

Huw Irranca-Davies AS/MS  
Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet  
dros Newid Hinsawdd a Materion Gwledig  
Deputy First Minister and Cabinet Secretary for  
Climate Change and Rural Affairs



Llywodraeth Cymru  
Welsh Government

Your ref - 250725 Chair to DFM DRS  
Our ref - MA/HIDCC/1911/25

Llŷr Gruffydd MS,  
Chair  
Climate Change, Environment and Infrastructure Committee

18 August 2025

Dear Llŷr,

I am writing in response to your letter of 25 July in order to address the further questions that you posed. I have addressed each in turn below.

1. You have said that the decision to change the scope and timescale of the Welsh DRS was taken in response to industry concerns around the added complexity and cost of misaligning the Welsh DRS scope and introduction timescale with other UK nations. Did you consult with industry before making the original decision to misalign last November? If so, were these concerns raised with you at the time?

There is no change to the scope of the Welsh DRS which remains in line with that previously consulted upon. In relation to the timescales, as I set out in my written statement of November 2024:

*“In partnership with the UK and Devolved Governments, we have been working to initiate a joint process to appoint the Deposit Management Organisation (DMO) for our respective schemes. However, in the time available, it was not possible to resolve the issues arising from the operation of devolution under the United Kingdom Internal Market Act 2020. This unfortunately meant that we were unable to proceed with the joint process or notify the WTO in relation to the scheme at that point.”*

Throughout the development of the Welsh DRS, there has been ongoing and regular engagement with industry stakeholders, including in the lead-up to the November 2024 statement.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

Furthermore, as I outlined in my committee response in June:

*The Welsh Government withdrew from being part of the appointment process to select a Deposit Management Organisation for each scheme, but our Deposit Return Schemes were and still are legally separate. A common UK-wide approach to DRS existed only up until the point the previous UK Government diverged from the collectively agreed scope.*

*The competence to bring forward a Deposit Return Scheme is fully devolved and in line with the principles of devolution, it should be for the Government of Wales to bring forward proposals to the Senedd on a DRS which delivers for Wales, noting that this was not an issue under the EU's framework prior to Brexit. In the case of DRS, whilst we have a shared long term objective, it is clear that the different nations of the UK are at different stages of their journey towards it. As Wales is second in the world for recycling it means that for a DRS to be effective in a Welsh context it must deliver benefit over and above our current performance, which necessitates a broad 'all-in' scheme, which was the overwhelmingly endorsed outcome of the consultation, alongside a clear pathway to reuse. The UK Government exercised their devolved right to tailor the scheme to the context in England - where a narrower, more limited recycling only scheme can still deliver improvement – but that should not be a justification to enforce a direction upon Wales which does not deliver in a Welsh context.*

2. You say that you will “accelerate our implementation timetable to align with the rest of the UK, which would provide for interoperability between common materials”. Do you therefore expect a Welsh DRS to commence by October 2027?

Yes, the Welsh Government is now working to align the implementation timetable with the rest of the UK, which is targeting a go-live date of October 2027. The alignment in timescale will support interoperability, reduce complexity for producers and retailers, and support a more efficient and effective rollout.

3. Do you intend to introduce DRS Regulations, as has been the case in Scotland, England, and Northern Ireland? If so, when do you expect to do this?

Yes, regulations will be needed to underpin the operation of the Welsh DRS. As is the case with the other UK nations, the regulations will establish the legal basis for the scheme, including obligations on producers, retailers, and the Deposit Management Organisation. To achieve this, the regulations will need to be laid in sufficient time to allow for their consideration within the available Senedd timetable before the end of the current term.

4. In terms of materials and processes (i.e. recycling or reuse), what will be the initial scope of the Welsh DRS?

The scope remains unchanged in covering PET plastic, steel, aluminium, and glass and the scheme is being designed to support both recycling and reuse. As reusable containers are not yet widely used in the UK, a phased approach will be taken to the introduction of reuse.

5. Do you intend for the Welsh DRS be overseen by the UK Deposit Management Organisation Limited, which has been approved to run the DRSs in England, Northern Ireland, and Scotland?

The Welsh Government intends to run a fair and open application process for the appointment of a Deposit Management Organisation (DMO) to operate the scheme in Wales. While the UK DMO Limited has been appointed to run the DRS in Northern Ireland, Scotland, and England, its role in Wales will depend on the outcome of an open competitive process.

6. You have said “Glass remains in scope of our scheme”. Can you clarify whether glass will form part of the Welsh DRS when it is introduced? If not, when do you expect to expand the Welsh DRS to include glass?

Yes, glass will be included in the Welsh Deposit Return Scheme (DRS) from day one. An all in scheme, in line with the recommendations of the Senedd cross party group on litter, will maximise the ability for the DRS to deliver recycling improvement against our already high baseline levels whilst ensuring that the scheme can support the roll-out of reuse. In doing so it will improve resource efficiency, deliver emissions savings, , tackle litter, create green growth opportunities and align with the overwhelming outcome of the previous consultations and therefore deliver on the public expectations.

7. In its response to the Review of the UK Internal Market Act 2020 and public consultation, the UK Government has said environmental protection impacts/benefits (and public health impacts/benefits) will in future be considered alongside economic factors for a proposed exclusion from the Act. Does this affect the Welsh Government’s position not to seek an exclusion for the Welsh DRS, including glass?

The Welsh Government welcomes the UK Government’s indication that environmental and public health considerations will be taken into account in future exclusion decisions. We will work together with the UK Government and other devolved governments to support further clarification and implementation of their proposed changes and what these might mean for affected policy areas.

8. Your written statement says, “industry have highlighted the need for a phased approach within which there would be no requirement to have different labelling and no fraud risk”. What are the practical impacts of this on your ambitions for a DRS that goes beyond the scope of that outlined by the other UK nations? Is it therefore impossible for Wales to misalign by going beyond the ambition of the rest of the UK?

The position that there are different DRS scopes within the UK is not a situation of the Welsh Government’s making, as it is a consequence of the previous UK Government’s decision to diverge away from a collectively agreed approach that worked for the whole of the UK. The Welsh Government has however taken seriously the risks raised by industry in relation to the potential unintended consequences that could arise. We have therefore engaged intensively with industry to look at those risks which are particularly acute in a scenario where there is a gap between the introduction of the respective schemes. By aligning the timescales, it immediately addresses the position for the materials common to all schemes and by taking a phased approach during which there is no need for different labelling and measures to prevent fraud, it ensures interoperability for those materials in scope in Wales but currently outside the schemes in the rest of the UK. In doing so this ensures that glass remains in scope, which in turn supports the roll-out of reuse for all materials and does not limit Wales’ ability to pursue a more ambitious Scheme. This approach strikes an important balance in avoiding unintended impacts for producers and retailers, while enabling Wales to continue its leadership and take forward a scheme which can deliver in Wales to the benefit of the whole of the UK.

Yours sincerely,

A handwritten signature in black ink, consisting of several fluid, overlapping strokes that form a stylized representation of the name.

**Huw Irranca-Davies AS/MS**

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