AUSTRALIAN COUNCIL OF RECYCLING SUBMISSION:
SENATE STANDING COMMITTEES ON ENVIRONMENT AND COMMUNICATIONS INQUIRY INTO GREENWASHING

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About the Australian Council of Recycling

The Australian Council of Recycling (ACOR) is the peak industry body for the resource recovery, recycling, and remanufacturing sector in Australia. The Australian recycling industry contributes almost $19 billion in economic value, while delivering environmental benefits such as resource efficiency and diversion of material from landfill. Our sector processes close to 50 million tonnes of material annually.

ACOR's membership spans the entire recycling value chain, and includes leading organisations in CDS operations, kerbside recycling, recovered metal, glass, plastic, paper, organic, tyre, textile, oil and e-product reprocessing and remanufacturing, and construction and demolition recovery.

Our mission is to lead the transition to a circular economy through the recycling supply chain.

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Executive Summary

Australia's recycling industry bears the reputational and operational costs of greenwashing, undermining trust in recycling and the circular economy. The Senate Standing Committees on Environment and Communications' inquiry into greenwashing provides an important opportunity to strengthen public confidence in recycling and support investment in Australia's recycling systems.

The recycling industry is a critical component of Australia's remanufacturing supply chain, comprising three key elements: collection, processing and end markets. For recycling to deliver real environmental outcomes, each element must be economically viable and supported by clear and realistic messaging.

Greenwashing poses a threat to the integrity of recycling in Australia. Vague or inaccurate labels suggesting that products are "recyclable" create false consumer expectations. When such products cannot be recycled, it is recyclers—not brand owners—who suffer the reputational damage, , while also managing the burden of unrecyclable material that contaminates recycling streams.

Marketing practices that present collection as equivalent to recycling, without ensuring materials are ultimately transformed into materials that have viable markets, enable greenwashing under the guise of environmental responsibility. Similarly, unverified claims about recycled content undermine demand for Australian recyclers and displace much-needed domestic markets.

To combat greenwashing and strengthen public trust, Australia needs nationally consistent standards that clearly define what can be labelled as "recyclable" or "recycled." Misleading labels distort consumer behaviour, increase contamination in recycling streams, and undermine legitimate recycling efforts.

It is essential to ensure the integrity of environmental claims to protect the recycling industry's reputation and foster a robust circular economy. Collaborative action across government, industry, and communities is required to create a viable and effective recycling system.

1 Introduction

The Australian Council of Recycling (ACOR) welcomes the opportunity to comment on the Senate Standing Committees on Environment and Communications inquiry into greenwashing.

ACOR is the peak industry body for the resource recovery, recycling, and remanufacturing sector in Australia. Our membership is represented across the recycling value chain, and includes leading organisations in advanced chemical recycling processes, CDS operations, kerbside recycling, recovered metal, glass, plastics, paper, textiles, mattresses, e-product reprocessing and remanufacturing, road recycling and construction and demolition recovery. Our mission is to lead the transition to a circular economy through the recycling supply chain.

The recycling industry is a remanufacturing supply chain essentially comprised of three key elements: collection, processing, and end markets. Each of these elements is vital for real recycling outcomes—and each must be economically viable. Greenwashing misleads consumers and disrupts legitimate recycling efforts at every stage of the supply chain.

A thriving recycling sector in Australia is driven by four strategic priorities:

- Strong markets for domestically recycled materials
- Product stewardship that delivers genuine recycling outcomes
- A community that knows how to recycle right and has confidence in recycling systems
- A harmonised and effective regulatory environment

Strong end-markets are critical to the long-term viability of the recycling sector. A scaled and effective recycling industry is essential to a functioning circular economy, which depends on sustained demand for recycled materials and the integrity of their environmental and commercial reputation.

Product Stewardship Schemes can play an important role in reducing waste and increasing recycling. However, when schemes are not designed properly, they can amount to greenwashing. Claims of recycling, particularly through product stewardship schemes, may be misleading if the scheme design ends at collection, with no scope for or proper funding for the recycling of products in scope.

