

18th June 2015

Deposit Return System call for evidence

The MPMA represents the interests of the UK metal packaging sector on industry-wide issues impacting regulatory and environmental affairs whilst supporting common operational and commercial matters.

With some 21 companies over 31 sites in the UK producing in excess of 18 billion units each year, the association links directly into a European market employing 60,000 people across 300 manufacturing sites producing more than 85 billion containers annually.

Working with other representative bodies, it also promotes the benefits of metal packaging and the sustainable attributes of steel and aluminium through education programmes, industry awards, and relevant communication channels with a focus on encouraging increased recycling.

The sector fully aligns itself with circular economic thinking and the need to maximise the recovery of packaging materials to be returned to the supply chain for re-use. In this context the objective of achieving a high recycling rate in Scotland is fully supported alongside the industry's declared ambition to achieve no metal to landfill and an 80% recycling rate across Europe.

The metal packaging sector has experience of the full range of current and proposed collection systems within Europe and the wider global community and in support of colleagues across the broad spectrum of the food and drink industry represented by PRGS, we are taking this opportunity to formally add our comments to the possible implementation of a Deposit Return System in Scotland.

The recently published ZWS study appears inadequate in terms of both scope and depth and has therefore limited value as a foundation for decision and direction:

No consultation with the full supply chain, effectively excluding Local Authorities, retailers and waste management professionals. References to experience in other countries did not extend to nations who had fully evaluated DRS schemes and concluded it would be inefficient in their context. The current returnable bottle system operating within the soft drinks sector in Scotland was not evaluated nor referenced.

Deposit Return Schemes can only operate effectively in very specific circumstances – none of which exist in Scotland whilst other initiatives developed with Local Authorities have proven to increase recycling rates.

A DRS in Scotland would increase costs; it risks undermining Local Authorities' kerbside recycling systems - being an alternative recycling collection method; it risks turning people away from shopping on high streets; the proposed scope is wider than anywhere in Europe; it would target only a small amount of litter and there is no evidence to suggest an impact on littering behaviour; significant increase in risk of fraud with attend administrative costs for commerce and officials.

As packaging converters direct impact will be primarily related to cost:

Beverage can manufacturing is a highly capital-intensive process demanding large scale continuous production to supply a very competitive market. The need to provide cans specifically and uniquely printed for the Scottish market will require segregated manufacturing and logistics processes which would be expected to add between 5% and 15% to the unit cost prior to filling.

The overall supply chain cost to provide a deposit scheme has been estimated to add up to 40% to the consumer price before application of the deposit.

Yours faithfully



Nick Mullen
Director & Chief Executive