



SIBA Written Evidence on the Environment Bill

About

The Society of Independent Brewers (SIBA) represents around 750 small brewers in the UK. Our members are conscious of their environmental impact and want to do more to tackle their dependency on the natural world. Consistently, SIBA members lead the drinks sector in product and manufacturing innovation.

Our members produce around 500 million pints annually, most of which is draught beer. Of the 5.5 billion glass bottles and 7.7 billion cans placed on the UK market each year (according to WRAP), our members produce only 1.4%, around 150 million glass bottles and 35 million aluminium cans.

For smaller businesses, packaging costs are a much bigger element than for bigger rivals, yet the proposed Deposit Return Scheme (DRS) as outlined in the Environment Bill fails to take account of the impact on small producers, and would, we believe, have a significant and disproportionate impact on our members and consumers.

Implications of DRS for small brewers

SIBA believes that it could:

- **Impose unsustainable costs** threatening the future of breweries. Small businesses will struggle to cover annual registration costs and producer fees, new labelling requirements and the impact of accepting returned containers.
- **Reduce the choice and availability** of independent craft beer. Global brands can more easily adapt to costs than small businesses which operate in a highly competitive marketplace.
- **Create more uncertainty for businesses** who do not know whether it will be fully compatible with the scheme being introduced in Scotland and whether Scotland will accept containers from England, Wales and Northern Ireland.

What small brewers are calling for

Small independent brewers would like to see changes to Schedule 8 of the Environment Bill to take account of their size and status. This should include:

- **Proportionate costs for small producers:** Registration and producer fees, along with labelling, should take account of size of producer, including de-minimis thresholds for small brewers based on the national Small Breweries' Relief Scheme.
- **Safeguards for small producers:** The Scheme Administrators should be required to demonstrate how it will give due regard to the requirements of small breweries to stop it being dominated by global producers.
- **Assurances on compatibility:** The devolved administrations should confirm that the DRS schemes will be fully inter-operable.



Proposed Amendments

SIBA would like to propose the following Amendments to the Bill:

Insert into Schedule 8:

New 1 (6)

A deposit scheme may make provision on the size of a supplier or producer of deposit items that is in the scope of the scheme.

NOTE - This would allow the deposit scheme to take account of the size of the producer when setting fees and the scope.

New 4 (2) (t)

Requirements to operate in a way that gives due regard to the needs of small businesses.

NOTE – this would ensure that the Scheme Administrator demonstrates how it will fulfil its duty for small producers.

Further information

Please contact Barry Watts, Head of Public Affairs, (07977837804, Barry.Watts@siba.co.uk). SIBA is happy to provide further information, appear in front of the committee or arrange a visit to a small independent brewery so members can see for themselves the concerns our members have.