

Annex A

Document 1

OPITO Briefing - Ms Slater

Date and Time of Engagement	Tuesday 6 September 2022 10:45-11:15
Where	MS TEAMS
Key Message	<ul style="list-style-type: none">• We are seeking further opportunities to engage with industry and to support their efforts to promote skills transferability e.g. through meetings with OPITO and the ongoing work of the Energy Skills Alliance and the commitments in the North Sea Transition Deal which has committed to delivering a People and Skills Plan for the Offshore Workforce• Our response to this threat will be multifaceted with skills and the labour market at its heart. We are committed to a Just Transition that prioritises the needs of workers and communities across Scotland.• The Climate Emergency Skills Action Plan provides a framework for skills planning, development and investment across sectors of the economy we know will be crucial to achieving net zero.• The National Strategy for Economic Transformation priorities delivery of a skilled workforce. This includes implementation of CESAP actions, to ensure workers are equipped with the skills that they are employers will need in a green economy.
Who	Christine Currie, Head of Skills Policy, OPITO
Why	<ul style="list-style-type: none">• You last met with OPITO on 21 March where you received an update on progress on the Integrated People and Skills Strategy, and the work underway on aligning Offshore Energy Standards and the creation of a Skills Passport – you have requested regular meetings with OPITO to be updated on progress.• OPITO are leading on this work on behalf of the Energy Skills Alliance, with the work a key deliverable within the North Sea Transition Deal.• On 24 May OPITO published both the Integrated People and Skills Strategy, and the first Action Plan (of five) on Aligning Offshore Energy Standards.• The key objectives of the Aligning Offshore Energy Standards are:<ul style="list-style-type: none">• Map safety, emergency response and technical standards across the offshore energy industry, and• Create a skills passport supporting the transition of the offshore energy workforce – making the transition between sectors simple, visible, efficient and fair.

Official Support Required	Harry Huyton, Special Advisor [Redacted], Future Skills Lead, [Redacted] [Redacted], Offshore Oil and Gas
Briefing contents	Annex A: Summary Page Annex B: Background – NSTD Integrated People & Skills Strategy Annex C: OPITOs Just Transition Fund Proposal Annex E: CESAP Update Annex F: Attendees Biographies and Background

Meeting Purpose: To receive an update on progress and next steps since the publication of the Aligning Offshore Energy Action Plan.

Progress: To date OPITO has invested £2 million in development.

- Industry steering group created: comprising tier one operating and contracting companies, trade unions, trade associations and skills bodies, meeting regularly to design and develop Skills Passport **[including GWO, UNITE and RMT]**
- OPITO is working with OEUK, GWO, and ECITB to create APIs (Application Programme Interface) to pull data from currently separate systems, respectively, Vantage POB, WINDA, and Connected Competence, to create one single repository for 'energy' certification and training information. The intention is for this to be a scannable application for the worker to use as they transfer on-site. Cogent Skills, IMCA and EAL are also involved in the mapping of certification and qualifications.
- As well as safety and emergency response training, technical standards already mapped equivalent to those which would cover approximately 75% of the core crew of an offshore installation
- Mapping initially focuses on o&g and wind, but will incorporate hydrogen and CCUS as sectors develop

Engagement with GWO

- OPITO have been meeting regularly with GWO on progressing skills transferability between the offshore wind and oil and gas sectors - both in bilateral meetings but also through the passport industry steering group.

Ask: Useful to receive an update on engagement to date with GWO.

Key milestones:

- A proof of concept of the Skills Passport - end of 2022
- Completion of mapping/alignment of standards to be displayed in the Skills Passport - Q3, 2022
- Full solution of Skills Passport ready for deployment - Q3, 2023

The Skills Passport will:

- Focus on technical qualifications and training; safety and survival training; and specialist emergency response training to support the transition of the workforce between sectors.
- Contain functionality that can be scanned to access a worksite and confirm that the user has the recognised qualifications and training to attend the worksite.
- Display which qualifications and certificates are recognised by the different sectors and required for individual roles.
- Help the workforce identify future roles in different sectors and the training required to be qualified to fulfil those roles.

- Highlight future career pathways and help prevent employees repeating qualifications when transitioning between sectors (making the transfer more efficient).

On 6th September OPITO were notified that their proposal to the Just Transition Fund for the development and deployment of a digital offshore energy skills passport was successful.

- The proposal requested funding of just under £5m over two years.
- Officials are currently working with OPITO to finalise the funding figures and will issue a grant award in the coming weeks.
- NB: Just Transition officials and comms are currently engaging with OPITO on a joint ministerial visit to the North East – by the Minister for Just Transition and the Minister for Green Skills – to officially announce the funding of the OPITO proposal. **Additional detail is located in Annex C**

OPITO have advised that the following three Action Plans will be published in Autumn – likely end September (additional detail in Annex B):

- Meeting Future Skills Demand
- Defining Workforce Skills Action
- Improving Skills Data Intelligence Action:
- With the final Action Plan on Diversity and Inclusion publishing early in 2023.

The Climate Emergency Skills Action Plan provides a framework for skills planning, development and investment across sectors of the economy we know will be crucial to achieving net zero.

