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Question 1 - What are the key issues facing the NSW waste system?

Lack of investment in and strategic planning for waste and resource recovery infrastructure: There has been little investment in new waste infrastructure in NSW, especially in providing financial incentives for the onshore reprocessing of materials collected in the yellow bin recycling stream. This has left Australia's recycling industry in an extremely vulnerable position to manage the volatility in global markets triggered by China's National Sword policy.

I. Currently there is not enough accessible waste infrastructure for establishing a competitive and sustainable resource recovery industry. Past collection and processing contracts with councils offered little transparency regarding the movement of materials from kerbside collections. Changes in the waste and resource recovery industry have exposed councils to greater risks, which needs to be balanced with more transparent reporting.

II. The Sydney metropolitan area is losing transfer facilities and processing facilities are being moved further away with residential encroachment. Waste and resource recovery infrastructure and services continues to be given a lower priority than other essential services in the NSW planning system. The outcome has been inadequate planning and protection for this essential service that has contributed to a reliance on offshore waste processing that is no longer viable.

III. Current business models for new facilities require a strong financial business case. This needs to be balanced by the community and environment which points to the importance of government action and facilitation of projects.

Inadequate data to inform waste planning and investment decisions:

I. A lack of central coordination and management of waste sector data has created significant gaps in the data required to enable all levels of government, consumers and industry to make informed procurement choices and appropriate long-term waste planning decisions.

II. The lack of reliable data and transparency is an issue affecting all waste streams but has become critically urgent in the wake of the China Sword Policy. In many instances, councils are not currently able to track where and how materials are being recycled after they leave Material Recovery Facilities (MRFs). This in turn affects consumer confidence in the recycling system and councils' accountability to their residents.

Risk and regulatory uncertainty with respect to organic materials:

I. Revocation of the Mixed Waste Organics Outputs (MWO) exemption has decreased recovery of organic materials from municipal solid waste stymied investment and innovation in new technology and infrastructure to recover organics, particularly with respect to Advanced Waste Treatment (AWT) facilities. It has suppressed the development of the organics outputs market and decreased the recovery market value of municipal solid waste.

II. Uncertainty about future MWO regulations has curtailed councils' ability to implement contracts, make investment and policy decisions, and create consistent public messaging with respect to organics collection and processing.

III. A lack of clear policy with respect to end markets for processed source separated organic materials has stifled progress in compostable packaging recovery mechanisms and end markets. It has slowed progress towards the 2025 National Packaging Targets by disincentivising food services stakeholders from exploring new approaches to reduce single-use plastic and recover food-contaminated packaging using compostable alternatives. It is unlikely that NSW currently has the infrastructure required to meet the 2025 National packaging targets and major changes to packaging types (for instance, a dramatic increase in demand for processing compostable packaging).

Need for greater investment in behaviour change education programs:

I. Greater investment in consistent education programs and campaigns that help individuals, organisations and businesses follow the waste hierarchy and reduce the contamination of separate waste streams is urgently needed.

II. Statewide education programs are needed on: Recycling with consistent messaging on what can be recycled and how materials are recycled to increase consumer compliance and confidence in the ability of government at all levels to deliver on waste and resource recovery. The social and environmental benefit of advanced technologies such as Energy Recovery from residual waste, including addressing safety concerns. This may require government at all levels to become experts on how these technologies exist safely in Europe and other countries in metropolitan areas.

Coordinated commitment and investment is needed to transition to a circular economy:

I. Australia is behind other countries, particularly in the European Union, which have established policies and made investments in infrastructure and technology to support circular economies to ensure secondary materials are used onshore, creating jobs and wealth.

II. Coordinated commitment and substantial investment from all Australian government departments are needed to transition to a circular economy and develop a resilient waste management and resource recovery sector.

III. Increased hypothecation or greater investment in strategically planned waste and resource recovery facilities rather than it going to general revenue of the waste levy is required to enable councils to expand programs for waste avoidance and behaviour change and explore innovative solutions to increase resource recovery.

IV. Councils and other businesses should be able to purchase the materials collected through the NSW container deposit scheme (CDS) if they have an approved specification, exemption, resource recovery order and/or compliant use for example, reforming these materials into insulation, pipe bedding, street furniture or roadworks.

V. State and federal governments must commit to expanding product stewardship schemes (more detail is provided under question 4, page 6).

VI. The NSW Government must commit to a timeline for phasing out single-use plastics and problematic materials and as a minimum microplastics, providing practical alternatives which have a severe impact on our environment and create an expensive burden on waste management and resource recovery.

Question 2 - What are the main barriers to improving the NSW waste system?

I. Lack of investment in and planning for waste infrastructure facilities to meet the needs of NSW residents, particularly the Sydney Metro Area and businesses now and in future.

II. Inadequate data and central coordination of waste sector data. Data and research recently commissioned by the NSW Government related to the waste and resource recovery industry should be shared with local government to enable local governments to make informed decisions on waste and resource recovery, and not duplicate efforts already undertaken by state government.

