

Scotland's Circular Economy and Waste Route Map to 2030 - consultation

**Updated draft Business and Regulatory
Impact Assessment (BRIA)**

January 2024

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Title of Proposal: Scotland's draft Circular Economy and Waste Route Map to 2030 - consultation

1. This document is the Business and Regulatory Impact Assessment (BRIA) for the draft Route Map entitled: 'Scotland's Circular Economy and Waste Route Map to 2030'.
2. The Route Map sets out strategic direction and laying foundations for how we will deliver our system-wide, comprehensive vision for sustainable resource use and Scotland's circular economy from now to 2030. As is typical for a high-level strategic document of this nature, this BRIA sets out a high-level assessment of the costs and benefits, and highlights where further assessment will be required as measures are designed and implemented. It will be necessary to update this BRIA for the final Route Map, and develop more detailed BRIAs on individual measures where appropriate.

Purpose and Intended Effect

Background

3. The Scottish Government is committed to moving towards a circular economy and playing its part to tackle the climate emergency. A circular economy, based on sustainable consumption and production, is essential to power Scotland's transition to a fair, green and sustainable economy, and critical to meeting our obligations to tackle the twin climate and nature emergencies. Material consumption and waste are primary drivers of nearly every environmental problem Scotland currently faces, from water scarcity to habitat and species loss.
4. Founded on evidence and collaboration, the Circular Economy and Waste Route Map is part of the Scottish Government's wider response to these challenges. It is designed to drive progress on three key fronts:
 - Setting the strategic direction and laying foundations for how we will deliver our system-wide, comprehensive vision for Scotland's circular economy from now to 2030.
 - Setting out priority actions from now to 2030 to accelerate more sustainable use of our resources across the waste hierarchy.
 - Reducing emissions associated with resources and waste.
5. In 2022, the Scottish Government set out a range of proposals across the resources and waste system through its first [Route Map consultation](#). The consultation sought views on the feasibility and ambition of these proposals in order to drive progress against 2025 waste and recycling targets, and to achieve the long term goal of net zero by 2045. Earlier in 2023, the [analysis](#) of responses to this consultation was published.
6. Building on the first consultation, the Scottish Government has now published a draft Route Map, which seeks to prioritise and focus on the key actions that will unlock progress across the waste hierarchy to 2030. Through a second consultation on the draft Circular Economy and Waste Route Map, the Scottish Government is inviting views on these priorities, before the Route Map is finalised later in 2024.
7. Scotland has had a set of waste and recycling targets in place for over the past decade,

spanning the waste hierarchy. As the [first Circular Economy and Waste Route Map consultation](#) (2022) set out, Scotland has made good long-term progress towards reaching these ambitions. The total amount of waste going to landfill in Scotland has dropped by over a third over the past decade (3 million tonnes or 30% of all waste managed was sent to landfill in 2021), over 56% of waste was recycled in 2021. In the same year the 2025 target to reduce all waste by 15% was met.

8. However, in some areas we have fallen short, and progress has not been at the pace and scale required. And while the 2025 targets have provided a good platform for progress over the past decade, we know from the Route Map's analysis that they are not universally the best indicators to deliver our circular economy, emissions and nature objectives. This recognises that much has changed since most of these waste targets were set in 2010. The climate emergency has intensified our focus on emissions reduction, and how we view and treat our resources.
 9. The overarching goals of the Route Map are supported by a range of legislative and non-legislative measures that are already in place or underway.
 10. A range of transformational measures are already in place or underway to support this, including bans on problematic single-use plastic items, reform of extended producer responsibility for packaging, and a £70 million investment in local authority recycling infrastructure. These also include the 2025 ban on biodegradable municipal waste from going to landfill, and banning the supply and manufacture in Scotland of some of the most environmentally damaging single-use plastic items.
 11. The Scottish Government is also working collaboratively with the UK Government and other devolved governments to reform current regimes for extended producer responsibility (EPR). This includes extended producer responsibility (EPR) schemes for packaging, waste electrical and electronic equipment (WEEE) and batteries, with the first scheme for packaging to begin from 2025.
 12. All of these current measures are designed to support Scotland's transition to a circular economy where the aim is to provide wider economic, environmental and societal benefits.
- Circular Economy**
13. Waste reduction and recycling outcomes are a core pillar of the Environment Strategy¹, and support progress towards National Performance Framework outcomes for the economy ('we have a globally competitive, entrepreneurial, inclusive and sustainable economy') and environment ('we value, enjoy, protect and enhance our environment')². A more circular economy will also contribute to a range of UN Sustainable Development Goals³, and help to embed our economy in the natural world, recognising the need to live within the sustainable limits of our

