

# **Ministerial statement by Circular Economy Minister**

**Following the UK Government's response to The Scottish Parliament on the proposed Deposit Return Scheme in which they approve it but exclude glass from the scheme., the Minister for the Circular Economy, Lorna Slater MSP made a statement to the parliament.**

She said: "Presiding Officer, I am grateful for the opportunity to update Parliament today on the latest position on the Internal Market Act exclusion for the deposit return scheme. I am doing so at the earliest opportunity having received a letter from the UK Government late on Friday evening after almost two years of discussion.

"Scotland's deposit return scheme is based on a simple producer pays principle and there are more than 50 such schemes across the world.

"Scotland might be following behind many other countries but we are well ahead of the rest of the UK. And because we are ahead we have been seeking an exemption from the Internal Market Act, an Act which the UK Government imposed on devolved nations after Brexit.

"I had expected to be here today letting Parliament know that the UK Government had done the right thing and granted a full

exclusion to the Internal Market Act for Scotland's scheme. This is because waste and recycling is a fully devolved policy matter and this Parliament legislated for the scheme in May 2020.

"The environmental and economic benefits of the scheme have never been in question – it will reduce littering by a third and increase recycling rates of single-use drinks containers towards 90%.

"Glass accounts for a large proportion of these containers, and is one of the most common items to pollute our beaches. That's why our scheme included glass from the beginning. It's why almost all schemes around the world include glass.

"Our scheme includes glass because it's best for the climate; best for the environment; and best provides a level playing field across businesses.

"Rishi Sunak and Alister Jack know that too. They were elected on a manifesto commitment to introduce a deposit return scheme with glass. That commitment set the context in which Scotland's own DRS scheme was designed – the context of UK schemes all including glass.

"So, in 2020 – when the Internal Market Act didn't even exist – this Parliament agreed regulations for a DRS which included glass.

"The UK Government has since u-turned on their commitment to glass, despite their own evidence showing how important that is – environmentally, economically and financially.

"And their eleventh hour reversal has five impacts on Scotland's DRS.

"Firstly, the scheme as designed, with glass, would reduce carbon emissions by 4 million tonnes over 25 years – the equivalent to taking 83,000 cars off the road. The UK's

intervention means slashing that by a third – by over 1 million tonnes – at a time when the UN has warned that all actions possible are needed to tackle the climate crisis.

“Secondly, the removal of glass from our scheme makes no sense economically – the UK Government’s own 2021 impact assessment of deposit return schemes across the UK showed that the social benefits of reduced litter, emissions saved, and to the economy are increased by 64% when glass is included – from £3.6bn to £5.9bn.

“Thirdly, forcing Scotland to remove glass at the eleventh hour risks critically undermining the commercial viability of Scotland’s DRS. Glass will make up between a quarter and a third of volumes recycled. Removing it now will severely reduce the scheme’s income while the glass related costs are largely sunk.

“Fourthly, removing glass risks significant knock-on effects: changing fees on plastic and cans to cover sunk costs of glass; changing business models between can-based products and those which are glass-bottle-based – particularly for businesses in Scotland who are mainly can based; and risking production switches into more carbon intensive glass.

“But as recently as January this year the UK Government continued to say it was up to each devolved nation – including both Scotland and Wales – to decide which materials were in each scheme.

“And they have now u-turned on that too.

“Presiding Officer, two u-turns in a row does not put the UK Government back on track. It puts them at odds with evidence, at odds with global best practice, and at odds with their own promises.

“And this is just the latest example of how devolution is now, frankly, under sustained attack.

“When we pass laws to make lives a bit easier for trans people, the Scottish Secretary steps in and blocks the legislation.

“When Scottish Ministers engage with other nations to share ideas and to promote Scotland as a place to visit, to study and to invest – the UK Foreign Secretary issues a diktat to overseas embassies to silence and side-line them.

“And now, it is clear we cannot even introduce a recycling scheme without it being sabotaged by bad faith actors in the UK Government, who never supported devolution in the first place.

“The Scottish Secretary – whose job is supposed to be ensuring that devolution runs smoothly – seems more interested in torpedoing Scotland’s Parliament than he is in protecting Scotland’s environment.

“Presiding Officer, the UK Government has told this Parliament that it cannot deliver the scheme this Parliament voted for. It can only echo a more limited scheme for England that the UK Parliament has not yet even voted for.

