

Re-turn

**Ireland's Deposit
Return Scheme**

Annual Report



2023



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Introduction

Welcome to the 2023 Annual Report of Re-turn, the operator of Ireland's Deposit Return Scheme (DRS). While 2023 was a year of preparation rather than operation, it was instrumental in setting the stage for the scheme's successful launch in February 2024. This report highlights the meticulous efforts in establishing Ireland's DRS, our ambitious goals, the anticipated benefits, and the collective enthusiasm for a sustainable future.

Ireland's Recycling Targets and Current Standing

Ireland has long been committed to enhancing its recycling practices, driven by the stringent targets set by the European Union's Single-Use Plastics Directive. This directive mandates that member states must ensure the separate collection of 90% of plastic beverage bottles and aluminium cans by 2029.

Without a DRS, Ireland faces the challenge of meeting these targets. Approximately 55% of plastic bottles and cans are being collected through recycling bins, leaving over 45% uncollected. This shortfall not only impacts the environment through increased litter and greenhouse gas emissions but also represents a missed opportunity for resource recovery.

The decision to launch a DRS in Ireland directly addresses these challenges. The scheme aims to significantly increase the recycling rates of plastic bottles and cans by incentivising consumers to return these items. By implementing the DRS, Ireland seeks to align with EU directives and contribute to the global effort to reduce plastic waste. Additionally, the scheme is designed to mitigate the environmental impact of litter, conserve natural resources, and foster a culture of sustainability and environmental responsibility. The Re-turn initiative represents a transformative step towards achieving these goals, promoting a circular economy where materials are reused and recycled rather than discarded.

The Journey of Establishing Re-turn

In 2023, significant strides were made in preparing for the launch of Re-turn. The foundational work involved extensive collaboration between government bodies, producers, retailers, and community stakeholders. The primary goal was to create a robust, user-friendly system that encourages the return and separate recycling of plastic bottles and cans, aligning with Ireland's broader environmental objectives.

Our approach drew heavily from international best practices, adapting successful elements from over 40 countries with established deposit return schemes. The process involved meticulous planning and coordination to ensure the system is effective and tailored to Ireland's specific needs. Key activities included setting up the operational framework, integrating technological solutions such as reverse vending machines, and conducting widespread public awareness campaigns to educate and engage consumers.

Additionally, public consultations were held to gather input on design options and preferred models for the scheme. These consultations were crucial for shaping a DRS that meets Ireland's unique requirements while drawing on successful aspects of other systems.

Ambitions and Goals

Ireland's DRS is more than just a recycling program; it represents a transformative shift towards a circular economy. Our ambitions include:

- 1. Achieve Higher Recycling Rates:** By providing financial incentives for returning bottles and cans, we anticipate a significant increase in recycling rates, helping Ireland meet and exceed EU targets.
- 2. Reduce Litter and Environmental Impact:** The scheme is expected to drastically reduce litter in public spaces, contributing to cleaner communities and the preservation of natural habitats.
- 3. Promote a Circular Economy:** By reintroducing used materials into the production cycle, we aim to minimise waste, conserve resources, and reduce the overall environmental footprint.
- 4. Foster a Culture of Sustainability:** Educating and engaging the public on the value of recycling and sustainable practices is central to our mission, fostering a collective responsibility towards the environment.
- 5. Enhance Ireland's Recycling Infrastructure:** Once we reach the recycling milestone of 15,000 tonnes of PET plastic recycled annually, it will become financially viable to establish a dedicated recycling plant on the island. This will enable us to process plastic bottles locally, thereby eliminating the need to send them overseas for recycling.
- 6. Support Producer Responsibility:** By mandating that producers are responsible for the collection and recycling of their products, we aim to encourage more sustainable production practices and reduce the environmental impact of new products.

Anticipated Benefits

The introduction of the DRS promises multiple benefits for Ireland, including:

- **Environmental:** Significant reductions in litter and plastic waste, contributing to cleaner streets, beaches, and natural landscapes. Enhanced recycling rates will also lower greenhouse gas emissions and reduce pressure on landfill sites.
- **Economic:** The scheme will generate economic opportunities, creating jobs in the recycling and waste management sectors. Additionally, the return of valuable materials into the production cycle can stimulate local industries.
- **Social:** Increased public participation in recycling can lead to a greater sense of community responsibility and environmental stewardship. Schools, businesses, community organisations, and households will collectively contribute to a greener Ireland.

Furthermore, the DRS is expected to improve community aesthetics and reduce clean-up costs by decreasing litter.

Excitement for the Future

As we look ahead to the future, we are filled with optimism and enthusiasm. The groundwork laid in 2023 has positioned us well for a successful rollout, and we are confident that the scheme will quickly become an integral part of Ireland's environmental strategy.

The collaborative efforts of all stakeholders, from policymakers and industry leaders to retailers and consumers, have been instrumental in bringing this vision to life. We are particularly grateful for the dedication and support of everyone involved, and we look forward to continuing this transformational partnership.

