and current Environment Minister<sup>21</sup> endorse the view that the risk of using more paper bags and the perverse effect of a plastic bag levy leading to people use more plastic, in other forms, rather than less, as persuasive enough reason not to pursue a levy in the UK. Many commentators did not find these arguments persuasive. London's 33 local authority leaders sought to pursue their own solution: a regional ban on the free distribution of single use plastic and paper shopping bags.

### **The regional solution: stopping the billion-bag giveaway**

- 2.13 The proposals put forward by London Councils do not represent a ban on shopping bags. What is proposed is a ban on the free distribution of single use shopping bags. Retailers could sell reusable bags but not single use bags.
- 2.14 In presenting these proposals to the London Assembly, London Councils admitted that there were not in a position to impose a regional levy. The complexities of administering a regional levy and the likely opposition from the Treasury to such a tax partially forced them to pursue a ban on handing out free shopping bags. But given the public mood they needed to take steps to deliver legislative change to limit the give away of single use bags.
- 2.15 London Councils' proposals build on lessons learned from Ireland. For example, the ban is not restricted to just plastic bags but all single use shopping bags, including crucially paper bags. The draft bill also adopts many of the exemptions that applied in Ireland, such as meat and fish packaging. However, there are a number of practical administrative issues (such as how the enforcement process would operate) that need further detailed consideration.
- 2.16 The Federation of Small Businesses informed the committee that around 80 per cent of their members that they surveyed were in favour of an outright ban or levy; 70 per cent thought that any such ban or levy would not be a problem for their business.<sup>22</sup> When addressing the committee, the federation stated 'any kind of levy should not put a significant administrative burden on the independent retailer, that the support for the principle of a measure will probably evaporate if it becomes the equivalent of another VAT return.'<sup>23</sup> The Irish Levy was implemented through an additional line on the VAT return.
- 2.17 And small and large retailers agreed that a regional solution was not an efficient means of tackling the problem, either for the consumer or retailer.
- 2.19 London Councils' draft bill marks a frustration at a perceived failure to 'push at an open door because consumers are very receptive to changing [their] behaviour.'<sup>24</sup> Cllr Brennan, Leader of Sutton Council, stated to the committee that:

*'Let us be ambitious. National legislation looks to be the sensible course of action so that there is consistency throughout the country and we did*

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<sup>20</sup> Scottish parliament report

<sup>21</sup> Ben Bradshaw, Environment Minister, 4 August 2006

<sup>22</sup> Federation of small Businesses, November 2007, written evidence

<sup>23</sup> London Assembly environment committee, 15 November 2007

<sup>24</sup> London Assembly environment committee, 15 November 2007

*feel that national government, again, were lagging a little bit behind on this, not being sufficiently ambitious, and that is why we felt we had to make a stand and to be the leaders in this. We would very much hope that national government will follow the example that we are setting on this.'*<sup>25</sup>

- 2.20 While we support the intention of London Councils' draft bill, we believe that a national levy is a more effective and efficient means of achieving the desired reduction in the use of throwaway shopping bags.

### **Conclusion**

- 2.21 Plastic bags have become such a potent symbol of waste because consumers do not pay the full economic cost of their use. Customers pay for bin liners. They do not pay for plastic bags. They should.
- 2.22 The gains from the introduction of a levy are significant. A 90 per cent reduction in the number of shopping bags going to landfill would result in almost 11 billion less bags eventually going to landfill. What may be only one per cent of landfill would become only 0.1 per cent of landfill.
- 2.23 Arguments against a levy perhaps deliberately misunderstand how a levy works. Supermarkets informed us that customers 'want the availability of a bag at the checkout when it comes down to it'<sup>26</sup>, that they want a 'fallback'<sup>27</sup> option. Under a levy customers would still have a fallback option. It would just cost them 10p.
- 2.24 **The London Assembly supports the introduction of a national levy on all single use throwaway shopping bags that applies the Irish model for administration and collection.**

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<sup>25</sup> London Assembly environment committee, 15 November 2007

