



**SCOTTISH
TOURISM
ALLIANCE**

Your voice in tourism matters

Net Zero, Energy and Transport Committee Call for Views on Circular Economy (Scotland) Bill

The Scottish Tourism Alliance Detailed Response

Circular economy strategy

1. Is a statutory requirement needed for a circular economy strategy?

The Scottish Tourism Alliance (STA) welcomes the creation of a circular economy strategy, but do not believe there is the need to introduce a statutory requirement to deliver it.

The national tourism strategy, Scotland Outlook 2030, sets out a clear commitment to take purposeful action to halt further decline, reverse damage and bring about long-term change concerning the climate emergency we are facing.

The strategy's mission statement sets out that "Together we will grow the value and positively enhance the benefits of tourism across Scotland by delivering the very best for our visitors, our businesses, our people, our communities and our environment."

It acknowledges the impact of tourism on the environment and sets out a clear commitment from across the tourism industry to support Scotland's transitioning to a net-zero emission country for the benefit of our environment, our people, and our prosperity.

The Destination Net Zero programme was a key strand of the COVID-19 Tourism Recovery Programme, delivered on behalf of the Scottish Tourism Emergency Response Group (STERG) by Scottish Enterprise, VisitScotland, Highlands and Islands Enterprise, South of Scotland Enterprise and partners.

Post-pandemic, the partnership delivering the programme has been extended and a delivery plan created which aims to support tourism and hospitality businesses on their journey to net zero. However, there is currently not sufficient resource or funding in place to deliver this plan in full. We urge the Scottish Government to provide support for the programme's delivery plan to be fully implemented to support the net zero and circular economy agendas.

The Industry Leadership Group (ILG), co-chaired by STA's Chief Executive and the Minister for Small Business, Innovation, Tourism and Trade, builds on that partnership approach and

was created to support, grow and realise the potential of Scotland's tourism and hospitality sectors.

Since its inception in November 2022, the ILG has assessed the national tourism strategy and identified five initial areas where strategic, game-changing actions are required. These areas of focus include a dedicated workstream on how tourism and hospitality businesses can be supported to accelerate towards achieving the country's ambition to reach net zero.

The ILG will be closely consulting with the Destination Net Zero partnership to realise these ambitions for the sector. We ask that the Scottish Government fully supports the ILG and the sector's ambitions in this area as part of its circular economy agenda and wider commitment to net zero.

Circular economy targets

1. Are statutory circular economy targets needed?

We support the introduction of circular economy targets, as long as there is no statutory requirement on businesses to meet them.

Charges for single-use items

The Circular Economy (Scotland) Bill introduced by the Scottish Government includes new powers to set additional charges for single-use items.

The government has said that they will initially use the powers to introduce a charge on single-use beverage cups.

Do you agree the Scottish Government should introduce measures to reduce use of single-use items? What measures do you think would work and for which types of items?

1. Should Scottish Ministers have powers to make regulations that require suppliers of goods to apply charges to single-use items?

The STA does not support the introduction of new regulations that would give Scottish Ministers the power to legally require suppliers of goods to apply charges to single-use items, including single-use beverage cups.

Unfortunately, this would be viewed as another burden on business, despite the efforts of many to support the net zero and circular economy agendas.

There is currently a risk that businesses' recent negative experience concerning the Deposit Return Scheme may lead to actions to support this initiative not being prioritised.

We believe a major campaign and drive from the Scottish Government would be needed to support businesses to make the changes necessary to introduce a new charge on single-use

beverage cups and potentially other single-use items in the future, accompanied by funding for businesses to make these changes.

The tourism and hospitality sector has made significant strides over recent years since the ban on single-use plastics and we believe that a carrot rather than a stick approach is better for businesses and members of the public. There still remains significant scope to roll out and develop more initiatives that support and encourage businesses and people to adopt the use of reusable cups and other single-use items.

Another of our concerns is that, on top of current legislation passing through the Scottish Parliament to introduce local powers to introduce a visitor levy charge for visitors, a charge on single-use cups and other items will once again hit visitors' pockets.

It is impractical to expect tourists visiting Scotland to pack a reusable cup or other forms of reusable food storage items, especially international visitors flying to the country. It will also likely impact on those who attend events such as music concerts and festivals, winter markets, etc.

It is also challenging for venues hosting all-day conventions, conferences and other business events to have the time, capacity or resource to provide all delegates with reusable cups when many are already using compostable alternatives.

There is a risk that people will end up with a cupboard full of reusable cups that may be even harder to dispose of and recycle down the line. It also remains unclear how people would be expected in future to bring reusable containers to buy food on the go, including the need to carry their own cutlery everywhere if future charges are introduced. There is a risk that consumers will opt to start bringing their own food places rather than spent money with tourism and hospitality businesses.

Unlike the introduction of 'bags for life', it will be far more challenging for smaller businesses to afford to buy reusable cups for sale on their premises, including the issue of display and storage space to sell these larger items.

