

Deposit Return Schemes: What do I need to know?

There are a number of similarities and differences between the proposed DRS for England, Northern Ireland and Wales and the DRS for Scotland.

The table below highlights the key elements of each scheme.

Contact <u>caroline.colliston@dwf.law</u> for further information.

DRS: England, Northern Ireland and Wales	DRS: Scotland
The size of containers in the scope will be 50	The size of containers in the scope will be 50
millilitres to 3 litres.	millilitres to 3 litres.
Materials in England, Northern Ireland and Wales will include PET plastic, steel and aluminium but not glass. Wales will include glass in their DRS.	Materials in Scotland will include PET plastic, glass, steel and aluminium.
A Deposit Management Organisation (DMO) will be appointed to manage the overall operation.	Circularity Scotland have been appointed as the scheme administrator and the Scottish Environment Protection Agency (SEPA) have been appointed to regulate DRS.
There will be mandatory labelling requirements.	The Regulations do not require the addition of new
These include a mark to identify the product as part	labelling to packaging sold in Scotland. However,
of the DRS and the use of an identification market	Circularity Scotland encourage creating a new
to enable the container to be recognised at the	label and barcode to improve the security of the
return point.	scheme.
The DMO will have responsibility for setting the	The deposit is fixed by the Regulations at 20p.
deposit level. This can be fixed or variable.	You are a producer under the Regulations if you
	are:
	- a drinks brand owner in the UK;

Producer means brand owners or manufacturers of in-scope drinks containers that are sold in England, Northern Ireland or Wales.

This is currently a point of debate with DEFRA.

- an importer of drinks into the UK for sale to consumers in Scotland; or
- someone selling drinks in single-use containers that are filled and sealed by the retailers at the point of sale.

Producers obligations include:

- placing the deposit on the container when it is sold and paying a producer registration fee to the DMO; and
- registering with and reporting data to the DMO.

Producers obligations include:

- charging a 20p deposit on each scheme article made available for retail in Scotland:
- registering with SEPA and paying the registration fee;
- arranging the collection of empty containers;
- paying a reasonable handling fee to retailers and return point operators to cover the cost of collection and storage at return points; and meeting collection targets.

Retailer means a person who sells in-scope containers directly to a consumer in England, Northern Ireland or Wales.

A retailer is a person who markets, offers for sale or sells a scheme article to a consumer in Scotland.

Retailers will be required to:

- add the deposit value to the purchase price at the point of purchase;
- ensure pricing information clearly displays the price of the in-scope container and the deposit attached:
- operate a return point for the scheme (with limited exemptions);
- accept all DRS containers returned to their store; and refund the deposit to customers.

Retailers will be required to:

- add the 20p deposit when selling a drink that is part of the scheme;
- clearly display the price of the deposit and make it clear that the drink is part of the scheme:
- operate a return point in accordance with requirements under the Regulation at any retail premises in Scotland in which a scheme article is marketed, offered for sale or sold by that retailer (with some exemptions);
- clearly display information about how a deposit can be redeemed;
- refund the deposit to customers; and only sell drinks from registered producers who have made drinks available for sale in Scotland.

Retailers will receive a retailer handling fee from the DMO which has to be regularly reviewed. Retailers will receive a handling fee of 2.69p per item returned by manual takeback and 3.7p for the first 8,000 items returned each week by Reverse Vending Machines (RVM), then 1.6p per additional item.

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