

INQUIRY INTO PLASTIC POLLUTION IN AUSTRALIA'S OCEANS AND WATERWAYS

Joint submission to the House of Representatives Standing
Committee on Climate Change, Energy, Environment and
Water

23 January 2023



PREFACE

The National Retail Association (NRA), the Australian Food and Grocery Council (AFGC) and the Australian Council of Recycling (ACOR) have prepared this joint submission in response to the House of Representatives Standing Committee on Climate Change, Energy, Environment and Water consultation inquiry into plastic pollution in Australia's oceans and waterways.

ABOUT THE NATIONAL RETAIL ASSOCIATION

The NRA is Australia's most representative retail industry association. We are a not-for-profit organisation based in Brisbane which represents over 60,000 outlets from every category of retail, including fashion, groceries, department stores, household goods, hardware, fast food, cafes, and services. We work with most national chains, franchises, and thousands of small businesses.

The NRA helps retail businesses succeed and grow within an ever-changing regulatory environment. A significant part of what we do is ensuring our member businesses comply with regulations and mandatory standards. We have a proven track record of working extensively with all levels of government to inform the industry on emerging issues.

The NRA has unique and valuable insight to share as the leading industry expert in single-use plastic (SUP) bans across Australia. We have an unrivalled insight into the impacts on business and community organisations, from the impacts on national supply chains to the everyday impacts on small to medium businesses and charities.

ABOUT THE AUSTRALIAN FOOD AND GROCERY COUNCIL

The AFGC is the leading national organisation representing Australia's food, beverage, and grocery manufacturing industry. Established in 1995, the AFGC promotes the role the sector plays in sustaining Australia's economic, community and environmental health, advocates on issues of concern and interest to the sector and acts as a forum to discuss and pursue those issues.

Food, beverage and grocery manufacturing together forms Australia's largest manufacturing sector, representing over 32 per cent of total manufacturing turnover in Australia. The industry makes a large contribution to rural and regional Australia economies, with almost 40 per cent of its 272,000 employees being in rural and regional Australia.

ABOUT THE AUSTRALIAN COUNCIL OF RECYCLING

ACOR is a non-profit volunteer organisation. Members commit their time, resources and energy to leading the transition to a circular economy through resource recovery, remanufacturing and recycling. The Australian recycling industry is one of our country's growth industries, supporting a more sustainable economy, whilst directly employing over 20,000 people and indirectly creating almost 35,000 jobs. The industry consists of hundreds of businesses, including some of Australia's largest companies, involved in the collection, sorting and processing of recovered materials for re-use. Whether in the home, the office or the factory, recycling is a part of everyday life, with more than 95% of Australians recycling.

INTRODUCTION

Our three organisations, like the community and government, understand the impact that plastic and packaging can have on land and marine environments when disposed of in an irresponsible manner and are committed to collaborating with all packaging stakeholders from packaging suppliers, brand owners, retailers, governments, and material recovery facilities (MRFs) to reduce littering and simultaneously increase the current low recovery and recycling rates.

It is important that any action to reduce marine litter takes a holistic approach to analyse the various sources of marine pollution. Drawing on existing research which identifies the nature and extent of sources of marine litter; noting an estimation that 81% of ocean plastics come from river systems in East Asia and South East Asia¹; will help inform appropriate strategies for preventing and minimising marine litter, including co-operative measures undertaken with our neighbours in the Pacific and South East Asia.

Plastic pollution can arise from multiple sources, including microplastics, waste leakage into the ocean from international sources, packaging litter, lost fishing gear including nets and other materials, and waste from shipping vessels.

We recognise that marine and waterway plastic pollution has three key plastic pollution solutions: (i) addressing the low circularity of plastic, (ii) addressing the source(s) of ocean plastics, and (iii) addressing microplastics.

Our organisations are best placed and can have most impact in collaborating on the creation of a circular economy in plastic packaging. This submission highlights actions already underway to reduce plastic pollution and recommends additional actions required to reduce plastic waste and pollution and create a circular economy for plastics.

PACKAGING SUPPLY CHAIN ACTION TO REDUCE PLASTIC POLLUTION

In recent years there has been an unprecedented focus by governments at all levels and industry on improving the recycling of plastic packaging and addressing the risk of plastic pollution occurring, with a significant number of initiatives underway.

Australian marine litter is intertwined with three issues: sustainable packaging design, littering, and Australia's waste management system, including recovery and recycling. A whole of supply chain approach is required, with collaboration between all levels of government and jurisdictions, the Australian Packaging Covenant Organisation, (APCO) and all stakeholders along the packaging supply chain from packaging companies, brand owners, retailers, collectors, and material recovery facilities (MRFs) to secondary processors.

