

The exceptions applied in this instance are:

Information has been redacted under Regulation 10(4)(d) Material in the course of completion, unfinished documents, or incomplete data. This exception is subject to the 'public interest test'. Therefore, taking account of all the circumstances of this case, we have considered if the public interest in disclosing the information outweighs the public interest in applying the exception. We have found that, on balance, the public interest lies in favour of upholding the exception. We recognise that there is some public interest in release, however, this is outweighed by the public interest in providing accurate and finalised information.

Information has been redacted under Regulation 11 (Personal Data) as it contains personal information and disclosing it would contravene the data protection principles in Article 5(1) of the General Data Protection Regulations (GDPR) and in Section 34(1) of the Data Protection Act 2018. This exception is not subject to the 'public interest test'.

Copies of briefings prepared for the Minister for Green Skills, Circular Economy and Biodiversity on the Deposit Return Scheme between 29/03/2023 and 20/04/2023:

**MEETING WITH Drinks Producers following FM statement on 18<sup>th</sup> April**

<b>Date and Time of Engagement</b>	15:50 to 16:20 on Tuesday 18 <sup>th</sup> April
<b>Where</b>	Teams Call
<b>Who will Chair the meeting</b>	Kevin Quinlan
<b>Key Message</b>	We are committed to delivering DRS and the delay we have put in place is to ensure that all parties involved in delivering this will be ready for the new launch date on 1 <sup>st</sup> March
<b>Who</b>	Drinks producers of a variety of sizes and their trade bodies
<b>Why</b>	Following the FM's speech this is an opportunity to explain the reasoning behind a delay in more detail.
<b>Official Support Required</b>	The following officials will be on the call: <ul style="list-style-type: none"> <li>• Kevin Quinlan</li> <li>• Elisabeth Campbell</li> <li>• David McPhee</li> <li>• [Redacted]</li> <li>• [Redacted]</li> </ul>
<b>Media Handling</b>	No specific media handling
<b>Dress code</b>	Online meeting so no dress code
<b>Greeting Party and specific meeting point on arrival (if at a non SG Building)</b>	Online meeting

<b><i>Specific entrance car/parking arrangements/secure bicycle rack</i></b>	Online meeting
<b><i>Briefing contents</i></b>	Annex A – Agenda Annex B – Summary Page Annex C – Meeting Attendees

## **ANNEX A**

### **Numbered Agenda (with suggested timings)**

1. FM's announcement on Delay
2. Further announcement on Thursday
3. Questions

### **Speaking Points**

#### **On 6 months Delay**

- I recognise all the hard work that you have done to get ready for the launch of DRS
- I know that many of you have invested time and money in preparation for the scheme and this has still been valuable investment
- Moving the launch date from 15 Aug to 1 March is not about any reduction in commitment to DRS but instead is about providing some additional time to deal with ongoing issues – not least IMA and Trading Standards issues which the UK Government have not provided clarity on.
- It is important that we keep momentum on preparations to ensure that they launch on 1<sup>st</sup> March is as successful as possible.
- I am aware that many of you were clear that you did not want a delay from August and therefore this will be a disappointment to you.
- However we are also aware of number of producers who have stated that they are not prepared for DRS and need more time and support.
- A range of retailers have also called for a delay to ensure that all aspects are in place to ensure a good customer experience with DRS.
- I would ask that you continue to work with us and with CSL to ensure that the launch of DRS is a success on March 1.

#### **On Further Support**

- Officials have been speaking to a number of you over recent weeks to consider what can be done to ensure the scheme is as effective as possible while most effectively supporting businesses.
- I am very grateful to you all for engaging in such a positive
- Various ideas have been put forward around how Scottish Government, CSL and SEPA can provide support to businesses as well as ideas on how to adjust the scope of the scheme
- We have been considering all of the ideas raised and have been considering the legality and fairness of these
- On Thursday I will outline in detail further adjustments to simplify the scheme
- Given parliamentary protocol I am not able to provide you with more detail on this now.

## **ANNEX B**

### **Summary Page**

#### **Key Points/Top Lines**

##### **IMA**

#### **The Scottish Government has, and continues to follow the agreed process for securing an exclusion for DRS from the Internal Market Act. This is acknowledged by UK Government ministers.**

- The Scottish Parliament approved the Deposit and Return Scheme for Scotland Regulations in 2020. The Regulations are wholly within devolved competence.
- There is an agreed and published process between UK Government and devolved governments for excluding certain areas from the Internal Market Act.
- The Scottish Government has been following that process for excluding the deposit return scheme regulations from the Internal Market Act. It has been the subject of discussion with UK Government and the other devolved governments within the Resources and Waste Common Framework for many months.
- We first raised the need for an exclusion in July 2021 when we proposed a broad exclusion which would have covered single-use plastics and DRS.
- This was not agreed by UK ministers, resulting in a narrow exclusion for single-use plastics only, and the ongoing process since October 2022 to secure a specific DRS exclusion.
- The UK government had indicated they would provide a decision by the Inter-Ministerial Group which took place yesterday (17 April) to allow for the IMA exclusion to be finalised to enable an August DRS launch.
- I again pressed UKG for urgent clarity on their support for an exclusion; it is incredibly frustrating that the UK Government is continuing to delay the decision and this is resulting in further uncertainty for businesses.

