



Submissions from:

THE NATIONAL RETAIL ASSOCIATION

- Representing over 39,000 outlets across Australia -

In response to:

NEW SOUTH WALES GOVERNMENT DISCUSSION PAPER

Cleaning Up Our Act: Redirecting the Future of Plastic in NSW

Submitted 8 May 2020



CONTENTS

1. ABOUT THE NATIONAL RETAIL ASSOCIATION	3
2. INTRODUCTION.....	4
3. KEY CONSIDERATIONS.....	5
4. SUBMISSIONS ON PRIORITY DIRECTIONS	8
5. SUMMARY	25
6. CONCLUSION.....	26

1. ABOUT THE NATIONAL RETAIL ASSOCIATION

The Australian retail sector accounts for 4.1 percent of GDP and 10.7 percent of employment, which makes retail the second largest employer in Australia and largest employer of young people.

The National Retail Association (NRA) is Australia's most representative retail industry organisation. We are a not-for-profit organisation which represents **over 39,000 outlets** from every category of retail including fashion, groceries, department stores, household goods, hardware, fast food, cafes and services.

The NRA Policy Team helps retail businesses succeed and grow within an ever-changing regulatory environment. We work with a wide range of industry stakeholders – retailers, government, law enforcement, regulatory bodies, shopping centres, community groups, supporting associations and many more – to develop industry-wide policy platforms or positions on issues affecting the Australian retail sector. We bring the insights and concerns of retailers to the table to ensure that regulation is realistic, cost-effective and manageable across all retail businesses.

We work proactively at international, federal, state and local government levels to ensure the interests and needs of the Australian retail and services sectors are protected and promoted. Rather than running from inevitable regulatory change, we provide a bridge between retailers and government – facilitating the exchange of ideas and information, which ultimately leads to more informed, commercially-aware outcomes for all parties.

Our action on sustainability

The NRA have a great track record when it comes to proactive initiatives that bring industry, government and community together to not only protect our environment, but deliver beneficial outcomes for all. Over the past few years, the NRA and our members have been instrumental in some of the most significant environmental changes in Australia, from over 3 billion lightweight plastic bags being prevented from consumption, to collaborating on key taskforces responsible for rolling out container deposit schemes, environmental legislation and voluntary product stewardship schemes.

From 2017, we have been directly engaged by the Queensland, Western Australian and Victorian state governments to broker major retailer change and manage the education of over **70,000 retailers** in regards to state bag ban legislation. We were also engaged by both Queensland and Western Australian governments to develop and deploy state-wide customer education and awareness campaigns supporting the introduction of each state's bag ban. These two campaigns reached over **5 million Australians** and contributed to significant consumer behaviour change. We continue to deliver complaint handling and auditing programs across Australia to ensure retailers comply with the relevant legislation. To date, **over 3 billion** lightweight plastic shopping bags have been prevented from consumption and many retailers have gone further, introducing recycled content and bag fees, reducing total bag consumption by up to 90 per cent.

In early 2019, we founded the **National Retail Sustainability Committee** which brings together experts from across the retail industry, government and associated agencies, to review and collaborate on retail sustainability initiatives. This Committee has already enabled increased shared knowledge and increased the ability of industry to commit to bold, consistent actions.

The NRA is also an **active member** in key taskforces, working groups and committees, including: the Australian Packaging Covenant Organisation (APCO); SA Single-Use Plastics Industry Reference Group; WA Container Deposit Scheme Advisory Group; ACT Single-Use Plastics Industry Reference Group; VIC EPA Small Business and Manufacturing Reference Group; Battery Stewardship Council; and Industry Supporter of Moving the Needle (reduce textile waste) program. We see our role as instrumental in bringing together stakeholders and ensuring retailer insight and perspectives are represented for positive, practical outcomes.

Given our extensive experience and knowledge in sustainability initiatives, we believe that the National Retail Association is well-placed to contribute to NSW plastics policy moving forward.

2. INTRODUCTION

The National Retail Association (NRA) welcomes the opportunity to make submissions to the NSW Government regarding the *'Cleaning Up Our Act: Redirecting the Future of Plastic in NSW'* Discussion Paper (Discussion Paper).

The NRA acknowledges the impact of plastic on the environment, particularly when disposed of incorrectly, and supports the aim of reducing the impact of litter on our natural environment. We submit that initiatives to reduce these impacts are necessary and must be carefully-considered and assessed in order to create effective, viable and long-lasting improvements.

For many years retailers across Australia have been proactive in various environmental initiatives, investing heavily in innovation, increasing recycled content, promoting reusable and recyclable alternatives, funding in-store recycling programs and educating consumers about more sustainable choices.

It is important to note that plastic is used by consumers and businesses for many valid reasons, including: meeting critical requirements and standards designed to prevent contamination and risk to human health; meeting consumer demand for convenience and mobility; meeting demand for products to be affordable and equitable to the majority of the population; meeting demand for products to be fit for purpose and intact upon purchasing; and meeting increasing demand to reduce food waste by reducing spoilage and extending shelf life.

Though much research has been done on the impact of plastic litter when it enters our environment, there is little consensus on what the ideal solutions are, that is: which alternatives should replace functional plastics; which solutions produce the best long-term environmental impact; which are practical and possible with current materials, technology and infrastructure; which are available and affordable in the Australian marketplace; and which has greater net public benefit.

The National Retail Association submits that many positive initiatives have been put forward by the NSW Government, and that immediate action should be taken on several Priority Directions (as outlined in the Discussion Paper) and that staged collaborative approaches should be undertaken for others.

In brief, the National Retail Association supports the following NSW Government Priority Directions to be implemented **12 to 18 months** after legislation is passed, assuming adequate consultation and exemptions are included:

- ✓ **Priority direction 1:** Harness people power to create a fundamental shift in the way we use plastic
- ✓ **Priority direction 3:** Phase out key single-use plastic items
- ✓ **Priority direction 6:** Support demand and industry capacity
- ✓ **Priority direction 8:** Invest in infrastructure that can better manage plastic before it causes harm
- ✓ **Priority direction 9:** Set up a NSW plastics research network by 2021
- ✓ **Priority direction 10:** Support commercialisation of research-driven plastics solutions

We submit that the following Priority Directions should be adjusted or are unable to be implemented immediately, and therefore provide recommendations on collaborative, whole-of-supply chain approaches:

- **Priority direction 2:** Set standards for consumer items to design out plastic waste
- **Priority direction 4:** Make producers of plastic items more responsible for collecting and recycling in NSW
- **Priority direction 5:** Mandate 30% minimum recycled content in all plastic packaging in NSW by 2025
- **Priority direction 7:** Use extended producer responsibility schemes to fund litter collection and end-of-life plastic management

We emphasize that retailers are prepared to boldly support many of the proposed initiatives, but many strategies will involve significant change for industry, government and consumers, and therefore provide detailed submissions on relevant opportunities, challenges and timelines for consideration.

3. KEY CONSIDERATIONS

The NRA supports reducing the amount of single-use plastics consumed and the amount of plastic entering the environment through improper disposal. We urge the NSW Government to collaborate with retailers, manufacturers and state and federal governments to ensure that solutions are practical, researched and consistent, and that actions take into account the following considerations.

Retailer initiatives

For many years retailers across Australia have been proactive in various environmental initiatives, investing heavily in innovation, increasing recycled content, promoting reusable and recyclable alternatives, funding in-store recycling programs and educating consumers about more sustainable choices.

A small sample of the initiatives undertaken by industry include:

- Bag bans & voluntary actions to remove lightweight plastic shopping bags
- Container deposit schemes
- Voluntary Code of Practice for sustainable shopping bags (under development)
- Commitment to National Packaging Targets
- Commitment to National Food Waste Strategy
- REDcycle program, which is funded by brand owners and retailers to collect and recycle soft plastics
- Salvos Stores 'Moving the Needle' textile recycling program encouraging circular economy systems between retailers, consumers and charity stores
- Since 2018 Woolworths have removed over 1000 tonnes of plastic packaging and enabled recycling of over 872 tonnes of soft plastics through the RedCycle program
- Major quick service restaurants are phasing out problematic plastics such as expanded polystyrene, straws and packaging.

