



Submission to the ACCC: SPSA Soft Plastics Scheme
Submitted via email to exemptions@accg.gov.au

AMCS' post-conference response to Soft Plastics Stewardship Australia Application for Authorisation AA1000695 and ACCC Draft Determination and interim authorisation

Dear ACCC applications team,

The Australian Marine Conservation Society (AMCS) is pleased to provide the following additional information following the pre-decision conference held at the ACCC Sydney office on Friday 19 September 2025.

AMCS is providing the following information to support the ACCC in making its final determination regarding the Soft Plastics Stewardship Australia authorisation. This submission supports the *AMCS Submission - before draft decision*, provided via online portal on 22 April 2025.

AMCS supports initiatives that increase material circularity, however the current proposal risks overstating the benefits and under-delivering on genuine environmental outcomes. By adopting stronger conditions on collection methods, public messaging, production and reduction targets, reporting transparency, governance and fair cost distribution, the ACCC can ensure the soft plastics collection scheme maximises public benefit and avoids unintended harm.

The statement read by Tara Jones, Program Manager (Plastics & Packaging) at the pre-decision conference, is attached as **Appendix 1**.

Kind regards,

Cip Hamilton
Plastics Campaign Manager

Additional Submission Content

1. Collection methods must maximise public and environmental benefit

The proposed household collections scheme may be detrimental due to increased contamination in household recycling bins.

A. Recommendation

Commence the scheme with proven collection methods and that can provide the greatest benefit:

1. In-store drop-off for households
2. Strategies to capture soft plastics consumed away from home and at events

B. Rationale

Household commingled bin collections should only commence after the above systems are trialled and there is suitable evidence to demonstrate that this pathway has benefits that outweigh the detriments (poor compliance leading to increased contamination).

AMCS agrees with the ACCCs views in sections 4.28 - 4.30 of the Draft Determination, stating the proposed scheme:

- Is unlikely to confer further environmental public benefits, in addition to the likely benefit of diverting used soft plastic from landfill
- Is not likely to materially change the volumes of plastic produced or littered during the period for which authorisation is sought.

AMCS shares the concerns that others in the recycling industry have raised,¹ that the proposed system of adding soft plastics to commingled household recycling bins may increase contamination and decrease the quality of materials available for recyclers. Adding soft plastics to commingled household recycling may increase contamination and decrease the quality of recyclables, reducing environmental outcomes and potentially increasing costs for recycling facilities.

Current estimates suggest that the scheme may only collect between <1% and 5% of consumer soft plastics, which is comparable or lower than the REDcycle program at its peak.² This limited collection rate raises questions about whether the scheme will contribute meaningful environmental outcomes, and whether this outweighs the risk of contamination for household bins. By commencing with proven methods, and implementing collection methods for soft plastics used away from home and at events, the scheme can avoid contamination concerns, whilst increasing benefits for consumers.

2. Misleading public perception and 'green moral hazard'

The scheme risks overstating environmental benefits, leading the public to believe that recycled or recyclable packaging is an environmentally positive choice, even when

¹ WMRR (2025). *WMRR submission opposing the Soft Plastics Stewardship Australia (SPSA) Limited Application for Authorisation (AA1000695)*

² ACCC (2025). *Draft Determination and interim authorisation: Application for authorisation AA1000695*

single-use plastics are used. This could reduce public motivation to avoid disposable packaging and create a false sense of environmental responsibility.

A. Recommendation

Place strict conditions on the advertising and labelling used by scheme members to prevent misleading customers on the environmental benefits.

B. Rationale

Public benefit is maximised when advertising reflects true environmental outcomes, encouraging behaviour that reduces plastic pollution. Without clear and accurate messaging, there is a risk of ‘Green Moral Hazard’ - a situation where customers believe that their choices are environmentally positive when in fact they may not be.

If customers are led to believe that a recycling scheme is delivering strong environmental outcomes, such as substantially reducing plastic pollution, they may feel less personal responsibility to avoid plastic packaging. This can cause a false sense of reassurance, where individuals assume their plastic consumption is not problematic because it will be recycled.³ This is illustrated in the following verbatim comment from a 2025 survey completed by an AMCS supporter.

