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3 June 2025

Ms Naomi Menon
Director, Competition Exemptions
Australian Competition and Consumer Commission
27/135 King St
Sydney NSW 2000

By Email

Dear Ms Menon

Soft Plastic Stewardship Australia - Application for authorisation AA1000695

- 1 We refer to the application for authorisation lodged by Soft Plastic Stewardship Australia (**SPSA**) on 18 March 2025 (**Application**) and our meetings on 27 February 2025 and 16 April 2025.
- 2 In the Application, SPSA requested urgent interim authorisation to:
 - (a) transfer the arrangements that the Australian Food and Grocery Council (**AFGC**) has in place with councils, material recovery facilities (**MRFs**) and recyclers to allow SPSA to manage the small-scale kerbside pilots currently run under the National Plastics Recycling Scheme (**NPRS**) in NSW, Victoria and South Australia; and
 - (b) establish and collect the initial Scheme Levy and Minimum Levy.
- 3 At our meeting on 16 April 2025, you advised that the Commissioners' preference is to consider both requests at the draft determination stage.

NPRS pilots

- 4 At our meeting on 27 February 2025, we advised that SPSA was planning to enter a subcontract arrangement with the AFGC to manage the NPRS pilots, to ensure continuity in circumstances where the AFGC did not want to continue operating the pilots, but SPSA did not yet have authorisation to transfer the arrangements. SPSA has been providing services to manage the pilots on AFGC's behalf under this subcontract arrangement since April 2025.
- 5 Since the Application was lodged, the AFGC has informed SPSA that it will be terminating the NPRS pilot program and the subcontract arrangement at the end of May, such that all pilots would conclude by 30 June 2025.
- 6 Given this change in circumstances, SPSA is proposing to enter new contracts with the NPRS service providers (councils, MRFs and recyclers) once the AFGC has issued them with termination notices. This would allow for operational continuity of the pilots, which SPSA views as particularly important given the potential for a lapse in the program to diminish the data and findings from the pilots, combined with the potential for significant detriment to recyclers and other industry participants in the program's absence.
- 7 Due to the changed circumstances, SPSA will not press for urgent interim authorisation to transfer the pilot arrangements and does not require the ACCC to make a determination on this as part of its draft determination.

Our Ref 121233555

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8 SPSA seeks to amend relevant parts of the Proposed Conduct as set out in the Application as follows:

- agreements between SPSA and the Taskforce ~~or the AFGC~~ (as required) to allow SPSA to take over and expand on the instore collection program being run by the Taskforce ~~and the NPRS kerbside collection pilots being run by the AFGC~~, including transferring arrangements with service providers to SPSA;
- the sharing of operational information and data between SPSA and the Taskforce ~~or the AFGC~~ (as required) to facilitate SPSA's operations, including to transfer the arrangements for the Taskforce instore collection program ~~and NPRS kerbside collection pilots~~ to SPSA.

Establishment of the levy

9 SPSA will not press its request for urgent interim authorisation to establish and collect the initial Scheme Levy and Minimum Levy at this point in time. However, SPSA asks that the ACCC consider this request at the draft determination stage.

10 As set out in the Application, to date, SPSA has been supported by voluntary contributions from a small subset of brands and retailers. Interim authorisation to establish and collect the levy is important to assist SPSA in recruiting members, ensure initial scheme supporters are not unfairly burdened by the significant costs involved in establishing the Scheme, and provide investment certainty to soft plastics processors and recyclers sooner.

Next steps

11 Please let us know if you have any questions or would like to discuss this letter in further detail.

Yours sincerely



Carolyn Oddie
Partner
Allens



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Jamie Hick
Associate
Allens



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