



Australian Government

**Department of Climate Change, Energy,
the Environment and Water**

The Department of Climate Change, Energy, the Environment and Water Submission

Senate Environment and Communications References
Committee – *The effectiveness of the Australian Government’s
waste reduction and recycling policies in delivering a circular
economy*



Introduction

The Department of Climate Change, Energy, the Environment and Water (the Department) welcomes the opportunity to provide this submission to the Senate Environment and Communications References Committee.

This submission is intended to provide the Committee with an understanding of the Department's role and responsibilities as they relate to the Committee's inquiry into the effectiveness of the Australian Government's waste reduction and recycling policies in delivering a circular economy.

The role of the Department of Climate Change, Energy, the Environment and Water

State, territory and local governments are primarily responsible for waste and recycling policy

States, territories and local governments are primarily responsible for and best placed to manage and regulate domestic waste and make critical decisions on recycling policy.

The Australian Government contributes where there are:

- issues affecting multiple jurisdictions that would benefit from a coordinated approach, and where nationally harmonised policies, guidelines or standards cannot be achieved without Australian Government support
- national issues where analysis supports Australian Government action as the most effective and efficient intervention, especially where there are risks posed by hazardous substances to human health and the environment
- domestic market failures or absences of a market that require national policy, national partnership programs, or national-scale information requirements
- obligations to engage in international conventions and treaties and administer legislation, or where international trade impacts circular economy outcomes.

Australia is transitioning to a circular economy

The Department is the Commonwealth lead on the circular economy, waste and resource recovery policy.

Australia's Environment Ministers committed in October 2022 to work with the private sector to design out waste and pollution, keep materials in use and foster markets to achieve a circular economy.

The Australian Government established the Circular Economy Ministerial Advisory Group in February 2023. The advisory group provides the Minister for the Environment and Water advice on opportunities and challenges associated with Australia's transition to a more materials efficient circular economy.

The Government is also developing a new national circular economy policy framework to guide and meaningfully focus efforts across the economy.

Waste and resource recovery outcomes have improved since 2020, but we are yet to see significant results in national data

Improving Australia's ability to manage waste and recover resources is an essential requirement for achieving a circular economy. The National Waste Policy Action Plan, established in 2019, provides a framework for collective, national action on waste management, recycling and resource recovery.

At their October 2022 meeting, Environment Ministers noted that while progress had been made to improve waste management and recycling activities under the National Waste Policy Action Plan, the plan should be strengthened to do more to prevent waste and achieve its 2030 national waste targets.

The National Waste Policy Action Plan includes seven national waste targets. The first of these is to regulate the export of unprocessed and unsorted waste plastic, paper, glass and tyres starting from 2020, implementing the 13 March 2020 decision of the Council of Australian Governments.

Prior to July 2020, Australia was exporting over 4.2 million tonnes of waste annually. Waste plastic, paper, glass and tyres made up over 30 per cent of this waste (over 1 million tonnes). In 2020, 642,464 tonnes of exported waste were expected to be subject to regulation.

Australia was the first country in the world to regulate the export of waste streams. Legislation is now in place that regulates the export of unprocessed glass (from 1 January 2021), mixed plastic (from 1 July 2021), tyres (from 1 December 2021), and single polymer plastic (from 1 July 2022). Exports of mixed paper and cardboard will be regulated from 1 July 2024.

The Recycling Modernisation Fund was established to support industry to transition to the regulation of exports, by increasing Australia's onshore capacity to collect, reuse, recycle and recover waste materials affected by the regulations.

As at 5 March 2024, there are 133 Recycling Modernisation Fund projects underway across the country which are expected to generate 1.3 million tonnes of additional recycling capacity to process waste plastic, paper, glass and tyres, with more projects yet to be announced. The Australian Government's \$250 million contribution is expected to leverage over \$1 billion in total investment when state and territory and third-party contributions are included.

