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26 May 2021

Ms Cate Faehrmann MLC
Chair
NSW Legislative Council Portfolio Committee 7 - Planning and Environment
Parliament House
Macquarie Street
SYDNEY NSW 2000
By email: PortfolioCommittee7@parliament.nsw.gov.au

Dear Ms Faehrmann

Thank you for your letter to the Secretary of the Department of Agriculture, Water and the Environment, Mr. Andrew Metcalfe AO, on 13 May 2021, regarding the NSW Legislative Council's Portfolio Committee 7 (the Committee) inquiry into the Waste Avoidance and Resource Recovery Amendment (Plastics Reduction) Bill 2021. The Secretary has asked me to respond to your letter.

You specifically requested information on the Australian Government's strategies to reduce plastic pollution. Please find an overview of key policies and legislation that may be relevant to the Committee's inquiry in **Attachment A** to this letter, including information on the:

- National Waste Policy Action Plan 2019
- National Plastics Plan 2021
- National Product Stewardship Investment Fund
- Recycling and Waste Reduction Act 2020
- Recycling Modernisation Fund
- Hazardous Waste (Regulation of Exports and Imports) Act 1989
- National Environment Protection (Used Packaging Materials) Measure 2011.

Should you or the Committee Secretariat wish to discuss this matter further, please contact Kate Lynch

Thank you again for your letter.

Yours sincerely

James Tregurtha Acting Deputy Secretary – Major Environment Reforms Department of Agriculture, Water and the Environment

National Waste Policy Action Plan 2019

- 1. In December 2018, Australia's Environment Ministers set a new, unified direction for waste and recycling, by agreeing to a <u>National Waste Policy</u> based on circular economy principles and the waste hierarchy. The <u>National Waste Policy Action Plan 2019</u> (the Action Plan), comprising targets and actions to implement the 2018 National Waste Policy, was agreed by Australia's Environment Ministers on 8 November 2019. The Action Plan represents a national framework for priority actions, which has been committed to by Commonwealth, state, territory and local governments, industry, and non-government organisations.
- 2. The Action Plan sets seven ambitious targets and 80 actions to make Australia a world leader in waste management and recycling. These targets are:
 - banning the export of waste plastic, paper, glass, and tyres (Target 1)
 - reducing total waste generated by 10 per cent per person by 2030 (Target 2)
 - an 80 per cent 'recovery' rate of material across all waste streams by 2030 (Target 3)
 - significantly increasing governments and industry use of recycled content (Target 4)
 - phasing out of problematic and unnecessary plastics (Target 5)
 - making comprehensive, economy-wide, and timely data publicly available to support better consumer, investment, and policy decisions (Target 6)
 - halving the amount of organic waste sent to landfill by 2030 (Target 7).

National Plastics Plan 2021

- 3. The Action Plan outlines specific actions and targets concerning plastic waste, including a phase out of problematic and unnecessary plastics by 2025 in Target 5.
- 4. The National Plastics Plan 2021 (Plastics Plan) was released on 4 March 2021 and is informed by the waste management hierarchy and circular economy principles. The Plastics Plan takes a whole-of-lifecycle approach to the plastic challenge, including product design, increasing Australia's recycling capacity, stimulating demand for recycled content, and preventing plastics from leaking into the environment.
- 5. The Plastics Plan was developed based on input received from the National Plastics Summit, which convened over 200 leaders from government, industry, and civil society. It addresses:
 - avoiding problematic and unnecessary plastics
 - the need for Australia to take responsibility for our plastic waste
 - supporting consumer action on plastics
 - plastic-free oceans and waterways
 - research and innovation, to inform good decisions and unlock new opportunities.
- 6. The Plastics Plan includes actions for industry to phase out certain problematic plastics. These material streams were informed by the Australian Packaging Covenant Organisation's (APCO) consultation with industry and government over the past two years on problematic and unnecessary single-use plastic packaging.