- The National Strategy for Economic Transformation priorities delivery of a skilled workforce. This includes implementation of CESAP actions, to ensure workers are equipped with the skills that they are employers will need in a green economy.
- The Green Jobs Workforce Academy is currently an online platform providing information and advice on green job opportunities and how to get into them. We are developing the scope and content of the platform, based on user research and emerging industry data.
- Skills are crucial to a Just Transition. Alongside the Just Transition Plans, we are developing a pilot of a Skills Guarantee, offering people in high carbon jobs, support in moving into good, green jobs.

The 2022-23 Programme for Government has committed:

- We will refresh the Climate Emergency Skills Action Plan before the end of 2023 to reflect any changes in the wider economic environment.
- Throughout the year, we will continue to improve the content and extend the scope of our Green Jobs Workforce Academy, ensuring development of the next phase is informed by a detailed impact assessment – drawing out information on the profile of users and sectoral interests.
- We will develop a skills guarantee for workers in carbon intensive industries that supports individuals in identifying their skills needs and find suitable training opportunities.

Offer: To continue to engage with OPITO on CESAP and development of a pilot of a Skills Guarantee.

The Cabinet Secretary for Net Zero and Energy has committed to hosting an event focused on offshore energy skills in Aberdeen.

- Officials are working directly with OPITO and industry on the event planning.
- Advice is currently with Mr Matheson on requesting a that this event is scheduled for 2nd November given issues with logistics and timing.
- OPITO have confirmed that they can accommodate the suggested new change with a longer lead in time supporting planning and stakeholder engagement.

Annex B – Background – NSTD Integrated People & Skills Strategy

In May 2022, the Integrated People & Skills Strategy was published for the UK offshore energy industry: oil & gas, offshore wind, CCUS, and hydrogen.

- Underpinned by five action plans (with Aligning Offshore Energy Standards



published in May) – the remaining plans are outlined below.

- **Meeting Future Skills Demand**

- Develop an offshore energy vocational education framework covering apprenticeships, T-Levels and national and Scottish vocational qualifications.
- Map and support a more integrated approach to graduate and post-graduate attraction, including internships and work experience placements.
- Further develop and promote the My Energy Future STEM programme, including the creation of an employee value proposition for the offshore energy industry
- Map and develop transition pathways to support the attraction and mobility of people from other engineering and technology sectors, including the transition of ex-military personnel.

- **Defining Workforce Skills Action Plan, will:**

- Identify and prioritise future skills requirements across technical, digital, safety, and business disciplines; creating alignment across industry, government and academia
- Defining clear career pathways across each sector of the industry, making visible the careers opportunities across the offshore energy sector.

- **Improving Skills Data Intelligence Action Plan will:**

- Agree an integrated approach to people and skills data collection, including common skills and job classifications to support forecasting
- Develop and agree a common taxonomy for job roles, and job families to improve sector analysis, and support mobility of skills across sectors
- Deliver a periodic offshore energy workforce people & skills survey, providing robust data, intelligence and analysis of offshore energy people & skills

- **Championing Diversity and Inclusion Action Plan will:**

- Create a new baseline of data across all protected characteristic groups, because no such integrated baseline for offshore energy currently exists.

- Agree a common approach to measuring and promoting diversity and inclusion across all protected characteristic groups. A dedicated offshore energy diversity and inclusion strategy and action plan should be developed, recognising the complexity of diversity and inclusion, and identifying existing best practices.

Annex C – OPITOs Just Transition Fund Proposal

The Just Transition Fund is a transformative investment in the North East and Moray. We are committed to working closely with stakeholders to ensure the first £20m of the Fund helps accelerate the transition to a fairer, green economy.

- The Just Transition Fund is a ten year, £500m investment to support a fair transition to net zero and to diversify the regional economy.
- This year, £19m will be open for competitive bids. The remaining £1m will be ring-fenced via participatory budgeting, whereby local communities will be able to have a direct say on how money is spent in their area.
- The deadline for applications into Year 1 of the Fund was 15 July. We received 92 eligible bids from a wide range of sectors and organisations from across the region.
- In Year 1 we will accelerate the region's transition by supporting projects in 4 key categories: Innovation, Skills, Emerging Technologies and Community.
- We will support the energy transition through projects such as a skills passport for offshore energy workers (OPITO); pilot studies of emerging technologies such as wave and tidal power projects; and an innovative EV battery recycling process.
- We will also contribute to the just transition for the land use and agriculture sector through initiatives such as a scalable working hydrogen farm and a state of the art Just Transitions Hub with a focus on land use and nature based solutions.
- Other sectors that will benefit from investment in Year 1 of the Fund include: food and drink, construction, hydrogen and social enterprises.
- Finally, in addition to the £1 million ring-fenced in Year 1 for participatory budgeting, communities will benefit from projects such as a series of climate assemblies, investments in adventure tourism and investments in local environmental restoration.

