A Circular Economy Strategy for Scotland

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Scottish Government
Riaghaltas na h-Alba

Contents

Ministerial Foreword

Gillian Martin, Cabinet Secretary for Net Zero and Energy

In 2016 Scotland published its first Circular Economy Strategy, 'Making Things Last'. The strategy placed Scotland at the forefront of thinking in this field. Since then, Scotland has cut the amount of waste we produce and has decreased the amount we send to landfill to the lowest levels on record. We have introduced a ban on the manufacture and supply of certain single-use plastic items and we were the first country in the UK to commit to action to ban single-use vapes.

It is estimated that circular activity already contributes over £4 billion to Scotland's economy. To deliver our vision, we are determined that this figure will continue to grow. A robust and successful circular economy must be a central pillar in driving Scotland's innovation and growth towards a sustainable future.

A more circular economy provides an opportunity to strengthen our economy by opening up new business opportunities, improving productivity, saving money and insulating us from global supply chain shocks. I have seen for myself the improvements that a more circular economy can bring to local communities. There are initiatives all over Scotland which provide employment opportunities and save people and companies money by focusing on reuse and repair.

Reducing waste is not just an economic opportunity it is also part of being a responsible global citizen. We must ensure that the overall impact of our consumption as a nation does not exceed our fair share of what our planet can sustain. The world has changed significantly since 2016, we are in the midst of climate and nature emergencies and the world is fraught with greater geopolitical instability than ever. At a time where there is a vastly increased demand for critical materials we must use our resources ever more wisely and sustainably. The Circular Economy Strategy sets out our vision and outcomes for Scotland up to 2045, focusing on the policy mechanisms, priority sectors and products where we can have the most impact to shift Scotland's consumption patterns.

Together with the Climate Change Plan, the Environment Strategy and the Circular Economy and Waste Route Map, and underpinned by our landmark Circular Economy (Scotland) Act 2024, this Circular Economy Strategy sets out how we will build a more sustainable future with all the benefits that brings. I look forward to working with private, public and third sectors to deliver it together.

Executive Summary

The Scottish Government is committed to moving from a linear "take, make and dispose" economic model to a circular economy where materials and goods are valued and kept in use for as long as possible.

In line with the First Minister's priorities of growing the economy and tackling climate change, there is increasing evidence that transitioning to a more circular economy can drive sustainable growth, increase supply-chain resilience, create jobs and encourage innovation while tackling the twin crises of climate change and biodiversity loss.[1]

To be successful in driving that change we need to embrace the opportunities that embedding circular thinking can bring. A circular economy does not stand apart from the wider economy: we need to work with businesses, charities, the public sector and a broad coalition of stakeholders to make our whole economy circular and bring jobs and opportunities for the people of Scotland.

Scotland's economy is part of the global system of trade and industry. Working with the other nations of the UK and drawing on developments from the EU and globally will also be vital to ensure Scotland is best placed to take advantage of the benefits a more circular economy can bring.

The strategy takes a sector-led not material-led approach. By focusing on sectors and products we can best address the impacts of individual materials, such as plastics, critical materials and chemicals, across the supply chain as a whole.

Vision and Outcomes

This circular economy strategy sets out the rationale and benefits of a more circular economy within the wider economic framework and describes our overall vision to 2045 (below) and the outcomes that we are working towards.

"By 2045 Scotland will be a net zero and nature positive nation helped directly by the significant progress in transitioning towards a circular economy with sustainable levels of material use.

Scotland will have a thriving economy that meets societal needs and is based on circular economy principles, and we will have reduced the negative global impact of our production and consumption.

[1] PwC, Building a more productive and resilient UK through circularity (2025).

People, businesses and the public sector will have the skills and knowledge to benefit from opportunities arising from a circular economy and these will be fairly distributed across society."

The outcomes are based around four themes:

- **economy** - maximising economic value, security of supply chains and innovation;
- **environment** - sustainable resource use and environmental impacts;
- **international** – environmental and social costs on global communities of consumption in Scotland;
- **social** – benefits to communities, fairness and behaviour change.

Policy Mechanisms

Delivering change across policy areas is fundamental to the transition to a more circular economy. Building on our recent Circular Economy and Waste Route Map, the policy levers we are using to create a circular economy are:

- Business support
- Behaviour and systems change
- Place-based approaches
- Procurement
- Due diligence
- Skills and education
- Circular economy data
- Policy alignment

Priority Sectors

We have identified five priority sectors for action based on their potential contribution to reaching net zero, to reduce consumption and whole-life carbon, to maximise value and on their wider environmental impacts. These are:

- The Built Environment
- Energy Infrastructure
- Textiles
- Transport
- The Food System

Product Stewardship

Alongside these sectors, we also want to focus on tackling specific products based on their environmental and economic impact. Working with the other nations in the UK we will continue to prioritise packaging, waste electrical and electronic equipment

(WEEE), batteries, end-of-life vehicles (ELVs) and end-of-life fishing gear. In addition, we will prioritise textiles (clothing), mattresses and furniture. The products selected so far have been chosen due to their high carbon impact, associated local authority management costs, and their potential social benefit if reused.

Monitoring and Indicator Framework

This strategy sets out our first national-level monitoring and indicator framework specifically for the circular economy. It sets out how we will measure high level progress, taking into account a wide range of factors and influences.

1. Introduction - the benefit of change

A circular economy drives sustainable growth, competitiveness, innovation and jobs, and is vital to achieving our climate and environmental goals.