For Re-turn, 2023 was a foundational year, setting the stage for a transformative initiative that promises to deliver substantial environmental, economic, and social benefits. We are proud of the progress made to date and eagerly anticipate the positive impact the scheme will have on Ireland's recycling landscape long term. Together, we can achieve our goals, enhance sustainability, and pave the way for a greener, cleaner future.

Thank you for your continued support and commitment to making Re-turn a success.

Tony Keohane
Chair

Ciaran Foley
Chief Executive Officer

Progress towards the establishment of a Deposit Return Scheme in Ireland

Corporate Governance

Incorporation and Approval

DRSI, trading as Re-turn, was incorporated in February 2022 as a not-for-profit company limited by guarantee. It applied to become an approved body under the Separate Collection (Deposit Return Scheme) Regulations and received approval from the Minister for the Environment, Climate and Communications to operate the scheme in July 2022. The approval granted is valid for a period of ten years from July 2022.

Corporate Governance and Composition of the Board

DRSI is committed to operate to the highest standards of corporate governance, in accordance with the Code of Corporate Governance for Compliance Schemes, received from the Minister as part of the approval, and best practices for not-for-profit companies.

As a producer led scheme, the directors of DRSI are reflective of the makeup of the scheme’s membership and the Board is structured to represent the different categories of producers and retailers, ensuring balanced decision making and oversight.

Producer 1	Branded Non-Alcohol
Producer 2	Branded Alcohol
Producer 3	Own-label Combined
Producer 4	Small Branded Combined
Retailer 1	Small Retailer
Retailer 2	Large Retailer

The industry representatives from the Board were elected in Q4 2021, following an election process run by the then IBEC DRS Task Force. In addition to industry representatives, the Board is comprised of an independent Chair, two independent directors and the CEO.

Company Officers

The directors that acted as officers of DRSI in 2023 are outlined below:

Directors:

- Mr Tony Keohane, Independent Chair
- Mr Séamus Clancy, Interim CEO (until October 2023)
- Mr Ciaran Foley, CEO (from October 2023)
- Mr David Kelly, Independent Director
- Ms Noreen O'Kelly, Independent Director
- Mr Kevin Donnelly, Producer 1 Director
- Mr Tom Burke, Producer 1 Director
- Ms Avril Collins, Producer 2 Director (until August 2023)
- Mr Conor Hyland, Producer 2 Director (from August 2023)
- Mr Liam Reid, Producer 2 Director (until August 2023)
- Mr Shane Kelly, Producer 2 Director (from September 2023)
- Ms Rosemary Garth, Retailer 3 Director
- Mr Joseph Owens, Producer 4 Director
- Ms Tara Buckley, Retailer 1 Director
- Mr John Curran, Retailer 2 Director

Company Secretary

- Mr Kevin Donnelly (until August 2023)
- Ms Naiara de Souza Maia (from August 2023)

In 2023, remuneration paid to the Board of Directors and CEO amounted to €473k.

Board Meetings

In 2023, there were 23 board meetings held. The directors focused the critical decision making required for the start-up phase of DRSI and in delivering a successful scheme.

	Tony Keohane	Séamus Clancy	Ciaran Foley	David Kelly	Noreen O'Kelly	Kevin Donnelly	Tom Burke	Avril Collins	Conor Hyland	Liam Reid	Shane Kelly	Rosemary Garth	Joseph Owens	Tara Buckley	John Curran
16/01	✓	✓		✓	✓	✓	✓	✓		✓		✓	✓		✓
26/01	✓	✓		✓	✓	✓	✓	✓				✓	✓	✓	✓
10/02	✓			✓	✓	✓	✓	✓		✓		✓	✓	✓	✓
24/02	✓	✓		✓	✓	✓	✓	✓		✓		✓	✓		✓
07/03	✓	✓		✓	✓	✓	✓			✓			✓		✓
14/03	✓	✓		✓	✓	✓	✓	✓		✓		✓	✓	✓	✓
24/03	✓	✓		✓	✓	✓	✓	✓		✓		✓	✓	✓	✓
06/04	✓	✓		✓		✓		✓				✓	✓		✓
14/04	✓	✓		✓	✓	✓	✓	✓		✓		✓	✓	✓	✓
28/04	✓	✓		✓	✓	✓				✓			✓	✓	✓
12/05	✓	✓		✓	✓	✓				✓		✓	✓		✓
25/05	✓	✓		✓	✓		✓	✓		✓				✓	✓
09/06	✓	✓		✓	✓	✓	✓	✓		✓			✓	✓	✓
16/06	✓	✓		✓	✓	✓	✓			✓		✓	✓	✓	✓
23/06	✓	✓		✓	✓	✓	✓	✓		✓		✓	✓		✓
14/07	✓	✓		✓	✓	✓				✓			✓	✓	✓
28/07	✓	✓		✓	✓	✓	✓	✓				✓	✓	✓	✓
10/08	✓	✓		✓	✓	✓	✓	✓				✓	✓	✓	✓
25/08	✓	✓		✓	✓	✓	✓	✓		✓			✓	✓	✓
22/09	✓	✓		✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
20/10	✓		✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
24/11	✓		✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓
15/12	✓	✓	✓	✓	✓	✓	✓		✓	✓	✓	✓	✓	✓	✓

Board Committees

The Board operates five committees, each chaired by an independent director and composed proportionally to the Board's composition. 46 committee meetings collectively were held in 2023.