PROPOSAL FROM OPITO

- OPITO submitted a proposal to the Just Transition Fund for the development and deployment of a digital offshore energy skills passport to support the transition of skills and jobs across the rapidly changing industry.
- By aligning safety and training standards and providing a mechanism for workers to easily collate and share their qualifications, the skills passport will remove existing barriers for workers looking to transition into low carbon industries.
- OPITO were notified on 6th September that their proposal was successful
- The proposal requested funding of just under £5m over two years.

- Officials are currently working with OPITO to finalise the funding figures and will issue a grant award in the coming weeks.

Annex D: Read out of OPITO meeting – 21 March 2022

[Redacted]OPITO

[Redacted]OPITO

[Redacted]EY

Supporting Officials:

Harry Huyton, Special Advisor

[Redacted], Future Skills Lead

[Redacted], Offshore Oil and Gas

Summary of discussion:

- Update on the commitment in principle from the key standards and accreditation bodies to work towards an MoU on skills transferability – noting that it had not been signed by all of the bodies.
- Work led by EY has identified 13 safety and technical roles, now mapped across the offshore energy sector to achieve recognition and reduce duplication. Noting that these were now being considered by GWO for mutual recognition – ultimately to either seek agreement or consideration of further work.
- Extensive engagement - over 30 workshops – to identify options for ‘passport solutions’ have been identified,
- Any final solution will need to be agreed by the key standard and accreditation bodies, with consideration for both the funding and delivery of any agreed solution with a view to Q1 2023 delivery.
- 31 March OPITO and GWO were on a shared platform at a Renewables UK event where both organisations will issue a joint statement on working together on mutual recognition of skills transferability of the offshore workforce.
- OPITO referenced the importance to continue to develop standards within Scotland and the UK, instead of being offshored to eg Denmark – and are looking to build into supply chain contracts the requirement for recognition that ‘OPITO or equivalent standards’ to be recognised and therefore not limiting it to one specific standards body to allow mutual recognition to be represented.

The Climate Emergency Skills Action Plan provides a framework for skills planning, development and investment across sectors of the economy we know will be crucial to achieving net zero.

- It focuses on both immediate action as well as the longer-term systemic change that will need to take place by 2045 across our five priority sectors: energy transition; transport; manufacturing; construction; agriculture and land use.
- An agile, aligned and responsive skills system will be vital to the delivery of a green recovery
- Scotland already has many of the skills required to facilitate the transition to a low carbon economy. These skills exist across many of our established sectors such as energy, engineering, construction, and chemical science.
- SDS and SFC through their joint Skills Alignment team will ensure that our annual investment in skills through work-based learning, further and higher education and upskilling and reskilling is fully aligned behind our economic ambitions for a net-zero transition.
- Tackling climate change is not just about government policies or investment - there is a significant role for the whole of Scottish society in supporting transformational change. Scotland's Skills response to climate change needs to be a national endeavour.

The Green Jobs Workforce Academy is an invaluable step in preparing our current and future workforce for green careers.

- The GJWA is accessible to all users, enabling a greater understanding of their green skills and green job opportunities, therefore, ensuring fairness and inclusion as part of our just transition to net zero.
- SDS will undertake a detailed impact assessment of the Academy to date including drawing out information on the profile of users and sectoral interests. This data will help inform the development of the next phase of the Academy.

The Scottish Government's National Strategy for Economic Transformation recognises Skills as a critical ambition.

- We recognise that we are embarking on an economic transition towards a net zero, wellbeing economy and that as a Government we are committed to making that a just transition, ensuring that no one is left behind.

The Strategy also makes clear that we will launch a new skills guarantee for workers in carbon intensive industries in line with the Just Transition Commission's recommendations.

- We will develop a guarantee for workers in carbon intensive sectors that supports individuals in identifying their skills needs and find suitable training offers.

- We will engage with individuals, employers and skills providers from design stage to develop this guarantee.

Annex F: Attendees Biographies and Background



Christine Currie, Head of Skills Policy at OPITO since April 2022.

~Christine has had a variety of roles since she joined OPITO in 2014. She has 5 years of experience working with the oil and gas industry and is passionate about the wellbeing of the industries workforce and future of skills in energy.

OPITO - global, not-for-profit, skills body for the energy industry.

- More than 375,000 people are trained to OPITO Standards p.a. in more than 50 countries through 230 accredited Centres.
- Operation hubs in four regions - UK and Europe, Middle East and Africa, Asia Pacific and the Americas - driving safety and competency improvements to benefit the industry.
- The industry-owned organisation works with governments, national oil companies, operators and contractors, offering a range of services and products to meet international skills needs and support workforce development.

OPITO and energy transition:

In 2020 - launched its first training standards for the offshore wind industry.

- Created as part of a 'strategic shift' in its scope - Focusing on 'critical skills' for those entering the industry, covering safety and emergency response training for offshore access vessels and the sites themselves.

Sept 2020 with the Merchant Navy Training Board (MNTB), launched a new standard to support the transition of marine personnel into the oil and gas industry.

- The standard recognised similarities between the BOSIET training requirements for workers travelling to offshore installations and the maritime industry's STCW95/2010 certification, which offers similar instruction on basic safety and emergency response for marine personnel.
- Providing an efficient way for marine personnel to broaden their career options, by acquiring the knowledge and skills needed to work offshore.