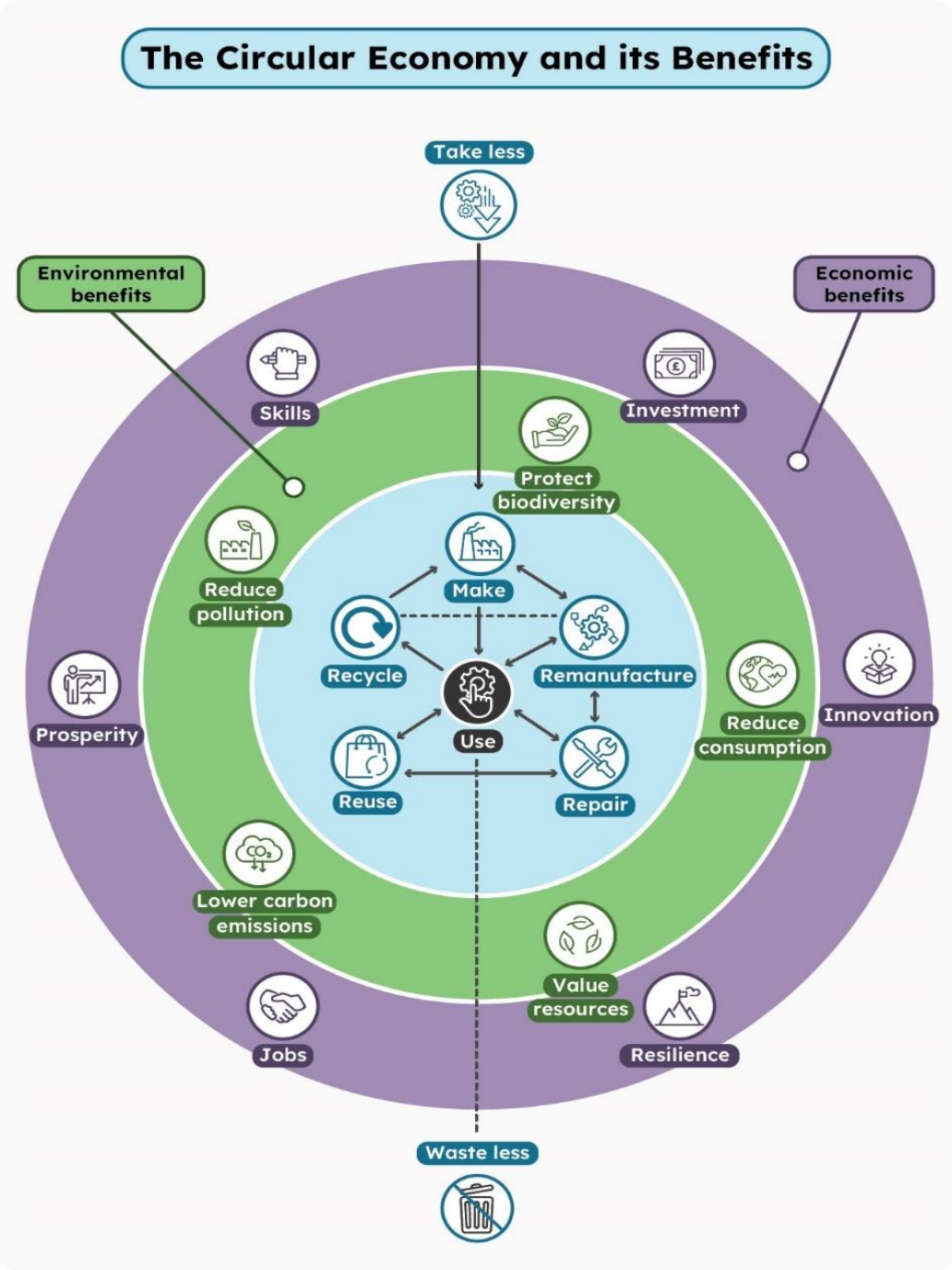
The Scottish Government is committed to delivering a circular approach to our economy, where we move from a "take, make and dispose" model to one where we value the materials we use. Economic models based on ever-increasing resource extraction and high carbon intensity are simply not sustainable. That is why embedding circularity within our economy is essential to ensure resilience and sustainability.

A more circular economy brings benefits at all levels (see figure 1). At a national level it can increase the resilience of our supply chains, promote innovation, create jobs, drive skills development, and ensure the country is well positioned to take advantage of key global macro-economic trends over the coming decades.

A circular economy benefits individual businesses by increasing efficiency, reducing costs, providing resilience to commodity price fluctuations, and responding to consumer demand. It strengthens communities by providing local employment opportunities, skills development and lower cost options to access the goods we need.

It is also fundamental to tackling climate change by reducing carbon impacts across the lifecycle of products, as well as other global challenges like biodiversity loss, waste, and pollution, by decoupling economic activity from the consumption of finite resources. Such a shift requires systemic change, where we reduce overall consumption and economic growth goes hand-in-hand with sustainable resource management.

Figure 1: A Circular Economy



For a circular economy to work effectively it needs to drive economic growth while aligning with the 'waste hierarchy'.[2] This sets out the optimal use for materials, starting with prevention (an alternative term for 'reducing' the use of materials), moving to reuse and then recycling, including energy and material recovery. It is only when we have exhausted all of the other alternatives that disposal through landfill should be used. A circular economy should always endeavour to keep materials in use as high up the waste hierarchy and for as long as possible and ultimately decouple economic activity from resource consumption. This strategy has been drafted having regard to the waste hierarchy (see figure 2).

Figure 2: The Waste Hierarchy

Further detail on the development of the strategy is included at appendix 1.

[2] Scottish Government, Scotland's Circular Economy and Waste Route Map to 2030 (2024), figure 1, p.12.

2. Vision and Outcomes

The vision and outcomes below are designed to provide clarity on the change we need to deliver a circular economy, and how that change will be demonstrated. The chapter on the Monitoring and Indicator Framework sets out how we will measure our progress towards achieving the outcomes, which will be delivered through the plans and priorities set out in the rest of the document and will build on the commitments already made in the Circular Economy and Waste Route Map.[3]

2.1 Our Vision

"By 2045 Scotland will be a net zero and nature positive nation helped directly by the significant progress in transitioning towards a circular economy, with sustainable levels of material use.

