



Committee Secretary
Senate Standing Committees on Environment and Communications
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14 September 2020

Dear Secretary

Re: Recycling and Waste Bills 2020

CropLife Australia is pleased to provide feedback to the Environment and Communications Legislation Committee regarding the inquiry into the Recycling and Waste Bills 2020.

Due to the short timeframe for providing submissions, it was not possible for CropLife to prepare a comprehensive response to the Inquiry. We do, however, attach for the Committee's consideration in conjunction with this Inquiry, a copy of CropLife's submission in response to the Department of Agriculture, Water and the Environment's Exposure Draft Recycling and Waste Reduction Bill 2020.

Please do not hesitate to contact CropLife's Director of Science and Stewardship Policy (Chemistry), Dr Katie Asplin via [02 6273 2733](tel:0262732733) should you require any additional information regarding this submission.

Yours sincerely,

Matthew Cossey
Chief Executive Officer

Attach: CropLife Submission to exposure draft of the Recycling and Waste Reduction Bill 2020

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Submission to exposure draft of the *Recycling and Waste Reduction Bill 2020*



drumMUSTER
rinse them out, round them up and run them in.



1. INTRODUCTION

CropLife Australia is the national peak industry organisation representing the agricultural chemical and plant biotechnology (plant science) sector in Australia. CropLife represents the innovators, developers, manufacturers and formulators of crop protection and agricultural biotechnology products. CropLife's membership is made up of both patent holding and generic Australian and international companies and accordingly, CropLife advocates for policy positions that deliver whole of industry benefit. The plant science industry provides products to protect crops against pests, weeds and diseases, key to the nation's agricultural productivity, sustainability and food security. The plant science industry is worth more than \$20 billion annually to the Australian economy and directly employs thousands of people across the country.¹

CropLife and its members have a long-standing record and commitment over the past two decades to recycling and waste management of their products. We remain committed to the stewardship of crop protection products throughout their lifecycle, ensuring human health and safety, and the responsible and sustainable management of the environment and trade issues associated with agricultural chemical use in Australia. Our member companies contribute millions of dollars each year to stewardship activities that ensure the safe and effective use of their products.

CropLife ensures the responsible use of these products through its mandatory code of conduct and a suite of world-leading industry stewardship initiatives and programs. We have set a benchmark for industry stewardship through waste management and recycling programs for our industry's products with **drumMUSTER** and ChemClear®, administered by CropLife's wholly owned stewardship and safety organisation, Agsafe. These programs provide a pathway for disposing of and recycling farm chemical waste and containers.

CropLife welcomes the opportunity to provide input to the Exposure Draft of the *Recycling and Waste Reduction Bill 2020* (the Bill) and commends the Federal Government on their commitment to increasing recycling rates and building capacity within Australia's domestic recycling industry.

As outlined in our submission to the review of the existing *Product Stewardship Act 2011* (the Review of the Act), it is critical that any proposed provisions in the Bill do not unintentionally diminish the success, effectiveness and efficiency of existing industry stewardship programs. CropLife is pleased that the Bill reflects the recommendations of the Review of the Act to maintain the flexibility that was built into the existing *Product Stewardship Act 2011*. This flexibility will continue to allow voluntary stewardship initiatives, such as **drumMUSTER** and ChemClear®, to 'opt out' and avoid the costs associated with voluntary accreditation.

¹ https://www.croplife.org.au/wp-content/uploads/2018/04/Deloitte-Access-Economics-Economic-Activity-Attributable-to-Crop-Protection-Products_web.pdf

2. A WHOLE OF LIFECYCLE APPROACH TO PRODUCT STEWARDSHIP

CropLife and its members are committed to the stewardship of their products throughout their lifecycle, ensuring human health and safety, and the responsible and sustainable management of the environment and trade issues associated with agricultural chemical use in Australia.

This is why CropLife established our StewardshipFirst program, which is a comprehensive suite of whole-of-lifecycle stewardship and best practice initiatives and programs for the plant science industry's products. This commitment is long standing and preceded and regulatory requirements in waste management with **drumMUSTER** and ChemClear® established in 1998 and 2000, respectively. Although **drumMUSTER** and ChemClear® are now funded by an industry levy, the programs were initially established with significant upfront investment by CropLife and our member companies.

The StewardshipFirst program includes CropLife's mandatory code of conduct for members, resistance management strategies for herbicides, insecticides and fungicides, the spray drift and best practice management initiatives SprayBest and MyAgCHEMUSE, and the Pollinator Protection Initiative, which includes BeeConnected and the Seed Treatment Stewardship Strategy. It also includes programs run by CropLife's wholly owned stewardship and safety organisation, Agsafe, including the **drumMUSTER** and ChemClear® programs, as well as Agsafe's Accreditation and Training for the reseller distribution network, which complement the suite of stewardship initiatives and programs. In addition, CropLife member companies have their own product stewardship initiatives to ensure the responsible use and longevity of their products.

