

# Response to the– *NSW Plastics: Next Steps*

30 January 2024

**Prepared by Northern Sydney Regional Organisation of Councils**

**Member Councils:**      Hornsby Council  
                                 Hunter’s Hill Council  
                                 Ku-ring-gai Council  
                                 Lane Cove Council  
                                 Mosman Council  
                                 North Sydney Council  
                                 City of Ryde Council  
                                 Willoughby City Council

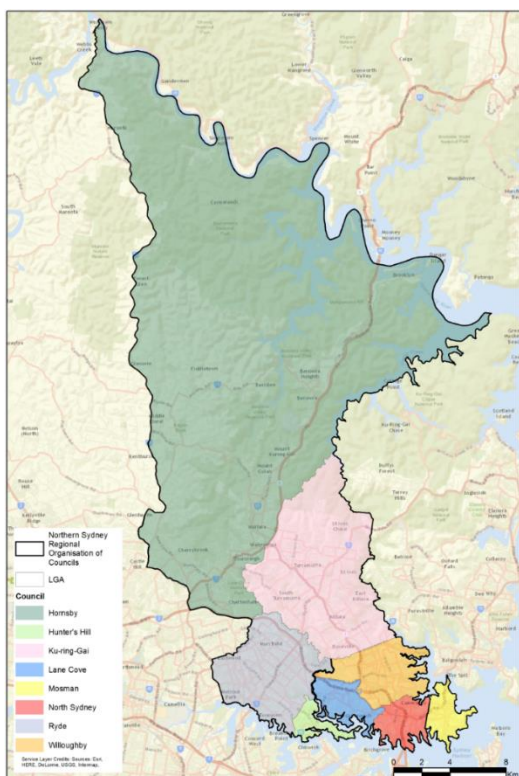
**Contact:**                      Dr Meg Montgomery  
                                 Executive Director, NSROC  
                                 [mmontgomery@lanecove.nsw.gov.au](mailto:mmontgomery@lanecove.nsw.gov.au)

## Introduction

The Northern Sydney Regional Organisation of Councils (NSROC) is pleased to make this response to the Environment Protection Authority’s consultation on NSW Plastics: Next Steps.

NSROC is a voluntary association of eight local government authorities in Sydney. NSROC assists member councils to collaborate on key issues and activities to develop regional solutions that generate benefits – social, environmental and economic – for their communities and for the region as a whole.

NSROC member councils service an area extending from the Hawkesbury River in the north to Sydney Harbour in the south, west to Meadowbank on the Parramatta River, as shown in Map 1.



The eight NSROC member councils are:

- Hornsby Shire Council (HSC)
- Hunter’s Hill Council (HHC)
- Ku-ring-gai Municipal Council (KMC)
- Lane Cove Council (LCC)
- North Sydney Council (NSC)
- Mosman Municipal Council (MMC)
- City of Ryde (CoR)
- Willoughby City Council (WCC)

Our member councils employ approximately 2,700 people across the region, delivering a wide range of services, including operational waste management for both the public and private domain. Collectively the eight councils have a waste budget of over \$90 million per year and manage around 14% of metropolitan Sydney’s municipal waste.<sup>1</sup>

Map 1: Northern Sydney Regional Organisation of Councils area

NSROC is pleased to have this opportunity to respond on behalf of its member councils, while noting that the individual councils may also make an independent submission.

NSROC considers an implementation plan to be a critical component of any long term resource recovery strategy and welcomes this evidence that the NSW Plastics Action Plan is being implemented and that the *Plastics Reduction and Circular Economy Act 2021* has been enacted and provides the legislative support for the proposed actions.

The proposed actions for *NSW Plastics: Next Steps* could be improved by a change of focus. The current approach is aimed at managing plastic waste rather than taking a proactive approach to

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<sup>1</sup> Based on 2021/22 figures

create a circular economy in plastics. That approach would need an infrastructure delivery plan and the development of appropriate end markets.

This submission has a summary of the key points followed by more detailed comments on each of the three actions proposed by the EPA.

