

DATE: 22ND AUGUST 2025

Mr. Mick Keogh
Chair, Competition Exemptions Committee
Australian Competition and Consumer Commission
GPO Box 3131, Canberra ACT 2601
Submission by online portal on ACCC Draft Determination – Soft Plastics Recycling Scheme (AA1000695)

Dear Mr. Keogh,

Circular Seed supports authorisation of SPSA's scheme but urges the ACCC to attach conditions addressing infrastructure gaps, kerbside risks, governance, and market development. Without these, the scheme risks repeating the failures of REDcycle. Circular Seed stands ready to contribute decentralised recovery solutions to complement SPSA's national framework.

Circular Seed welcomes SPSA's proposed scheme as a transparent, collaborative solution to Australia's soft plastics challenge. We particularly support:

- Establishment of an **independent, not-for-profit product stewardship model**.
- Commitment to **clear reporting and accountability** through annual targets and quarterly updates.
- A **levy-based funding system** that equitably distributes costs across the supply chain.

To ensure the scheme's success, we recommend:

1. **Infrastructure & End-Markets:**
 - a. REDcycle's collapse highlighted the absence of robust processing capacity and offtake markets
 - b. SPSA's proposal does not yet secure binding end-market strategies.
Recommendation: ACCC require SPSA to allocate levy funds transparently into infrastructure and end-market guarantees, aligned with national recycled content policies.
2. **Collection Pathways** – Prioritisation of **drop-off and community-based hubs** over kerbside to reduce contamination and improve quality of feedstock.
 - a. International and local evidence shows decentralised drop-off and community hubs yield higher-quality material.
Recommendation: Limit kerbside inclusion to controlled pilots until proven viable at scale
3. **Governance & Inclusivity:**
 - a. SPSA's governance remains dominated by retailers and major brands
 - b. Voluntary schemes risk under-participation and free riding
Recommendation: Embed recyclers, SMEs, councils, and independent experts with binding input rights. Explore regulatory backstop to ensure broad participation.

Circular Seed's Contribution

Circular Seed supports final authorisation with conditions requiring:

1. Infrastructure and market development commitments.
2. Controlled kerbside rollout.

3. Strengthened governance and representation.
4. Recognition of decentralised, modular recovery models.

We are available to brief the ACCC further on technical deployment pathways and pilot opportunities.

Yours Sincerely,



NARENDRAN SUBRAMANIAM
FOUNDING DIRECTOR / CEO



CIRCULAR SEED

+61 (0)8 9269 9174



INFO@CIRCULARSEED.COM.AU



WWW.CIRCULARSEED.COM.AU