



National Sword Taskforce – Reference Group Update Meeting Two

The NSW Government is committed to working with local councils, regional waste groups and industry to improve and strengthen our recycling systems in NSW.

MEETING TWO UPDATE – 5 July 2018

Local Council Members: Local Government NSW, Institute of Public Works and Engineering Australasia NSW, Southern Sydney Region of Councils, Western Sydney Regional Organisation of Councils, North East Waste, RENEW NSW, Riverina and Murray Regional Organisation of Councils, NetWaste, Hunter Joint Organisation of Councils

Industry Members: Australian Council of Recyclers, Australian Packaging Covenant Organisation, Australian Sustainable Business Group, Cleanaway, Handybin Waste Service (Coffs Harbour) Pty Ltd, JR Richards Pty Ltd, National Waste and Recycling Industry Council, PAR Recycling Services Pty Ltd, Polytrade Recycling, Re-Group, Solo, Shoalhaven Recycling, Uni of NSW, Uni of Newcastle, UTS, Waste Contractors and Recyclers Association of NSW, Waste Management Association of Australia, Lismore City Council, Suez Recycling and Recovery Pty Ltd, Visy.

Introduction

China's enforcement of its National Sword policy restricts the types of recyclable material China will accept. This policy has impacted the global market for recyclable material, including the recyclable material that is currently collected in NSW. While this presents immediate challenges, it also presents opportunities to strengthen the States recycling sector, and generate a range of social, environment and economic benefits for the community.

Effectively responding to these global changes requires a collaborative approach. To this end, the NSW Government has established an Inter-Governmental Taskforce to progress a longer-term strategic response to National Sword, in partnership with industry and local councils.

Two stakeholder Reference Groups have been established to work with the Taskforce; the Local Councils Reference Group and Industry Reference Group. The below reports on Meeting Two of both Reference Groups.

Meeting Agenda

The items discussed at the second meeting are outlined below:

- Continued discussion on short term actions to address National Sword
- Update on the Inter-Governmental Taskforce actions
- Presentation from industry representation

Short Term Actions

The Reference Groups were provided with an update on short-term actions that were proposed by the members in the June meeting, including:

- The EPA provided an update on research and work being undertaken to implement education programs to increase community understanding of recycling and the importance of reducing contamination in the yellow recycling bin, along with maintaining community confidence in recycling.
- The EPA and Office of Local Government, have been providing expert advice to councils to negotiate kerbside recycling services, it was reported that already seven Councils have been assisted.

- The EPA responded to the request for a joint meeting of the Reference Groups, by inviting members to a combined meeting on Friday 3 August.
- The EPA reported that it has provided advice and guidance for a number of requests for stockpile increases and has received one application for a new waste storage facility from a council.
- The EPA reported that it is continuing to explore options to further support industry and councils in the short-term.

Update on the Inter-governmental Taskforce actions

The Taskforce's work is focused on long-term actions, including: scouting opportunities to increase the use of recycled products; developing a circular economy policy for NSW and supporting the development of national circular economy principles; investigating opportunities to streamline the approval and operation of new and expanded recycling facilities; developing model contract clauses and other tools and resources to support better functioning kerbside recycling markets; and examining a range of other long term initiatives to strengthen local recycling.

The Taskforce has established five Working Groups to focus on specific objectives. Background on the Working Group and details of recent progress reported to the Reference Group meeting is provided below.

Working Group 1 Government Procurement

The objective of Working Group 1 is to work towards how local and State Government, through procurement, can increase the volume of recycled products purchased and consumed in NSW. This includes two different procurement streams (1) general goods and services and (2) construction and infrastructure. The Working Group is led by NSW Procurement, within the Department of Finance Services and Innovation.