¹ <https://www.gov.scot/publications/environment-strategy-scotland-vision-outcomes/>

² <https://nationalperformance.gov.scot/>

³ <https://sdgs.un.org/goals>

single, shared planet⁴.

14. The decade ahead provides a unique opportunity to increase economic and social wellbeing, whilst respecting environmental limits and ambition to become one of the most prosperous nations in the world. The new National Strategy for Economic Transformation⁵ recognises that the circular economy represents an enormous economic and industrial opportunity for Scotland as part of this transformation, by improving productivity and opening-up new markets.
15. There are wider societal and community-focused benefits to a circular economy. Delivering a circular economy provides local employment opportunities and lower cost options to access the goods we need. It is estimated that 10,000 tonnes of waste can create up to 296 jobs in repair and reuse, compared to 1 job in incineration, 6 jobs in landfill or 36 jobs in recycling⁶. This represents a profound opportunity to support communities and stimulate job creation.
16. Finally, a circular economy keeps valuable materials flowing through the economy, driving greater resource productivity and decreasing costs for businesses, the public sector and households. Food waste alone costs the average Scottish household £440 each year⁷. As we face the current cost of living crisis, the rapid transition to a more circular economy is needed more than ever.

Rationale for Intervention

17. As set out above, although significant long-term progress towards our 2025 waste and recycling targets has been made and a wide range of action is already underway, in some areas we have fallen short, and progress has not been at the pace and scale required. And while the 2025 targets have provided a good platform for progress over the past decade, we know from the Route Map's analysis that they are not universally the best indicators to deliver our circular economy, emissions and nature objectives. This recognises that much has changed since most of these waste targets were set in 2010. The climate emergency has intensified our focus on emissions reduction, and how we view and treat our resources.
18. It is clear that further system-wide changes are required to drive progress, and ensure a more rapid transition to net zero and a fully circular economy in Scotland.
19. The Route Map seeks to prioritise and focus on the key actions that will unlock progress across the waste hierarchy, outlining how we will deliver and coordinate these actions to achieve maximum positive impact for communities and businesses in Scotland, and drive sustainable use and management of our

⁴ Final report – The Economics of Biodiversity: [The Dasgupta Review](#)

⁵ <https://www.gov.scot/publications/scotlands-national-strategy-economic-transformation/>

⁶ <https://www.rreuse.org/wp-content/uploads/Final-briefing-on-reuse-jobs-website-2.pdf>

⁷ [Food waste worse than plastic for climate change says Zero Waste Scotland | Zero Waste Scotland](#)

resources to 2030.

20. It is recognised that achieving these objectives and wider emissions reduction is a shared endeavour. Collaboration and partnership have been critical to progress so far, and it can only be successful if everyone plays their part – government, households, communities and businesses.
21. The proposals draw upon a wide range of evidence, and build on a shared understanding of the challenges, opportunities and potential measures that was developed through engagement with a range of cross-sector stakeholders.
22. Proposals in the Route Map are grouped into four strategic aims which span action across the whole circular economy:
 - Reduce and reuse;
 - Modernise recycling;
 - Decarbonise disposal;
 - Strengthen the Circular Economy.
23. Planning for 2030 and beyond, it must be recognised that not all policy measures are fully ready to be implemented in Scotland, and are at different stages of development. This is reflected in the draft Route Map, and this BRIA.

