



## **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 final authorisation AA1000695**

Thank you for the opportunity to provide feedback on the Soft Plastic Stewardship Australia (SPSA) Limited Application for Authorisation for final authorisation under s88(1) of the Competition and Consumer Act 2010 (Cth).

Clean Up Australia supports the request for final authorisation under the Competition and Consumer Act 2010 (Cth) on behalf of itself, initial and current or future participants, giving SPSA and its members legal protection from competition laws to establish and operate a product stewardship scheme for soft plastics. However, Clean Up Australia's support is conditional on adjustments being made to the currently proposed scheme, within which we find several issues.

As outlined in the Australian Council of Recycling's submission to the Australian Competition and Consumer Commission (ACCC) on April 10, 2024,<sup>1</sup> adjustments to the design and operation of the scheme are necessary to ensure an effective circular economy approach to soft plastics, prioritising good design, mandated requirements for soft plastic packaging that include incorporation of recycled materials in products, and continued investment in reprocessing facilities.

Please find detailed reasoning below:

- Soft plastics in Australia remain a hugely problematic waste stream, with currently limited options for recycling and a proliferation of soft plastics used on everyday items. Consumer soft plastic packaging ranges from packaging for food, groceries and personal care items to household goods including electronics, clothing, post satchels and bubble wrap.



- Despite strong household interest in recycling, and 62% of soft plastic material placed on the Australian market being recyclable, recycling rates in Australia have always been very low.<sup>2</sup>
- 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>3</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>4</sup>
- REDcycle was Australia's short-lived national consumer soft plastics recycling scheme. After 10 years of operations by 2022, REDcycle collections peaked at less than 2% of the material placed on the market.<sup>5</sup> Due to a lack of recycling infrastructure and inadequate end-markets for recycled material, the scheme resulted in an estimated 11,000 tonnes of stockpiled soft plastic at 44 storage locations across the country, posing a massive fire risk.<sup>6</sup>
- In the Clean Up Australia Litter Report FY24, soft plastics made up 31.8% of all counted litter in streets, beaches, waterways, bushland and parks.<sup>7</sup> Once in the environment, soft plastics are extremely challenging to recover.<sup>8</sup> Over time, plastics break up into smaller and smaller pieces and persist in the environment, harming wildlife, our oceans, and with increasing concerns of risks to human health.<sup>9</sup>
- A product stewardship scheme for soft plastics would increase the number of soft plastics being recollected and recycled, thereby diverting soft plastics from landfill and reducing their incidence as litter.
- However, the currently proposed scheme by SPSA is flawed in that it does not represent a full circular economy approach to soft plastics. It does not adequately address the issues of product design, recycling capacity, procurement and the development of strong end-markets for soft plastics.
- The current application describes a **voluntary** product stewardship scheme. However, Clean Up Australia fully supports the implementation of a **mandatory** Extended Producer Responsibility Scheme (EPR) for soft plastics, over a voluntary scheme.
- Therefore, the current application for a voluntary scheme should be viewed as an initial and temporary step before transitioning to a mandatory, comprehensive EPR Scheme.
- A mandatory and full EPR Scheme for soft plastics would see producers made responsible for the full cost of recovery across the lifecycle of products placed onto the Australian market. Producers should be accountable for all costs from design and production, through retail, consumer awareness, collection, sorting and recovery.<sup>10</sup>



- A primary priority of the Scheme should be to mandate good design of soft plastics packaging, placing obligations on all Scheme participants to design their products for circularity, thereby minimising waste at the outset.
- Clean Up Australia would like to see the Scheme developed in line with the Australian Packaging Covenant Organisation's (APCO) cutting-edge eco-modulation model for product design, which would see financial incentives created for soft plastics producers and brand owners to improve product recyclability, and ensure recycled content is incorporated into products.<sup>11</sup>
- As outlined in the submission made by the Waste Management and Resource Recovery Association of Australia (WMRR) to the ACCC on April 7, 2025, the current proposed Scheme places no liability on producers for the packaging and waste materials they produce and instead calls on processors to competitively tender a solution for recycling 'end-of-pipe'.<sup>12</sup>
- Rather than calling on processors to competitively tender end-of-pipe recycling solutions for soft plastics, the Scheme should place full and mandatory responsibility on all soft plastics producers and brand owners to fund and manage the recollection and recycling of every piece of soft plastic they place on the market. This requirement should be additional to the primary responsibility of ensuring good design at the outset.
- If we are to learn from the short-lived REDcycle scheme, it's that procurement of domestic end-markets is vital to ensure viable pathways for recycled content to be sold. This can only be achieved through mandated requirements through legislation for recycled content in soft plastics packaging.
- The proposed SPSA Scheme plans to develop "an effective and efficient Scheme by leveraging existing collection systems and sortation infrastructure". However, there is currently inadequate infrastructure to grow Australia's capacity to recycle large quantities of soft plastics.
- In accordance with the Boomerang Alliance submission made to the ACCC on April 8, 2025, Clean Up Australia thus emphasises that secondary resource infrastructure and markets must be developed to meet expected demands, rather than continue to rely on overseas soft plastics recycling in the long-term.<sup>13</sup>
- Ideally, a mandatory EPR Scheme for soft plastics should be incorporated into a National Extended Producer Responsibility Scheme for all packaging which is currently awaiting action by the Commonwealth Government and which should be implemented as soon as possible.
- Funds raised through a mandatory, eco-modulated Scheme should be directed to building reprocessing infrastructure, strengthening collection networks, litter