Repealing the existing *Product Stewardship Act 2011* and incorporating it into the proposed Bill moves product stewardship into the waste management domain, rather than taking a wholistic approach to product stewardship. The Bill appears to be focused on a circular economy for the management and recycling of waste, particularly as it relates to packaging. This is in contrast to CropLife's whole-of-lifecycle approach to product stewardship and may result in gaps in the responsible use and management of the products of some industries less focused on stewardship and sustainability.

3. A FLEXIBLE APPROACH TO PRODUCT STEWARDSHIP MUST BE MAINTAINED TO ENSURE THE ONGOING SUCCESS OF EXISTING PROGRAMS

CropLife members recognise they have an ongoing responsibility to ensure the sustainability and longevity of their products. For this reason, CropLife and our members support and adhere to the *International Code of Conduct on Pesticide Management* of the Food and Agriculture Organization and the World Health Organization of the United Nations. This Code specifies obligations about the stewardship of agricultural chemicals throughout their lifecycle, from innovation, discovery and development, through to ultimate disposal of packaging waste. This is in addition to CropLife Australia members abiding by the CropLife Australia Code of Conduct. These stewardship schemes specify the obligations of CropLife Australia members, including requiring participation in the **drumMUSTER** and ChemClear® industry stewardship programs.

Additionally, many CropLife members engage in significant supplementary stewardship of their products, which ensures the products sold by a company are being used in accordance with all the conditions and precautions necessary for that product.

Collectively, these controls help maintain the sustainability of Australian agriculture by responsibly and efficiently managing farm inputs. The **drumMUSTER** and ChemClear® industry stewardship programs also address environmental and health and safety concerns by disposing of, and recycling farm chemical waste. To date, these programs have collected and disposed of more than 35.6 million chemical containers and 745,341 litres of obsolete or unwanted chemical nationally. As a result, more than 38,000 tonnes of metal and plastic have been diverted from landfill and recycled into re-usable products and 98 per cent of the collected chemical subsequently used as an alternative fuel source.

The 2017-18 Australian Plastics Recycling Survey reported that just seven per cent of agricultural plastics are being recycled. While this figure is concerningly low, the **drumMUSTER** program accounts for almost half of all agricultural plastics being recycled in Australia.²

² <https://www.environment.gov.au/protection/waste-resource-recovery/publications/australian-plastics-recycling-survey-report-2017-18>

It is important to recognise that these programs are undertaken voluntarily by industry (although they are enforced on CropLife member companies through our membership requirements and Code of Conduct), not through any regulation, again reinforcing how the issues of environmental sustainability are culturally entrenched both in the Australian and global plant science industry. The voluntary, industry-led approach to the stewardship of waste management facilitates a proactive and dynamic environment in which the programs can be updated and improved without requiring government oversight, which can be costly and move at a very slow pace. For example, CropLife Australia's mandatory code of conduct is being amended to require all member companies to ensure that Intermediate Bulk Containers in which products are supplied are part of a returnable scheme (noting that, currently, more than 90 per cent of products supplied in IBCs by CropLife member companies are eligible for a returnable scheme). This amendment is being made ahead of an audit being conducted by the Australian Packaging Covenant Organisation to assess adherence to the *National Environmental Protection Measure (Used Packaging Materials) Measure 2011*.

CropLife supports the current *Product Stewardship Act 2011*, which takes a voluntary approach to allowing long-standing, successful and efficient schemes like **drumMUSTER** and ChemClear® to 'opt out' from the accreditation process and avoid unnecessary regulation. CropLife's earlier concerns (in 2011) that any benefits of voluntarily requesting accreditation for existing stewardship programs would be exceeded by the costs of participation remain valid. We commend the government for maintaining this flexibility in the new Bill.

The requirement for inclusion of an accreditation logo on product labels would be impractical and logistically challenging for CropLife's members. Crop protection product labels are complex and contain a large amount of technical information that is essential for the safe and responsible use of the products. Participants of **drumMUSTER** are required to include the **drumMUSTER** label on product labels. The inclusion of another stewardship logo may be confusing to product users and would require significant re-design of product labels at high cost. Due to the seasonal nature of the use of crop protection products, which is also influenced by weather patterns (e.g. drought) and pest pressure, there are often large stocks of product in storage. The addition of an accreditation logo, therefore, would require a considerable phase-in period.