<sup>26</sup> London Assembly environment committee, 15 November 2007

<sup>27</sup> London Assembly environment committee, 15 November 2007

### 3. The voluntary agreement: how businesses are acting

*'Our approach in the UK is based on incentive; we think that works with the grain of human nature more effectively than charge or punishment and it seems to be working well.'*

Ian Hutchins, Tesco<sup>28</sup>

- 3.1 The government and leading supermarkets in the UK recognise the need for action. For some years now, major supermarkets have promoted the use of 'bags for life' aware that the issue of plastic bags was a concern for some customers. For example, in 2003 an IPSOS Moir poll found that almost two thirds (63 per cent) of British people supported the idea of paying 10p for their plastic bags.<sup>29</sup>
- 3.2 Supermarkets are uniformly opposed to a **compulsory** charge imposed on them from government. The supermarket sector, British Retail Consortium, government and WRAP have embarked upon an alternative solution which formalises the need for a retail response to consumer concern. A voluntary framework is now in place on which the wider public can judge just how well supermarkets are responding to the challenge of reducing the number of plastic bags issued.
- 3.3 In February 2007, UK retailers, including the major supermarkets, Boots and Primark, signed up to a target to reduce the environmental impact of carrier bag usage by 25 per cent by the end of 2008. The agreement is between retailers, government and the Waste & Resources Action Programme (WRAP). This equates to just over one per cent reduction per month over the 22 month life of the agreement.
- 3.4 WRAP state that this target will be achieved by:
  - reducing the environmental impact of each individual carrier bag
  - encouraging customers to significantly reduce the number of carrier bags they use; and
  - enabling the recycling of more carrier bags where appropriate.

If achieved, the 25 per cent reduction target could reduce carbon dioxide emissions by up to 58,500 tonnes a year – equivalent to taking 18,000 cars off the road for a year.
- 3.5 Within the context of this agreement, the response from the supermarkets the London Assembly spoke to has been impressive.
  - At Tesco, any customer can reuse any bag to take shopping home from any Tesco store and they get a Clubcard point (loyalty bonus). Supported by a £5 million national advertising campaign and a £1 million staff training budget, the scheme – up and running since August 2006 – had by November 2007, seen over a billion points awarded (the equivalent of one billion bags NOT being issued).

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<sup>28</sup> London Assembly environment committee, 15 November 2007

<sup>29</sup> Public Support For Tax On Shopping Bags, 28 April 2004, <http://www.ipsos-mori.com/polls/2003/meb1.shtml>



- M&S now ask customers at the till point, whether they want a bag or not. Coupled with a 400 per cent rise in 'bagforlife' sales, this has helped deliver a 12 per cent reduction in the number of bags issued (approximately 31 million bags). A trial in their 14 Northern Ireland stores where customers were charged 5p for carrier bags produced a 66 per cent reduction in the number of bags issued. This has prompted M&S to roll out this pilot in their 33 South West England stores.
  - Between 2005 and 2006, Sainsbury's reduced the number of plastic bags issued by 123 million and have in the last six months witnessed a further 10 per cent reduction in the number of bags issued. Sainsbury's estimate that the 66 per cent increase in sales of reusable bags alone has saved 750 tonnes of bags going to landfill alone.
- 3.6 The billion clubcard points given to Tesco customers does not necessarily mean that a billion less plastic bags are now in circulation – we do not know how many clubcard points were rewarded to customers who already used reusable shopping bags and how many times these customers have been rewarded (you receive a bonus every time you shop). What the scheme does provide however is a very efficient way of monitoring consumer behaviour and also offers a fairly straightforward means for increasing incentives to NOT use plastic bags.
- 3.7 The supermarkets that the committee spoke to are not just concentrating on reducing the number of bags issued but the environmental impact they have once issued. All Tesco's standard carrier bags are 100 per cent biodegradable which break down within 60 days and release no harmful gases into the atmosphere as they do. Marks & Spencer too are moving toward a 100 per cent biodegradable bag and Sainsbury's have a 33 per cent recycled material bag which also uses ten per cent chalk, making a saving on virgin material used in the production of the bag.<sup>30</sup>
- 3.8 The committee welcomes these significant interventions and the ambition attached, which far exceeds the voluntary WRAP agreement. Sainsbury's put their ambition at reducing the environmental impact of their plastic bags at 50 per cent<sup>31</sup> by the end of 2008; M&S are aiming for a similar 33 per cent reduction by 2010<sup>32</sup> and Tesco already claim to have met their WRAP ambitions a year ahead of schedule<sup>33</sup>.