The mislabelling of products as recyclable can mislead consumers, creating a false incentive to purchase these items under the assumption they are environmentally responsible. Inaccurate labels or terms suggesting recyclability create false expectations for consumers, contribute to contamination in recycling streams, and undermine public confidence in recycling systems.

Harmonised national standards are necessary to regulate when a product can be labelled ‘recyclable’ or ‘recycled’. A lack of alignment has generated multiple labelling options that confuse consumers. Consequently, consumers cannot distinguish between greenwashing and genuine recycling outcomes.

2 Strong markets for domestically produced recycled materials

Markets for domestic recycled material are essential for the recycling system to work. Claims that a product is recyclable without scaled and viable end-markets to support it are misleading and constitute greenwashing.

While Australia is a net importer of finished goods, all such products ultimately enter our nation's waste streams. Export restrictions on certain recovered materials—such as plastics, glass and tyres—mandate that they must be reprocessed domestically, while also effectively limiting the export of processed recycled materials through licensing requirements.

At the same time, domestically recycled content struggles to compete with cheaper virgin and imported recycled alternatives, due to higher production costs in Australia. This makes the development of robust markets for domestically produced recycled material both more challenging and more critical.

The commercial viability of the Australian recycling sector depends on strong, sustained end markets for domestically recycled content. Imported recycled material should not be treated as equivalent to local recycled content. Although it qualifies as recycled material, it does not contribute to resource recovery within Australia and instead undermines Australia’s recycling systems.

To meet real circular economy goals, policy *must* drive demand for Australian recycled content. Endeavours relating to recycling, such as product stewardship schemes, regulation, and community education, are only effective if they help to support viable end markets; without these, such efforts risk amounting to greenwashing.

Thresholds for domestic recycled content must be mandated to ensure the viability of the Australian recycling system and address significant barriers to market uptake of recycled material. This is especially the case for plastic packaging, where more than half of all plastic packaging on Australian shelves is imported, but the entire amount must be reprocessed onshore, due to waste export regulations.

As Australia's largest infrastructure client and major procurer of goods, the Australian Government has a key role to play in leading market demand for recycled content. Australian recycled content in Government-procured goods, as well as buildings and infrastructure projects, should be strongly prioritised. Currently, there are no clear measures in place to ensure the implementation of government policies relating to the procurement of recycled material, such as published benchmarking, measurement and reporting on the procurement of recycled content.

Programs to facilitate the uptake of Australian recycled materials in infrastructure must be a priority. A leading example is ecologiQ, the delivery mechanism for Victoria's Recycled First policy, which has supported uptake of recycled material to market; acting as a 'matchmaker' between infrastructure projects and producers of recycled materials, and de-risking the utilisation of innovative products in major projects.

Incentives should also be implemented for businesses to buy products 'ReMade in Australia', and the Government should work with industry to identify ambitious targets for Australian recycled content by 2030 and 2050, with transparent reporting on progress.

Recommendation 1. *Mandate thresholds and clear targets for Australian recycled content in government procurement and infrastructure projects, along with incentives for business uptake, supported by transparent reporting.*

3 Product Stewardship Schemes

The Australian Government oversees both mandatory and co-regulatory product stewardship schemes and also provides accreditation for voluntary arrangements, giving schemes credence.

Moves to place greater responsibility on producers and manufacturers for the lifecycle of their goods, through extended producer responsibility and product stewardship schemes, can be an effective way to ensure recyclability and fund recycling efforts.

However, some existing product stewardship schemes do not deliver strong recycling outcomes, while future schemes are being established without the correct drivers in place to drive effective resource recovery.

Common issues among schemes, which serve to undermine recycling investment, include:

- underfunding for recycling (or assumption that recycling is free/cheap),
- lack of prioritisation and meaningful support for end markets for recycled materials,
- prioritisation of scheme administration over resource recovery and recycling outcomes,
- a prioritisation of product stewardship schemes over other effective policy and regulatory levers,
- the proliferation of multiple schemes, with diverse governance structures, operations, priorities and outcomes, resulting in inefficiency and consumer confusion,
- lack of accountability and transparency, and
- conflicts of interest in governance and a lack of representation across the entire supply chain—with a focus on producers rather than collectors, recyclers or purchasers of recycled products.

