



BRIEFING PAPER

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Plastic bags - the Single Use Carrier Bag Charge

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Summary

A five pence charge came into effect on single use carrier bags in England on 5 October 2015. The term “single use carrier bag” generally refers to the conventional, lightweight, plastic carrier bags (made from polyethylene) offered to customers in almost all UK supermarkets. The Department for Environment, Food and Rural Affairs (Defra) has emphasised that the charge is not a tax and (with the exception of any VAT included in the charge) the money from the charge does not go to the government. The charge in England, which is paid by customers to retailers, follows the introduction of similar levies in other parts of the UK. Wales, Northern Ireland and Scotland introduced a 5p levy on single use carrier bags in 2011, 2013 and 2014 respectively. The purpose of each single use carrier bag charge is to reduce the number of bags given out, increase their re-use and reduce litter.

The [Climate Change Act 2008](#) and the [Climate Change \(Scotland\) Act 2009](#) provide the legislative framework for the single use carrier bag charge. The terms for each single use carrier bag charge are slightly different in each part of the UK. Notable differences between the charges include:

- In England, small and medium-sized enterprises (retailers employing less than 250 staff) are exempt from applying the charge.
- In Wales, Scotland and Northern Ireland, biodegradable and most types of paper bags are included and so are charged for. In England, paper bags are exempt.
- In England, Wales and Scotland, retailers are free to use the proceeds of the charge as they wish (although they are strongly encouraged to donate them to “good causes”). In Northern Ireland, regulations require that the proceeds go to the Government.

The [Welsh Government estimated](#) that single use carrier bag use between 2011 and 2014 declined by 71%; [Zero Waste Scotland estimated](#) that the 7 major grocery retailers in Scotland used about 650 million fewer single use carrier bags in the first year of the charge in Scotland; and [Northern Ireland reported](#) a 71.8% reduction in plastic bag use in its first year. A [summary of the data on single-use plastic carrier bags in England](#) has been published for every year since the charge was introduced. A [PQ answer](#) in October 2018 stated that

The single use carrier bag charge introduced in 2015 has seen plastic bag sales in major supermarkets drop by 86%¹

On 19 January 2015 changes were introduced to the charge in Northern Ireland. The levy there now applies to all new carrier bags with a retail price below 20p, regardless of what they are made from. This change was to ensure that cheap reusable bags are also charged for, so that customers are encouraged to reuse reusable bags to their full potential. The [statistics for 2015/16 in Northern Ireland](#) reported a year on year increase in carrier bag usage of 10.6%, but pointed to the change in regulation to explain this.

On 27 December 2018, the Government launched a [consultation](#) on the charge in England, proposing extending the charge to all retailers and increasing the charge to 10p per bag. The consultation closed on 22 February 2019.

This note sets out the arrangements surrounding the single use carrier bag charge in each part of the UK.

¹ [PO 180096](#), answered 22 October 2018

1. The Single Use Carrier Bag Charge

1.1 The problem of plastic bags

It was estimated that in 2013 supermarkets gave out over 8 billion single use carrier bags across the UK – nearly 130 bags per person.² In 2014, these figures increased for the fifth year running to 8.5 billion.³ Many of these bags ended up as litter – on streets, beaches and in the countryside. In 2013, clearing up this litter cost taxpayers in England around £10 million a year.⁴ The production and disposal of plastic bags can also have a negative impact on the environment, through the oil used in their creation and the tonnes of plastic which go into landfill. Plastic bags can be particularly damaging for marine environments. It can be ingested fish, birds and other marine wildlife, and it can entangle marine mammals. According to the European Commission, in the North Sea the stomachs of 94% of all birds contain plastic.⁵

It was estimated that in 2013 supermarkets gave out over 8 billion single use carrier bags across the UK – nearly 130 bags per person. This increased to 8.5 billion in 2014.

Many governments have taken initiatives to reduce the use of disposable plastic bags. In 1994, for instance, Denmark introduced a tax on plastic and paper bags for retailers. This resulted in a significant reduction in their use, with retailers promoting the use of reusable bags.⁶

The Republic of Ireland was the first country in the world to introduce a plastic bag charge for consumers. A levy at the rate of 15 cents per bag was introduced on 4 March 2002 (rising to 22 cents in 2007). Its purpose was to reduce the consumption of disposable plastic bags by influencing consumer behaviour. According to the Irish Government, the levy had an immediate effect when introduced in 2002 on consumer behaviour “with a decrease in plastic bag usage from an estimated 328 bags per capita to an estimated 14 bags per capita in 2014”.⁷

Governments in the UK have previously sought to limit carrier bag use through voluntary measures with retailers.

Governments in the UK have previously sought to limit carrier bag use through voluntary measures with retailers. Between 2006 and 2009 there was a voluntary agreement between the four governments across the UK, the British Retail Consortium and its supermarket members, to reduce thin-gauge carrier bags by 50% by the spring of 2009 against a 2006 baseline. This met with some success (although the target was narrowly missed) with a 48% reduction measured for the UK.⁸ However, the number of plastic bags in use increased between 2011

² Defra, [Waste and recycling: policy](#), 27 March 2015 [accessed on 27 June 2018]

³ Defra, [Plastic bag numbers rise for the fifth year](#), 24 July 2015

⁴ Defra, [Call for Evidence: Single-Use Plastic Bag Charge for England](#), November 2013, p3

⁵ European Commission, [MEMO/13/945](#), 4 November 2013

⁶ European Commission, [MEMO/13/945](#), 4 November 2013

⁷ Department of Communications, Climate Action & Environment website, [Plastic bags](#) [accessed on 27 June 2018]

⁸ Written evidence submitted by WRAP for the Environmental Audit Committee’s inquiry into plastic bags, [BAG 031](#), 18 December 2013, para 7

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and 2012 – by 4.4% in England, by 1.1% in Scotland and by 3% in Northern Ireland.⁹

1.2 Legislative basis for the charge

The [Climate Change Act 2008](#) and the [Climate Change \(Scotland\) Act 2009](#) provided the legal powers to enable UK national authorities to introduce a charge on sellers of goods for single use plastic bags supplied to customers. Section 77 of the [Climate Change Act 2008](#) sets out the arrangements for introducing regulations on single use plastic bag charges in England, Wales and Northern Ireland:

77 Charges for single use carrier bags.

(1) Schedule 6 makes provision about charges for single use carrier bags.

(2) In that Schedule— .

Part 1 confers power on the relevant national authority to make regulations about charges for single use carrier bags;

Part 2 makes provision about civil sanctions;

Part 3 makes provision about the procedures applying to regulations under the Schedule.

(3) In that Schedule “the relevant national authority” means— .

(a) the Secretary of State in relation to England; .

(b) the Welsh Ministers in relation to Wales; .

(c) the Department of the Environment in Northern Ireland in relation to Northern Ireland.¹⁰

Section 88 of the [Climate Change \(Scotland\) 2009 Act](#) sets out the arrangements for the regulations introducing the charge in Scotland.¹¹ Neither of the Climate Change acts provided for the relevant Government to determine the destination of the proceeds raised by the charge.

Detailed arrangements for each charging scheme were later set out in different secondary legislation for each country. The main relevant Statutory Instruments (SIs) are as follows:

- [The Single Use Carrier Bag Charges \(England\) 2015, SI 2015/776](#)
- [The Single Use Carrier Bags Charge \(Wales\) Regulations 2010, SI 2010/2880 \(W.238\)](#)
- [The Single Use Carrier Bags Charge \(Wales\) \(Amendment\) Regulations 2011, SI 2011/2184 \(W. 236\)](#)
- [The Single Use Carrier Bags Charge \(Scotland\) Regulations 2014, SI 201/161](#)

The [Climate Change Act 2008](#) provided the legal powers to enable UK national authorities to introduce a charge on sellers of goods for single use plastic bags supplied to customers.

