SURF CONSULTATION RESPONSE:

A Draft Circular Economy Strategy for Scotland

About This Paper

In October 2025, the Scottish Government launched a [consultation on their Draft Circular Economy Strategy](#). The strategy sets out the proposed Scottish Government approach 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. SURF's interest in this consultation revolves around the strategy's vision, outcomes, policy mechanisms, and priority sectors. SURF is keen that any future Circular Economy Strategy embeds poverty alleviation into its strategy and seeks to ensure at all times that circularity does not lead to affordability issues for those facing poverty, and that the benefits of a burgeoning circular economy also flow to the least resourced in society.

Relevant background on this consultation can be found [here](#).

Please see below SURF's response to selected questions from this consultation.

Question 1: To what extent do you agree with the vision and outcomes for the strategy?

Agree.

Question 2: Do you have any comments on the vision?

The vision statements are useful, but not enough detail is set out to highlight how these aspirations will be met, and what tangible goals are ultimately being pursued.

Moreover, Scotland is currently projected to miss its climate target of reaching net zero by 2045. Many of the crucial drivers of Net Zero are things that fall outwith the circular economy or its strategy, relying on – for example – peatland restoration, a decrease in farming, and the decarbonising of both buildings and the transport system, all of which have not progressed to expected levels.

Tying the circular economy strategy vision to a net zero goal that already looks unachievable – if the current trajectory persists – may need revisiting.

Distributing benefits equally across society also does not go far enough. For the circular economy to work and be adopted broadly, it needs to be both a driver of economic growth while also addressing poverty directly. Thinking of circularity as a predominantly economic concept is also a missed opportunity to make key linkages with the wider work around Community Wealth Building.

Question 3: Do you have any comments on the outcomes?

Given that the majority of products and raw materials are still imported to Scotland – and this seems unlikely, in the current period of globalisation, to change – there is a lot of uncertainty within our supply chains which should be better accounted for in the strategy. For example, how can Scotland take responsibility for circular outcomes without understanding the full scope of exploitation (of both people and natural resources) within wider supply chains? And where is the room for the Scottish Government to influence a more sustainable and circular trajectory? Much of this is led by consumer demand, which effectively requires tighter regulation and policy to manage. Is this within scope of the strategy, and are there particular mechanisms under consideration which can better enable the strategy to address this international outcome? The policy mechanisms mentioned don't seem to do so, in our view.

Related to this, and also to the social outcome, is the impact that such regulation and / or policy ambitions may have on those living in poverty – who, given cost concerns, may not be able to participate in the circular economy. Many of the more affordable products – including apparel, household items, and furniture, for example – relies on exploitative or unsustainable supply chains and materials for this affordability. Those living in poverty may not have the financial flexibility to be able to participate in circular economies, which are by their nature often costlier. How can this strategy move beyond something that develops, through no fault of its own, into a middle-class, aspirational concept, rather than something inclusive that drives systemic societal change?

These challenges are not unique to the circular economy, and can also be seen, for example, in the Good Food Nation strategy – those in poverty have less access to more expensive, healthy foods, and therefore rely on cheaper, less healthy, more processed alternatives, which in turn perpetuates health inequalities. Breaking this cycle is difficult to do without a sustained and holistic approach which recognises poverty as the underlying driver.

There is explicit mention of economic value – but for whom? Oftentimes, economic value, and entrepreneurial activity has not improved conditions for the poorest in society; in some cases, it is a driver of further inequalities. How is the circular economy going to be different? At the moment, it seems the focus is (understandably) on stimulating private and public sectors to engage meaningfully with circular concepts, rather than identifying how circularity can contribute to wider policy objectives around poverty.

Additionally, when there are costs to circular transitions – how will these be dealt with fairly, particularly in the public sector? How do we prevent these negative externalities from falling to people who can least afford them? The circular economy is not a cost-free policy initiative – it will take time to embed itself within both public and private sectors. With public finances so constrained, it is difficult to see how such innovation will be funded without significant government support.

Lastly, Community Wealth Building is mentioned once throughout this document; for any circular economy strategy to be successful, it should be deeply embedded within CWB. The Social outcome, in particular, has strong policy overlaps with CWB.

Question 4: To what extent do you agree with the policy mechanisms identified?[1]

---

[1] Policy Mechanisms:

- Business support

- Behaviour change

- Place-based approaches

- Procurement

- Skills and education

- Circular economy data

- Policy alignment and systems thinking

Neither agree nor disagree.