III. The current instability in Australia's waste system, particularly end markets, clear and open regulatory decision making, and transparent data on materials throughout the value chain.

IV. Reduced transparency and consumer confidence in the recycling system.

V. Lack of transfer stations and high value food processing facilities in Sydney metropolitan area (e.g. not low value MBT).

Question 3 - How can we best reduce waste?

I. Prioritise investing in and developing the waste infrastructure needed in Sydney metropolitan area to meet the needs of NSW waste and resource recovery targets. There is a need for land allocation or appropriate zoning to prevent encroachment by residential and commercial developments

II. Urgently invest in onshore reprocessing and recovery of materials collected in the yellow-lidded bin recycling stream.

III. Invest in state-wide behaviour change programs and campaigns that include consistent messaging which are aligned to facility and market capability and have been reviewed and approved by local government.

IV. Re-invest NSW waste levy revenue into the waste industry to fund a transition to a circular economy.

V. Engage all relevant sectors in planning for a transition to a circular economy such as manufacturing, building, agriculture, textiles, food production, retail, finance, healthcare, energy, water, education, tourism, publishing, media and entertainment, and the waste sector.

VI. Evaluate and implement the most appropriate economic instruments that support Australia's transition to a circular economy (see SSROC's submission on the Too Good to Waste Discussion Paper attached to this email).

VII. Provide the resources needed to meet the 2025 National Packaging Targets based on the recommendations of the Australian Packaging Covenant Organisation (APCO), including investment, regulatory certainty, mandated inclusion of recycled content, investment and development of composting facilities for compostable packaging and stimulation of end-market demand for recycled materials.

VIII. Provide economic and regulatory incentives to phase out the use of single-use plastics and problematic and unnecessary materials.

IX. Consider the introduction of a disposable coffee cups levy at point of sale to cover the cost of recycling (it is a single use drink container used away from home) Invest in the professionalisation and expansion of the reuse sector. To meet the growing supply of reusable items and to increase demand for reuse takers, the government should emphasise capacity-building initiatives for the reuse sector and address some of the barriers to consumers and businesses with respect to buying second-hand items. There is a need to investigate legislation governing the right to repair many

products are designed in such a way that repair is not an option, is significantly more expensive than replacement or invalidates product warranties. Economic instruments should be reviewed make this happen e.g. · value-add tax or property tax relief for reuse/repair orgs. State-wide or sector-wide quality assurance (certification) for re-use/repair/refurb items - this leads to tax relief or rebates for retailers. · Right to repair legislation or policy. There should also be consideration for whole-item reuse, such as take-back schemes at groceries or distributors for glass packaging (e.g. milk, bevs)

X. Identify facility and opportunity gaps in NSW that would benefit from reuse or repair centres and provide funding opportunities. Consumers need easy access to affordable repair centres, and attractive places to donate and purchase used goods. Social research by SSROC into attitudes towards unwanted items showed that more than half of residents surveyed were unwilling to travel more than 5km from their home or office to drop off unwanted goods.

XI. Putting responsibility back on the producers and consumers of materials in a circular economy, rather than leaving the management of resources to local government (end-of-pipe solutions) whereby it's often too late in a linear economy.

Question 4 - How can we recycle better?

Improve the quality of both the inputs to processing (reducing contamination of kerbside recycling) and the outputs of processing (e.g. recyclate). Higher quality will enable a wider range of markets/uses for recyclate and enable remanufacture of better quality products for example, Japan mandated that single use plastics could only be clear to improve the quality of recyclate.

I. Consider regulatory measures to reduce the use of PVC labels which contaminate the stream and composites and non-recyclable/compostable packaging.

II. Finance and upskill the secondary processing sector in order to clean the recycling streams.

III. Invest in infrastructure and technology to separate products and items to component materials types, distribution/triage centres, repair and refurbishment facilities and services.

IV. Provide economic and regulatory incentives for waste processors to track, report and be accountable for materials they claim to recycle provide incentives for the highest possible resource recovery.

V. Fund a federal or state body that tracks markets - this is not something regions and councils have the capacity for.

VI. Provide minimum standards and codes of practice for new MRFs. Develop a standard list of recyclable items that all MRFs have to accept for processing based on producers providing materials that are easily recyclable? (I.e. no composite materials, no PVC, no coloured plastic.

VII. Improved regulation, data transparency and other guidance from the NSW Government on the Container Deposit Scheme to build trust and transparency between generators, processors and the community.

VIII. Provide more certainty to stakeholders investing in recycling projects by providing open, transparent processes and consultation. The handling of China Sword and the AWT outputs (MWOO) exemption are key examples of the ramifications of stakeholders not being consulted early enough without detailed forward planning.

IX. Greater investment in waste education programs that help individuals, organisations and businesses follow the waste hierarchy and reduce the contamination of separate waste streams.

