

Michael Matheson MSP
Cabinet Secretary for Net Zero, Energy and Transport
Scottish Government
St Andrew's House
Edinburgh
EH1 3DG

16th September 2021

Deposit Return Scheme – Implementation Date

Dear *Michael*,

As you will be aware, the Scottish Government are currently conducting an independent review of a feasible 'go-live' date for a Deposit Return Scheme (DRS).

We welcome the principles of such a scheme: to reduce litter, tackle climate change and support net zero targets. However, issues with the current design of the scheme and a lack of clarity on timelines for implementation are significant concerns that have been raised across our Network.

From craft brewers, micro-breweries and distillers to drinks retailers, SME businesses in these sectors have expressed concern that the cost and complexity of the scheme could make it unviable to sell their produce. Particularly as many remain in 'survival' mode due to the wide-ranging impacts of the pandemic and ongoing supply chain issues.

At present, the scheme is currently scheduled to commence from June 2022. However, equivalent schemes in other parts of the UK are not expected to come into place until 2024 at the earliest.

Without an aligned approach across the UK, businesses will struggle with additional costs and labelling requirements being initially imposed, only in Scotland, should the scheme commence next year.

Therefore, informed by member views, we would urge the Scottish Government to undertake the following:

- Delay the implementation of the Deposit Return Scheme to 2024 and look to align the scheme, where possible, with the rest of the UK.
- Undertake further consultation with sectors affected to ensure that the scheme is workable for both businesses and consumers as well as being cost effective for business.
- Rework the scheme so that it supports SMEs with the costs and resources that they would require to manually handle returns and source empties, as well as address safety concerns around potential breakages.
- With an implementation date of 2024 in mind and once necessary changes have been made to the scheme: undergo a focused and targeted programme of engagement with stakeholders to ensure business readiness.
- Reconsider the inclusion of glass in the DRS: the Scottish Retail Consortium has estimated [that including glass in the DRS will add £50m per year to businesses' operational costs](#). In the previous parliament, British Glass highlighted research that including glass in the DRS will [disrupt existing recycling systems and will act against Scotland achieving its environmental ambitions](#).

We would be happy to arrange a follow up meeting with you and your officials in due course to discuss this important matter, as well as facilitate direct engagement between you and businesses impacted by a DRS.

We look forward to hearing from you.

Yours Sincerely,

A handwritten signature in black ink, appearing to read 'Liz Cameron', with a long horizontal flourish extending to the right.

Dr Liz Cameron OBE
Director & Chief Executive
Scottish Chambers of Commerce