Strategic aim	Ambition
REDUCE AND REUSE	<p>Reducing and reusing waste are the first goals of the waste hierarchy and central to changing our relationship with materials and products. Building an economic system that moves away from being based on items that are designed to be disposable will bring significant environmental benefits.</p> <p>In this section, we have three main objectives:</p> <ul style="list-style-type: none"> • Drive responsible consumption, production and re-use • Reduce food waste • Embed circular construction practices <p>Proposed actions</p> <p>Objective 1: Responsible consumption, production and re-use</p> <p><u>Priority action:</u></p>

- Develop and publish a Product Stewardship Plan to identify and tackle the environmental impact of priority products (2025-26)

Further actions:

- Deliver a prioritised approach to the introduction of environmental charges for problematic products (by 2025)
- Introduce a charge for single-use disposable cups (by 2025)
- Consult on actions regarding the environmental impacts of single-use vapes (ongoing)
- Review the feasibility of setting reuse targets (from 2025)
- Develop restrictions on the destruction of unsold consumer goods (from 2024)
- Develop measures to improve the reuse experience for consumers (ongoing)
- Deliver behaviour change-based approaches focused on sustainable consumption, aligned to Let's Do Net Zero communications (ongoing)
- Identify ways to expand business models that prolong product lifespan (ongoing)

Objective 2: Reduce food waste

Our Review of the 2019 Food Waste Reduction Action Plan outlines that we need to reset our approach to tackling food waste. The actions outlined below are based on the evidence we have so far on how best we can reset our approach. We welcome views on how to enhance this to ensure our reset delivers at the speed and scale required to see sustained food waste reduction results.

Priority actions:

- Deliver an intervention plan to guide long-term work on household food waste reduction behaviour change (by 2025)
- Develop with stakeholders the most effective way to implement mandatory reporting for food waste and surplus by businesses (by 2025/26)

Further actions:

- Strengthen data and evidence (ongoing)
- Review the rural exemption for food waste recycling, as part of recycling codesign process (in 2024/25 and 2025/26)
- Investigate feasibility of action plans (after 2025)

	<ul style="list-style-type: none"> • Deliver enhanced support for businesses (ongoing) <p>Proposed actions</p> <p>Objective 3: Embed circular construction practices</p> <p><u>Priority action:</u></p> <ul style="list-style-type: none"> • Support the development of regional Scottish hubs and networks for the reuse of construction materials and assets (from 2025) <p><u>Further actions:</u></p> <ul style="list-style-type: none"> • Develop new and promote existing best practice standards in circular practices within the construction sector, and assess the options for both voluntary and mandatory compliance (ongoing) • Investigate and promote options to incentivise and build capacity for the refurbishment of buildings (by 2026/27) • Investigate and promote ways to reduce soil and stones disturbance, movement and volumes going to landfill (by 2026/27) • Review opportunities to accelerate adoption of climate change and circular economy focussed purchasing in construction (from 2024) • Consider how devolved taxes can incentivise the use of recycled aggregates and support circular economy practices (ongoing)
<p>MODERNISE RECYCLING</p>	<p>Recycling helps to conserve our natural resources, keep valuable materials flowing through our economy and reduce the amount of waste sent to landfill. We want Scotland to become a world-leader in recycling, where recycling and reuse services are easy to use and accessible to all, and support and encourage positive choices. By 2030, we want a high-performing recycling system that has modernised recycling services for households and businesses across Scotland, optimised the performance of collection services, and can recycle most waste types to maximise diversion of waste from disposal. Increasing the amount of materials recycled and increasing the proportion of these recycled in Scotland will deliver carbon reductions, reduce the environmental impacts associated with extracting new raw materials, and create a range of</p>

important economic opportunities to reprocess and reuse materials here in Scotland.

The objectives are grouped under:

- Modernise household recycling and reuse services, improving and optimising performance.
- Support businesses in Scotland to reduce waste and maximise recycling.