Finance, Audit, & Risk Committee (FARC)

The FARC is responsible for considering, analysing, assessing, recommending and deciding upon financial matters, financial reporting, internal controls and risk management, compliance, fraud, internal and external audits, and any other matter associated with finance, audit, or risk within DRSI.

	Noreen O'Kelly (Chair)	Joseph Owens	Rosemary Garth	Séamus Clancy	Ciaran Foley
25-Jan	✓	✓		✓	
09-Feb	✓	✓	✓	✓	
07-Mar	✓	✓		✓	
23-Mar	✓	✓		✓	
13-Apr	✓		✓	✓	
27-Apr	✓	✓		✓	
13-Jun	✓	✓	✓	✓	
27-Jul	✓	✓	✓	✓	
02-Oct	✓	✓	✓	✓	
04-Oct	✓	✓	✓	✓	
15-Nov	✓	✓			✓
12-Dec	✓	✓	✓		✓

Fees & Contracts Committee (FCC)

The F&C Committee is responsible for considering, analysing, assessing, and recommending key contracts and fees to the Board, ensuring effective financial and contractual management. It is also required to monitor critical KPIs associated with the performance of suppliers under the major operational contracts.

	David Kelly (Chair)	Avril Collins	Conor Hyland	Tom Burke	Tara Buckley	John Curran	Séamus Clancy	Ciaran Foley
23-Feb	✓	✓		✓			✓	
23-Mar	✓	✓		✓	✓	✓	✓	
13-Apr	✓	✓		✓	✓	✓		
25-May	✓	✓		✓	✓	✓	✓	
21-Jul	✓				✓	✓	✓	
06-Oct	✓		✓	✓	✓	✓	✓	
18-Oct	✓			✓	✓	✓	✓	✓
08-Nov	✓		✓	✓	✓			✓
08-Dec	✓		✓	✓	✓	✓		✓

Strategy Committee (SC)

The Strategy Committee is responsible for considering, analysing, assessing, and recommending key strategic decisions to the Board, ensuring that well-informed decisions are made for the medium and long-term interests of the DRSI and its stakeholders.

	Tony Keohane (Chair)	Tom Burke	Kevin Donnelly	Avril Collins	Conor Hyland	Rosemary Garth	Séamus Clancy (In attendance)	Ciaran Foley (In attendance)
10-Jan	✓	✓	✓	✓		✓	✓	
09-Feb	✓	✓	✓			✓	✓	
13-Mar	✓		✓	✓		✓	✓	
06-Apr	✓		✓	✓		✓	✓	
13-Apr	✓	✓	✓				✓	
27-Apr	✓	✓	✓	✓			✓	
18-May	✓	✓		✓		✓	✓	
24-May	✓	✓	✓	✓		✓	✓	
13-Jun	✓	✓	✓	✓		✓	✓	
13-Jul	✓		✓				✓	
20-Jul	✓					✓	✓	
27-Jul	✓	✓	✓			✓	✓	
08-Aug	✓	✓				✓	✓	
30-Aug	✓	✓				✓	✓	
10-Oct	✓	✓			✓	✓	✓	
20-Nov	✓	✓	✓		✓			✓
11-Dec	✓	✓	✓		✓	✓		✓

Remuneration Committee (RemCo)

The RemCo is responsible for overseeing, assessing, and recommending activities aimed at ensuring that remuneration packages within DRSI are established through a fair and transparent process. Additionally, the RemCo is also responsible for ensuring that these packages remain competitive, aligned with the DRSI strategy and performance objectives, and adhere to regulatory requirements and best practices.

	Tony Keohane (Chair)	John Curran	Liam Reid	Shane Kelly	Séamus Clancy (In attendance)	Ciaran Foley (In attendance)
09-Jan	✓	✓			✓	
20-Jan	✓	✓	✓		✓	
20-Jul	✓	✓	✓		✓	
23-Nov	✓	✓		✓		✓
11-Dec	✓	✓		✓		✓

Nomination Committee

The Nomination Committee is responsible for ensuring that the Board comprises individuals who possess the necessary skills, experience, diversity, and independence to effectively oversee the operations within DRSI.

	Tony Keohane (Chair)	Tara Buckley	Kevin Donnelly	Séamus Clancy (In attendance)	Ciaran Foley (In attendance)
20-Jul	✓	✓		✓	
12-Sep	✓	✓	✓		
17-Nov	✓	✓	✓	✓	✓

Regulatory Affairs

DRS Regulations

Separate Collection (Deposit Return Scheme) Regulations (S.I. 599 of 2021) effective from 17 November 2021 enabled the establishment of the deposit return scheme in Ireland and engagement with key stakeholders with obligations under the legislation.

