



22 April 2025

Australian Competition and Consumer Commission

Competitions Exemptions

Online submission

**Re: Soft Plastic Stewardship Australia application for authorisation AA1000695–  
interested party consultation**

We are writing to express Kellanova Australia support for the application submitted by Soft Plastic Stewardship Australia Limited (SPSA) to establish an independent, not-for-profit entity which will develop and manage a national, voluntary, industry-led product stewardship scheme for recycling used soft plastic packaging materials in Australia.

Kellanova Australia is a leading manufacturer of Kellogg's® cereal and supplier of snacks products and has operated in Australia for over 100 years. While Kellanova Australia's plastic packaging footprint is small and accounts for approximately 0.2% of total soft plastics materials placed in market within Australia, we believe in the principles of the circular economy and support the development of sustainable packaging solutions, while ensuring that food safety, quality and shelf life are not adversely impacted.

Our ambition is that our packaging is ultimately recyclable, reusable or compostable in line with Australia's National Packaging targets. We have designed much of our packaging to be technically recyclable, however for soft plastics to be recyclable at scale, this material needs to be collected and reprocessed.

Kellanova has participated in previous pilots and industry-led programs, such as National Plastics Recycling Scheme, demonstrating our ongoing engagement and support for collective action in tackling soft plastics waste.

The development of the SPSA scheme is a critical step in helping to create a value-chain where soft plastics are collected, recycled and reintroduced into the manufacturing process, minimising waste and helping to reduce the negative environmental impact of soft plastics on landfill in Australia.

The SPSA scheme proposal, which has had considerable consultation with key members of industry throughout the value chain, is designed to be scalable, expanding gradually based

on real-world performance, processing capacity and end market demand. This structure is important to ensure that an effective and sustainable product stewardship scheme can be delivered, mitigating risks that have affected previous programs, where the collections outpaced processing capabilities.

Kellanova considers that the SPSA has the potential to create both economic and environmental benefits for Australia. Firstly, once scaled, it has the potential to help divert the 538,000 tonnes of soft plastic materials currently heading to landfill annually. Additionally, the SPSA will increase availability of recycled content materials, which will help to reduce the demand for fossil fuel-based virgin plastic materials. The implementation of a successful SPSA will also lead the expansion and creation of a new recycling industry in Australia, which has the potential to create employment opportunities, in line with comments from the Federal Government, which stated that it was increasing recycling capacity in Australia by more than a million tonnes every year while creating over 3,000 jobs through the Recycling Modernisation Fund Plastics Technology<sup>1</sup> .

Kellanova is supportive of the current governance model proposed by the SPSA, which balances industry input with independent oversight through diverse representation on the Board, alongside the Stakeholder Advisory Council, which includes representation from recyclers, government, NGOs, and other industry groups. An independent and balanced structure will support a robust and inclusive decision-making process and will be key for maintaining transparency and accountability throughout the scheme's operation.

As outlined in our submission in relation to the Interim Authorisation, we are supportive of a levy-based structure to fund the scheme where any increase to such levy is only implemented pursuant to a transparent and independent process with member and industry consultation, providing members with certainty around future levy costs to businesses.

If you require any further details, please contact Rachel Kay, Legal Director and Company Secretary, Kellanova Australia and New Zealand.

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<sup>1</sup> <https://minister.dcceew.gov.au/plibersek/media-releases/joint-media-release-soft-plastic-recycling-gets-156-million-boost-victoria>