Nov 2021 OPITO announced the MoU Acorn Project and Scottish Cluster, to develop industrial skilling and reskilling training for low carbon economy, hydrogen included. Workforce skills training and development plans implemented on the Scottish Cluster will be applicable across other UK-based CCS clusters.

March 2022 OPITO and ETZ Ltd announced £100k funding partnership - to further develop and enhance the 'All Energy Apprenticeship' project (part of the ESA workstreams) and deliver test phases which will help develop the North East of Scotland's workforce to capitalise on the region's energy transition ambition. The course content will be piloted throughout 2022 and aims

to benefit local communities around the Energy Transition Zone by way of pathways for a career in energy.

Document 2

From[Redacted]<[Redacted]@gov.scot>

Sent: 16 September 2022 11:37

To: Minister for Green Skills, Circular Economy and Biodiversity

<MinisterGSCEB@gov.scot>

Cc: Cabinet Secretary for Net Zero, Energy and Transport

<CabSecNetZET@gov.scot>; Minister for Just Transition, Employment & Fair Work

<MinisterJTEFW@gov.scot>; Huyton H (Harry) <Harry.Huyton@gov.scot>;

McFarlane J (John) (Special Adviser) <John.McFarlane@gov.scot>; [Redacted]

<[Redacted]@gov.scot>; [Redacted]<[Redacted]@gov.scot>;

[Redacted]<[Redacted]@gov.scot>; [Redacted] <[Redacted]@gov.scot>; [Redacted]

<[Redacted]@gov.scot>; [Redacted]<[Redacted]@gov.scot>;

[Redacted]<[Redacted]@gov.scot>; [Redacted] <[Redacted]@gov.scot>; [Redacted]

<[Redacted]@gov.scot>; [Redacted] <[Redacted]@gov.scot>;

[Redacted]<[Redacted]@gov.scot>; Minister for HE, FE, Youth Employment and

Training <MinisterHEFEYET@gov.scot>; [Redacted] <[Redacted]@gov.scot>

Subject: Read out - Meeting with OPITO, 6 September 2022

PS/ Minister for Green Skills, Circular Economy and Biodiversity

Please see below a short readout of the call on 6th September with OPITO.

Many thanks

[Redacted]Readout – Meeting with OPITO, 6 September, 10:45 – 11:15

- Minister for Green Skills
- Christine Currie, Head of Skills, OPITO
- Energy and Skills Officials

Key points

- OPITO provided an overview of work to date on the Integrated People and Skills Strategy, and the work underway through the Aligning Offshore Energy Standards Action Plan. Noting that the work underway through the subsequent 3 Action Plans will be critical to ensuring that Scotland has an adaptable workforce across the energy sector.
- Ms Slater commented that the vision of the Strategy and Plan is good but was interested to understand clear timetables for deliverables.
- OPITO noted that the skills passport would be in proof of concept stage by end 2022, with a view to full deployment in 2023. There is still a wealth of data cleansing to be carried out in the interim given the different data sources that are being brought together for one system to recognise offshore energy roles, qualifications and training requirements. On engagement with GWO, OPITO noted that GWO, remain engaged on the delivery of the passport system (for example sharing the data from WINDA) – continuing to share data and sit on the industry passport – there focus remains on working with developers for a skilled workforce in offshore wind. OPITOs approach to the

passport design and delivery much industry led and in partnership with the trade unions.

- Ms Slater asked what more could Scottish Government do to support these workstreams, in particular to unlock any challenges to progress?
- OPITO noted that their primary goal is to continue discussions with the GWO on their approach to mutual recognition and continued collaboration on the Passport; but noted that the next opportunity would be to ensure that there is wording for equivalency and recognition of skills built into offshore energy contracts – so that for example if it was an offshore wind contract, where GWO accreditation would be accepted there was the flexibility to recognise other equivalent standards bodies to remove training duplication.
 - **Action:** OPITO agreed to provide an update to Ministers on ongoing engagement with GWO once the next set of discussions had concluded – with discussions ongoing throughout September.
- Ms Slater thanked OPITO for that update noting that – dependent on the further update from OPITO - this is something that she could look to raise with the Cabinet Secretary for Energy to understand what more Scottish Government could do to support the ask for equivalency of standards. Ms Slater asked about the ongoing engagement with the workforce and Trade Unions on the development of the passport.
- OPITO advised both UNITE, RMT and STUC are on the industry steering group, and are engaging them directly on approach and planning on the potential roll out including identifying test participants to understand usability. Referencing the forthcoming Just Transition Funding, shared that STUC were keen to provide a supportive quote as part of the wider press release.
- Ms Slater noted the importance of wave and tidal energy and rise in decommissioning, and the possibility of new alternative technologies and skills that would be required in the North Sea – how does the Strategy and Action Plan adapt to this?
- OPITO agreed that the Strategy needs to be broadened out to look ahead to these new emerging opportunities, and also recognises that there will likely be skills challenges given the rise in for example civil infrastructure projects that have the same skill sets as offshore energy.
- On skills shortages, Ms Slater asked if this is something OPITO are looking at more deeply, including their role in encouraging young people to get involved in a career within the energy sector.
- OPITO shared more detail on the 3 Action plans on Meeting Future Skills Demand, Defining Workforce Skills, Action Plan, Improving Skills Data Intelligence – what is imperative is that industry needs to understand what the energy roles are currently, how this fits in with data intelligence on industry supply and demand; to understand exactly where the skills gaps are likely to be and ultimately what courses and training will be required for the future. Noting that the dataset from the Skills Intelligence action plan will be critical to informing all of the action plans underway. At that point industry can crystallise a clear offer to new entrants and existing workforce for a career in energy. OPITO offered a presentation from their consultant OPERGY, working with them on the Skills Data Intelligence plan, to provide a deeper dive into the work underway to understand in more detail what this intelligence will provide and how it can shape the approach to energy skills.

