



Our ref MA HIDCC 1024 26

Russell Davies
Chief Executive Officer

Dear Russell,

7 April 2026

Thank you for your letter of 13 March regarding Exchange for Change's application to act as the Deposit Management Organisation (DMO) for the Welsh Deposit Return Scheme. We appreciate the time and effort invested by your organisation throughout the application process, including your engagement with officials and the submission of revised application materials.

Following a detailed assessment by the Panel of the final revised submission against the published appointment criteria, I regret to inform you that your application has not been successful. In line with the regulations, Welsh Ministers may only appoint a DMO applicant as the DMO if they are satisfied that the applicant is suitable for appointment having had regard to the requirements within the regulations and the areas set out within para 2(2) of Schedule 5 to the Deposit Scheme for Drinks Containers (Wales) Regulations 2026 ("the Regulations").

Unfortunately, the application does not demonstrate how the proposed scheme would comply with the requirements of the Regulations, including:

- evidence that the proposed model would meet the DMO's obligations in relation to the delivery of the relevant targets set out within the regulations;
- how the DMO would meet its obligations to collect and manage glass returned by scheme collectors, on-sale premises, mixed retail premises, or take-back service providers as required under the Regulations from scheme commencement through to the post the transition period; and,
- the delivery of the initial collection for reuse targets.

It also does not include the provision of a credible financial plan for the scheme, including its coverage of glass or demonstrate the clear accountability of governance arrangements for the Welsh scheme. Noting that the application asks Ministers to proceed with appointment on the basis of intent, with a number of fundamental elements of scheme design, funding and operational delivery deferred for future development.

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Rydym yn croesawu derbyn gohebiaeth yn Gymraeg. Byddwn yn ateb gohebiaeth a dderbynnir yn Gymraeg yn Gymraeg ac ni fydd gohebu yn Gymraeg yn arwain at oedi.

We welcome receiving correspondence in Welsh. Any correspondence received in Welsh will be answered in Welsh and corresponding in Welsh will not lead to a delay in responding.

I recognise the contribution Exchange for Change is making to the shaping of Deposit Return Schemes across the UK and appreciate your engagement with the appointment process for the scheme in Wales.

Should you wish to appeal, you will need to send a written notice of appeal to the Tribunal explaining why you are appealing and what outcome you are seeking, in line with the Tribunal Procedure (First-tier Tribunal) (General Regulatory Chamber) Rules 2009. In doing so, you must submit your appeal within two calendar months of the date of this letter as set out under regulation 100(3) of the Regulations.

You are also welcome to re-apply in any future process.

Yours sincerely,

Huw Irranca-Davies AS/MS

Y Dirprwy Brif Weinidog ac Ysgrifennydd y Cabinet dros Newid Hinsawdd
a Materion Gwledig

Deputy First Minister and Cabinet Secretary for Climate Change and Rural Affairs