A poorly designed product stewardship scheme can enable greenwash and cause more harm than good, by:

- slowing momentum with strong marketing that promotes ineffective activities,
- failing to deliver effective and transparent outcomes for consumers, who essentially fund these schemes, and
- driving down resource recovery outcomes by prioritising cost reduction over performance.

Case Study 1. REDcycle

REDcycle was an industry-led program operating from 2011 as a broad-based return-to-store, soft plastics recovery program in Australia, facilitating the collection and processing of soft plastics into a variety of durable recycled plastic products. Product manufacturers and major Australian supermarkets partnered with REDcycle to run the program.

In November 2022, REDcycle announced that it was suspending soft plastics collection, as processing capacity for soft plastics and markets for recycled soft plastic products became limited. It was later revealed that REDcycle was stockpiling over 10,000 tonnes of unprocessed soft plastic across dozens of locations Australia-wide. In February 2023, REDCycle was declared insolvent, reflecting broader limitations of the recycling system for soft plastic.

As a product stewardship scheme, REDcycle was fuelled by strong marketing and collection rather than a robust recycling supply chain and stable end markets. In a market environment where the production of new plastics is still far outstripping the demand for recycled materials, the collapse of REDcycle underscores the importance of scrutinising the operational aspects of product stewardship schemes to ensure they are capable of fulfilling their objectives and contribute meaningfully to circular economy outcomes.

The failure of REDcycle has had a broad impact on public confidence in recycling, with the media often calling into question the effectiveness of Australia's broader recycling system, demonstrating that the reputation of the recycling industry (rather than manufacturers) is mostly severely compromised by poorly designed schemes.

Case Study 2. Seamless

Australians are the second-largest consumers per capita of textiles globally, purchasing on average an estimated 27 kilograms of new fashion and textiles each year, of which on average 93per cent is disposed of.[1] In 2018–2019, 227,000 tonnes of clothing were landfilled in Australia, 105,900 tonnes were exported, 51,000 tonnes were reused locally, 7,000 tonnes were recycled, and 5,000 tonnes went to waste-to-energy.

The Australian Fashion Council clothing product stewardship scheme, Seamless, launched in June 2023. The Board was announced in December 2023,[2] with no representation from the recycling sector.

The scheme design outlined a proposal to reduce this consumption and waste by raising a levy of 4 cents per garment to be invested in education, scheme administration, and research and development[3] .

This levy does not adequately address the costs of recycling and the scheme design in fact risks potentially locking in a status quo arrangement in the fashion industry: restricting trade and access to feedstock, and remuneration for recyclers.

The scheme design does not address the economic and regulatory mechanisms necessary to drive resource recovery: there are no identified end markets for recycled products generated by the scheme and no firm work plans to develop these markets; no restrictions on the export of textile waste; no landfill bans (noting that some participants are entitled to a waste levy exemption); and insufficient funding for higher-order recycling.

Seamless does not currently enforce verification of recycling claims, though the scheme states its aim is to bring transparency and definitions into the sector. There is no independent audit requirement yet for what participating brands call "recycling."

Under the current design, Seamless will likely raise revenue from consumers while increasing export revenue from used textiles (including textile waste), without increasing Australian recycling rates.

[1] Monash Sustainable Development Institute (2022) 'Textiles: A transitions report for Australia identifying pathways to future proof the Australian fashion and textile industry', report, p. 6, Monash University website, accessed April 2024.
[2] Australian Fashion Council (18 December 2023) 'Seamless announces inaugural CEO and Board of Directors', media release, Australian Fashion Council website, accessed February 2024.
[3] Australian Fashion Council (2023) 'Scheme Design Summary Report', Australian Fashion Council website, accessed February 2024.

Case Study 3. National Television and Computer Recycling Scheme

The National Television and Computer Recycling Scheme (NTCRS),[4] established in 2011, provides collection and recycling services for televisions and computers, including printers, computer parts and peripherals. The scheme is intended to reduce e-waste to landfill, increase the recovery of reusable materials, and provide convenient access to recycling services for households and small businesses.

