



KESAB

*environmental
solutions*

214 Grange Road
Flinders Park 5025
South Australia
Telephone 08 8234 7255
Facsimile 08 8234 7266
www.kesab.asn.au
email: admin@kesab.asn.au

*Keep South Australia
Beautiful Inc.
ABN 93 227 182 519*

Clean Marine

Clean Site

*Butt Litter
Campaigns
& Butt Bins*

*Illegal Dumping
Education*

*Litter & Social
Research*

*NRM
Education*

Road Watch

Sustainable Cities

Tidy Towns

*Waste, Recycling
& Litter Education*

*Waste Audits
& Assessments*

Waterwatch

*Wipe Out Waste
Schools Program*

*Statewide Recycling
Education Centre*

Public Consultation

on

National Measures to Manage the Impacts of Packaging Waste

Response to National Regulatory Impact Statement (RIS)

To: **Standing Council on Environment and Water
Secretariat**

E: SCEW.Secretariat@environment.gov.au

Prepared by **KESAB environmental solutions**

by: **John Phillips**
Executive Director
KESAB environmental solutions
March 28th 2012

john@kesab.asn.au
www.kesab.asn.au

Member of



Overview

There has been significant shift throughout Australia in lifestyle with stronger focus on the need for improved environmental sustainability practices. This shift includes understanding impacts of human consumption on the natural environment in environmental, social and economic terms.

Consumerism and lifestyle combine in almost everything society embraces resulting in significant volumes of waste that is conveniently disposed of, often with minimal long term thought to consequence of environmental impact and potential value.

Australia is a global leader through developing creative and simple approaches to engage the packaging industry and community to jointly respond to this high level of packaging waste. Co-regulatory approaches combined with resource recovery systems and some examples of product stewardship are evident in recent years.

In a behavioural context Australian consumer values are driven by brand, value, ease of access and high profile marketing and advertising.

While we have achieved inroads, Australia's high per capita interest in consumer values has not been maximised by manufacturing and industry sectors to achieve expectations of government and community. Resource recovery and waste minimisation strategies engaging community show (in the main) the throw away mentality is alive and well.

An example is litter reduction and community awareness campaigns. The overall responsibility for driving anti litter campaigns and education initiatives over the past 4 decades has mainly been the role of NGO's including KESAB and Keep Australia Beautiful Association.

The main drivers and facilitators of recycling and resource recovery systems and education are State and Local government operating at the Council level through a mix of collection and processing options.

Industry has invested in targeted resource recovery systems often linked to ensuring brand protection or fending off alternative regulatory options that may be implemented through governments. The consumer pays no matter what system is in place as cost recovery is passed on.

The Australian Packaging Covenant Council has responded via a co-regulatory approach to improve recycling and waste minimisation, however industry sectors remain selective in their engagement and commitment eg: beverage industry in South Australia engages due to Container Deposit Legislation.

There is need for government, industry and community to show collective leadership and respond proactively to reduce the impact of waste in the environment, improve resource recovery and implement a nationally focused litter management program, both land and marine focused.

The National Measure to Manage the Impacts of Waste (RIS) provides an opportunity for a collective option to be adopted and implemented ie; engaging all stakeholders and all packaging streams.

About KESAB environmental solutions

Keep South Australia Beautiful (Incorporated in 1966) is an environmental education NGO with objectives to change behaviour through encouraging reduction of litter pollution and packaging waste caused through poor disposal habits linked to lifestyle changes.

KESAB is a founding Member of the Keep Australia Beautiful National Association (1972) and has considerable historical understanding and knowledge relative to litter and packaging waste issues.

The emergence of "one trip throw away" lightweight packaging in the sixties combined with increased convenience packaging and life style have impacted through increased litter and environmental pollution. By the seventies "throw away" packaging and behaviour was entrenched.

KESAB established business and government partnerships with objectives to engage industry and community to better dispose of litter and increase awareness of the impacts of packaging waste pollution. This was supported to some extent by industry stewardship initiatives.

KESAB established a litter measurement methodology in 1978 and an updated data set is used across Australia (approx 890 sites) to measure litter trends under the banner of the KABNA National Litter Index (NLI).