⁹ WRAP, [UK Voluntary Carrier Bag Monitoring – 2013](#), July 2013, p16

¹⁰ [Climate Change Act 2008](#), Section 77

¹¹ [Climate Change Act \(Scotland\) 2009](#), Section 88

- [*The Single Use Carrier Bags Charge \(Fixed Penalty Notices and Amendment\) \(Scotland\) Regulations 2015, SI 2015/159*](#)
- [*The Single Use Carrier Bags Charge Regulations \(Northern Ireland\) 2013, SI 2013/04*](#)

In 2013 the European Commission also adopted a proposal that required Member States to reduce their use of lightweight plastic carrier bags.¹² This amended *the [Packaging and Packaging Waste Directive](#)* by requiring Member States to adopt measures to reduce the consumption of plastic carrier bags with a thickness of below 50 microns, which often end up as litter. The proposal also included the use of economic measures, such as charges, national reduction targets and marketing restrictions, as long as these measures did not impose significant restrictions in the internal market.

¹² European Commission Press Release, '[Environment: Commission proposes to reduce the use of plastic bags](#)', 4 November 2013

2. Single Use Carrier Bag Charge in England

In 2014, over 7.5 billion single use carrier bags were handed out by major supermarkets in England, which represents an increase of 3.2% compared with 2013.¹³ Although voluntary agreements between the Government and supermarkets reduced the number of bags taken by shoppers in 2009, once it ended the number of plastic bags used in England increased by 21.4% between 2010 and 2014.¹⁴ By contrast, following the introduction of the single use carrier bag charge in Wales, plastic bag use fell there by 78% during the same period.¹⁵

In September 2013 the then Deputy Prime Minister Nick Clegg announced plans to introduce a mandatory minimum 5p charge for single use plastic carrier bags in England from autumn 2015.¹⁶ A call for evidence was launched in late 2013, during which the UK Government indicated that it did not intend to replicate the Welsh charge exactly. Instead, the UK Government opted to include greater exemptions than existed under the Welsh scheme. Significantly, exemptions were proposed for organisations with less than 250 employees and for biodegradable and paper bags.¹⁷ The exemption for biodegradable bags was later dropped.

A draft Statutory Instrument (SI) was laid by the Government on 21 January 2015 to introduce a minimum 5p charge on single use carrier bags in England.¹⁸ The Instrument was approved by the House of Lords on 11 March 2015, and received approval in the Commons on 18 March.¹⁹ The charge came into effect on 5 October 2015.

In July 2018, Defra summarised the reduction in plastic bag use since the introduction of the charge:

Plastic bag sales in England's 'big seven' supermarkets have dropped by 86% since the Government introduced its 5p plastic bag charge in 2015²⁰

An [annual summary](#) of the data on plastic bag use expresses the reduction in terms of numbers of bags used per shopper:

Between 2010 and 2014 the number of plastic bags used in England increased by 21.4%. Following the introduction of the single use carrier bag charge in Wales, plastic bag use fell there by 78% during the same period.

¹³ Defra, [Plastic bag numbers rise for the fifth year](#), 24 July 2015 [accessed 24.07.15]; WRAP, [WRAP announces new carrier bag figures](#), 24 July 2015 [accessed 24.07.15]

¹⁴ WRAP, [UK Voluntary Carrier Bag Agreement – 2014 Data](#), July 2015, p17 [accessed 24.07.15]

¹⁵ Ibid.

¹⁶ Defra and the Office of the Deputy Prime Minister Press Release, ['Plastic bag charge set to benefit the environment'](#), 14 September 2013

¹⁷ Defra, [Call for Evidence: Single Use Plastic Bag Charge for England](#), November 2013, paras 9, 13, 40-47

¹⁸ The Government had previously laid a draft SI on 17 December 2014 to introduce this charge. It was later withdrawn, owing to an error in the instrument. The draft SI tabled on 21 January was its replacement.

¹⁹ [House of Lords Minutes of Proceedings of Wednesday 11 March 2014, Public Business 6; Votes and Proceedings 18 March 2015](#)

²⁰ Defra, [Plastic bag sales in 'big seven' supermarkets down 86% since 5p charge](#), 27 July 2018

This is equivalent to each person in the population using 19 bags in 2017 to 2018, compared to 24 bags in 2016 to 2017, and 140 bags per person in 2014 before the charge was introduced.²¹

2.1 What is covered by the English charge?

Large retailers must charge a minimum of five pence (including any VAT) for any single use carrier bag used for goods sold or delivered in England.²² A single use carrier bag is defined as “an unused bag made of lightweight plastic material with handles, other than an excluded bag”.²³ In the first reporting period (Oct 2015 to April 2016) 285 large retailers registered and reported data to Defra.²⁴

Lightweight plastic material means synthetic or semi-synthetic material “made from polyamide, polyethylene, polylactic acid, polyvinyl chloride or other polymer, or any combination of polymers, the thickness of which is not greater than 70 microns”.²⁵ According to the Government, this definition will ensure that all bags given out by retailers as single use bags will be covered.²⁶ There are, however, certain exemptions from the English charge, such as those sold as “bags for life”. These are discussed below.

2.2 Exemptions from the charge

The following types of bag are exempt from the charge in England:²⁷

- returnable multiple reuse bags (bags for life)
- bags without handles
- woven plastic bags
- bags intended solely for unwrapped food
- bags intended solely for unwrapped goods contaminated with soil (e.g. loose seeds)
- bags intended for unwrapped blades
- bags intended for prescription-only medicines
- bags intended to hold live aquatic creatures
- bags intended for uncooked meat
- bags distributed in places of transit (e.g. boats, trains and airports)

Bags for life

Returnable multiple reuse bags (known as bags for life) are exempt from the charge in England if they are:

- sold for 5p or more;
- returnable to the seller to be replaced free of charge;
- 50 to 70 microns thick; and

Unlike in other parts of the UK, small and medium sized enterprises are exempt from having to apply the charge in England, although they can voluntarily choose to participate.

²¹ Defra, [Single-use plastic carrier bags charge: data in England for 2017 to 2018](#), updated 27 September 2018

²² [The Single Use Carrier Bag Charges \(England\) Order 2015, SI2015/776](#), Article 3

²³ [The Single Use Carrier Bag Charges \(England\) Order 2015, SI2015/776](#), Schedule 2 (1)

²⁴ Gov.uk, [Single-use plastic carrier bags charge: data in England for 2015 to 2016](#), 30 July 2016 [accessed 22 June 2017]

²⁵ [The Single Use Carrier Bag Charges \(England\) Order 2015, SI2015/776](#), Article 2

²⁶ Explanatory Memorandum, [The Single Use Carrier Bags Charges \(England\) Order](#), para 7.10

²⁷ Defra, [Reducing and managing waste](#), 10 March 2015 [accessed 8 January 2019]

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- at least 404mm by 439mm (in either width or height, and excluding any gussets or handles).²⁸

Small and Medium Sized Enterprises (SMEs)

Unlike in other parts of the UK, small and medium sized enterprises (SMEs) are exempt from having to apply the charge in England, although they can voluntarily choose to participate. Only retailers who employ 250 or more full-time equivalent employees are required to charge for single use carrier bags.²⁹

The House of Commons Environmental Audit Select Committee argued in its 2014 report into plastic bags that this exemption for small retailers was unnecessary and should be removed from the English charge.³⁰ The then Government did not accept this recommendation in its response to the Committee, and has continued to argue that the exemption should apply to SMEs.³¹ In response to a PQ in early 2015, the then Parliamentary Under-Secretary for Environment, Food and Rural Affairs told MPs that the SME exemption was to avoid imposing new administrative burdens on start-ups and growing businesses in England:

We have chosen to exempt small and medium businesses (with fewer than 250 employees) from the plastic bag charge to avoid placing an administrative burden on start-up and growing businesses at a time when we are supporting growth in the economy.