Amendments to S.I. 599 were proposed during 2023 to incorporate the definition and obligations of Distributors, the obligations of Producers, Distributors and Retailers during the four-month transition period from 1 February 2024 – 31 May 2024, to define criteria for take back exemptions and to define how the DRS Regulations would be enforced by Local Authorities and the listing of offences and penalties. The deposits as previously announced by the Minister in 2022 were also listed.

The amended DRS Regulations (S.I. 33 of 2024) were signed on 31 January 2024 by Minister Ryan.

Waste Management Facility (Permit and Registration) (Amendment) Regulations 2023

On 22 September 2023, the Minister signed S.I. 471 of 2023 amending the Waste Management Facility (Permit and Registration) (Amendment) Regulations to provide an exemption for retailers and return point operators for the take back and storage of empty DRS containers.

Existing collection permit regulations (SI 820/2007) already provide an exemption (up to 2 tonnes in weight) for the transport of DRS containers by retailers using reverse logistics, to distribution centres pending collection by Re-turn.

Regulatory Engagement

During the course of 2023 there was regular engagement with the Minister of State, Ossian Smyth and the Department of the Environment, Climate and Communications (DECC) on the establishment and workings of the Scheme.

This included extensive engagement on the setting of the deposit level to encourage consumers to return empty beverage containers in sufficient quantities to achieve the new EU separate collection and recycling targets for in-scope DRS material.

Part VIII of the Separate Collection Deposit Return Scheme Regulations 2021 outlined that the deposit should be as set out in Schedule 1 of the Regulations and that the 'The Minister may set and adjust the deposit amount or amounts after consultation with an approved body'.

In researching the topic of the deposit value, DRSI looked at best practice internationally, and made a proposal for review to the Re-turn Board. Following this consultation, the proposal was approved by the Re-turn Board and a submission made for the consideration of the DECC and Minister.

Enabling Enforcement

During 2023, Re-turn worked with the Local Government Management Association (LGMA) and the Waste Enforcement Regional Lead Authorities (WERLAs) in three regions (Connacht & Ulster, East & Midlands and Southern Region) to establish the implementation plan to enable the enforcement activity for which the Local Authorities are accountable under the DRS Regulations.

This included the scoping of an information and communications portal, Re-turn collateral to support the development of guidance for enforcement offers, and the development of training materials to support call centre operations within Local Authorities at scheme launch.

In Q4 2023, Re-turn started to brief Local Authorities responsible for the enforcement of the DRS Regulations on the Scheme with presentations at their Strategy & Policy Committees for the Environment and Climate Action. Four briefings occurred in Q4, with a further twelve planned for Q1 2024.

Public Affairs

The objective of the public affairs plan was to engage political stakeholders in advance of the scheme launch to ensure cross-party knowledge and support for the scheme. Re-turn sought to meet with Environmental Spokespersons for each political party to brief on the scheme, its objectives and benefits, and the obligations of industry stakeholders and the behavioural change that would be required of the Irish public. The majority of political parties availed of this opportunity.

The engagement sought to ensure comprehensive knowledge of the Scheme amongst political stakeholders and understanding of the benefits of the Scheme, ensuring broad stakeholder buy-in and the ability for politicians to respond to questions from their constituents and have a direct point of contact in Re-turn.

Plans were put in place for a cross party Deposit Return Scheme briefing in Buswells Hotel next to Leinster House on the eve of the launch in January 2024. The objective of the briefing was to ensure cross-party support for the Scheme.

Financials 2023

The objective for 2023 was to ensure the scheme was prepared for its “Go Live” launch on 1 February 2024. This required investment in IT systems and scaling up internal people resources to ensure systems and communications were in place for data gathering from producers, retailers, collection points (RVM’s and manual handlers) and collectors and to also ensure systems were in place to facilitate receipt of both deposits and fees from producers and the payment/repayment of deposits and handling fees to retailers. The costs incurred can be summarised as follows:

1. Marketing and Communications spend of €1,183,779 to cover B2B and B2C with the focus on B2C in 2024 and onwards to encourage consumers to return in-scope containers
2. Salaries and other staff costs
3. IT, administration, office costs, loan interest and other operating costs

The tendering process for the collection and processing of the Re-turn material was completed and signed with our partners Full Circle Packaging (Collections) and Limerick Polymers Production (Processing):

- Re-turn has agreed a contract for the duration of the licence
- Re-turn agreed a set price per tonne of in-scope material for both RVM and manual collections and processing
- Increases to be linked to the Consumer Price Index – circa 2% year on year increase has been built into the model.

Following a rigorous selection process using external IT consultants Wolf & Oak, Re-turn established a 5-year partnership with Sensoneo who are leaders in the development and delivery of DRS technology. Over the past year Re-turn worked with them to deliver the first phase of the technology to enable the successful launch of the scheme on target on 1 February 2024. Sensoneo continue to support the technology and are currently working on designing the next phase of the capability.