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- 7. The Australian Government is working with industry on steps to phase out these products, which include:
 - phasing out non-compostable plastic packaging products containing additive fragmentable technology that do not meet relevant compostable standards (AS4736-2006, AS5810-2010) (July 2022)
 - phasing out expanded polystyrene (EPS) in loose fill and moulded consumer packaging (July 2022), and consumer food and beverage containers (December 2022)
 - phasing out PVC packaging labels (December 2022).
- 8. At the Environment Ministers Meeting on 15 April 2021, Ministers identified eight problematic single-use plastic product types for industry to phase out nationally by 2025 under the Action Plan. These are:
 - lightweight plastic bags
 - plastic products misleadingly termed as 'degradable'
 - plastic straws
 - plastic utensils and stirrers
 - expanded polystyrene (EPS) consumer food containers (e.g. cups and clamshells)
 - EPS consumer goods packaging (loose fill and moulded)
 - microbeads in personal health care products.¹
- 9. As a part of the Plastics Plan, the Australian Government supports APCO's work with industry to deliver the 2025 National Packaging Targets. The Targets will significantly increase packaging recycling rates and recycled content in packaging by 2025, and includes:
 - the Australian Government working with industry to ensure all APCO members with an annual revenue greater than \$500 million use the Australasian Recycling Label by end of 2023, resulting in approximately 80 per cent of supermarkets displaying the label and ensuring that consumers can confidently dispose of their used packaging at end-of-life
 - new funding of \$5 million announced by the Australian Government in the 2021-22
 Federal Budget to support 20,000 small-to-medium enterprise businesses adopt the
 Australasian Recycling Label.
- 10. The Australian Government is also undertaking a range of domestic interventions to reduce the impact of plastics on the marine environment. The *Threat Abatement Plan for the impacts of marine debris on the vertebrate wildlife of Australia's coasts and oceans (2018)* provides national guidance on actions to prevent and mitigate the impacts of harmful marine debris. It includes a range of management approaches for research and monitoring, public outreach, and education, preventing and reducing debris from land-based sources as well as addressing marine-based sources and removing accumulated marine debris from the coastal and marine environment. The threat abatement plan helps governments, industry, nongovernment organisations and communities by directing them to the best possible actions they can take to address marine debris, including plastics.
- 11. The Prime Minister has also agreed to the Australian Government supporting the commencement of discussions for improved global action on marine plastic pollution

¹ https://www.awe.gov.au/sites/default/files/2021-04/emm-1-agreed-communique.pdf

through a new global agreement. This was announced as part of the National Plastics Plan on 4 March 2021. Proposals to commence negotiations on a global plastics treaty will be considered at the next United Nations Environment Assembly meeting (UNEA 5.2) in February 2022.

National Product Stewardship Investment Fund

- 12. The Australian Government's \$26 million National Product Stewardship Investment Fund (NPSIF) aims to increase the number of industry-led product stewardship schemes in Australia and support manufacturers, retailers and industry groups to take greater responsibility for the entire life cycle of products they produce or sell. The first competitive round under the NPSIF closed on 21 August 2020 with over 120 applications submitted seeking approximately \$90 million in funding.
- 13. On 12 November 2020, the Australian Government announced funding of \$985,866 under the NPSIF to the Australian Food and Grocery Council for a project that will bring the food and grocery supply chain together to deliver a national scheme to enhance the collection and processing of plastic packaging and increase the use of recycled content. This project alone will recycle and reprocess up to 190,000 tonnes of soft plastic packaging per year, the equivalent of almost 200 billion chocolate wrappers.

Recycling and Waste Reduction Act

- 14. The <u>Recycling and Waste Reduction Act 2020</u> (RaWR Act) establishes a legislative framework to enable Australia to more effectively manage the environmental and human health and safety impacts of products and waste material. This includes, in particular, impacts associated with the disposal of waste materials and products. The RaWR Act implement the 2020 commitment of the Australian Governments (through the former Council of Australian Governments) to ban the export of waste glass, plastics, tyres and paper.
- 15. The RaWR Act also replaces the framework in the repealed <u>Product Stewardship Act 2011</u>. Product stewardship involves the shared responsibility for reducing the environmental, health and safety footprint of manufactured goods and materials across the life cycle of a product stream (including material streams). The RaWR Act will encourage a circular economy for waste in Australia by enhancing voluntary product stewardship, and supporting businesses to realise the full value of recyclable materials and to work towards more sustainable resource use.