Proposed actions

Objective 1: Modernise household and reuse services

Priority action:

- Facilitate a co-design process with Local Government for high quality, high performing household recycling and reuse services (2024/25 and 2025/26)

Further actions:

- Develop a statutory code of practice for household waste services (by 2025/26)
- Introduce statutory recycling and reuse local performance targets for household waste services (from 2030)
- Strengthen the Householder's duty of care in relation to waste (by 2025/26)
- Give local authorities more tools to support household recycling and reduce contamination (by 2025/26)
- Undertake a review of waste and recycling service charging (by 2024/25)
- Review the monitoring and reporting framework for local authority waste services (by 2025/26)
- Develop options and consult on the introduction of end destination public reporting of household recycling collected (by 2027/28).

Objective 2: Support businesses in Scotland to reduce waste and maximise recycling

Commercial and industrial waste accounted for 28% of Scotland's waste in 2018. We want businesses to have the information and support they need to reduce waste and maximise recycling, with clear incentives in place to ensure that the most sustainable choices are the easiest choices.

	<p>The interventions in this theme are strongly linked to those outlined to reduce consumption across supply chains, such as product stewardship and charges/bans on unnecessary goods and products.</p> <p><u>Priority actions:</u></p> <ul style="list-style-type: none"> • Review of compliance with commercial recycling requirements (2025) • Co-design measures to improve commercial waste service provisions (2026/27) <p><u>Further actions:</u></p> <ul style="list-style-type: none"> • Conduct a national compositional study of waste from commercial premises (by 2025/26) • Investigate further steps to promote business-business reuse platforms (by 2027)
<p>DECARBONISE DISPOSAL</p>	<p>The production and management of waste results in environmental impacts and represents missed economic opportunities for these materials. That is why our focus in this Route Map is to prevent materials from becoming waste in the first place. As we accelerate our move to a circular economy, we will produce less waste. We want to ensure that materials that cannot be avoided, reused or recycled are managed in a way that minimises environmental and climate impacts, encourages management of materials further up the waste hierarchy, and minimises broader societal impacts.</p> <p>The objectives are to:</p> <ul style="list-style-type: none"> • Understand the best environmental outcomes for specific wastes • Ensure there is an appropriate capacity to manage waste • Improve environmental outcomes for waste through innovation • Incentivise decarbonisation of the waste sector <p>Proposed actions</p> <p><u>Priority actions:</u></p> <ul style="list-style-type: none"> • Develop and deliver a Residual Waste Plan to 2045 (develop by 2025/26) • Facilitate the development of a Sector-Led Plan to minimise the carbon impacts of the Energy from Waste Sector (by 2025/26)

	<p><u>Further actions:</u></p> <ul style="list-style-type: none"> • Support the inclusion of energy from waste in the UK Emissions Trading Scheme (ETS), and investigate other fiscal measures to incentivise low carbon disposal (from 2028) • Review and target materials currently landfilled to identify and drive alternative management routes (from 2024) • Facilitate the co-production of guidelines for effective community engagement (process underway from 2024) • Increase the capture of landfill gas (by 2025)
<p>STRENGTHEN THE CIRCULAR ECONOMY</p>	<p>Delivering a circular economy is not a simple task. It requires sustained transformational system change, and a range of actions that are both complementary and coordinated to drive sustainable management of our resources. If Team Scotland is to maximise the opportunities that a circular economy brings to Scotland, we must maintain a strategic approach to its delivery, ensuring the right structures and support are in place to enable action across the circular economy.</p> <p>The objectives are to:</p> <ul style="list-style-type: none"> • Provide strategic oversight and direction for the delivery of a circular economy in Scotland. • Coordinate action across cross-cutting areas to support progress across the waste hierarchy. • Robustly monitor and evaluate progress to enable agile working, take action where we are not on track, and learn from and implement what works. <p>Proposed actions</p> <p><u>Priority actions:</u></p> <ul style="list-style-type: none"> • Develop a Circular Economy strategy every five years (from 2025) • Set new circular economy targets (determined from 2025) <p><u>Further actions:</u></p>