Large companies make up the major proportion of the country's retail market. For example, the relatively small number of retail companies in the UK with more than 500 employees employ 65% of people working in retail and have 69% of annual retail business turnover.

We have no plans to remove the exemption for small and medium businesses, although those businesses are able to charge on a voluntary basis.³²

Biodegradable bags

The Government initially included an exemption from the English charge for biodegradable bags.³³ Biodegradable refers to a process whereby material breaks down and is colonised and metabolised by microbes.³⁴ According to research carried out by Loughborough University, there is no agreed standard for biodegradability:

the term biodegradable does not specify the extent, time-scale or conditions under which biodegradation has taken place. The term compostable is more precisely defined. According to the European

The Government initially included an exemption from the English charge for biodegradable bags. This exemption was later dropped.

²⁸ [The Single Use Carrier Bag Charges \(England\) Order 2015, SI2015/776](#), Schedule 2(2)(g)

²⁹ [The Single Use Carrier Bag Charges \(England\) Order 2015, SI2015/776](#), Schedule 1 (1); Explanatory Memorandum, [The Single Use Carrier Bags Charges \(England\) Order](#) para 7.7

³⁰ Environmental Audit Committee, [Plastic Bags](#), Eleventh Report of Session 2013-14, February 2014, p19

³¹ Environmental Audit Committee, [Plastic bags: Government response to the Committee's Eleventh Report of the Session 2013-14](#), 17 June 2014, HC 239, p3.

³² [PO 222668](#) [Plastic Bags], 3 February 2015

³³ UK Government, [Single-Use Plastic Bag Charge for England: Call for Evidence](#), November 2013, p8

³⁴ Loughborough University, [Assessing the environmental impacts of oxo-degradable plastics across their life cycle](#), January 2010, p1

standard on compostable packaging materials, EN13432, a biodegradation level of at least 90% must be achieved in less than six months for a plastic to be described as compostable.³⁵

The initial exemption for biodegradable bags from the English charge was in contrast to the charges introduced in Wales, Scotland and Northern Ireland, which all applied to biodegradable bags.

However, during the Environmental Audit Committee's 2014 inquiry into plastic bags, Defra told the Committee that there is currently no bag that met its own "ambitious standards" for a biodegradable bag. The Committee also received a variety of evidence relating to the proposed biodegradability exemption, which showed opposing views on whether biodegradable products can be safely recycled. Recyclers told the Committee that oxo-biodegradable materials would contaminate the waste stream because the additives that cause the plastic to degrade will remain in recycled products and lower the quality and durability of recycled products.³⁶ However, the Committee was alerted to a South African study which concluded that oxo-biodegradable plastic could be recycled without affecting the performance of recycled plastic.

Recycling organisations also expressed concern that an exemption from the charge would lead to an increased use of biodegradable bags, and that this might threaten the viability of the UK recycling industry. British Polythene Industries stated that they are:

totally opposed to any exemptions for biodegradable bags, this would be environmental madness. Far from benefiting the environment, any exemption would inevitably lead to an increase in the use of carrier bags containing a degradable additive, these bags would—after use—enter and contaminate the plastic films waste stream. This contamination would cause huge damage to the UK plastic films recycling industry and inevitably lead to a reduction in the amount of waste plastic films recycled in the UK.³⁷

The Government have said that they would continue to work with the industry to develop a standard of biodegradable bag which met environmental standards and which could therefore be exempt.

The Environmental Audit Committee's report recommended that the Government remove the exemption for biodegradable bags from the 5p charge in England.³⁸ The Government agreed to this recommendation in its June 2014 response. However, it stated that they would continue to work with the industry to develop a standard of biodegradable bag which met environmental standards and which could therefore be exempt.³⁹ The regulations approved by both Houses of Parliament for the charge included a requirement that the Secretary of State carries out a review of existing industry standards for biodegradability and report to Parliament by October 2015 on whether there is an appropriate industry

³⁵ Ibid, p1

³⁶ Environmental Audit Committee, [Plastic Bags](#), Eleventh Report of Session 2013-14, February 2014, para 57

³⁷ Environmental Audit Committee, [Plastic Bags](#), Eleventh Report of Session 2013-14, February 2014, para 56

³⁸ Ibid., para 64

³⁹ Environmental Audit Committee, [Plastic bags: Government response to the Committee's Eleventh Report of the Session 2013-14](#), 17 June 2014, HC 239, para 32

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standard for a biodegradable bag that could be exempt, and how this would be implemented.⁴⁰

Defra published a [report setting out conclusions of this review on 17 December 2015](#). It found that there were a number of standards for plastic bag biodegradability and the Government stated that:

By the end of May 2016 retailers are required to report the number of bags that have been supplied, and the uses to which the proceeds of the charge have been put, after reasonable costs are deducted. The Government will use that opportunity to consider the early impacts of the charge. The Government will continue to consider the technical specification for a genuinely biodegradable bag, and will at that point further report on how an exemption for such a biodegradable bag can be implemented.⁴¹

Paper bags

Paper bags are exempt from the single use carrier bag charge in England. Again, this is in contrast to arrangements in Scotland, Wales and Northern Ireland, which all include most paper bags in their levy.⁴²

Paper bags are exempt from the charge in England.

The Environmental Audit Committee has argued that paper bags should be included in the English charge, pointing out that they can have a greater environmental impact than plastic ones.

Paper bags can have a greater emissions impact than plastic bags. Exempting paper bags from the charge, as the Government proposes [for England], would weaken the message to reuse bags, diminish the impact of the charge and the likely reduction in the number of bags used and associated environmental benefits. The Government should therefore include paper bags in the charge.⁴³

The Government did not agree with this recommendation, however, and paper bags continue to remain exempt from the charge in England. Defra have stated that

The proposed plastic bag charge in England is a targeted, proportionate approach to the problem of carrier bag distribution and littering. It will therefore focus on plastic bags and not on paper bags, as paper bags make up less than 0.1% of carrier bags distributed in the UK by the seven major supermarket retailers.⁴⁴

2.3 Proceeds of the English charge

Under the regulations governing the English charge, retailers are required to report on the number of bags they charge for, and where the proceeds have gone.⁴⁵ This is in order to monitor the effectiveness of the policy. Once 'reasonable costs' are deducted, retailers are

Retailers are encouraged to give the proceeds of the charge to charities and good causes, although there is no obligation to do so.

