22nd August 2022

Via Email to: circulareconomy@gov.scot

GS1 UK Response to: Delivering Scotland's circular economy - proposed Circular Economy Bill

GS1 UK is one of 116 politically neutral, not-for-profit GS1 organisations. Since 1969 our standards have formed the backbone of the global business language that identifies, captures, and shares key data on products around the world seamlessly and without friction – the best known of these standards being the barcode.

This means that from product barcodes to patient wristbands, our standards have the power to deliver change now and in the future, making a real difference to businesses and wider society.

We welcome the opportunity to respond to this consultation. Improving recycling and waste collection is a critical challenge being faced globally, and we are pleased to see the Scottish Government driving the change towards creating a circular economy. Whilst there are a number of central challenges that must be met, we believe that there are two core pillars where GS1 standards can help

1. Informing and protecting the consumer

Our research shows that a third of UK citizens believe a key barrier to recycling is lack of knowledge, citing confusing around knowing what can and can’t be recycled, and as a result 16 per cent simply don’t bother recycling. Governments around the world must engage with the public and bring them on the journey towards a circular economy, as the best scheme in the world is redundant if it is not clearly accessible to consumers.

2. Enabling high quality data collection so that targets can be measured, analysed and met

Additionally local authorities will have a critical role to play in managing waste collection strategies from not just households, but also business districts. This complex logistical operation can often lead to disjoined approaches and incomparable data between authorities. Introducing GS1 standards harmonises data across authorities, regardless of individual waste strategy. This allows
information to be shared across authorities and to Scottish Government, giving us a better understanding of our waste performance and strategy.

We trust that you find out comments below helpful.

If you have any additional questions or queries, please contact our Head of Policy using the details at the end of this document.

Kind regards,
Kerry Morrison,
Head of Retail,
GS1 UK
Q1 & 2: Do you agree there should be a duty on Scottish Ministers to publish a Circular Economy Strategy every 5 years?

Yes, developing a ‘monitoring framework’ would allow for more holistic tracking of Scotland’s consumption levels and wider measures of circularity (e.g. reuse, recycling and disposal) whilst ensuring that the wider social, economic and environmental impacts (such as biodiversity and land use impacts) are taken into account.

We propose taking powers to set statutory circular economy targets through secondary regulations. We believe that there is merit in developing statutory targets to tackle consumption reduction as well as other aspects of the circular economy, including reuse, to create a focus for action and maintain alignment with the direction of EU policy.

Q3 & 4: Do you think we should take enabling powers to set statutory targets in relation to the circular economy?

We agree, however any targets set must be measured and reported using accurate data. For over 50 years GS1 has been enabling a variety of industries to answer these types challenges on a global scale.

We do this through the application of open, interoperable data standards that are essential in the monitoring of circular economy programs, i.e. reduce, reuse and dispose correctly. GS1 standards, widely used by the industry, can ensure statutory targets are achieved, and enable monitoring and evaluation throughout.
Our product identifiers (barcodes, QR codes, etc.) and global data model, built by industry, ensure unique traceability throughout the supply chain and waste flows. This allows organisations and governments to seamlessly share data in the same language, regardless of the technology provider chosen. This enables accurate, trusted and accessible information to be shared across parties, ensure that targets are met, and conduct through analysis and evaluation.

**Q14: The previous consultation showed broad support for the proposal that Scottish Ministers should have the power to require mandatory public reporting of unwanted surplus stock and waste. Is there any new context or evidence that should be taken into account in relation this proposal?**

Yes, GS1 standards should be the clear mechanic for capturing the quality data needed to make wastage visible and allow action to be taken. GS1 standards can enable this, through a variety of identify, capture, share tools such as traditional barcodes and QR codes on pack, as well as product information management around product/packaging information and material attribution.

The most widely used standard for this is the GTIN (Global Trade Item Number), captures this essential product information. It is found on most products sold in the UK, and it uniquely identify its associated item, reducing the risk of counterfeit products or non-unique information. In addition, a GTIN can be expanded to include additional product identifiers, for example batch and lot information, as well as expiry dates and many others, which are useful in the context of circular economy, food composition and waste.

Additionally the introduction of 2D barcodes enables endless opportunities in traceability and data management and support consumer awareness, and location based standards such as GLN (Global Location Numbers) will allow for the pinpointing of key locations along the supply chain. Our work in healthcare has demonstrated that GLN and GTIN in combination can deliver traceability and cost efficiency at scale across complex supply chains.