- **Action:** Officials to follow up with OPITO on Ms Slater's request for OPERGY to present to the ministerial skills group in 2023.
- Update: DECC officials are continuing to engage with the Skills Ministerial Group Secretariat, with its first meeting taking place on 27 September, to understand the appropriate timing of any update to the group from OPITO/ OPERGY in 2023.
- Ms Slater thanked OPITO for a useful meeting and provided an offer to support or speak at industry events focused on encouraging women into skills.

[Redacted]

Document 3

What	Meeting with members of the DRS 'System Wide Assurance Group' (SWAG).
Where	MS Teams, Click here to join the meeting
When	07 September 2022 10.30 – 11:15
Key Message(s) and structure	<p>Remain strongly committed to introducing Scotland's Deposit Return Scheme on 16 August 2023.</p> <p>Recognise that your members are facing a number of challenges to implementation of aspects of the scheme.</p> <p>Welcome the opportunity to understand these in more detail, and committed to finding pragmatic solutions that recognise the ambition of the scheme and work towards a successful launch in August next year.</p>
Who	<p>[Redacted], British Soft Drinks Association</p> <p>[Redacted], Society of Independent Brewers</p> <p>[Redacted], Scottish Wholesalers Association</p> <p>[Redacted], Scottish Retail Consortium</p> <p>[Redacted], Scottish Grocers Federation</p> <p>[Redacted], British Beer and Pub Association</p> <p>[Redacted], UK Hospitality</p> <p>[Redacted], Local Authority Waste Managers Network</p> <p>[Redacted], Circularity Scotland Ltd</p> <p>[Redacted], SEPA</p> <p>[Redacted], Zero Waste Scotland</p>
Why	An opportunity to demonstrate your continued engagement and commitment to finding pragmatic solutions to their concerns.
Expected outcome	Attendees feel that their concerns have been listened to and acknowledged, and that the Scottish Government will continue to work with CSL, SEPA and others to find pragmatic solutions.
Supporting officials	<p>[Redacted], [Redacted]Katriona Carmichael, DD Circular Economy Division</p> <p>[Redacted], Senior Policy Advisor - DRS</p>

Briefing contents	Annex A: Proposed meeting structure & top lines Annex B: Attendees
--------------------------	---

Annex A – Proposed Meeting Structure & Lines

[Redacted]

1. Welcome & opening remarks (10:30 – 10:40)

- Firstly, I am grateful for the time and effort you have already put in to engaging on the deposit return scheme, including through the system-wide assurance group. Thank you for your ongoing support.
- I have appreciated recent correspondence from some of you setting out the practical issues that your members are facing. As members of the system-wide assurance group, I was keen to meet with you now. But, I also appreciate that a number of you will meet with me again at the end of September to cover the concerns raised by food and drink sector interests.
- My priority today is to understand your concerns in more detail, as well as some of the solutions we could work on together to make the scheme a success.
- As you know, I and other Scottish Ministers remain strongly committed to introducing Scotland’s Deposit Return Scheme on 16 August 2023.
- I am also clear that the overall ambition of the scheme must be maintained. That includes our commitment to an all-in scheme covering plastic, metal and glass. This is a huge opportunity for us to transform our recycling system and is an essential step in our journey towards net zero.
- CSL has updated me on the substantial progress made to date, and I am encouraged by the amount of work underway across Scotland to prepare for DRS. I’m grateful to [Redacted] for attending today to help us with this conversation.
- However, I also know from your feedback that you are facing a number of challenges, and you do not feel you have all the levers you need to deliver the scheme. I understand that particular areas of concern include the use of costs of the scheme, the exemptions system, online takeback, UK barcodes, uncertainty around trading standards rules and pricing, and VAT.
- I would like to cover these topics in turn, but would first welcome your views on whether this is the right set of priorities, and if there are other issues that you would like to raise.

[Redacted]

1. Scheme costs (10.55 – 11.00)

Background: CSL has published its forecast ‘year one’ producer fee, which is significantly higher than producer expectations. Small producers are particularly concerned that the current fee structure would pose a risk to their business. The majority of costs arise from scheme logistics. The actions CSL are taking to de-risk the scheme should make a material difference to the costs of the scheme over time.

