



British Glass

Key messages

Recycling DRS for Scotland and glass

British Glass is not opposed to Deposit Return Schemes (DRS) in principle but including glass in the proposed recycling DRS will reduce glass recycling rates, pass massive costs onto consumers and incentivise producers to fill plastic bottles not glass.

Partners across the drinks supply and waste management sectors share our concerns.

The top four performing glass recycling schemes in Europe don't have a DRS. They operate Extended Producer Responsibility (EPR) schemes for glass.

1) The Recycling DRS for glass will disrupt glass recycling and not achieve a circular economy in Scotland.

- The UK glass sector has an excellent recycling record with 67% of all glass bottles and jars being collected for recycling. Latest SEPA figures show that while household waste recycling is falling, glass recycling rates continue to grow.
- Scottish glass furnaces are already cutting CO2 emissions and consuming less energy because they already have a high recycled content, 90%+ for green glass.
- DRS only provides manufacturers with more of the coloured glass they already have and not the clear glass they need to supply the Scottish spirits market.
- The recycling DRS *cherry picks* the easy-to-recycle glass beverage bottles from kerbside collections, leaving the remaining food glass packaging to be handled by kerbside collections along with all the other waste streams. Such cherry picking can make kerbside collections for glass unviable meaning more glass heading to landfill.
- Running two glass systems in parallel is more confusing for the public and risks less glass being recycled.
- There will be no carbon saving associated with the DRS. The carbon savings projected by ZWS are compared to a baseline scenario where no other improvements are made to recycling in Scotland, whereas there is already an effective recycling system in place, and we know the EPR will be implemented in just a few years' time.
- Extra DRS costs associated with glass means producers will pay higher fees to use it. This incentivises them to switch from filling glass containers to using plastic or metal instead. Evidence shows the introduction of glass in a DRS in countries such as Germany, Croatia and Denmark led to a dramatic shift away from glass towards PET - a far more problematic material in terms of circular economy and littering. Such a shift here would have an impact on investment in Scottish plants.

2) Including glass in the DRS will mean a dramatic increase in costs and inconvenience for consumers.

- At a 90% return rate 42% of the costs of the DRS scheme come from the public's unredeemed deposits. At 80% it rises to a massive 84% of the costs. The public will also pay for the recycling of the 26% of containers that makes up non-DRS glass packaging. DRS is not a *polluter pays* system.

- Scots on low and fixed incomes will proportionately pay the most and the elderly, disabled and those who don't own a car will experience the greatest inconvenience taking all their glass bottles back to a shop.
- The Scottish Government's DRS return targets are unrealistic. Scotland has no refillables infrastructure or culture of bring back. Toluna research shows 25% of consumers say they won't return any containers to get their money back.
- The data used in the ZWS business case are inconsistent with other data sources and should be reviewed so as to have a reliable base line. The estimated amount of glass containers put on the market in Scotland differ from the 0.33 billion estimated by the Scottish Government in the Full BRIA to estimates up to 0.754 billion.
- A key sensitivity regarding the Scottish Government's overall valuation of the benefits of the proposed recycling DRS is the disamenity costs associated with littering. Surprisingly, the Scottish Government claims the societal benefits assigned to an EPR model which includes 41.5% of all items littered was just 23% of the societal benefits from a DRS which covers only 21.7% of all littered materials.
- There are significant handling, health and safety, storage, logistics and fraud issues associated with dealing with glass drinks bottles which must be returned intact to be scanned and re-melted.
- Introducing a flat rate deposit fee on all containers will encourage consumers to upsize bringing a risk of increased alcohol consumption.

3) Including glass in the Scottish DRS is economically inefficient

- ZWS's own figures show that the DRS including glass is nearly four times more expensive than an EPR scheme for a third of the return on investment.
- DRS only covers 20% of total packaging. It costs £2.4bn to get a 3% net benefit but that does not take account of the costs of maintaining the current recycling system for non-DRS glass. This is an economically inefficient, high risk, complex and difficult way to collect glass.

4) There is a better alternative proposal.

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| <ul style="list-style-type: none"> • Introduce DRS for PET and metal. • Introduce a container co-mingled kerbside collection where possible for all non-DRS containers (HDPE, food cans, aerosols, glass bottles and jars) • Continue bottle banks where appropriate. • Improved recycling bins for glass litter in public places. |
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- This system will deliver a similar or higher overall glass recycling rate than the DRS.
 - Better for the Scottish circular economy since it includes the clear glass **vital** for Scottish glass production.
 - Encourages circular product design by packaging producers.
 - Simpler, more convenient and more cost effective.
- This scheme will be driven through EPR by 2023.
 - It will mean increased recycling targets and will invest additional resources into local authority waste collection systems – kerbside and bottle banks and public education.