⁴⁰ [The Single Use Carrier Bag Charges \(England\) Order 2015, SI2015/776](#), Part 4 (18)

⁴¹ Defra, [Review of standards for biodegradable plastic carrier bags](#), December 2015, p1

⁴² UK Government, [Single-Use Plastic Bag Charge for England: Call for Evidence](#), November 2013, para 9

⁴³ Environmental Audit Committee, [Plastic Bags](#), Eleventh Report of Session 2013-14, February 2014, para 27

⁴⁴ Defra, [Charging for single use plastic carrier bags](#), 9 April 2013 [accessed on 27 June 2018]

⁴⁵ [The Single Use Carrier Bag Charges \(England\) Order 2015, SI2015/776](#), Schedule 3 (2)

encouraged to give the proceeds of the charge to good causes, although there is no obligation to do so. It is for the retailer to choose which causes to support. The Government estimated that the English charge will raise around £70 million per year for charity.⁴⁶

Information on amounts donated is recorded annually. In 2016-17 and 2017-18,

Around 60% of retailers voluntarily provided additional information on donations they had made to good causes. These retailers sold 77% of all bags reported for 2017 to 2018. They donated £51.6 million to good causes amounting to around 3.8p for each 5p single use bag sold by them.

In 2016 to 2017 the amount of money reported as donated to good causes was £65.4 million. Some retailers who volunteered this information for 2016 to 2017 chose not to for 2017 to 2018, including Marks and Spencer (one of the seven main retailers), therefore these figures are not directly comparable.⁴⁷

Retailers can also retain a portion of the proceeds to cover any impact costs of the charge (known as 'reasonable costs'), which is estimated to be a £26 million cost over 10 years.⁴⁸ HM Treasury also plans to take VAT from the proceeds of the bag charge (just under 1p of the 5p charge) and expects to raise around £19 million per annum from this.⁴⁹

2.4 Impact of the charge in England

Since 5 October 2015, large shops in England have been required by law to charge 5p for all single-use plastic carrier bags. They are required by law to report certain information to Defra, and they provide other information on a voluntary basis. Defra has summarised this data for the following periods:

- the [first 6 month reporting period](#) - from 5 October 2015 to 6 April 2016
- the [first full year](#) - from 7 April 2016 to 6 April 2017
- from [7 April 2017 to 6 April 2018](#)

The main findings from the first full year were as follows:

- Large retailers in England sold 2.1 billion single-use plastic carrier bags during the year from 7 April 2016 to 6 April 2017. They sold 1.1 billion single-use carrier bags during the first 6 months in 2015 to 2016.
- Out of the total, the 7 main retailers (Asda, Marks and Spencer's, Sainsbury, Tesco, The Co-operative Group, Waitrose and Morrisons) sold around 1.3 billion single-use plastic carrier bags. In the initial 6-month period in 2015 to 2016, they sold 0.6 billion single-use plastic carrier bags.

⁴⁶ Environmental Audit Committee, [Plastic Bags](#), Eleventh Report of Session 2013-14, February 2014, para 42

⁴⁷ Defra, Single-use plastic carrier bags charge: data in England for 2017 to 2018, 27 September 2018, [Donations to good causes](#)

⁴⁸ Explanatory Memorandum, [The Single Use Carrier Bags Charges \(England\) Order](#), para 10.4

⁴⁹ Environmental Audit Committee, [Plastic Bags](#), Eleventh Report of Session 2013-14, February 2014, para 45

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- Our data indicates that the 7 main retailers issued around 83% fewer bags (over 6 billion bags fewer) in 2016 to 2017 compared to the calendar year 2014 (for which WRAP reported data). This would be equivalent to each person in the population using around 25 bags during 2016 to 2017, compared to around 140 bags a year before the charge.
- Almost two-thirds of retailers voluntarily provided additional information on how much they had donated to good causes. These retailers donated over £66 million to good causes amounting to 4 pence for every single-use bag sold by them.⁵⁰

In 2017-18, the findings were summarised:

- The 7 main retailers (Asda, Marks and Spencer, Morrisons, Sainsbury, The Co-operative Group, Tesco and Waitrose) sold 1.0 billion single use plastic carrier bags in England in 2017 to 2018, compared to 1.3 billion in 2016 to 2017. This is a decrease of 289 million bags (22%). These 7 retailers account for around 60% of the total bags reported by all retailers for 2017 to 2018.
- This is equivalent to each person in the population using 19 bags in 2017 to 2018, compared to 24 bags in 2016 to 2017, and 140 bags per person in 2014 before the charge was introduced.
- The vast majority of this decrease was driven by Tesco, whose usage of single use plastic carrier bags almost halved from 637 million bags in 2016 to 2017, to 333 million bags in 2017 to 2018. This was due to a decision to stop issuing single use plastic bags half way through the year.
- Excluding Tesco, the other 6 main retailers together sold 706 million single use carrier bags in 2017 to 2018, compared to 690 million in 2016 to 2017 – therefore had a modest increase of around 15.6 million bags (2%).
- For the other main retailers, some had more modest decreases from the previous year, including an 8.2 million (4%) decrease for Morrisons and a 5.3 million (4%) decrease for The Co-operative Group. Sainsbury and Asda had increases in bags sold, of 2.2 million (4%) and 27.2 million (16%) respectively
- WRAP have previously reported that the 7 main retailers issued 7.6 billion single use carrier bags in the calendar year 2014, before the carrier bag charge was introduced. Our data indicates that there has been a decrease of more than 86% bags (over 6.6 billion bags fewer) in 2017 to 2018 compared to this.
- The total number of single use plastic bags sold by all retailers who reported in 2017 to 2018 was 1.75 billion.
- Around 60% of retailers voluntarily provided additional information on proceeds from the charge that they had donated to good causes, including details of the type of good causes chosen. These retailers donated over £51

⁵⁰ HM Government, [Single-use plastic carrier bags charge: data in England for 2016 to 2017](#), 21 July 2017

million to good causes amounting to around 3.8p for each 5p single use bag sold by them.⁵¹

2.5 Resources for retailers in England

Defra's guidance for retailers provides a useful overview and can be found here: [Carrier bag charges: retailers' responsibilities](#).

Defra published a policy paper on 17 July 2015, which has since been updated on 11 January 2018, which provides further information for consumers and others about the introduction of the 5p charge: [Carrier bags: why there's a charge](#).

Defra has also produced some posters for retailers to download, print and display in their shops, which can be found [here](#).⁵² If the materials aren't in a format that meets retailers' needs, they can contact Defra via email: PlasticBagCharge@defra.gsi.gov.uk

2.6 Proposals for change in England

The Government's 25 Year Environment Plan cites the plastic bag charge as a successful action to build on to reduce single-use plastic in the environment. It suggests reducing demand further by

Extending uptake of the highly successful 5p plastic bag charge to small retailers, exploring whether compulsory options are needed if voluntary agreements prove ineffective.⁵³

In August 2018, the Prime Minister announced the Government's intention to extend the scheme to all retailers and to increase the charge:

The 5p plastic bag charge will be extended to all retailers and not just big businesses, subject to consultation later this year, to help fight the global scourge of plastic pollution, Prime Minister Theresa May has announced today (30 August).

It is estimated over 3.4 billion single-use plastic bags are supplied annually by small and medium-sized enterprises (SMEs). Trade bodies representing 40,000 small retailers have already launched a voluntarily approach to a 5p charge, but this accounts for less than one-fifth of England's estimated 220,000 SMEs.

A consultation, to be launched later this year, will also explore the possibility of increasing the 5p minimum charge to encourage further behaviour change, potentially doubling it to at least 10p.⁵⁴

On 18 December 2018, the Government published its resource and waste strategy for England. On the plastic bag charge, it confirmed the intention to consult on increasing and extending the charge:

Since large retailers in England began charging 5p for a carrier bag in October 2015, 15.6 billion fewer bags have been handed out to shoppers by the seven main retailers – a drop of 86% in

⁵¹ Defra, [Single-use plastic carrier bags charge: data in England for 2017 to 2018](#), updated 27 September 2018

⁵² Defra's materials are all Crown copyright 2015 but retailers may re-use them free of charge in any format or medium, under the terms of the Open Government Licence v.3.

