

The SPSA proposal presents a fundamental risk to the public interest. At its core is the \$16 million levy offset, which functions as a direct financial benefit to supermarkets rather than an environmental investment. This payment effectively reimburses members for historic commercial costs using funds ultimately paid by the public through everyday purchases. Such an arrangement contradicts SPSA's not-for-profit obligations under the ACNC, which require all surpluses to serve public or environmental purposes—not private gain. Authorising this would set a dangerous precedent where a scheme branded as environmental stewardship is in fact greenwashing, with supermarkets profiting while consumers foot the bill.

The ACCC must not permit public funds to be diverted into corporate pockets. We urge you to consider three critical safeguards:

1. Financial Integrity

- Disallow the \$16 million levy offset and any other direct financial benefits to members.
- Require independent scrutiny of future arrangements that could advantage members commercially, including branding or marketing gains.

2. Independent Governance

- Mandate at least 50% independent board representation, with strict conflict-of-interest exclusions.
- Ensure independent directors hold relevant expertise and no financial ties to members.
- Confirm compliance with ACNC obligations by consulting directly with the regulator.

3. Accountability to the Public

- Make authorisation conditional, time-limited, and fully revocable if commitments are not met or if stronger national regulation emerges.
- Require transparent, audited reporting on all collections, spending, and outcomes.
- Insist that public communications are accurate, contextualised, and never misleading.

Closing:

The SPSA can only claim legitimacy if it delivers measurable environmental benefit, not commercial paybacks disguised as stewardship. Unless robust safeguards are imposed, this proposal risks eroding public trust and entrenching corporate greenwashing. For these reasons, the ACCC should impose strict conditional approval—or refuse authorisation outright if SPSA cannot meet these standards.