Activity already underway to address these issues includes:

- Federal Government policy and regulatory settings and funding initiatives such as:
 - the National Waste Policy and Waste Action Plan,

¹ [Where does the plastic in our oceans come from? - Our World in Data](#), 1 May 2021

- the National Plastics Plan,
 - the COAG Waste Export bans,
 - the Recycling Modernisation Fund, and
 - the Product Stewardship Investment Fund;
- Australia's participation in negotiations toward the development of an International Treaty on Plastic Pollution;
- State and Territory Single Use Plastic bans and Container Deposit Schemes which have the positive aim of reducing litter and marine pollution. Lack of alignment however is currently creating confusion for community and industry alike, resulting in low investment confidence and slowing implementation. We note that at the last Environment Ministers Meeting on 21 October 2022, all Australian environment ministers agreed to *"develop nationally harmonised definitions to support the phase out of problematic single use plastic"* and *"reform the regulation of packaging by 2025, to ensure that all packaging available in Australia is designed to be recovered, reused, recycled and reprocessed safely in line with circular economy principles."*²
- Voluntary industry 2025 National Packaging Targets, which include specific targets for plastic packaging being recycled or composted, recycled content included in packaging, and problematic and unnecessary single-use plastics packaging being phased out;
- The implementation in a number of regions, including Australia, of Plastic Pacts consistent with the Ellen MacArthur Foundation's global Plastics Pact network model;
- Activity led by the Australian Packaging Covenant Organisation (APCO) in facilitating and enabling industry to achieve the voluntary National Packaging Targets, including the facilitation of the ANZPAC Plastic Pact;
- Collaboration between the resource recovery and recycling industry, local councils and policy makers to progress national harmonisation of kerbside recycling collection, as referred to in the National Waste Policy Action Plan item 3.7. Harmonisation of kerbside recycling will require an accurate understanding of current MRF infrastructure across Australia; a consideration of the variety of influences relating to community behaviour and recycling, including consumption habits and demographics; and strong markets for recycled material;
- A push to establish strong end markets for recycled materials in Australia, which must begin with government procurement. DCCEEW's planned labelling system Re-Made in Australia will further help to draw consumer attention to recycled materials;
- Brand Owners following packaging design standards such as the global CEFLEX design guidelines and the APCO Sustainable Packaging Guidelines, which are a packaging design resource used by brand owners to maximise packaging recyclability, increase recycled content usage, and minimise the impacts of litter. In doing so, brand owners must ensure that product and food safety is not compromised and food waste does not increase;

² [ENVIRONMENT MINISTERS MEETING – 21 October 2022 - Agreed Communiqué \(dcceew.gov.au\)](https://www.dcceew.gov.au/environment/ministers/meeting-21-october-2022)

- A new reusable shopping bag standard developed in consultation with industry, government and environments groups that provides a minimum set of performance requirements for all shopping bags to be deemed genuinely reusable. Problematic single-use heavyweight plastic bags that do not meet the reusable shopping bag standard will be banned from 1 September 2023, in Queensland. The intent of the new shopping bag standard includes but is not limited to, insisting on the use of recycled plastic, limiting virgin plastic and setting standards on performance for heavyweight plastic shopping bags;
- The AFGC's development of the National Plastics Recycling Scheme (NPRS), which will bring the food and grocery supply chain together to deliver a national scheme initially focusing on increasing the diversion of soft plastics from landfill and the creation of a circular economy and will move on to support the increased recycling of other plastics that are currently difficult to collect and/or recycle;
- The NRA's engagement to assist governments with the practical implementation of single use plastic ban legislation, delivering large-scale business education programs. Within the last 12 months, the NRA team have worked with 6 state governments (Western Australia, Australian Capital Territory, Queensland, New South Wales, South Australia and Victoria) and New Zealand government, to educate and support over 100,000 retailers, suppliers, charities, and community organisations impacted by single-use plastic bans; and
- ACOR's Recycle Mate, which uses AI image recognition to provide recycling advice across Australia, with full coverage of local governments, encompassing 70 different systems, and a growing database of over 30,000 away-from-home recycling options. There are 5,700 items listed on the app and over 30,000 downloads, with exponential growth following targeted promotions in 2022.

