



Community Resources Network Ireland (CRNI)

Pre-Budget Submission 2023

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About us

We are the Community Resources Network Ireland, more commonly known as CRNI.

As CRNI is **the only community based reuse, repair and recycling network in Ireland**, it has, along with its members, the potential to play a unique and valuable role in the development of resource efficiency and circular economy initiatives at both local and national levels.

Our vision is an Ireland where the word 'Waste' doesn't exist and where our entire community benefits from the social, environmental and economic value of all reusable resources. Our aim is to promote community based, sustainable waste management as a practical and effective way of tackling Ireland's growing waste problem.

Our values are:

Social Inclusion: We facilitate social inclusion by supporting inclusive employment and increased access to the benefits of repair, reuse and recycling.

Respect: We respect and value people, communities and the environment.

Collaboration: We work in collaboration with a range of partners in supporting our members to grow; developing, piloting innovative environmental solutions and strengthening community repair, reuse and recycling programmes throughout Ireland.

Credibility: We represent the Community Resources Sector. We gather evidence and are rigorous in our analysis and approach. We are transparent and accountable in all our dealings.

The network is on the board of the RREUSE network of Europe, and at a local level is involved in the National Waste Prevention Network.

Our core activities for 2022 are funded through the Environmental Protection Agency's Circular Economy Programme.



About us

Our 3 core areas of work are include:



Support for members

We help our members grow and thrive through developing a dynamic network fostering knowledge sharing and collaboration, strengthening members' capacity through business opportunities and training, representing members at local, national and international level and promoting our membership base.



Mainstreaming the community resources sector

We work to mainstream reuse, repair and recycling through raising the profile of the sector and promoting behavioural change, developing supportive policy and conducting or supporting research to help overcome barriers.



Building our capacity

To facilitate the growth of the network and its long term sustainability, we will continue to build our internal capacity through good governance and developing our funding strategy.

Goals for this submission

Asks made in this submission set out to:

- A) Support and bolster CRNI members working in reuse, repair and recycling at community level across Ireland.
- B) Mainstream the circular economy in Ireland through increasing the capacity of CRNI's member organisations.
- C) Achieve policy goals relevant to implementing a Circular Economy (more detail on this on pages 5-6).

This Pre-budget Submission 2023 builds on learnings from consultations with CRNI members throughout 2022.



Irish policy context

There are number of Irish policies that highlight the requirement for immediate action in transitioning towards a more circular economy that promotes environmental sustainability, social inclusion, and economic prosperity.

CRNI calls for this requirement for immediate action to be reflected in the 2023 Budget.

Policies and strategies include (but are not limited to):

- **The Circular Economy Act 2022**
 - The Act builds on the government's commitment to achieving a circular economy, as set out in the 2020 Waste Action Plan for a Circular Economy and the 2021 Whole of Government Circular Economy Strategy, placing that strategy on a statutory footing, **putting the reuse of resources and reduced consumption at the heart of the Irish economy.**
- **Whole of Government Circular Economy Strategy 2022 - 2023**
 - The Strategy provides a national policy framework for Ireland's transition to a circular economy with a view to promoting public sector leadership, supporting the implementation of measures that **reduce Ireland's Circularity Gap**, raising public awareness, supporting investment, and identifying barriers to a just transition.
- **A Waste Action Plan for a Circular Economy 2020-2025**
 - The Plan is a roadmap for waste planning and management.
 - We need to embed climate action in all strands of public policy.
 - This Plan shifts focus away from waste disposal and looks instead to how we can **preserve resources by creating a circular economy.**
- **Programme for Government: Our Shared Future 2020**
 - By 2023, all procurement using public funds will need to include green criteria.
 - **As such, it is critical to financially support the organisations that can deliver on this goal.**

- **Climate Action Plan 2021**

- The Climate Action and Low Carbon Development (Amendment) Act 2021 commits Ireland to reach a legally binding target of net-zero emissions no later than 2050, and a cut of 51% by 2030 (compared to 2018 levels).
- **In 2021, CRNI members saved some 171,000 carbon tonnes through reuse, repair and recycling activities.**

Ireland's current circularity rate

Ireland is at a turning point for the transition to a circular economy. The 2022 Whole of Government Circular Economy Strategy provides the policy framework for the circular economy in the country, and the forthcoming Circular Economy Act is expected to strengthen waste and circular economy legislation.

Nevertheless, with a **circularity material use rate of 2%** (relative to an EU average of 12.8%) in 2020, Ireland shows significant scope for progress.

Source: OECD: 'The Circular Economy in Ireland', 2022 Report



Benefits of enabling a circular economy in Ireland

Environmental

Half of total greenhouse gas (GHG) emissions and more than 90% of biodiversity loss and water stress come from resource extraction and processing. Therefore, achieving a circular economy will play an important part in reducing global carbon impact and protecting natural resources, environment and health.