The NRA emphasizes that the retail industry is proactively involved in improving sustainability and has borne the burden of recent substantial regulatory and consumer behaviour change. The NRA submits that future actions should support, not restrict, current innovation and should employ a collaborative approach to ensure practical, long-term change is accomplished.

National harmonisation

A major issue for Australian businesses is the need for a consistent approach across jurisdictions and across all types of businesses in an effort to reduce complexity, increase cost-efficiency, drive investment and to increase consumer understanding.

Many businesses use interstate or international supply chains and are networks of 'mum and dad' franchisees. It is almost impossible for these businesses to apply different packaging or products in each jurisdiction. Differences between jurisdictions will result in disruption to the national supply chain, substantially increased costs and higher financial impacts on franchisees and stores.

The NRA emphasizes the need for national consistency and clear guidance, particularly in regards to definitions, timing and alternative products. Industry needs clear criteria to be able to determine which products are banned and which are recommended. We therefore encourage the NSW Government to ensure legislation aligns with nationally-recognised criteria and programs underway.

Consistent definitions

We also emphasize the need for consistent, nationally-accepted definitions. It benefits all stakeholders when we share a common definition on 'single-use' plastic, however this is difficult to ascertain. For example:

- if a plastic item is made from recycled content, should it still be classed as single-use?
- if a plastic item is recyclable, should it still be classed as single-use?
- if a plastic item is reusable for many times if people choose to wash it, is it single-use?
- how do we define the threshold between single-use and reusable plastic, for example children's plastic 'learner' cutlery or plastic cutlery in a picnic/camping set?

National Packaging Targets

In 2018, the Australian Government tasked the Australian Packaging Covenant Organisation (APCO) with implementing industry codes to deliver on the target of making 100% of Australian packaging recyclable, compostable or reusable by 2025 or earlier (among other measures). Many retailers are already signatories to the code and have initiatives underway to reduce or replace unsustainable packaging. In addition, more than 270 organisations have gone through the extensive vetting process for the Australasian Recycling Label (ARL) and are now using the label on their packaging.

The NRA submits that the National Waste Policy should be allowed time and resources to create stated objectives and precedence should be given to these national strategies. Businesses need certainty, consistency, as well as time and resources, to enact positive change instead of diverting resources to manage conflicting compliance strategies.

Consumer behaviour

Modern consumers are now somewhat more spontaneous than they were in the past, doing their shopping in conjunction with social activities or on their way to or home from school runs, university or the gym. This means that they are not always prepared and do not always come with their own reusable items. This calls for more discussion around how retailers can provide inexpensive, environmentally sustainable alternatives, supported by infrastructure that allows customers to conveniently feed their disposed items back into the circular economy.

While consumer concern for the environment is increasing, there remains high demand for inexpensive and convenient options for packaging and serviceware. Retailers report that when it comes to paying for more sustainable options, many consumers still fail to perceive value in more sustainable products, such as recycled copy paper and recycled toilet paper which continue to suffer poor sales.

Extensive consumer awareness and behavior change campaigns will be needed as the majority of NSW citizens are not aware or prepared for practical implications of legislative change. In addition to consumer education, extensive business engagement and education will need to be undertaken as soon as possible to ensure businesses have clear advice about what will be banned, alternatives available, negotiating supplies, training their teams and informing their customers. Importantly, thousands of retail business owners and their staff are at the coal-front of any legislation impacting customers and they will play a pivotal role in educating customers.

Effective engagement programs, and adequate time to implement them, will be critical to the success of the legislation and minimisation of negative impacts on industry and customers.

Health and safety

Businesses must use packaging materials that are fit for purpose and meet strict health, safety and hygiene needs, however food and safety regulations often contradict with retailer attempts to become more sustainable. Businesses, particularly those that sell food, consumables (like vitamins and medicines) or products applied to the skin, are often faced with choices between hygienic plastic packaging and lower-grade sustainable materials.

Serious concerns have also been raised regarding the increased risk of contamination using consumers' reusable containers as businesses are not able to control cleanliness and food grade standards. Current laws allow retailers to potentially be held accountable for any adverse health impacts of contaminated food even if the consumer uses their own container.

In addition, the safety of consumers is also important for hot products which, if improperly contained, could cause significant burns. Industry is faced with challenges of innovating solutions which are waterproof, heatproof and secure.

Policies designed to address sustainability objectives must align with health and safety policies and should be consistent and applied across all levels of government.

Food waste

The Australian Government's National Food Waste Strategy aims to halve Australia's food waste by 2030.

According to the Fight Food Waste Cooperative Research Centre (FFWCRC), food loss and waste represents the third largest greenhouse gas emitter. Packaging plays a vital role in reducing food waste including: extending shelf life with air/moisture barriers and resealable options; reducing spoilage during transport, while on display, and in the household fridge; and reducing food waste by controlling portion size. For example, a plastic wrapped continental cucumber lasts three times longer than an unwrapped continental cucumber.

The FFWCRC recommends packaging opportunities to reduce food waste including increased packaging such as portioned packets, resealability, protection, and optimal product design.

Given conflicting government strategies and advice to simultaneously reduce and increase packaging, businesses are understandably confused and more consensus on the optimum balance needs to be achieved.

Ensuring long-term environmental benefit

A key issue is lack of international and national consensus on which alternatives will avoid unintended impacts on the environment, human health, public safety, utility and the community.

Industry is highly supportive of sustainable initiatives but needs evidence-based information and consensus on viable and safe alternatives to turn good intentions into reality. There are multiple stakeholders such as local councils, governments, suppliers and environment groups providing contradictory or uninformed advice on sustainable alternatives, resulting in confusion for consumers and business. For example, the Waste Hierarchy model is used by most governments and suggests that Reusability is preferable to Recyclability, however a plastic takeaway food container is more reusable than a paper container which is recyclable.

In order to build a circular economy in NSW and attract investment, businesses need appropriate lead times, certainty in government recommendations on alternatives, and longevity in these recommendations and legislation.

Investing in a circular economy

Local governments play an important role in ameliorating the impacts of disposable plastic, but the expense is ultimately borne by our communities. The NRA believes that government needs to consider substantial investment in improving Australia's circular economy innovation and infrastructure before further regulatory change.

Currently, waste management and recycling systems vary in each local government area, with many residents, particularly those in remote areas, lacking access to sophisticated recycling facilities. This lack of consistency makes it extremely difficult for businesses to design and invest in recyclable alternatives as 'recyclability' is an inconsistent construct.

The Australian recycling system and market for recycled and recyclable goods is limited and immature compared to overseas counterparts like the EU. For example, given we only recycle approximately 16% of plastic, and much less makes it through the recycling process, there is a limited supply of recycled material, meaning demand from retailers and manufacturers outstrips supply.

Therefore, government investment into innovation and infrastructure in the waste and recycling sectors is urgently needed to develop a circular economy in NSW.

4. SUBMISSIONS ON PRIORITY DIRECTIONS

Priority direction 1: Harness people power to create a fundamental shift in the way we use plastic

OUR POSITION: The NRA strongly supports greater investment in consumer and business education and is well-placed to collaborate with government.

The NRA has been directly engaged by the Queensland, Western Australian and Victorian state governments to manage the engagement and education of retailers in regard to each state's bag ban legislation. To facilitate this, the NRA developed and implemented a Retailer Transition Program tailored to each state, including:

- developing dedicated online portals of information for retailers;
- developing custom resources and signage for retailers to display in their stores to help inform staff and customers;
- delivering hundreds of workshops and tours in shopping precincts resulting in engagement with over 70,000 retail businesses thus far;
- delivering a dedicated Bag Ban Hotline for retailer queries; and
- developing and implementing media strategies to increase awareness and education.

We were also engaged by both Queensland and Western Australian governments to develop and deploy state-wide customer education and awareness campaigns supporting the introduction of each state's bag ban. These two campaigns reached over **5 million Australians** and contributed to significant consumer behaviour change.

The National Retail Association continues to deliver complaint handling and auditing programs across Australia to ensure retailers comply with the relevant legislation.