Progress against all National Waste Policy Action Plan Targets is shown in **Table 1** below.

| Table 1: Progress against national waste targets | |
|---|---|
| Target 1 - Ban the export of waste plastic, paper, glass and tyres commencing in the second half of 2020 | Implemented or on track. Exports of mixed paper and cardboard will be regulated from 1 July 2024. |
| Target 2 - Reduce total waste generated in Australia by 10 per cent per person by 2030 | Estimated increase of 3 per cent since 2016–17 |
| Target 3 - 80 per cent average resource recovery rate from all waste streams following the waste hierarchy by 2030 | Estimated increase of 2.2 percentage points since 2016-17 |
| Target 4 - Significantly increase the use of recycled content by governments and industry | Estimated increase of 15 per cent since 2016–17 |
| Target 5 - Phase out problematic and unnecessary plastics by 2025 | Environment Ministers have agreed to ban eight problematic and unnecessary single-use plastic products. Single-use plastic bags are banned nationwide. Specified additional single-use plastics are banned in NSW, VIC, QLD, WA, SA, the ACT and Hobart, and will be banned in the NT by 2025. |
| Target 6 - Halve the amount of organic waste sent to landfill by 2030 | Estimated increase of 3 per cent since 2016-17. |
| Target 7 - Make comprehensive, economy-wide and timely data publicly available to support better consumer, investment and policy decisions | Data is available at the Waste and Resource Recovery Data Hub. The National Waste Report is released every two years. The hub is online at: https://www.dcceew.gov.au/environment/protection/waste/how-we-manage-waste/data-hub/data-insights . |

Waste and resource recovery policies are being harmonised across jurisdictions

Efforts to harmonise waste and resource recovery systems across jurisdictions are underway, including for single use plastic phase-outs, container deposit schemes and kerbside collections.

In 2021, all Australian governments agreed eight problematic and unnecessary single-use plastics that should be prioritised for industry phase out by 2025: lightweight shopping bags, fragmentable plastics, straws, utensils and stirrers, bowls and plates, expanded polystyrene, consumer food containers and goods packaging, and microbeads in personal products.

In June 2023, Environment Ministers agreed to work towards harmonising single use plastic phaseouts. The department is working with states and territories to develop a roadmap to harmonise single use plastic phase-outs, which will help reduce plastic pollution and make it easier for businesses to comply with requirements across the country. The roadmap is expected to be considered by Environment Ministers in 2024.

In June 2023, Australia's Environment Ministers agreed to develop a national roadmap for staged improvements to the consistency of kerbside collections across Australia, taking into account the circumstances of metropolitan, regional and remote communities. Greater consistency in kerbside collections will provide Australians with confidence to recycle correctly and support Australia's new packaging reforms by providing industry with certainty to design packaging that can be consistently collected for recycling. Environment Ministers will consider that national roadmap later this year.

Regulatory product stewardship schemes require significant time and resourcing to design, launch and administer. In November 2022, Australia's Environment Ministers agreed a Product Stewardship Framework to accelerate product stewardship action by better coordinating across governments. The Framework expedites data collection and consultation to guide evidence-based options for policy or regulatory intervention at all levels of government.

To transition Australia to a circular economy, all Environment Ministers have agreed to reform the regulation of packaging to ensure it is designed to be recovered, reused, recycled, and reprocessed safely in line with circular economy principles. The new regulation will be implemented under Commonwealth law, and will mandate design requirements, the uptake of recycled content, and restrict the use of harmful chemicals.

These new national packaging laws will provide regulatory certainty and consistency, and make businesses take responsibility for the 6.7 million tonnes of packaging they place on the Australian market.

Policies to boost demand in circular markets are being put into place

In addition to boosting onshore recycling capacity and harmonising waste management and resource recovery approaches across jurisdictions, the Department is putting in place initiatives to support demand for secondary materials. The National Framework for Recycled Content Traceability provides manufacturers with information to support their confidence in recycled content, and the Department is developing an Environmentally Sustainable Procurement Policy to ensure that Commonwealth procurement drives better environmental outcomes.

The Department also provides national data and analysis on circular economy, waste and resource recovery outcomes. Amongst other products, the National Waste Report provides information from all jurisdictions on waste generation, recovery outcomes and fate for various materials and waste streams. This information supports a clear understanding of progress towards national waste targets and provides the private sector with information to support investment decisions.