⁵³ [A Green Future: Our 25 Year Plan to Improve the Environment](#), January 2018, p88

⁵⁴ DEFRA, [Plastic bag charge set to be rolled out to all retailers](#), 30 August 2018

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2017/18 compared to 2014 levels. A key principle of our Strategy is that we want to provide opportunities for people to do the right thing, and incentivise them to do so, including using taxes and charges where appropriate. The success of the carrier bag charge demonstrates the difference even relatively small incentives can make. So, we will consult on increasing the existing 5p charge and extending it to all retailers on a mandatory basis. In considering future environmental policy, the Government will look at the relative costs and benefits of different approaches, including taxes, charges and other policy instruments such as regulations or bans, as we have proposed for plastic straws, stirrers and cotton buds, for example.⁵⁵

On 27 December 2018, the Government launched a [consultation](#) on extending and increasing the charge in England. The proposals are summarised:

- extending the charge to include all retailers (with no reporting requirements for small and medium businesses)
- increasing the charge to 10p
- requiring producers of single use carrier bags to report how much they sell
- removing the exemption at security restricted areas in airports⁵⁶

The consultation closed on 22 February 2019.

The Government set out its reasons for the proposed changes in a [press release](#), which also included a quote welcoming the proposals from the Association of Convenience Stores:

Association of Convenience Stores chief executive James Lowman said:

We welcome the Government's plans to extend carrier bag charging to all shops.

This has been shown to be highly effective at reducing waste, whilst also raising money for local, national and environmental charities. Around half of small shops in England already charge for plastic bags voluntarily, with wider support for a mandatory charge.⁵⁷

A [BBC News report](#) on the consultation quoted oceanographer Laura Foster, head of Clean Seas at the Marine Conservation Society:

We are able to measure the impact of legislation and we've seen that since the introduction of the plastic bag charge in the UK the amount we find on the beaches has gone down.

That's also been replicated by studies that have been done offshore. They've also seen a reduction in the amount of plastic bags they find.⁵⁸

⁵⁵ HM Government, [Our Waste Our Resources: A Strategy for England](#), 18 December 2018, p52

⁵⁶ Department for Environment, Food and Rural Affairs, [Single use carrier bags: extending and increasing the charge](#), 27 December 2018

⁵⁷ Defra, [Plastic carrier bags: Gove sets out new measures to extend charge](#), 27 December 2018

⁵⁸ BBC News Online, [Plastic bag fee 'to double to 10p' and include every shop](#), 27 December 2018

3. Single Use Carrier Bag Charge in Wales

During 2009-10 an estimated 350 million carrier bags were given out by major supermarkets in Wales. In May 2009 there was a successful voluntary agreement with supermarkets which saw the number of single use carrier bags issued fall there in May 2009. The Welsh Government then introduced a 5p charge on all single use carrier bags on 1 October 2011. The levy was introduced in order to “substantially reduce the amount of these bags that are taken away from shops each year in Wales, significantly beyond the levels already achieved through voluntary action”⁵⁹ Between 2011 and 2014, the Welsh Government estimates that single-use carrier bag use declined by 71%.⁶⁰ During 2014, 77 million carrier bags were given out by major supermarkets in Wales.⁶¹

During 2009-10 an estimated 350 million carrier bags were given out by major supermarkets in Wales, compared to 77 million in 2014.

3.1 What is covered by the Welsh charge?

The *Single Use Carrier Bags Charge (Wales) Regulations 2010* set out what is covered by the Welsh Charge. Under its terms, single use carrier bags include bags made wholly or mainly from plastic, paper or plant-based starch (such as compostable or biodegradable bags) which are not intended for multiple reuse.⁶² According to the regulations, a bag is intended for multiple reuse if it:

- is purchased by the customer, and;
- when worn out, it is returnable to the seller from whom it was purchased to be replaced free of charge.

Paper bags are included in the Welsh charge. An Environment Agency [Life cycle assessment of supermarket carrier bags](#) concluded that:

The paper bag has to be used four or more times to reduce its global warming potential to below that of the conventional HDPE bag, but was significantly worse than the conventional HDPE bag for human toxicity and terrestrial ecotoxicity due to the effect of paper production. However, it is unlikely the paper bag can be regularly reused the required number of times due to its low durability.⁶³

Paper bags are included in the Welsh charge because “*they are not an environmentally friendly alternative*” to plastic ones.

More information is available on the [Welsh Government webpage on Single-use carrier bags](#).

3.2 Exemptions from the Welsh charge

Bags that are designed to be use regularly, such as a bag for life, do not fall under the Welsh charge. There are also specific exemptions for bags

⁵⁹ Welsh Government, [Explanatory Memorandum to the Single Use Carrier Bag Charge \(Wales\) Regulations 2010](#) [accessed 22 February 2019]

⁶⁰ Welsh Government, [Single-use carrier bags](#) [accessed 27 June 2018]

⁶¹ Welsh Government, [Single-use carrier bags](#) [accessed 27 June 2018]

⁶² [The Single Use Carrier Bags Charge \(Wales\) Regulations 2010](#), SI 2010/2880

⁶³ Environment Agency, [Life cycle assessment of supermarket carrier bags: a review of the bags available in 2006](#), pp59060

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made from cloth, jute, cotton and hessian. Similarly, retailers do not need to charge customers for single use carrier bags if they are used for the following:

- (a) bags used solely to contain unpackaged food for human or animal consumption;
 - (b) bags used solely to contain unpackaged loose seeds, bulbs, corms or rhizomes;
 - (c) bags used solely to contain any unpackaged axe, knife, knife blade or razor blade;
 - (d) bags used solely to contain unpackaged goods contaminated by soil;
 - (e) bags used solely to contain packaged—
 - (i) uncooked fish or fish products;
 - (ii) uncooked meat or meat products;
 - (iii) uncooked poultry or poultry products
- [...] ⁶⁴

along with some medicinal products and bags used to contain purchases made on board ships, trains, aircraft, coaches or buses. Further details on exemptions from the Welsh levy on single use carrier bags can be found in Schedule 1 of the [The Single Use Carrier Bags Charge \(Wales\) Regulations 2010](#)

3.3 Proceeds of the Welsh Charge

Retailers in Wales who employ more than 10 staff are required to keep an accurate record of the number of bags charged for, the proceeds raised and what was done with these. However, the regulations do not specify what should be done with the proceeds. The Welsh Government hopes that net proceeds are passed on to “good causes”, preferably environmental causes and those that benefit local communities.. ⁶⁵

VAT-registered businesses in Wales will be required to charge the standard rate of VAT on single-use bags. However, customers will pay the same minimum amount for the charge (5p) regardless of the VAT status of the business. In other words, a VAT-registered business will charge 4.17 pence plus VAT; a non-VAT-registered business will charge the minimum 5 pence. ⁶⁶

Retailers are responsible for the distribution of the proceeds. The Regulations do not specify where the proceeds of the charge should go. However, Welsh Government has developed a voluntary agreement on the use of the net proceeds and this sets out the following principles:

- the net proceeds are donated to good causes, which where possible will benefit Wales

⁶⁴ [The Single Use Carrier Bags Charge \(Wales\) Regulations 2010](#), Schedule 1

⁶⁵ National Assembly for Wales Research Service, [Carrier Bag Charges: Questions and Answers](#): Where will the money go?, November 2011