Recommended actions

1. Immediate and ongoing consumer education

Retailers report that while consumers have a basic understanding of environmental impacts of plastic litter, many lack detailed understanding, forget to bring their own alternatives and refuse to accept increased costs of alternatives offered.

Bans: We submit that extensive consumer awareness and behavior change campaigns will be needed prior to, during and after implementation as the majority of NSW citizens are not aware or prepared for the practical implications. For example, consumers will need to be thoroughly aware that the single-use plastic bans are not optional for businesses so that businesses are not faced with undue pressure from customers to supply banned items or loss of business through dissatisfied customers.

Consumer behavior: Unfortunately, conscientious consumers who bring their own bags, utensils and serveware are a minority. While approximately 30% of consumers bring their own shopping bag, businesses report that less than 2% of customers currently bring their own straws, stirrers, plates or cutlery.

Recycling: We also submit that consumer education about recycling is critically important. Currently, more than 270 organisations have gone through the extensive vetting process for the Australasian Recycling Label (ARL) and are now using the label on their packaging, however consumer awareness remains low. APCO's 2019 report Australian Packaging Consumption and Resource Recovery Data, found that 86 per cent of packaging is currently recyclable, yet only 49 per cent is actually recycled. The greatest loss along the recycling supply chain is at the point of consumer disposal. We therefore submit that greater consumer education on recycling, and many more sustainability initiatives, is warranted.

2. Immediate and ongoing business education

Effective engagement programs, and adequate time to implement them, will be critical to the success of the legislation and minimisation of negative impacts on industry and customers. Importantly, thousands of retail business owners and their staff are at the coal-front of any legislation impacting customers and they will play a pivotal role in educating customers.

Bans: In addition to consumer education, extensive business engagement and education will need to be undertaken as soon as possible to ensure businesses have clear advice about what will be banned, alternatives available, negotiating supplies, training their teams and informing their customers.

Priority direction 2: Set standards for consumer items to design out plastic waste.

OUR POSITION: The NRA submits that support should be given to work being done on existing product design standards and that waste/recycling collection standards are more critically needed.

Recommended actions

1. Support work on existing product design standards

Any change to product standards must be evidence-based, compatible with other mandatory standards, practical, and carefully considered in order to avoid negative outcomes.

Currently Australian businesses design products to comply with hundreds of standards, and are regulated by many bodies including: Standards Australia, Australian Competition and Consumer Commission, Therapeutic Goods Administration, National Industrial Chemicals Notifications and Assessment Scheme, Australian Pesticides and Veterinary Medicines Authority, Food Standards Australia New Zealand and many state-based regulators.

In addition, extensive work is underway by retailers, manufacturers and government to improve existing product design standards, guidelines and codes to increase sustainable outcomes. Examples include:

- The Sustainable Packaging Guidelines (SDGs) are comprehensive guidelines developed by APCO for product designers to maximise recyclability, increase recycled content and minimise litter impacts. Hundreds of businesses are already deploying widespread changes based on these guidelines.
- Packaging Recyclability Evaluation Portal (PREP) assesses whether packaging is recyclable based on 80% of council kerbside collection programs. It assesses each component of the packaging so that clear visual instructions can be printed on the Australian Recycling Label (ARL) to help consumers recycle or dispose of the packaging correctly, minimizing contamination and loss to landfill.
- NRA Voluntary Industry Code of Practice for Sustainable Shopping Bags

2. Implement nationally-consistent standards for waste and recycling

Currently, consumers and businesses are faced with a myriad of challenges caused by the lack of consistent waste and recycling standards. Every council and every Material Recycling Facility (MRF) operates under different processes, with differences in what they consider recyclable, what is recycled and the quality of recycled outputs. In addition, household food and organics (FOGO) collection is similarly inconsistent, decreasing the options available to manufacturers and increasing the volume of potentially-productive food waste ending up in landfill.

The impacts of this inconsistency are substantial as businesses cannot accurately assess what is recyclable or compostable, what material to adopt, how to label their products and how to educate their customers; and consumers are confused on what is recyclable or compostable, increasing either contamination of the recycling stream, increasing recyclables ending up in landfill, and increasing food waste impacts on landfill.

We urge the NSW Government to collaborate with other jurisdictions to implement nationally-consistent standards for the waste and recycling industry.

Priority direction 3: Phase out key single-use plastic items

OUR POSITION: The NRA supports phasing out single-use, problematic and unnecessary plastic items, and recommend a staged approach focusing immediate action on low complexity items, to high complexity (or high risk) items to which there are no viable, safe alternatives yet.

Recommended actions

Staged, harmonised phase-out of single-use plastics

We understand there is significant pressure on governments to implement legislation on single-use plastics, given actions of the public, community groups and other state governments. For example, the SA and ACT Governments have legislation underway, the QLD Government has proposed bans on select items, and other governments have signaled upcoming action. Retailers are heavily impacted by inconsistency in current and upcoming bans across Australia and seek to support the NSW government to harmonise efforts.

We therefore propose that NSW lead the way in national harmonisation by combining all of the various bans currently under development in multiple jurisdictions, as well as setting down a clear roadmap for other items.

The NRA has developed a comprehensive **Roadmap to Phasing-Out Single-Use Plastics** focusing immediate action on low complexity items, to high complexity (or high risk) items to encourage greater alignment between industry and government.

	Timing	Item	Supported actions
STAGE 0	Current	Plastic beverage containers	Container Deposit Scheme (in effect). Ongoing community education
		Plastic packaging	Voluntary Code of Practice via Australian Packaging Covenant (underway). Ongoing community education
		Microbeads	Voluntary approaches with industry. State-wide ban
STAGE 1	Short-term (2020-2021)	Lightweight plastic shopping bags	Ban to be implemented 1 July 2021.
		Single-use plastic stirrers	Ban to be implemented 1 July 2021.
		Single-use plastic straws	Ban to be implemented 1 July 2021. Exemption for attached or included straws in shelf-ready prepackaged goods.
		Single-use plastic cutlery	Ban to be implemented 1 July 2021. Exemption for attached or included cutlery in shelf-ready prepackaged goods. Exemption for certified compostable cutlery.
		Single-use plastic plates	Ban to be implemented 1 July 2021.
		Expanded polystyrene cups, bowls, plates and clam-shells	Ban to be implemented 1 July 2021. Exemption for shelf-ready prepackaged goods.
		Oxo-degradable plastics	Ban to be implemented 1 July 2021.
		Plastic balloon sticks	Ban to be implemented 1 July 2021.
		Outdoor balloon releases	
STAGE 2	Medium-term (2022)	Thicker plastic bags	Voluntary Code of Practice (under development). Targets to be met by 31 Dec 2022.
STAGE 3	Longer-term (2023-2030)	Single-use plastic bowls (& plastic-lined bowls)	Further innovation needed if bioplastics are not allowed. Further consideration of life-cycle impacts and optimal pathways to reduce landfill. Investment in waste/recycling infrastructure.
		Single-use plastic cups (& plastic-lined cups) including coffee cups	
		Single-use plastic takeaway containers	
		Lids to all of the above	
		Sauce sachets	
		Sandwich wedge windows (and similar films)	

STAGE 0: Support current actions

Actions that are already underway are producing positive results and both retailers and consumers need time to fully adapt to these changes.