You may wish to:

- **Invite a SWAG member** to summarise their concerns and proposed solutions.
- **Recognise that members will have concerns about the cost of the scheme**, particularly at the current time.
- Emphasise that, as an industry-led scheme, **management of the cost of the scheme must fall to Circularity Scotland**.
- Update that **you are engaging closely with CSL and other groups where there are specific barriers to achieving an efficient scheme**. This includes concerns about number of return points, demands of the exemptions system, and distance takeback requirements.
- **Invite CSL ([Redacted]) to speak to any specific questions on scheme costs**.

[Redacted]

2. Exemptions (11.00-11.05)

Background: The high number of return points adds cost and complexity to DRS. CSL has indicated that a radical reduction in the number of return points would result in significant efficiencies. There is an established process to grant retailers an exemption from their return point obligations, but retailers have highlighted barriers to using the service.

You may wish to:

- **Invite a SWAG member** to summarise their concerns and proposed solutions.
- **Update** that your officials and Zero Waste Scotland are working on this issue as a priority.
- **Recognise** the concerns that members have with regards to the impact this is having on retailers, and the knock-on impact on scheme costs
- **Invite CSL ([Redacted]) to speak to any specific questions on the return point handling fee**.
- **Invite ZWS ([Redacted]) to speak on any specific questions about the existing exemptions system**

[Redacted]

3. Online takeback

Background: Businesses continue to insist that current online takeback obligations – as set out in the regulations - are unfeasible and costly.

You may wish to:

- **Invite a SWAG member** to summarise their concerns and proposed solutions.
- **Acknowledge that business are facing challenges** in meeting these requirements.

- **Highlight that some form of online takeback system is needed** so that those who cannot physically return empty containers can still redeem their deposits.
- Emphasise that **you want this to be achieved in an efficient and proportionate way.**
- Note that DRS **regulations already contain significant flexibility** to design this service.
- Note that you have asked my officials to investigate the options available to you as a priority to ensure that online takeback is proportionate.

[Redacted]

4. UK barcodes (10.40 – 10.45)

Background: There are concerns that drinks bearing UK EANs (barcodes) will be deemed non-compliant by SEPA. This would present a barrier to trade as all drinks being sold in Scotland would need a Scotland-only barcode. It particularly affects smaller producers, including importers.

You may wish to:

- **Invite a SWAG member** to summarise their concerns and proposed solutions.
- **Invite CSL ([Redacted])** to set out their work they are doing on this issue
- **Invite SEPA ([Redacted])** to set out their position on UK EANs

[Redacted]

5. Trading standards (10.45 – 10.50)

Background: Industry has concerns that DRS Regulations conflict with Trading Standards Regulations (which are reserved) with regards to how prices should be displayed. There is particular concern about how the price should be displayed when printed on packaging.

SEPA are currently finalising guidance with trading standards which should provide clarity on this issue.

You may wish to:

- **Invite a SWAG member** to summarise their concerns and proposed solutions.
- **Invite SEPA ([Redacted])** to set out their position on Trading Standards

[Redacted]

6. VAT (10.50 – 10.55)

Background: HMT has still to reach a decision on the VAT model, and will not do so until a new Conservative leader is in place. Producers have indicated that there may no longer be sufficient time to make required change to their VAT systems.

SEPA are currently finalising guidance with trading standards which should provide clarity on this issue.

You may wish to:

- **Invite a SWAG member** to summarise their concerns and proposed solutions.
- **Update members** that you have written to the Treasury this week calling for clarity by the end of September, at the latest.
- **Highlight** that officials are in regular contact with HMT and will provide you with regular updates on the expected timeline for a decision.

[Redacted]

Annex B: Attendees

- [Redacted], Circularity Scotland (Scheme Administrator)
[Redacted]
 - [Redacted]British Soft Drinks Association, represents larger drinks producers
 - Concerns on VAT, trading standards, UK barcodes, and the cost of the scheme
 - [Redacted]Society of Independent Brewers, represents Scottish and UK brewers
 - Concerns about impact on small producers, including costs of the scheme, reduction in product range, UK barcodes, cross-border trade, labelling and online takeback.
 - [Redacted]Scottish Wholesalers Association, represents wholesalers and producers
 - Concerns about a lack of clarity on UK barcodes, trading standards, obligations on wholesalers, and reduction in product range
 - [Redacted]Scottish Retail Consortium, represents larger retailers
 - Concerns about the return point handling fee, exemptions process, online takeback, and customer communications.
 - [Redacted]Scottish Grocers Federation, represents convenience retailers
 - Concerns about the return point handling fee, exemptions process, and customer communications.
 - [Redacted]British Beer & Pub Association, represents brewers and hospitality
 - Concerns about logistical challenges for hospitality
 - [Redacted]UK Hospitality, represents hospitality sector
 - Concerns about communications and the awareness levels of small, independent businesses

- [Redacted]Waste Managers Network, represents local authorities
- Positive about the scheme and primarily interested in opportunities for councils and waste providers arising from logistics.