The 2023 budget for administration and set up costs was €7.8m. Re-turn incurred costs of approximately €6.5 million to achieve its 2023 objectives for the DRS project. Re-turn managed this through monthly management accounts to review costs against budget. Re-turn collaborated with other deposit return schemes across Europe to ensure best practice was leveraged in the Irish model and with organisations such as mywaste.ie and every can counts to support education and awareness of the introduction of a DRS and to identify potential synergies and cost savings. A grant of €0.5m was provided by the Department of Environment, Climate and Communications to go towards the national communications campaign, creating awareness and highlighting the benefits of the Deposit Return Scheme.

Funding in Place

Following assistance from PwC to source funding and debt to assist in launching the scheme, establish the above information technology system, and raise awareness of the scheme from a marketing perspective, Re-turn agreed a 5 year €20 million loan with Bank of Ireland along with a rolling overdraft of €7.5 million.

Re-turn had drawn down €10 million of the loan at the Balance Sheet date 31 December 2023. There is an amortisation schedule for the repayment of the loan in place.

Deposit Return Scheme Ireland CLG t/a Re-turn

Statement of Financial Position

For the year ended 31 December 2023	Dec-23 €	Dec-22 €
Fixed Assets		
Tangible assets	19,813	963
Intangible assets	1,415,023	0
	1,434,836	963
Current Assets		
Debtors	1,851,368	494,515
Cash at bank and in hand	1,654,989	726,771
	3,506,357	1,221,286
Creditors: amounts falling due within one year	(7,629,610)	(2,528,735)
Net current Liabilities	(4,123,253)	(1,307,449)
Total assets less current liabilities	(2,688,417)	(1,306,486)
Creditors: amounts falling due after one year	(5,000,000)	(725,000)
Net liabilities	(7,688,417)	(2,031,486)
Capital and Reserves		
Profit and loss account	(7,688,417)	(2,031,486)
Total deficit	(7,688,417)	(2,031,486)

Deposit Return Scheme Ireland CLG t/a Re-turn

Statement of Comprehensive Income

	Year ended 31 December 2023 €	10 Month period 28 February 2022 to 31 December 2022 €
For the year ended 31 December 2023		
Other operating income	500,000	0
Administrative expenses	(6,555,274)	(2,183,010)
Operating loss	(6,055,274)	(2,183,010)
Interest payable and similar charges	(428,386)	(35,976)
Loss on ordinary activities before taxation	(6,483,660)	(2,218,986)
Tax on loss on ordinary activities	826,729	187,500
Loss for the financial year/period	(5,656,931)	(2,031,486)

Producers & Retailers

Market Size

In order to commence scheme operation on a sound financial basis, Re-turn were required to work with producers to validate the size of the in-scope beverage market. In-scope containers include all beverage containers, both alcohol and non-alcohol of 150ml to 3litre in size. Dairy is excluded. This helped to further inform the business model for the scheme and also provided a basis for establishing producer invoicing liability that would arise in February 2024.

Detailed analysis of the market was carried out using all available market sources including data received from 55 of the top producers that represented over 90% of the market. This, together with 2022 Sales volume data received from all producers when included as part of the Re-turn registration process, captures all products placed on the market by producers.

The number of in-scope containers estimated on the Irish market was approximately 1.8 billion and with 5,571 products registered by December 2023.

Producer Engagement

During 2023 Re-turn engaged with the beverage industry through both trade associations and with individual producers to help drive the implementation of a scheme that accounted for the unique properties of the industry here in Ireland.

This involved working closely with the IBEC implementation working group which included Drinks Ireland and the Irish Beverage Council. In addition, Re-turn engaged with the Independent Craft Brewers of Ireland (ICBI) to address the challenges faced by small producers along with a number of producers not represented by specific trade associations.

Throughout 2023 Re-turn engaged with producers on a number of key issues through online webinars and in person workshops as follows:

- Barcoding and Labelling to ensure compliance with regulations and the producer agreement.
- Product Registration and Product Testing to drive on time completion of the RVM Whitelist.
- Transition Period to help drive efficient stock management during the transition from old non DRS to DRS stock.
- Webinars with the wholesale sector so that they understood their obligations under the regulations.
- Producer / retailer webinars to ensure joined up thinking between these vital stakeholder groups.

Throughout the year producers were provided with numerous updates via newsletters on topics such as membership rules, producer and product registration, product testing, producer technical specifications and webinar / workshop upcoming dates, reminders and outputs from Q&As.

As per best practice in other schemes, all producers must identify their in-scope containers as being part of the DRS Scheme. As a result, the Re-turn logo was developed in conjunction with marketing and an approved design agency in 2023. Logo assets and brand guidelines were provided to producers that register with the scheme once they have completed the full registration process and signed the producer agreement. At year end 140 producers had signed the producer agreement.

All producers were also informed of the need to ensure that barcodes are also present on all in-scope containers prior to the introduction of DRS to ensure that deposits could be redeemed on each individual container. As multipacks would not previously have container barcodes communication of this issue to producers was key during scheme development.

A Technical and Labelling Specification was developed and circulated to all producers to drive awareness of labelling requirements. All available on www.return.ie.

