



## **Australian Competition & Consumer Commission**

Submitted by:

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via Online Form: <https://www.accc.gov.au/public-registers/authorisations-and-notifications-registers/authorisations-register/soft-plastic-stewardship-australia-limited>

### **Soft Plastic Stewardship Australia application for interim authorisation AA1000695**

**SPSA has also requested urgent interim authorisation to allow it to commence collection of the scheme levy and transfer existing arrangements that the Australian Food and Grocery Council has in place for small-scale kerbside pilots, prior to the ACCC's final determination in relation to the substantive application for authorisation. SPSA has also requested further interim authorisation at the draft determination stage to seek information from the market to negotiate potential contracts for services and to share operational information and data between SPSA and the Soft Plastics Taskforce (Coles, Woolworths and ALDI) to allow SPSA to prepare to take over the operation of the instore collection pilot program and expand on these pilots, prior to the ACCC's final determination in relation to the substantive application for authorisation.**

- Clean Up Australia supports the requested interim authorisation to allow Soft Plastic Stewardship Australia (SPSA) to commence collection of the scheme levy and transfer existing arrangements that the Australian Food and Grocery Council (AFGC) has in place for small-scale kerbside pilots, prior to the ACCC's final determination in relation to the application for authorisation.
- Transferring existing arrangements that the AFGC has in place would allow pilot collections which are currently underway in Woolworths, Coles and ALDI stores in Melbourne VIC and Newcastle NSW, plus across six councils in VIC and NSW, to continue operations collecting and recycling soft plastics in their local areas.
- Continuing those operations uninterrupted is vital to ensuring soft plastics are continually recovered in those locations where operations have commenced. This is essential to improve upon current soft plastic recycling rates in Australia, which are very low, despite strong household interest in recycling soft plastics.
- In 2022 -2023, approximately 8% of packaging placed on market (POM) was flexible plastic, representing 546,622 tonnes. However, only 6% (34,326 tonnes) of flexible plastics were recovered. <sup>1</sup> Comparatively, in 2022-2023, rigid plastics accounted for



10% of packaging POM representing 718,144 tonnes. However, 28% (200,073 tonnes) was recovered.<sup>2</sup>

- Current soft plastic recycling pilots underway play an important role in increasing the amount of flexible plastic material being recovered and recycled and play a vital role in community education, as they work to influence consumer behaviour, educate on how to recycle soft plastics and encourage clean recycle streams. As an example, see this City of Ballarat 'how to' soft plastics recycling [video](#).<sup>3</sup>
- The interim authorisation might also allow other announced pilot locations in South Australia and Queensland to commence operations.<sup>4</sup> The interim authorisation would also allow for an expansion of the currently existing pilot location recycling programs.
- Importantly, the authorisation should only be an interim authorisation prior to the development of an effective and efficient national scheme for soft plastics. As outlined in the Australian Packaging Covenant Organisation's 2030 Strategic Plan, recycling large volumes of flexible plastics will require implementing a new, large-scale recovery system, such as the 'bag in a yellow bin' system. However, the infrastructure to collect, sort and process large volumes of soft plastics currently does not exist.<sup>5</sup>
- Therefore, following the interim authorisation, full authorisation under the *Competition and Consumer Act 2010* should provide SPSA with legal protection from competition laws to establish and operate a product stewardship scheme, to focus on recycling used soft plastic packaging materials, but with the view to development to increase recycling capacity and stimulate end-markets for soft plastics.
- However, Clean Up Australia fully supports the implementation of a **mandatory** Extended Producer Responsibility Scheme (EPR) for soft plastics, over a voluntary scheme.
- The full scheme should be developed utilizing levy funds and an eco-modulation model based on packaging design and recyclability, with raised funds invested to develop effective recycling infrastructure to meet capacity needs.
- A successful national mandatory EPR scheme for soft plastics must be truly circular, with focus on both collection of materials at end-of-life and good design to minimise use and maximise recovery and recycling rates. Soft plastics must also incorporate Australian recycled plastic. If single-use soft plastics are designed to be food grade, they should be recycled back into food grade plastic.
- Alongside development of recycling capacity, a successful EPR scheme for soft plastics would see the development of a strong end market for recycled soft plastics



assisted by packaging legislation which mandates recycled content requirements in packaging.

### **About Clean Up Australia**

Clean Up Australia (CUA) inspires and mobilises communities to improve and conserve our environment, eliminate litter and end waste. Our volunteers participate in practical action to remove accumulated litter from the environment, both on Clean Up Australia Day and year-round. We are one of Australia's most recognised and trusted environmental charities, engaging more than 22 million volunteers in our Clean Up activities over a 35-year heritage. The Clean Ups that Clean Up Australia drive play an important role in maintaining healthy and sustainable ecosystems but also support social well-being within the community.

As a trusted community voice, Clean Up Australia educates on issues of waste and empowers communities to engage in sustainable behaviours such as improved recycling and composting. Education work forms a key part of our waste prevention strategy as we seek to develop and implement policy and advocacy initiatives which help transition Australia to a circular economy.



## Endnotes

<sup>1</sup> APCO (2024). *FLEXIBLE PLASTIC CONSUMPTION AND RECOVERY 2022-2023 Fact Sheet*.  
<https://documents.packagingcovenant.org.au/public-documents/APCO%20Material%20Factsheet%20Flexible%20Plastics>

<sup>2</sup> APCO (2024). *RIGID PLASTIC CONSUMPTION AND RECOVERY 2022-20223 Fact Sheet*.  
<https://documents.packagingcovenant.org.au/public-documents/APCO%20Material%20Factsheet%20Rigid%20Plastics>

<sup>3</sup> City of Ballarat (2024). *Ballarat Soft Plastics Collection Pilot Program*.  
<https://www.ballarat.vic.gov.au/property/waste/ballarat-soft-plastics-collection-pilot-program>

<sup>4</sup> Hughson, L. & Arreza J (2024). \$1m soft plastics recycling trial to kick off in QLD.  
<https://www.packagingnews.com.au/latest/1m-soft-plastics-recycling-trial-to-kick-off-in-qld>

<sup>5</sup> APCO (2024). 2030 Strategic Plan.  
<https://documents.packagingcovenant.org.au/public-documents/2030%20Strategic%20Plan>