

APRS
Dolphin House
4 Hunter Square
Edinburgh EH1 1QW

www.aprs.scot info@aprs.scot

Dear Convener, Committee colleagues, and clerks,

Thank you again for the opportunity for Action to Protect Rural Scotland to contribute to your Committee's Stage One scrutiny of the Circular Economy Bill.

The Deputy Convener asked the panel about nurdles, and, as I believe LINK's letter to you will set out, the organisations with the most experience on this specialist subject are Fidra and the Marine Conservation Society. APRS does not have anything to add beyond the summary of their expertise which LINK will send you on this question, although we share their concerns.

The Convener then asked what elements not covered in our evidence we would wish to see in the final Bill. Not to repeat any of the supporting evidence provided either in person or through our submission, I would like to set out what APRS believes would be required for this legislation to best achieve the Scottish Government's stated aims for it.

1. Targets for the Scottish Government's own circularity

This proposal was raised in APRS's consultation response, but it is important to note that – as with circularity targets for organisations in receipt of public funds, raised in our written submission – it would be difficult to achieve or monitor against without formalising the Purpose discussed with you.

Business activity can be shaped to provide incentives for moves further up the hierarchy, but Scottish Government's own procurement can be changed more quickly and directly. This has long been supported by Scottish Government, and should be included.

For example, the 2016 Making Things Last document said: "We recognise the potential for public procurement to support the development of a more circular economy in Scotland building on the statutory guidance on the sustainable procurement duty under the Procurement Reform (Scotland) Act 2014 and the extensive training on circular economy principles of the procurement professional community through the Scottish approach to Sustainable Public Procurement."

More recently, Section 6 of the 2019 proposals for a Circular Economy Bill said "we plan to use existing secondary legislation powers, in the 2014 Act, to add to this requirement so that public bodies will also have to specifically describe

their approaches to meeting climate change and circular economy obligations in their procurement strategies, along similar lines to how they already describe their approaches to other obligations", so perhaps this would not require fresh primary legislation, depending on its scope.

Refill stocking targets for retailers

The Bill does not support a shift towards refill of drinks containers. Refill (especially for glass) is far more circular than recycling, which does not reduce waste at its source – <u>Eunomia data</u> shows that energy usage in glass furnaces is reduced by just 2.5% for every 10% extra recycled cullet. A 2023 study in the Journal of Hazardous Medicine (cited in <u>Refill Again, a recent and useful Oceana report</u>) sampled wastewater from a UK plastic recycling facility and found that 13% of the entire weight of material processed was being passed out into the environment in the form of microplastics.

Other territories also have strong PET plastic bottle refill sectors, and, again, refill is more sustainable than recycling. The resource saving potential with refill/reuse schemes are far higher, especially with standardisation of packaging (as per the German beer and water markets) and requirements to maximise refill cycles, ideally getting as close to lifespan limits as is practical. Backhaul typically reduces transport emissions associated with returning bottles for wash and refill.

The process, if managed efficiently, saves companies money and early movers get market advantages from consumer support. In 2021 Chile introduced a law requiring at least 30% of products displayed in this segment to be refillable by 2024, and polling shows that 80% of Chilean households preferred to buy refillables (this data and the information in the following paragraph are also as cited in the same Oceana report). Legally binding targets of this sort are already in place in seven EU countries (Austria, France, Germany, Portugal, Romania, Sweden and Spain).

Coca-Cola have reported that 93% of their refillable bottles come back. Both Coca-Cola and Pepsi have set 2030 global refillable targets for themselves - 25% for Coca-Cola and 20% for Pepsi. This Bill could set a similar target for large retailers operating across Scotland (without requiring an Internal Market Act exemption).

2. Takeback

As per our previous evidence, extended producer responsibility via product takeback schemes are typically most effective when linked to an incentive to return, such as a deposit. This would not need to be imposed by Ministers, but could instead be one option sectors or companies could choose in order to

meet binding takeback requirements and targets.

It would also not require the costs of handling post-consumption products and packaging to be priced by Parliament. Where producers are responsible for managing them as far up the waste hierarchy as possible, this gives a market mechanism to drive circularity, as opposed to potentially arbitrary Government-set taxes or levies.

Although there is a risk that (in a UK policy context) EPR is understood to mean solely responsibility for **packaging**, there is still more that can be done here, and at a Scottish level, especially when considering fast food delivery containers, cosmetics bottles, and so on.

