PE2033/K: Introduce a full ban on disposable vapes

Scottish Grocers' Federation written submission, 3 April 2025

As a key issue for our members, SGF has, wherever possible, supported the aims of the proposed restrictions on the marketing, naming, and packaging of vaping products. However, we also note several areas of concern, highlighting the potential unintended consequences of the ban, and its impacts on business operations, illicit trade and retail crime.

Background

Being able to offer a 'good deal' on the 'full basket' of items customers intend to purchase is essential for local stores. However, prohibitions on items in demand could encourage customers to search out harmful illicit products, undermining many local businesses and the services they provide. (Scottish Local Shop Report 2024)

Nevertheless, many convenience 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 higher-than-normal energy costs, high inflation and food inflation, higher interest rates, continued supply chain disruption and a substantial rise in retail crime. This is in addition to the burden of further regulation from government across a range of issues.

Potential unintended consequences and operational concerns regarding a ban on single use vaping products

It is essential that careful consideration be given to how such a ban will work at an operational level, in-store.

• Illicit trade:

Restrictions on disposable vapes will inevitably and significantly fuel illicit trade in cheap and unregulated products, harming the wellbeing of communities, which continues to be a significant issue. This will exacerbate the recent surge in retail and organised crime and undermine both the UK and Scottish economies. This is already a major factor contributing to youth vaping and the environmental impact, and we note that the current regulations are only enforced to a limited extent and both Police Scotland and Trading Standards appear to have very limited resources to mitigate the rise in illicit goods that will result from the ban. Hence, enforcement agencies, SCOTSS, Trading Standards, Police Scotland & HMRC, will need to be provided with significant extra resource to ensure that they are proactive in dealing with any escalation of this problem.

The vast majority of convenience retailers have substantial experience implementing robust measures to prevent underage sales. Using good practice, such as Challenge 25, and instore procedures such as a refusal register and till prompts. This will not be the case after the product moves onto the illegal market, potentially risking harm to users and customers who previously sourced these goods from legitimate traders.

SGF has consistently worked alongside Trading Standards, and authorities across Scotland, to ensure full and active compliance with the regulations on the sale of tobacco products and e-cigarettes. <u>Our updated retailers guide Regulations for NVPs</u> <u>and Tobacco Compliance in Scotland</u>, a refresh of our previous version published in 2016, is widely distributed by Trading Standards offices across the country.

Nonetheless, as highlighted, Trading Standards presently do not have the resources to properly enforce the current regulation and that has created the situation leading to the problems highlighted. As a result, compliant businesses that are meeting all their requirements are being targeted for tighter restrictions even though they are already part of the ongoing solution.

SGF is of the view that government and enforcement bodies must take a more proactive approach to clamping down on bad practice and repeat offenders. In addition, it is our view that the Scottish Government and enforcement agencies should be significantly more active in calling out the impacts and scale of illicit trade.

Those who wish to continue to use disposable vapes will be encouraged to access illicit and unregulated goods. Now a significant proportion of the vaping products used by consumers in the UK, which are more likely to be harmful and non-compliant to the current safety regulations in place in the UK.

According to studies carried out by colleagues in the convenience sector (ACS), the disposable vapes ban will lead to more customers (24% of current users of disposable vapes) moving to the already burgeoning illicit vape market, costing legitimate Scottish businesses £67m in lost sales and millions more in the value associated with footfall loss, threatening the viability of some stores.

• Operational concerns and potential policy implications:

As stated throughout, SGF promotes responsible community-based retailing and we support the objective of reducing use of Nicotine Vaping Products among underage people, while also protecting the natural environment from the impact of litter. Nonetheless, nicotine vaping products are a critical cessation aid for those who wish to quit smoking.

Balancing the potential harms of vaping for young non-smokers against the clear benefits of vaping to adult smokers is an exceptionally difficult public policy issue. <u>SGF's Healthier Choices, Healthier Communities campaign</u> aims to send a clear message that if you smoke and wish to quit, then consider vaping, but if you don't smoke, don't vape.

Scotland was the first part of the UK to ban smoking in public places, which has led to a reduction in smoking rates, either directly or indirectly. However, more than one-in-seven people in Scotland still smoke. To take the next step towards a smoke-free generation, there needs to be a nuanced debate about vaping.

Therefore, the ban and using the powers set out in the Tobacco and Vapes Bill to further restrict access to affordable vaping products risks an increase in cigarette consumption. According to research conducted by our members, of 1,000 Scottish adults in June 2023, more than half of Scottish smokers had tried using vapes as an alternative source of nicotine.

SGF is of the view that if the measures that are currently in place had been sufficiently enforced, there would be no need for a ban on single use vapes or further restrictions to vaping products proposed in the Tobacco and Vapes Bill (currently in process in the UK Parliament).

With approximately 222 restricted and age restricted products on the Scottish market, the vast majority of convenience retailers are very familiar and experienced with using measures to ensure compliance. SGF also recently provided Challenge 25 posters, and an example refusal register to stores across Scotland, which were distributed to approximately 8,000 subscribers of Scottish Local Retail magazine.

Hence, SGF has called for manufacturers and suppliers to rename and redesign the packaging of products to make them less appealing to children and young people, whilst not limiting their value as a cessation tool for adult smokers who wish to quit.

SGF encourages full compliance with the current Waste Electrical and Electronic Equipment (WEEE) regulations and recycling policy aimed at reducing waste and litter. SGF do this by sharing information and providing essential guidance with our members on complying to the WEEE legislation. Indeed, we have previously developed a Retailers Guide ensuring full compliance with the regulations relating to the sale of tobacco and vapes in Scotland. SGF also launched a campaign in October 2023, with members, to provide 1,000 free vape recycling bins to convenience retailers in Scotland, which were delivered in the spring of 2024.

A lot of emphasis has been placed on the environmental impact but there has been little public communication aimed at educating vapers on returning their used vapes. This also applies to retailers and their provision of vape take-back which is also being stepped up under the reform of WEEE. We are also concerned that our members may still be expected to take-back illegal vapes into their stores if required to provide in-store bins.