Waste export ban

- 16. Banning the export of waste plastic, paper, glass and tyres is Target 1 in the Action Plan. The waste export ban recognises the need for Australia to be responsible for its own waste and to stop the export of unsorted and unprocessed waste. This minimises the negative impact of Australia's waste on human or environmental health in the receiving country
- 17. The waste export ban provides an opportunity to improve the long-term sustainability of Australia's recycling industry by building capacity to generate and use high value recycled commodities and maximise the ability of the Australian waste management and recycling sector to collect, recover, recycle, reuse, and convert waste plastic into new products.
- 18. On 13 March 2020, the former Council of Australian Governments agreed on the timeline and scope for the waste export ban as follows:
 - waste unprocessed glass from 1 January 2021

- waste mixed plastics (phase 1 plastics) from 1 July 2021
- whole used tyres from 1 December 2021
- waste single resin and single polymer plastics (phase 2 plastics) from 1 July 2022
- waste paper and cardboard from 1 July 2024.
- 19. The RaWR Act_provides the legislative framework to implement the Council of Australian Governments waste export ban. The <u>Recycling and Waste Reduction (Export—Waste Glass)</u>
 <u>Rules 2020</u> commenced on 1 January 2021 to ban the export of unprocessed waste glass. The <u>Recycling and Waste Reduction (Export—Waste Plastic) Rules 2021</u> (the Waste Plastic Rules) were made on 24 May 2021 and will commence on 1 July 2021.
- 20. Under the RaWR Act and the Waste Plastic Rules, exporters of waste plastic will be required to apply for, and be granted, a licence before they can export waste plastic from Australia. A licenced exporter must also declare each consignment of waste plastic that is exported. To provide certainty for industry, both phases of the waste plastic export ban will be implemented through the Waste Plastic Rules, as follows:
 - from 1 July, waste plastic will need to be sorted into single polymer or single resin and processed to a certain specification to, for example, ensure low contamination.
 - from 1 July 2022 waste plastic will need to be sorted into single resin or single polymer and be further processed to a certain specification (for example into pellets or flakes) so that it is ready for remanufacture.
- 21. The Department of Agriculture, Water and the Environment (the Department) undertook consultation with industry, peak bodies and state and territory governments between February and May 2021 on the design and implementation of the Waste Plastic Rules. This included consultation on an exposure draft of the Waste Plastic Rules with targeted stakeholders. The Department also held multiple online meetings with representatives of state, territory, and local governments to discuss concerns from their perspective, and convened a Plastics Technical Working Group on a number of occasions. This group included peak recycling and industry bodies and waste plastic exporters who provided feedback on an exposure draft version of the Waste Plastic Rules.
- 22. As the Waste Plastic Rules have not commenced, their full impact is not yet known. However, the ban of exports of waste paper, plastics, glass and tyres is expected to affect 645,000 tonnes of waste previously exported by Australia (based on National Waste Report figures from 2018-19). Further, since the waste export ban was agreed, exports of plastic waste alone have fallen by around 5,000 tonnes per month. This is the equivalent of the weight of the Royal Australian Navy's two largest ships each year.
- 23. Regulating the export of waste is expected to maximise the ability of the Australian waste and recycling industry. This is supported by measures such as the Recycling Modernisation Fund (detailed below).

Minister's priority list

24. The RaWR Act also provides the framework to regulate product stewardship, with improvements that responded to recommendations from the 2020 statutory review of the *Product Stewardship Act 2011*. The recommendations of the review included promoting product design and reparability within the objects of the Act, expanding product stewardship regimes to a broader range of products (including materials), addressing issues

- with free-riding in voluntary product stewardship schemes, increasing transparency with the Minister's product list, and improving the administration of co-regulatory schemes.
- 25. Under the RaWR Act the Minister may list priority products which the Australian Government has identified as a priority for product stewardship. When a product has been on the Minister's priority list for 12 months without effective voluntary action by industry, the Minister will consider whether:
 - to make further recommendations in relation to the product, or
 - some form of regulation may be appropriate.