*“Its [sic] really annoying that the smaller fruit items are often the ones packaged in plastic which I try to avoid, but also don't want to eat the larger fruit pieces. frustrating. Also Coles is really bad by proudly writing on their soft plastic wrapping of fruit that this is 100% recyclable- then at the checkout there is a sign saying that this scheme is no longer working- **by which time it is too late to take the fruit back and get unwrapped fruit.** I've been caught by this previously a year ago- but they are still doing it.”*

This comment shows how customers may be misled into thinking that plastic packaging is an acceptable choice because it is ‘recyclable’. In reality, even recycled and recyclable plastic has a significant impact on the environment.⁴

Further evidence from an Ipsos poll conducted for ClientEarth in 2024 on public attitudes towards plastics, found that most people believe that plastic productions and packaging are a negative choice for the environment.⁵ However, when a label stating the recyclability of a product’s packaging, or using recycled plastic, respondents felt that it was a positive choice for the environment.⁶ This demonstrates the powerful influence of labelling and marketing, and the importance of ensuring claims are not overstated or misleading.

While the role of packaging in some cases is genuine, not all **disposable** packaging is essential. Research from WRAP UK shows that selling common fruits and vegetables loose could prevent over 21,500 tonnes of plastic and nearly 70,000 tonnes of CO₂ equivalent.

³ Grimmer, L. Hoffmann, R. Chuah, S. (2025). *Soft plastics recycling looks set to return to supermarkets. Cutting back on plastic would be even better.*

⁴ Australian Marine Conservation Society and WWF-Australia (2023). *Climate impacts of plastic consumption in Australia - summary report.*

⁵ IPSOS (2024). *The plastic paradox: Unpacking public attitudes.*

⁶ IPSOS (2024). *The plastic paradox: Unpacking public attitudes.*

Misrepresenting all packaging as ‘necessary’ limits public benefit by failing to incentivise upstream reduction.

3. Reducing plastic production and consumption is in the public interest

The SPSA proposal risks investing significant resources into a system that may not meaningfully reduce disposable soft plastic packaging placed on the market. Research demonstrates a direct linear relationship between plastic production and environmental pollution;⁷ failure to adequately reduce production undermines public benefit. It is widely acknowledged that recycling in the absence of overall plastic reduction will not solve the plastic pollution crisis.⁸

There is a significant opportunity to provide public benefit and further accountability for the full impact of soft plastic packaging through its entire lifecycle by requiring additional targets to be set and reported on in publicly-available annual reports.

A. Recommendation

AMCS recommends the inclusion of the following targets, in addition to the targets stated by SPSA⁹:

1. Volume of recovered material which has actually been recycled, including what applications the recycled materials have been used for
2. Percentage of soft plastics recovered compared to all soft plastics placed on the market
3. Percentage of soft plastics recycled compared to all soft plastics placed on the market
4. Overall soft plastic reduction target for members contributing to the scheme
5. Recycled content targets for members.

Furthermore, while AMCS recommends the members should not be able to pass the levy costs onto customers, if this practice is allowed as part of the scheme, SPSA should also report on the percentage of levy fees that were passed onto customers, both overall and by each member.

B. Rationale

Reducing soft plastic production provides significant environmental and public health benefits, including decreased plastic fragments entering the environment, and reduced greenhouse gas emissions. Increased transparency through these additional targets will help hold scheme members accountable.

Plastic pollution, and the associated toxic chemicals, are increasingly being linked to human health issues.^{10,11} The toxicity of some plastic items (and the chemicals contained within them) and their ability to bioaccumulate should lend itself to a precautionary approach where

⁷ Cowger, W. *et al* (2024). *Global producer responsibility for plastic pollution*

⁸ The Pew Charitable Trusts and SYSTEMIQ. (2019). *Breaking the Plastic Wave*

⁹ SPSA has proposed setting targets for a) Volume of recovered recyclable material, b) Expansion of soft plastics processing and recycling capacity, c) Expansion of the number and geographic coverage of collection points.