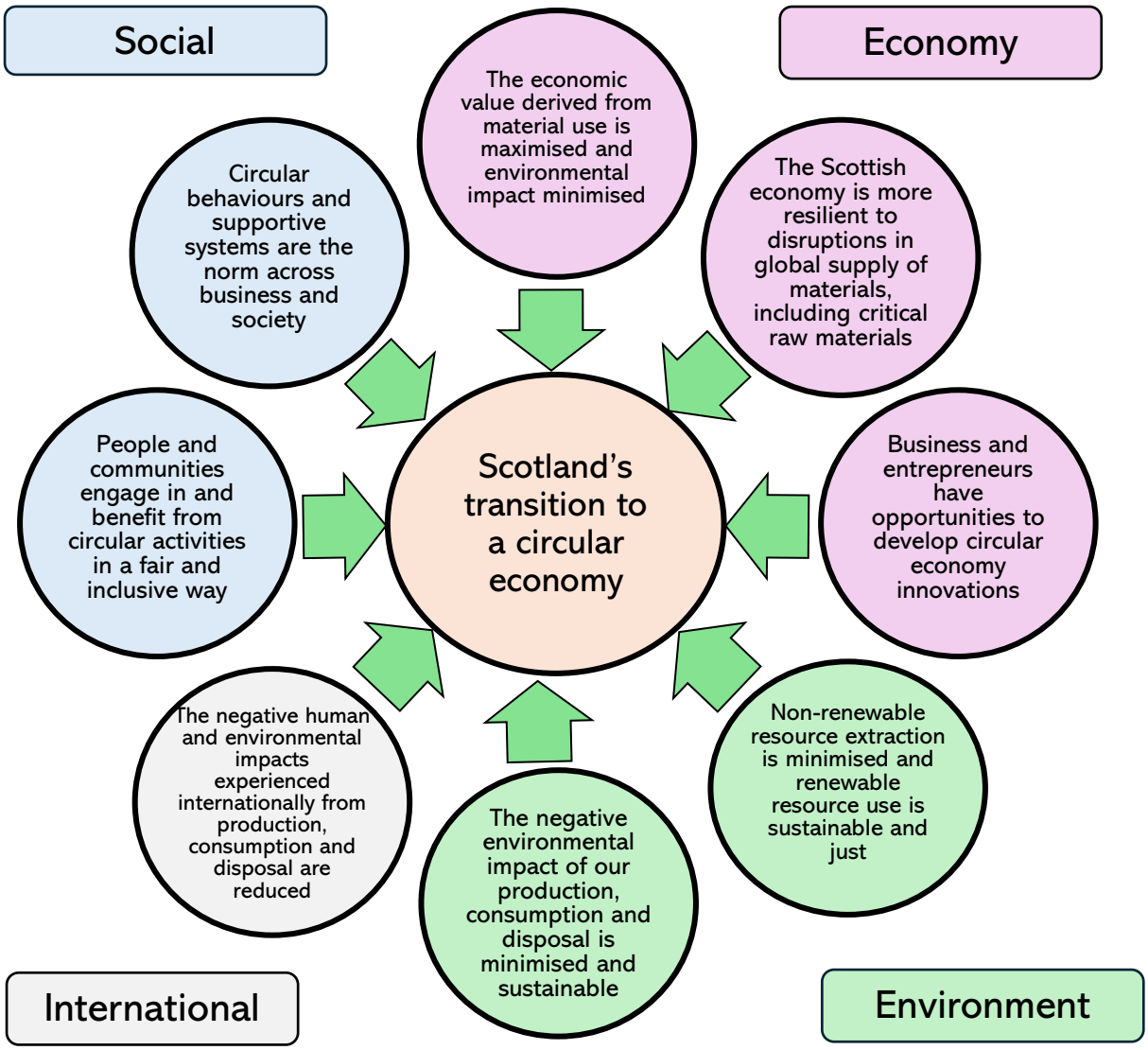
Scotland will have a thriving economy that meets societal needs and is based on circular economy principles, and we will have reduced the negative global impact of our production and consumption.

People, businesses and the public sector will have the skills and knowledge to benefit from opportunities arising from a circular economy and these will be fairly distributed across society."

The vision connects the circular economy to the wider policy landscape, such as the Circular Economy (Scotland) Act 2024, the Circular Economy and Waste Route Map, the Environment Strategy, the Scottish Biodiversity Strategy, the Climate Change Plan, Scotland's National Strategy for Economic Transformation, and captures the economic, environmental, international and social impacts that a circular economy brings.

[3] Scottish Government, Scotland's Circular Economy and Waste Route Map to 2030 (2024).

2.2 Our Outcomes



Economy

Circular economy sectors in Scotland generated an estimated £4 billion to Scotland's economy in 2021.[4] We will continue to build on this and, by 2045, will have a circular economy that drives innovation, investment, and the creation of new business models and jobs in line with our just transition to net zero. Companies adopt circular approaches and benefit from lower costs, higher productivity, efficient production, and stronger customer relationships. Our economy is both sustainable and beneficial to people, communities and the environment.

New value is created from materials that would previously have been considered waste, replacing the need for new material and creating new high-value jobs.

We will have reduced our dependency on raw materials, minimising global supply chain shocks and reducing our exposure to resource scarcity, particularly for critical raw materials, by strengthening local supply chains.

Environment

By 2045 we will have reduced demand for, and overall consumption of, virgin materials. Reducing demand for virgin material limits the impact of resource extraction on natural capital, which provides a range of valuable ecosystem services such as water purification or soil provisioning. Given Scotland's reliance on some imports, those impacts on ecosystems are often particularly keenly felt overseas.

We will recognise and value the importance of resources and have minimised our impact across the supply chain, from production, consumption and disposal of goods and materials.

A more circular economy will also play a critical role in delivering our climate goals, cutting the waste disposed in Scotland which reduces territorial emissions, tackling wider lifecycle emissions associated with the carbon impact of waste produced across all stages, and helping to reduce Scotland's carbon footprint which is associated with the goods and services we import.

Where resource extraction is still required, such as for critical materials, we will do so in the most circular way possible.

International

We will take responsibility for our ecological and social impact, recognising that our

[4] Zero Waste Scotland,https://www.zerowastescotland.org.uk/resources/state-circular-economy-report Circular Jobs Tracker Report (2026).

supply chains span the globe. While Scotland is a relatively small part of the global market, we know that Scotland's material footprint is unsustainably high and our carbon footprint, including emissions embedded in imported goods, is around 20% larger than our territorial emissions.

By reducing consumption and building a more circular economy we will play our part in reducing the negative impacts, for example, of mining and deforestation and the leakage of harmful material into the environment and oceans.

As part of this we will continue to work with the UK Government to push for a meaningful UN Global Plastics Treaty that tackles plastic pollution across its life cycle, and engage with them on their participation at the World Trade Organisation's Dialogue on Plastics Pollution.

We will also work with the other nations of the UK to consider strengthening controls around export of waste, which will help to reduce negative impacts from pollution on the environment, human rights and human health in other parts of the world.

Social

Our circular economy will be fair, inclusive and built on just transition principles, recognising that the demographic and geographic make-up of different areas may require different solutions and increased education and training. It strengthens our communities by providing local and sustainable employment, including both high-level and entry-level employment, access to lower cost goods, and cleaner, healthier communities with less litter. Increased reuse and repair strengthens local supply chains, lowers costs for households and improves local skills development.

Reduced littering improves the local environment for everyone to enjoy. Our social outcomes seek to capture the need for behaviour and systems change across business, the public sector, charities, communities and householders - promoting choices that enable a transition towards a more sustainable and resource-efficient economy.

3. Policy Mechanisms

Developing a circular economy requires action across multiple policy areas to deliver systemic change to how we produce, use and consume goods and materials. This section sets out the policy mechanisms we are using to take us there, building on the Circular Economy and Waste Route Map actions.

Delivering change across policy areas is fundamental to the transition to a more circular economy. The policy mechanisms we are using to create a circular economy are:

3.1 Business Support

Priority: Support to business to increase circular practices and business models

Influencing business behaviours, models and practices is vital. A more circular economy is a key mechanism for driving future sustainable economic growth, productivity and competitiveness. Zero Waste Scotland has launched a new Business Information Hub[5] as a home of guidance, best practice and tools. Zero Waste Scotland's business support services will continue to provide targeted support, such as accelerator grants, to the business community and work with strategic partners to build capacity including in both SMEs and larger businesses.

