



4.7. Scotland: Coca-Cola's U-turn

In Scotland - the first UK country to implement such a system - a DRS will come into force in July 2022, after a delay of over a year due to the Covid-19 pandemic.¹ The plan was finally announced in 2017, but the idea has been mooted since the very first session of the Scottish parliament over 20 years ago, and has gained traction since then.² While Scotland turned out to be a success story, as DRS got the green light to go ahead, it is also a case study of delay - and a case study for Coca-Cola's and retailers' lobbying against progressive legislation.

The breakthrough for DRS in Scotland came in 2017, when Coca-Cola changed its opposing position, following weeks of negative press after a leaked internal document showed the company perceived legislation for refill quotas and DRS to be risks warranting 'fight back'.³ The Greenpeace investigation also revealed years of behind-the-scenes lobbying by the drinks giant, which spent close to \$1 million lobbying the EU Commission, and (alongside industry association Packaging Recycling Group Scotland) met frequently with senior government officials to assure deposit systems would be off the table in future policy considerations.⁴



Public policy risk matrix & lobby focus

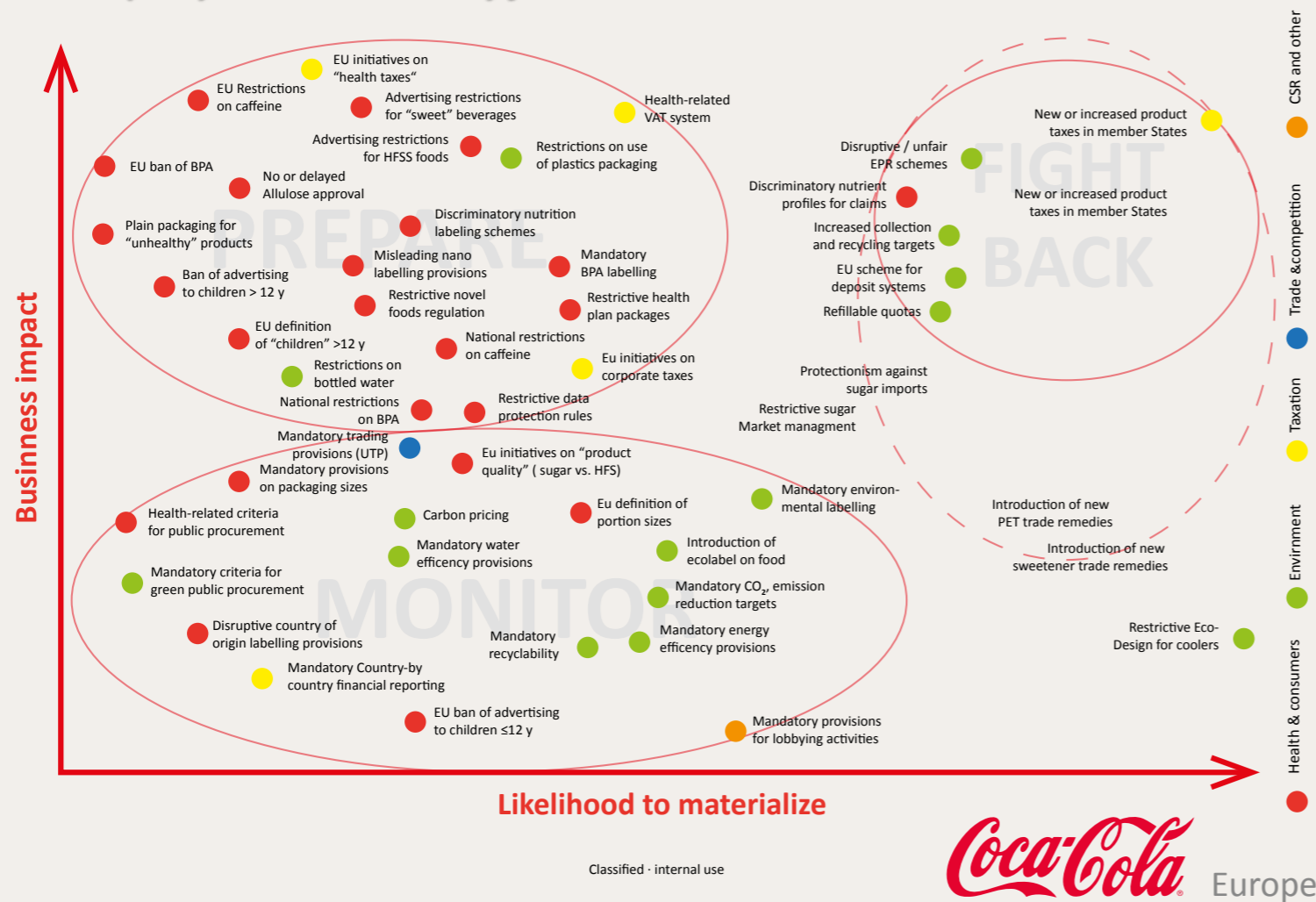


Figure 4.6: A leaked document showing Coca-Cola's intention to fight back against deposit systems in Europe Source: Coca-Cola Europe⁵

Other FMCG companies also applied direct and indirect political pressure by co-opting civil society groups, creating a greater perceived plurality of dissenting voices. Keep Scotland Beautiful (KSB), an environmental NGO active in many areas of Scottish policy, receives funding from corporate supporters - including Coca-Cola.⁶ KSB took a sceptical position on DRS, citing similar arguments to industry, namely that the system would be costly but wouldn't significantly reduce litter levels.⁷ Opponents to DRS - such as Packaging Recycling Group Scotland and Coca-Cola - cited litter-count surveys, conducted by KSB and commissioned by the Industry Council for Packaging & the Environment (whose members include Coca-Cola, Danone, Diageo, Dow, Nestlé and Unilever), despite those surveys' simplistic counting methodology.⁸ Following Coca-Cola's U-turn in February 2017 (the company now backs a 'well-designed deposit scheme'),⁹ KSB released an opinion piece (since deleted) stating DRS was 'a step forward' and could make a 'positive difference' in addressing litter in Scotland.¹⁰

While many hurdles remain for fully implementing the system, the Scottish example demonstrates the determination of industry actors to derail or delay progressive plastic legislation by lobbying, funding diverse voices from NGOs (and influencing their positions), and commissioning studies claiming systems like DRS are costly and/or unfeasible - all to protect business as usual. While beverage companies such as Coca-Cola eventually caved to pressure on DRS in Europe, its policy is not global, begging the question of where else they're working behind closed doors to prevent progress on plastic pollution. Scotland also demonstrates how the industry will continue to look for opportunities to water down or undermine legislation, even into the eleventh hour, with many retailers recently using the Covid-19 pandemic to attempt to derail DRS on economic and sanitation arguments.¹¹

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