Item	Recommended actions	Comments
Plastic beverage containers	NSW Container Deposit Scheme (in effect) Ongoing community education National harmonisation	<p>The NRA supports the NSW CDS scheme introduced in December 2017 and welcomes news that the scheme is already diverting millions of beverage containers from the environment and landfill.</p> <p>We submit that continued consumer education is warranted to ensure long-term success of the scheme.</p> <p>We also support initiatives to improve national harmonisation.</p>
Plastic packaging	Australian Packaging Covenant (underway) Ongoing community education	<p>The retail industry shares the government's concern and are already taking action to reduce or replace any excessive packaging.</p> <p>The Australian Government has tasked the Australian Packaging Covenant Organisation (APCO) with implementing industry codes to deliver on the target of making 100% of Australian packaging recyclable, compostable or reusable by 2025. The targets are reinforced by the <i>National Environmental Protection Measures</i> (NEPM).</p> <p>Many Australian retailers are signatories to the Covenant and are actively implementing changes based on resources and models developed with APCO. Success is already being witnessed with the recycled content target being met and now increased and expanded.</p> <p>The NRA submits that effective and comprehensive action is underway and should be given time to deliver.</p> <p>We do not support mandating targets prematurely as solutions are still being developed, or on a state level as many businesses source and sell product across Australia and internationally.</p> <p>We also submit that ongoing community education is needed, especially in terms of packaging's role in protecting human health and reducing food waste.</p>
Microbeads	Voluntary approaches with industry State-wide ban	<p>Microbeads are a great example of the success story of voluntary reduction strategies with many manufacturers having already removed microbeads from their products.</p> <p>Microbeads are also an example of non-essential plastics which can be replaced through more sustainable product design. The current level of global support for the eradication of microbeads plus the incentive for companies not to risk consumer disapproval for microbeads may result in eradication of microbeads entirely.</p> <p>However, if voluntary actions do not resolve the issue within the next few years, a state-wide or national ban may be worth considering.</p>

STAGE 1: Short-term actions (2020-2021)

We submit that **immediate action** should be taken on initiatives in which environmental impact is immediate, proven alternatives are available and affordable, and potential risk and impact on public safety and retailers is low. Retailers are heavily impacted by inconsistency in current and upcoming bans across Australia and seek to support the NSW government to harmonise efforts.

As such we support regulatory bans on the following items to come into effect on 1 July 2021, or 12 to 18 months after legislation is passed:

- ✓ single-use plastic stirrers
- ✓ single-use plastic straws, excluding attached or included straws in prepackaged goods
- ✓ single-use plastic cutlery, excluding attached or included straws in prepackaged goods and allowing exemptions for certified compostable plastic cutlery
- ✓ single-use plastic plates
- ✓ expanded polystyrene cups, bowls, plates and clam-shells, excluding prepackaged goods
- ✓ all products made from oxo-degradable plastics
- ✓ plastic balloon sticks and outdoor balloon releases

If legislation is passed and COVID-19 restrictions are lifted by mid-2020, we are confident that retailers will be able to purchase and deploy alternatives by 1 July 2021. We do emphasize that consideration may need to be given to retailers to exhaust existing stockpiles (purchased prior to legislation being passed) for a further 6 to 12 months, particularly due to impacts of COVID-19 restrictions.

Item	Supported action/s	Comment
Lightweight plastic shopping bags	Ban. Education programs	<p>Since June 2018, approximately 8 billion lightweight plastic shopping bags have been prevented from consumption and litter in Australia due to state-wide bans and voluntary action by retailers.</p> <p>The NRA supports a NSW state-wide ban on lightweight plastic shopping bags. We recommend that a banned bag should be a bag with handles that is 35 microns or less in thickness at any part of the bag, including degradable, biodegradable and compostable bags. It should exclude barrier bags, packaging, bin-liners and other non-shopping bags. This definition aligns with more recent bans in WA and VIC and closes loopholes witnessed in other state legislation.</p> <p>We submit that significant penalties should apply to both retailers and suppliers of plastic bags, particularly due to the fact that retailers rely on suppliers providing accurate, timely information about a bag's compliance.</p> <p>The NRA has been extensively involved in the QLD, WA and VIC bag bans, and note that immediate action on business engagement is needed as businesses need 12 to 18 months to deplete stock, source alternatives and deploy changes. Attention is warranted for the thousands of small to medium retailers, including food businesses, impacted by this ban. An extensive consumer campaign is also recommended.</p>
Single-use plastic stirrers	Ban.	Alternatives such as bamboo and wood are widely available and relatively cost-effective.
Single-use plastic straws	Ban. Exemption for attached or included straws in shelf-ready prepackaged goods.	<p>Alternatives such as paper are available but do incur greater cost.</p> <p>We note that some retailers will be able to simply remove straws (eg. when a can or bottle of drink is provided) while others will introduce paper straws, often only on request to minimize cost. We note that current customer use of BYO straws remains minimal.</p>

Item	Supported action/s	Comment
		<p>Consumer and retailer education will be necessary to prepare for the new law, provide advice on alternatives and minimize complaints directed at staff, especially in situations where alcohol is involved.</p> <p>Support should be provided to persons requiring a straw for health or medical reasons and our preference is to promote BYO options supplied through pharmacies to avoid privacy issues or other consumers circumventing the law.</p> <p>Straws which are attached or included in shelf-ready prepackaged goods, such as juice boxes, should be exempt from the ban. Manufacturers are working on potential solutions and innovations however this will take a much longer phase-out period due to a) lack of viable alternatives, b) complexity of changing product design with international suppliers, and c) lead times of design and supply chains.</p>
Single-use plastic cutlery	<p>Ban.</p> <p>Exemption for attached or included cutlery in shelf-ready prepackaged goods.</p> <p>Exemption for certified compostable cutlery.</p>	<p>Alternatives are available but do incur greater cost and complications.</p> <p>Some retailers will be able to remove cutlery if the majority of their food is consumed at home, though out-of-home consumption and food courts will need viable alternatives.</p> <p>Cutlery which is attached or included in shelf-ready prepackaged goods, such as spoons in yoghurt or forks in noodle cups and salad bowls, should be exempt from the ban. Manufacturers are working on potential solutions and innovations however this will take a much longer phase-out period due to a) lack of viable alternatives, b) complexity of changing product design with international suppliers, and c) lead times of design and supply chains.</p> <p>Certified compostable cutlery</p> <p>The NRA submits that though there are satisfactory alternatives to straws, plates and stirrers, there are limited cutlery alternatives that are truly fit for purpose. We also submit that single-use plastic cutlery is not a major contributor to the litter stream, unlike straws.</p> <p>Therefore, we submit that certified compostable cutlery such as those made of polylactic acid must be <u>exempt</u> from the proposed ban.</p> <p>Retailers have received a significant volume of customer complaints about bamboo and wood cutlery regarding many issues including: rough almost splintered texture on the lips and tongue, knives that struggle to cut meat, prongs on forks being too wide and shallow spoons.</p> <p>Some businesses, shopping centres, airlines and law enforcement agencies have also raised concerns regarding weaponisation of wooden or bamboo cutlery. Given data shows increased crime and abuse experienced by retail staff, these are serious concerns to consider.</p> <p>Some retail precincts, dine-in businesses and events are trialing reusable metal cutlery and cleaning stations (front or back of house) with mixed results. Reusable cutlery presents challenges ranging from space and resources for high temperature cleaning in confined spaces, hygiene concerns of communal cutlery stations, potential weaponisation, theft of utensils, and the lack of customers bringing their own cutlery.</p> <p>Compostable cutlery alternatives are featured in APCO's Food Services Packaging Sustainability Guidelines published late 2019. There are also</p>

Item	Supported action/s	Comment
		<p>multiple projects underway, such as APCO's Compostable Packaging project and Boomerang Alliance's Plastic Free Places program.</p> <p>Many manufacturers and retailers have already invested in compostable plastic alternatives based on such projects. For example, many packaging suppliers have recently introduced items made from or containing PLA (polylactic acid) which is a "bioplastic" made commonly from sugarcane. It is certified compostable, meets functional requirements of holding liquid and heat, and enables transparency, unlike most paper and bamboo products. We note that compostable products made from PLA are featured on Boomerang Alliance Plastic Free SA website (https://www.plasticfreesa.org).</p> <p>We understand that commercial composting collection is still limited in Australia, though we hope for significant infrastructure growth given proposed federal and state waste investment. As food serviceware will always face hygiene issues with reusability and recycling issues of contamination, we believe composting presents a promising option based on current knowledge.</p> <p>At this point in time, certified compostable cutlery such as those made of polylactic acid (PLA) presents the only viable and safe alternative for many businesses. If this exemption is not granted, retailers will need a much longer period to research and innovate alternatives.</p> <p>Importantly, we submit that, while certified compostable cutlery should be exempt from the ban, we believe that satisfactory alternatives currently exist for straws, plates and stirrers and therefore no exemption for compostable plastics should be applied to these items.</p>
Single-use plastic plates	Ban.	<p>Alternatives such as paper and bamboo are available however these still pose some issues in terms of strength and liquid tolerance (paper) and cost (bamboo). Also many paper plates are coated with a plastic or bioplastic film which is barely perceivable so suppliers will need to provide guarantees of material content.</p>
Expanded polystyrene cups, bowls, plates and clam-shells	Ban. Exemption for shelf-ready prepackaged goods.	<p>Expanded polystyrene and oxo-degradable plastics are due to be banned as part of other state's legislation this year and we urge all state and territory governments to harmonise initiatives to provide certainty and economies of scale for retail.</p> <p>Alternatives to polystyrene serviceware are widely available and many businesses have already switched to cardboard, plastic or bioplastic-lined options.</p> <p>Prepackaged products, such as microwaveable noodle cups, should be exempt at this stage as it will take a longer period of time to transition manufacturers into alternatives.</p> <p>This does highlight an issue for further bans on plastic cups, bowls and containers as no waterproof disposable alternatives currently exist outside plastic-lined board and bioplastics like polylactic acid.</p>
Oxo-degradable plastics	Ban	<p>We are convinced by current research on oxo-degradable plastics though we note that these have long been promoted in the supply chain to retailers as an "environmentally-friendly" option.</p> <p>We therefore support the ban on oxo-degradable plastics but emphasize that industry will need adequate time to deplete and remove stock. For example,</p>