- [Redacted]Zero Waste Scotland
- Responsible for communications, exemptions and Orkney Initiative

Document 4

What	This is the September monthly meeting with Circularity Scotland Ltd (CSL) to update you on their progress implementing Scotland's Deposit Return Scheme (DRS)
Where	Microsoft Teams Click here to join the meeting
When	27 September 2022 09:00 – 10:00
Key Message(s) and structure	<ul style="list-style-type: none">• I know that achieving a cost-efficient return network is currently your top priority. My officials continue to work with you to help achieve this.• I am keen to understand the next steps you will be taking as Scheme Administrator to engage and support businesses with their implementation.
Who	[Redacted], CSL [Redacted]CSL [Redacted][Redacted], CSL
Why	This is an opportunity to discuss progress on implementing DRS.
Expected outcome	You are assured that CSL are taking the appropriate steps to implement and de-risk the scheme in time for launch in August next year
Supporting officials	[Redacted]
Briefing contents	<ul style="list-style-type: none">• Annex A: Proposed meeting structure & top lines
Media Handling / Social Media	N/A

ANNEX A

Agenda (with suggested timings)

1. Progress update (15 mins: 09.00-09.15)
2. Number of Return Points (25 mins, 09:15--09:40)
3. Comms and business engagement (10 mins, 09:40-09:50)
4. AOB / Date of Next Meeting (5 mins, 09:50-09:55)

You will chair.

1. Progress update (09:00 – 09:15)

Purpose: Opportunity for CSL to provide you with an update on their delivery progress.

Key Messages/Conversational Points

- **Invite CSL to update on their delivery progress.**
- We are still to see an implementation plan and critical path for the logistics and IT elements of the scheme. Will this be available before the Assurance of Action Plan (provisionally scheduled for 6-7th October)?

[Redacted]

2. Number of return points (09:15 – 09.40)

Purpose: To provide assurance that we will work with CSL to reduce the complexity of the return point network. **[Redacted]**

Key Messages/Conversational Points

- **I know that increasing the efficiency of the return point network is currently your top priority.** I share your goal of an efficient network that aligns with the DRS business case. David and I discussed this topic last week, and I understand the urgency of this issue.
- My officials continue to work closely with you to understand your proposals. **Any proposals must be clearly justified based on environmental health grounds** [Redacted]
- I will need assurances that you will manage the risks associated with any expansion to exemptions, particularly the risk of creating black spots.
- I would also like to understand what CSL can do to:
 - work with retailers or voluntary return points on proximity exemptions
 - ensure that collections from return points are as efficient as possible (e.g. minimum volume for collection)
 - use comms to support exemptions and return point registration.
 -

[Redacted]

3. Communications and business engagement (09:40 – 09:50)

Purpose: To press CSL on their plans to engage with and support businesses to implement DRS.

Key Messages/Conversational Points

- **I am keen to understand the next steps you will be taking to engage and support businesses with their implementation.**
- Scottish Government will play a key role in communications for this landmark scheme. However, this must be driven by your plans as scheme administrator to ensure it aligns with how you plan to deliver and run the scheme.

[Redacted]

6. AOB / Date of Next Meeting (09.50-09.55)

- **CSL may raise online takeback under AOB.** At the moment there is nothing more substantive to say on this beyond previous discussions. Officials will provide you with further advice and recommendations next week.
- The next meeting is scheduled for 25th October and will be held in Parliament.

Document 5

From: [Redacted] <[Redacted]@gov.scot>

Sent: 28 September 2022 18:07

To: Minister for Green Skills, Circular Economy and Biodiversity
<MinisterGSCEB@gov.scot>

Cc: Director of Environment & Forestry <director.enfor@gov.scot>; Carmichael K (Katriona) <Katriona.Carmichael@gov.scot>;

[Redacted]@<[Redacted]@gov.scot>; [Redacted]@ <[Redacted]@@gov.scot>;
Huyton H (Harry) <Harry.Huyton@gov.scot>

Subject: Briefing - DRS - Meeting with large retailers - 29 September, 10.30-11.30

Afternoon PO,

Please find attached briefing for tomorrow's meeting with large retailers and the Scottish Retail Consortium. Sorry for the delay in getting this to you – a lot of engagements this week!

We have a pre-meet with the Minister tomorrow - it may be helpful to cover a few areas she may wish to press the retailers on with regards to online takeback and return points.

Thanks,

[Redacted]

Document 6

What	Meeting with large retail members of the Scottish Retail Consortium.
Where	MS Teams, Click here to join the meeting
When	29 September 2022 10.30 – 11:30
Key Message(s) and structure	<p>Thank retailers for their continued commitment to Scotland's Deposit Return Scheme, and significant progress they have made towards implementing the scheme.</p> <p>Use the opportunity to understand retailer progress with implementation.</p> <p>Recognise that retailers are facing a number of challenges to implementation of aspects of the scheme.</p> <p>Welcome the opportunity to understand these in more detail, and you are committed to finding pragmatic solutions..</p>
Who	[Redacted], Scottish Retail Consortium [Redacted], British Retail Consortium [Redacted], Tesco [Redacted], Tesco [Redacted]Lidl [Redacted], ASDA [Redacted], ASDA [Redacted], ASDA [Redacted], Sainsbury's [Redacted], Amazon