## **If pressed:**

- We have been clear from the outset that the Internal Market Act – which was imposed without the consent of the Scottish Parliament – creates new uncertainty.
- That is why we first raised this in July 2021 and have followed at all times the agreed common frameworks process to agree an exclusion from the Act.
- It is for the UK Government to respect devolution and follow the evidence-based approach of the Common Framework which recommended an exclusion.

## **6 months Delay**

- While we know many businesses had prepared for a launch date of 16<sup>th</sup> August we also know many businesses did not feel they would be ready
- This would result in a poor customer experience which we are keen to avoid
- However we must ensure that we are ready for 1<sup>st</sup> March to ensure that we can deliver a DRS scheme which provides so many benefits including:
  - reducing littering by a third and increase recycling rates of single-use drinks containers towards 90%.
  - reducing CO2 emissions by 4 million tonnes over 25 years – the equivalent to taking 83,000 cars off the road.
- We will ensure we will work with all parties involved in DRS to ensure that there is a clear path to delivery for 1<sup>st</sup> March

## **Support for Small Producers**

- I know that some small producers feel there is a disproportionate burden on them to get ready for the deposit return scheme.
- This 6 month delay will provide them with additional time to prepare for the launch of the scheme.
- We are also planning to deliver a range of other measures to support the delivery of the Deposit Return Scheme, that will support small producers, hospitality and others.
- I will announce full details in a statement to parliament on Thursday.
- It is also worth noting that CSL have already delivered a package which supports the smallest producers including:
  - Removal of the day one and month one charges for all producers, up to a threshold of three million units per year.
  - Above the three million unit threshold, the Day 1 payments for producers using UK wide barcodes has previously been reduced by two thirds, from 2.4 months of fees to 3 weeks of fees (announced in December 2022).
  - providing two month credit terms on deposits and fees up to the same volume threshold to reduce the working capital impact on all producers.
  - Circularity Scotland will be offering the option to use self-adhesive barcode labels for producers placing less than 25,000 units per year of a specific product on to the Scottish market, alleviating administrative burden.
  - DRS is a form of extended producer responsibility – part of the ‘polluter pays principle’ so that producers have obligations to recycle and recover packaging that they place on the market

- Producers with an annual turnover of £ 2 million and who place specified amounts of packaging on the market already have to meet their extended producer responsibility obligations
- producers who are part of DRS will no longer need to meet obligations under wider packaging obligations in relation to DRS scheme articles since their participation in DRS will ensure they meet obligations to recycle and recover that packaging

### **Compensation**

- The investment made up till now will ensure that businesses are ready for the 1<sup>st</sup> of March launch date
- There has been a mixture of views across businesses on the readiness for an August launch
- We have had to balance these views and the risks posed to the scheme as a whole against the time and investment businesses have put in to be ready for August
- The decision to delay by 6 months ensures that there is a minimum delay, ensuring we avoid the busy festive period, while providing time for businesses to be ready to ensure an affective delivery of DRS.

## **ANNEX C**

### **Attendees**

- Exact attendees are not known as yet but we have invited representatives from:
    - British Soft Drinks Association
    - British Beer and Pubs Association
    - SIBA
    - Food and Drink Scotland
    - Scottish Wholesale
    - Wine Spirits Trade Association
    - Scottish Whisky Assocation
  - We have also asked BSDA and BBPA to invite their large members
  - Representatives from Circularity Scotland will also attend
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**MEETING WITH Retailers following FM statement on 18<sup>th</sup> April**

<b>Date and Time of Engagement</b>	16:20 to 16:50 on Tuesday 18 <sup>th</sup> April
<b>Where</b>	Teams Call
<b>Who will Chair the meeting</b>	Kevin Quinlan
<b>Key Message</b>	We are committed to delivering DRS and the delay we have put in place is to ensure that all parties involved in delivering this will be ready for the new launch date on 1 <sup>st</sup> March
<b>Who</b>	Retail trade bodies and large retailers
<b>Why</b>	Following the FM's speech this is an opportunity to explain the reasoning behind a delay in more detail.
<b>Official Support Required</b>	The following officials will be on the call: <ul style="list-style-type: none"> <li>• Kevin Quinlan</li> <li>• Elisabeth Campbell</li> <li>• David McPhee</li> <li>• [Redacted]</li> <li>• [Redacted]</li> </ul>
<b>Media Handling</b>	No specific media handling
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## ANNEX C