## Summary

### Context for Local Government

Councils are an integral partner in the delivery of waste services and NSROC appreciates the opportunity to respond to next phase of the Plastics Action Plan. Waste management is rightly recognised as an essential service for health, environmental and amenity reasons, but it is only one of multiple services councils provide for their communities. The capacity of councils to deliver waste related services has been reduced. This is because the *Waste and Sustainable Materials Strategy 2041* has reduced the grant funding for council waste projects. At the same time, the increased costs faced by local government in delivering services limits the support councils can offer in delivering the plastics plan.

### Infrastructure

Other essential services infrastructure such as water, sewer and electricity are subject to long term integrated planning. Similar planning is critical for waste and did occur historically when councils or the state waste authority was responsible for infrastructure. However, with the sale of those assets in metropolitan Sydney, the planning has been left to the waste industry and based on individual economic priorities. The *Waste and Sustainable Materials Strategy: A guide to future infrastructure needs* is a helpful start but has the major shortcoming that it does not clearly identify a delivery mechanism.

For plastics the *Waste and Sustainable Materials Strategy: A guide to future infrastructure needs* identifies a 47,000 tpa capacity shortfall by 2030 and notes that of the 760,000 tonnes of plastic waste generated in 2018/19, only 19% was recovered. This cannot be allowed to continue and the current approach of relying purely on economics to manage plastics is clearly not working. In the Sydney metropolitan area one company has a virtual monopoly on plastics recycling. Barriers to entry are high for potential competitors and there is no compelling reason for the current provider to improve or expand their offering. Not only does this limit councils' ability to obtain competitive pricing for the service, but it is also difficult to obtain data about the current operations and any downstream/secondary recyclers.

NSROC would like to see a state government lead implementation plan for all waste infrastructure including plastic wastes. Particularly in the Sydney metropolitan area, an infrastructure plan is required with potential locations mapped to communicate where to direct government and industry investment. This could be in the form of activation precincts (similar to manufacturing precincts). The option of co-investment with industry could share the risk and result in earlier delivery of the necessary infrastructure in locations more beneficial to councils.

As noted in a previous NSROC submission to the EPA, the lack of a clear process to establish appropriately sized and located waste infrastructure will potentially risk the failure of the whole *Waste and Sustainable Materials Strategy 2041*.

### **Market development**

Developing markets for recycled/repurposed plastics must go hand in hand with the infrastructure to encourage appropriate private investment and innovation in the sector. The Waste Avoidance and Resource Recovery Act 2001 lists market development for recovered resources and recycled material as one of the functions of the EPA and plastics should be an area of particular focus given the low rate of recovery. .

Again, a nuanced approach is required. For example, opportunities to leverage government purchasing power to stimulate a local circular economy are supported. However, for a particular purchasing agency the social and environmental outcomes of a circular economy are unlikely to provide tangible benefit and may have additional costs, so it must have stronger motivation or reward to use its purchasing power to that end. Considering products with recycled content has been a requirement in agency purchasing policies for many years, but it has not delivered the hoped for outcomes due to cost or other issues.

### **Increased funding for Resource Recovery and the Circular Economy**

NSROC considers that a greater allocation of funding from the Waste Levy is justified for waste and environmental service delivery, especially where it assists the development of a circular economy and the retention or creation of jobs. It is appreciated that the EPA does not make that decision and that the pandemic has significantly impacted the State's budget, however both infrastructure spending and developing end markets to create a circular economy have the potential to significantly increase economic activity.

### **Industry involvement**

The circular economy requires the transition from linear material management, where manufacturers are divorced from any obligation to consider end of life, to a circular approach recognising waste as a potential resource for future production. Extended Producer Responsibility (EPR) schemes can significantly influence that transition by requiring manufacturers to consider the whole life cycle of their products. The actions flowing from *Plastic Plan: Next Steps* for managing plastic must incorporate EPR to maximise the retention of material value and reduce the likelihood of disposal of the resource when a particular product reaches end of life.

NSROC favours a regulatory approach to EPR, but even where co-regulated or voluntary schemes are implemented, it is critical that industry be consulted early and be effectively engaged in the process to ensure that schemes can be designed to achieve the best possible outcomes for the residents of NSW.