X. Continue to invest in and adopt pilot projects generated by the recently formed NSW Circular network.

XI. Identify ways to support the manufacturing sector to reform/remanufacture/recycle.

XII. Include in the Strategy tangible Product Stewardship (PS) targets and regulatory approaches to ensure uptake and compliance. An effective PS framework should ensure that there is shared responsibility between producers, retailers and consumers. Councils are often expected to collect and organise processing for products at the end of their life, as well as educating the public on the correct recycling and disposal of these products. Councils currently carry most of the financial burden of dealing with the waste from products rather than the producers and manufacturers. The existing model of council financial liability is unreasonable.

XIII. Expand and resource the National Television and Computer Recycling Scheme (NCRS) to include every electronic item (any item with a plug). This is a priority issue with the NCRS for SSROC councils as collecting out-of-scope items from residents has significantly increased costs. It is also difficult and resource-intensive to refuse items from residents who go to the effort of collecting, storing and transporting electronic items for recycling.

XIV. Other priority products that require product stewardship schemes include polystyrene, refrigerators, freezers, air conditioners, medical sharps, solar panels, textiles such as clothing and carpet, milk and bread crates, takeaway coffee cups and disposable nappies.

Question 5 - What are the main opportunities for improving the NSW waste system?

I. A comprehensive review of the Waste Avoidance and Resource Recovery (WARR) Act, Protection of the Environment Operations (POEO) Act, and clarification of Council of Australian Governments (COAG) agreements on waste is needed to recognise waste management as an essential service, and efficient resource recovery as an economic driver to increase demand for high-value recycled materials. Current and future reviews should include:

a. Clarification of the COAG agreement to ban exports of waste, including the definition of waste and timeframes to guide infrastructure investment and planning. It is important that the waste industry in Australia is given sufficient time to adapt and that bona fide markets for recycling and energy recovery are not excluded until markets with equivalent capacity, quality and value for money are available in Australia.

b. Consistent and transparent regulation of MWOO to create a market for red-bin waste and drive solutions using compostable materials.

c. A forward-thinking Energy-from-Waste policy to enable solutions for difficult to recycle waste streams after all other viable recovery options have been exhausted. This should include a full review regarding the barriers to the current Energy-from-Waste policy in consultation with the waste industry and local & international experts.

d. Definitions of Refuse-Derived Fuel (RDF), Processed Engineered Fuel (PEF), and waste under the POEO Act.

e. Mandated state procurement of recycled content. Incentives for the incorporation of recycled content by industry, which will support the 2025 National Packaging Targets.

f. Waste management licensing to mandate the transparent provision of data to enable government and industry stakeholders to monitor movement of waste streams.

g. Phase-out of problematic and unnecessary materials.

II. Co-design the Strategy with key stakeholders, including councils.

III. Identify gaps in the data required to underpin the Strategy, and prioritise addressing these data gaps and organising centrally-coordinated waste sector data.

IV. Commit to funding implementation of the Strategy with the necessary resources to support a transition towards a circular economy. SSROC recommends that financing should come from the NSW waste levy and that new funding sources are also identified and committed to in the finalised Strategy.

V. Ensure coordinated commitment from all relevant government departments.

VI. Leverage the waste and recycling crisis to galvanise all key stakeholders to collaborate together to redesign and re-establish the NSW waste system. Instead of being behind European countries in this space, Australia has the potential to be an example of how to successfully transition to a circular economy. This means deriving circular economy goals and initiatives that are supported by regulatory, trade, design, tax code and education measures.

Question 6 - Any other information that you would like to contribute to the waste strategy initiative?

Lack of innovation - If we keep doing the same thing we will get the same result. Fund more initiatives like the UNSW program of looking at waste at a molecular level. Place a value on waste: - make it a commodity. CDS is the perfect example. Use the waste levy to fund/subsidise an innovative recycling and remanufacturing industry that will also grow the job market. There is an ever expanding range of products being produced. Product producers must be made accountable for the cost of disposal and/or recycling of their products. ? Recycling content and recyclability of products should be mandated. Lack of Infrastructure - The lack of local infrastructure has made waste management unaffordable due to transportation costs. Community cannot improve their own sustainability by dropping off items for recycling as there is nowhere to take it. Densification of Urban Areas. NSW Government must place a value on waste storage areas in multi-unit dwellings. There should be minimum storage area standards for all multi- unit dwellings so that household items can be sorted for recovery. There should minimum standards for waste and recycling generation rates especially for multi-unit developments. Problem Waste. Make asbestos disposal free by funding the disposal from the waste levy. City of Canada Bay, supports all of the points outlined in the SSROC submission and wants to work with all stakeholders to make the 20-year Waste and Resource Recovery Strategy a success. We look forward to participating in the next consultation phase for the development of the Strategy and as part of our submission, we would ask that you consider SSROC's previous submissions, including: Too Good to Waste Discussion Paper on a Circular Economy for NSW. NSW EPA Waste and Resource Recovery Infrastructure Strategy. Update of the 2009 National Waste Policy. Waste Levy Position Paper