¹⁰ Doctors for the Environment Australia (2024). *Fossil fuels are a health hazard*

¹¹ Chartres, N., *et al* (2024). *Effects of microplastic exposure on human digestive, reproductive, and respiratory health: a rapid systemic review*

harm is minimised. A reduction in plastic pollution also leads to the public benefit of increased visual amenity due to less litter in public spaces and natural environments.¹²

In addition, the findings of Australia's first National Climate Risk Assessment make clear the escalating danger climate change poses to our ocean and coastlines, and the desperate need for stronger climate action.¹³ Plastic production, consumption, and waste management in Australia contributed more than 16 million tonnes of greenhouse gas emissions in 2020 - this is equivalent to emissions from around 5.7 million cars on the road every year.¹⁴

4. Reporting must be mandatory and transparent as a condition of approval

AMCS supports the ACCC's conditions outlined in condition 2 - reporting requirements in the Draft Determination requiring SPSA to publish an annual report on key scheme outcomes, to ensure transparency and public awareness of SPSA's operations and performance.

A. Recommendation

In addition to ACCC conditions, it's recommended that reporting requirements are expanded to, at a minimum, include:

1. Total volume of soft plastics placed on the market by members
2. Total volume of soft plastics recovered and recycled.

B. Rationale

Transparent reporting allows evaluation of scheme performance, ensures accountability, and informs public and regulator understanding of environmental outcomes. Clear reporting also provides data for adjustments to improve public benefit.

5. Governance must be independent

No current requirement exists for independent oversight or expertise on the environmental impacts of soft plastics. Independent governance is crucial to reduce conflicts of interest and ensure environmental outcomes are prioritised.

A. Recommendation

The SPSA board should include at least one independent director with expertise in environmental impacts of soft plastics.

B. Rationale

Independent governance reduces conflicts of interest, enhances transparency, and strengthens public confidence in the scheme. Public benefit is maximised when decisions prioritise environmental outcomes over industry interests.

6. Businesses must remain responsible for packaging

Members must retain responsibility for the packaging they place on the market to ensure environmental, health, and safety impacts are managed throughout the product lifecycle.

¹² Department of Environment, Land, Water and Planning (2022). *Regulatory impact statement - single-use plastic ban 2022*

¹³ Australian Climate Service (2025). *Australia's National Climate Risk Assessment*.

¹⁴ Australian Marine Conservation Society and WWF-Australia (2023). *Climate impacts of plastic consumption in Australia - summary report*.

A. Recommendation

- Members should not be allowed to pass levy costs to consumers.
- Levies must be reinvested in measures to reduce plastic use and support research and development for alternative packaging solutions.

B. Rationale

Customers do not have sufficient access to many items – including basic groceries - without disposable soft plastic packaging,¹⁵ and may therefore be unfairly penalised for the packaging industry's over-reliance on soft plastic packaging if members can pass on the levy fees to customers. The SPSA application lacks clarity about the impact this would have on customers¹⁶, which leaves us with little confidence that the decision to allow members to pass on the costs to customers is made in the best interest of the community.

AMCS agrees with the ACCC's consideration that the proposed scheme is not likely to result in public benefit in the form of increased R&D and innovation to identify/develop end markets for recycled soft plastics. The proposed scheme fails to adequately ensure members take action on avoidance, reduction, and reuse and refill as a priority above recycling - therefore this scheme must ensure it is contributing to reducing barriers for members to avoid unnecessary plastic packaging, and move their products to reusable and refillable packaging for customers, by investing in R&D to further these actions and reduce the reliance on recycling.

¹⁵ Australian Marine Conservation Society & the Boomerang Alliance (2024). *Unwrapped: Plastic use in Australian Supermarkets*

¹⁶ SPSA states on pages 3, 4, 19, and 26 of its application that the cost to customers if members choose to pass on the levy fees to customers will be so small and therefore unnoticeable - they later state on page 35 that passing costs on to customers is likely to "lead to greater efficiency as consumers will pay closer attention to the full social cost of products supplied with soft plastic packaging".

Appendix 1 - verbal statement as read by Tara Jones at the ACCC pre-decision conference, 19 September 2025

Thank you for the opportunity to contribute to the ACCCs decision on the proposed Soft Plastic Stewardship Australia's scheme. I'd like to begin by acknowledging the Traditional Owners on the lands on which we meet today. Here in Sydney this is the Gadigal people of the Eora Nation.