### Attendees

- Exact attendees are not known as yet but we have invited representatives from:
  - SRC
  - Scottish Greengrocers Federation
  - Association of Convenience Stores
  - Federation of Independent Retailers
- We have also asked SRC to invite their large retail members
- Representatives from Circularity Scotland will also attend

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### **MEETING WITH eNGO's following FM statement on 18<sup>th</sup> April**

<b>Date and Time of Engagement</b>	16:50 to 17:15 on Tuesday 18 <sup>th</sup> April
<b>Where</b>	Teams Call
<b>Who will Chair the meeting</b>	Kevin Quinlan
<b>Key Message</b>	We are committed to delivering DRS and the delay we have put in place is to ensure that all parties involved in delivering this will be ready for the new launch date on 1 <sup>st</sup> March
<b>Who</b>	Environmental NGOs
<b>Why</b>	Following the FM's speech this is an opportunity to explain the reasoning behind a delay in more detail.
<b>Official Support Required</b>	The following officials will be on the call: <ul style="list-style-type: none"> <li>• Kevin Quinlan</li> <li>• Elisabeth Campbell</li> <li>• David McPhee</li> <li>• [Redacted]</li> <li>• [Redacted]</li> </ul>



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## **ANNEX C Attendees**

- Exact attendees are not known as yet but the standard group of eNGOs have been invited

### **MEETING WITH *Circularity Scotland* prior to FM statement on 18<sup>th</sup> April**

<b>Date and Time of Engagement</b>	12:15 to 12:45 on Tuesday 18 <sup>th</sup> April
<b>Where</b>	Teams Call
<b>Who will Chair the meeting</b>	Kevin Quinlan
<b>Key Message</b>	We are committed to delivering DRS and the delay we have put in place is to ensure that all parties involved in delivering this will be ready for the new launch date on 1 <sup>st</sup> March
<b>Who</b>	David Harris – CEO CSL, Donald McCalman – Programme Director

<b>Why</b>	Following the FM's speech this is an opportunity to explain the reasoning behind a delay in more detail.
<b>Official Support Required</b>	The following officials will be on the call: <ul style="list-style-type: none"> <li>• Kevin Quinlan</li> <li>• Elisabeth Campbell</li> <li>• David McPhee</li> <li>• [Redacted]</li> <li>• [Redacted]</li> </ul>
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## **ANNEX A**

### **Numbered Agenda (with suggested timings)**

1. FM's announcement on Delay
2. Further announcement on Thursday
3. Questions

### **Speaking Points**

#### **On 6 months Delay**

- I am really grateful for all your work and progress to date – I know you have made strong progress overall in a short amount of time. I am also grateful for all the engagement you have had with officials in recent weeks on the options to progress the scheme and a potential delay

- The FM will today announce the delay of the launch of DRS to 1<sup>st</sup> March 2024
- This delay is to help the wider system to prepare for DRS and to ensure that the launch is as successful as possible.
- I recognise challenges that a delay puts on CSL but also that this may allow for more opportunity for testing of systems over the period
- I am grateful for all of the work that CSL have been doing to get the system right and I would ask that you continue to work with producers and other partners to ensure that everyone is prepared for the launch of DRS
- We will continue to work to find solutions on significant issues with the UK Government such as the IMA exclusion and issues around trading standards.

### **On Further Support**

- As with the delay option I am grateful for the engagement you have had with officials in recent weeks.
- I will be announcing a number of adjustments to the scheme on Thursday and I know you have been involved in developing these.
- These adjustments are:
  - **For All businesses** - an Enhanced regulatory support period, the minimum container size increased from 50ml to 100ml and removal of products which sell less than 5,000 a year from scope;
  - **For producers** - a simplified producer agreement;
  - **For Retailers** - further streamlining of exemptions process;
  - **For Hospitality** - exclude hospitality businesses that sell the majority of drinks for consumption on site from acting as a return point.
- We will now need to make the suitable regulatory adjustments to make these changes a part of the scheme
- I would ask that you continue to work with us to ensure that these changes are communicated effectively to your members and the general public

### **ANNEX B Summary Page**

#### **Key Points/Top Lines**

#### **IMA**

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**If pressed:**

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**Support for Small Producers**

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- I will announce full details in a statement to parliament on Thursday.
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  - DRS is a form of extended producer responsibility – part of the ‘polluter pays principle’ so that producers have obligations to recycle and recover packaging that they place on the market
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