

Scottish Government Draft Circular Economy Strategy

January 2026

Overview

General Comments

Scottish Water is supportive of Scotland's Circular Economy ambitions. It aligns with our "Beyond Net Zero" and sustainability goals in our Long-Term Strategy. [our-sustainable-future-together-scottish-water-long-term-strategy.pdf](#)

We welcome the vision to 2045. Circular Economy thinking aligns strongly with Scotland's biodiversity, climate change mitigation and economic ambitions and this could be strengthened through more strategic thinking over a longer period.

Since our last consultation response, Scottish Water has further embedded circular economy principles in our operations and supply chain, and we can report tangible progress through pilot projects and strategic initiatives. We believe realising Scotland's circular economy ambitions will require continued policy support, cross-sector collaboration, and innovation which this strategy will provide.

Detailed Response

Specific Comments

We support the Draft Strategy's comprehensive approach (building on the Route Map to 2030) and the fact that it commits to regular updates every five years. We also welcome the proposal for a Circular Economy Monitoring Framework and high-level targets to track Scotland's progress.

We strongly support having consistent metrics across public bodies, as mentioned in the consultation, requiring each local authority, public company or government agency to report on circular economy actions using a common format. We suggest that the Strategy might include a mechanism for public agencies to share these kinds of internal metrics, perhaps via an annual Circular Economy report. This would not only allow benchmarking and sharing of best practice but also drive accountability.

1.	To what extent do you agree with the vision and outcomes for the strategy?
	Scottish Water endorses the draft Strategy's vision and proposals. Going forward, we believe partnership is key across Scottish Government, SEPA, Zero Waste Scotland, Local Authorities, academia, the supply chain, and communities to drive innovation and remove barriers. We agree with the Strategy's ambitions that a circular economy will "support a flourishing Scotland" – by creating green jobs, reducing environmental impacts, and improving resilience. We welcome that the Strategy frames its outcomes not only in

economic and environmental terms but also in delivering wider social value, benefitting communities in a fair and inclusive way.	
2.	Do you have any comments on the vision?
We appreciate that the draft Strategy recognises the need for innovative, long-term projects and we strongly support its continuance beyond 2030 with periodic updates and roadmaps to cover specific detail. Scottish Water positively recognises that the Strategy now emphasises systemic change up to 2045 and beyond.	
3.	Do you have any comments on the outcomes? Policy Mechanisms: • Business support • Behaviour change • Place-based approaches • Procurement • Skills and education • Circular economy data • Policy alignment and systems thinking
We stress the importance of policy coherence so that innovative resource recovery opportunities are not inadvertently hindered. For example, it would be helpful if the definitions of high quality recyclates for organic waste were not limited to meeting PAS Standards so that opportunities for co-treating with local authority materials could be explored, particularly in island/rural communities where options for treating wastes individually are limited. Clear, supportive regulation, for example on end-of-waste criteria, will help Scotland scale up the Circular Economy. Availability of cross-industry data will be essential in enabling a Circular Economy. For example, visibility of waste streams from one sector or company would enable other sectors or companies to identify opportunities to utilise the material. This is currently not possible due to commercial sensitivities.	
4.	To what extent do you agree with the policy mechanisms identified?
We agree with the full range of policy levers, with emphasis on removing barriers. We believe that achieving a circular economy requires using all available mechanisms from business support and skills training to regulation, data and public procurement.	
5.	Do you have any comments on the policy mechanisms identified?
In particular, Scottish Water believes public procurement is pivotal. We support proposals to require recycled content and circular design in public sector purchases.	
6.	Do you have any comments on the associated plans and priorities? Priority Sectors: • The Built Environment • Net Zero Energy Infrastructure • Textiles • Transport

	The Food System
	Scottish Water agrees with the selection. However, it could also include the packaging and chemical sectors as they have potential to contribute to the Circular Economy.
7.	To what extent do you agree with the priority sectors identified?
	Scottish Water is actively contributing examples in each priority sector identified, and we welcome the Strategy's focus on these areas to drive targeted action.
8.	Do you have any comments on the priority sectors identified?
	The Draft Strategy rightly identifies priority areas where circularity can deliver big impacts. Scottish Water feels it can contribute directly to many of these.
8a.	Do you have any comments on the plans and priorities for the built environment?
	As a major infrastructure operator, we support initiatives to embed circular construction practices (e.g. reuse of aggregates, building components and modular design as well as opportunities to refurbish, remanufacture and recover materials at end-of-life). Zero Waste Scotland's work on the Circular Construction Hub demonstrates how Scotland can scale reuse and remanufacturing of construction materials. We would be keen to participate in shared reuse platforms and like the Strategy's ideas of a national "materials brokerage" or "soil symbiosis programme" to facilitate reusing construction spoil. We suggest that the Strategy broadens its focus on the Built Environment to include how buildings perform during their operational life, not only during construction. Design choices made upfront and at end of life can significantly influence long-term resource use, particularly energy and water consumption and surface water management. Opportunities such as water-efficient building design, low-water fixtures, demand-management technologies, sustainable drainage features (e.g. stormwater planters), and wider blue-green infrastructure can reduce pressure on water and wastewater systems, cut emissions, and build climate resilience. This aligns with Scottish Water's Long-Term Strategy (our-sustainable-future-together-scottish-water-long-term-strategy.pdf) and our ambition to value water as a finite resource. Embedding resource-efficient design and refurbishment and remanufacture into sector roadmaps, as well as building standards and planning policy, support whole-life circular economy outcomes. Scottish Water is a participant in the UK-wide Advance Market Commitment (AMC) for next generation low carbon concrete, overseen by Innovate UK and Carbon Limiting Technologies (and funded by the Department for Energy Security and Net Zero). This initiative creates a guaranteed early market for innovative low carbon concrete mixes, enabling suppliers to scale up new materials more rapidly. It also strengthens supply chain resilience and supports reductions in embodied carbon across infrastructure projects. We suggest that the Strategy could encourage AMC-style demand aggregation within public procurement and the Built Environment roadmap.