	<ul style="list-style-type: none"> • Review and refresh Scotland’s Waste Data Strategy’s action plan (development alongside new circular economy targets) • Maintain a programme of research on waste prevention, behaviour change, fiscal incentives and material-specific priorities (ongoing) • Develop public procurement opportunities to reduce the environmental impact of public spending, including scoping new legislative circular economy requirements for contracting authorities under section 82 and 82A of the Climate Change (Scotland) Act 2009 (ongoing) • Support greater uptake of green skills, training and development opportunities (ongoing)
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Table 1- Draft Route Map, Aims, Objectives & Interventions.

24. The proposals set out in this second consultation draw upon a wide range of evidence, including published and peer reviewed literature, SEPA waste data for Scotland, and previous research by the Scottish Government, Zero Waste Scotland and other parties.
25. In partnership with SEPA and Zero Waste Scotland, there has been extensive pre-consultation and consultation since 2021 to build a shared understanding of the challenges, opportunities, and potential measures with a range of cross sector stakeholders, including business, local government and NGOs. The findings from this work have directly informed the draft Route Map for consultation, and there will be ongoing engagement and collaboration at every stage to ensure that national level policy is effectively considered, designed, and implemented into meaningful local-level change.
26. To support the consultation process, we are looking to hear from the widest possible range of people and organisations across Scotland on the draft Route Map presented. Following this consultation, we will undertake analysis of consultation responses in order to understand the full range of views on the Route Map, its proposals and impact assessments. We will also undertake further supporting analysis or research where required. We intend to confirm the final Circular Economy and Waste Route Map later in 2024, subject to further impact assessments as appropriate. Further detailed analysis will also be presented in separate impact assessments, where appropriate, when specific measures and/or secondary legislation are being developed.
27. Circular economy and waste policy is a complex landscape, with Scottish, UK, European and global dimensions to consider. The system for production of products and materials involves global supply chains. Given this complexity, it is important to consider both legislative and non-legislative measures that will help achieve the proposed goals.

28. Alongside the first consultation on the Route Map in 2022, a separate consultation was undertaken for provisions for a Circular Economy Bill. It is important to consider both legislative and non-legislative measures that will help achieve the goals. The Circular Economy (Scotland) Bill⁸, introduced in June 2023, contains provisions that require primary legislation to underpin Scotland’s transition to a circular economy, and modernise Scotland’s waste and recycling services. If passed, the Bill will primarily deliver new powers that will set a framework for taking action into the future. The direction and actions set out in this Route Map are complemented by the provisions in the Bill, and in some places are dependent on enabling powers flowing from the Bill if passed.

Consultation within Government

29. A wide range of directorates within the Scottish Government, agencies and non-departmental public bodies have been consulted during the development of the Route Map, including:

- Economic Development Directorate
- Environment and Forestry Directorate, including
- Rural and Environmental Science and Analytical Services Division
- Local Government and Analytical Services (SG Communities Directorate)
- Energy & Climate Change Directorate
- Directorate of Tax and Revenues
- Scottish Procurement and Property Directorate
- Scottish Government Legal Directorate
- International Trade and Investment Directorate
- Local government, including COSLA and SOLACE
- Scottish Environment Protection Agency
- Zero Waste Scotland

Public Consultation

30. The proposals were subject to a public consultation⁹ which ran from 30 May 2022 to 22 August 2022. A second public consultation started in January 2024.

