

Pwyllgorau Deddfwriaeth Rhif 4

Nid yw'r dudalen ar gael yn y Gymraeg

LC4(3)-05-10 : Paper 2 : Written evidence from Tesco

Proposed Waste (Wales) Measure

Tesco Submission to Legislation Committee No: 4 re Scrutiny of Waste (Wales) Measure

1. Tesco has 87 stores and employs 17,000 people in Wales. We are committed to tackling climate change and welcome the opportunity to contribute to and help shape developing waste policy in Wales.

2. We have our own ambitious climate change strategy to reduce emissions in our business and in our supply chain, and to help our customers reduce their own carbon footprint too. This is backed up by targets which we have set ourselves:

To become a zero-carbon business by 2050

To work with our supply chains and partners, we will reduce the carbon impact of our products by 30% by 2020

And to help customers halve their carbon footprint by 2020.

3. We have already made some significant progress across Wales:

Our environmental store in Swansea uses 36% less energy compared to a standard Tesco store of its size

We have six automated recycling machines in Wales (in Aberdare, Cardiff Pengham, Maesteg, Newport, Penarth and Pontypridd)

In 2009 we were proud to become the first retailer to divert 100% of waste from landfill

We have reduced packaging of our own brand products by 15% since 2006, and

By offering Green Clubcard points which reward customers for each bag they reuse when they shop with us, and offering attractive reusable alternatives we have reduced the number of carrier bags given out by over 50% since 2006.

4. In each case we aim to empower, inform and incentivise our customers, our suppliers and our people, working with them and with the grain of their aspirations to tackle our ambitious plans. If policy makers, businesses and other stakeholders all pull in this same direction we believe that together we can achieve a revolution in green consumption.

5. This consultation response is set in the context that we oppose the proposed carrier bag charge as we do not believe it is the most effective way to bring about behaviour change. To encourage people to be green we need to make it easy and motivating for them, using rewards and incentives rather than charges. By imposing charges and penalties, people begin to think that green behaviour is about penalties and punishment and this is likely to dissuade them from other green behaviours and activities. Our approach of rewarding customers with one green point every time they reuse a bag has helped our average customer to reduce their bags by 58%. We believe that Government needs to carefully consider where it intervenes through charging as there will be a limit to how many areas they can do this. It is important that this intervention is targeted to where there is most need, for example setting a carbon price.

6. Our main interest is in Sections 1 and 2 of the Proposed Waste (Wales) Measure, which would require retailers to apply the net

proceeds of revenues raised from the sale of single use carrier bags to specific environmental purposes or bodies.

7. Although we oppose the principle of a charge for carrier bags, if it is to be introduced, we support the principle of any net receipts going to worthwhile causes. We also believe that the best approach is to leave the allocation of any proceeds which may arise to the discretion of individual retailers in local areas. We are reassured by the statement that the proposed Measure will only be used if voluntary arrangements with retailers, in relation to how they use the proceeds from the sale of single use carrier bags, are not satisfactory.

8. We are content with the principle of allocating any proceeds to environmental causes in Wales, but giving retailers the freedom to choose local beneficiaries in line with their wider Corporate Responsibility policies would be preferable to central direction by government or by a new arm's length body. The requirement to publish the general uses of the revenue raised will give transparency and allow customers and the Assembly Government to make a judgement as to whether retailers are taking a responsible approach.

9. As the regulations governing the levy will not be released until early summer we cannot yet say in any detail how we would propose to implement the provisions, what impact they might have, or how much money the levy might raise. Our approach will as always be driven by our determination to do the best thing for our customers and protect and enhance the environment.