## NSROC comments on the discussion paper NSW Plastics: Next Steps

Questions/headings are those set out in the paper

### 1. Reducing Plastic Litter

**We're aiming to address more of the most littered plastic items in NSW.**

**Do you support this goal?** Yes

**Do you support the following proposals that the NSW Government could take to help reduce litter?**

- Phase out non-reusable plastic food service items. Such as cups, bowls with lids, food containers, and lollipop and ice cream sticks. **Generally supported** especially where more sustainable replacements are viable, unless the current items are designed for recycling through either mechanical or chemical technologies and can help support local recycling facilities.
- Ensure that all plastic bottles have lids that remain attached to the bottle to minimise littering. **Support** on the basis that it will be implemented in the European Union by 2024 and global markets will support it provided that the EU solution is not based on Energy from Waste.. The EPA should consult industry on whether tethering potentially different materials will significantly impact the future recycling of each component.
- Work with the Commonwealth and other state and territory governments to explore options for cigarette plastic filters. **Support** but recommend that the work also addresses/complements actions taken on vaping waste, especially batteries.

**Are there other actions we could consider to reduce plastic litter in NSW?**

**Please tell us more**

- Continue to support and regulate for Extended Producer Responsibility (EPR) schemes so that importers and manufacturers remain liable for the waste from their products and can design them accordingly.
- Work with other jurisdictions to harmonise actions nationally to support consistent and coordinated approaches.
- Develop a system like the report litter to EPA function that could regulate retailers using problematic products.
- Once the consultation is complete, clearly identify those cases where the NSW government 'will' take action and remove any language that suggests NSW 'could' take action.
- Identify a clear approach (including regulation as appropriate) to address compostable or biodegradable packaging. Where these materials are not appropriate for compost/mulch or other chemical or mechanical recycling they should be phased out to prevent their break down into micro plastics.
- Clear and truthful labelling should also be required on compostable or biodegradable packaging stating whether it can be composted or otherwise recycled.

- Work with industry (eg Australian Food and Grocery Council with National Plastics Recycling Scheme) to disincentivise product packaging destined to become waste or litter (eg food packaging), reduce the use of/need for “virgin” plastic and encourage manufacturers to redesign, rethink packaging.

## 2. Harmful Chemicals in Plastics and Microplastics

**We’re aiming to take action against harmful chemicals in plastics and microplastics. Do you support this goal?** Yes

**Do you support the following proposals that the NSW Government could take to minimise exposure to harmful chemicals in plastic?**

- Phase out harmful chemical additives such as PFAS . **Support** provided a clear and consistent evidence based national approach can be pursued with clear guidance.
- Phase out plastic microbeads from all cleaning products that are washed down the drain. **Support** provided a clear and consistent evidence based national approach can be pursued with clear guidance.
- Phase out additives that promote the fragmentation of plastic into microplastics. **Support** provided a clear and consistent evidence based national approach can be pursued with clear guidance.
- Require all new washing machines to be fitted with a microfibre filter to prevent microplastics from being released into our environment. **Support** provided consistent education is provided to purchasers /users about appropriate disposal of filter residue.

**Are there other actions we could consider to help minimise exposure to harmful chemicals in plastic in NSW?** Yes

### **Please tell us more**

Work with industry to understand the reasons for their use of the chemicals and potential alternatives as part of EPR design and development.

Ensure industry EPR schemes are regulated or required to satisfy an independent umpire to avoid the risk of price gouging in the name of recycling.

Use waste levy funding to support councils installing and maintaining litter traps (eg gully pit inserts) capable of capturing microplastics in litter hotspots.

## Keeping Pace with Plastics Action Across Australia

**We need to keep pace with other Australian states and territories in taking action on plastics. Do you support this goal?** Yes.

National consistency is critical given that many plastics are imported and cross border transport of goods is very common. Given the global nature of the distribution of many goods and products Australia can also benefit from being in step with regional economies such as Europe to avoid becoming a “dumping ground” for products which fail to meet international environmental standards.