Companies that import or manufacture television and computer products over certain thresholds are liable under the scheme, and are required to pay for a proportion of recycling through membership in an approved coregulatory arrangement. These five co-regulators are responsible for the day-to-day operation of the scheme, including organising the collection and recycling of e-waste on behalf of brand owners (known as liable party members within the NTCRS).

However, the NTCRS has become an inefficient system with a two-tiered marketplace: the five co-regulators compete to offer the lowest fees to brand owners, forcing prices down to unsustainable levels, while recyclers are reduced to price-takers. The NTCRS has become a 'race to the bottom' for some brand owners at the expense of best-practice recycling and environmental outcomes.

The drive towards low-cost outcomes has incentivised some co-regulators to reduce accessibility or compromise on material recovery rates. There is little transparent downstream verification or reporting of recycling outcomes: audits in the NTCRS are primarily financial audits, with cursory attention to operational elements.

3.1 Australian Government Product Stewardship Scheme Accreditation

The Commonwealth's accreditation framework for voluntary schemes under the Recycling and Waste Reduction Act 2020 (RAWR Act) allows Product Stewardship Schemes to operate under the guise of government endorsement—through Commonwealth branding—without requiring commensurate levels of governance, transparency, or performance.

There is a lack of oversight necessary to ensure these schemes deliver meaningful and measurable environmental and circular economy outcomes. Critically, the framework does not impose enforceable targets, require evidence-based reporting, or ensure that conflicts of interest are addressed within scheme governance. There have been no clear consequences for underperformance, and the accreditation does not mitigate greenwashing.

The Commonwealth accreditation framework must also be significantly tightened to ensure schemes are delivering on the objectives of the Act, particularly the goal of maximising the continued use of products and waste materials.

Specific priorities for reform include:

- Improved governance: Ensuring schemes represent the entire supply chain and offer greater transparency and accountability.
- Clearer performance criteria: Establishing consistent metrics to measure the effectiveness of schemes.
- Independent auditing: Implementing robust third-party audits of schemes, including operational reviews.
- Enforceable targets: Setting targets that increase over time to drive continuous improvement.

3.2 Product Stewardship Schemes Metrics

Robust product stewardship schemes must be underpinned by clearly defined, measurable objectives, rules and targets. These metrics are essential to track progress, evaluate effectiveness, and enable ongoing improvement. In particular, well-defined metrics relating to recycling and scheme compliance across the full supply chain are vital to identifying what's working, where adjustments are needed, and where investment should be targeted.

Metrics must align with the specific operations of each product stewardship scheme. While a scheme may address broader goals related to sustainability or the circular economy, it must still account for what happens at end of use. Regardless of the model, performance should be measured against clear, outcome-

[4] Department of Climate Change, Energy, the Environment and Water, 'National Television and Computer Recycling Scheme', DCCEEW website, accessed March 2024.

based goals—particularly in relation to recycling, recovery and the management of end-of-life materials—with credible data that attributes outcomes to specific actions across the supply chain.

ACOR has outlined a core set of recommended metrics in *Resource Recovery and Recycling Metrics for Transparent and Effective EPR and Product Stewardship*, including material arising, collection, recycling rates, end markets, and governance.

Recommendation 2. *Integrate metrics into all Commonwealth-accredited voluntary and mandatory Product Stewardship schemes to promote good governance, transparency, consistency, accountability, and measurable public and environmental benefits.*

4 Regulation

It is important to distinguish waste management from recycling. While historically, the two sectors were effectively combined, as businesses integrated waste and recycling, these processes are distinct: waste management is a logistical enterprise, whereas the recycling value chain is production, comprising aggregation and sorting, reprocessing and remanufacturing. Recycling processes are often dependent on effective logistics provided by the waste management sector, which transports and disposes of waste and unwanted materials. But, fundamentally, waste entails pollution and risk, whereas recycling entails resource efficiency, value creation, economic opportunity and circular outcomes.

