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Submission to Senate Inquiry into the effectiveness of the Albanese Labor Government's waste reduction and recycling policies in delivering a circular economy

The Boomerang Alliance of 55 allied organisations would like to thank the Senate for the opportunity to provide our views into the effectiveness of Commonwealth Government waste and recycling policies.

As featured on the Department of Agriculture, Water, and Environment webpage:

'The RAWR Act provides a framework for managing Australia's recycling and waste reduction objectives. A key objective of the Act is to encourage the development of a circular economy, including through product stewardship.'

Our Views in Brief

The effectiveness of the Recycling and Waste Reduction Act (RAWR) and associated policies would be improved through the proper application of two fundamental measures, a circular economy policy framework and a regulatory regime for product stewardship.

The current 'advisory approach' to circular economy principles and voluntary (co-regulatory) product stewardship schemes are failing to meet the desired outcomes of the Act.

To rectify this:

- The Commonwealth should develop a circular economy policy framework and seek its national and regulated adoption by all States and Territories
- Convert all existing product stewardship to mandatory schemes, and ensure all future PS schemes are managed under mandatory arrangements
- Align Commonwealth policies with supportive State and Territory policies such as bans on particular products and landfill disposal, and the promotion of reuse of resources

An effective circular economy with mandated product producer responsibilities are the twin pillars of any successful waste and recycling (resource recovery) agenda.

Recommendation One

Establish a nationally consistent Circular Economy policy framework that must be adopted by all State and Territories through regulation. This should be based upon the principles identified by the Commonwealth Government CE Taskforce.

Rationale

The Boomerang Alliance supports an effective circular economy approach to the management of all products used in the economy, to optimise resource recovery and eliminate any waste. However, we question why a consistent and nationally consistent circular economy policy framework has not been nationally adopted.

Whilst this inquiry refers to Commonwealth matters, the lack of a nationally adopted framework has consequences for State and Territory jurisdictions, inevitably creating policy inconsistencies. The establishment of a consistent approach across Australia should have been the first priority of the government.

The Commonwealth must recognise that certain matters, and the circular economy and product stewardship are such matters, have national relevance and should require Commonwealth leadership to establish a consistent policy approach.

Already we are witnessing different interpretations of circular economy practices. There are a number of States who are using different wording, removing the term *highest resource value* from circular economy principles. This has removed a very clear policy intent and created confusion about the principles. For example, in Victoria and Western Australia in particular, mixed waste incineration to extract energy is being characterised as part of a circular economy. It is not.

Mixed waste incineration (of residual wastes including plastics) generates toxic, high emission-intense electricity (pollution) and undermines recycling (a higher order option for these source materials). Incineration of these materials is therefore a *lower resource value*. A preferred circular economy option should have been to design products for easy recycling and improve their collection. Had these principles outlined (below) been adopted by these jurisdictions, mixed waste incineration would not have been a considered option.

A Nationally Consistent Circular Economy

The Commonwealth Circular Economy Advisory Taskforce has adopted three key principles of a Circular Economy these being:

- The elimination of waste and pollution
- The circulation of products and materials in the economy, based upon their highest resource value, and
- The regeneration of nature by supporting natural processes

These are sound, internationally recognised principles. The Boomerang Alliance recommends that the Commonwealth Government urgently act to arrange the regulated adoption of these principles into (1) all Commonwealth Government related policy and practices, and (2) into the CE policies and regulations of all other Australian jurisdictions, to ensure a nationally consistent policy approach.

As part of the adoption of these principles a clear practice framework should be included. This recognises that all the stages of a products lifecycle are inter-connected and inter-dependent. That means that all stages from manufacture, retail, consumption, collection, reprocessing, and secondary market development are essential components in any coordinated circular economy strategy.

(see the Boomerang Alliance model diagram at bottom of this submission)

Recommendation Two

Make all product stewardship schemes mandatory with outcomes and targets and ensure that producers/ suppliers of products are required to take full responsibility for their products through their entire lifecycle.

Review all current PS policies and practices, and matters regarding waste exports of plastics, glass, tyres, and paper to confirm they comply with the principles of a circular economy (as identified by the Commonwealth CE Taskforce) and are subject to mandatory product stewardship scheme outcomes.

Commonwealth policies and practices must be supported with State and Territory policies such as bans on particular products and landfill disposal, and the promotion of reuse of resources.

Rationale

To be truly effective, a circular economy relies upon the producers of products being responsible for the management of their products, through their entire lifecycles. In Australia, this largely does not happen.

Current producer responsibility models do not work properly. Firstly, schemes are essentially voluntary with little sanctions for producers to comply, and secondly, they do not include responsibility for the entire lifecycle of a product. This means that PS Schemes rarely meet their targets or achieve their intended outcomes.

What is urgently needed, in addition to a nationally adopted circular economy policy framework, is an associated regulatory regime that requires all producers to take responsibility for the products they place in the market. Adopting this approach will set this country on a course towards a genuinely sustainable and zero waste future.

