

Committee Secretary

Natural Resources, Agricultural Industry Development and Environment Committee

Parliament House

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20 July 2020

Dear Secretary,

The Australian Packaging Covenant Organisation (APCO) welcomes the opportunity to provide a submission to the Committee's inquiry into the *Waste Reduction and Recycling (Plastic Items) Amendment Bill 2020* (the Bill). This submission will address APCO's role on single use plastics, APCO's support for the Queensland Government's leadership on plastics and one area where there is an opportunity for the Queensland Government to further drive industry action, and APCO's comments on the draft legislation, including in relation to definitions, implementation and next steps.

1. APCO's role on single-use plastics

APCO is a not-for-profit organisation established to administer the Australian Packaging Covenant (the Covenant) on behalf of the Australian, State and Territory Governments, and its industry Signatories. The Covenant is part of a compulsory, co-regulatory product stewardship framework established under the *National Environment Protection Council Act 1994* and the *National Environment Protection (Used Packaging Materials) Measure 2011* (the Used Packaging NEPM) to reduce the harmful impact of packaging on the Australian environment.

At 30 June 2020, APCO had 1511 Members representing around 150 different industry sectors across the packaging supply chain, including packaging manufacturers, brand owners, and retailers, with combined revenue in excess of \$360 billion. As Signatories to the Covenant, APCO's Members have committed to achieving the outcomes of the Covenant.

In 2018, these outcomes were given renewed expression and clarity through the adoption of the 2025 National Packaging Targets (2025 Targets), which are:

- 100% of packaging to be reusable, recyclable or compostable;
- 70% of plastic packaging recycled or composted;
- 50% average recycled content across all packaging, with specific targets for certain material types; and
- Phase out problematic and unnecessary single-use plastic packaging through redesign, innovation or alternative delivery methods.

These targets were formally adopted as part of the Covenant framework on 1 January 2019, through their inclusion in APCO's Strategic Plan 2017-2022. On 8 November 2019, they were formally adopted by all governments as part of the National Waste Policy Action Plan. Each target covers all packaging made, used or sold in Australia, including business-to-business, consumer and imported packaging.

The 2025 Targets, particularly the target to phase out problematic and unnecessary single-use plastic packaging are aligned with the Queensland Government's agenda on single-use plastics. APCO's





Members and partners are engaged in a significant body of work on single-use plastics that is synergistic with Queensland's approach. In 2019, APCO undertook extensive analysis and consultation on single-use plastics, including through a national workshop in Adelaide in October, and through a consultation paper on priorities for phasing out problematic and unnecessary single-use plastic packaging. In December, APCO published a list of priority materials and single-use packaging items for phase-out in a report, with priority given to:

- Expanded polystyrene (EPS) food and beverage service containers
- EPS packaging fill
- Non-certified compostable packaging (including oxo-degradable, landfill degradable or other claimed degradable plastics)
- Light weight plastic bags.

APCO's report also recommends the following packaging materials for further consideration:

- Rigid PVC packaging
- Rigid polystyrene
- Problematic multi-laminate soft plastics.

APCO's full report on its consultation on problematic and unnecessary single-use plastic packaging is available at https://www.packagingcovenant.org.au/documents/item/3183.

In 2020-21, APCO is undertaking a project to provide a co-ordinated action plan for phasing-out the four identified problematic and unnecessary single- use plastic packaging, as well as delivering additional research on the next priority materials for action. This project will deliver

- A Guideline for Members to develop their Action Plans to phase out the four priority materials
 listed above The plans will be a coordinated supply chain approach to take considered and
 informed steps to transition away from the current practices; and
- Member Action Plans on phase out of priority materials.

2. APCO welcomes the Queensland Government's leadership on plastics

APCO welcomes the leadership that the Queensland Government has shown on plastics, both within Queensland and nationally. In particular, we applaud the successful implementation of Queensland's ban on lightweight plastic shopping bags and Containers for Change program, delivery of the Plastic Pollution Reduction Plan, support of Boomerang Alliance's Plastic Free Places program and leadership nationally of the development of a voluntary code to phase out heavier weight plastic shopping bags. We also welcome the role that the Office of Resource Recovery in the Department of Environment and Science continues to play in leading and supporting many national discussions and collaborative processes on waste and product stewardship.

One area where the Queensland Government has an opportunity to further drive and support industry action, including on single use plastics, is through stronger implementation of the Used Packaging NEPM.

The Australian Packaging Covenant operates alongside the Used Packaging NEPM as part of a compulsory, co-regulatory framework established under Paragraph 14(1)(f) of the National Environment Protection Act, which provides for NEPMs to be made on 'the re-use and recycling of used materials'.





Under this framework, obligations are placed on liable parties, which are brand owners in the packaging supply chain with an annual turnover greater than \$5 million. There are three ways in which liable parties can acquit their obligations; by:

- Becoming a Signatory to the Covenant (these Signatories also become Members of APCO).
- Submitting to direct regulation by state and territory governments in relation to:
 - The recovery of used packaging materials.
 - o The re-use, recycling or energy recovery of packaging materials.
 - o Demonstrating that the recovered materials have been re-used or exported.
 - Demonstrating that reasonable steps have been taken to advise consumers as to how the packaging is to be recovered.
- Being part of an industry or sectoral arrangement that produces equivalent outcomes to those achieved under the Covenant.