Source: 'Whole of Government Circular Economy Strategy 2022-2023'

Social

The circular economy also requires workers skilled in, for example, repair and maintenance across all product types. This represents a (re) training and up-skilling opportunity for both young and older workers across all regions of the country.

The circular economy is therefore also well aligned with the national Just Transition effort, as well as national skills and training initiatives being led by Skillnet Ireland, whose Statement of Strategy 2020 to 2025 includes the aim to “Support the talent demands for building a low-carbon and sustainable economy through our enterprise-driven climate action up-skilling initiative.”

Source: OECD: 'The Circular Economy in Ireland', 2022 Report

Economic

It is estimated that annual savings of €2.3 billion are achievable by boosting Ireland's circularity.

Source: 'Whole of Government Circular Economy Strategy 2022-2023'

Benefits of enabling a circular economy in Ireland

In 2021, 40+ CRNI members working across reuse, repair and recycling achieved the following impact.



It is notable that this impact was achieved while facing the following challenges:

- Accessing adequate funding
- Accessing adequate space for reuse, repair and recycling activities
- Accessing an adequate pool of labour activation scheme participants to up-skill
- Not being considered for large procurement contracts due to being under-cut by large-scale private waste management operators
- Non-competitiveness clauses set out for organisations in receipt of particular funding streams
- The ongoing COVID-19 pandemic
- Rising insurance costs for reuse, repair and recycling

Our asks

We outline our budget / fiscal recommendations below under the following five headings:



1.Fund Environmental Action

- **1.1** Deliver on promise of increased funding for circular economy activities
- **1.2** Increase capital investment in reuse, repair & recycling activities
- **1.3** Provide increased financial support for awareness raising initiatives



2.Fund Social Mobility

- **2.1** Invest in social mobility through increased financial support of labour activation schemes



3.Fund Sustainable Economic Progress

- **3.1** Reduce VAT on reuse, repair and recycling activities to promote increased circularity
- **3.2** Develop and support adequate infrastructure to encourage Green Public Procurement

1.1 Deliver on promise of increased funding for circular economy activities

Continue the 2022 Carbon Tax Investment Programme with a renewed focus on reuse, repair and recycling initiatives

- In 2022, the Carbon Tax Investment Programme was continued and programmes benefitted increased funding provided by the carbon tax. They included investment in greenways and urban cycling, the rehabilitation of peatlands and a fund created to ensure that Ireland's climate transition is fair and that nobody is left behind.
- **We ask that**
 - **A) The fund for a fair transition is continued into 2023.**
 - **B) A portion of the fund is allocated to community based organisations working in reuse, repair and recycling who are already up-skilling and employing people who might traditionally be excluded from the workplace.**

Ensure a fair portion of funds from the new 'Circular Economy Fund' is earmarked community based reuse, repair and recycling activity

- In 2021, CRNI members working across Ireland managed to save some 170,000 tonnes from landfill through reuse, repair and recycling activity.
- **We ask that**
 - **Given Ireland's goal of reducing GHG emissions by 51% by 2030, and the community reuse sectors proven ability in reducing carbon emissions, we call for a fair portion of funds from the new 'Circular Economy Fund' to be allotted to community based organisations, in line with their potential impact.**
 - As recommended in the OECD's 'The Circular Economy in Ireland' report, this could be achieved by providing funding streams to local authorities with the aim of supporting and scaling up small circular initiatives by setting up a dedicated local funding stream.
 - Funds could also be provided to Local Enterprise Offices to support non-profit enterprises operating in the circular economy in seeking private investment with alternative funding mechanisms, such as:

- crowdfunding
- leasing
- equity participation
- grants
- loan guarantees
- green bonds and loans for circular economy projects
- EU funds

Provide clarity around how much funding will be allocated to the community resources sector in the coming years

- **We ask that**
 - **Clear reasoning as to why specific amounts have been allocated and what their expected impact on the ground will be. This will allow for organisations to strategically plan into the future and align their outputs with public policy asks.**

1.2 Increase capital investment in reuse, repair & recycling activities

Provide refurbishment grants for derelict operational facilities being renovated for reuse, repair and recycling activities

- With the 'Dereliction and Building Regeneration Bill 2022' currently making its way through the Oireachtas, it is imperative that adequate funds are earmarked for its roll out.
- A key barrier to reuse, repair and recycling in Ireland is access to space, given the storage space required to carry out these activities successfully.
- The lack of access to appropriate space equates to a loss of revenue at all levels and less carbon tonnes saved per year due to less activity carried out.
- **We ask that:**
 - **A specific funding stream is allocated to reuse, repair and recycling organisations seeking to refurbish derelict operational facilities.**

Use current funds to invest in local reuse and repair infrastructure

- €360 million per annum (up to 2025) will be invested in walking and cycling infrastructure in cities, towns and villages across the country, including Greenways.
- **We ask that:**
 - **Services provided by non-profits such as water refill stations be included in these investments to ensure that the public enjoy the new infrastructure in a sustainable manner.**