26. Plastic products published on the 2020–21 list are:

- Plastic oil containers: On 12 November 2020, the Australian Government announced funding of \$632,000 (under the NPSIF) to APCO for a project that will develop a business case and then design and implement a product stewardship scheme for used plastic oil containers. The scheme is anticipated to be in place by 31 March 2023.
- Plastic microbeads: A voluntary phase-out of plastic microbeads has been led by Accord—the national industry association representing manufacturers and suppliers of hygiene, cosmetic and specialty products, their raw material suppliers and service providers—through its BeadRecede campaign. Australia's governments have also agreed, in the Action Plan, to phase-out problematic and unnecessary plastics by 2025.

Recycling Modernisation Fund

- 27. A key measure by the Australian Government to support the transformation of the waste and recycling industry is the commitment of \$190 million for a new Recycling Modernisation Fund. This will leverage over \$600 million of recycling infrastructure investment through matched state and territory, and industry funding. The Recycling Modernisation Fund and other measures to support Australia's Action Plan, will support more than 10,000 jobs and divert 10 million tonnes of waste from landfill. The Recycling Modernisation Fund will support innovative investment in new infrastructure to sort, process and remanufacture waste materials covered by the waste export ban.
- 28. The Recycling Modernisation Fund is delivered through the *National Partnership on Recycling Infrastructure* (the Agreement). Bilateral Schedules to the Agreement have been signed with seven of the eight states and territories to date, with the final schedule expected to be agreed shortly.
- 29. Under the Recycling Modernisation Fund, the Australian Government has already contributed over \$87 million for 52 projects. Of the projects announced so far, 26 projects address almost 164,000 tonnes of plastics. As the outcomes of state-led grants programs are known, we expect to see additional plastics processing projects receive funding under the Recycling Modernisation Fund. The combined state, territory and Commonwealth funding for the 26 plastic projects under the Recycling Modernisation Fund is \$48.8 million, with \$24.3 million of this total being contributed by the Commonwealth.
- **30.** In New South Wales, \$35 million in joint Commonwealth, state and territory funding will soon be announced as part of the Remanufacture NSW (Recycling Modernisation Fund grant) program. Under the Recycling Modernisation Fund, the Australian Government has already recognised \$8.1 million for recycling projects. Through these recognised projects, an additional 62,000 tonnes of plastics year each will be sorted, processed and remanufactured in New South Wales.

Hazardous Waste Act

- 31. Australia is a signatory to the *Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal* (Basal Convention) and implements its obligations through the *Hazardous Waste (Regulation of Exports and Imports) Act 1989* (Hazardous Waste Act).
- 32. The Basel Convention was amended from 1 January 2021 to enhance controls on exports, imports and transboundary movement of waste plastics, so that impacts on human health and the environment are minimised. The amendments introduce a broad category of waste plastics that will be subject to prior informed consent procedures, with certain exceptions.
- 33. The Hazardous Waste (Regulation of Exports and Imports) Amendment Bill 2021 is currently before the Australian Parliament. If passed, it will incorporate the Basel Convention plastic amendments into Australian law. The Hazardous Waste Act will operate in tandem with the RaWR Act to ensure the optimal environmental outcome in relation to waste plastics.

National Environment Protection (Used Packaging Materials) Measure

- 34. The Australian Government partners with other jurisdictions and industries to reduce the environmental impacts of packaging, including plastic packaging, through the Australian Packaging Covenant (Covenant). The Covenant is underpinned by the *National Environment Protection (Used Packaging Materials) Measure 2011*. The Australian Government, on behalf of the National Environment Protection Council, is currently undertaking an independent review of the *National Environment Protection (Used Packaging Materials) Measure 2011* and the Covenant.
- 35. APCO administer the Covenant and as noted above, are implementing the 2025 National Packaging Targets. This is expected to result in 70 per cent of plastic packaging being recycled or composted by 2025. APCO have also committed to apply for Australian Government accreditation for a voluntary product stewardship scheme for packaging under the RaWR Act.