SINGLE-USE PLASTIC LEVY

Summary

Single-Use plastic levies place taxes on plastic bags, bottles and food packaging to deter their use.

Background and Objective

Single-use disposable food ware and packaging (SUDs) - including plates, cutlery, cups, lids, straws, “clamshells” and other containers - are a major contributor to street litter, ocean pollution, marine and other wildlife harm and greenhouse gas emissions. The use of single-use plastics has grown exponentially over the past few decades. Because the environmental costs of these products are largely hidden to the business operator and consumer, little attention is paid to the quantity of packaging consumed and quickly thrown away.

Outcomes and Impacts

Financial instruments are designed to persuade households and waste producers to strive towards diverting waste from landfills, recycle more waste and optimize the use of resources in order to prevent the generation of wastes, and, at the same time, contribute to financing waste management activities. From the economic point of view, these instruments are preferable to direct regulation due to their greater efficiency. While the polluter pays the abatement cost of the generated impact from waste generation and treatment, the existence of a tax, a levy, etc. is a clear incentive for the polluter to search for new abatement options. Single-use Plastic Levies on businesses and consumers support the move to reuse systems by creating a level playing field, in which single-use plastic externalities are accounted for, and making reuse the economically preferable option. Put simply, taxes on SUP items, and fiscal incentives on their reusable alternatives, make a significant difference to vendors and customers. Combined, they can drive innovation and behaviour changes towards reusables. Placing a tax or levy on SUPs can quickly direct businesses to seek alternatives, for example, a levy (visible on payment) on single-use coffee cups to create demand for reuse systems - an approach with proven effectiveness for single-use plastic bags and increasingly for cups. Bans on single-use plastics can be a step towards more comprehensive policies aimed at reducing the generation of plastic waste and at replacing single-use plastics with more sustainable, environmentally-friendly alternatives. For instance, the plastic bag ban in Antigua and Barbuda has led to the introduction of further measures to forbid the import of food plastic containers and the use of plastic utensils.

Conclusion

CASE STUDY EXAMPLES The Berkeley, CA City Council unanimously passed an ordinance focused on reducing waste and limiting single-use plastic on Tuesday, Jan. 22. The Single-Use Foodware and Litter Reduction Ordinance will be fully implemented by January 1, 2022. A phase-in plan began Jan. 1, 2020. For more information: https://www.plasticpollutioncoalition.org/pft/2019/1/24/berkeley-ca-passes-groundbreaking-policy-to-reduce-single-use-foodware ALTERNATIVE SOLUTIONS This policy is in line with other local plastic reduction initiatives and bans, including those concerning single-use plastic bags, straws and cutlery. In general, waste disposal taxes can also have a similar effect in the form of a landfill tax, incineration tax, or product levies as in this instance.