



Voluntary Report - Voluntary - Public Distribution

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Report Name: The Dutch Impose a Single Use Plastic Levy

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Prepared By: Marcel Pinckaers

Approved By: Laura Geller

Report Highlights:

On July 1, the Netherlands introduced a Single Use Plastic (SUP) levy. The new measure stems from the European Union's (EU) Directive on Single Use Plastics (SUP), which aims to reduce the impact of single-use plastic on the environment. Foodservice and food retail outlets may no longer give customers disposable cups and containers containing plastics for free. Customers must now pay for these disposable plastic cups and containers. Moreover, outlets also must provide a reusable cup or container, or the customer can bring one himself. Products covered under the new measures are, for instance, plastic trays for fries and many To-Go products at the retail level. Meal components that still need to be cooked, prepared, or heated are not covered by the measure. Outlets determine for themselves what the SUP levy will be. The proceeds from the levy are meant for retailers to use to increase the use of sustainable packaging.

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Background

The amount of disposable plastic in the environment is increasing every year, polluting the environment. Every day in the Netherlands, 19 million cups and food packaging containing plastic are thrown away after a single use. Plastic often contains toxic substances that nature cannot break down. This amount of waste has been <u>documented</u> by the National Oceanic Atmospheric Administration (NOAA) to cause environmental problems. The <u>Dutch government</u> therefore wants to reduce disposable plastic while on the other hand collect and recycle more plastic.

Several measures have already been introduced in the Netherlands to prevent waste ending up in the environment, including the <u>implementation of the deposit scheme for cans</u>. On July 1, another <u>measure</u> stemming from the <u>European Union's (EU) Directive on Single Use Plastics (SUP)</u>, which aims to reduce the impact of single-use plastic on the environment and to reuse and recycle more plastic, went into effect.

Explaining the Single Use Plastic (SUP) Levy

Foodservice and food retail outlets may now no longer give customers disposable cups and containers containing plastics for free. Customers must now pay for these disposable plastic cups and containers. Moreover, outlets also must provide a reusable cup or container, or the customer can bring one himself. The rules apply to all cups containing plastic and those are intended to be used only once, including cardboard coffee cups with a plastic coating. The rules also apply to all containers from which food can be eaten directly and the packaging consists entirely or partly of plastic and is intended to be used only once as well. More information can be found on the following Dutch government endorsed website, https://ondernemersplein.kvk.nl/nieuwe-regels-voor-plastic-wegwerpbekers-en-bakjes/.

Some of the products included are: plastic trays for fries, meals, salads, and portioned packages for nuts, vegetables, and dairy products. Meal components that still need to be cooked, prepared, or heated are not covered by the measure. As of January 1, 2024, disposable cups and containers containing plastic will be completely prohibited for on-site consumption.

Outlets determine for themselves what the SUP levy will be, although the Dutch government has provided below guidelines. The proceeds from the tax are meant for retailers to use to increase the use of sustainable packaging.

- €0.25 for cups;
- €0.50 for containers (this can consist of several packages in a meal container); and
- $\notin 0.05$ for pre-packaged vegetables, fruit, nuts, and portion packs.

What has happened so far?

The Dutch government designed a new dedicated website, called <u>minderwergwerplastic.nl</u> (in English: less disposable plastic) and developed <u>flyers</u>, see below, that can be used in stores or foodservice outlets to inform customers.

Picture 1. Flyers to inform customers that the product won't change but the vessel will.



Source: Ministry of Infrastructure and Water Management

What's next?

The largest Dutch retailer, <u>Albert Heijn</u>, has opted not to charge to the SUP levy, stating that the tax is already included in the price of the item. <u>Dirk</u> was the only supermarket chain that followed the guidelines but reduced the surcharge to 5 cents when other retail chains decided to not follow the guidelines. Overall retailers have struggled to find the right SUP Levy but now are charging a levy between one and ten cents.

'The legislation does contain guidelines, but it has been decided to leave it to the market,' explains a spokesman for the <u>Ministry of Infrastructure and Water Management</u>. 'If that's 1 cent, that's fine. It is against the spirit of the law. We have always said that consumers and producers should take notice.'

Picture 2. Dutch retail chain Hoogvliet is charging a SUP levy of 5 cents and is informing its customers that they pay extra for plastic



Source: FAS/The Hague

There are also no rules for spending the levies either, outside of the guideline that the proceeds go to reducing plastic waste. Retailers and foodservice outlets are free to decide for themselves what to do with the levies received. The intention is that the proceeds will be used to invest in reusable packaging or alternatives that are more sustainable than plastic. But the statutory regulation states that entrepreneurs 'can' use the money for this purpose. There is no obligation for doing that.

The spokesman of <u>Albert Heijn</u> explained it will spend the money on initiatives to reduce plastic packaging material and make it more recyclable while a spokesperson of the second largest retail chain of the Netherlands <u>Jumbo</u> says: 'We will annually report transparently on the total amount of SUP levies that we have 'charged' and how we invest this amount in sustainable packaging and solutions.'

There is not expected to be an impact to trade. The regulation does not address the potential food safety issues of consumers using their own reusable vessels for food service.

FAS/The Hague Reports: <u>The 2023 Dutch Food Retail Market</u> <u>Dutch Delay Implementation of a Deposit Scheme for Cans</u> <u>The 2022 Dutch Foodservice HRI Market Report</u>

Attachments:

No Attachments.