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Ms Naomi Menon  
Director  
Competition Exemptions  
Mergers, Exemptions and Digital Division  
Australian Competition and Consumer Commission  
Email: [exemptions@acc.gov.au](mailto:exemptions@acc.gov.au)

23 January 2025

Dear Ms Menon

Thank you for your correspondence dated 19 December 2024 inviting interested parties to make a submission regarding the Coles Group and Others application for revocation of authorisation AA1000627 and substitution of AA1000673 - draft determination.

I note that the Australian Competition and Consumer Commission (the ACCC) has issued a draft determination in respect of the application for authorisation (revocation and substitution) lodged by Coles Group Limited on behalf of itself, Woolworths Group Limited and ALDI Stores (together, the Applicants) and its Program Partners on 24 June 2024.

The South Australian Environment Protection Authority (EPA) supports the ACCC's draft determination to grant an authorisation with conditions to enable Coles, Woolworths, ALDI and its Program Partners (the Participants) to engage in conduct in connection with soft plastics recycling, specifically to manage the remaining soft plastics stockpiles and continue with their in-store soft plastics collection pilot program until 31 July 2026.

Regarding the ACCC's invitation to make submissions on the draft determination, the EPA notes the draft determination includes the EPA and Green Industries South Australia (GISA) comments within its consultation submission to you including:

- The EPA and GISA encourage the Participants to work closely with relevant governments and the Australian Packaging Covenant Organisation, given work being undertaken to reform packaging regulation at a national level including kerbside soft plastics collection trials.
- The EPA and GISA requested the Participants to give consideration to the work being conducted at a national level to address the multi-faceted issue posed by soft plastics packaging e.g. sustainable end-market for recycled soft plastics must be in place to avoid a scenario where soft plastics continue to be stockpiled such as occurred with REDcycle.

The EPA agrees with the ACCC's findings that it considers the conduct of the authorisation is likely to result in environmental benefits through increased potential to divert soft plastics from landfill, and that there is a public benefit including clear and consistent messaging to consumers regarding the in-store soft plastics collection pilot program and the management of the stockpile.

The EPA agrees with the ACCC's proposed new condition to further mitigate the likelihood of any public detriment by requiring that all contracts, arrangements, or understandings entered into whilst engaging in the conduct must not restrict any recycling or logistics provider from supplying services to another customer.

However, the determination does not include the EPA and GISA's concerns that the Participants will need to consider other industry participants from across the supply chain, including retailers and brand owners, designers, waste management industry and processors, if they are to establish robust, circular pathways for post-consumer soft plastics. Therefore, whilst the EPA supports the draft determination, we recommend that the draft determination be further amended to include that Participants must give consideration to the inclusion of other industry participants from across the supply chain when establishing circular pathways for post-consumer soft plastics.

Thank you for the opportunity to comment on the draft determination.

For further information on this matter, please contact Ms Kerry Suthern, Environmental Adviser Product Stewardship, Circular Economy and Waste Branch, Operations, EPA via email at [REDACTED].

Yours sincerely



Dr Jon Gorvett PSM  
**CHIEF EXECUTIVE**  
**ENVIRONMENT PROTECTION AUTHORITY**