Question 5: Do you have any comments on the policy mechanisms identified?

Regarding Behaviour Change, there is mention of people needing the 'capability, opportunity, and motivation' to act. This does not explore that there is likely to be a socio-economic threshold beneath which people simply have no means to participate in the circular economy, or make choices that contribute positively to it.

At that point, it becomes a question of money, not motivation. Behaviour change implies that this is merely a question of incentivising people; rather than Systemic Change, which considers that there are socio-cultural and environmental factors – such as poverty and health inequalities – which play a bigger role. Although the document makes reference to 'systems thinking,' there is little detail to this. Systems change, arguably, cannot be driven merely by regulation, infrastructure, and communications. It is more fundamentally a question of inequality.

Within Procurement, more explicit linkages should be made with CWB, which will introduce key duties on public sector stakeholders, most notably Local Authorities. It should also be noted that ongoing development around CWB, although welcome, is likely to place additional burdens on Local Authorities which is an understandable concern. How does new regulations to require purchasing recycled or reused products – likely to be more expensive than cheaper, non-re-used products – contribute to wider affordability issues for public sector bodies? This is, as the strategy current reads, one of the key areas where impact can be generated, but also one where the most indecision and funding uncertainty lies.

Again, regarding the Skills and Education policy mechanism, this should include specific provisions for this to focus on places – such as former industrial areas – where such jobs are likely to have the best possible impact on poverty alleviation and local economies. This requires a top-level, collective Industrial Strategy wherein the circular economy component can sit neatly – which unfortunately does not exist in Scotland, and the UK Industrial Strategy does not include a lot of detail on the circular economy.

Question 7: To what extent do you agree with the priority sectors identified?[2]

Agree.

Question 8: Do you have any comments on the priority sectors identified?

No.

Question 8a: Do you have any comments on the plans and priorities for the built environment?

Housing is one of SURF's four key priorities within our new Manifesto for Regeneration. Tackling waste and promoting circularity within all housebuilding is pivotal to meeting circular aims; but with costs already at all-time highs – especially in the public sector – this requires additional capital investment from Scottish Government and / or a re-evaluation of grant levels and subsidy.

With the need for many more social homes across Scotland, it is important that we avoid further burdening the local authorities and housing association with additional regulation – which may stifle house builds and further exacerbate the housing crisis.

Without appropriate funding from government, circularity within the built environment will remain aspirational, not concrete.

Question 8b: Do you have any comments on the plans and priorities for the Net Zero Energy Infrastructure?

No.

---

[2] Priority Sectors:

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

Question 8c: Do you have any comments on the plans and priorities for textiles?

No.

Question 8d: Do you have any comments on the plans and priorities for the transport?

A lot of attention is paid to the reuse and repurpose of EV battery storage – which although it contributes to a more circular transport system, is a mode of transport mostly used by the least deprived in society – unless this relates specifically to EV batteries used in public transport, which is not clear.

If this does relate mainly to private car use, there now exists an awareness within Scottish Government that a move to a greener transport system requires a reduction in all car use, not just a switch from diesel fuel cars to EVs. In this context, significant attention paid to the EV sector – although useful – may not have as long-lasting an impact, unless it is aimed primarily at optimising circularity and re-use in the public transport system. This focus should be explicitly mentioned.

From SURF's perspective, prioritising public transport is crucial. Research consistently highlights that buses are more likely to be used by those on lower incomes, and make up a large share of public transport journeys in Scotland. With proposed franchising in Glasgow, and a municipally-owned transport system in Edinburgh – this would be a good place to begin with circular initiatives, embedding carbon savings and reuse into a form of transport that we know contribute positively to net zero aspirations – now and in the future.

Question 8e: Do you have any comments on the plans and priorities for the food system?

Within the food system priority, it would be useful to further integrate an emphasis on poverty alleviation and ensuring that the benefits of further innovation and circularity extend to those most at risk of food insecurity and poverty.

Question 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"?

For the 'population with access to circulatory options' data measure – this should drill down further into areas of deprivation, and rural, remote, or island communities. Weighting, for example, against the SIMD index could ensure that circularity acts as a vehicle for poverty reduction, or further employment opportunities in areas that need it most, and isn't concentrated in already affluent areas.

End of SURF's response

Augustijn van Gaalen, Policy & Advocacy Manager, January 2026

Visit our policy page for more on SURF's policy influencing activities and other consultation responses.