

Cross-Party Group on the Circular Economy

Wednesday, 1st February 6pm

via Microsoft Teams

Minutes

Present

MSPs

- Maurice Golden MSP
- Gillian Martin MSP
- Brian Whittle MSP
- Liam Kerr MSP
- Finlay Carson MSP

Invited guests

- Ray Georgeson (Zero Waste Scotland)
- Sophia Kratz (Umweltdachverband),
- Michael Lenaghan (Anthesis)
- Jake Simms (London Mining Network)

Non-MSP Group Members

- Matt Lewis – Circular Communities Scotland
- Steven McGinty – Scottish Conservatives
- Meg Pirie – Fashion Roundtable
- Michael Cusack – ACS Clothing
- Nayantara Sudhakar – Zero Waste Scotland
- Dr Phoebe Cochrane – ScotLINK
- Fleur Ruckley
- Dr Sarah Letsinger – Resources Future
- Rob Snaith – Ricardo
- Susan Evans – Ser Advisory
- Suzanne Forup – Cycling UK
- Toni Freitas – University of Edinburgh
- Alison Currie – Berwickshire Anti-Litter Group
- Beryl Leatherland
- Bruce Reekie
- Catherine Gemmell – MCS UK

- Clare Cavers – Fidra
- Daniel Stunel – Eunomia
- Daphne Vlastari – BASF
- Katy - Guest
- Kim Pratt – Friends of the Earth Scotland
- Laura Young – Climate Activist
- Louise Davis
- Lucas Scally – Zero Waste Scotland
- Luisa Riascos – SAC Consulting
- Luke Owen – Scotland’s Rural College
- Mary Michel – Osterio
- Victoria McCraw – KSB

Apologies

- Sarah Boyack MSP
- Maggie Chapman MSP
- Anthony Burns – ACS Clothing
- Catherine Gee – KSB

Agenda item 1 - Welcome

- Maurice Golden MSP opened the meeting and welcomed attendees and thanked attending MSPs for ensuring the group was quorate.
- Apologies were taken as noted above.
- The minutes of the previous meeting were proposed by Phoebe Cochrane and seconded by Maurice Golden.
- Maurice Golden noted the potential for a visit to ACS Clothing in Motherwell and asked those interested to contact Phoebe Cochrane at phoebe@scotlink.org.
- Notice was given that the next meeting would take place in person in the Scottish Parliament on 19th April at 6pm. A hybrid option will be available to broadcast virtually. It was noted that it would focus on showcasing a Glasgow University report focussing on textiles and circular fashion. Those interested in attending were asked to contact Paul Smith at paul.smith@parliament.scot.
- It was further noted that the June meeting would have a marine pollution focus, and anyone who would like to speak at that meeting should please contact Catherine Gemmell at catherine.gemmell@mcsuk.org.
- The theme of the October meeting is yet to be decided but may focus on the upcoming Circular Economy Bill (CE Bill) depending on the timescales involved in the bill process.

Agenda item 2 - Presentations on material footprints from Ray Georgeson (Zero Waste Scotland), Sophia Kratz (Umweltdachverband), Jake Simms (London Mining Network) and Michael Lenaghan (Anthesis)

Maurice Golden introduced the theme of the meeting and the first speaker Ray Georgeson.

Ray Georgeson, Zero Waste Scotland Scotland's Material Flow Accounts – Overview and Update

- Tackling consumption is the key to achieving sustainability and we are simply using and losing too much.
- The Scotland: Material Flow Sanky Diagram was used to illustrate these points.
- Key Material Flow Indicators are used to measure and understand material flows into and out of the Scottish economy. So, where does Scotland sit in relation to other countries?
- Scotland's material footprint comes out as 19.3 tonnes per capita, which is significantly higher than many European countries as well as the EU27 average.
- Next steps for Material Flow Accounts – exploring other models and methods and the next update will have more detailed analysis of materials and indicators. Zero Waste Scotland are keen to have more dialogue to enable continuous improvement.
- Policy implications – we have to have growing consensus around this topic and political consensus is required for reducing consumption needs.
- The Circular Economy Bill is on its way, including a circular economy strategy. Extended Producer Responsibility is also coming, and Ray noted he was keen to see how this evolves into a more holistic approach to product stewardship. Biodiversity impacts must be considered.
- The circular economy must be mainstreamed across the board – it cannot sit in just one department of government.
- Some useful suggestions for circular economic policy priorities to reduce footprints are highlighted in the Circularity Gap Report.
- Ray extended an offer to contact him should anyone wish to discuss these issues further.