Responsibility for enforcing the Used Packaging NEPM rests with the Commonwealth and State and Territory governments in relation to companies operating within their jurisdictions. In Queensland, the Used Packaging NEPM is implemented by the Waste Reduction and Recycling Regulation 2011. This Regulation establishes a mandatory recovery target of 70 per cent of packaging materials, to be achieved by companies that are signatories to the Covenant. The Regulation includes civil penalties for companies that do not comply with their obligations.

APCO has provided the Office of Resource Recovery with a list of companies based in Queensland that are not signatories and are therefore subject to direct regulation by the Queensland Government under the Used Packaging NEPM. Providing a pathway for these companies to acquit their regulatory obligations would ensure that more companies were taking action to deliver on the objectives of the Used Packaging NEPM, including by phasing out problematic and unnecessary single use plastic packaging.

3. Comments on the Bill

This section of the submission addresses the guestions asked in the RIS.

Ban on specific single use plastic items

APCO supports the ban on single-use plastic straws, stirrers, plates and cutlery. Banning these items is consistent with the approach being taken in other jurisdictions and represents a sound starting point for the process of phasing out problematic and unnecessary single-use plastic items.

Exempt businesses

APCO supports the exemptions provided to enable continued availability of products for people with a disability or healthcare needs, as failure to make these provisions would cause exclusion and hardship. We suggest that the Queensland Government consider whether any further support may be needed for the continued provision of these items, as the ban will result in a substantial reduction in the size of the market for these items and the cost per item is therefore likely to increase significantly.





Exemption for compostable packaging

APCO welcomes the Queensland Government's recognition of the role that compostable plastics can play in addressing single use plastic items. In particular, compostable food packaging and food service items can assist in the recovery of food waste for composting, where suitable consumer and business education, collection and composting systems are in place.

We welcome the Bill's reference to Australian Standards AS 4736 and AS 5810 as the standards against which claims of compostable plastics must be measured. We note that the legislation does not in the first instance require that compostable plastic items be certified to these standards, but that the Chief Executive may require certification in relation to these standards. We encourage the Queensland Government to establish a timeframe in which it expects that certification to Australian Standards will be in place for all compostable plastic items, and to communicate that expectation to the market at its earliest convenience.

One challenge that the Queensland Government will need to address in implementing the exemption for compostable plastics is in addressing the impact of litter. The conditions occurring in industrial and home composting systems do not correspond with conditions in contexts where plastic litter occurs, such as waterways and highway verges, meaning that compostable plastic items may behave in the same way as other plastic items when littered. Therefore additional, complementary measures may be needed to address litter in some contexts, such as public and business education and support for design and uptake of non-plastic items where there is a high propensity for littering.

Exemptions for single-use plastic items that are part of a shelf-ready packaged products

APCO supports the exemptions at this time for single use plastic items that are part of shelf-ready packaged products. Further work is needed to identify opportunities to phase out these applications and work with national and international supply chains to identify alternative products and packaging formats. We look forward to further discussion with the Queensland Government on this matter, including regarding timeframes for phasing out problematic and unnecessary items over time.

Do you think more voluntary action such as educational campaigns that increase awareness of the impacts of single-use plastics in the environment will assist? If not, please explain why.

Need for consumer and business education

Public and business education will be critical in ensuring that the ban is not only successful in relation to the identified items, but also contributes to broader behaviour change that will lead to greater impact over time and in relation to a broader set of items. APCO would welcome the opportunity to work with the Queensland Government on this and other education projects. APCO is working with government agencies and other stakeholders towards a national approach to public education on waste issues. This includes a major national project, 'A National Approach to Consumer Education for Sustainable Packaging', with grant funding from the Australian Government through the Environment Restoration Fund.

In some cases, it may be difficult to distinguish single-use plastic items from other items, for example where physically similar plastic items may be marketed or used either as single or multiple use in different contexts. Education and outreach will be needed to ensure that businesses are able to clearly identify banned items. APCO encourages the Queensland Government to work nationally with APCO,





other jurisdictions and industry associations such as the Australian Food and Grocery Council and the National Retail Association, to establish a nationally consistent approach to distinguishing banned items from other plastic items. This will help to mitigate any confusion arising from differences in legislative approaches between jurisdictions, such as the difference between the Bill's definition of 'single-use plastic item' and the corresponding definition in South Australia's *Single-use and Other Plastic Products (Waste Avoidance) Bill 2020.* APCO's submission to the Queensland Government on the Regulatory Impact Statement for the Bill provided further detail on the challenges of defining single use items that may be helpful in designing an education and outreach approach on this matter, and we would be happy to provide it to the Committee if requested.

4. Conclusion

As the co-regulatory organisation charged with responsibility for managing the sustainable packaging pathway in Australia, APCO has a unique insight, ability and responsibility to support the objectives of the Queensland Government to phase out problematic and unnecessary single-use plastic items. We look forward to working with the Queensland Government and our other stakeholders to ensure that its objectives for single-use plastic items are achieved, both in relation to those items already identified and those more complex and challenging items to be considered over the coming years.

Once again, congratulations to you and your team on your progress in delivering this important work.

Yours sincerely,

Brooke Donnelly
Chief Executive Officer