⁶⁶ [Revenue & Customs Brief 23/11: VAT: introduction of the levy on 'single use' carrier bags in Wales](#)

- the net proceeds will provide additional support to good causes over and above any existing arrangements
- where retailers have more than 10 full-time employees, a copy of, or a link to their record (containing the information outlined in paragraph 1.4) will be provided to the Welsh Government when published for monitoring purposes
- where retailers have fewer than 10 full-time employees, a statement will be made outlining the name of the good cause(s) to which the money has been donated⁶⁷

3.4 Impact of the Welsh Charge

The Welsh Minister for Environment and Sustainable Development reported that the charge helped to increase own bag use in Wales across all age groups and genders – from 61% to 82% – in 2012.⁶⁸

In March 2013 the Welsh Government published a behavioural study on the use and re-use of carrier bags. This study included a telephone survey of 1012 Welsh households and 4,884 observations of Welsh consumer behaviour. The study highlighted that the charge has had a strong effect on the Welsh consumer, with more than half saying they take less single use carrier bags. 57% of those said this was to avoid the cost, while 35.4% said this was due to environmental reasons.⁶⁹ Overall, the study concluded that:

The 5p charge has had a significant impact on new SUCB [single-use carrier bag] use, particularly within food chains in which only 15.8% of Welsh shoppers were observed taking new SUCB.⁷⁰

The Environmental Audit Committee's 2014 report on plastic bags also noted that between 2011 and 2012, the use of single use carrier bags in Wales fell by 76%. The Committee concluded that the 5p charge there had been "highly effective" in substantially reducing bag use.⁷¹

During 2014, WRAP reported that 77 million carrier bags were given out by major supermarkets in Wales, which represents a 78% decrease from 2010.⁷² The Welsh Government estimated that single use carrier bag use between 2011 and 2014 declined by 71%. It also reported that from when the 5p charge was introduced in October 2011 to October 2014, additional donations to good causes were estimated at between £17 million and £22 million.⁷³ A [post-implementation review of the single-use carrier bag charge in Wales](#) was published in March 2016.

The Environmental Audit Committee concluded that the 5p charge in Wales had been "*highly effective*" in reducing bag use.

⁶⁷ Welsh Government, [Post-Implementation Review of the Single Use Carrier Bag Charge in Wales](#), March 2016, p4

⁶⁸ Welsh Government, [Written Statement – An update on the single use carrier bag charge in Wales](#), 4 July 2012

⁶⁹ Welsh Government, [Consumer behavioural study on the use and re-use of carrier bags 2012](#), March 2013

⁷⁰ Ibid., p9

⁷¹ Environmental Audit Committee, [Plastic Bags](#), Eleventh Report of Session 2013-14, February 2014, Figure 1 and para 23

⁷² [WRAP, UK Voluntary Carrier Bag Agreement – 2014 Data](#), July 2015

⁷³ Welsh Government, [Single-use carrier bags](#) [accessed 27 June 2018]

4. Single Use Carrier Bag Charge in Scotland

in 2014 it was estimated that, on average, Scotland used 750 million single use carrier bags a year, and more bags per person than England, Wales or Northern Ireland.⁷⁴ The SNP's 2011 election manifesto contained a commitment to "seek to phase out free plastic bags in supermarkets"; and the Scottish Government launched a three-month [consultation](#) on this in June 2012.⁷⁵ In May 2014 the Scottish Parliament passed regulations to introduce a 5p charge on single use carrier bags. The [Single Use Carrier Bags Charge \(Scotland\) Regulations 2014](#) came into effect on 20 October 2014.⁷⁶ The aim of the Scottish charge was to reduce litter by encouraging the re-use of single use carrier bags.

[The Single Use Carrier Bags Charge \(Scotland\) Regulations 2014](#) established criminal offences for retailers found to be in breach of the regulations. The [Climate Change \(Scotland\) Act](#) was also amended to allow for Fixed Penalties in respect of these offences. [The Single Use Carrier Bags Charge \(Fixed Penalty Notices and Amendment\) \(Scotland\) Regulations 2015, SI 2015/159](#) specifies local authorities as the enforcement authorities in relation to these Fixed Penalties and sets the amount of a Fixed Penalty at £200, alongside a discounted amount of £100 to incentivise early payment.

More information for consumers is available on the [mygov.scot page on the carrier bag charge](#); and for retailers is available on the [Zero Waste Scotland page on Carrier Bags](#).

4.1 What is covered by the Scottish Charge?

Under the Scottish regulations, retailers are required to charge a minimum of 5p for each new single use carrier bag, including paper bags, and those made from some plant based materials and plastic.

[Zero Waste Scotland](#), which is funded by the Scottish Government to deliver its Zero Waste Plan, offers clarification on what is meant by the term single use carrier bag under the terms of the Scottish Regulations. It is defined broadly as 'all carrier bags that are supplied with the intention that they are to be used once, to carry goods away from the point of sale'. For bags made wholly or mainly from plastic then the bag is considered to be a single use carrier bag if either of the following apply:

- Made of thin plastic (any part of the bag has a thickness of no more than 49 microns); or
- Less than 439mm x 404mm when laid flat (excluding the handles).

Under the Scottish regulations, retailers are required to charge a minimum of 5p for each new single use carrier bag, including paper bags, and those made from some plant based materials and plastic.

⁷⁴ ['Scottish Parliament backs plastic bag charge'](#), BBC News, 28 May 2014

⁷⁵ Scottish National Party Manifesto, [Re-Elect: A Scottish Government working for Scotland](#), 2011, p35

⁷⁶ [The Single Use Carrier Bags Charge \(Scotland\) Regulations 2014](#), SSI 2014/161

Other plastic bags, bags made wholly or mainly from paper, plant based material (other than cotton, flax, hemp, jute or sisal) or natural starch are also seen as single use carrier bags, unless the bag is a multi-use bag which is:

- Purchased by the customer;
- Returnable to the retailer from whom it was purchased to be replaced free of charge when it is worn out;
- Clearly marked that it can be returned and replaced in this way.⁷⁷

4.2 Exemptions from the Scottish Charge

The Scottish regulations have a number of exemptions from the 5p charge. These include:

- Bags of any size used solely to contain exempted items listed in the Regulations. These include, unpackaged food for consumption, unpackaged loose seeds, unpackaged blades and certain medical products.
- Bags of a certain size used solely to contain packaged uncooked meat, poultry and fish.
- Certain small bags (including small paper bags no greater than 175mmx260mm).
- Bags of any size used to contain items purchased in airports and on board vehicles, vessels and aircraft.⁷⁸

4.3 Proceeds of the Scottish Charge

The *Single Use Carrier Bag Charge (Scotland) Regulations 2014* specify that all retailers who employ ten or more full time equivalent staff must keep a record of both the number of single use carrier bags supplied and the money received through the charge.⁷⁹ However, the regulations do not specify how the net proceeds of the charge should be used. This decision is one for individual businesses to make. The Scottish Government has encouraged all retailers to donate the net proceeds from the charge to "good causes in Scotland, particularly environmental good causes".⁸⁰

Although it is up to individual retailers to decide what to do with the net proceeds, there are schemes for businesses to sign up to in order to donate to good causes and report how they have used the proceeds.

Zero Waste Scotland have signed up 160 retailers to their "Carrier Bag Commitment", meaning that they have agreed to donate the proceeds to good causes, and report on how many bags they have sold and how they've used the money.