### Do you support the following proposals that the NSW Government could take?

- Phase out plastic bags with a thickness greater than 35 microns. **Generally supported** provided that evidence shows low levels of reuse of such bags.
- Phase out single-service plastic condiment packets of less than 50 ml. Such as soy sauce fish. **Support** provided evidence exist of viable alternative or limited need.
- Phase out the release of any number of helium balloons (currently 20 or more are banned) **Supported** and encourage widespread educational activities outlining the dangers of balloons to the environment. The current approach allowing the release of 19 balloons sends mixed messages.
- Phase out the supply of balloon accessory items such as plastic balloon sticks and ties **Supported**
- Phase out expanded polystyrene food trays. **Supported** but manage through an EPR scheme so manufacturers have incentive to develop better alternative.
- Phase out expanded polystyrene loose fill packaging (such as packing peanuts) **Supported** but manage through an EPR scheme so manufacturers have incentive to develop better alternative
- Phase out barrier/produce bags **Supported** where suitable alternatives exist.
- Phase out stickers on fruit **Supported** where suitable alternatives exist.
- Phase out pizza savers **Supported** where suitable alternatives exist.
- Phase out bread tags **Supported** where suitable alternatives exist.

## Are there other goals that NSW should consider in tackling the plastics problem?

Yes

### Please tell us more

Consistent cross jurisdictional requirements for plastic waste management should be pursued so that national educational messaging can be employed and industry can design for a national approach to provide a more cost effective product.

Encourage a national approach to the establishment of further chemical recycling capacity in both the short and longer term to provide the required recycling/remanufacturing capacity to treat plastic waste locally.

Obtain a clear understanding from industry engagement of what influences the choice of polymers and additives in plastic materials and then seek to eliminate problematic and unnecessary plastic packaging and products through an appropriate mix of bans and voluntary standards.

Establish targeted reporting requirements to support data collection for future plastic waste management.

Ensure that all plastic packaging and products are designed for recycling through either mechanical or chemical technologies.

Ensure that plastics are sorted to a level that maximises the value, environmental benefit, and size of the end-markets for the subsequently reprocessed material.

Boost demand for products manufactured from recovered plastics through mandated targets or proactive procurement strategies.

Encourage greater circularity of plastic materials at each stage of the life cycle as proposed by Blue Environment in the table overleaf. ( Copy of Table 36 of the *Plastics Industry Research Project Report* prepared for NSROC in August 2023.)



Life cycle stage	Examples of opportunities
Design	A design Standard to ensure all packaging and products are designed for recycling
	Eco-modulated product stewardship fees to incentivise recyclability
Use	Educate households to reduce plastic packaging and products use
	Educate the C&I sector to reduce plastic packaging and products use
	Support new reuse, repair or refill business models
	Bans on problematic and unnecessary plastic packaging and products
Collection and sorting	Mandatory labelling on all plastic packaging and products to support source separation
	Higher landfill fees to provide a financial incentive to recycle
	Kerbside or Drop-off Service Standard to include plastic products
	Pre-processing facilities established to automatically sort by polymer type
	Industry product stewardship schemes to provide financial support
Reprocessing	Establishment or expansion of existing mechanical recycling facilities for plastic products
	Establishment of chemical (advanced) recycling
End markets	Targets for government procurement of recycled products
	Mandatory recycled content targets in packaging and products
	Eco-modulated product stewardship fees to incentivise recycled content
	Local councils to collaborate with recyclers to collect and buy back

NSROC has already submitted a copy of the Blue Environment report to the EPA as part of the acquittal of the funding, but would be happy to provide another copy on request.

**To assist us in understanding who is taking this survey please tell us the following**

**If you are answering this survey as an individual or on behalf of an organisation:**

Regional Organisation of Councils representing eight member councils

In closing, NSROC and our councils appreciate the EPA's willingness to engage with partners in local government and industry and we look forward to working with the Authority to implement the next steps in the management of plastic waste. However, we trust that the Authority will take a more proactive approach to the development of infrastructure and end markets and also give due consideration to the other elements of this response reflecting the knowledge and experience of our member councils and their understanding of the needs and aspirations of their communities.