The STA welcomes initiatives like the recent Highland Cup Movement pilot scheme with Keep Scotland Beautiful, which has been aimed at reducing litter from single-use drinks containers. Visitors travelling on the North Coast 500 have been able to borrow a reusable cup from one café and return it to one of the other cafés on the route, with customers then having two weeks to return the cup and lid to avoid being charged £4.

It is an excellent model that other tourism and hospitality businesses should be encouraged to adopt, rather than the implementation of a charge on customers. There is great potential to roll out the model further to different parts of Scotland and across other parts of the tourism and hospitality sector.

As part of its commitment to the New Deal for Business, we would urge the Scottish Government to keep in mind the additional burden a new charge on single-use beverage cups will place on businesses and how this can be best minimised. Rather than focusing on

enforcement action, supporting businesses to become more sustainable and adopt a more financially viable way of doing business is essential.

2. Is there anything else you would like to say about charges for the supply of single-use items? (Section 9)

n/a

3. How do you think Scottish Ministers should use their powers to have the greatest impact in transitioning to a circular economy?

The STA believes that additional support and funding to support businesses and their customers to transition to a circular economy is of a greater impact than creating new ministerial powers. The Highland Cup Movement is an excellent example of changing behaviours rather than imposing another charge that businesses must collect and visitors must pay.

We also support the need for more targeted investment in improving recycling bin provision, collection and local authority recycling facilities of single-use items through new innovations.

Greater investment in coffee cup collector bins and recycling schemes in workplaces, city centres, venues, etc is a convenient and easy way for people to ensure these single-use items are recycled when people are on the go. Costa Coffee, for example, currently accepts any disposable takeaway cup via one of their 2,600 plus stores (source: Waste Aware Scotland).

Rather than introducing a charge on single-use items, the creation and funding of innovative recycling plants and collection points across Scotland must be a key priority for the circular economy strategy to successfully reduce our environmental impact. This will also in turn create more jobs.

Reporting on waste and surpluses

1. Should Scottish Ministers have powers to require persons to publish information on anything they store or dispose of (except in relation to domestic activities)?

The STA does not believe it is necessary to give Scottish Ministers new powers to require persons to publish information on anything they store or dispose of. It is already very much in the best interests of tourism and hospitality businesses to effectively manage and reduce any waste or surpluses, as these incur unnecessary additional costs.

In STA's sector survey in summer 2022, we asked what investments respondents had made in transitioning to a greener business, with 526 respondents to this specific question. Only 14% of respondents had made no investment in transitioning to a greener business, with the majority having installed energy saving measures (69%), followed by sourcing locally

(67%), making improvements to business energy consumption (46%), and schemes to reduce food waste (36%).

Among those who had not made this investment in a greener business, affordability and other priorities were listed as the top reasons. A significant number of respondents also said they needed to understand more about the transition to net zero and how their business could support this, or they did not know what changes to make first.

The STA supports the roll-out of more initiatives like the Hospitality Zero pilot project, delivered by VisitScotland on behalf of the Scottish Government and working in partnership with Zero Waste Scotland and Scottish Enterprise. It supported tourism and hospitality businesses in the Glasgow city area to identify priority actions specific to the business to implement food waste reduction measures, with several of them at no or low cost.

As part of the pilot, the businesses were provided with equipment to help them measure and monitor food waste for one month, which included data on stock waste, plate waste and prep waste. They were then given advice and support from a consultant to develop an action plan to monitor and reduce their food waste, including advice on equipment to help them reduce waste such as oil filtration systems and a vac pack machine.

The key to delivering a successful circular economy and achieving our net zero ambition is improving support for businesses on how to better manage, reduce and dispose of their waste, rather than to introduce mandatory public reporting.

It is often the case that the goodwill is already there to be more environmentally sustainable, but businesses do not know what steps to take or have the money available to deliver on them.

About the Scottish Tourism Alliance (STA):

The STA is the overarching trade body for the tourism and hospitality industry in Scotland. It comprises over 250 trade associations, businesses, destination groups and other organisations with an interest in tourism. Its membership is spread across all regions and destinations in Scotland.

The organisation is governed by a Board with representation from across Scotland's tourism industry and supply sectors, who together with STA's member Council and Destination Forum shape the organisation's policy agenda for government(s) and other key stakeholders.

The STA led and co-ordinated the development and launch of Scotland's tourism strategy, Scotland Outlook 2030, in collaboration with the Scottish Government and its agencies. The STA remains driven by this strategy, growing the value and positively enhancing the benefits of tourism across Scotland by delivering the very best for visitors, businesses, people, communities and environment.

The STA's Chief Executive, Marc Crothall MBE, co-chairs the Tourism and Hospitality Industry Leadership Group, alongside Richard Lochhead, the Minister for Small Business, Innovation, Tourism and Trade.

The group is helping drive recovery and sustainable growth across both tourism and hospitality in the long-term, building on the partnership approach of the Scottish Tourism Emergency Response Group (STERG), which led the industry's response to the COVID-19 pandemic.