The Westminster Environment, Food and Rural Affairs Committee's November 2022 report, The price of plastic: ending the toll of plastic waste, set out that "EPR fees clearly have the potential to incentivise reusable packaging or even potentially more radical solutions to support reuse systems like universal packaging—containers that can be used by different businesses and help businesses reduce the transportation costs associated with reusable packaging".

The Rethink Plastic Alliance also note that: "Europe has also set itself the target to make all packaging reusable or recyclable by 2030 in the 2020 Circular Economy Action Plan." Using data from that report, getting to a 50% reuse rate of beverage and food containers over the next nine years would save (on a per capita basis - Scotland's population being equivalent to 1.2% of the EU population) £109.9m and 330,000 tonnes of resources.

Uzaje are doing this in Paris very successfully: "collecting dirty packaging from 50 restaurants, catering services and 100 food retail and non-food distributors and deliver them clean using pool logistic flows and within a 50km to 200km radius for efficiency and carbon footprint reduction."

This Bill should also allow Parliament and Ministers to deliver a version of the now-delayed **deposit return system**, or any more efficient system that industry chooses to meet the same objectives. Either way this would again not require an Internal Market Act exemption (and this approach would therefore allow the inclusion of glass, cartons, or any other materials deemed appropriate). A duty on producers to take back a set proportion of their products from a specified date would enable industry to develop their own approach. They could use, if they wished, the infrastructure which was meant to be used for deposit return, with only the target for takeback, scope and timescales set in law. A date of October 2025 would align this approach with

the proposed UK-wide deposit return system, and act as a backstop should that system be delayed or abandoned.

I raised the issue of **mattresses** in Committee, and would like to provide a little more information to support a takeback system for these products here. By last year some 24% of mattresses were recycled in the UK - in August 2023 industry called for a takeback requirement so they can level the playing field upward, pointing out that "effective EPR schemes have already been implemented in other countries, such as France, the USA, Belgium, and Holland". As long as costs of disposal are left to individuals and councils, we will see flytipping, inefficiency and landfill.

APRS also believes all vapes should be covered by takeback targets, rather than relying on a ban on single use vapes alone. Such a ban is first likely to fall foul of the IMA, which is not a reason not to do it, but, even if an exemption is granted, producers are likely to make potentially token efforts to make all vapes rechargeable by simply adding a USB port. A takeback requirement would effectively bring in an IMA-compliant version of policy option 4 in the June 2023 review commissioned by Scottish Ministers (i.e. it would be up to manufacturers how they meet recovery targets rather than a regulated-for deposit). This would avoid the risk discussed in that review that "Design and Implementation would need to consider that a possible consequence might be a switch to e-cigarettes that make use of replaceable pre-filled containers of liquids (rechargeable-ecigs). However, as these are already available at relatively low cost, the problem of wasted single-use-ecigs might be supplanted by problems associated with rechargeable-ecig containers, including rechargeable-ecigs themselves being used as though they were single-use-ecigs."

To take one last example, **clothing and footwear** was discussed in Parliament earlier this year in the <u>Fast Fashion Members' Business debate</u>. Stephanie Callaghan MSP, who sponsored the debate, said: "In the UK, producer responsibility schemes already apply to electrical goods, batteries, vehicles and packaging. In fashion, we could require brands and retailers to collect goods at the end of their life or outsource that process to someone else."

APRS would endorse this approach, and in general terms, we believe the presumption should be to make producers of **all products** responsible for those products at end of life. There are few limits to this approach, although the Committee discussed some of them with us. Exemptions or delays should be granted where there are practical problems or unintended consequences, rather than slowly cherry-picking the occasional product category out of the vast array of commercially available products.

I would also like to provide a link to the recent paper I mentioned at the session on the 14th of November, published by Zero Waste Scotland and others: "Reducing Resource Extraction And Use: Producer Responsibility For The Circular Economy". It is of particular interest on the question of targets for producers with regard to reductions in use of virgin material, and on the wider question of how the full costs of production can be internalised to promote a shift to a circular economy. The takeback targets discussed above would not have just to be about volumes recovered - they could also specify the proportion of recycled or refurbished materials to be used by a certain date or require a specific level of reduction in the use of virgin materials.

We look forward to seeing your report in due course, and would of course be more than happy to answer any further specific questions that come up during the drafting process.

Yours sincerely

James Mackenzie