



British Glass

Roseanna Cunningham
Cabinet Secretary for Environment, Climate Change and Land Reform
St Andrew's House
Regent Road
Edinburgh
EH1 3DG

28 August 2019

Dear Cabinet Secretary,

Concerns over glass inclusion in the Scottish Deposit Return Scheme

We all share the Scottish Government's desire to protect our planet's diminishing resources and to move away from the throw away culture which is doing so much damage. We understand the motivation behind the introduction of a Deposit Return Scheme however the glass sector and our partners retain significant concerns about the impact of glass beverage containers being included in such a scheme.

In the coming weeks we will share British Glass commissioned research on these issues with the Scottish Government and our partners. That research will highlight that including glass in a recycling DRS will disrupt existing recycling systems and will act **against** Scotland achieving its environmental ambitions.

Glass is 100% recyclable – it can be re-melted to make new bottles an infinite number of times without ever reducing its quality. The UK glass sector has an excellent and improving recycling record with 67% of all glass bottles and jars being collected for recycling.

Working with key partners including local authorities and waste management companies we believe we can achieve the new EU Waste targets and improve glass recycling figures even more without a DRS.¹

In fact, across Europe 5 out of the top 7 countries for glass recycling DO NOT operate a DRS².

The inclusion of glass will increase the cost and complexity of a DRS system and therefore increase the risk of the scheme not operating effectively from day one. Including glass significantly increases the operational cost of the DRS for the Scheme Administrator due to the material's low value and greater weight.

It will cause significant disruption to glass manufacturers, drinks companies, wholesalers, retailers, importers and the hospitality sector as well as increasing the cost of drinks in glass bottles for the people of Scotland. All sectors in the drinks supply chain have specific concerns about how the inclusion of glass will impact on their businesses, the overall scheme viability and the very tight timetable.

¹EU Waste Package June 2018 Minimum glass recycling rate of 70% by 2025 and 75% by 2030

² Eurostat

The glass container industry has 6 key areas of concern.

- The substantial additional costs. Zero Waste Scotland acknowledges that glass will increase costs and they calculate this to be around £25m per annum³. Recent British Glass research suggests the costs are significantly higher, around 2-3 times this figure.
- The increased costs and differential producer fees imposed on brand owners using glass containers will encourage producers and retailers to switch from glass.
- Potential Scottish job losses and closure of glass plants following reduced demand for glass. Examples from a number of European countries suggest a fall in glass market share will follow DRS introduction.
- Including glass won't deliver the positive circular economy impacts the Scottish Government claim. Over 80% of Scottish produced spirits are exported so they can't form part of a closed material loop.
- Including glass will have a negative impact on glass recycling rates as 26% of clear glass units are not covered by DRS. Local authorities may decide to end dedicated glass recycling collections as a result of DRS removing a significant amount of income from kerbside schemes. This will reduce the amount of clear glass available to the glass industry for re-melting.
- The use of two different approaches to glass will lead to consumer confusion and glass will be lost to landfill as a result.

Trade bodies and industry representatives on the Scottish Government's DRS Implementation Advisory Group have previously raised concerns about the inclusion of glass in a letter to Don McGillivray, Deputy Director Environmental Quality & Circular Economy, Scottish Government. ⁴

Cross sector concerns include:

- Extra space required to store returned whole glass bottles because re-melt quality glass can't be crushed at source and the DRS scheme needs to be able to scan labels (Retailers/Hospitality)
- Consequences of manual handling of glass including in smaller retailers and take-away food outlets where they currently do not handle glass at all (Retailers/Hospitality/Wholesalers)
- Increased cost of soft drop RVMs which accept glass – requires 25% additional floor space and 10% additional capital expenditure (Retailers) ⁵
- Additional cost, including higher producer fees, leading to increased prices /cash flow impacts and reduced sales (All)
- Extra vehicle space and journeys required to backhaul whole glass bottles with resultant impacts on emissions (Wholesalers, Retailers, Consumers)
- That the number of glass containers on the Scottish market is much higher than current ZWS estimates (Producers/ Retailers /Wholesalers)
- Fraud and theft because glass bottles will now have a greater value (All)
- Added burden on consumers particularly older and disabled people to recycle glass outwith kerbside (All)
- Inclusion of glass will reduce the number of redeemed deposits leaving consumers out of pocket (All)

³ DRS – The Case for Glass. Report to the DRS Programme Board
<https://www.gov.scot/publications/foi-19-01048/>

⁴ <https://www.scottishgrocer.co.uk/2019/07/01/industry-rails-against-scotgovs-drs-plan/>

⁵ DRS – The Case for Glass. Report to the DRS Programme Board
<https://www.gov.scot/publications/foi-19-01048/>

The glass container sector is not part of the Implementation Advisory Group however we have been engaging with Zero Waste Scotland to share research into the costs of the DRS system, alternative approaches and international examples.

The glass industry remains keen to engage with the Scottish Government to investigate proposals for a cost-effective alternative glass collection system to DRS which would be funded by Extended Producer Responsibility (EPR). A new UK wide EPR system due in 2023 is likely to significantly increase the capital and resource budgets available to Scottish local authorities to invest in better kerbside and bring back (bottle banks) models as well as in anti-littering campaigns.

This less disruptive approach would build on Scotland's existing kerbside schemes and the new DRS for metal and plastic. It would deliver an easy to understand single glass collection system which would boost recycling figures and reduce the demands on consumers. This approach would also reduce the complexity of the DRS system and therefore decrease costs and streamline the timetable.

Reverse vending machines have a 5-7-year lifespan. If the alternative approach we suggest didn't deliver on Scottish Government recycling targets then the DRS could be reviewed and glass could be added as a second phase. This would allow the DRS to be established at less cost and risk to the Scheme Administrators and other key stakeholders including consumers.

The Government has already said publicly that all consumers should be able to dispose of their empty bottles as easily as they can purchase a drink. We agree. Bring backs (bottle banks) and kerbside glass collection work for the majority of the Scottish population and kerbside collections are a crucial service for the most vulnerable and those who don't own a car.

We call on the Scottish Government and MSPs across Parliament to exclude glass from the DRS at this stage and consider an innovative approach which blends kerbside, EPR and bottle bank sites to recover the maximum amount of post-consumer glass.

The glass container sector and our partners in the wider drinks supply chain understand and accept the need for action. We will continue to work together with the Scottish Government and Zero Waste Scotland to develop the best possible glass recycling system for Scotland.

Yours sincerely,



Dave Dalton
Chief Executive, British Glass

This letter is supported by:



ACS | the voice of local shops



SCOTTISH LICENSED EST.1880
TRADE ASSOCIATION



FEVE
The European Container
Glass Federation



CIWM | Scotland Centre



SCOTTISH
BEER & PUB
ASSOCIATION



SCOTTISH WHOLESALE ASSOCIATION
The voice of the Scottish Food, Drink and Allied Trades



esa | scottish environmental services association



UKH
HOSPITALITY SCOTLAND



wsta
speaking for the wine and spirit trade



BRITISH
Soft Drinks
ASSOCIATION



SGF
Scottish Grocers' Federation



SRC



scotch whisky
ASSOCIATION



FPA
FOODSERVICE
PACKAGING
ASSOCIATION



MKD32 LTD
Glass Consultancy
and
Cullet Merchant



HARVIESTOUN
BREWERY