Operators that claim they are undertaking recycling activities without remanufacturing materials and engaging with end-markets are not recyclers. This makes it difficult for stakeholders to distinguish waste operations from recycling activities, or good from poor practices – ultimately undermining legitimate recycling operations.

A well-functioning regulatory environment is essential to support recycling and a broader, robust circular economy. Clear and consistent legislation, supported by aligned systems and market incentives, helps ensure that resource recovery and recycling activities are both effective and credible.

One critical challenge within this regulatory framework is the need to clearly distinguish between genuine recycling activities and waste management. When recovered materials continue to be classified as waste—despite being processed to a standard comparable to virgin materials—two major risks emerge. First, waste management operators may falsely present their activities as recycling, diverting materials and revenue away from legitimate recyclers. Second, genuine recyclers may face unnecessary regulatory barriers when trying to bring quality, market-ready recycled products to consumers.

Classifying recycled materials as waste, despite having undergone material transformation, having value, demand, and often equivalent performance to virgin products, not only distorts the market but also undermines investment in recycling infrastructure. It creates an uneven playing field between producers of virgin and recycled materials, and ultimately hinders progress toward a circular economy. Without strong markets for recycled materials, recycling is unviable.

Clearer definitions are essential to support more effective resource recovery and recycling. Ambiguities around terms such as ‘waste’, ‘end-of-waste’, ‘recycling’ and ‘recycler’ underpin regulatory uncertainty—leading to misclassification of processes and materials, missed market opportunities, enabling greenwashing, and the unnecessary export of resources that could be reprocessed locally.

Recommendation 3. *Undertake a holistic review of the provisions for product stewardship within the Recycling and Waste Reduction Act 2020, addressing the definition of where ‘waste’ becomes a ‘material’ or ‘product’, and ensuring that recycled commodities are distinguished from waste.*

5 Community confidence and recycling right

5.1 Environmental claims

The ACCC's Greenwashing Guidelines, *Making Environmental claims: A guide for business*, identify the following principles for trustworthy environmental claims:

1 Make accurate and truthful claims.
2 Have evidence to back up your claims.
3 Do not hide or omit important information
4 Explain any conditions or qualifications on your claims.
5 Avoid broad and unqualified claims
6 Use clear and easy to understand language.
7 Visual elements should not give the wrong impression.
8 Be direct and open about your environmental sustainability transition.

The above principles are not adequately applied or policed in relation to claims of both recyclability and recycled content.

Case Study 4. Greenwashing by businesses in Australia: Findings of the ACCC's Internet Sweep of Environmental Claims

In 2023, the ACCC released a report reviewing instances of greenwashing by businesses in Australia. The investigation examined 247 businesses in Australia, with 57 per cent raising concerns.

It was found that businesses are:

- Using vague or unclear environmental claims
- Not providing sufficient evidence for the claims
- Setting environmental goals without clear plans for how these will be achieved.
- Using third-party certifications and symbols in a confusing way.

These practices mislead consumers who are increasingly relying on sustainability claims to inform purchasing decisions. Misleading or unsupported claims not only breach consumer trust but also undermine genuine efforts by businesses that invest in sustainability. This creates an uneven playing field, discouraging further investment in sustainability, and ultimately weakens consumer confidence while harming effective market competition.

5.2 Labelling

5.2.1 Recyclability claims

In 2020, ACOR commissioned a review of packaging and environmental labelling claims to identify logos and statements indicating whether packaging was recyclable.

Results indicated that of the 150 products sampled, 61 per cent displayed a recycling claim or label. Of those that displayed a recycling claim or label, 23 per cent were the Australian Recycling Label (ARL) and 29 per cent were the Mobius loop.

The majority of products had a recycling claim; however, the logos were commonly only on outer packaging rather than on each packaging component. As 52 per cent of products sampled consisted of more than one packaging component, this revealed inconsistent recycling labels relating to one or more packaging types.

Furthermore, it was identified that some labelling is incorrect or non-existent (some claim to be recyclable when not, some have no claim despite being recyclable), and the terminology used to explain the recyclability of the packaging is not consumer-friendly (e.g. "this packaging is recyclable" when only one component is actually recyclable).