8b.	Do you have any comments on the plans and priorities for the Net Zero Energy Infrastructure?
	The water industry has huge potential to contribute to low-carbon, circular energy systems and we believe this can be assisted by the use of Environmental Product Declarations (EPD). EPDs provide third-party verified, project-specific carbon factors, thereby improving the accuracy of embodied carbon assessment in construction, an approach that. Scottish Water suggests that the Strategy could recognise the role of EPDs in enabling transparent, comparable assessment of embodied carbon in materials. Wider adoption of EPDs across the construction supply chain would support low-carbon procurement, aligning with the Strategy's goals for the built environment. We support the Strategy's recognition of energy infrastructure as a priority sector and will continue leveraging our assets for renewable energy and heat where possible to contribute to this.
8c.	Do you have any comments on the plans and priorities for textiles?
	While not core to our operations, we support addressing textiles and other high-impact consumer goods through circular business models and encourage their use for uniforms and personal protective equipment.
8d.	Do you have any comments on the plans and priorities for the transport?
	Scottish Water supports decarbonising transport via circular principles (e.g. extending vehicle life, refurbishing parts, using alternative fuels and lease schemes) and have applied these to our own fleet.
8e.	Do you have any comments on the plans and priorities for the food system?
	Scottish Water endorses efforts to reduce food waste and valorise organic by-products. This sector could also include the review of raw materials used in the food industry that are not for consumption e.g. packaging and water for cleaning. Scottish Water's role here is in waste co-treatment opportunities, where we can combine some external organic wastes (e.g. brewery residues) with our sewage sludge to boost biogas yields. Increased flexibility in waste regulations would allow innovative co-treatment where it delivers net environment and economy benefits. We are pleased the Strategy recognises the importance of the bioeconomy sector and would welcome inclusion of water industry wastes/resources in the development of the roadmap to ensure that their value is fully maximised.
9.	Do you have any comments on the proposed approach to product stewardship?
	Scottish Water strongly supports tackling problematic products and materials. As such, we are pleased to see the Strategy address items like single-use plastics. We reiterate the problematic nature of certain products that end up in our waterways and systems. We suggest the Strategy explicitly includes sanitary and personal care items as priority products for stewardship interventions (they may fall under "other single-use items"). Relatedly, unused pharmaceuticals are another concern. When they enter our sewers, they pollute the environment and can contribute to antimicrobial resistance.

10.	Are there any changes or additions that you would like to suggest in relation to the Circular Economy Monitoring and Indicator Framework to ensure it is fit for purpose?
While the indicator framework is well considered, Scottish Water believes that a small set of clear outcome indicators should be established at national level. These can be more easily implemented and monitored across Scotland. These can then cascade into sector-specific metrics.	
10a.	Do you have any comments in relation to the indicators proposed for outcome “The economic value derived from material use is maximised without increasing our environmental impacts”?
Reuse hubs are missing from this indicator.	
10b.	Do you have any comments in relation to the indicators proposed for outcome “The Scottish economy is more resilient to disruptions in global supply of materials, including critical raw materials”?
Biogas production is a valuable strategy for enhancing Scotland’s energy security. The proposed resource resilience ratio indicator could be adapted to measure how biogas production contributes to Scotland’s energy resilience.	
10c.	Do you have any comments in relation to the indicators proposed for outcome “Business and entrepreneurs have opportunities to develop circular economy innovations”?
This could also include the number of research grants awarded to Scottish institutions and companies under the theme of Circular Economy.	
10d.	Do you have any comments in relation to the indicators proposed for outcome “Non-renewable resource extraction is minimised, and renewable resource use is sustainable”?
This indicator could include the per capita per day water consumption rate.	
10e.	Do you have any comments in relation to the indicators proposed for outcome “The negative environmental impact of our production, consumption and disposal is minimised”?
This indicator could include a measure of greenspace per capita. This would monitor losses and gains in the natural environment.	
10f.	Do you have any comments in relation to the indicators proposed for outcome “The negative impacts experienced internationally from production, consumption and disposal are reduced”?
No comment	
10g.	Do you have any comments in relation to the indicators proposed for outcome “People and communities engage in and benefit from circular activities in a fair and inclusive way”?
No comment	

10h.	Do you have any comments in relation to the indicators proposed for outcome “Circular behaviours are the norm across business and society”?
'Business behaviours for a circular economy' could include Circular Economy Strategy requirements for local authority, public company and government agencies.	
11.	Please provide any further information or evidence that should be considered in the accompanying Equalities Impact Assessment.
No comment	
12.	Please provide any further information or evidence that should be considered in the accompanying Fairer Scotland Assessment.
No comment	
13.	Please provide any further information or evidence that should be considered in the accompanying Island Communities Impact Assessment.
No comment	
14.	Please provide any further information or evidence that should be considered in the accompanying Business and Regulatory Impact Assessment.
No comment	
15.	Please provide any further information or evidence that should be considered in the accompanying Consumer Duty Impact Assessment.
No comment	
16.	Please provide any further information or evidence that should be considered in the Child Rights and Wellbeing Impact Assessment.
No comment	
17.	Do you have any views on whether there are likely to be any positive or negative environmental impacts from the draft Environment Strategy that have not been identified in the Strategic Environmental Assessment?
No comment	

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