Our enterprise agencies - Scottish Enterprise (SE), Highlands and Islands Enterprise (HIE), and South of Scotland Enterprise (SOSE) - will continue to provide targeted support to help companies identify and capitalise on circular economy opportunities.

Circular principles are also at the heart of the National Manufacturing Institute for Scotland (NMIS), which supports start up and scale up activity both within Scotland and across the UK.[6] Additional collaborative activity such as the ReMake Value Retention Centre will work across industry and academia to maximise product value through circular innovation.[7]

3.2 Behaviour and Systems Change

Priority: Empower consumers and organisations to adopt circular behaviours

[5] Zero Wast Scotland, Business Information Hub.
[6] National Manufacturing Institute Scotland (NMIS).
[7] ReMake Value Retention Centre (RVRC).

Behaviour change underpins progress across all areas of this strategy and delivery of our Circular Economy and Waste Route Map. Evidence shows that many people want to reduce the carbon impact of the products that they buy but can struggle to move beyond low-impact changes.[8]

This is in part because behaviour change is dependent upon wider systems change. Systems change often involves an array of different interventions and policies – including regulation of businesses, infrastructure, and communications – with the intent of changing the wider system at all levels. In order to adopt circular economy lifestyles and actions, people must have the capability, opportunity and motivation to act. To enable these changes and address the barriers to action, the Scottish Government takes a systems thinking approach, including the development of priority sector roadmaps and through our Product Stewardship approach, which includes regulatory interventions.

While we all need to make changes, these changes must be supported by an enabling environment. Our Strategic Research Programme for waste and the circular economy will build our evidence base and inform the development of system and behaviour change approaches across policies, for the private, public and charity sectors.[9]

3.3 Place-based Approaches

Priority: Expand a place-based approach to the circular economy

A place-based approach to the circular economy recognises that the circumstances of communities in Scotland differ from place to place and require local solutions, including consideration of what our urban and rural areas need and how that might differ alongside a recognition of the different types of businesses and social enterprises in these areas. We will build on the place-based approach taken by Zero Waste Scotland, for example through its European-funded programme with regional Chambers of Commerce as well as its work to embed the Place Standard into its activities, and its partnerships with HIE and SOSE.[10]

We will continue to embed circular economy principles with local transformation programmes such as Project Willow at Grangemouth, an initiative shaping a low-carbon future for one of Scotland's most important industrial clusters that includes

[8] Consumer Scotland, Consumer perceptions of and engagement with the transition to net zero (2024).
[9] Scottish Government, Environment, natural resources and agriculture: strategic research 2022-2027: overview (updated 2024).
[10] For example, Glasgow Chamber of Commerce, Circular Glasgow; Edinburgh Chamber of Commerce, Circular Edinburgh; Circular Tayside.

industrial biotechnology, sustainable feedstocks, and closed-loop manufacturing systems.[11]

3.4 Procurement

Priority: Promote circular purchasing through procurement practices

Procurement is a high-value and high-volume activity within the public sector which spends more than £16 billion each year on buying goods, services and works. We will embed circularity into public sector procurement processes, helping to shift markets and mindsets, and build long term value chains that prioritise reuse, repair, and reduced material consumption, alongside an ongoing focus on human rights.

This includes considering new regulations to require purchasing goods with recycled content, recycled or reused products or future recyclable products informed by commissioned research. We will also develop guidance on enabling a circular approach to elements of facilities management in the public estate, for example lighting where products are retained, reused and remanufactured, extending their lifecycle. This also promotes energy efficiency, reducing both operational and lifecycle carbon.

The Scottish Government has developed and maintains a suite of online Sustainable Procurement Tools to support the Scottish public sector to adjust to more resource-efficient and sustainable procurement practice. The Tools contain Circular Procurement and Supply eLearning, guidance on how to minimise waste and make best use of resources through procurement, as well as a suite of procurement case studies from across the public sector.

Zero Waste Scotland will also continue to develop and promote circular procurement guidance for both the public and private sector (Circular Procurement | Zero Waste Scotland).

3.5 Due Diligence

Priority: Uphold the UN Guiding principles on Business and Human Rights

The Scottish Government is committed to the UN Guiding principles on Business and Human Rights. The principles make clear that businesses have a responsibility to ensure their activities do not have adverse impacts on human rights. Our human rights due diligence guidance sets out recommendations on how the Scottish Government, and its executive agencies and non-departmental public bodies, should

[11] Other examples include the Energy Transition Zone in Aberdeen, the Arrol Gibb Innovation Campus, and the Advanced Manufacturing Innovation District Scotland (AMIDS).

undertake appropriate due diligence on companies, including their human rights record, before entering into an investment relationship with them.

In terms of Procurement , the Scottish Procurement Policy Handbook provides guidance on the rules and policies that apply to the procurement activities of public bodies in Scotland, including with regards to human rights and climate change.

We expect companies that are awarded public contracts to: maintain high standards of business and professional conduct, respect human rights, adopt clear corporate policies on human rights appropriate to their business and the public contract, and take action which prevents, mitigates and, where appropriate, remediates actual or potential human rights abuses.

Public bodies have a legal obligation to exclude companies from a public procurement exercise if they have been convicted of any offence under part 1 of the Human Trafficking and Exploitation (Scotland) Act 2015 or under any provision referred to in the Schedule to that Act. Public bodies may also exclude a company which has breached any obligations in the fields of environmental, social or labour law.

We also engage with the UK Government on reserved issues, including opportunities for proportionate due diligence measures which can be a key mechanism for improving supply chain sustainability. The UK Government is currently undertaking a review of its approach to Responsible Business Conduct, and the Scottish Government will engage with it on this. We will also continue to work with the UK Government on its development of a National Baseline Assessment on the UN Guiding Principles on Business and Human Rights, which will inform the UK Government's approach to business and human rights abuses at home and abroad.

3.6 Skills and Education

Priority: Increase uptake of circular practices through improved skills and education

Skills and education are vital to increasing the uptake of circular practices. This is part of a wider shift needed for Scotland's just transition to a net zero, nature positive, circular economy that brings with it the opportunity for new and innovative green jobs.

We will work across government and with relevant stakeholders to ensure circular skills are embedded within the programme of reform for our education and skills system.

The themes associated with the Circular Economy Strategy have important links to Learning for Sustainability (LfS), which is an entitlement for all learners within Curriculum for Excellence. LfS enables learners, educators, settings and their wider communities to build a socially just and equitable society.

Our work on STEM education is central to our ambition to build a dynamic, skilled, and inclusive Scotland, where science and technology empower individuals and communities to thrive. STEM education and training is crucial to supporting circular practices.