Item	Supported action/s	Comment
		some retailers have large volumes of reusable, oxo-degradable plastic carry bags which will take 12 to 18 months to deplete, redesign and restock. If adequate time is not allowed, industry will be forced to send large quantities of stock to landfill and compensation may need to be considered.
Plastic balloon sticks	Ban	Balloons are a highly popular, much-loved product and are engrained in our way of living especially with celebrations. We do not support a ban on balloons, but do support a ban on disposable plastic balloon sticks as alternatives are available.
Outdoor balloon releases	Ban on outdoor balloon releases	The NRA supports a ban on outdoor balloon releases. Similar to sky lanterns, it is impossible to control the final destination of helium balloons and therefore they invariably end up as litter.

STAGE 1 considerations

Given our recommendation that STAGE 1 bans be implemented within 12 to 18 months of legislation being passed, we provide the following more detailed considerations for this initiative.

1. Timing

Based on feedback from our members, we submit that bans on single-use plastic shopping bags, straws, stirrers, plates, cutlery, expanded polystyrene serviceware, oxo-degradable plastics, plastic balloon sticks and outdoor balloon releases are feasible 12 to 18 months after legislation is passed, if exemptions are included and concessions for exhausting existing stock are permitted.

We submit that the proposed bans should not be implemented prior to July 2021. If adequate time is not allowed to redesign, renegotiate, purchase, distribute and implement stock changes, industry will be forced to send large quantities of stock to landfill and compensation would need to be considered.

Consideration should be given to the fact that many businesses have been forced to close their stores to takeaway only options and some have closed completely during the COVID-19 pandemic. The impacts of the COVID-19 pandemic on this initiative may include: stockpiles of supplies that would have usually been exhausted quicker; international and domestic supply chain delays; potential hesitation of customers and retailers to reinstate reusable or communal utensils; and uncertainty of when retail restrictions will be lifted.

Though these impacts are significant, we believe public and government support of the proposed bans has not waned and that, within reason, retailers have the opportunity to respond proactively to improve business processes and minimize cost impacts.

As businesses emerge from hibernation there is a timely opportunity to educate and prepare retailers to rethink procurement policies, ensuring that when they reorder supplies they shift to alternatives and reduce stockpiles in the lead-up to ban implementation. There is also an opportunity for food businesses to reduce overhead costs by reassessing if many of their customers consume their products at home and whether providing free utensils as the norm is really needed.

A critical requirement of meeting a July 2021 implementation date will be extensive consumer education as soon as possible to ensure consumers are prepared for the change and backlash on businesses is avoided.

Therefore, if legislation is passed and COVID-19 restrictions are lifted by mid-2020, we are confident that retailers will be able to purchase and deploy alternatives by 1 July 2021. We do emphasize that consideration may need to be given to retailers to exhaust existing stockpiles (purchased prior to legislation being passed) for a further 6 to 12 months, particularly due to impacts of COVID-19 restrictions.

2. Serviceware in shelf-ready packaged products

Should any bans on single-use plastic straws, stirrers, plates, cutlery, and expanded polystyrene cups and bowls be implemented by 1 July 2021, it must exclude shelf-ready packaged products.

Retailers and manufacturers are working on potential solutions and innovations however this will take a much longer phase-out period due to a) lack of viable alternatives, b) complexity of changing product design with international suppliers, and c) lead times of design and supply chains.

For example, research is currently being undertaken to find a solution to straws attached to juice boxes but currently have not found a solution which reduces plastic use without increasing it elsewhere, is hygienic, able to puncture the juice box effectively, able to withstand time of consumption, and is safe for children to use.

It is important to note that many prepackaged goods are manufactured beyond NSW and beyond Australia, and therefore involve extensive supply chains and lead times in production. Industry is working towards solutions with manufacturers and suppliers, though this will take time, innovation and investment to resolve.

3. Consumers still demand disposable options

As stated earlier, while consumer concern for the environment is increasing, there remains high demand for inexpensive and convenient options at point of sale. We believe the majority of NSW citizens will still desire a disposable option for many items such as food serveware at this point in time.

Many retailers have introduced, and will continue to promote reusable alternatives, however consumer take-up and use of these items is currently low. While approximately 30% of consumers were bringing their own shopping bag before June 2018 when large supermarkets implemented bans, businesses report that currently less than 5% of customers bring their own cups and less than 2% bring their own straws, stirrers, plates or cutlery. Therefore, retailers are placed under high demand from customers to provide disposable options.

4. Industry impact is significant

Industry supports sustainable initiatives, however it should be noted that any change to an item in a retailer's product range entails significant cost, resources and time, and retailers need to have confidence that they are making the right change and for the long-term. It is almost impossible for national retailers, in particular, to change a product in one jurisdiction and make different changes in another jurisdiction a short time later.

To comply with the bans, thousands of stores and franchises will need to:

- redesign and test products for safety and compliance;
- renegotiate volume-based contracts which can be 3 to 5 year contracts;
- source new supply partners if current partners do not supply compliant items;
- explain specifications to international manufacturers;
- reassess order volumes and predictions of consumption levels;
- reassess supply chains and logistics (eg. wood and bamboo entail more weight);
- reformulate pricing and deploy changes across menu boards, website and multiple delivery apps;
- train their teams and convince franchisees and shareholders;
- inform customers before and during the change; and
- exhaust old stock sitting in the distribution chain and in stores.

The processes implied in any change are significant and they need clarity and confidence to ensure their substantial investment is supported for the long-term. Businesses will also need extensive engagement and support throughout the transition.

5. Business education

Bans on single-use plastic serveware will impact thousands of business, from national quick service restaurants to small independent takeaway outlets, cafes and restaurants. Large businesses do have more resources and capability but will face substantial operational changes and cost, as many will need to change not only their NSW operations but national networks of stores and franchises. It is widely known that many small businesses, especially in the retail sector, are struggling to maintain their margins and viability in the face of new economic challenges. It will be very important for these small businesses to learn that it is possible for them to manage their response to these initiatives in a commercial way that may actually improve, rather than detract from, their margins.

Whilst many national retail chains have already transitioned out of lightweight plastic shopping bags, attention is warranted for the tens of thousands of small, independent or franchised retail businesses across NSW who collectively, can make a very big difference when it comes to the environmental impacts of improving current

industry practices. Small retail businesses spread throughout NSW will have very specific operational questions and concerns around how to comply, how to deal with customer confusion or anger, how to meet different expectations, what alternative options are available, what bags best suit their business and customer, how retailers have responded in other jurisdictions, how or whether to charge for other kinds of shopping bags, and what the cost implications may be.

6. Impact on household budgets

It is well-known that most alternatives to plastic are more expensive. For example, a lightweight plastic shopping bag may cost 1 to 5 cents, while a paper bag of similar size costs 10 to 50 cents. A carton of 5000 plastic straws is approximately \$10-15 wholesale, whereas 5000 paper straws can cost \$100-140. In addition, there are only a handful of suppliers offering bulk sustainable options in Australia, meaning choices are limited and prices are less competitive.