Maurice Golden thanked Ray for his presentation and it was mentioned that the speakers would be asked if they can share any slides/graphics used during their presentations.

Maurice Golden welcomed Finlay Carson MSP to the meeting before introducing Sophia Kratz as the next speaker.

Sophia Kratz, Project Manager, Umweltdachverband
Circular Economic Policy in Austria

- Sophia introduced Umweltdachverband as an environmental umbrella organisation and one of the biggest NGOs in Austria.
- Austria's circular economic strategy was published in December 2022 after a long stakeholder process and government negotiations. The strategy includes the 10 Rs of the Circular Economy (building on the well-known 3 or 4 Rs) highlighting several steps above recycling.
- The strategy contains four goals – resource reduction, increased resource productivity, an increased circularity rate and reduced consumption.
- In terms of the resource reduction goal, Austria's material footprint is much higher than Scotland's at around 33 tonnes per capita per year. There is a target to reduce this to 7 tonnes per capita per year by 2050. The interim goal attached to this target is 14 tonnes per capita per year. This is the most ambitious target in the EU with only the Netherlands and Finland also having resource reduction goals.
- In terms of the circularity rate goal, Austria's economy is around 7% or 8% circular with a goal of 18% by 2030. In comparison, Scotland's economy is only around 1% circular.
- Action to achieve these goals includes more support for circular economic business models through financing, better access to the market and sector plans for priority sectors following the EU Action Plan.
- At the EU level, a new Circular Economy Action Plan was announced in 2020, and includes development of different strategies and initiatives covering a range of sectors. The plan does not include any resource reduction targets but it does have a considerable focus on eco-design.
- In terms of making products more sustainable, March 2022 saw the first circular economy package on textiles, including design and support for circular economy hubs and models. But disappointingly, no consumption reduction targets. However, on 31st January 2023 (the day before this meeting) a call for evidence was launched on priorities for eco-design and sustainable products.
- What is coming up in 2023? There is a great deal of planned activity connected to circular economy goals, such as on food waste, the right to repair and textiles.

Maurice Golden thanked Sophia for her presentation and for the inspiration for amendments to Scotland's Circular Economy Bill. Maurice then introduced Jake Simms as the next speaker.

Jake Simms, London Mining Network

Critical minerals, their impacts and policies of LMN

- Jake gave an overview of critical minerals – those minerals that are vital to a country's economy and, often, where there are supply chain risks. These minerals are needed for the energy transition and are particularly in focus right now due to an increase in demand. Further large-scale demand is forecast for cobalt, nickel and lithium and major players, such as the US, EU and UK have critical mineral strategies.
- The mining sector is one of the largest emitters of greenhouse gases.
- Cobalt – 71% of reserves are in the Democratic Republic of Congo, which faces problems from unregulated mining and related social justice issues.
- Lithium – the majority of reserves lie in the 'lithium triangle': Chile, Argentina and Bolivia. Extraction uses vast quantities of water in an arid area, and this has an impact on indigenous communities with social and environmental justice issues. Rising demand for lithium, perhaps as much as 42%, would mean intrusion on indigenous lands across the world with the potential for an increase of human rights abuses and social injustices.
- It was noted that critical minerals strategies focus on national security and national economies with key concerns being around alliances and stockpiling and framed against a backdrop of competing global interests. This could lead to increased geopolitical tensions with the potential for impacts on workers and communities to be forgotten about. Whilst there is some inclusion of circular economy and social justice issues, it was explained that neither are at the forefront of such strategies.
- An alternative is to use a social justice approach. The question is how to meet the need to expand renewable technology to reach net zero but in a socially just way such that everyone has access to the resources needed. It is a political decision – how do we decarbonise in a socially just way? As an example, switching every car to electric would massively increase lithium demand whereas equal decarbonisation could be achieved through public transport investment, which wouldn't have the same levels of lithium demand.
- Consumption reduction targets are crucial – recycling of minerals and batteries and other renewable technology is critical, so we don't require the same level of demand for raw materials from other countries.
- Supply chain justice – procurement decisions must ensure workers are earning living wages across the world, have access to unions and that the rights of indigenous communities are protected and enforced.
- Trade justice is required to ensure the communities where these minerals are extracted can retain a fair portion of the revenue.
- In closing, Jake shared links to relevant reports: [click here](#).