Education Scotland is leading a systematic review of the Scottish curriculum to ensure that it remains up-to-date and relevant for children and young people and LfS, Science and Technologies are part of the curriculum review process. The timeline for curriculum and qualifications reforms is set out in the Scottish Government publication Curriculum, Qualifications and Assessment Reform – Progress to Date and Next Steps, published in June 2025.

It has been estimated that the circular economy employs 56,000 FTE workers in Scotland. To grow and maximise these, we need a greater understanding of the landscape in relation to provision of training, and gaps that may exist in terms of available training. As part of the monitoring and indicator framework, Zero Waste Scotland have published a Circular Jobs Tracker which gives greater insight into the opportunities available and being realised.[12]

3.7 Circular Economy Data

Priority: Improve circular economy data availability, quality, and granularity

Robust, transparent, and accessible data is essential to enable and scale the circular economy, and to monitor our progress. The packaging Extended Producer Responsibility (pEPR) scheme and the forthcoming UK-wide Digital Waste Tracking service will drive improved data availability. We will also identify key evidence gaps and areas for collaboration through the UK-wide Circular Economy Analytical Group.

Scotland generated 9.55 million tonnes of waste in 2023, a reduction of around 20% since 2011, of which 86% was managed in Scotland. Material reprocessing is a cornerstone of Scotland's transition to a circular economy and converting these waste materials into valuable new resources at their end of life not only opens up new economic opportunities but underpins our transition to net zero. The Waste Reprocessing Infrastructure in Scotland Report summarises the current, planned and proposed waste reprocessing infrastructure across Scotland, the key policies in

[12] Zero Waste Scotland, Circular Jobs Tracker Report (2026).

place to support the material value chain, and the main barriers and opportunities for its future development.

We will also work with other nations in the UK to understand how data developments at EU level might be applied in Scotland. This includes the Ecodesign for Sustainable Products Regulation, which requires products to feature a Digital Product Passport to provide comprehensive information about each product's origin, materials, environmental impact and disposal recommendations.[13]

3.8 Policy alignment

Priority: Integrate circular economy principles across policy

A circular economy connects across numerous Scottish Government policy ambitions and is embedded within the National Strategy for Economic Transformation, the Green Industrial Strategy, National Planning Framework 4, and the Onshore Wind Sector Deal for Scotland.[14]

More widely, Zero Waste Scotland has developed working partnerships, including with the Economic Development Association Scotland, to explore the role of circularity in economic policy and strategy.[15]

By building on these links and continuing to develop future partnerships we will ensure better integration of circular economy principles, build stronger ownership, increase policy coherence, and maximise co-benefits.

A more circular economy cannot be achieved through isolated activities, and we need to take a systems-based approach that considers all elements of a system. Given the complexity and numerous factors that influence the production, design and flow of goods and materials, this approach is needed to both model and understand issues that impact the supply chain and it underpins the development of the roadmaps covered under the priority sectors section that follows.

[13] EU, Ecodesign for Sustainable Products Regulation (2024).
[14] Scottish Government, Onshore Wind Sector Deal for Scotland (2023).
[15] Zero Waste Scotland and Economic Development Association Scotland, Circularity: a material development in economic innovation (2025).

4. Priority Sectors

We have identified five priority sectors, which will be the focus of our policy development. Recognising the international nature of material and product flows, Scotland's biggest impact on individual materials and waste streams, such as plastics, chemicals and electronics, will be delivered through a focus on the sectors and products that rely on them.

The plans and priorities for these sectors are set out in this section and build on the positive actions already set out in the Circular Economy and Waste Route Map. The five sectors are -

1. The Built Environment
2. Energy Infrastructure
3. Textiles
4. Transport
5. The Food System

Roadmaps

For four of the priority sectors, we will work in partnership with stakeholders to develop roadmaps to improve circularity. Transport, as it is a key sector within the Climate Change Plan, will not have a separate roadmap but will involve close working with the sector and stakeholders. Roadmaps will identify sector-specific conditions, barriers, and opportunities to accelerate circularity. They will also outline interventions to influence the baseline economic conditions, provide additional incentives, and/or remove barriers for greater adoption of circular economy practices.

Our aim is to complete these roadmaps within a year of the strategy's publication and deliver interventions over a 5-year period. Roadmap development will be led by Zero Waste Scotland exploring activities from a range of actors. They will be delivered by associated Mission Boards, which will include key sectoral stakeholders.

4.1 The Built Environment

The built environment encompasses the human-made physical surroundings where people live, work, and interact. It plays a pivotal role in shaping social, economic and environmental outcomes. As one of the largest consumers of resources and contributors to waste, the construction sector is particularly critical in shaping a resource-efficient future.

A more circular economy provides new opportunities for the sector, with the potential to source goods and services closer to home and reduce reliance on global supply chains, reducing emissions and opening up jobs and opportunities for people in Scotland.

Priority: Work with the sector to develop a roadmap

Adoption of low carbon materials and circular economy practices can face barriers such as lack of confidence, less established supply chains and higher prices. Roadmap development for this sector will focus on the conditions needed for businesses to adopt a greater range of circular economy practices and unlock economic opportunities.

Priority: Promote the adoption of lifecycle assessments for buildings

Embodied carbon is the total greenhouse gas (GHG) emissions generated to produce a built asset, including emissions that result from raw material extraction, product manufacture, transportation, construction, use and maintenance, and end-of-life (demolition). For new buildings, this can account for as much as 70% of a building's total carbon emissions over its lifecycle.[16]

We are aiming to reduce embodied carbon in the built environment through:

- the investment hierarchy in the Infrastructure Strategy,[17] which promotes maximising the useful life of existing assets, or repurposing or co-locating existing assets, before creating new buildings;
- National Planning Framework 4, which requires development proposals to be "*sited and designed to minimise lifecycle greenhouse gas emissions as far as possible*", which can encourage use of low carbon materials;
- planning guidance, which supports consideration of embodied carbon by promoting ways to assess whole life carbon impacts;[18]
- the net zero public sector buildings standard,[19] which helps public bodies meet their net zero commitments.

[16] Leanne Hannah, Regulating Embodied Carbon in the Built Environment (2022), p.3.
[17] Scottish Government, Infrastructure Strategy 2027-2037: consultation (2026).
[18] Scottish Government, NPF4 planning guidance: policy 2 - climate mitigation and adaptation (2025). This highlights the use of standards such as PAS2080.
[19] Scottish Government, Net Zero Public Sector Buildings Standard.

Priority: Increase the reuse of construction materials

The sector has made good progress to reduce waste and increase recycling rates but there is a need to promote activity further up the waste hierarchy.[20]

Our priority is to deliver the Circular Economy and Waste Route Map circular construction actions, including the European CirCoFin project,[21] which is developing plans for a regional reuse hub for construction materials and a national roll out plan to maximise coverage. The project will also include consideration of the role of these hubs in reprocessing and recertifying products and materials, addressing some of the barriers to availability of materials.