The assessment concluded that ambiguity is influencing the consumer's ability to effectively recycle packaging through recycling programs and that recyclability labels need to be specific about the disposal methods of all components, and also include instructions to avoid contamination.

Case Study 5. Mobius loop and Plastic Resin Codes

The Mobius loop was launched in 1970 as part of a contest sponsored by the Container Corporation of America (CCA). It is often referred to and used as a universal symbol for recycling, indicating the capability of the particular material that bears it to be recycled.

However, it does not mean the product will be accepted for recycling. The symbol is not trademarked, and there is no official regulation for its use. As a result, it can appear on any item and does not necessarily indicate recyclability, but could also mean that the material contains a certain percentage of recycled content.

In 1988, the Society of the Plastics Industry (SPI) introduced the Plastic Identification Code (PIC), or resin identification codes, to distinguish different types of polymers. The system was brought to Australia in 1990. Each code assigns a number (1–7) to indicate polymer type, enclosed in a triangle made up of three chasing arrows resembling the Mobius loop. The codes were intended to provide guidance to recyclers and re-processors, enabling easier sorting of plastics for remanufacture into new products.

In its simplest form, the coding scheme was voluntary, with manufacturers encouraged to mark packaging with the relevant resin code. In 2003, Chemistry Australia (then the Plastics and Chemicals Industry Association) reviewed the scheme and updated its Code of Practice to clarify how and where the coding symbols should be used, aiming to support re-processors. However, as sorting technologies at Materials Recovery Facilities (MRFs) and plastics recycling plants have become increasingly automated, the practical role of resin codes in aiding re-processors has diminished.

Despite their different origins, the Mobius loop and resin identification codes have become closely linked in public perception. Yet neither on its own, nor in combination, guarantees that the material displaying the symbols will be accepted in recycling systems. This has created significant confusion for consumers.

Labels featuring the Mobius loop or resin codes give the impression that a material is recyclable when this is not necessarily the case. The result has been contamination in recycling streams and, over time, reduced public confidence in recycling outcomes.

Establishing nationally consistent standards for recycling definitions and labelling would reduce consumer confusion and improve recycling outcomes. Currently, there are no mandatory national standards that govern when a product can be labelled as ‘recyclable’ or ‘recycled’. Existing labelling formats are inconsistent or absent, often signalling that a product is recyclable without accounting for Australia’s actual recycling capabilities and infrastructure.

5.2.2 Recycled content claims

As a net importer of packaging materials, Australia lacks a mandatory traceability system to authenticate supply chains and recycled content claims. This regulatory gap increases the risk of inaccurate or misleading recycled content declarations, which can undermine the integrity of recycling systems, reduce public confidence, and create distortions in the market for recycled materials.

Case Study 6. Clorox GLAD Ocean Plastic recycling claims

The Australian Competition and Consumer Commission (ACCC) found that Clorox Australia misrepresented certain GLAD-branded kitchen and garbage bags as being made from 50 per cent recycled "ocean plastic." However, the plastic was actually collected from communities in Indonesia up to 50 kilometres from the shoreline, not from the ocean or sea. The ACCC determined that these claims were false or misleading under Australian Consumer Law.

In April 2025, the Federal Court ordered Clorox to pay a total penalty of A$8.25 million. The company was also required to implement a compliance program for the Australian Consumer Law, issue a corrective notice, and contribute to the ACCC’s legal expenses. Clorox ceased production of the misleading products in July 2023 following the ACCC's intervention.

ACCC Chair Gina Cass-Gottlieb noted that this was a “significant matter because consumers have limited or no ability to independently verify the accuracy of the claims made on packaging, and it also disadvantages competitors who are accurately communicating their environmental credentials”

Without disclosing a recycled product’s origin, consumers can be led to believe their purchase supports waste reduction in Australia, although only local recycling processes directly contribute to diverting materials from Australian landfills. Without transparency, these claims risk enabling greenwashing and undermining informed decision making.