When the bag ban is introduced, many retailers will need to consider introducing charges to cover increased costs, and this has also shown to substantially decrease bag consumption creating another environmental benefit. Based on our experience assisting with other state-wide bag bans, we know that retailers will need extensive education and support to understand how to transition to more sustainable alternatives without increasing business costs. Similarly, consumers will need education to prepare for the ban and accept sustainable alternatives without backlash on businesses.

Unlike the bag ban, we do not believe customers will accept separate charges for straws, utensils or containers as they are perceived as an essential part of the product. It is unacceptable to expect retail businesses to carry this increased cost burden and they will ultimately need to pass these costs onto consumers by raising the price of goods.

7. Limited range of alternatives

Unlike alternatives to lightweight plastic bags, there is a very limited range of disposable alternatives to straws, stirrers, plates and cutlery. To our knowledge, these are the only alternatives available:

	Disposable alternatives to plastic currently available
Straws	Paper, PLA-lined paper, PLA, bamboo
Stirrers	Wood, bamboo
Plates	Paper, PLA-lined paper, PLA, wood, bamboo, PLA-lined bagasse
Cutlery	Wood, bamboo, PLA

**PLA: polylactic acid (bioplastic)*

Should PLA alternatives not be exempt, the options for some items, such as cutlery, are extremely limited.

The supply of sustainable packaging options in Australia is quite limited and therefore lacks market factors to ensure competition, fair pricing and ethical practices. If only a few manufacturers produce approved alternatives they can control and inflate market prices.

8. Ensuring environmental benefit

A key issue is lack of international and national consensus on which alternatives will avoid unintended impacts on the environment, human health, public safety, utility and the community.

Industry is highly supportive of sustainable initiatives but needs evidence-based information and consensus on viable and safe alternatives to turn good intentions into reality. There are multiple stakeholders such as local councils, governments, suppliers and environment groups providing contradictory or uninformed advice on sustainable alternatives, resulting in confusion for consumers and business.

For example, recent media coverage suggested formaldehyde in bamboo products, other studies note the methane impacts of bamboo in landfill, while others cite paper and wood products having a much greater greenhouse impact than plastic.

Therefore, the NRA highlights the need for appropriate lead times, certainty in government recommendations on alternatives, and longevity in these recommendations and legislation.

9. Supplier accountability

The NRA wishes to emphasize the importance of ensuring retail businesses have reliable access to accurate information to make informed, compliant decisions, and therefore emphasize the need for accountability across the supply chain network.

Prior to recent state-wide bag bans, the NRA witnessed significant ‘greenwashing’ and misleading information provided to retailers by suppliers of plastic shopping bags, and also witnessed many cases of retailers being encouraged, without disclosure by suppliers, to purchase large volumes of stock that would soon be banned.

We submit that any legislation should include strong measures to ensure businesses which supply single-use plastic items to retailers are held accountable for providing accurate and timely information about products which are banned or scheduled for bans. For example, suppliers should be required to inform all clients from the date the legislation is passed, not the date it comes into effect.

10. Contingencies for emergencies

Recent emergencies such as the COVID-19 pandemic and widespread bushfires have highlighted the critical need for essential goods, fast response mechanisms and contingencies for particular goods and processes. For example, during the COVID-19 pandemic, food and grocery retailers have been forced to take unforeseen measures, such as:

- Pivoting their business model to only offer takeaway or ‘no-contact’ service
- Removing communal straw, cutlery and condiment stations
- Increasing supply of single-use serviceware based on customer demand
- Being unable to use customer’s reusable cups due to staff health and social distancing concerns
- Asking customers to pack their own goods in reusable bags
- Deploying security guards to reduce unruly or panicked behaviour

Some businesses had to close their businesses suddenly and may have stockpiles of supplies which they would have normally exhausted during this time. Other retailers are faced with stockpiles of party, picnic and entertainment supplies given these activities have been essentially banned. Transport and supply networks have been disrupted with border closures and international impacts of the pandemic. Some packaging suppliers have also pivoted their business to produce medical masks and supplies.

We submit that consideration should be given to proposed and future legislation which enables rules to be relaxed if needed during times of declared emergencies.

11. Social equity considerations

We submit that allowances should be made for persons with a disability or healthcare needs to access straws or other utensils should they be needed.

We encourage solutions such as encouraging those needing a straw to bring their own or providing items through pharmacies, as it will be difficult for some retailers to:

- a) maintain dual stocks of plastic and non-plastic supplies (especially small businesses); and
- b) judge whether someone ‘needs’ a straw, or just ‘wants’ a straw.

It is inappropriate for retail staff to enquire about a person’s disability or healthcare needs, therefore businesses which provide a straw upon a customer’s request will need to be absolved of wrongdoing. We note that this could be abused by some customers, which could be problematic for consumer behavior change and enforcement of the ban (ie. free-rider scenario).

STAGE 2: Medium term actions (2022)

We submit that support should be provided to **medium-term actions**, namely voluntary industry action on heavyweight plastic shopping bags, as such actions should yield practical, commercially-aware sustainable solutions without the need for costly government intervention.

Item	Supported action/s	Comment
Thicker plastic bags	Voluntary Code of Practice (under development). Targets to be met by 31 Dec 2022.	<p>Given recent success of the multiple bag bans, some retailers are now researching alternatives to thicker plastic shopping bags.</p> <p>It is important to note that the NRA are currently developing and gaining support for a National Voluntary Industry Code of Practice for Sustainable Shopping Bags in conjunction with the NSW Government and other state governments across Australia, APCO and the Meeting of Environment Ministers.</p> <p>This Code is designed to provide clearer pathways and incentives for retailers to move towards more sustainable options by the end of 2022. Businesses need time to research, innovate and test changes and the Code would offer necessary incentives.</p> <p>The Code firstly directs retailers to consider not offering any bag, secondly towards non-plastic options and thirdly to meet extensive minimum requirements if you must offer a plastic bag. These requirements go further than a legislated thickness, and require recycled content and a disincentive to take a bag (such as bag fees).</p> <p>Should the Code be approved by governments in mid-2021, we believe that a minimum of 80% of impacted retailers will commit to the Code. This type of strategy has been very successful in microbeads.</p> <p>We ask that the NSW Government continue to support the Code and allow time to benefit from this collaborative strategy. We understand that legislative action may be taken should the Code fail to reach targeted level of commitment.</p>

STAGE 3: Longer term actions (2023-2030)

We submit that initiatives to reduce the use of plastics which contain or protect **foodstuffs** are **'high impact'**, or **'high risk'**, not only in terms of public health and safety, but in their impact on food waste, household budgets and modern lifestyles.

These items, such as produce bags, foodstuff packaging, beverage containers, coffee cups and takeaway food containers are used for a wide variety of purposes but are common in their need to meet high standards of food safety and also in their high consumer demand. These high-risk items require a more carefully-considered, methodical approach to trial and assess food grade, heat tolerant and sustainable substitutes, not just testing their end use but throughout the supply, waste and recycling chain to assess net public and environmental benefit.

For many of these items, viable and safe non-plastic alternatives do not yet exist.

The NRA urges decision makers to ensure that any action taken is practical, consistent, well researched and carefully considered in order to create real, long-lasting change. In some cases, we must also allow time for innovation, understanding and practicality to catch up to our good intentions.

We recommend an evidence-based approach and submit that more time and innovation is needed to find viable, safe alternatives. Government research and investment into infrastructure to sustain a circular economy are also needed.