4.2 Energy Infrastructure

Energy Infrastructure is the physical and technical/digital facilities that underpin the energy sector's transition to net zero. Embedding circular economy practices within the energy transition will reduce emissions associated with infrastructure design and deployment; enhance the strength of local supply chains; and reduce dependence on international supply chains for the supply of essential materials such as critical raw materials. In line with the Green Industrial Strategy, there are also significant economic opportunities associated with capturing the value of resources from decommissioned oil and gas facilities as well as wind turbines.[22] For example, refurbishment and reuse options could generate significantly more revenue than traditional recycling or disposal: potentially £230,000 cost recovery for a 3MW turbine through the reuse of components.[23]

Priority: Work with the relevant sectors to develop a roadmap for increasing circularity in energy infrastructure

Companies operating in both the operation of energy sector assets and their supply chains are already doing considerable work to further the adoption of circular economy practices. Roadmap development for this sector will build on this work and address the underlying conditions that impact business decisions about circularity, leveraging industry expertise to adopt new business models and unlock investment.

[20] In 2023, construction and demolition waste in Scotland was 4.3 million tonnes, down from 5.8 million tonnes in 2018; the construction and demolition recycling rate was 90.1%.
[21] Zero Waste Scotland, Circular Construction Hub aims to increase reuse of building materials and drive investment in Scotland (2025).
[22] For example, industry has supported ReBlade in Dumfries, the UK's first dedicated wind turbine decommissioning service as part of the Onshore Wind Sector Deal.
[23] Zero Waste Scotland, The future of onshore wind decommissioning in Scotland (2023).

Priority: Maximise the role of circularity for critical raw materials in Scotland

There is growing demand for the critical raw materials required to support our energy transition, which is putting pressure on supply. Scaling up the circular economy is one way to support economic and supply chain resilience. This is a significant opportunity for Scotland, as highlighted in the Waste Reprocessing Infrastructure in Scotland report.

We have commissioned research to provide a better understanding of Scotland's exposure to supply chain risks for renewable and net zero technologies. This gives us insight into the critical raw materials value chain and identifies areas of comparative advantage that can support national and regional net zero ambitions by promoting new business opportunities to keep valuable materials in use for as long as possible. We will continue to build our evidence base in this area, in particular focusing on the contribution that circularity can make. We will also continue to engage with the UK Government on their Critical Raw Minerals Strategy which includes up to £50 million in bespoke critical minerals support across the UK.

4.3 Textiles

Textiles are part of a complex, global supply chain which places increasing pressure on both resource production and end-of-life management.[24]

Imported textiles, particularly those related to fast-fashion, can be of poor quality, which limits reuse and recycling options. While there have been long-established international routes for the UK's used textiles, for example export to Africa, these are now often at capacity, leaving little option other than to dispose of textiles as waste. This brings additional disposal costs and loss of potential value, as well as harmful conditions to communities internationally if waste is exported. Given waste exports are currently a reserved matter, we will work with the other nations of the UK to consider strengthening controls around export of waste to address this issue and to encourage development of reprocessing activity in Scotland.

Textiles are a global commodity and achieving circularity across this sector will require embracing circular economy practices across all actors in the supply chain, through to citizens and eventual end-of-life material capture instead of waste management.

As part of the co-design of the new Statutory Code of Practice for Household Waste Recycling, we will explore how we can prevent textiles entering the residual waste stream through more recycling and reuse, including whether kerbside collection

[24] European Parliament, The impact of textile production and waste on the environment (2020); Ferdinand Omondi, Fast fashion, slow poison: new report exposes toxic impact of global textile waste in Ghana (2024).

would be beneficial and effective or if additional measures could be taken at Household Waste Recycling Centres.

Textiles also feature within the product stewardship section, including the application of an extended producer responsibility scheme for textiles. This product stewardship approach will also address concerns about specific materials, such as plastics and chemicals, that are often present in textiles.

Priority: Work with the sector to develop a roadmap

The aim of a roadmap for textiles is to build an economic system that is designed for reuse and repair, and enables industry to identify mechanisms for growth without environmental, social or economic harm. This roadmap will be developed in collaboration with the sector and wider stakeholders.

Priority: Align with the EU strategy for sustainable and circular textiles, where appropriate

The EU's textiles strategy includes increasing the repairability of textiles by embedding the 'right to repair', setting eco-design and durability standards, introducing minimum recycled content standards, developing digital product passports to provide clear information and transparency, and restricting the exports of textile waste.[25] From July 2026, the EU's Ecodesign for Sustainable Products Regulation will introduce a direct ban on the destruction of textiles and footwear by manufacturers, importers and distributors.

We will seek alignment with the EU where it makes sense to do so, including developing a producer responsibility approach to textiles (see product stewardship section) and measures to address the disposal of unsold consumer goods (which could include textiles) as set out in the Circular Economy and Waste Route Map. We will work with the other governments in the UK to develop a coordinated approach where appropriate.

Priority: Improve management of post-consumer textiles

Textiles are not currently collected at the kerbside by any local authority in Scotland. In 2025 we consulted on how Scotland should improve textile recycling, including whether textiles should be collected at the kerbside. The results of this consultation will be used to inform the co-design of the new statutory Code of Practice for

[25] European Commission, Sustainable and Circular Textiles Strategy.

Household Waste Recycling and consideration of any necessary legislative change.[26]

The draft Code of Practice will be available for public consultation by the end of 2026. We will also consider measures that support actions higher up the waste hierarchy to improve overall management of post-consumer textiles.

Priority: Support sustainable alternatives to fast-fashion

Systems and behaviour change is an important part of countering the unsustainable way we consume textiles. We will continue to support work to raise awareness about the environmental impact of textile waste, and to encourage and promote textile repair.[27]

We will also consider the contribution of Scotland's rural economy to sustainable clothing materials, such as hemp or wool.

4.4 Transport

Transport underpins all aspects of our everyday lives, from where we work, to the goods and services we consume. Transport is Scotland's largest source of net emissions, and requires significant quantities of carbon intensive and critical raw materials.

Transport is a key sectoral focus in Scotland's Climate Change Plan. Reducing emissions will require a shift in technology towards electric vehicles, and behaviour changes towards more sustainable travel choices such as active travel. For that underlying shift in technology to be sustainable, we need to ensure that the principles of circularity are embedded in this transition.

Currently, most critical materials required for electric vehicles (EVs) are imported from virgin sources abroad. With international demand for these materials growing, retaining and recycling these materials will increase the resilience of supply chains and help to reduce the negative impact extraction can have on communities at home and abroad.

