Promoting Responsible Community Retailing Since 1918



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Scottish Grocers' Federation

Lorna Slater MSP Minister for Green Skills, Circular Economy and Biodiversity The Scottish Government St. Andrews House Regent Road Edinburgh EH1 3DG

Sent by E-mail: MinisterGSCEB@gov.scot

14th July 2023

Dear Minister,

Impact of Circular Economy Proposals on Scotland's Convenience Sector

As you know, the convenience sector provides an essential service to many communities in Scotland as a vital economic multiplier and important source of local employment.

There are 5,098 convenience stores in Scotland, which includes all the major symbol groups, coops, and convenience multiples in Scotland. SGF promotes responsible community retailing and works with key stakeholders to encourage a greater understanding of the contribution convenience retailers make to Scotland's communities. In total, convenience stores provide over 49,000 jobs in Scotland.

Convenience stores trade across all locations in Scotland, providing a core grocery offer and expanding range of services in response to changing consumer demands close to where people live. The valued services provided by local shops include mobile phone top-up (83%), bill payment services (78%), cashback (70%), free to use cash machines (49%) and branches of the Post Office network (27%).

However, many stores are facing an extremely challenging trading environment. As well as contending with their own pressures such as cost-of-living crisis, retailers are still trying to cope with exceptionally high energy costs, stubbornly high inflation and food inflation, higher interest rates and continued supply chain disruption.

I appreciate your continued engagement with SGF, however, as we have previously discussed, the burden of further regulation from government, across a range of issues, is also impacting on business viability.

The recently published Circular Economy (Scotland) Bill will give Ministers powers to increase that burden further. With potential measures, such as charges on single-use items such as coffee cups and a complete ban the disposal of unsold consumer goods.











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While SGF warmly welcomes the aim of protecting our natural environment, we also recognise that local retail businesses are vital to their communities and to their local economies.

We believe the best way to deliver on our nations environmental targets is for the Scottish Government to collaborate and listen to the concerns of stakeholders and sectors critical to the Scottish Economy. Working in partnership to deliver our aims wherever possible and limiting the need for further regulation and restrictions to a minimum.

I hope you find this information useful and, as always, I would be happy to discuss these issues further.

I look forward to your response.

Yours sincerely,

Dr Pete Cheema OBE

Chief Executive - Scottish Grocers' Federation

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