<sup>30</sup> London Assembly environment committee, 15 November 2007

<sup>31</sup> London Assembly environment committee, 15 November 2007

<sup>32</sup> London Assembly environment committee, 15 November 2007

<sup>33</sup> London Assembly environment committee, 15 November 2007

## Where next?

*'When we all signed up to 25 per cent 18 months ago, we thought it would be very, very difficult. We honestly sat there and thought, 'Wow, this is the end of the world as we know it'. Now, with time we have learnt, we have innovated, we have actually found 25 per cent across three very different businesses relatively easy to achieve.'*<sup>34</sup>

Mike Barry, Marks and Spencer

*'A 25 per cent reduction is all very well, but it still leaves conservatively in the order of 9 billion carrier bags, the vast majority of which go into landfill.'*

Peter Robinson, WasteWatch

- 3.9 So, where does the voluntary agreement go now? We need to return to basics and reconsider the waste hierarchy. As Peter Robinson, Director of WasteWatch, informed the committee, "actions to reduce should always take precedence over other initiatives."<sup>35</sup>
- 3.10 The 25 per cent figure based on reducing 'the environmental impact' of plastic bags rather than the number issued was a starting gun not a finishing line. Leading supermarkets have already demonstrated their ability to meet this target, so any voluntary agreement needs instead to place itself ahead of supermarkets' current capacity. Ambition should exceed expectation, not meet it.

**The committee calls for the immediate revision of the WRAP/DEFRA agreement, which should set a firm, binding target on reducing the number of bags issued rather than just 'reducing their environmental impact'. This should include additional measures to limit the use of virgin material in the production of the bags.**

**The new reduction targets should build on the success of major food retailers and require a further acceleration in reducing the number of plastic bags issued - for example a 75 per cent reduction in bags issued by 2010 by all major food retailers.**

- 3.11 It would be unfair however to single out the supermarkets solely for consideration, even though by their own admission they are by far the most significant contributor to plastic bag production in the UK. The agreement as it stands is between the government, WRAP and the leading supermarkets, with only Boots and Primark, from other High Street retailers signed up to similar commitments. The supermarkets achievements must not be allowed to obscure the failings or inaction of others.
- 3.12 The Federation of Small Businesses, as cited in the previous chapter, is supportive of a ban or national levy. This is a clear demonstration of their

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<sup>34</sup> London Assembly environment committee, 15 November 2007

<sup>35</sup> London Assembly environment committee, 15 November 2007

willingness to act and it is a willingness that should be harnessed further in any voluntary agreement. The reach of the agreement needs to be widened.

**Therefore, the committee call upon WRAP to seek the cooperation and ultimately a commitment from a wider section of the economy including high street clothes stores and organisations such as the Federation of Small Businesses to sign up to the WRAP agreement.**

**To prevent treating 'all retailers [are] the same'<sup>36</sup>, the committee calls upon the voluntary scheme to set sector specific agreements so that the significant progress made by major food retailers does not obscure or compensate for failures in other sectors.**

- 3.13 These recommendations address the operation of the voluntary scheme but do not represent a tacit support of the scheme. As stated in the previous chapter, the committee supports the implementation of national levy. However, this review's aim was to establish how the number of single use shopping bags issued in London could be reduced. If an immediate imposition of a national levy were not forthcoming, the committee would seek the above changes to improve the impact of the voluntary agreements. To further support the implementation of any such measures however, the committee would seek even greater motivation for retailers to act and to act quickly.