Maurice Golden thanked Jake for his presentation and introduced Michael Lenaghan as the next speaker.

Michael Lenaghan, Associate Director, Anthesis UK

How businesses can support the fight against climate change

- There are two types of important business footprints.
- The first one is Corporate Carbon Footprints (CCFs) – essentially a basis for businesses to engage with global climate change goals. Each year more businesses are committing to setting 1.5 degree aligned net zero targets.
- But CCFs are not fit for purpose. While they enable companies to engage and align with global climate goals, almost all are structurally unable to support the corresponding scale of reductions required. The circular economy is currently not valued in this, so what is the solution?
- Objective One: improve scope three accounting by replacing poor quality in-house estimates with high quality supplier data that is more accurate, timely, comparable and sensitive to improvement on the ground.
- Objective Two: product/service life cycle analyses (LCAs) allow the supplier to develop evidence-based carbon reduction strategies and forecast their impacts for customer net zero targets.
- As examples of accountability in action, both the automotive industry and the UK NHS were cited. The latter aims to be “*the world’s first net zero national health service*” and has announced it will impose carbon footprint reporting and reduction requirements on all suppliers by 2028.
- Corporate footprints are essential in the fight against climate change because they enable businesses to set emissions reduction targets aligned to national/global goals. However, scope three emissions account for approximately 90% of corporate carbon emissions, so companies must work with value-chain partners to transition to more accurate, actionable life cycle analysis-based data. This is already underway.
- In terms of product/service footprints lifecycle assessment measures the whole-life environmental impact of a product/service. A product accumulates environmental impacts over the course of its lifecycle as more inputs are added and more emissions/wastes are generated. This accumulation of impact is known as the product’s environmental footprint
- Critically, LCAs are the primary means of measuring the benefit of circular solutions
- There are two different, but complementary approaches to reducing a product’s footprint. We are really good at the first: Lifecycle Efficiency. That is reducing impacts across each stage of the

product lifecycle by minimizing inputs (material, energy, water, etc.) and outputs (emissions, chemicals, waste, etc.).

- Producers cannot meet COP-aligned climate goals without implementing high impact circular solutions. However, in practice, few businesses are thinking beyond carbon, which creates a huge planetary risk of ‘burden shifting’. This is leading to ‘solutions’ with significant non-carbon consequences, particularly for biodiversity.
- Business footprints must go beyond carbon to avoid saving the climate at the expense of the planet.

Maurice Golden thanked Michael for his presentation.

Agenda item 3 – Roundtable Discussion

Maurice Golden opened up the discussion for questions.

Kim Pratt noted the forthcoming CE Bill is an opportunity to set material consumption reduction targets. Kim asked how the targets in the bill should be shaped, explaining there are different ways of measuring and asked what is most important to include in such targets within the bill.

Michael Lenaghan responded by saying there is a need to consider consumption impacts across planetary boundaries, expand beyond carbon and factor in additional environmental indicators linked to planetary boundaries.

Jake Simms said it was crucial to be setting material reduction consumption targets. That there was a need to think about the reality of the transition to renewable technology within current plans. If the material footprint across supply chains and raw material extraction is accounted for then there must be ambitious thinking about the impact on people's lives to avoid eco-austerity.

Sophia Kratz asked what Austria is missing. She explained there was a link between goals and what is written afterwards. That the measures and the areas of focus do not mention the goals. She asked how we reach these goals and said that it was easier to get an idea of that if the strategy included what must be done in each sector. She said this was difficult but that it was important to make it specific. Sophia said we must create an optimistic picture, set out what the possibilities were and how we wanted to live.

Ray Georgeson noted that targets were fine and that this debate would open up when the CE Bill was published and subject to parliamentary scrutiny. But he explained that targets without the right package of incentives, mechanisms and tools would be close to meaningless. When the debate opens, Ray wanted to see it conducted in parallel with what a resource reduction target could look like. He further asked what the Circularity Index looked like. Ray explained that alongside all of this there must be a serious conversation about implementation details, such as whether there should be statutory reporting requirements for business in relation to scope three.