	<p>[Redacted], Amazon</p> <p>[Redacted] Scotmid</p> <p>[Redacted], Scotmid</p> <p>[Redacted], Coop</p> <p>[Redacted], Coop</p> <p>[Redacted], Coop</p> <p>[Redacted], Marks and Spencer</p> <p>[Redacted], Marks and Spencer</p>
Why	An opportunity to demonstrate your continued engagement and commitment to finding pragmatic solutions to their concerns.
Expected outcome	Attendees feel that their concerns have been listened to, and that the Scottish Government will continue to work with CSL, SEPA and others to find pragmatic solutions.
Supporting officials	<p>[Redacted]</p> <p>[Redacted]</p>
Briefing contents	Annex A: Proposed meeting structure & top lines

Annex A – Proposed Meeting Structure & Lines

[Redacted]

1. Welcome & opening remarks (10:30 – 10:35)

- Thank you again for your continued commitment to Scotland's Deposit Return Scheme, and significant progress you have made towards implementing the scheme.
- I'm excited to meet with you today to hear more about your progress first hand.
- I've also appreciated your recent correspondence, through the Scottish Retail Consortium, setting out the practical issues you're facing.
- You'll know that I'm committed to introducing Scotland's Deposit Return Scheme on 16 August 2023, with no change in scope.
- But I'm also committed to working with you to make sure we have pragmatic approaches to implementation, and I'd like to use today to hear more about the solutions you have put forward to make sure we have a successful scheme in August next year.

2. Implementation progress (10.35 – 10.50)

You may wish to use this time to invite retailers to update you on their delivery of DRS, and highlight progress and successes.

You may wish to:

- **Note that** before we turn to some of the specific issues you mention in your letter, you are keen to hear how your plans are progressing to prepare for August next year
- **Invite Redacted** to provide a summary or invite updates from members of their delivery progress.
- Push retailers on where they are with RVM roll-out, especially if they have plans to do anything in stores ahead of go-live.

[Redacted]

3. Retailer concerns (10.50-11.30)

Retailers have asked to discuss the concerns and proposed solutions raised to you in their recent correspondence. [Redacted] will run through the four main issues below. We expect there is most value in discussing online takeback and return point obligations.

You may wish to:

- **Invite** [Redacted] to provide a summary of the issues raised.

Retailer handling fee

Background: DRS Regulations state that retailers will be fairly compensated for taking back containers. Retailers feel that CSL's handling fees are too low to fulfil this requirement, and should be recalculated.

You may wish to:

- **Acknowledge retailer concerns** on this issue.
- Remind retailers that, as an industry-led scheme, **decisions over the level of the return point handling fee rest entirely with the scheme administrator.**
- Note that you understand that Circularity Scotland Ltd followed an independent process to identify the level of the fee.

[Redacted]

Operations

Background: Retailers have asked for an operational blueprint by mid-October covering pricing, food safety, VAT, IT, labelling, cutover and charges.

Retailers may also raise issues with retailers receiving business rates relief to land used wholly or mainly for the provision of the reverse vending machines.

You may wish to:

- **Agree** that this operational clarity is urgently needed.
- Note that most of these decisions do not sit directly with Scottish Government, but **provide reassurance that you are engaging closely with CSL, SEPA** to seek urgent clarity on these issues.
- Some of these issues are reserved (VAT, pricing), but you are using all channels available to you to resolve them as soon as possible.
- **If raised. Note that** officials are aware that business rates relief are not being consistently applied, and are working with public finance to provide a solution.

[Redacted]

Online takeback

Background: Retailers have concerns that online takeback obligations will be expensive and environmentally harmful. They request that online takeback is delayed, or that Regulations are amended to make it feasible for containers to be collected when another delivery is made [*NB. This is part of our thinking*].

Retailers may propose that online retailers pay a small fee per container to support physical return infrastructure [*NB. We would advise ruling this out as it does not address accessibility concerns*].

You may wish to:

- **Note** that we must retain an online takeback system so that those who cannot physically return empty containers can still redeem their deposits.
- **Acknowledge** that this must be achieved in an efficient and proportionate way.
- **Invite participants to set out their proposals** on they could do to provide an online takeback service that protects those unable to physically return their containers.
- **Note** that you are expecting to receive advice on this next week, and there may be an opportunity for a specific follow-up discussion with officials once you have had the chance to consider.

[Redacted]

Return points

Background: Retailers believe there are too many return points, with no clear mechanism to opt out. Retailers will likely propose that small format stores (under 3000 sq. ft / 280 m²) should be exempt. They also believe that CSL should be given the obligation to establish return point if geographical gaps emerge.

You may wish to:

- **Acknowledge concerns** that the existing exemption system is overly burdensome, and that your officials are working to address this.
- **Note** that we already have a proximity exemption system. **Ask retailers to summarise their concerns** about this system.
- **Ask retailers if they have received requests to act as alternative return points.**
- **Ask retailers if they would act as alternative return points if asked**, and what they could do to support this process, or the alternative solutions being put forward.

[Redacted]