Producers were encouraged to move from current international barcodes shared between the Republic of Ireland and other markets to protect the scheme from cross border fraud (see Producer Fees below for more details).

Producer Fees

Producer material fees take into account the costs associated with recycling along with the market value of the materials (net cost principle). Aluminium fees were therefore set separately for Aluminium / Steel and PET at €0.0125 and €0.02 respectively.

In addition, in an effort to disincentivise the use of international barcodes and reduce the opportunities for cross border fraud a series of surcharges were approved. These surcharges are applied based on the risk associated with the producer and are dependent on the volume of product placed on the Irish market.

Fees for product registration were also approved on the above basis with a flat fee agreed for small producers and a per product fee applied to larger producers. These fees were waived for all products registered up until 31 of October 2023.

Volume Per Annum (Total containers placed on market by a producer)	Fee amount	International Barcode Surcharge
0–749,999 containers	€500 flat fee per annum	€0.000
750,000–1,499,999 containers	€1,000 flat fee per annum	€0.000
1,500,000–10,000,000 containers	€100 per product registered	€0.0135
>10,000,000 containers	€100 per product registered	€0.0312

Retailer Engagement

As DRSI approached its operational launch in 2024, our focus in 2023 was on ensuring retailer readiness and integration into the Deposit Return Scheme (DRS). This crucial year saw a transition from preparatory activities to the implementation of practical solutions and infrastructure. Our comprehensive engagement with retailers underscored the commitment by all retailer stakeholders to a successful launch of the DRS.

Throughout 2023, DRSI significantly intensified its engagement with retailers. We expanded our range of workshops and tailored guidance to meet specific retail needs, ensuring readiness for their roles within the scheme. This initiative included comprehensive guidance materials and direct assistance, enhancing the integration of DRS operations into existing retail environments. The retailer manager and the retail team engaged in a hands-on help focussed approach on educating supporting and guiding these vital stakeholders.

Meeting and Engagement Highlights

Our strategy included collaborations with trade associations and direct interactions with DRS project managers from various retail organisations. We conducted targeted meetings and site visits across diverse retail groups, including smaller independent retailers. These efforts were essential for addressing operational challenges and deepening retailers' understanding of the scheme's requirements and benefits.

Key Meetings and Actions Taken:

- Conducted frequent meetings with major large retailers and franchise chain operators, shifting from fortnightly to weekly sessions to ensure alignment prior to Go Live
- Engaged with forecourt convenience stores, with calls starting at fortnightly intervals and adjusting based on project needs.
- Held regular consultations with the Hotel Federation of Ireland, Restaurant Association of Ireland, Vintner Representative Associations, hotel chains and restaurant groups to integrate their operations smoothly into the DRS framework.
- Hosted specific webinars for the hospitality industry and licensed establishments, fostering a deeper understanding of the DRS requirements.
- Facilitated numerous webinars tailored for wholesalers, including separate sessions for Northern Ireland and the Republic of Ireland, enhancing their preparedness.
- Organised multiple engagement sessions with fast food franchises, major catering wholesale suppliers, and university dining services to address specific operational needs.
- Ensured continuous dialogue with cinema operators and vending machine companies, focusing on integrating DRS solutions within their unique environments.
- Coordinated with large shopping centres and catering companies, conducting site visits and detailed consultations to streamline their participation.

- Conducted store visits to small retailers nationwide, ensuring widespread awareness and compliance with the scheme.
- All sectors had several webinar events tailor-made and organised to meet the individual trade associations and organisations' needs.

Retailer Participation at Year-End 2023

As of the end of 2023, we achieved significant milestones in retailer participation:

- Retailers with premises registered: 1,961
- Total premises registered: 4,881
- Exemptions granted: 2,651

Ongoing dialogue within the retailer teams provided continuous feedback, instrumental in refining our support services and operational strategies. This feedback has highlighted shared challenges and areas for improvement, which will be addressed throughout 2024.

Material Collection System

The contracts for the collection and processing were fully in place in 2023. This was key to having a collection and processing infrastructure in place for 'Go Live'. The design of the collection infrastructure including the route planning to service the initial collection from an estimated 2,500 RVM machines and circa 300 manual collections were all in place by November 2023.

Design of the Collection Model

The scheme designed three types of collections from retailers.

Collections from every retailer store that opted to have a Reverse Vending Machines (RVM). Here the scheme provided wheelie bins to these sites for use within the RVM. A fleet of 43 No. Rear End Loaders (RELs) were purchased by Full Circle Packaging the successful appointed collections contractor. A detailed collection frequency was agreed with all major retailers for 'Go Live'.

For Retailers that opted for manual collections, the scheme will provide LDPE bags and tags to these sites and the filled bags of DRS containers are collected weekly by a fleet of vans by Full Circle Packaging.

The scheme also provided the option to retailers of a backhauling service for their distribution centres. Two retailer chains opted to operate a backhauling model. The scheme provided pallet sleeves to both retailers. The sleeves form a box when placed on a pallet and these are used within the RVMs. DRS materials are returned to retailer regional distribution centres in the pallet boxes. The contents are tipped in to a static compactor on site and are transferred from there to a compactor trailer for transport by Full Circle Packaging to the Limerick Polymers Production processing facility.