There are no compulsory mechanisms to verify recycled content claims. False claims about recycled material not only diminish consumer confidence in recycled products, but also undermine Australian recyclers who produce genuine recycled content.

The recycling industry's ability to achieve true circular economy outcomes depends on the sustained availability of end markets for domestically recycled content. A failure to support these markets results in lost investment in local recycling infrastructure. Without viable economic conditions, recycling operations are unsustainable. Over time, imported recycled content will also end up in landfill due to the absence of a functioning domestic sector capable of sorting and reprocessing it at the end of use. This is not a problem that will correct itself; it requires targeted, specific regulatory intervention.

5.2.3 Recycled content traceability

Supporting local recycling requires certainty that procured products actually originate from domestic recycling streams. This depends on robust traceability systems for recycled content, which verify material origins and ensure that sourcing genuinely supports domestic recycling markets. These measures also help prevent greenwashing and uphold the credibility of sustainability claims.

The Australian Government has developed the National Framework for Recycled Content Traceability as a measure to support a circular economy. As Australia moves closer to mandatory recycled content standards—especially for packaging, as committed to by the Australian Government—traceability is essential to build confidence in recycled goods.

The traceability framework must go hand-in-hand with government-mandated domestic recycled content thresholds, which should initially apply to packaging, and eventually extend all product categories.

Many recyclers already undertake traceability: operators participating in container deposit schemes trace eligible materials through their facilities; the value chain for food-grade packaging involves stringent tracking; recyclers participating in product stewardship schemes trace in-scope products; and many MRFs trace baled materials through their facilities and to the next destination.

Recommendation 4. Procurement of Australian recycled content must be prioritised, underpinned by the National Framework for Recycled Content Traceability.

Case Study 7. Martogg Group

Martogg undertakes traceability through a quality management system (QMS) compliant with ISO 9001:2015, and an occupational health and safety management system (OH&SMS) compliant with ISO 45001:2018. Both systems require periodic auditing from an accredited third party, with annual surveillance audits and a complete compliance audit every three years. The QMS documents a wide range of business processes and procedures, with all products made and sold subject to 'one up, one down' traceability.

The QMS enables Martogg to track incoming raw materials by material type, quantity, supplier and source, then through product manufacturing and quality assurance processes, and finally as finished products to customers. For recycled polymer products, only approved raw material suppliers are used, with required demonstration that products meet quality standards and compliance requirements, with additional tests against internal standards.

All raw material input information is held on a works order document and assigned to a batch number, which appears on packaging and sales documentation provided to customers: it is expected that customers incorporate this information into their own product traceability system, satisfying the traceability framework's interoperability requirement.

Martogg also supplies Certificates of Conformance and Analysis for each batch of products, as required by customers. Martogg's QMS system and the traceability process it encompasses meet the requirements of the proposed recycled content traceability framework.

Case Study 8. Metal recycling

The metal recycling industry operates as a mature and well-established sector, trading recyclates on the basis of long-standing international specification standards set by the Recycled Materials Association (ReMA). These standards ensure the quality and consistency of the materials.

Case Study 9. Curby

Curby partners with councils to collect soft plastics from the community via the existing yellow recycling bin. Households download the Curby app and place their soft plastics in a CurbyBag with an attached CurbyTag (or any soft plastic bag with a CurbyTag attached) into their yellow bin. Once the CurbyBag or CurbyTag reaches the sorting facility, iQRenew separates the bag from the other recycling materials. From here, the bag is sent on to secondary processing and then turned into new products.

A CurbyTag has two primary functions: to enable MRF operators to correctly identify the bag as program material and pick it out, and to enable the program to collect more accurate information about how much soft plastics is being generated in different council areas, leading to increased provenance and traceability. The intent is a full traceability system from MRF through to end-market manufacturer.

5.2.4 Recycler Accreditation: improving confidence in recycling outcomes

At present, there is no consistent, independent way to assess or verify legitimate recycling operations. This creates confusion and undermines the ability of businesses, governments and communities to confidently engage with legitimate recyclers who meet quality standards.