Business

31. Businesses and business groups were included as part of the first public consultation, and pre-consultation workshops. This included targeted engagement with businesses and the resources and waste sector regarding

⁸ Circular Economy (Scotland) Bill, <https://www.parliament.scot/bills-and-laws/bills/circular-economy-scotland-bill>

⁹ <https://www.gov.scot/publications/consultation-delivering-scotlands-circular-economy-route-map-2025-beyond/>

specific measures and themes. As a result, updates to the Route Map's policy package have been made, based on business feedback to date, including through the first [consultation](#). Engagement with business has also occurred through the development of the Circular Economy Bill, for example with the Scottish Retail Consortium (SRC) to discuss proposed provisions about placing restrictions on disposal of unsold consumer goods, reporting on waste and surplus, and charges for single-use items. Further engagement has been undertaken as part of the Route Map' research programme, for example workshops convened by Zero Waste Scotland and Green Built Environment with construction sector representatives. Full impact assessments will be produced when appropriate if and when associated strategies or individual measures are being developed. Potential impacts on key business stakeholder will be assessed as part of this process, and we will take forward engagement and collaboration in line with the principles of the New Deal for Business.

32. In assessing the costs and benefits of the Route Map's measures, it is important to note the strategic high level nature of the Route Map consultation document. As is typical for a strategic document of this nature, this BRIA sets out a high-level assessment of the costs and benefits, highlighting where further assessment will be required as measures are designed and implemented. It will be necessary to develop more detailed BRIAs on individual measures where appropriate.

Option 1: No policy change – business as usual

33. Business as usual is the baseline against which the costs and benefits of the implementation of the Route Map interventions will be assessed.
34. This baseline accounts for policies and regulation that are expected to come into force and that will impact on the proposed policy options covered in the Route Map. Included are; ending the practice of landfilling Biodegradable Municipal Waste (2025) and the reformed UK-packaging producer responsibility system (2025).
35. Under this scenario, it is assumed that the current trajectory of a circular economy in Scotland would remain unchanged. The costs associated with managing the waste created by a linear economy would continue to be borne by public bodies, businesses, and wider society.
36. Many of the negative environmental externalities associated with the linear economy will continue to remain undervalued. For example, inefficiencies, unsustainable resource use and waste through the production, consumption and exchange of goods and services, leading to environmental damage. The more materials we extract and use, the more damage we do to the climate and to nature; material consumption and waste are drivers of nearly every environmental problem we currently face, from water scarcity to habitat and species loss.

Costs and Benefits (no policy change)

37. No additional financial costs or burdens will be placed directly on local authorities and enforcement bodies in Scotland. However, the cost of waste and its environmental externalities will continue to be borne by public bodies, businesses, and communities. For example, the costs related to disposal of waste and litter collection. A good example is the impact of single use items, taking cups as an example. It is estimated¹⁰ that around 388 million single-use disposable cups for hot drinks are used in Scotland each year and this could rise to 450 million by 2035. Scotland's current cup use creates 5441.8 tonnes of waste every year, of which 96% is landfilled. Around 1 tonne (or 77,740 cups) of this is littered annually. As a result, in total local authorities in Scotland currently spend approximately £1,164,000 a year on waste collection and disposal, as well as around £4,000 on clearing up the cups which have been littered.

Option 2: Proposed strategic aims and associated measures within the Route Map

38. The aims set out above in Table 1 reflect the key sectors or areas where it is most important to consider measures.
39. As the detail of the individual measures is subsequently developed, in line with the New Deal for business for business-facing measures¹¹, detailed analysis of the costs and benefits associated with specific interventions will be presented in separate impact assessments where appropriate, if and when associated strategies or regulations are being developed.

Sectors and groups affected

40. The following sectors and groups would be directly or indirectly impacted by the Route Map proposals:
- Manufacturers, distributors and retailers
 - Online marketplaces
 - Consumers
 - Third Sector
 - Waste Management Sector
 - Local Authorities
 - Households
 - SEPA
41. At this stage it is not apparent to what extent different sectors and groups would be impacted. However, some further detail on this is set out through the Circular Economy (Scotland) Bill [full BRIA](#) and [financial memorandum](#), where Route Map

¹⁰ Please see Circular Economy (Scotland) Bill financial memorandum for more on this, <https://www.parliament.scot/bills-and-laws/bills/circular-economy-scotland-bill>

¹¹ New Deal for business, Scottish Government, <https://www.gov.scot/news/delivering-a-new-deal-for-business/>

measures are linked to Bill provisions (for example, restrictions on unsold consumer goods or mandatory reporting of waste and surplus). The results from the second public consultation process are being used to inform a better understanding in this area. Further detailed analysis of how these groups are impacted will be presented in separate impact assessments when specific measures are being developed.

