

Briefing paper on the Circular Economy Bill

September 2023



The Circular Economy Bill was introduced to the Scottish Parliament in June 2023. This must be as strong as possible if Scotland is to meet its climate change goals and transform its economy to ensure materials are used more sustainably and fairly.

What is a circular economy?

Our current economic system encourages increasing consumption of goods and services. The more we buy, the more materials are taken from nature and the greater the impact on people and the planet. Material consumption has passed sustainable limits¹ but this can't go on forever.

In a circular economy, materials are properly valued, reused and recycled, which reduces material consumption. But it's not just about asking people to buy fewer goods and recycle more; creating a circular economy requires system change for every economic sector. Crucially, businesses must be made to take responsibility for the global material impact of their products.

Why does Scotland need a circular economy?

In Scotland, we used 19 tonnes of materials per person in 2018.² That's more than twice the sustainable limit – experts believe everyone can live a sustainable, high-quality lifestyle on eight tonnes of materials per year.³ More materials means a higher carbon footprint too. The Scottish carbon footprint was 13 tonnes per person per year, which is 22% higher than the UK average.⁴

Over-consumption caused by corporate greed and the wealthy few is causing much social and environmental injustice across the globe; from toxic mining practices, to the cruelty of sweat shops and the dumping of waste in the Global South and our oceans.⁵ Government must take action on such businesses and force them to change the way they design products and use materials.

High carbon activities, and the jobs associated with them, are often offshored rather than investing in green solutions in Scotland. For example, when Ravenscraig steel mill closed in 1992, millions of tonnes of carbon were wiped off Scotland's carbon balance sheets.⁶ But Scotland's demand for steel continues to grow, increasing imports which may be more carbon intensive than the original Scottish products.

What needs to change?

The Circular Economy Bill is a chance for Scotland to take responsibility for our global environmental impacts and to invest in green economic activities with low material requirements in Scotland. In particular, the following changes are required:

1. Greatly strengthen and clarify the provision for circular economy targets so that they are mandatory and specifically include **carbon and material-based consumption reduction targets**;
2. Align the circular economy strategy with domestic just transition principles and global just transition goals to **'do no harm'**;
3. Ensure monitoring and reporting mechanisms are fit for purpose, in particular, put in place the required **independent expert scrutiny** of progress;

¹ Hickel and Kallis (2020) [Is Green Growth Possible?](#)

² Zero Waste Scotland (2022) [Scotland's Material Flow Accounts 2018](#)

³ For example, Lettenmeier et al. (2014) [Eight Tons of Material Footprint—Suggestion for a Resource Cap for Household Consumption in Finland](#)

⁴ [Scottish](#) and [UK](#) government carbon footprint data, ONS [population stats](#)

⁵ For example, Friends of the Earth Europe (2021) [The Green Mining Myth](#)

⁶ Scottish Government (2012) [Scottish greenhouse gas emissions 2010](#)

Consumption reduction targets

Unlike Scotland's existing climate targets, consumption reduction targets include the impact of imports, as well as domestic activity. They can be measured in carbon emissions or materials using data already published annually. In 2019, 58% of Scotland's carbon footprint came from imports. In its latest report to the Scottish Parliament, the Climate Change Committee highlighted that Scotland's consumption emissions rose by 3% in 2018.⁷ Consumption reduction targets are required to reverse this trend and ensure Scotland reduces its global impacts, as well as its domestic ones.

When the Scottish Government consulted on the Circular Economy Bill in 2022, 86% of responders supported consumption reduction targets.⁸ Internationally, there is growing support for this approach - the Netherlands has set a target to become fully circular by 2050.⁹ In 2021, the European Parliament voted to create binding, science-based targets for material use and consumption footprint¹⁰ and in 2022 Sweden voted to introduce carbon consumption reduction targets.¹¹

The optional circular economy targets in the Circular Economy Bill must be strengthened to mandatory consumption reduction targets, based on the following:

Carbon-based, statutory consumption reduction targets

Scotland should adopt a target to reduce its global carbon footprint to net zero by 2045, with an interim target of 75% by 2030, based on 1998 levels, with annual targets towards these goals.

Material-based, statutory consumption reduction targets

Scotland should adopt a target to reduce its material consumption to 8 tonnes per person per year by 2045 (57% reduction), with an interim target of 13 tonnes per person per year (30% reduction) by 2030, based on 2017 levels, with regular progress reports towards these goals.

Just transition principles

From retail workers to waste collectors and communities affected by oil and gas decommissioning, the way we use materials affects everyone in Scotland. Creating a circular economy means significant changes across the whole economy. It is also an opportunity to create new decent green jobs in Scotland, if correctly managed and funded. However, the Bill does not mention just transition. Workers and communities must be included in the Bill by requiring Ministers to incorporate the just transition principles of Scotland's Climate Change Act into the circular economy strategy.

Scottish consumption currently results in serious and extensive harm to people and communities across the world. The Just Transition Commission calls for a principle of 'do no harm' as a strategic priority. This must be included in the strategy requirements in the Circular Economy Bill.

Monitoring and reporting requirements

The same approach developed to meet Scotland's climate change goals should be used as a framework for delivering a circular economy, including: targets linking to an overarching strategy; sector level plans to meet the strategy; mechanisms for reporting and scrutiny; and provision for independent advice and review. The circular economy targets should be independently monitored by a body which has the authority and resources to do so, and the Bill amended to allow for this.

Friends of the Earth Scotland are also calling for:

- Strengthen the proposed recycling targets for local authorities, for example, by creating certainty over the target date of 2030.
- More measures which reduce demand for materials, including: powers to expand Scotland's Extended Producer Responsibility (EPR) Schemes; mandatory scope 3 emissions reporting; and public body duties on procurement.
- Bans on environmentally damaging products including single use vapes and artificial grass.

⁷ Climate Change Committee (2022) [Progress in reducing emissions in Scotland, 2022 report to Parliament](#), page 18

⁸ Scottish Government (2022) [Circular economy bill Consultation Analysis](#)

⁹ Dutch Government (2021) [Circular Dutch economy by 2050](#)

¹⁰ European Parliament News 27.01.21, [Circular Economy: MEPs call for tighter EU consumption and recycling rules](#), last accessed on 30.05.23

¹¹ Balken Green Energy News (2022) [Sweden introduces imported goods emissions in country's climate targets](#)