



An Roinn Fiontar,
Trádála agus Fostaíochta
Department of Enterprise,
Trade and Employment

**RETHINK
IRELAND**

Public Consultation

on Ecodesign for Sustainable

Products

Response



As set out in the call for consultation, the Department of Enterprise, Trade and Employment is seeking submission to inform the Irish position on negotiations on the EU Commission's Proposal for a Regulation on Ecodesign for Sustainable Products.

This submission represents the views of Rethink Ireland on behalf of Rethink Ireland's Awardees. Its aim is to elevate and highlight the voices of these organisations.

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We are representing the views of Rethink Ireland, on behalf of Rethink Ireland's Awardees.



Context

1. About Rethink Ireland

Rethink Ireland would like to thank the Minister for Enterprise Trade and Employment, Mr. Leo Varadkar, T.D., for the opportunity to take part in this consultation on the draft Regulation on the Eco-design of sustainable products.

Rethink Ireland (previously Social Innovation Fund Ireland) provides cash grants and business supports to not-for-profit organisations and social enterprises working in Irish communities across the country. These organisations are not just thinking differently, but are putting their ideas into practice and building a more equal and inclusive Ireland. Our mission is to support the best social innovations so that they can grow and maximise their impact across Ireland. Our vision is an Ireland that is more inclusive, equal, and sustainable because of social innovation.

2. Methods

We have gathered and built on the insights of just some of the organisations we work with **that are tirelessly working in the space of reuse, repair and sustainable products. Most of our Awardees working in this space operate as social enterprises and within the wider social economy.** They have pivoted in the field of sustainable products and redirecting products from waste, showing innovative and sustainable solutions to a pressing societal problem. **It is therefore our belief that they should also be at the core of the discussion of the proposed Regulation on the Ecodesign for Sustainable Products.**

It is not our intention to provide a full, comprehensive response to the draft Regulation, but rather to highlight the contributions and concerns of our Awardees and the social enterprise sector and to support them with policy and literature references where relevant. A particular emphasis was placed on the implications of this Regulation for the social economy. The observations are those shared by Awardees as part of the consultation and in their general reporting as part of our data-driven approach. While these opinions were shared by our Awardees, they are aligned with our experience of working with and supporting the social enterprise and circular economy sector.

3) Key Issues Identified

Our consultations with Awardees have brought the following three key points to light:



- There is huge potential for the proposed Regulation to take into account and support **social enterprise and the wider social economy**, which are currently **notably absent** from the draft Regulation.
- Overall, the proposed Regulation is welcomed and seen as an important step by Rethink Ireland's Awardees, **introducing important features** such as the right to repair or the digital passport.
- However, Awardees expressed concern about **potential, unintended challenges** arising from such a Regulation for them. The current approach is informed by a focus on bigger for profit businesses and **could result in regulatory requirements making operations challenging for existing and potential new small social economy enterprises**.

4) Suggested Points to Inform the Regulation

We would like to emphasise the need to include **clear links and references to social enterprise and the social economy** in the proposed Ecodesign of Sustainable Products Regulation, similarly to their inclusion in the current Irish Circular Economy Strategy. Furthermore, we would like to point to the importance of considering the **needs and unique position of social enterprises in the circular economy** and within the limits of the proposed Regulation.

As Doyle has shown in the Irish context, Reuse social enterprises operate in Ireland, often originating from within community and voluntary organisations or Local Development Companies and show clear social enterprise features such as a dual mission focusing on environmental and social aspects with the economic means of a business. They therefore have to constantly strike the balance between their social mission and financial sustainability. (Doyle, 2019) Any regulation would need to be **considerate of the hybrid nature of social enterprises** in the circular economy, so as not to risk their existence. Not only fit social enterprises perfectly within the remits of this Regulation and have indeed been pioneers in the sector but can also contribute to its further growth and learnings, sharing a more sustainable and inclusive business model. (OECD, 2022) They should therefore be considered, included and promoted as part of the proposed Regulation.