Sorting, Counting & Processing Centre

All materials collected from Retailer stores for both RVM & Manual collections are processed at Re-turn's processing partner, Limerick Polymers Production facility developed in Limerick. The centre has developed a sorting/counting processing facility along with a separation of materials for baling.

Manually collected containers are counted at the centre and the manual return points materials are measured here with retailers recompensed based on the quantity of in-scope containers in each bag.

RVM material collected from retail stores nationwide is transported to the facility where materials are sorted by type, aluminium & plastic beverage containers by clear and colour types. Materials from RVMs are delivered via RELs and each delivery is weighed in on site. The actual count is completed by the RVM.

The annual processing capacity of the site is 50,000 tonnes/annum.

Technology Solution

In Re-turn, technology is at the heart of how we support our stakeholders and our customers, providing an intuitive, reliable and convenient experience enabling them to interact securely with the scheme.

The senior technology team has been established with Alan Pearson appointed as CIO in November 2023. This was followed by the appointment of Heads of IT Operations, Information Security and Applications and Data Analytics. This group will form the core technology leadership team as an enduring capability for the organisation.

Following a rigorous selection process Re-turn established a 5-year partnership with Sensoneo who are leaders in the development and delivery of DRS technology. In 2023 we worked with them to deliver the first phase of the technology to enable the successful launch of the scheme on 1 February 2024. We are now working with them to design and develop the solution to deliver against the next phase of business requirements.

Our technology leverages the latest Microsoft Azure Cloud capabilities. This ensures we maintain pace with development of new features including the latest data management and analytics capabilities. Delivering the service from the cloud gives us the capability to scale and meet the requirements of the scheme and the anticipated volumes, it also provides reliability in terms of availability and disaster recovery and ensures that technology stays secure and up to date.

The identification of IT security and Operational Risk was a significant focus, in response we have implemented the required controls and governance to ensure these risks are appropriately managed. This control set and governance processes aligns with industry best practices including ITIL for Service Management and IT and NIST.

Through a separate selection process, we established partnerships with six Reverse Vending Machine providers. All of these providers completed a rigorous test process to become certified against our platform to ensure the appropriate and secure integration was achieved. Our processes have also been integrated with our collections partner LPP who also process manual collections on our behalf.

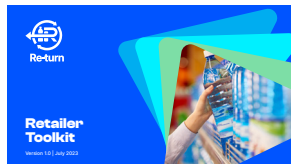
Looking forward we will develop our technologies and capabilities to support the development of the scheme and our customers. We will maintain our focus on risk management and cyber security to protect the technology, data, the business and our customers.

Marketing & Communications

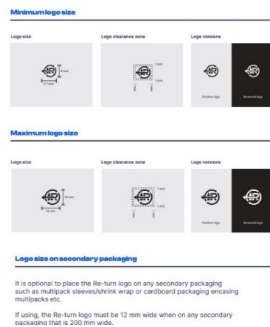
Early in 2023, following extensive research and development, the Deposit Return Scheme brand, Re-turn, was created in conjunction with design agency, Principle. The brand strategy proposition underpins all aspects of the brand experience for Deposit Return and is reflected in our vision, mission, brand values and tone of voice.

Re-turn Brand Assets packs

A Re-turn suite of brand materials / assets was developed for key stakeholders during 2023. This includes:



The Retailer Toolkit provides guidance on both obligatory and optional POS / POP items, SEL and guidance on in-store promo formats that Retailers may use to create awareness and understanding of the Scheme. The toolkit also provides RVM Brand Guidelines, RVM brand assets and RVM external enclosures brand assets.



Producer Brand Guidelines and brand assets to accompany the Technical & Labelling specifications document. These are shared with Producers who have signed the Producer agreement.



In addition, a series of Summary Information Guides were created for stakeholders with links to relevant detailed documents and legislation.

Retailer & Producer Communications



Retailer Roadshows & Visits

Retailer Roadshows took place in June & July 2023, across 10 locations nationwide. All events had representation from both local small retailers and representatives from larger retailers and/or reps for retail groups/ symbol groups.

Re-turn representatives visited retailers nationwide to create awareness of Retailer obligations and support implementation of the Scheme.

Stakeholder B2B Meetings / Webinars & Workshops

Continuous engagement with all key stakeholders on developments and key timelines for Producers & Retailers. A series of newsletters were shared with over 5,000 subscribed stakeholders in addition to hosting of a number of webinars & workshops throughout 2023 including:

Workshops / webinars:

- Barcoding Webinar & Workshop
- Transition period webinar
- Product Registration & Product Testing Webinar
- IT /Data Flow Webinar - 29 June – 192 registrations
- Transition Period Workshop
- Take Back Exemption Webinar
- Producer / Retailer webinar
- Wholesaler Webinars
- Consumers Comms webinar
- IT Webinar
- Transition Period & Stock Management workshop
- International Barcode Webinar

Newsletters

- Retailer / Producer Membership Rules (summary doc and full doc)
- Producer Technical Specifications
- Retailer Roadshow details
- Retailer Toolkit
- All Webinar/ workshop dates and reminders
- Producer Registration
- Retailer Registration
- RVM Brand Assets/ Guidelines
- RVM Financial Supports
- Product Testing
- Retailer Roadshow
- Retailer Membership Rules
- All webinar / workshop dates and follow up

Open rate from 55%-80% open rate. Average industry rate is 21.5%.

