

Environment (Wales) Act 2016 Factsheet



Llywodraeth Cymru
Welsh Government

Carrier Bag Charging Scheme



Background

On 1 October 2011 Wales became the first UK country to introduce a charge for single use carrier bags. The introduction of the 5p charge has had a real impact on their use in Wales. Initial figures provided by retailers in 2012 showed reductions of over 90% in the supply of single use bags in some retail sectors. Data provided by the Waste Resources and Action Programme (WRAP) for 2013, showed that the supply of plastic single use carrier bags in major supermarkets in Wales has decreased by 79% since 2010.

Extending the Welsh Ministers powers to enable them to set a charge on other types of carrier bags

Whilst the supply of single use carrier bags has reduced, data from WRAP for the period of 2010 to 2014 has shown a significant increase in the sale of bags for life. Although an initial increase was anticipated as consumers bought enough reusable bags for their shopping needs, the Welsh Government is concerned that consumers may now be substituting thicker plastic “bags for life” and throwing them away as rubbish. The Act extends the Welsh Ministers powers so that they may set a charge for other types of carrier bags, such as bags for life, in addition to the current charge on single-use carrier bags. These new powers could be used if evidence shows that the supply and disposal of these types of bags is detrimental to the environment.

A duty on retailers to donate the proceeds from the sale of carrier bags to charitable purposes

The Act places a duty on all retailers to donate the proceeds from the sale of carrier bags. It has never been the purpose of the carrier bag charge to raise money for good causes. However, for the period October 2011 to October 2014, it is estimated that the 5p charge for single use carrier bags in Wales has raised between £17 million and £22 million in additional donations to good causes.

Many retailers are already voluntarily donating the net proceeds of the charge to good causes. However the Welsh Government was concerned that some retailers were keeping the net proceeds and profiting from the charge and therefore introduced provisions in the Environment Bill that required them to donate the net proceeds to good causes. During the passage of the Bill the Environment and Sustainability Committee recommended that the net proceeds should be applied to environmental good causes. For further information please visit: <http://gov.wales/statistics-and-research/post-implementation-review-single-use-carrier-bag-charge-wales/?lang=en>

Retailers will now be required to donate their net proceeds to charitable purposes which relate to environmental protection or improvement and, which directly or indirectly benefit the whole or any part of Wales. There is an exception for those retailers who have existing arrangements where they are donating their proceeds to non-environmental related good causes such as, for example health or children's charities, if they give notice that they intend to continue with these arrangements. Details of how and, to whom the net proceeds must be donated and the circumstances in which the exception will apply, will be set out in the new Regulations.

Timeline

This part of the Act will come into force by an order made by the Welsh Ministers on a day agreed by them. On that day new regulations will require that all retailers (except those who fall within the exception) apply the net proceeds of the carrier bag charge to environmental good causes.

The regulations may also apply the charge to other types of carrier bags, such as bags for life, should evidence show that the demand and improper disposal of these bags is creating a risk to the environment.

More information

The Act became law in March 2016. You can find out more about the Act on our website at: <http://gov.wales/environmentact>

You can also subscribe to our monthly e-bulletin by emailing us at: NRBulletin@wales.gsi.gov.uk