reduction strategies, research and development in soft plastics packaging, and consumer education to support the transition to and maintenance of a circular economy for both soft plastics and packaging generally.

- A successful national mandatory EPR scheme for soft plastics must be truly circular and cover the entirety of the supply chain, 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.

### **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> ACOR (2025). *Soft Plastic Stewardship Australia Limited (SPSA) Application for interim urgent authorisation AA1000695*.  
<https://www.accc.gov.au/system/files/public-registers/documents/Submission%20by%20Australian%20Council%20of%20Recycling%20-%2010.04.25%20-%20PR%20-%20AA1000695%20Soft%20Plastics.pdf?ref=0&download=y>
- <sup>2</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>3</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>4</sup> APCO (2024). *RIGID PLASTIC CONSUMPTION AND RECOVERY 2022-2023 Fact Sheet*.  
<https://documents.packagingcovenant.org.au/public-documents/APCO%20Material%20Factsheet%20Rigid%20Plastics>
- <sup>5</sup> SPSA (2024). *Soft plastic recycling rates need to increase*.  
<https://spsa.au/#:~:text=Soft%20plastic%20recycling%20rates%20need%20to%20increase&text=After%2010%20years%20of%20operations,higher%2C%20estimated%20at%2028%25>.
- <sup>6</sup> Dumas, D (2024). *REDcycle's collapse and the hard truths on recycling soft plastics in Australia*.  
<https://www.theguardian.com/australia-news/2024/jan/30/redcycles-collapse-and-the-hard-truths-on-recycling-soft-plastics-in-australia>
- <sup>7</sup> Clean Up Australia (2025). *Litter Report FY24*.  
[https://irp.cdn-website.com/ed061800/files/uploaded/CleanUpAustralia\\_LitterReport\\_FY24\\_FINAL.pdf](https://irp.cdn-website.com/ed061800/files/uploaded/CleanUpAustralia_LitterReport_FY24_FINAL.pdf)
- <sup>8</sup> WWF Germany (2022). *Impacts of plastic pollution in the oceans on marine species, biodiversity and ecosystems*.  
[https://wwfint.awsassets.panda.org/downloads/wwf\\_impacts\\_of\\_plastic\\_pollution\\_on\\_biodiversity.pdf](https://wwfint.awsassets.panda.org/downloads/wwf_impacts_of_plastic_pollution_on_biodiversity.pdf)
- <sup>9</sup> World Health Organisation (2023). *Climate change, pollution and health*.  
[https://apps.who.int/gb/ebwha/pdf\\_files/EB154/B154\\_24-en.pdf](https://apps.who.int/gb/ebwha/pdf_files/EB154/B154_24-en.pdf)
- <sup>10</sup> Boomerang Alliance (2025). *Submission on: SPSA Application for authorisation from ACCC*.  
<https://www.accc.gov.au/system/files/public-registers/documents/Submission%20by%20Boomerang%20Alliance%20-%2008.04.25%20-%20PR%20-%20AA1000695%20Soft%20Plastic%20Stewardship%20Australia%20Limited.pdf?ref=0&download=y>
- <sup>11</sup> APCO (2024). *2030 Strategic Plan*.  
<https://documents.packagingcovenant.org.au/public-documents/2030%20Strategic%20Plan>
- <sup>12</sup> WMRR (2025). *WMRR submission opposing the Soft Plastics Stewardship Australia (SPSA) Limited Application for Authorisation (AA1000695)*.  
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<sup>13</sup> Boomerang Alliance (2025). *Submission on: SPSA Application for authorisation from ACCC.*

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