**Q15: The previous consultation showed broad support for the proposal that food waste should be a priority for regulations. Is there any new context or evidence that should be taken into account in relation this proposal?**

Yes, the GS1 GTIN (Global Trade Item Number, widely used by the industry) could quite effectively allow businesses to report on food waste, for example unsold
goods. Whilst this application would start at an earlier stage for the wholesale industry, GS1 UK has engaged with the FWD and FSA, and have published an initial report together on the need for data standards in the industry. Collaboration is key in this topic, and GS1 UK has an extensive track record in enabling non-competitive conversations and industry-led collaboration on pressing traceability topics.

Q16: Are there other waste streams that should be prioritised?

Whilst the Scottish Government may wish to introduce other waste streams in the future, our open interoperable standards easily adapt to capture the lifecycle of any product, thus futureproofing the evolution of the circular economy.

Q17: The previous consultation showed broad support for the proposal that Scottish Ministers should have powers to place additional requirements on local authorities in order to increase rates and quality of household recycling. Is there any new context or evidence that should be taken into account in relation to the proposal?

Again, as these powers evolve over time, ensuring that the are underpinned by our open interoperable data standards will remain critical. Having clear and consistent data reporting across authorities will allow for the full evaluation and performance monitoring across Scotland and allow Scottish governments a greater level of insight to advance policy making.

Q20, 21 & 22: Do you agree that Scottish Ministers should have the power to introduce statutory recycling targets for local authorities & should Scottish Ministers have the power to introduce and set financial incentives for local authorities to meet these targets, or penalties should these targets not be met?
If ministers are to have power to set targets and incentives, these must be based on robust data. GS1 standards can be used to collect, analyse and understand the data throughout waste streams supply chains, underpin a measurement framework with associated targets and then ensure that progress against targets can be measured effectively.

Q27 & 28: Are there any other legislative measures that you consider Scottish Government should take to strengthen recycling and reuse at a household level, helping accelerate the rate and quality of household recycling in Scotland?

Communication and ease of access to information if critical for the general public. Our research shows that 33% of UK citizens believe a key barrier to recycling is lack of knowledge, knowing what can and can’t be recycled. For example, ‘Check local recycling’ is an unhelpful label for consumers, and often results in recyclable products being placed in general waste. Our data shows that consumers simplicity is key for adoption (eg a standardised approach across local authorities). Governments should aim towards an integrated waste strategy to drive simplicity. Education, simplification and information is key for consumer adoption at scale.

Instead, GS1 standards, for example QR code with embedded product identification and GLNs (Global Location Numbers) can support real-time label scans that are location-dependent, giving customers clear and precise local recycling information.

Q29: Do you agree with the principle of Scottish Ministers, and local authorities if appropriate, taking on the necessary powers to explore and trial commercial waste zoning approaches in Scotland?

There is a real danger introducing different contractors in different zones could lead to incomparable data sets across zones. This means that local authorities cannot compare KPIs between different service provider and benchmark value for money.
Public procurement processes for waste collection should mandate the use of open standards. Standards can be used to provide consistent comparisons across zones and consistent (interoperability) in data between suppliers. This ensures that Scottish government at both a national level and a local level have a clear and consistent view of like-for-like data and can make comparisons accordingly across local authorities and the nation as a whole. GS1 UK open standards can provide consistent reporting across zones regardless of how the zones are cut.

Q35: Taking into account the accompanying BRIA, do you think that the proposals contained in this consultation are likely to increase or reduce the costs and burdens placed on any business or sector?

GS1 standards are already being used in all aspects of retail trading so there would be minimal additional costs and disruption if our standards were part of this solution. As retailers and businesses are already familiar with our standards will be minimal impact on time resources for businesses.

Q39: Do you think that the proposals contained in this consultation are likely to have an impact on the environment?

Yes, and by making the data visible we inform consumers to enable them to make the right decisions to fuel the system. The best scheme in the world is redundant if it is not clearly accessible: Key to any scheme is quality information for consumers at point of action for them to make the right decisions.

GS1 standards can improve quantity and quality of recycled materials, increasing the amount that can be recycled through the correct identification of the waste materials.

GS1 Standards are already being piloted in Wales for waste tracking and sorting, through industry collaboration, local authority support and technology. This can simplify compliance and incentivise businesses to take ownership of their waste-reducing actions, resulting in targets being achievement. This will also reduce the possibility of fraud or reporting mistakes.
We hope that you have found our comments helpful. If you have any further questions, please do get in touch using the details below.

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