“The UK scheme currently has no agreed legislation, no scheme administrator, no contracts, no credible timescale and, yes, no glass.

“And yet we are expected to agree right now to: a maximum cap on deposit levels across the UK before the Scottish scheme launches; a shared registration processes; one marking or barcode across the UK.

“None of which currently exists.

“The aim of having schemes in the UK that work alongside each other and act as seamlessly as possible is entirely right. But that is not what the UK Government is doing. Its approach has nothing to do with co-operation or partnership.

“It’s “our way or the highway.”

“So in Scotland we can have a DRS that will be ready to launch next March. We will be finally moving on with DRS in the UK not just talking about it.

“And yet the UK Government wants to sabotage the one scheme in the UK that will be ready to go for a UK scheme that is nothing more than a plan on a page.

“The UK Government aims to appoint their scheme administrator in summer 2024 and launch their scheme barely a year later in autumn 2025. This is not credible. In reality it looks like the UK Government is kicking the can down the road.

“So my challenge to the UK Government today is this: to demonstrate how and when they will put in place a UK scheme for Scotland to align with. Show us a credible pathway: the regulations, the scheme administrator, secure funding, the staff recruitment, the system development, the procurement of delivery contracts, the partnership work with producers and retailers.

“In other words, show us all of the things that we have been working hard to put in place in Scotland – all of the things that will give businesses, producers, retailers, stakeholders the certainty that they need.

“So, where does this leave us?

“Presiding Officer, if the UK Government had given us the full exclusion that we had sought, then I would be here today setting out all the detailed steps that we are taking ahead of go-live date next March.

“But instead, we are now being forced to examine whether the deliberate sabotage by the UK Government leaves us something we can make work. We will need some time to go through the detail of the UK Government decision and conditions and I will

update Parliament on next steps.

“There is still a win-win opportunity for the UK Government if it immediately reverses its 11th hour decision and enables Scotland to pave the way for the all-in DRS scheme, including glass, that its own analysis concluded was the best option. That is what it should do.

“Presiding Officer, this is about protecting our Scottish environment. But it is also more than that. It is about protecting our Scottish democracy.

“We are here as the consequence of a Brexit that Scotland didn't vote for. Every day people are paying the price of reduced living standards, a weaker economy and less money for public services like the NHS.

“Not just broken glass but a broken union. A union of supposed equals exposed as anything but. By a Tory government pursuing a scorched earth approach to devolution.

“Scotland deserves so much more than the broken pieces of devolution. We deserve always to get the Governments we vote for and the polices we need. We should not have to put up with Westminster interfering with our Parliament and sabotaging important policies to suit their own agenda.

“I look forward to a different future where we can have all the powers we need – right here in this Parliament – to deliver for the people of Scotland, to protect the environment and build a stronger, fairer economy.”

Following the statement many members asked questions of the minister, mainly divided according to party lines. We will sum these up later.

The Scottish Deposit return scheme (DRS) on single-use containers is aimed at helping to improve the quality and quantity of recycling, to reduce litter and achieving climate

change targets. The Scottish Government believes the DRS is one of the most environmentally ambitious and accessible in Europe. There will be tens of thousands of return points for plastic, metal but no longer glass as was initially proposed.

People will pay 20p when they buy a drink in a single use container and get the deposit back when they return the empty container.

All retailers (subject to a few exemptions) which sell drinks for takeaway must operate a return point.

Zero Waste Scotland say that at present only half of eligible containers are recycled, and the aim is to collect at least 90% of these within the second year of operation. The body estimates that increasing recycling and reducing waste would reduce emissions – the equivalent of taking 85,000 cars off the road – or all the cars in Dundee.

The Scottish Parliament has already passed the necessary regulations to create a legal framework, but the UK Government would have to exempt the scheme from the Internal Market Act as this would be the only DRS in the UK.

The policy has been designed in partnership with Zero Waste Scotland. Further [information about the scheme](#) is available on their website.

The implementation of the scheme has been delayed until 2024.

Circularity Scotland is the company set up to manage the scheme.

Changes were made to the scheme in April when containers of under 100ml were excluded (which includes miniatures, and craft producers who sell fewer than 5,000 units per year are also exempt).



Lorna Slater MSP, Minister for Green Skills, Circular Economy and Biodiversity PHOTO The Scottish Government