Website & Digital Marketing

Re-turn website development, with continuous update of content on the site, reflecting operational elements of the Scheme and development of consumer information.

Retailer & Producer pages developed to include step-by-step guidance on registration in addition to webinar/workshop details and access to digital downloads and guidance documents.

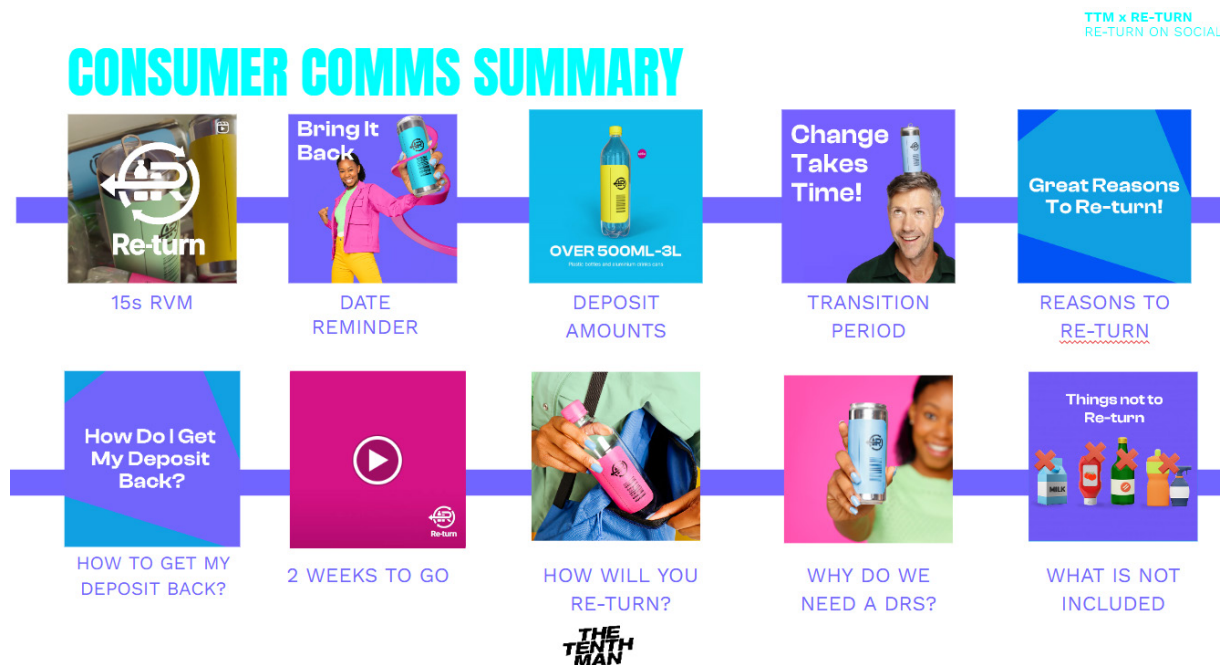
A News Hub section was developed for all stakeholders with links to pdfs across the site. This reflected all our communications with our registered database, again with links to relevant documents. All information may be accessed on our website at www.re-turn.ie.

National Ad Campaign

The National B2C campaign went live in October 2023, with an extensive national radio campaign and social media campaign based on the theme of 'Bring it Back'. Burst 1 extended to end of December, with planned Burst 2 from 1 January 2024 featuring TV, BVOD, VOD, OOH, digital, radio and social on all platforms.

Burst 1 Social Media campaign comprised a suite of social posts based on three main pillars:

- Who Re-turn are
- Benefits of Deposit Return / Why being introduced
- How Re-turn will operate.



Event Marketing

In conjunction with the national ad campaign and PR activations, Re-turn attended a number of consumer events during 2023 including Electric Picnic, Dublin Horse Show, Fleadh Ceoil and the National Ploughing Championships to create awareness and understanding of the Deposit Return Scheme and how it will operate.

People Resources

At the end of 2023 Re-turn had 23 direct employees, 22 full time and 1 contracted team member, this will increase as the scheme develops. Re-turn's permanent CEO and Chief Information Officer commenced in October 2023. The Head of Regulatory Affairs commenced in November 2023. The Chief Financial Officer was identified and a contract to commence employment in March 2024 was put in place. All staff have employment contracts and job descriptions. The company staff handbook was developed along a hybrid working policy. An Employee Assistance and Well Being Programme was available for all permanent staff. Re-turn has an equal gender balance and prides itself on being an equal opportunities employer.



Re-turn

Bring it Back | Pay it Forward

For more information contact us at info@re-turn.ie