FURTHER ACTION TO ADDRESS MARINE PLASTIC POLLUTION

Any further measures to be considered by the Committee to reduce plastic pollution in our oceans and waterways require clear policy aims, either/both reducing terrestrial and marine litter or increasing the recycling rate of plastic. We believe these are distinct issues and need to be assessed and addressed independently to obtain the best outcome for the community and the environment. For instance, the actions to achieve these policy aims can differ greatly. If the aim is to reduce litter, initiatives such as container deposit schemes, public place bins and consumer education are appropriate for consideration. If the aim is to increase recycling rates, then policy should focus on materials with low recycling rates. The low Australian recycling rates of plastic packaging at 16%³ highlights the need for improved community education, local infrastructure development and market stimulation.

Packaging facilitates the movement of products through supply chains enabling local and global trade. Packaging also plays an important role in maintaining product freshness, quality and safety across many product and food types. Therefore, it is critical any proposed action to address single-use plastics and plastic packaging does not result in a reduced net community benefit such as increasing food waste or health risks to the community.

³ [Australia's 2025 National Packaging Targets - APCO](#)

1. HARMONISED NATIONAL APPROACH

Introduce a national kerbside standard and develop a nationally compatible community education campaign

The lack of consistency of accepted recyclable packaging between councils creates community confusion and impedes brand owners from designing packaging to a nationally agreed standard. It also hinders MRF operators in optimising MRF design to maximise material recovery and quality. (Note: the introduction of the PREP Tool and the Australasian Recycling Label is a proactive step to minimise the impacts of this variation. To increase the yield, quality and value of recycling materials, it is necessary to reduce kerbside contamination).

Clear, simple, consistent labelling is essential for reducing consumer confusion, limiting cross contamination and improving environmental outcomes. The implementation of initiatives such as the Australasian Recycling Label (ARL) and Recycle Mate will assist in reducing community confusion. However, good access to collection, sufficient processing infrastructure and strong markets for recycled material are fundamental to increase recovery and recycling.

Nationally standardised kerbside collections are referred to in the National Waste Policy Action Plan and being led by Victoria's kerbside standard. Ideally this will inform the development of a national education campaign that builds the perceived value of recycling the minds of community members to drive behaviour change.

Compostable packaging

Although the National Waste Policy Action Plan includes a national timeline for the introduction of household organics collection, the transition to compostable packaging is currently being stifled by differing collection systems nationwide and recently mooted plans by some jurisdictions to ban compostable packaging from organics collections and processing facilities.

Single Use Plastic Bans and Container Deposit Schemes

Differences between the States and Territories in relation to the implementation of Single-Use Plastic regulation and Container Deposit Schemes is both increasing cost and complexity for businesses with national reach and in some cases is misaligning with the National Packaging Targets.

While the independence of the states allows governments to implement waste policy tailored to their state's needs and to initiate and stimulate national progress, it can also produce adverse impacts that ultimately produce commercial inefficiencies, undermine commercial confidence for circular economy stakeholders to invest, and reduce potential environmental gains. As the broader industry operates within national and often global supply chains, alignment across the jurisdictions (global where possible) is critical to providing the scale necessary to drive optimal environmental outcomes.

While we recognise and respect that each jurisdiction can legislate in their own right, it is our view that the greatest environmental outcomes will be achieved if the approach to address plastic recycling and pollution is nationally compatible to drive investment in a national supply chain and circular economy.

The variations between states, and in some cases councils, further confuses the community and ultimately erodes their trust and participation in recycling.

2. MEASURES TO COMBAT LITTER

To prevent litter entering the marine environment, it is critical to educate the general public through the introduction of a renewed community litter education campaign (noting the prerequisite of a national kerbside standard and consistent single-use plastic bans and container deposit schemes outlined above), supported by an increase in both public place collection infrastructure adjacent to waterways, and collection services to assist in preventing litter from entering stormwater systems that lead to waterways.

3. FAST TRACKING A CIRCULAR ECONOMY IN PLASTIC PACKAGING

To support the creation of a circular economy where packaging is recycled and does not enter the litter stream, there are several further key actions required, outlined below:

Transparency and traceability

As plastic pollution is a global issue, global traceability standards need to be embedded in all sectors of the supply chain to ensure the flow of plastics is visible with no blind spots. We submit that traceability of material along the entire supply chain is a prerequisite to creating a circular economy and reducing marine litter.

Traceability of recyclate is also essential for brand owners to enable on-pack recycled content claims, which will drive consumer demand and stimulate the circular economy.

Financial support from the government to assist the waste and recycling sector to fast-track the implementation of traceability systems will hasten demand for recycled content from brand owners and the development of a circular economy. We support the traceability work currently being led by the Department of Climate Change, Energy, Environment and Water.

