

James Calder
Chief Executive
Society of Independent Brewers
Unit 4, The Old Laundry
Fishergreen
Ripon
HG4 1NL

Roseanna Cunningham MSP
Cabinet Secretary for Environment, Climate Change and Land Reform
T3.07
The Scottish Parliament
Edinburgh
EH99 1SP

27 September 2019

RE: A Deposit Return Scheme for Scotland

Dear Roseanna,

I recently wrote to you over the summer requesting a meeting to discuss the Scottish Government's plans to introduce a Deposit Return Scheme (DRS). Now that the proposed regulations have been published, I would welcome the opportunity to discuss with you our concerns and ideas for how we can support the initiative in Scotland.

The Society of Independent Brewers (SIBA) represents around 750 small British independent craft breweries, with around 60 in Scotland, producing some of the best beer in the world. You can see a full list of our Scottish member brewers on our website - <https://www.siba.co.uk/regions/siba-scotland-region/>

SIBA members are conscious of their environmental impact and wish to help meet their responsibilities to improve the world around us. They are constantly looking for sustainable ways to enhance their business and consistently lead the drinks sector in product and manufacturing innovation.

We recognise that the time has come for a radical shift in the way that we tackle waste and the public are supportive of measures to reduce the environmental impact through a deposit return scheme.

However, many SIBA members, as small businesses, operate on very small margins and new regulatory requirements can place additional pressure and risk putting them out of business. In comparison, global brewers in Scotland who have greater resources are more capable of dealing with a DRS than we are.

Although our members place a very small percentage of containers into Scotland each year, representing around 0.0625% of the 2 billion containers per annum, we believe they will be among the hardest hit.

We have particular concerns about the costs to small independent brewers, including how producer fees and handling fees will be set and the impact of accepting returned containers. This is in addition to new labelling requirements.

Unless mitigations are included in the final scheme that recognise the unique circumstances small brewers face, including potential de minimis thresholds for producer fees then Scotland's brewing landscape may become very different. You risk closing many of Scotland's independent breweries.

Many of our members based in England and Wales also sell their beer into the Scottish market. There are concerns that introducing a DRS in Scotland before introducing it for the rest of the country may reduce the choice and availability of craft beer in Scotland as producers sell their beer elsewhere.

SIBA wants to work with the Scottish Government to guarantee the future of independent craft beer in Scotland and avoid any closures of breweries or the reduction of consumer choice linked to the introduction of a DRS.

It would be appreciated if we could arrange to meet shortly so I can share these concerns and explore the opportunities to work together to make a DRS a success.

I look forward to hearing from you and your team.

Yours sincerely



James Calder
Chief Executive