Maurice Golden explained the need to look at consciously disrupting the current way of working to meet circular economy goals. He noted that much is already possible without legislation, but hoped that the CE Bill would be bold, saying that in a climate emergency we could not tinker around the edges. Maurice went on to note that we needed the detail and the targets.

Katy said she agreed with Ray, in a personal capacity, in that what gets measured gets done.

Maurice Golden then asked the panel for their reflections on the impact on individuals and businesses if reduction targets are met.

Ray Georgeson responded that we had to start thinking beyond the confines of products and materials. That we should open conversations with citizens on the future quality of life. For example, more accessible public transport, increased active travel, decommissioning and the energy transition. He said we should start building a picture of a different society that will feel cleaner and more comfortable and more energising for many people. Ray went on to discuss the ideas behind the 15–20-minute neighbourhood and said we should build a better vision together.

Sophia Kratz agreed on the need to create a better vision with positive narratives. She wanted people to think about material and quality consumption and said that we need a political framework that meant companies supported the possibilities to consume that way. She explained this is what is missing in the Austrian strategy: societal considerations and a just transition. She noted that not everyone has time and money to think about consumption.

Rob Snaith said that circularity and sustainability should always be mentioned in parallel with social responsibility – noting the similarity to Ray's point earlier in the evening about how the circular economy needs to be part of *all* policy discussions rather than just directly obvious areas. Rob went on to say that there may even be a case of leading with social responsibility – achieved through sustainability – and that this could be a more engaging message for sectors of business or society who aren't automatically on board with the environmental message.

Jake Simms noted the significant need for raising awareness of issues around the impact of transition minerals. He further noted that public procurement is where higher standards can be driven and that there was a need to tackle the power of mining companies across the world. He went on to say that on a domestic level public procurement was the way to have impact. He explained that regarding individual metals and minerals some of the extraction was closely tied to renewable technology, such as cobalt for batteries. However, Jake then spoke about looking at steel, copper and other metals and minerals, they have lots of different end uses – including military end use – and there was not the same imperative for an increase in demand for these metals. He said there was a need to zone in on each one to think where increased demand comes from and to look at the unnecessary use of minerals, such as with disposable vapes.

Maurice Golden mentioned that Laura Young was on the call and that she had been campaigning for a ban on disposable vapes.

Michael Lenaghan said that only when businesses switch to real LCA data for scope three emissions will they see the benefits in reduced consumption in their business model and unlock the benefits of the circular economy. He said there was a need to stop talking and 'do it' when it comes to other components, such as circular procurement. Michael then mentioned white goods – saying that we must show service pricing to compare them on a like for like basis, so consumers could make more circular choices with better value for their money. He also said there should be comprehensive carbon pricing for all carbon wherever it was emitted. That solutions should be costed with the carbon cost on all carbon emissions, so the right solutions were economically viable. Consumers could then choose and live well. Finally, Michael mentioned disposable vapes and said he was glad they were getting attention. He said that we were living under the idea that freedom of consumption was a right and that we needed sensible legislation to ban stupid products.

Rob Snaith said we were already seeing an increase in businesses interested in *social* LCAs – looking at lifecycle impacts beyond pure carbon and environmental indicators.

Katy said that she completely agreed about circular public procurement and thought it was nationally driven, so change would need to be driven from/by the centre. She thought this would receive support though.

Paul Smith asked Jake about bolstering administrative structures in the developing world to improve material recovery from electronics.

Jake Simms replied that the most effective way to tackle some of these issues was to better regulate large corporations. That many companies are listed in the UK, and we had influence and an opportunity to act.

Ray Georgeson noted that he was leading urgent policy review work on disposable vapes and was happy to speak with anyone interested. Ray explained that because of the urgency of the task a contractor would be appointed to assist.

Maurice Golden thanked everyone for coming and the speakers for their presentations and contributions. He noted how public procurement was a recurring theme over the evening and that there was a need for big thinking on incentivising finance to enable the business models we want to see that would facilitate a circular economy.

Maurice Golden issued a final reminder for the in-person meeting taking place on the 19th of April in the Scottish Parliament.

The meeting was concluded.

Enjoy reducing your consumption!