

Julie James MS

Minister for Climate Change

04 September 2023

Deposit return Scheme (DRS): Inclusion of glass

Dear Julie,

Please find enclosed correspondence received from the Food and Drink Federation Cymru, noting work being done on the interoperability of the DRS schemes in different parts of the UK, but setting out serious concerns about the possible economic impact of the inclusion of glass in the planned Deposit Return Scheme in Wales.

In particular FDF Cymru are asking whether Welsh Government has conducted a full economic impact assessment of the plans and the effect it could have on the Welsh economy. The Committee would be very grateful if you could address this question and confirm what assessments have been made, what effect you think the plans could have on Welsh businesses and the Welsh economy, and what actions are planned to mitigate any negative impacts. The Committee would also welcome being kept updated on the status of implementation plans for the DRS in Wales.

Kind regards,



Paul Davies MS

Chair: Economy, Trade and Rural Affairs Committee

CC: Llyr Gruffydd, Chair, Climate Change, Environment and Infrastructure Committee

We welcome correspondence in Welsh or English



22nd August 2023

Mr Paul Davies MS
Chairman – Economic, Trade & Rural Affairs Committee (ETRA)
Welsh Parliament
Cardiff Bay
Cardiff,
CF99 1SN

Dear Paul,

DEPOSIT RETURN SCHEME (DRS): INCLUSION OF GLASS

I am writing to you as Chairman of the Economic Trade & Rural Affairs (ETRA) committee with regards to the Wales Deposit Return Scheme (DRS). We are fully committed to a successful launch of this landmark environmental initiative, but we urge the Welsh Government to keep all glass packaging as a kerbside scheme. Wales, as you know, is already a world leading glass recycling nation.

Minimising waste and preventing litter through the promotion of a circular economy is a key priority for our industry. Our members fully support this goal and are very supportive of the introduction of DRS for some time. A consistent message from industry has been to reduce the complexity for businesses and consumers, and for all DRS schemes across the UK to be aligned and interoperable. Our businesses need to understand what is required of them to comply with DRS requirements, and that the scheme is simple, seamless, and incentivising for consumers to engage with.

We have been heartened by the recent 4 nations interoperability workshop with officials working together on shared environmental goals. However, given the significant border between Wales and the rest of the UK, the difference in the scope of DRS materials raises serious questions, amongst other things, about labelling and logistics. Excluding glass would reduce the complexity and cost of the schemes for consumers, producers, and retailers, as well as diminishing the risk of fraud.

Our vision is that any plastic or metal drinks container bought anywhere in the UK by anyone, can be returned to be recycled. We are keen to work closely with the Welsh Government to achieve this and to ensure that Wales is at the forefront of the circular economy. Having different materials being included in the Welsh DRS would, in our view, increase complexities and cost, including specific labelling and/or demarcation. This would mean many businesses, particularly smaller ones, not been able to trade across the United Kingdom. Other unintended consequences could be that producers withdraw products from uneconomic markets, switch to plastic packaging, and that certain beverage products might no longer be sold across the UK nations.

This is big moment for drinks producers and consumers alike as we transition to a circular economy and link up the first part of the supply chain with the final part of the consumer experience. We need to get it right. The prospect, however, of having multiple, diverging schemes across the UK, and the myriad of challenges that would involve, could force many drink businesses in Wales to make tough decisions. Our industry has consistently raised the issue of additional complexities and costs and the impact this could have on business. I should be grateful to know, therefore, whether the Welsh Government has conducted a full economic impact assessment of their planned Wales DRS scheme and the affects it could have on the Welsh economy.

Should you, or any other members of the ETRA committee, wish to discuss this further with the Food & Drink Federation, I would be happy to arrange a meeting.

I look forward to hearing from you.

With regards

David

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