



Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601

7 April 2025

To Whom It May Concern,

Re: ACCC Authorisation – Soft Plastics Stewardship Australia (SPSA)

The Australian Food and Grocery Council (AFGC) strongly supports Soft Plastics Stewardship Australia's (SPSA) application for ACCC authorisation to operate a national, voluntary, not-for-profit, industry-led soft plastics product stewardship scheme.

SPSA has emerged from the significant groundwork laid by both the Soft Plastic Taskforce and the AFGC's National Plastics Recycling Scheme (NPRS). The NPRS was developed to address the soft plastics challenge by uniting brand owners, retailers and recyclers through a coordinated, robust, industry-led solution. Unlike previous initiatives such as REDcycle, the NPRS was designed from the outset to deliver food-grade recycled outputs through commercial partnerships, clear governance, and scalable operations. Leveraging global best practice in governance and scheme design, the NPRS model was shaped through extensive engagement with leading stewardship programs across Europe and the UK.

To establish the NPRS, the AFGC secured \$1 million in funding through the Product Stewardship Investment Fund, complemented by financial contributions from the AFGC, its members, and supporters. The AFGC led and resourced the development of the scheme. To enable further expansion of the scheme to additional channels, there is a need to recruit scheme participants beyond AFGC members; the AFGC believes that the SPSA is best placed to deliver this.

The transition from AFGC's NPRS to SPSA reflects the maturing of this initiative into an independent, not-for-profit entity with a dedicated board and stakeholder governance framework. SPSA is now positioned to deliver a nationally harmonised, high-impact scheme capable of scaling up collections, expanding onshore processing, and driving a circular economy for soft plastics in Australia.

AFGC remains aligned with the SPSA objectives and continues to advocate for measures that will enable the scheme's long-term success, including:

- Harmonised packaging regulation across federal, state and territory jurisdictions.
- Harmonised state and territory government and Material Recovery Facilities (MRF) standards enabling soft plastics collection through kerbside systems.
- Mandatory traceability to support members with recycled content claims.

These elements are crucial for scaling the scheme and facilitating fair, efficient participation throughout the supply chain. AFGC's kerbside trials under the NPRS confirmed strong community engagement, low contamination rates, and the practical viability of sorting bagged soft plastics at MRFs.

Findings from the initial NPRS trials have been shared with DCCEEW and state governments as they develop future kerbside standards, reinforcing that when paired with the right infrastructure, community convenience drives higher recovery rates. This is particularly important for our members, as access to quality recycled content—and the feedstock and traceability systems behind it—is critical to meeting packaging and sustainability commitments.

SPSA's proposed levy-based funding model is a crucial enabler for supporting system development, infrastructure expansion, and innovation. Importantly, targeted product stewardship approaches like this



allow levy funds to be channelled directly into market interventions that resolve challenges with hard-to-recycle materials. The scheme will support enhanced infrastructure, stimulate demand for recycled materials, and promote shared responsibility throughout the supply chain. Authorising the proposed scheme levy will enable SPSA to fast-track participant recruitment, driving stronger and more immediate recycling outcomes.

We also highlight the critical role effective stewardship schemes play in supporting a whole-of-system, whole-of-nation, and a whole-of-lifecycle circular economy model. Without national consistency in kerbside standards, traceability, and product stewardship design, there is a risk of fragmented solutions that impose higher costs on industry and consumers and miss key environmental goals.

In summary, SPSA represents the next step in an industry-led solution that has already demonstrated its viability and value. We urge the ACCC to grant both interim and final authorisation to enable SPSA to continue this momentum, unlock investment, and deliver the long-term environmental, economic and social benefits this initiative is well-placed to achieve.

We would be pleased to provide further information or support the Commission in its evaluation of this important application.

Yours sincerely,

Colm Maguire
Acting CEO
Australian Food and Grocery Council