In South Australia NLI also monitors and measures performance of Container Deposit Legislation (CDL) items in the litter stream. **NB: Attachment**

KESAB currently has in place joint Service Level Agreements between Zero Waste SA, Aboriginal Affairs, the Department of Transport, Attorney General's Department, Natural Resource Management Board and key business level partnerships delivering a broad range of community based education and awareness initiatives responding to environmental sustainability, packaging waste reduction and behavioural change.

Recognised environmental sustainability education and community engagement programs delivered by KESAB include Litter Less Teachers Resource, Wipe Out Waste, Road Watch, Clean Site Building & Construction, Litter Index (count and volumetric monitoring), NRM Education and Sustainable Communities (Tidy Towns) and Cities Awards.

KESAB operates two waste education centres on site at Statewide Recycling and the former Wingfield Landfill.

The facilities engage thousands of school students per annum. In addition KESAB conducts local government and community waste education tours and corporate environmental sustainability information sessions.

Unique to Australia for the past 30 years has been South Australia's successful Container Deposit Legislation. KESAB works jointly with government and industry sectors providing education and information resources embracing CDL.

Comments on Container Deposit Legislation in South Australia

As a Founding member of the Keep Australia Beautiful National Association, KESAB is acutely aware of the political and industry nuances surrounding Container Deposit Legislation in South Australia.

Unfortunately CDL can be a diversionary focus by industry sectors when comparing options for cross jurisdictional waste and litter reduction options such as those detailed in the CRIS.

- CDL is effective in South Australia and entrenched in community as a highly successful beverage container collection and recycling system.
- Data* shows South Australia achieves Australia's highest beverage containers return rate and lowest litter stream count. *(NLI)
- KESAB does not assume that a CDL system as operated in South Australia is the automatic choice or fit for implementation in other jurisdictions.
- From a Federal Government perspective it is not an option to determine CDL as the automatic singular choice in response to recycling and resource recovery of **all** packaging waste.
- CDL in South Australia does not address all waste and litter but exceeds in response to beverage container recycling and litter reduction.
- There is potential to extend CDL in South Australia across a broader range of kitchen, laundry and other packaging types.
- South Australian beverage container recovery system provides high quality product and is the cleanest and most valued beverage container resource collected in Australia.
- The beverage industry sector has traditionally opposed CDL at all costs. This unfortunately overshadows a significant percentage of other packaging industry stakeholders who should be engaged in stronger stewardship action.
- The dilemma appears to be how to engage additional industry sectors. It can be argued they are yet to be exposed in real terms to waste and litter reduction packaging waste stewardship options.

NB: Recycling depots receiving CDL product also process significant volumes of other recyclables eg; cardboard, metals, plastic.

Other litter types as reported in the SA Litter Index are similar or comparable to interstate litter counts highlighting that CDL is successfully selective to achieve beverage container recycling and litter reduction.

Response to Regulatory Impact Statement (RIS)

The "Packaging Impacts Consultation Regulation Impact Statement" (CRIS of Dec 2011) explores optional measures that have potential to increase **all** packaging resource recovery rates and decrease packaging litter.

A preferred model decided by COAG will seek to meet government objectives to deliver a consistent national cross jurisdictional approach to reducing all packaging waste, divert waste from landfill and reduce litter. This will be achieved through a framework engaging all sectors of government, packaging industry and community.

There are environmental, social and economic benefits to be achieved through adopting a consistent approach albeit the consumers will ultimately underwrite any scheme with outcomes of some level of cost flow on effect.

A joint stakeholder approach is required to meet best social, economic and environmental outcomes ie; government, industry and community demonstrating ability to work toward goals and measurable targets.

In effect this has been the approach across Australia in the past 10 – 15 years, however the ingredients missing have been consistency and lack of willingness of a broader range of key stakeholders.

Historically Australia has depended on State and local governments working with key stakeholders to manage packaging waste resource recovery systems.

Litter has almost been the sole responsibility of NGO's such as Keep Australia Beautiful and KESAB with tacit support through selected industry sectors (beverage industry), largely resultant upon their need to defer potential regulatory intervention.

The Seven options proposed by the CRIS (1, 2(a), 2(b), 2(c), 3, 4(a), and 4(b)) offer a diverse approach embracing minimal intervention to full regulatory approaches. Primary to all options is the cost factor which range from lower estimates of \$234 through \$689 millions.

Unfortunately due to many uncertainties and assumptions relative to benefits and cost estimates contained in the CRIS, the options do not demonstrate apple to apple comparison.

A Packaging Stewardship Scheme (assuming one will be implemented) must be simple, engaging and achievable for all participants.