Social enterprises hold invaluable lessons for the wider circular and green economy. They have shown the importance of developing **locally appropriate, community-driven solutions**, which simultaneously create employment opportunities for marginalised communities. (Allen, 2019) They can reinforce the focus on social impact, ensure accessibility of ecodesigned products, inspire more locally-focused, solidarity-based business models and improve the local acceptance of sustainable products and consumer patterns. (OECD, 2022) Awardees have



welcomed the Regulation as **promoting awareness** of the circular economy and expressed hopes that this will result in a public body being assigned responsibility to support the circular economy. In many cases, such local, community-focused and backed social enterprises will however remain **SMEs**, while creating a wider impact by sharing their solutions and learnings. Some have voiced their concern as part of this consultation that the proposed Regulation in its current form, which is focused on large businesses, might effectively put them out of business. They call for a recognition of social enterprise and small businesses more generally in the text and clarity on exemptions from certain reporting requirements, despite welcoming the move towards accurate lifecycle information of products.

While Awardees welcomed the **Product Passport**, which will increase sharing of information for repair and transparency, they raised concerns about the right to repair as large corporates hold **proprietary rights** on the information, meaning that small repair shops cannot repair many products, such as e-batteries for bikes.

Finally, Awardees call for an increased focus in the Regulation on **how products are made** in the first instance, looking at working conditions and a holistic approach towards fair and green production.

Overall, the Regulation is a welcome and exciting opportunity to bring the focus on reuse, repair and eco-design of our Awardees and their learnings to a larger scale, however the suitability of the Regulation for social enterprises needs yet to be ensured.

Annex A: Literature

- Allen, M, 'Social Enterprises Leading The Way In The Circular Economy' (11 December 2019) in *ImpactBoom*, available at <https://www.impactboom.org/blog/2019/12/11/social-enterprises-leading-the-way-in-the-circular-economy> (6 September 2022)
- Doyle, G, 'A new era for reuse social enterprises in Ireland? The capacities required for achieving sustainability' (2019) *Resources, Conservation and Recycling* 149 65-74
- OECD, 'Policy Brief on Making the Most of the Social Economy's Contribution to the Circular Economy' (2022) available here <https://www.oecd-ilibrary.org/docserver/e9eea313-en.pdf?expires=1662454383&id=id&accname=quest&checksum=0B63958C0479D2908019091F347EF19F> (6 September 2022)



Annex B: Examples of Awardees impacted by this consultation

An Mheitheal Rothar

An Mheitheal Rothar focuses on providing bicycles to those who do not have access to cycling, particularly those who are unable to participate in the Bike to Work program, while also creating an impact on the areas of employment and sustainability. Their one-of-a-kind approach combines recycling and waste reduction with delivering affordable bikes, as well as personalised information sharing and problem solutions for each user.

Cycle Up

Roscommon Women's Network (RWN) supports women through engagement, active participation, building capacity, and empowerment. They meet women where they are at, supporting collective action to find solutions to their needs and concerns. Their textiles project addresses textile waste through supporting the hardest to reach women to engage. CycleUp trains and empowers women to generate and take-up employment in the circular economy while protecting the environment in a rural context.

BounceBack Recycling

Bounce Back Recycling provides a mattress collection and recycling service in the Connaught/Ulster region. In 2020 they diverted 20,000 mattresses away from landfill. This has contributed to a greener and more inclusive economy by employing members of the Traveller community. Bounce Back Recycling currently employs 10 staff members and uses its surpluses to co-fund education and health impacts to members of the Traveller community.

Habitat for Humanity ReStore

ReStore empowers families by providing affordable products and services; enabling those with limited resources to make vital improvements to their homes. They serve low income families, divert tons of reusable materials from landfill and provide employability and training support including for vulnerable groups, delivering integrated social, societal and environmental impact.

Recycle IT

Recycle IT is a community-based social enterprise specialising in recycling Waste Electrical and Electronic Equipment (WEEE) from plugs and batteries to dishwashers and fridges. They offer work placements in the provision of recycling services to assist unemployed people to enter/re-enter the workforce. Their goal is to create a history of skilled work activities for everyone working with them.



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Revamp 3R Store

REVAMP 3Rstore is a furniture upcycling and reuse project operating in Longford. Established in 1998 to address the issues of high unemployment, poverty, inequality and social exclusion through education/ training, furniture upcycling, with the provision of furniture showroom and transport for collecting furniture suitable for re-use. Through their purpose built training Centre, REVAMP 3RStore evolved from REVAMP Training programme which provided training for long term unemployed youth, in carpentry, tiling, upholstery and additional soft skills.