The Scottish Government has encouraged all retailers to donate the net proceeds from the charge to "good causes in Scotland, particularly environmental good causes"

⁷⁷ Zero Waste Scotland, [Carrier bags: frequently asked questions](#) [accessed 27 June 2018]

⁷⁸ Zero Waste Scotland, [Carrier bags: frequently asked questions](#) [accessed 27 June 2018]

⁷⁹ [The Single Use Carrier Bags Charge \(Scotland\) Regulations 2014](#), SSI 2014/161, Part 3

⁸⁰ Zero Waste Scotland, [Carrier bags: frequently asked questions](#) [accessed 27 June 2018]

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Marks and Spencer, McDonald's, The Co-Operative Group and Superdry are among those who have committed.⁸¹

VAT-registered businesses in Scotland are required to charge the standard rate of VAT on single use carrier bags, although they can include this in the minimum charge. In other words, a VAT-registered business must charge 4.17 pence plus VAT at 0.73 pence. Non-registered VAT businesses must charge the minimum 5p.⁸²

4.4 Impact of the Scottish Charge

In its 2012 consultation, [Safeguarding Scotland's Resources](#), the Scottish Government estimated that the charge could raise £5-6 million per annum, based on an 80% reduction in bag use.⁸³

In November 2014 a Scottish newspaper reported a dramatic reduction in plastic bag use following the introduction of the charge. *The Herald* quoted an Asda spokesperson who had said that there had been a 90% reduction in the number of plastic bags distributed across its Scottish stores. Morrisons also reported an 80% reduction in the use of single use plastic bags.⁸⁴ WRAP reported that in 2014, about 656 million single use plastic bags were handed out by major supermarkets in Scotland, which represents a decrease of 18.3% from 2013.⁸⁵

The regulations specify that businesses employing 10 or more full time equivalent members of staff must keep and produce records about the single use carrier bag charge in Scotland.

In October 2015, Zero Waste Scotland published a progress report: [Carrier Bag Charge 'One Year On'](#). It estimated that the 7 major grocery retailers in Scotland used about 650 million fewer single use carrier bags in the first year; and that the charge resulted in £6.7 million raised for good causes.⁸⁶

⁸¹ ['What does the carrier bag charge mean for Scotland'](#), BBC News, 20 October 2014

⁸² [HM Revenue & Customs Policy Paper: Remove and Customs Brief 38 \(2014\): VAT-compulsory charge on single use carrier bags in Scotland](#), 16 October 2014, para 4

⁸³ Scottish Government, [Safeguarding Scotland's Resources: A Programme for the Efficient Use of Our Materials](#), October 2013, p24

⁸⁴ ['Plastic bag use down 90% as 5p fee introduced'](#), *The Herald*, 21 November 2014

⁸⁵ WRAP, [UK Voluntary Carrier Bag Agreement – 2014 Data](#), July 2015, p17 and WRAP, [WRAP announces new carrier bag figures](#), 24 July 2015

⁸⁶ Zero Waste Scotland, [Report on Carrier Bag Charge 'One Year On'](#), October 2015

5. Carrier Bag Levy, Northern Ireland

A carrier bag levy was introduced in Northern Ireland on 8 April 2013.⁸⁷ It required retailers to charge at least 5p for new single use carrier bags. The aim of this charge “is to protect the environment by cutting substantially the number of carrier bags” used in Northern Ireland.⁸⁸ Prior to the introduction of this levy, it was estimated that around 250 million carrier bags a year were distributed in Northern Ireland.⁸⁹

On 19 January 2015 changes were introduced in Northern Ireland and the levy now applies to all new carrier bags with a retail price below 20p, regardless of what they are made from.⁹⁰ This change was to ensure that cheap reusable bags are also charged for, so that customers are encouraged to reuse reusable bags to their full potential. The [Northern Ireland Government](#) explained that the reason for this change is that

There is evidence that people purchase significantly more cheap reusable bags when a charge is applied to single use bags. Extending the levy to cheap reusable bags is intended to encourage customers to actively reuse these bags to their full potential and avoid them becoming ‘throwaway’ bags.⁹¹

Previously, Northern Ireland had planned to raise the charge to 10p in April 2014. According to Defra, this was abandoned because the initial 5p charge had proved so successful.⁹²

More information is available on the [NIDirect webpage on the Carrier bag levy](#).

5.1 What is covered by the Northern Ireland charge?

The 5p levy in Northern Ireland applies to all new carrier bags with a retail price of less than 20p. This includes bags intended to be used to carry goods on a single occasion as well as bags manufactured for multiple reuse (reusable bags). The levy is not restricted to plastic bags: it applies to bags made from any material, including paper, plant-based material or starch.⁹³ According to the [carrier bag levy website](#), there is no exemption in Northern Ireland for bags on the basis of the material they are made because “alternatives to plastic bags can be equally or more damaging to the environment”.⁹⁴

In Northern Ireland there is no exemption for bags on the basis of the material they are made from because “alternatives to plastic bags can be equally or more damaging to the environment”.

⁸⁷ Northern Ireland Government, [The Single Use Carrier Bags Charge Regulations \(Northern Ireland\) 2013 No. 4](#)

⁸⁸ Northern Ireland Government, [Carrier Bag Levy](#)

⁸⁹ ‘Northern Ireland launches 5p plastic bag charge’, *The Guardian*, 8 April 2013

⁹⁰ Northern Ireland Assembly, [Carrier Bag Act \(Northern Ireland\) 2014 chapter 7](#)

⁹¹ Northern Ireland Government, [Carrier Bag Levy](#)

⁹² DEFRA, [Single-Use Plastic Bag Charge for England: Call for Evidence](#), November 2013, para 30

⁹³ Department of the Environment, [Guidance on Carrier Bags Charging Legislation in Northern Ireland, January 2015](#), pp8-9

⁹⁴ Northern Ireland Government, [Carrier Bag Levy](#), 19 May 2015

The Northern Ireland Department of the Environment has published further guidance outlining when retailers are obligated to charge the levy. This includes when a customer:

- buys goods in person, and those goods are taken away in a carrier bag (whether immediately or later) by someone other than the seller;
- buys a carrier bag to use at a later date;
- buys goods from a distance and those goods are taken away (whether immediately or later) in a carrier bag by someone other than the seller;
- buys goods from a distance and those goods are delivered in a carrier bag by the seller or by a third party on behalf of the seller;
- pays for goods at one location, requests a carrier bag, and collects those goods from another location; and
- uses their own bag to contain goods purchased from the seller, but requests a carrier bag to hold other goods not purchased from the seller.⁹⁵

The *Carrier Bags Act (Northern Ireland) 2014* amended the 2013 regulations which introduced the 5p charge, and applied the charging to a wider variety of carrier bags – specifically the cheaper versions of reusable bags.⁹⁶ The extension was due to the fact that a range of low cost reusable carrier bags are readily available. The Northern Ireland Government have argued that faced with a choice between a single use carrier bag at 5 pence or a reusable bag at a similar price, it is likely that consumers would opt for the reusable bag, even if it costs marginally more.