Progress update:

- *At this meeting the Reference Groups were asked for examples on where procurement of recycled product has successfully delivered value-for-money and sustainability outcomes to help inform the Taskforce's work in this area.*
- *Department of Finance Services and Innovation reported that it had held an inter-governmental workshop to discuss the sustainable procurement possibilities for General Goods and Services.*
- *It was also reported that, the Working Group is examining how government-level procurement of glass sand for use in construction could increase demand.*
- *It was reported at the meeting that the Construction Leadership Group (a newly formed group as part of NSW Finance, Services and Innovation) was nominated to consider strategic processes for use of recycled materials in construction procurement.*
- *The meeting was informed that Working Group 1 is investigating avenues that local government procurement could build in purchase of goods with recycled content, similar to those being investigated for State Government.*
- *The Group will develop recommendations on construction procurement for reporting at the end August 2018.*

Working Group 2 – Circular Economy and inter-jurisdictional Engagement

The objective of Working Group 2 is to develop a circular economy policy for NSW, and support the development of national circular economy principles.

A circular economy aims to increase the efficiency of resource use by seeing materials and components being reused or recycled many times over. The intention of developing and adopting a more circular economy approach is to strengthen the NSW recycling industry, and in doing so generate a range of social, environment and economic benefits for the community.

Progress update:

- *The Working Group provided an update on its work to research and review international best practice policies and practices for a circular economy and assess what approaches could be successfully applied in NSW.*
- *The Working Group reported that it has engaged the Institute for Sustainable Futures & Ricardo in partnership to deliver the work package – both consultancies are leaders in the circular economy space.*
- *It was also reported that Institute for Sustainable Futures & Ricardo are holding a circular economy best practice workshop with key industry and council stakeholders in July*
- *The circular economy discussion paper and draft policy will be developed and prepared for reporting in August 2018.*

Working Group 3 – Streamlining Approval of Recycling Facilities

The objective of Working Group 3 is to identify opportunities to streamline the approval and operation of new recycling facilities and the expansion of existing facilities, while balancing the safety of human health and the environment.

Progress update:

- *Working Group 3 reported that it has developed preliminary recommendations based on stakeholder consultations and internal research. Preliminary recommendations include long-term waste planning, a proposed key agency liaison group, streamlined communication channels between applicants and agencies, Fire and Rescue NSW guidelines, and a guideline to standardise conditions of consent.*
- *The Reference Groups provided positive feedback at the meetings on the preliminary recommendations.*
- *It was also noted that implementation plans based on agreed recommendations will be developed and prepared for end August.*

Working Group 4 – Long Term Solutions and Business Care

The objective of Working Group 4 is to commission economic modelling to quantify the impacts of China's National Sword policy on the NSW economy, and examine the most appropriate points of Government intervention to strengthen the resilience and performance of NSW' recycling sector. This Working Group will also support the other Working Groups to evaluate the costs and benefits of proposed initiatives.

Progress update:

- *Working Group 4 reported that it has engaged the Centre for International Economics to develop a Materials Flow Analysis. This will shed light on the movement of types of materials (such as plastics, metals, glass etc) through the NSW economy from its creation to its recovery or disposal.*
- *It was also reported that the economic modelling of longer term solutions has gone out to tender, and will be closing mid-July for work to commence in early-August.*

Working Group 5 – Model Contracts and Negotiation Support

The objective of Working Group 5 is to work with industry and local councils to ensure there are arrangements in place which facilitate the effective functioning of kerbside recycling in NSW.

Progress update:

- *The Working Group 5 reported that it has engaged Impact Environmental Consultancy (IEC) to develop model contract clauses for the collection and processing of kerbside recyclables. Also that IEC and the Working Group are conducting consultation with stakeholders to understand how model contract clauses can be developed for a robust recycling industry. IEC and the working group are using stakeholder consultation to also recommend negotiation support tools for councils.*
- *It was also noted that model contract clauses will drafted by end August.*



Presentation from industry representation

Tony Khoury of Waste Contractors and Recycling Association gave a presentation to the Industry Reference Group providing an “on the ground” perspective of the industry and facility operations.

Next meeting

The Inter-Governmental Taskforce and its Working Groups are committed to working with councils, regional waste groups and industry to improve and strengthen our recycling systems in NSW.

A joint Reference Group meeting is scheduled for 3 August 2018, with the next ongoing Reference Groups meetings scheduled for 21 August 2018.