A PSS must consider environmental and cost benefits and have underpinnings of enforcement and penalty to shadow free riders, non participants and habitual polluters.

Equally any PSS should not be overpowered by bureaucracy; regulation and systemic change ensuring outcomes are measurable and give the scheme momentum and continuum.

Preferred RIS Option

KESAB supports a model that combines a mix of options engaging government, packaging industry sectors and community to respond to resource recovery and litter reduction.

KESAB works collaboratively with government and industry sectors importantly recognising community is a key stakeholder to achieving overall waste and litter reduction outcomes based on behavioural change, action and education.

To achieve outcomes community must be supported by efficient waste systems, engagement, infrastructure and joint focus on benefits of stewardship strategies.

Outcomes would be consistent with current APC actions but with a broader focus and targeted approach engaging industry and community across **all** packaging types.

Under a co-regulatory option enforceable targets and other underpinning measures (yet to be identified) would provide a strong platform to implement increased resource recovery and litter reduction strategies.

The preferred option should add new strength and focus to respond to those packaging types that are not currently embraced in litter reduction education and action initiatives.

Following consultation with KABN stakeholders, KESAB prefers embracing Industry Packaging Stewardship Option 2(b), or hybrid Options 2(b) and 2(c) extended approach.

Page 17 "Measured litter rates....."

The kABN National Litter Index (NLI) is the only litter data set in Australia and has been providing national data since the nineteen nineties.

Data reflects both count and estimated volumes by litter type and locations.

While data shows a trend line and overall picture of packaging and other litter streams, the data includes cigarette butts which consistently make up 45 – 50% of the total litter stream. Under a revised packaging stewardship system (if implemented) KESAB and KABN will review and revise the NLI data to ensure an extended data set can be monitored and reported.

Page 19 "lighter, lower volume packaging....."

Increased consumption of lighter weight packaging combined with a significant increase in convenience and alfresco lifestyle adds considerably to the litter stream. Many litter types within this category are not recycled due to contamination by food or liquid waste. Flexible packaging will require new and creative strategies to ensure that both litter reduction and increased waste diversion from landfill is achieved in this packaging and lifestyle sector.

Page 20 3.2 Summary

The CRIS Summary reference to key problems relates to the systemic issue of the packaging industry mainly focusing on beverage container packaging (glass, plastic, aluminium) and paper/board products

Any proposed packaging stewardship arrangement must embrace **all** packaging and a broader base of stakeholder engagement from manufacturer to retail consumer if the co regulatory approach is to focus on "away from home" recycling.

Page 26 5.3 "sub options deal with all packaging"

Australia already has in place through the NLI a robust litter data methodology delivered through KABN. The methodology allows flexibility to "bolt on" additional elements to extend monitoring and data reporting purposes subject to packaging stewardship model needs. It is important to ensure the trend line data continues to be maintained and is not lost to an alternative data set which may have limited shelf life.

Page 27 "broader membership ...packaging supply chain"

Key to broader "membership....packaging supply chain" of any co-regulatory arrangement is that **all** packaging be embraced.

Participants must measurably demonstrate ability and commitment to work to packaging and litter reduction targets.

Being a "Signatory" to the Australian Packaging Covenant has not demonstrated to date full commitment or stewardship outcomes from some industry sectors.

A co regulatory approach with enforceable targets and penalties will provide a much improved benchmark to achieve overall objectives.

Page 31 Option 4(a) Boomerang Alliance CDS

Option 4(a) fails to address **all** packaging with a singular focus on beverage container recycling and litter reduction.

It is interesting to note reference to "consideration of transitional issues for SA and NT". The South Australian model sets the benchmark for Australia in CDL and the NT system is in its infancy with little data available due to its January 2012 implementation.

Modelling and any transition would require close scrutiny and deliberation in South Australia without full understanding of the workings which are not fully articulated in the RIS.

Page 31 Option 4(b) Hybrid CDS

Option 4(b) does not address **all** packaging and while litter will be reduced as part of resource recovery focus for valued commodities (beverage containers) other litter which is a majority of items counted within the NLI will escape any co-regulatory approach.