The Department administers legislation to support a safe circular economy

The Department is responsible for administering and implementing a range of legislation related to waste reduction, resource recovery and the safe management of hazardous materials and chemicals in our economy.

The *Recycling and Waste Reduction (RaWR) Act 2020* provides a framework to regulate the export of waste. The Act also provides a framework for product stewardship, including voluntary, coregulatory and mandatory approaches. There are presently seven announced industry led voluntary product stewardship schemes accredited under the Act. In addition, there is one coregulatory arrangement in place under the Act, the National Television and Computer Recycling Scheme.

The *Product Stewardship (Oil) Act 2000* legislates a mandatory stewardship scheme for oil. The Act manages used oil by applying a levy benefit system to incentivise the collection and recycling including re-refining of used oil. This reduces the risks of oil entering the environment.

The Environment Protection Council Act 1994 (Cth) provides a framework for the National Environment Protection Council to make National Environmental Protection Measures (NEPMs) to address environmental impacts from challenges such as used packaging and site contamination. These provide national standards to support a coordinated approach. Each jurisdiction is individually responsible for implementing any NEPM.

The *National Environment Protection (Used Packaging Materials) Measure 2011* prevents environmental degradation arising from the disposal of used packaging by requiring businesses to make their packaging more sustainable. The measure will be overtaken by a reformed packaging regulatory scheme as described above.

The *Industrial Chemicals Environmental Management (Register) Act 2021* establishes nationally consistent standards for effective management of industrial chemicals. Industrial chemicals are listed in one of seven schedules based on their level of risk to the environment and assigned measures for safe use, handling, and disposal. Tighter standards are applied to activities that involve higher risk chemicals, including prohibitions and restrictions where necessary. Regulatory adoption and enforcement of the standards by all jurisdictions drives nationally consistent controls.

The *Hazardous Waste (Regulation of Exports and Imports) Act 1989* implements Australia's obligations under the Basel Convention and regulates the export, import and transit of hazardous waste and certain other waste between countries to ensure such wastes are disposed of safely and in an environmentally sound way in the destination country. In addition to hazardous wastes, other wastes controlled by the Convention includes non-hazardous mixed or contaminated plastics, general household wastes and process engineered fuel containing plastic.

The *Hazardous Waste (Regulation of Exports and Imports) (Waigani Convention) Regulations 1999* regulates the export, import and transit of hazardous waste and other waste between Pacific Island countries and Australia.

The *Hazardous Waste (Regulation of Exports and Imports) (OECD Decision) Regulations 1996* regulates the export and import of waste for recycling between OECD member countries and Australia.

The Department leads international engagement on waste and pollution conventions and treaties

The Department leads engagement in several international conventions and treaties related to the safe management of waste, chemicals and plastic pollution. These include:

- The *Stockholm Convention*, which aims to protect human health and the environment from persistent organic pollutant chemicals.
- The *Basel Convention*, which controls the transboundary movement and disposal of hazardous wastes and certain other wastes. The Convention is aimed at reducing harm to human health and the environment by minimising the generation management of wastes and develops guidelines for their safe management.

- The *Waigani Convention*, a regional treaty which implements aspects of the Basel Convention in the South Pacific as well as placing a ban on the import of radioactive wastes into Pacific Island countries.
- The *Rotterdam Convention*, which gives effect to a Prior Informed Consent procedure for certain hazardous chemicals in international trade.
- The *Global Framework on Chemicals*, a high-level policy framework for achieving a planet free of harm from chemicals and waste and addressing emerging issues of global concern.
- The *Minamata Convention*, which aims to protect human health and the environment from anthropogenic emissions and releases of mercury and mercury compounds.
- The *Montreal Protocol*, which controls the production and movement of substances which deplete the ozone layer as well as synthetic greenhouse gases.
- Negotiating an international legally binding instrument on plastic pollution, including in the marine environment by the end 2024. The instrument will seek to end plastic pollution, including in the marine environment, with the scope of negotiations based on a comprehensive approach that addresses the full life cycle of plastic, including its production, design, and disposal.