Item	Recommended action/s	Comment
Single-use plastic bowls (& plastic-lined bowls)	Further innovation needed if bioplastics are not allowed.	<p>Bowls, cups and containers must be able to hold liquid and heat safely. Before any ban is implemented, businesses must have access to a range of viable, safe alternatives. Government bodies, research organisations and industry are investigating solutions but the challenges are significant and will require time and innovation to resolve.</p> <p>These items have filled modern consumer demand for mobility and convenience in line with current lifestyles. Though some consumers may support a ban on single-use plastics in principle, current consumption, low take-up of reusable options, and implications of increased cost need to be considered.</p> <p>A key challenge is that these items are generally purchased in one place and consumed while mobile or elsewhere which can make product stewardship recycling initiatives where the consumer is required to return to store (eg. Recycle Me) limited in impact.</p> <p>Alternatives</p> <p>While promoting the use of reusable cups, bowls and containers is ideal, it is currently an idealistic solution as the majority of customers do not BYO and will not pay up to 1000 times more for an item made from glass, metal or ceramic.</p> <p>To our knowledge, currently the only disposable alternatives available to hold heat and liquid are either plastic, or fibre (cardboard or bagasse) that is lined with a plastic film or bioplastic film like polylactic acid (PLA).</p> <p>Many pure polymer plastics are recyclable in kerbside bins though more could be done to promote single polymer design (including reducing carbon black plastics), consumer recycling behavior and recycling collection in public places. Many coffee cups, beverage cups, bowls and containers are mixed materials (fibre-based with a plastic lining) to make them waterproof and heatproof which can cause significant issues as they are difficult to separate.</p> <p>Certified compostable materials such as PLA enable waterproofing and heat tolerance, however Australia currently lacks commercial composting infrastructure. Compostable plastics still present issues in the litter stream as they do not decompose outside exact commercial composting conditions.</p> <p>The NRA submits that research and collaboration is needed to reach consensus on sustainable alternatives and which ones actually achieve better environmental outcomes. For example, paper straws usually use virgin timber to meet food grade (ie. potential deforestation) and are often coated in plastic or wax, and bamboo utensils still pose an environmental threat (i.e. methane gases) as they slowly break down in landfill.</p> <p>The NRA recommends that a reduction in these plastic items is approached in a staged way, with a whole of supply chain approach, including more recycling options to find the best solution with the greatest overall benefit. We also submit that greater government investment in new technologies, such as developing food grade, heat tolerant containers made from recycled and recyclable materials should be explored.</p>
Single-use plastic cups (& plastic-lined cups) including coffee cups	Further consideration of life-cycle impacts and optimal pathways to reduce landfill.	
Single-use plastic takeaway containers	Investment in waste/recycling infrastructure.	
Lids to all of the above		

Item	Recommended action/s	Comment
Sauce sachets	Further innovation needed if bioplastics are not allowed.	Similar to above, viable mobile options for liquid sauces such as tomato sauce, soy sauce, ketchup, vinegar and other sauces do not yet exist. Many retailers have moved to paper sachets for salt and pepper, and some have introduced dispensers for dine-in options, but are struggling to find suitable solutions for liquid condiments that can be provided to the customer to apply to their food when they consume it away from the point of sale.
Sandwich wedge windows (and similar films)	Further innovation needed if bioplastics are not allowed.	It is well-known that customers want to see the actual product they are purchasing, particularly foodstuffs. Many of these foodstuffs are unusual shapes, such as bread loaves, sandwiches, and meat, making glass an unsuitable material. Therefore, there is a continued need for packaging which is transparent and flexible, however the only options currently available are plastic and PLA, to our knowledge. Industry is working on innovation but will need time and support to find solutions.

Priority direction 4: Make producers of plastic items more responsible for collecting and recycling in NSW AND Priority direction 7: Use extended producer responsibility schemes to fund litter collection and end-of-life plastic management

We address these Directions together due to their similarity.

OUR POSITION: The NRA supports the goal of reducing litter and waste to landfill, and believe that while some product stewardship schemes have merit, fundamental barriers and challenges persist in ensuring positive net outcomes.

Recommended actions

1. Collaborative approach to review, assess and develop potential schemes

Some product stewardship schemes in Australia have proven successful, such as Container Deposit Schemes, Mobile Muster, RedCycle soft plastics recycling, and individual schemes run by retailers, such as Officeworks' recycling stations and Salvo Stores Moving the Needle textile recycling program. The NRA is also a board member of the Battery Stewardship Council which is currently working to develop and launch a battery stewardship program.

However, some schemes attempting to tackle items such as televisions, car seats, e-waste and mattresses have demonstrated that more work is needed to prioritise products, develop infrastructure, streamline collection, create behavior change, prevent unintended consequences, and produce viable end markets for collected goods.

Products considered for stewardship must be logical to the consumer either in well-known risk to the environment like batteries and fridges, or must present some form of reward to them (like the 10 cent CDS refund) or a collection agent (so businesses can earn money from salvaged materials). Access to collection points remains a challenging issue as many regional communities lack infrastructure or it is inconsistent. Each products lifecycle is different with most products reaching end of their useful life in a different location to which they were manufactured or sold, causing interjurisdictional issues. It is unreasonable to assume that consumers will return products they have owned for ten years to the place or even region of purchase, or that consumers will take the time and effort to take each and every item they own to a separate single-stream collection point. Each product also varies in shape, size, weight and materials which creates challenges for consumers returning products to store and also creates complexities in developing viable end markets for the

salvaged materials. For example, while a mobile phone may have valuable metals, a mattress has little end value.

We submit that product stewardship models have merit and should be considered in the mix of solutions for the future, however we emphasize that such schemes need to be carefully considered, designed and implemented for long-term success and net benefits. Industry will continue to play a vital role in developing new initiatives and we recommend greater collaboration and consultation, such as a NSW Product Stewardship Working Group, to review and assess opportunities.

Priority direction 5: Mandate 30% minimum recycled content in all plastic packaging in NSW by 2025

OUR POSITION: The NRA submits that the National Packaging Targets, which are now itemised by polymer type and allow for average recycled content across packaging, will create better outcomes than one-size-fits-all legislation which would pose supply challenges and serious risks for human health.

Recommended actions

1. Support the revised National Packaging Targets for Recycled Content

Industry has been extremely active in pursuing sustainability over the past few years and many are signatories to the Australian Packaging Covenant. Importantly, APCO members have already achieved the national target of 35% average recycled content in packaging ahead of schedule, so these targets have been recently revised to 50% across all packaging, and expanded to create specific targets for each material type and polymer type.

Key benefits of the revised targets include:

- Decreased reliance on highly-recycled materials such as paper to achieve the targets
- Increased demand for recycled content in more packaging types and specifically more plastics
- Decreased health and safety risk as businesses can assess and use appropriate packaging rather than a one-size-fits-all approach

2. Increase domestic volumes of quality recycled content

Currently the Australian recycling system and supply of recycled materials is limited and immature compared to overseas counterparts like the EU, limiting the actions industry can take to improve sustainability practices. Retailer and manufacturer demand for quality recycled content far outstrips supply, so many businesses cannot increase recycled content even if they want to.

Importantly, businesses need access to high quality, food-safe and traceable recycled content to avoid serious risk to human health. Current safety guidelines advise against the use of recycled content in packaging which touches food or topical products applied to the skin, and any recycled content must be able to be traced to its source to ensure no contamination. For example, post-consumer plastics collected from existing landfills around the world have been found to be contaminated with radioactive chemicals due to other items such as x-ray machines in the same landfill. Post-consumer recyclates also require greater processing and energy to remove or neutralize contaminants. Australian businesses need to be certain that their efforts to become more sustainable do not result in serious health impacts in the long term.

We reiterate that government investment, standardization, research and support into recycling infrastructure is needed to increase the volume and quality of recycled content to meet the demand of Australian businesses.

In addition, the volume of domestic recycled content could be increased through better consumer education and consistency of kerbside collection.

Priority direction 6: Support demand and industry capacity

OUR POSITION: The NRA supports greater adoption of sustainable procurement policies and funding support by government to drive demand for innovation, materials and infrastructure.

Recommended actions

1. Adopt sustainable procurement policies and funding support through government

Government has the ability to greatly stimulate a circular economy in NSW in many ways, such as:

- Supporting local innovations such as asphalt made from recycled plastic;
- Creating procurement policies which preference recycled content;
- Creating new collection systems such as CBD business recycling collections like those seen in Auckland; and
- Creating significant and stable demand to entice investment.

Priority direction 8: Invest in infrastructure that can better manage plastic before it causes harm

OUR POSITION: The NRA supports government investment in infrastructure to prevent plastic leakage as proposed in the Discussion Paper.