My name is Tara Jones. I'm here today on behalf of the Australian Marine Conservation Society, Australia's peak marine conservation organisation, dedicated solely to protecting our ocean and its precious marine life. We support the recycling of plastics, but it must be conducted in line with the waste hierarchy.

Plastic pollution is one of the most urgent environmental crises of our time. It harms marine ecosystems, and is increasingly being linked to human health issues. Importantly, addressing plastic pollution requires a full lifecycle approach. A system focused only on recycling (including design for recycling, scale up of collection, sorting and processing infrastructure) would still result in 570kg of plastic waste flowing into the world's oceans **every second**. Considering the harm that plastic pollution and waste has on our environment, the negative impacts it has on communities, and the significant support from the Australian community for reducing the amount of disposable plastic packaging, I raise two key concerns with the proposal.

One, that the SPSA proposal risks investing significant resources into a system that will not meaningfully reduce the amount of disposable plastic packaging placed on the market. This is concerning when we have research demonstrating a direct linear relationship between plastic production and plastic pollution.

Two, we share the concerns that others in the recycling industry have raised, that the proposed system of adding soft plastics to commingled household recycling bins may increase contamination and decrease the quality of materials available for recyclers.

Due to these concerns, AMCS has three key recommendations:

Firstly, that the ACCC ensures that the scheme and scheme members do **not mislead customers about the environmental benefits of the scheme (including overstating the benefits of the scheme)**. Australians are overwhelmingly concerned about the damage that single-use plastics are causing to our coastlines and oceans. Polling conducted by YouGov for our organisation showed 81% of Australians are concerned about the damage that single-use plastics are causing our coastlines and ocean¹. The scheme must not overstate its benefits, as the community will benefit the most when businesses follow the waste hierarchy and reduce, avoid and redesign packaging, including the support for reusable and refillable models. Despite this, research suggests us that the community tends to perceive the environmental benefits of recycling as greater than the actual benefit. For example, polling for ClientEarth conducted in 2024 on public attitudes towards plastics found that most people believe that plastic production

¹ YouGov. (2025). Poll conducted for the Australian Marine Conservation Society

and packaging are a negative choice for the environment.² However, when a label stating the recyclability of a product's packaging, or using recycled plastic, respondents felt that it was a positive choice for the environment, despite it being a single-use item.³ This could in part explain the eagerness from the community for soft plastic recycling, despite 96% of Australians supporting reducing single-use plastics.⁴

In addition, customers are wanting more options to avoid disposable packaging, but are often unable to do so. To demonstrate this effect in a real example, I will read a snippet from a survey response from a shopper in May 2025, who completed a survey for AMCS to contribute to our annual supermarket plastic packaging audit report.

I am totally frustrated by the lack of options to buy Loose Produce in Coles... It actually stops me purchasing certain fruit or vegetables.

This is just one example of many experiences by shoppers across Australia's major supermarkets.

Secondly, AMCS recommends that businesses remain responsible for the packaging they place on the market. AMCS does not support the option for members to pass on the levy fees to customers at this time, as customers do not have sufficient and equitable opportunities to avoid unnecessary and disposable plastic packaging. If a levy is placed on soft plastic packaging, this scheme should ensure to the maximum extent possible, that customers have sufficient and equitable opportunity to purchase goods without single use soft-plastic packaging - such as unpackaged, reusable or refillable packaging.

We recommend that the scheme commences with collection methods which maximise environmental and community benefit, including in-store drop off for households, and strategies to collect soft plastics consumed away from home and at major events. REDcycle's collapse nearly 3 years ago highlighted that the amount of soft plastic packaging sold within Australia far exceeds domestic reprocessing capacity. At its peak, REDcycle was collecting less than 5% of consumer soft plastics. The SPSA expects the scheme may collect between <1% - 5% of all consumer soft plastic packaging. We question why this scheme needs to take the proposed format if it's not expecting to collect more than REDcycle was collecting with its in-store drop off format. Household collection in commingled bins should only be considered once these models and systems have been trialled for effectiveness, and that recyclers have the appropriate systems in place to deal with this added stream.

² IPSOS (2024). *The plastic paradox: Unpacking public attitudes.*

³ IPSOS (2024). *The plastic paradox: Unpacking public attitudes.*

⁴ YouGov. (2025). Poll conducted for the Australian Marine Conservation Society