The need for standards

Consistent and integrated standards along all parts of the supply chain is key to ensuring we lift the recycling rate. For brand owners to invest in new packaging design, including new packaging plant and equipment they require long-term assurance new packaging will be acceptable in kerbside nationwide or alternatively, that the currently deemed 'non-recyclable' item will not be deemed 'recyclable' in the near future due to technological advances. Brand owners' confidence to invest would likely increase if national kerbside standards were adopted rather than the current council-by-council approach, which results in vast variances in packaging acceptance nationwide. In short, brand owners need greater certainty so they can confidently design products that can be recycled in all MRFs prior to investing capital in new packaging plant and equipment.

The food and grocery sector recommends the creation of national minimum material quality specifications or standards for each transaction point along the supply chain to maximise the quality, yield and value of recyclate. These standards could apply from inbound and outbound MRFs quality standards, to plastic resin input quality standards, hence increasing the supply of quality recyclate that will result in increased availability of food grade plastic packaging and stimulate a circular economy. One step towards achieving this is the implementation of an Australia Recycler Accreditation Program, currently being explored by ACOR and the Department of Climate Change, Energy, the Environment and Water.

Data collection and reporting

Due to the complexity and interconnectedness of the supply chain, it is recommended that National Packaging Targets and reporting obligations are extended to all, or key, parts of the

recycling supply chain. By including data from MRFs and secondary processors, the increased transparency will enable root cause analysis of recycling losses as this is the point where the greatest recycling losses occur in the total supply chain. Transparency of recycling losses in the recycling sector are essential to firstly identify causes and secondly implement solutions thereby reducing the amount of plastic litter in the environment.

In short, you cannot create a circular economy by only measuring packaging generation and waste. The entire supply chain must be transparent to drive improvements.

Energy from Waste Policy

To provide industry with the confidence to invest in recycling infrastructure, supporting the development of a circular economy, we recommend that a national waste-to-energy policy framework must be initiated. Industry is unlikely to invest while there is a lack of clarity about waste to energy policy.

A EfW policy framework that restricts EfW to non-recyclable material only will provide industry with clarity, certainty and therefore confidence to invest in mechanical or advanced recycling and resource recovery infrastructure knowing that minimum feedstock volumes underpinning capital investments are secure.

Government investment in research and commercialisation

The packaging supply chain sector is committed to playing their part in developing a circular economy and achieving the 2025 National Packaging Targets, including increasing the recyclability, recycling rate and recycled content of product packaging. Meeting these targets requires research, development and safety/quality testing of new packaging formats, and changes to equipment which have a significant cost.

While significant government funds have been provided to support an increase in recycling rates, consideration should be given to government investment opportunities in areas of research and commercialisation to enable the sector to move more quickly to contributing to a circular economy, in line with community and government expectations. These areas include:

- Clarifying the difference between waste management and recycling infrastructure – and ensuring that data and information is collected for each specific part of the recycling value chain.
- Assisting in the provision of data and fact-based analysis in assessing material products flows of recycling commodities to confirm current supply chain leakages;
- Assisting in the provision of data and fact-based analysis in assessing product packaging lifecycle assessments to determine the full environmental impacts of packaging, including the impact on food waste;
- Assisting in collating the current and future packaging material needs for use by government, the packaging industry, food and grocery manufacturers and recyclers/processors in developing;
 - Future material demand plans,
 - Material infrastructure capacity planning,
 - Infrastructure funding models for all stakeholders along the supply chain.

Additionally, a research platform could support research and development of the following:

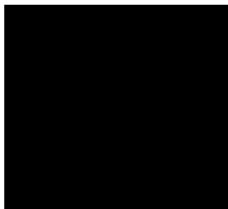
- New packaging technologies containing increased recycled content that meet the criteria of:
 - providing food safety,

- reducing food waste,
 - extending product shelf life,
 - reducing waste in production, transport, at retail and in the home, and
 - meeting TGA hygiene standards for therapeutic goods
- New manufacturing packaging equipment capable of packing and printing recycled materials without impacting food safety or increasing food waste.
- Analysis of current and proposed collection systems to increase source separation and increase the quality of recycled materials,
- Improving the sorting capability of MRF's and setting state-wide specifications to reduce processing residual and increase material recovery rates,
- Emerging technologies for alternate uses of recyclate,
- The development of new end markets for existing problematic recyclate such as plastics.

CONCLUSION

ACOR, AFGC and NRA support initiatives and policies that effectively reduce marine pollution. While micro plastics and ocean plastics are large global issues that require immediate action, we submit the greatest impact Australian industry can have on marine pollution is the creation of a circular economy for plastics. Industry sectors along the supply chain are proactively collaborating to jointly deliver beneficial environmental outcomes and will continue to work with government to deliver effective policy and programs for community and the environment.

Should you require any additional information, please do not hesitate to contact us.



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