Similarly, the administrative and managerial autonomy of successful stewardship programs operating in a specific market, such as **drumMUSTER** and ChemClear® must be retained. A central clearinghouse, as recommended by the Review of the Act, may be beneficial for streamlining the administration of some more generic stewardship programs. Initiatives such as **drumMUSTER** and ChemClear®, however, require a more direct connection with program participants. Any future consideration of the Review of the Act's recommendations regarding the establishment of a central clearinghouse would, therefore, not be supported for existing industry-led stewardship programs.

drumMUSTER and ChemClear® regularly and publicly report their performance, providing all stakeholders with assurance that the schemes are achieving their stated objectives. Accordingly, CropLife maintains the position that additional regulation or central oversight of existing voluntary stewardship initiatives would offer no benefit to stakeholders or enhance the ability of the programs to meet their objectives. Instead, additional reporting would only increase costs through increased administration.

As outlined in CropLife's submission to the Review of the Act in 2018, **drumMUSTER** and ChemClear® are funded by an industry levy. Imposition of this levy is authorised by the Australian Competition and Consumer Commission (ACCC), which ensures there is a net benefit to the community. This authorisation is regularly reviewed to ensure the benefits of these schemes remain and the projected anti-competitive impact remains acceptable.

Any potential increase relating to the costs of regulatory compliance for product stewardship schemes by removing the flexibility for schemes to opt out from the accreditation process will, ultimately, be borne by farmers and will have one of two consequences. As resources are directed to complying with rigid, bureaucratic monitoring and reporting provisions, resources that could be deployed to collecting, recycling and disposing of empty containers and unwanted chemicals will be reduced. If excessive, the ultimate sustainability of the program may be threatened. Alternatively, should existing levies be increased to reflect the increased regulatory compliance costs, the relative benefits to the community may be outweighed by the anti-competitive cost, requiring the ACCC to withdraw its authorisation of the levy.

CropLife maintains that where a product stewardship scheme has been reviewed and provided an exemption to the *Competition and Consumer Act 2010* by the ACCC, no further scrutiny by the Department of Agriculture, Water and the Environment is justified or warranted.

4. A TRANSPARENT PRIORITY LIST WILL PROVIDE CLARITY TO INDUSTRY

CropLife supports the maintenance of the Minister's product stewardship list, to be known as the Minister's Priority List (the List). Increasing the transparency of the List, the reasons for inclusion on the List and the required actions and timeframes associated with a listing will enable affected industries to improve stewardship and waste management of their products more effectively.

5. BARRIERS TO WASTE MANAGEMENT AND RECYCLING

CropLife commends the Federal Government for their commitment to support and invest in building capacity within Australia's domestic recycling industry. From our more than 20 years of direct and successful recycling programs for our industry's products and containers, it is clear that provision of substantial up-front establishment funding is one of the key contributors to success, which government is best positioned to provide.

Currently, there are no sustainable pathways for recycling insecticide-treated seed bags and other soft plastics that are used to contain products in Australia. The current regulations to ensure maximum safety prohibit this packaging type from recycling and, as a result, it is diverted to landfill. CropLife International's Stewardship Strategy 2025 is addressing this issue by conducting feasibility studies to expand collections to seed bags and other soft plastic packaging materials used for crop protection products. CropLife Australia will be actively engaging in these feasibility studies so that any viable and sustainable programs can be assessed for implementation in the Australian context.

6. CONCLUSION

The existing *Product Stewardship Act 2011* currently provides for a flexible and practical approach to product stewardship by recognising that each product, material and industry is unique. It is essential that, in incorporating the *Product Stewardship Act 2011* into the Bill, the legislation maintains this flexibility and practicality, enabling established, successful and efficient recycling and waste management stewardship schemes, such as **drumMUSTER** and ChemClear®, to opt out of any accreditation schemes to avoid unnecessary additional regulatory burden.

Because of the wide variety of farming systems and circumstances throughout Australia, growth in agriculture will only be delivered by enabling farmers to make management choices and decisions that best suit their individual circumstances. Any decisions made by farmers in consideration of their circumstances can support both improved productivity and environmental sustainability. Regulatory environments in Australia that support agriculture and food production must continue to allow farmers to make decisions in the best interests of their own business. By providing farmers with a range of product stewardship initiatives, CropLife and our members are enabling farmers to adopt any of a range of farming systems, or a combination of them, whilst ensuring the product longevity and environmental sustainability of their operations.

CropLife and its members are committed to supporting all farming systems in Australia by providing farmers with the innovation, technologies, tools and products they need to ensure productive, profitable, sustainable and innovative farming practices. It is essential that government works with industry to create efficient nationally harmonised regulations and legislation that are commensurate with real risk and maintain the ability for Australian farmers to access the latest innovative tools in plant science.

Ensuring all aspects of packaging and waste can be managed via a sustainable recycling program is extremely important to CropLife and our members. The commitment from government to support efforts by industry in building capacity within Australia's domestic recycling industry is welcomed.

CropLife looks forward to providing input towards the proposed implementation plans for the export ban on mixed plastics, expected to be released for consultation in July 2021.