[26] Scottish Government, Strengthening approach to household recycling collection services: consultation analysis (2025).
[27] Over 4 in 5 clothing repairs displace new purchases, not only reducing environmental impacts but saving consumers money (WRAP, Displacement Rates Untangled (2025)).

Priority: Improve circularity of passenger and light goods vehicles

Improving circularity in the transport sector requires change to vehicle design, maintenance and treatment at end of life. The EU is adopting new regulations to improve vehicle circularity including design and treatment of end-of life vehicles.[28] We will look to align with such regulations where we can, which will require working on a four-nations basis to ensure a joined-up approach. We will also work with the UK Government on reserved policies such as waste shipment regulations (which could encourage domestic recycling of materials from end-of-life vehicles that are currently exported and reduce international impacts from dealing with waste).

Priority: Increase EV battery repurposing, recycling and material reprocessing

Batteries contain numerous critical raw materials that can be recycled at the end of their life.

However, improper storage and disposal of batteries can also have damaging environmental impacts and the battery reprocessing sector faces various challenges, including high energy and insurance costs, and fires at battery storage facilities.

In 2023, the EU's Batteries Regulation (EUBR) came into force,[29] setting out requirements for eco-design, such as minimum recycled content and end-of-life management. Digital passports for EV batteries will make it easier for consumers to choose more sustainable products and for recyclers to treat waste batteries and recover materials.

We will continue to work with the other nations in the UK to update relevant batteries regulations, seeking to align with the EUBR where appropriate. This applies within the Transport sector and more widely. This will improve the eco-design of batteries, help create market demand for secondary EV battery inputs, and increase second battery use in ways that are safe and appropriate in workplaces and for consumers.

4.5 The Food System

Access to safe, healthy food contributes to Scotland's food security and is essential to support and protect Scotland's population, as well as being central to Scotland's high performing food and drink economy. However, food and drink supply chains also generate significant amounts of waste and environmental impacts.

[28] EU, Regulation on circularity requirements for vehicle design, (2023).
[29] EU, Regulation concerning batteries and waste batteries (2023).

Priority: Work with the bioeconomy sector to develop a roadmap

The bioeconomy sector has potential to create significant and sustainable economic growth.[30] It is a highly innovative sector, creating new products ranging from new sources of omega-3 from wastewater from distilleries to building insulation from local hemp crops. Roadmap development for this sector will aim to maximise the value derived from our biological resources and greater adoption of circular economy practices and will be published in 2027.

Priority: Improve circularity across the supply chain

Circularity is recognised in our Good Food Nation Plan,[31] the Agricultural Reform Programme, Local Food Strategy,[32] and delivery of our marine food production strategies.[33] Existing actions include:

- ClimateXChange research into the actions farmers and crofters can take to support a more circular agricultural sector.[34]
- Part-funding of WRAP's UK Food and Drink Pact,[35] which is engaging in collaborative action across the entire UK food chain to deliver farm-to-fork reductions in food waste, greenhouse gas emissions, and water stress.
- Investment via the Marine Fund Scotland to help deliver innovative circular economy approaches.
- Zero Waste Scotland's Business Information Hub provides online resources and guidance to help businesses measure and reduce their food waste.[36]

Priority: Develop an intervention plan to guide long-term work on household food waste reduction behaviour

Given the importance of behaviour change to tackling food waste, we are working with partners to review evidence and develop a behaviour change intervention plan by 2026/27 to help inform long-term household food waste reduction action.[37] Zero Waste Scotland will lead the development of this work and they will collaborate with

[30] Scotland's National Plan for Industrial Biotechnology sets a target of £1.2 billion in associated turnover and 4,000 direct employees by the end of 2025.
[31] Scottish Government, The First National Good Food Nation Plan (2025).
[32] Scottish Government, Local Food for Everyone: Our Journey (2024).
[33] Scottish Government, A Blue Economy Vision for Scotland (2022); Scottish Government, Strategy for Seafood (2022); Scottish Government, Vision for Sustainable Aquaculture (2023).
[34] ClimateXChange, Project specification: Circular economy opportunities in Scottish farming – an evidence review (2025).
[35] WRAP, UK Food and Drink Pact.
[36] Zero Waste Scotland, Food Waste Reduction Business Support.
[37] This is a priority action in the Circular Economy and Waste Route Map; it will take an evidence-based approach, looking across decision making stages to ensure we are encouraging action and promoting new habits in the right areas.

experts to identify interventions that can be adopted across households in Scotland. The intervention plan will build on recent research where Zero Waste Scotland has identified the best time to target people to make a lasting change - at key life stage transitions, like kids leaving home or starting retirement – and where efforts should be focussed – such as evening meal times - to help inform householder's decision-making. These interventions should help to address any sources of food waste in the household, like purchasing too much food.

Priority: Explore improvements to food waste collection systems

In 2022 around 80% of Scotland's households had access to food waste collection services. We recently consulted on the approach to the existing rural food waste exemption, which enables local authorities not to collect food waste from some rural locations if it is inefficient to do so, to assess whether it should be updated in order to expand access to food waste collections.[38]

We are also assessing wider household recycling services in Scotland, including food waste collections and other organic waste, as we develop the new statutory household recycling Code of Practice for Scotland.

Priority: Develop effective options with stakeholders to support food waste reduction by businesses

Food waste and surplus reporting reveals the size of the issue within businesses and encourages behaviour and operational change to reduce costs. Reporting also increases transparency by providing up-to-date information on the amount of food waste produced and where potential new business opportunities could occur.

As set out in the Circular Economy and Waste Route Map, we will develop effective options to implement mandatory reporting for food waste and surplus by businesses from 2025/26. This includes UK-wide engagement to explore opportunities for alignment, helping to ensure considerations are given to the different needs of large, medium and small businesses operating in Scotland and across the UK.

[38] Scottish Government, Strengthening approach to household recycling collection services consultation (2025).

5. Product Stewardship

Priority: Adopt an evidenced-based prioritisation approach to product stewardship

Product stewardship is an approach that means whoever designs, produces, sells or uses a product takes responsibility for minimising its environmental impact, based on the polluter pays principle. Product stewardship measures are primarily focused on producer responsibility, but can be targeted across the whole supply chain, including product standards, recyclability requirements, collection and takeback schemes, support for reusable or refillable products, and encouraging repair, redistribution and reuse. By focusing on products as well as priority sectors, we can address where individual material streams, such as plastics, critical materials and chemicals, are embedded in the goods we create and use.