This “substitution effect” could in turn mean that many consumers will use and discard these bags prematurely. This would have significant adverse environmental impacts, as such bags are typically made of heavier gauge materials than single use bags.⁹⁷

5.2 Exemption from the Northern Ireland Levy

The following bags are exempt from the Northern Ireland carrier bag charge:

- to contain take-away hot food and hot drinks
- solely to contain certain items such as unpackaged food, seeds and bulbs, axes/ knives/ razor blades, goods contaminated by soil and some medicinal products
- to carry goods purchased in an airport after you clear security
- used when you are purchasing a service (for example: shoe repair or laundry)
- of certain sizes and used solely to contain packaged uncooked meat or fish

⁹⁵ Department of the Environment, [Guidance on Carrier Bags Charging Legislation in Northern Ireland, January 2015](#), p6

⁹⁶ Northern Ireland Government, *Carrier Bags Act (Northern Ireland) 2014*,

⁹⁷ Northern Ireland Government, [Carrier Bags Act \(Northern Ireland\) 2014](#), Explanatory Notes, para 7

- certain types of small bags
- specialist bags such as mail order and courier bags
- bags supplied for free to replace worn out 'bags for life'
- carrier bags with a retail price of 20p or more⁹⁸

5.3 Proceeds of the Northern Ireland Levy

In contrast to the charges introduced in Wales, Scotland and England, in Northern Ireland the proceeds of the levy go to the Department of Agriculture, Environment and Rural Affairs (DAERA).⁹⁹ Payments must be made by retailers on a quarterly basis. In addition, each quarter retailers are required to:

- declare the number of carrier bags they have dispensed for which they only charged the 5p levy;
- declare the number of carrier bags they have dispensed for which they charged both the 5p levy and their own retail price of less than 20 pence; and
- make the associated payment to the Department of Agriculture, Environment and Rural Affairs within 28 days of the end of the quarter.¹⁰⁰

In 2013/14 £3.4 million of the proceeds received were spent on environment projects including 251 community led initiatives through the NIEA Challenge Fund, Natural Heritage grants, the Sustainability Innovation Fund and Local Clean-Up Support projects.¹⁰¹

If retailers in Northern Ireland only charge the minimum levy (5p), then VAT is not applicable as the full 5p is paid to the Department of the Environment. If retailers decide to charge more than the minimum levy, then the full amount would be considered inclusive of VAT. Guidance from the Northern Ireland Government clarifies this point:

For example, if you charge 7p on top of the levy, then the total amount (12p) would be inclusive of VAT. The total VAT in this case would be 2p - 0.83p of this would relate to the levy, with approximately 4.17p per bag payable to the Department of the Environment.

When you submit your quarterly return, the system will automatically calculate the amount to be paid to the Department of the Environment. VAT proceeds should be paid to HMRC in the normal way.¹⁰²

5.4 Impact of the Northern Ireland Levy

In August 2014 the Northern Ireland Government released its first set of annual statistics for its carrier bag charge, covering the period 8 April 2013 to 31 March 2014. The accompanying report stated that Northern

⁹⁸ Northern Ireland Government, [Carrier Bag Levy](#)

⁹⁹ NIDirect, [carrier bag levy](#) [accessed 22 June 2017]

¹⁰⁰ Northern Ireland Government, [Carrier Bag Levy – Legislation and Guidance](#)

¹⁰¹ Northern Ireland Government, [Carrier Bag Levy](#)

¹⁰² Northern Ireland Government, [Carrier bag levy – legislation and guidance](#)

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Ireland had “embraced the carrier bag levy by reducing [...] consumption of single use bags dramatically”.¹⁰³

Figures indicate that during the first year of the levy 84.5 million single use carrier bags were dispensed by retailers in Northern Ireland, compared with 300 million bags in the year prior to the levy. This means that the 5p charge “has delivered a reduction in bag numbers of 71.8% in its first year and generated net proceeds of £4.17 million”.¹⁰⁴

[Annual statistics](#) are published for each year of operation.

The latest statistics (2017/18, for the fifth year) found the following:

- During the fifth year of operation, 98.8 million carrier bags were dispensed by retailers under the carrier bag levy in Northern Ireland.
- This was 1.1% lower than the previous year, with 1.1 million fewer bags dispensed.
- The number of carrier bags dispensed in 2017/18 is still markedly lower than the baseline figure prior to the introduction of the levy, which was estimated at 300 million bags in 2012. Year 5 of the 5p levy saw a reduction in bag numbers of 67.1% compared to the baseline.
- The proceeds of the levy for 2017/18 totalled £4.9 million, a decrease of £0.1 million (2.0%) from the previous year.
- Since the introduction of the carrier bag levy in 2013 there has been a reduction of an estimated 1 billion bags in circulation in Northern Ireland.¹⁰⁵

¹⁰³ Department of the Environment, [Carrier Bag Levy: Annual Statistics](#), 27 August 2014 [accessed on 20 April 2014], p2

¹⁰⁴ Department of the Environment, [Carrier Bag Levy: Annual Statistics](#), 27 August 2014 [accessed on 20 April 2014], p2

¹⁰⁵ Department of Agriculture, Environment and Rural Affairs, [Northern Ireland carrier bag levy annual statistics 2017/18](#), 23 August 2018

6. Criticism of the Charge

Although the introduction of the charge successfully reduced plastic bag usage in a number of countries, not everyone has been convinced by the merits of the single use carrier bag charge.

INCPEN, the industry council for research on packaging and the environment, criticised some of the arguments put forward to justify the levy. In regards to the claim that a carrier bag charge reduces litter, INCPEN argued that carrier bags were only a small proportion of overall litter and that there is no correlation between the number of bags used and the number that get littered:

1. When first proposed the bag levy was claimed as a litter reduction measure, but in reality carrier bags are not a significant part of litter accounting for 0.03% (source Keep Britain Tidy litter count 2008).
2. In 2010, eight years after the introduction of a levy on plastic carrier bags in Ireland, bags of all kinds (not just thin plastic ones) constituted just 0.25% of litter (compared to 0.22% in 2002) according to the Irish Litter Monitoring Body.
3. There is no evidence that the antisocial practice of dropping litter is impacted by such a levy and there is no correlation between the number of bags used and the number that get littered.¹⁰⁶

INCPEN also argued that a reduction in production of thin plastic bags was unlikely to reduce the overall amount of plastic film produced, as longer-lasting bags were made of heavier film and more specific-use products such as bin liners were likely to be used, and also that bags made from other materials would need to be re-used frequently to reduce the environmental impact of their production to lower levels than thin single-use plastic bags:

7. There is not likely to be any reduction in the amount of plastic film produced as a result of a levy. To the contrary, it is likely that greater volumes of heavier plastic film will be used to manufacture heavier 'Bags for Life'. More tailor-made bin liner bags and bags for other purposes will be purchased by people who currently re-use traditional bags for these purposes. In 2011 the UK Environment Agency carried out a [major study](#) of supermarket carrier bags Life cycle assessment of supermarket carrier bags: a review of the bags available in 2006 that concluded a thin plastic bag does least damage to the environment of any carrier bag and is an environmentally responsible way for consumers to carry their groceries home.
8. The EA study found that natural-fibre bags made from cotton would have to be used more than 131 times in order to have the same low impact. Paper bags would have to be reused 3 times to match the performance of thin plastic.¹⁰⁷

¹⁰⁶ Written evidence submitted by the Industry Council for Research on Packaging and the Environment to the Environmental Audit Committee, [BAG 008](#)

¹⁰⁷ Written evidence submitted by the Industry Council for Research on Packaging and the Environment to the Environmental Audit Committee, [BAG 008](#)

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Similarly, the Packaging and Films Association submitted evidence to the Environmental Audit Committee's inquiry into plastic bags arguing that there was little evidence to support the view that a net environmental benefit had occurred in Wales and Northern Ireland, as a result of the charge. Although they acknowledged the consumption of single use bags had fallen, they claimed that the increase in the product consumption of reusable bags, and their relative environmental impact, was often overlooked.¹⁰⁸

¹⁰⁸ Written evidence submitted by the Packaging and Films Association to the Environmental Audit Committee, [BAG 009](#), para 1.5

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