1. ***What are the key issues facing the NSW waste system?***

INFRASRUCTURE PLANNING

- Lack of **strategic planning** (and funding) for waste and resource recovery infrastructure particularly FOGO and FOO processing and transfer facilities.
- Insufficient hypothecation of the waste levy to invest in strategically planned waste and resource recovery infrastructure.
- Waste and resource recovery has not been seen as essential infrastructure in NSW especially in new groewth precincts.
- Sydney Metro commercial transfer facilities being pushed further away with residential encroachment.
- Lack of innovation and collaboration – NSW government and industry need to work together to find a range of solutions at a range of scales – one size doesn't fit all.

- Compostable packaging - The 2025 National Packaging Targets will be ineffective if suppliers move to compostable packaging and there's no facilities (or capacity at) to compost the material.
- The lack of reliable data and transparency of critical information is an issue affecting all waste streams, particularly recycling. Councils cannot track where and how materials are being recycled after they leave Material Recovery Facilities (MRFs). This affects consumer confidence in the recycling system.
- Key research is not shared that underpins decisions such as MWOO (MBT regulations).
- NSW needs consistent education programs and campaigns to assist the community, organisations and businesses follow the waste hierarchy and improve the quality of recycled and recovered materials.
- Australia needs to plan and transition to a circular economy. The European Union, has established policies and invested in infrastructure and technology to support circular economies to ensure secondary materials are used onshore, creating jobs and wealth.
- Product Stewardship schemes need to be cover a broader range of materials that are expensive to recycle e.g. mattresses
- Return and Earn scheme should include other littered products (take-away coffee cups, wine bottles, milk and milk-alternative containers) to increase recovery rates and create cleaner, higher-value recycling streams.
- Lack of policy for all levels of government for sustainable procurement across all material streams (creating an even playing field across government).

2. ***What are the main barriers to improving the NSW waste system?***

- Lack of strategic planning and investment in for waste and resource recovery infrastructure facilities to meet the needs of NSW residents, particularly the Sydney Metro Area. Lack of transfer stations and high value food processing facilities in Sydney Metro (e.g. not low value MBT).
- Lack of policy to supporta transition to a circular economy.
- Inadequate data and central coordination of waste sector data. Data and research 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.
- Lack of consumer confidence in the Australian recycling system and the market being controlled by industry rather than having an outcome focus.

How can we best reduce waste?

- **Circular Economy** - Re-invest NSW waste levy revenue into the waste and resource recovery industry to fund a transition to a circular economy and prioritise infrastructure needs for Sydney Metro and areas of dense population. Evaluate and implement the most appropriate economic instruments that support Australia's transition to a circular economy. Incentivise manufacturers to design for disassembly, repair and upgrade.

- **Reuse** - Investment in and expansion of the reuse sector. Consumers need easy access to affordable repair centres, and inspiring 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.

- **Product Stewardship** - 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. Engage all sectors involved in a products lifecycle in planning for a transition to a circular economy.

- **Recycling** - Urgently invest in domestic reprocessing and recovery of materials collected in the yellow bin recycling stream (e.g. to create high value recycled material for processing into new products). Invest in state-wide behaviour change programs and campaigns that include consistent messaging which is aligned to both facility and market capability. 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, and stimulation of end-market demand for recycled materials including composting facilities for compostable packaging. Phase out and provide economic and regulatory incentives to reduce the use of single-use plastics and problematic and unnecessary materials.

3. How can we recycle better?

- **Commingled recycling** - Improve the quality of 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. The quality of inputs could be via restrictions on types and colours of packaging e.g. Japan restricted PET bottles to clear plastic as colours contaminate and reduce the quality of Recycled PET (rPET) and also required labels to be easily removable. This would include discourage composite packaging.
- Expand the Container Deposit Scheme to other containers (coffee cups, wine bottles, milk bottles etc.).
- Provide minimum standards and codes of practice for MRFs. Develop a standard list of recyclable items that all MRFs have to accept for processing (for example, TetraPak is currently not accepted by many MRFs despite being recyclable).
- Process plastic into pellets ready for remanufacture domestically, increasing its international demand and market value.

- **Circular economy** – Invest in infrastructure and technology to separate products and items to component materials types, distribution/triage centres, repair and refurbishment facilities and services. Invest in innovation at a range of scales to find solutions for the reuse, recycling and recovery of materials.
- Provide economic and regulatory incentives for and independent body to track, report material flows; provide incentives for the highest possible resource recovery (funded by the waste levy).
- Greater investment in waste education programs and campaigns around waste avoidance and reuse. Currently various organisations claim to be the experts providing inconsistent messaging which is not aligned to MRF practices.

- Product Stewardship (PS) targets and regulatory approaches to ensure uptake and compliance with shared responsibility between producers, retailers and consumers. Councils currently carry most of the financial burden of dealing with waste from products rather than the producers and manufacturers.
- Expand and fund the National Television and Computer Recycling Scheme (NTCRS) to include all e-waste (for simplicity any item with a plug).
- Other priority products that require mandatory (not voluntary) product stewardship schemes include polystyrene, mattresses, refrigerators, freezers, air conditioners, textiles such as clothing and carpet, milk and bread crates, solar panels and disposable nappies.

4. What are the main opportunities for improving the NSW waste system?

- A Sydney Metro Plan for manageing food waste – funded through the waste levy with strategically planned infrastructure (transfer stations and processing capacity).
- 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.
- Co-design the 20 year Strategy with key stakeholders, including councils.
- Commit to funding implementation of the Strategy with the necessary resources to support a transition towards a circular economy. SSROC recommends that a portion of financing should come from the NSW waste levy and that new funding sources are also identified and committed to in the finalised Strategy.
- Prioritise waste and engage relevant government departments to strategically plan for waste and resource recovery infrastructure and movement of materials efficiently within the state.
- Use the waste levy revenue for resource recovery
- 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 (incentives) and education.

5. Are there any additional views or information you would like to provide about waste in NSW?

IWC would like to be involved in the collaborative/co-design process to develop the 20 year strategy.
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