To address this gap, ACOR and Good Environmental Choice Australia (GECA) are in the process of progressing an Australian Recycler Accreditation Program—a single, trusted certification that provides a clear and credible benchmark for recycler performance.

By providing a verified standard for good practice, recycler accreditation will help decision-makers across the supply chain—from procurement teams to policymakers—make more informed choices, offering an evidence-based tool to identify operators that meet rigorous standards and deliver genuine outcomes, supporting better procurement and investment decisions.

Certification also brings much-needed transparency to a sector where claims can sometimes be overstated or unclear. Recycler accreditation will introduce independent, third-party verification to help address greenwashing and ensure that claims are credible. This transparency helps build trust among consumers, businesses and governments and strengthens confidence in Australia's recycling systems.

Recommendation 5. Support the implementation and recognition of the Australian Recyclers Accreditation Program.

5.2.5 Organics Recycling

Food and organic composting is a critical measure to reduce methane emissions from landfill, increase resource recovery and produce valuable soil enhancers. Halving the amount of organic waste sent to landfill by 2030 is also a key target of the National Waste Policy Action Plan. However, organics recovery rates are threatened by contamination from non-compostable and non-compliant products.

Greenwashing is a particular concern for organic recycling, given the rise of non-compliant 'eco' packaging on the market. The growing 'green' packaging industry often distributes products—marketed as 'compostable', 'biodegradable' or 'degradable'—which are not compostable in industrial systems and equate to contamination in organics recycling. Government-endorsed certification and verification of products that can be safely and effectively industrially composted must be prioritised.

Meanwhile, NSW regulation prohibits compostable packaging in FOGO systems, effectively rendering compostable packaging claims misleading in NSW. By contrast, South Australia allows compostable packaging in organic recycling. These regulatory differences create confusion for consumers and increase the risk of contamination in recycling streams. Compostable products not accepted in industrial organics recycling are diverted to landfill, undermining recycling efforts. Additionally, imported products may be labelled as recyclable without being subject to required standards, oversight or accountability.

5.2.6 Reform of Packaging Regulation

In November 2023, Australia's Environment Ministers Meeting committed to packaging reform—a move strongly welcomed by the recycling sector. Not only can this reform support the delivery of a circular system for packaging in Australia, but it would also form a launching point for circular economy systems across other priority products.

As outlined in Section 2, Australia is a net importer of materials that contribute to the domestic waste stream. A big component of this is packaging.

Reforming packaging regulation could support strengthening end-markets by implementing minimum recycled content requirements and incentivising the use of verified Australian recycled content . Such a framework would also enable consumers to make more informed choices by mandating disclosure of verified recycled content.

Standardised labelling requirements regulating terms including “recyclable,” “biodegradable,” “decomposable,” and “compostable” would help deter greenwashing.

All packaging sold in Australia should carry a clear, concise, and evidence-based label. Recyclability should be assessed against design standards that reflect compatibility with scaled Australian recycling systems.

Recommendation 6. *Ensure that the proposed Packaging Reform supports mandated thresholds for Australian-made recycled content, designing for recyclability, and accurate labelling.*

6 Conclusion

The recycling industry is a remanufacturing supply chain that is integral to environmental sustainability, and particularly vulnerable to the impacts of greenwashing. Product claims such as “recycled content” or “recyclable” shape consumer trust and purchasing behaviour, relying on recyclers to deliver genuine environmental benefits.

Greenwashing disrupts all phases of the recycling supply chain—collection, processing, and end-markets. False recyclability claims risk feedstock contamination, threatening operational viability, while misleading recycled content claims undermine fair competition and damage the industry's reputation.

Addressing these challenges requires strengthening end markets, enhancing transparency and accountability in product stewardship schemes, implementing traceability frameworks for recycled content, introducing recycler accreditation, and reforming packaging regulations, including mandating credible labelling. These measures will build consumer trust, protect legitimate recyclers, and promote a fair and level playing field.

We would welcome the opportunity to discuss these matters further and would be pleased to facilitate engagement with recyclers to inform practical, effective, economically viable and environmentally beneficial outcomes.