Costs and Benefits

42. Publication of the Route Map by itself will not place additional financial costs or burdens on local authorities and enforcement bodies in Scotland, nor change the existing cost of waste and its environmental externalities currently borne by public bodies, businesses and communities. However, implementing some of the measures will have an impact, dependent on their design and implementation. A circular economy gives us an alternative economic model that can benefit everyone within the limits of our planet. A circular economy:
- cuts waste, carbon emissions and pressures on the natural environment.
 - opens up new market opportunities, improves productivity, increases self-sufficiency and resilience by reducing reliance on international supply chains and global shocks.
 - strengthens communities by providing local employment opportunities and lower cost options to access the goods we need.
43. Society may benefit from a reduction in the volume of waste generated through preventative measures, such as an overall reduction in consumption of resources, and from more effective and efficient waste management processes. This may support a shift in how we treat and manage materials, for example consideration of the available markets and reprocessing capacity for collected materials, and opportunities to facilitate this, to maximise higher value return from reprocessing routes and keeping materials in use. This should improve local environments and neighbourhoods and reduce the negative environmental impacts of waste entering the terrestrial and marine environments.
44. Costs associated with the introduction of measures may include additional enforcement costs for public bodies, administrative costs for businesses (for example in reference to proposed mandatory public reporting for food waste and surplus), and potentially any changes resulting from the proposed review of current household waste and recycling charging, such as garden waste collections, within the 'Modernise recycling' aim.
45. More detailed analysis of the costs and benefits associated with the specific measures will be presented in separate impact assessments, where appropriate, as those measures are being developed.

46. Where delivery of specific measures relies on new powers sought through the Circular Economy (Scotland) Bill¹² as introduced, the Bill's [financial memorandum](#) and [full BRIA](#) contains some further details regarding costs to the Scottish Administration, local authorities, other bodies, businesses and individuals. However, further financial analysis will be conducted as measures are developed through co-production, in line with Scottish Government's [New Deal for Business](#). The Bill's financial memorandum and full BRIA set out indicative costs and benefits for measures, subject to further development and design, covered in the Route Map, including:
- Circular economy strategy: placing a duty on Scottish Ministers to publish or refresh a circular economy strategy at least every 5 years in order to direct national policy on the circular economy.
 - Circular economy targets: developing statutory targets for the Scottish Ministers to provide a focus for action.
 - Restrictions on the disposal of unsold consumer goods: providing powers to limit the disposal or destruction of unsold goods in order to reduce wasteful practice.
 - Charges for single-use items: creating a power to set a minimum charge for certain throwaway items in order to drive waste reduction and greater use of reusable items (the intention is for this initially to be applied to single-use disposable beverage cups).
 - Householder's duty of care in relation to waste: making it a criminal offence for a householder to breach their existing duty of care under the Environmental Protection Act 1990, in relation to waste, and creating a new fixed penalty regime to enforce this duty.
 - Household waste: requiring local authorities to comply with a code of practice on recycling and giving powers to Scottish Ministers to set recycling targets for local authorities.
 - Reporting on waste, surpluses, etc: obtaining information about where waste is occurring through a power to require information which would lead to public reporting of waste and surplus by businesses (the intention is for this initially to be applied to information about food).