Our existing priorities for product stewardship are packaging, electronics, batteries, and end-of-life vehicles. These four products are covered by existing UK-wide Extended Producer Responsibility (EPR) schemes, which require that producers contribute to the cost of responsible management of these products at their end of life. In addition, we also have an ongoing commitment to address the impact of the use fishing gear and nets, in line with wider EU requirements. These five products will remain priorities for the Scottish Government over the next five years. We will take a partnership approach to working with industry, public bodies and other governments to support further action on pharmaceuticals and healthcare products and wind turbines

Alongside these existing priorities, we are committed to developing policy measures for three additional priority products where there is the greatest opportunity to address environmental impact, costs to the public, and economic potential over the next five years. Zero Waste Scotland has conducted research to assess the impacts and opportunities associated with different products, which we have considered alongside stakeholder engagement, consultation responses and the wider policy landscape.

Based on this evidence, we intend to prioritise policy development on clothing and household textiles, mattresses and furniture over the next five years. These products have a high carbon impact, limited end-of-life management options, and significant potential for reuse and redistribution. There is also an opportunity to align with existing and forthcoming regulations on these products, including the expansion of the UK Emissions Trading Scheme to incineration, management of persistent organic chemicals, and alignment with new EU extended producer responsibility and ecodesign regulations.

We will publish a product stewardship plan in 2026 that sets out proposed policy actions on these eight products. We are committed to further reforming the existing EPR schemes, and will seek to implement a new EPR programme for textiles in partnership with the other nations of the UK. We will also consider the viability of producer responsibility schemes for mattresses and furniture in partnership with business. We will develop wider product stewardship measures across the supply chain, building on our proposed ban on the destruction of unsold goods, and action on single-use items and plastic wet-wipes. This will consider new collection and takeback routes, further action on single use, and alignment with EU Regulations. We will particularly consider how best to mainstream existing local authority, producer and waste management initiatives to expand reuse, repair and redistribution, reducing the impact of disposal and providing opportunities to address the cost of living, such as tool libraries, repair cafes, and reuse hubs.

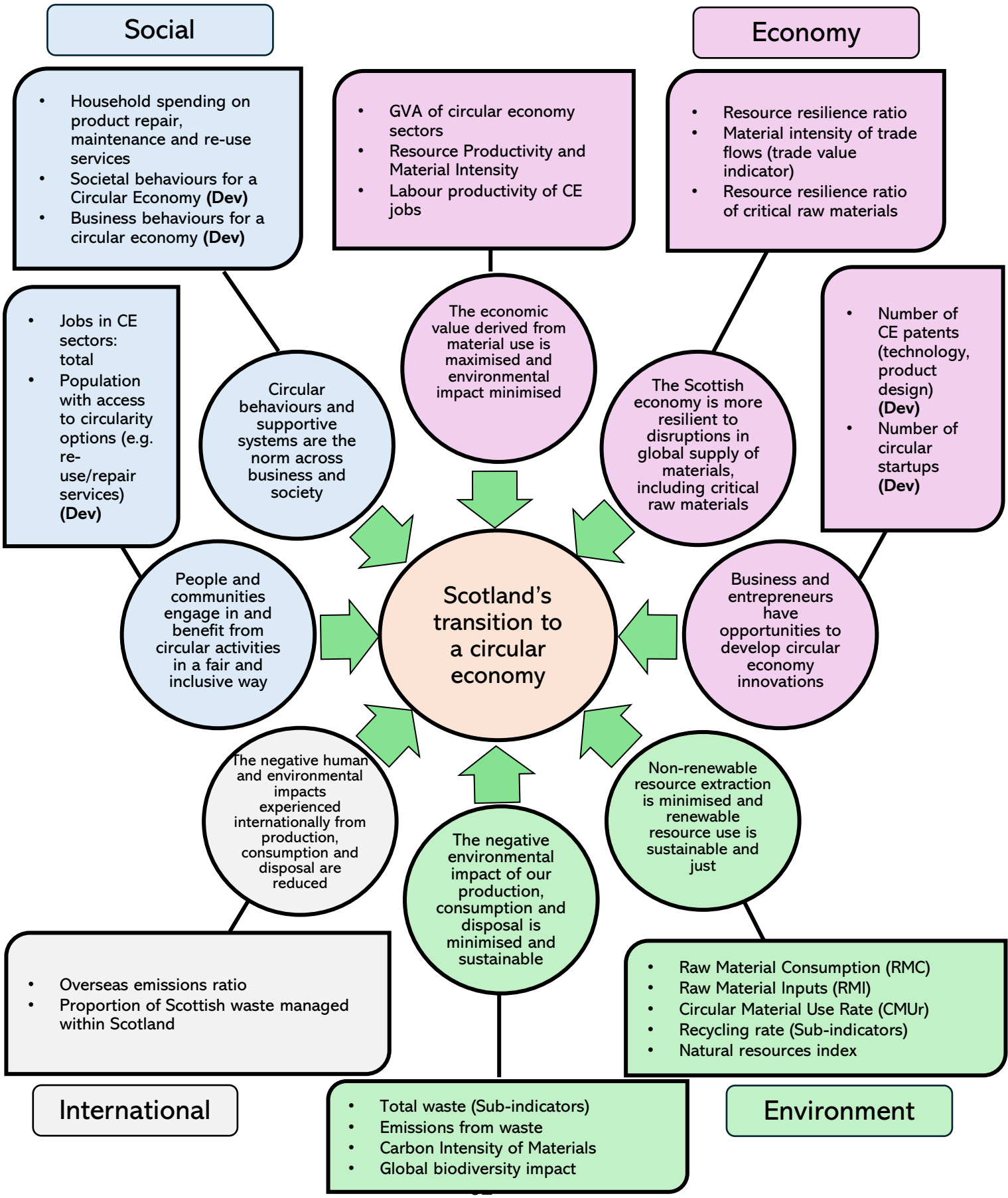
We will identify potential measures based on principles of alignment with the EU where appropriate, ongoing collaboration across the UK, working with businesses to support innovation and additional voluntary measures, and ensuring end-of-life products are managed in accordance with the waste hierarchy. Specific policy proposals will be subject to full consultation and impact assessment.

6. Circular Economy Monitoring and Indicator Framework

The circular economy monitoring and indicator framework (CEMIF) attaches indicators to each of the strategy's outcomes, to provide a high-level overview of Scotland's progress towards a more circular economy. This is the first national-level indicator framework specifically developed for the circular economy in Scotland and so will continue to be developed and improved as new or better data sources become available. The proposed circular economy indicator framework is presented in figure 3.

The framework is the starting point for development of future national circular economy targets, which will be developed by 2027. Not every indicator will be suitable for targets, given data limitations and the extent to which Scottish Government policy can influence certain outcomes. As part of the process for developing these we will consider a range of different potential targets, both statutory and non-statutory, that will include recycling, waste reduction, reuse and consumption. A separate development and consultation process will be conducted for circular economy targets.

Figure 3. Indicator Framework Linked to Circular Economy for Scotland (Dev = Requires Development)



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