**As an immediate step and while preparing for a national levy the committee recommends that government pledges that more challenging, sector specific and tightly defined targets be introduced forthwith.**

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<sup>36</sup> London Assembly environment committee, 15 November 2007

## **Appendix A – Opposition statement from One London**

The One London group supports the use of voluntary agreements to mitigate the impact of plastic bags on the environment. However, the One London Group does not support the introduction of a levy nor the introduction of a ban as proposed by London Councils.

The report notes that the voluntary code is working very well with the supermarket chains, who are competing in ways to attract customers by providing alternatives to plastic bags for shopping. We think that this being the case, there is no need for any more government interference by putting an extra levy on the bags. Since businesses, according to the evidence they gave, accept the need for controlling the use of plastic bags, it is best to leave it to them to find the best way of dealing with the problem.

In particular, we remain concerned that any levy or ban would cause extra work for smaller businesses, who are already complaining about the amount they pay in taxes and the amount of paperwork they have to do

We are also concerned that (as set out in paras 2.10 and 2.11 of the Report) far from reducing waste, the introduction of a compulsory levy on plastic bags increased the use of bin liners in Ireland (by 77%), which are harder to recycle and really are single use, and of paper bags (actual figure is under dispute). No recommendations should be made without an analysis of reuse of plastic bags and what will substitute for them.

## Appendix B – List of Evidence

### Site Visit

The Chair and Deputy Chair of the environment committee visited Dublin on 6 November 2007. They met

- British Embassy officials,
- Leading academics from University College Dublin – including Professor Frank Convery and Susanna Ferreira, co-authors of *The Most Popular Tax in Europe? Lessons from the Irish plastic bags levy*
- Minister John Gormley TD, Ireland's Minister for the Environment, Heritage and Local Government.

### Written Evidence

The committee received written evidence from the following organisations:

- |                                   |   |
|-----------------------------------|---|
| • HMV                             | • The Waste & Resources Action Programme (WRAP)   |
| • Tesco                           | • Ireland's Department of the Environment, Heritage & Local Government                          |
| • Sainsbury's                     | • London Councils   |
| • ASDA                            | • Mayor of London   |
| • Marks and Spencer (M&S)         | • Waste Watch   |
| • Carrier Bags Consortium         | • Dr. Simon McDonnell, University of Illinois at Chicago (previously University College Dublin) |
| • Packaging and Films Association |   |
| • The London Retail Consortium    |   |
| • Federation of Small Businesses  |   |

For copies of any of the above submissions, please e-mail [danny.myers@london.gov.uk](mailto:danny.myers@london.gov.uk)

### Evidentiary hearing

On 15 November 2007, the London Assembly met with the following organisations.

- Ian Hutchins, Head of Corporate and Legal Affairs, Tesco
- Mike Barry, Head of Corporate Social Responsibility, Marks & Spencer
- James Clark, Public Affairs Manager, Sainsbury's
- Councillor Sean Brennan, Lead Sustainability Portfolio, London Councils
- Peter Robinson Director, Waste Watch
- David Tyson, Chief Executive, Packaging and Films Association
- Nick Winch, Policy Officer, Federation of Small Businesses
- Jeremy Curnow, Ecosheek Bag Company
- Donald Liven, campaigner
- Guy Prowse, London Citizens
- Peter Woodhall, UK Carrier Bag Consortium

To view this hearing, please visit: <http://www.london.gov.uk/assembly/webcasts.jsp> or alternatively, you can view a transcript of this meeting at <http://www.london.gov.uk/assembly/envmtgs/index.jsp#71> or request a transcript from [katy.shaw@london.gov.uk](mailto:katy.shaw@london.gov.uk).

## **Appendix C – Orders and translations**

### ***How to Order***

For further information on this report or to order a copy, please contact Danny Myers, Scrutiny Manager, on 020 7983 4394 or email [danny.myers@london.gov.uk](mailto:danny.myers@london.gov.uk)

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