A good example is the regulated container refund schemes now active in most State and Territories. These schemes require producers (in this case the beverage industry) to cover the costs and manage the collection and recycling of containers and return these for recycling and recovery. Since their introduction from 2017 (already established in SA and NT) average recycling rates have increased from an estimated 20% to 65% and will go further with continuous improvements.

Once established, a mandated PS Scheme based upon circular economy principles and practices will, with virtually immediate effect, encourage more efficient resource and material use practices, reduce GHG emissions, minimise waste, and establish a fairer and more equitable cost environment for the recovery of post-consumer resources.

Mandated Product Stewardship Schemes

There are currently 6 voluntary PS schemes: the Packaging Covenant, aluminium cladding, batteries, tyres, bag recovery and mobile muster. There is a co-regulatory scheme for the collection and recycling of televisions and computers. In addition, the Environment Minister annually creates a Priority List for industry-led Product Stewardship Schemes. The current list includes, photovoltaic systems, electrical products, oil containers, car seats, textiles, and problematic single-use plastics.

There are no mandatory schemes, although the Commonwealth Government is proposing to introduce a mandatory PS Scheme for Packaging by 2025.

We also note that the Commonwealth introduced a National Plastics Plan in 2021. This contained phase-out requirements for a number of problematic plastics including, expanded polystyrene in loose packaging and food containers, PVC labels and degradable plastics. To our knowledge, none of these phase-outs have been delivered.

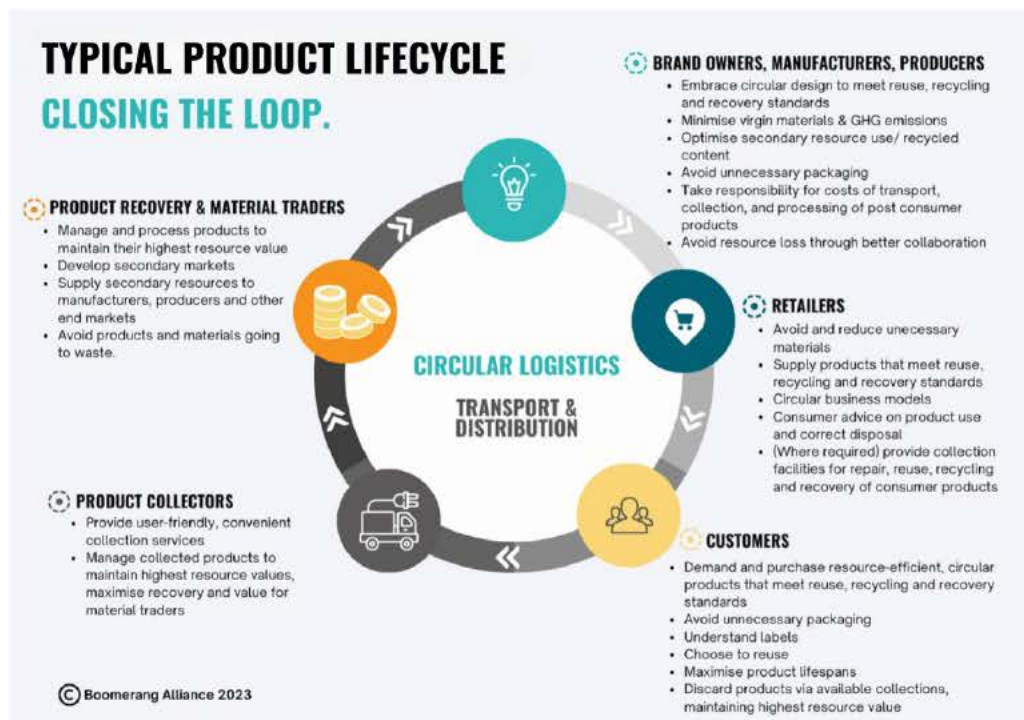
As outlined above these schemes are effectively voluntary as they do not include any sanctions or penalties for non-compliance. As a result, they routinely fail to meet any desired outcomes or targets.

To ensure compliance and to deliver an effective circular economy policy, these schemes must be made mandatory with regulated outcomes, targets and penalties for non-compliance included. It is only through regulating expectations and outcomes that government can deliver a sustainable waste and resource recovery agenda.

The RAWR Act includes a framework to address specific issues regarding the export of waste glass, plastic, tyres, and paper. These are managed through a licencing and declaration scheme. To be consistent with circular economy policy settings, these matters must be reviewed and tested against those policies. Each of these items should also be subject to mandatory Product Stewardship schemes to ensure desired and best practice outcomes are being achieved.

The key components of product stewardship scheme policy should include:

- A mandatory product stewardship scheme for every product with an identified waste problem on the market
- Required (not voluntary) outcomes established for each scheme, with sanctions and penalties for non-compliance
- Producer responsibility required for the entire life cycle of the products placed on the market. That includes production and design and the full costs associated with a products post-consumer fate- including consumer information, transport, collection, recovery and return to secondary markets, without producing waste.
- Every scheme accountable and reporting to the Commonwealth Government and public, with assistance and support from the States and Territories



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