Allot further funding to Local Authorities to lengthen opening hours for Civic Amenity Sites

- We recommend that Civic Amenity Sites are rebranded as “Recovery Parks” and are made more accessible by providing opening hours that better facilitate the public, provide reception facilities with trained operators that maximise the reuse potential of goods (e.g. for bulky goods, WEEE, paint), provide better signage and improved layout.
- We would also encourage operators to partner with or provide priority access to donated materials for social enterprises.
- **We ask that:**
 - **Increased funding is allotted to Local Authorities in order to:**
 - **A: Increase public engagement with and use of Civic Amenity Sites.**
 - **B: Increase business opportunities for social enterprises through provision of raw materials.**

1.3 Support awareness raising initiatives for the circular economy

Allot extra funding to the Department of Rural and Community Development's Awareness Raising Initiatives for Social Enterprise (ARISE) Scheme to allow for paid staff time on awareness raising projects

- In 2021, the ARISE scheme was rolled out.
- Strand One: Aimed at individual social enterprises. Asking them to tell their story and highlight how their social enterprise is improving people's lives.
- Funding did not cover staff costs, which meant that many small to medium scale reuse, repair and recycling organisations did not have the resources available to carry projects out on already tight budgets.
- **We ask that:**
 - **Extra funding is earmarked for the ARISE Scheme to allow for paid staff time on awareness raising projects.**

2.1 Invest in social mobility through increased support of labour activation schemes

Make significant increases to Community Services Programme funding to ensure minimum wage is paid to all participants

- Ensure living wage for Community Service Programme (CSP) funded salaries
- Currently The CSP contribution is not aligned to the minimum wage and does not meet the full salary cost of supported posts.
- **We ask that:**
 - **Funding for this programme (lead by Pobal (DRCD) is significantly increased to ensure that:**
 - **A: Those employed through the scheme are receiving a minimum wage at very least.**
 - **B: Organisations taking part in the programme can continue to re-invest any profits into quality community-based initiatives.**

Increase funds allotted to the Department of Social Protection (DSP) to carry out promised reforms to Community Employment, Tús and Rural Social Scheme

- There are currently over 19,000 participants on CE, almost 5,000 participants on Tús and just under 3,000 participants on the Rural Social Scheme (RSS). Government investment in the three schemes will amount to over €500 million in 2022.

- In July 2022, The Minister for Social Protection, Heather Humphreys TD, secured Cabinet approval for a number of major reforms to Community Employment, Tús and the Rural Social Scheme including:
 - Six Year Time Limit for RSS removed
 - Eligibility for Tús extended
 - Flexibility to allow Schemes recruit directly
 - New Pilot Scheme for Qualified Adults to be explored
 - Application process for Ex-Gratia Payment for CE Supervisors Opens
- Currently, a key barrier to community based reuse, repair and recycling is organisations not having access to an adequate pool of labour activation scheme participants to up-skill and employ.
- **We ask that:**
 - **Adequate funding is allotted for DSP in 2023 to carry out the above reforms that will ultimately support community based reuse, repair and recycling organisations to up-skill and employ a larger number labour activation scheme participants.**

3.1 Reduce VAT on reuse, repair and recycling activities to promote increased circularity

- In December 2021, the European Council came to an Agreement on updated rules for VAT rates.
- According to the Agreement, if social enterprises active in reuse, repair and recycling can identify themselves as 'organisations engaged in welfare or social security work as defined by Member States and recognised as being devoted to social well-being by Member States' the goods that they sell (being new or second-hand) or the services they provide can be subject to reduced VAT (no less than 5%).
- CRNI believes it is also essential that preparation for reuse is considered, and that all purchases made by social enterprises in preparation for reuse are subject to reduced VAT.
- **We ask that:**
 - **All VAT on reused, repaired and recycled goods and services sold be reduced to a maximum of 5%.**
 - **All VAT on good and services purchased in preparation for reuse, repair and recycling be reduced to a maximum of 5%.**

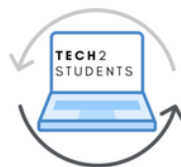
3.2 Finance adequate infrastructure to encourage Green Public Procurement

- Recognising the role of public procurement (which accounts for around 10-12% of Irish gross domestic product annually) in the circular and green transition, the national government has made strides in capacity building on green public procurement (GPP) across levels of government.
- The 'Programme for Government: Our Shared Future 2020' stated that by 2023, all procurement using public funds will need to include green criteria.
- As such, it is critical to financially support and promote the organisations that can deliver on this goal.
- **We ask that:**
 - **Further financial support is earmarked for initiatives and platforms that promote green public procurement such as CRNI's 'Green + Social Virtual procurement trade fair'**

CRNI Members



CRNI Members (Continued)



CRNI Members (Continued)





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