Recommended actions

1. Invest in waste infrastructure and standardisation

Despite the many proactive actions of industry, government and the community, some members of the public will unfortunately continue to litter. The NRA also supports increased fines for littering.

We also believe the government should consider substantial investment in improving Australia's circular economy innovation and infrastructure. Currently, waste management and recycling systems vary in each local government area, with many residents, particularly those in remote areas, lacking access to sophisticated recycling facilities. This lack of consistency makes it extremely difficult for businesses to design and invest in recyclable alternatives as 'recyclability' is an inconsistent construct. In addition, household food and organics (FOGO) collection is similarly inconsistent, decreasing the options available to manufacturers and increasing the volume of potentially-productive food waste ending up in landfill.

Currently the Australian recycling system and market for recycled and recyclable goods is limited and immature compared to overseas counterparts like the EU, limiting the actions industry can take to improve sustainability practices. For example, retailer and manufacturer demand for quality recycled content far outstrips supply, so many businesses cannot increase recycled content even if they want to.

Government investment into infrastructure and standardization in the waste and recycling sectors is urgently needed to develop a circular economy in NSW and Australia.

Priority direction 9: Set up a NSW plastics research network by 2021 AND Priority direction 10: Support commercialisation of research-driven plastics solutions

OUR POSITION: The NRA supports government investment in research initiatives to innovate solutions which are viable, fit for purpose, commercially-sound and provide long-term environmental benefit.

Recommended actions

1. Establish collaborative, outcome-based research network

Transitioning to a circular economy is a multi-layered, complex process as highlighted by the Discussion Paper and our submissions. For example, food retailers and manufacturers have been heavily investing in research and trials independently but are struggling to find disposable waterproof and heatproof alternatives for coffee cups, bowls and produce bags, with the only viable options currently available being compostable plastics.

Though much research has been done on the impact of plastic litter when it enters our environment, there is little consensus on what the ideal solutions are, that is: which alternatives should replace functional plastics;

which solutions produce the best long-term environmental impact; which are practical and possible with current materials, technology and infrastructure; which are available and affordable in the Australian marketplace; and which has greater net public benefit.

Industry is highly supportive of sustainable initiatives but needs evidence-based information and consensus on viable and safe alternatives to turn good intentions into reality. There are multiple stakeholders such as local councils, governments, suppliers and environment groups providing contradictory or uninformed advice on sustainable alternatives, resulting in confusion for consumers and business. For example, the Waste Hierarchy model is used by most governments and suggests that Reusability is preferable to Recyclability, however a plastic takeaway food container is more reusable than a paper container which is recyclable.

We note that any government-funded research network or cooperative research centre should have clear mandates and practical outcomes, with a mandate to provide data and innovations openly to ensure equity for small and large businesses. If businesses are expected to fund or partially fund research, competitive factors will need to be considered to incentivise investment and prevent free-rider scenarios.

We also recommend that any NSW research or collaboration network should include representation from all supply chain stakeholders, and should collaborate with interstate counterparts where possible to minimise duplication, increase consistency and increase cost efficiency.

2. Provide funding and support to solutions

The NRA supports government investment in commercialisation of plastic solutions and view this, in part, as a key deliverable of the aforementioned research. Industry needs support to turn research into reality and create solutions which are viable, fit for purpose, commercially-sound and provide long-term environmental benefit.

Providing economic support in the form of research and development grants, capital grants for infrastructure and recycled packaging incentives will provide confidence for businesses to invest in a circular economy.

This could include funding assistance for:

- recyclers to install improved optical sorting equipment;
- packaging companies to install decontamination infrastructure;
- brand owners to modify production lines;
- traceability systems for recycled content; and/or
- commercialisation of chemical recycling.

5. SUMMARY

Priority direction	Our position	Recommended actions
Priority direction 1: Harness people power to create a fundamental shift in the way we use plastic	The NRA strongly supports greater investment in consumer and business education and is well-placed to collaborate with government.	Immediate and ongoing consumer education
		Immediate and ongoing business education
Priority direction 2: Set standards for consumer items to design out plastic waste.	The NRA submits that support should be given to work being done on existing product design standards and that waste/recycling collection standards are more critically needed.	Support work on existing product design standards
		Implement nationally-consistent standards for waste and recycling
Priority direction 3: Phase out key single-use plastic items	The NRA supports phasing out single-use, problematic and unnecessary plastic items, and recommend a staged approach focusing immediate action on low complexity items, to high complexity (or high risk) items to which there are no viable, safe alternatives yet.	Staged, harmonised phase-out of single-use plastics
Priority direction 4: Make producers of plastic items more responsible for collecting and recycling in NSW	The NRA supports the goal of reducing litter and waste to landfill, and believe that while some product stewardship schemes have merit, fundamental barriers and challenges persist in ensuring positive net outcomes.	Collaborative approach to review, assess and develop potential schemes
Priority direction 5: Mandate 30% minimum recycled content in all plastic packaging in NSW by 2025	The NRA submits that the National Packaging Targets, which are now itemised by polymer type and allow for average recycled content across packaging, will create better outcomes than one-size-fits-all legislation which would pose supply challenges and serious risks for human health.	Support the revised National Packaging Targets for Recycled Content
		Increase domestic volumes of quality recycled content
Priority direction 6: Support demand and industry capacity	The NRA supports greater adoption of sustainable procurement policies and funding support by government to drive demand for innovation, materials and infrastructure.	Adopt sustainable procurement policies and funding support through government
Priority direction 7: Use extended producer responsibility schemes to fund litter collection and end-of-life plastic management	The NRA supports the goal of reducing litter and waste to landfill, and believe that while some product stewardship schemes have merit, fundamental barriers and challenges persist in ensuring positive net outcomes.	Collaborative approach to review, assess and develop potential schemes
Priority direction 8: Invest in infrastructure that can better manage plastic before it causes harm	The NRA supports government investment in infrastructure to prevent plastic leakage as proposed in the Discussion Paper.	Invest in waste infrastructure and standardisation
Priority direction 9: Set up a NSW plastics research network by 2021	The NRA supports government investment in research initiatives to innovate solutions which are viable, fit for purpose, commercially-sound and provide long-term environmental benefit.	Establish collaborative, outcome-based research network
Priority direction 10: Support commercialisation of research-driven plastics solutions		Provide funding and support to solutions

6. CONCLUSION

Moving towards a circular economy requires a change in perception, a shift from thinking of consumed items as ‘waste’ towards seeing them as valuable ‘resources’. This requires incremental steps and a whole of supply chain approach, not just avoidance, with the right infrastructure and investment in innovation to create long-term change.

Retailers are keen to collaborate and be part of the solution. Many retailers are taking a proactive approach to environmental initiatives and strongly support current regulations and initiatives. At the same time businesses are faced with a myriad of regulations, economic pressures, consumer demands, health and safety requirements, cost limitations, misinformation about alternatives, and lack of recycling infrastructure.

Therefore we urge decision makers to:

- Support the many positive initiatives undertaken by industry such as voluntary phase-outs and recycling programs, Voluntary Code of Practice for Sustainable Shopping Bags, Australian Packaging Covenant commitments and Sustainable Packaging Guidelines;
- Invest in community education particularly regarding recycling, food waste and the realities facing Australian businesses as they move towards more sustainable options;
- Invest in business education to enable more informed decisions, behavior change, reduced cost burden and further improve customer education;
- Undertake a comprehensive review of waste and recycling infrastructure in NSW, providing investment and standardization as well as ways to increase domestic recycled content;
- Adopt a staged and harmonized approach to phasing out single-use plastics, taking immediate action on some items, heeding the exemptions and challenges presented;
- Collaborate with and support industry in investigating, trialing and assessing solutions;
- Invest in research to provide businesses with nationally-consistent, practical, best practice advice;
- Invest time and resources into improving innovation and infrastructure to help build a circular economy in Australia.

Thank you for this opportunity to provide our submissions on behalf of the retail industry and our members.

Should you have any queries, we can be contacted on 0409 926 066 or d.stout@nra.net.au.

Yours faithfully,

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