¹² <https://www.parliament.scot/bills-and-laws/bills/circular-economy-scotland-bill/introduced>

Scottish Firms Impact Test

47. In addition to previous consultation and engagement which has directly informed the development of proposed Route Map actions, stakeholders from all affected businesses will be consulted on individual measures, where appropriate, as they are being collaboratively developed in the future.
48. Where appropriate, up to 12 businesses of varying size will be consulted and the results published in the appropriate impact assessment. This process would help to establish:
 - Any anticipated impact on the competitiveness of Scottish companies within the UK, or elsewhere in Europe or the rest of the world.
 - The number of businesses and the sectors likely to be impacted by the change.
 - The likely cost or benefit to business.
49. The approach for engagement will consist of:
 - (1) Questionnaires for completion by key business stakeholders
 - (2) Telephone interviews and email correspondence with selected representative organisations and association.

Competition Assessment

50. The competition assessment is designed to assess the potential impacts of preferred policy options on competition among producers, wholesalers, retailers and importers in the Scottish market.
51. The assessment will follow the Competition and Market Authority guidelines¹³ which outline how to determine any competition impact. These guidelines recommend considering four key questions when assessing whether a proposed policy would have an impact on competition.
52. The assessment will be undertaken for individual measures, where appropriate, as they are being developed in the future.

Consumer Assessment

53. The Scottish Government definition of a consumer is "anyone who buys goods or digital content or uses goods or services either in the private or public sector, now or in the future".
54. The assessment will be undertaken for individual measures, where appropriate, as they are being developed in the future.
55. The Scottish Government asks specific questions when determining the impact of proposed legislation on consumers, for example 'Does the policy affect the quality, availability or price of any goods or services in a market?', and 'Does the policy impact the information available to consumers on either goods or services, or their rights in relation to these?'

Test Run of Business Forms

56. The assessment will be undertaken for individual measures, where appropriate, as they are being developed in the future.

Digital Impact Test

57. Changes to policy, regulation or legislation can often have unintended consequences, should government fail to consider advances in technology and the impact this may have on future delivery. This digital impact test is a consideration of whether the changes being made can still be applied effectively should business/government processes change – such as services moving online.

¹³ <https://www.gov.uk/topic/competition/markets>

58. The assessment will be undertaken if and when associated strategies or regulations are being developed in the future.

Legal Aid Impact Test

59. The Access to Justice Team at Scottish Government will be consulted if and when associated strategies or regulations are being developed in the future.

Enforcement, Sanctions and Monitoring

60. In order to achieve the objectives of the Route Map, enforcement, sanctions and monitoring systems will be put in place where appropriate.
61. The detail of this will be set out for individual measures, where appropriate, as they are being developed in the future.

Implementation and Delivery Plan

62. Following the consultation, the Scottish Government intends to publish the final Route Map later in 2024, confirming the timetable for delivering the measures set out within each of the four strategic aims. The aim is to set clear, time-bound objectives and milestones.
63. The Scottish Government will work closely with key stakeholders to ensure that the strategic objectives are met. Collaboration and partnership have been critical to our progress so far, and we can only be successful through successful partnership working – government, households, communities, charities and businesses. Our approach will be guided by both the Verity House Agreement¹⁴ and New Deal for Business Group's recommendations and implementation plan¹⁵.

Declaration and Publication

64. I have read the Business and Regulatory Impact Assessment and I am satisfied that, given the available evidence, it represents a reasonable view of the likely high-level costs, benefits and impact of the leading options. It is important to note that, given the strategic high level nature of the Route Map document, it will be necessary to develop more detailed BRIAs on individual measures where appropriate. I am satisfied that the high-level business impact has been assessed with the support of businesses in Scotland.

¹⁴ New Deal with Local Government – Verity House Agreement, <https://www.gov.scot/publications/new-deal-local-government-partnership-agreement/>

¹⁵ Business: New Deal for Business Group - Report on Progress & Recommendations: Implementation Plan, October 2023, <https://www.gov.scot/publications/new-deal-business-group-report-progress-recommendations-implementation-plan/>

Signed: 

Date: 12/01/2024

Minister's name Lorna Slater MSP

Minister's title Minister for Green Skills, Circular Economy and Biodiversity

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