Appendices:

CDL Legislation

- Legislation for the South Australian model of CDL was introduced in 1975. (based on the Oregon USA model)
- CDL was introduced as an anti litter measure in response to increased litter through light weight "one trip" packaging.
- The CDL Act was effected in August 1977 following a sunset clause assisting the beverage industry through an initial transition period.
- Recycling depots emerged underpinning increased recovery rates with infrastructure and expanded their role as waste management and resource recovery policy evolved in the nineties and new millennium.
- In the initial '76 – '79 period beverage can return rates to recycling depots increased from nil to 85%.
- Legislative changes have been implemented including banning ring pull can tops and increasing the range of containers falling within CDL and deposit increase from 5c – 10c.

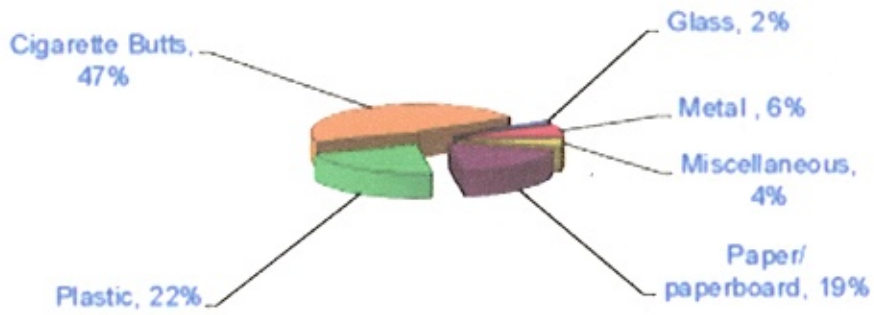
CDL Outcomes at a Glance

- Strong community support (94%)
- Significant community engagement
- Decreased beverage container litter achieved
- Expanded product types embraced within CDL Sept '03 eg: LPB, HDPE
- Litter reduction following expanded product range (5.4% > 3.2%)
- Over 630 million beverage containers recycled in 10/11
- 40 tonne non CDL glass recovered and recycled.
- Highest beverage container return rates in Australia
 - PET 72.3%
 - Glass 83.4%
 - LPB 55.4%
 - Aluminium 88.9%
 - HDPE 59.2% (EPA SA Data Nov '11)
- Increased deposit from 5c to 10c Sept '08
- Further decrease in beverage container litter (3.2% > 2.00%)
- Lowest beverage litter rates in Australia * McGI Research Oct '11
- Strong recycling network through 110 depots, hotels and clubs etc
- Cleanest recycled product in Australia ie; high dollar market value

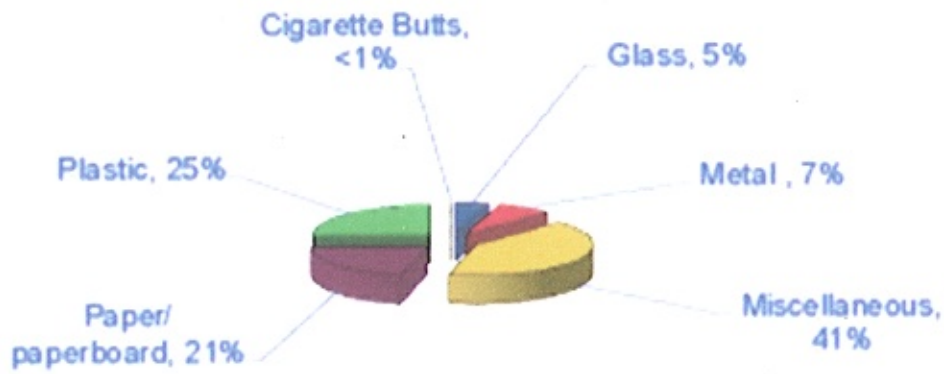
Other CDL Facts

- Household kerbside collection works parallel with CDL
- CDL in household recycling stream pulled out at MRF
- CDL is complementary to positive community engagement embracing packaging and resource recovery education
- Schools, clubs and communities benefit from deposit returns
- Recycling depots provide more than CDL drop off eg; cardboard, metals, batteries, mixed plastics, wine and spirit bottles etc
- Consumers pay the cost. Drop it and deposit is forfeited. Incentive for someone else will quickly pick it up
- Provides additional benefit to public place recycling
- Provides employment
- Contrary to statements by industry profile brand product sales continue to be strong and any threats are from within due to competitive marketing and demand for market share

Items as Proportions of Total by Material Type



Litter Volume as a Proportion of Total Volume



Proportion of Current CDL Litter Items in Total Litter Stream

