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Dear Ms Mackey

### Re: EPA Waste Delivery Plan

The Waste Management and Resource Recovery Association of Australia (WMRR) appreciates the opportunity to provide feedback on the EPA's Waste Delivery Plan and acknowledges the ongoing engagement with the EPA on the plan through our involvement in the Waste Advisory Group.

WMRR is the national peak body for all stakeholders in the essential waste and resource recovery (WARR) industry. We have more than 2,000 members across the nation, representing a broad range of business organisations, the three (3) tiers of government, universities, and NGOs. Our members are involved in a range of important waste management and resource recovery activities within the Australian economy including infrastructure investment and operations, collection, manufacturing of valuable products from resource recovered materials, energy recovery, and community engagement and education.

The NSW government's intent to transition to a circular economy, shifting focus towards safe and sustainable material management are supported by the industry, and we also welcome the government's clear commitment to net zero. Having reviewed the EPA's Waste Delivery Plan, WMRR's NSW Branch Committee has made a number of comments and proposed several recommendations below, which we believe would provide the state with a greater opportunity at success in delivering its priorities embedded in both its Waste and Sustainable Materials Strategy 2041 (stage 1, 2021-2027) and NSW Plastics Action Plan.

1. **The importance of all parts of the supply chain** cannot be, but unfortunately has been, understated in the plan. There remains too little, if any, emphasis on the whole of supply chain, particularly upstream, as evidenced in the continued lack of work in addressing C&D supply chain challenges such as asbestos found in materials wrongly classified and delivered to resource recovery facilities. This issue of unforeseen finds has been discussed at length with the EPA, and it has been reiterated that the WARR sector is the end-of-pipe solution for end-of-life materials. The WARR sector does not generate these materials (or the type of materials produced) nor is the cause of wrong classification; however, it is very determined to work with the supply chain to improve these issues and provide higher order outcomes (than landfilling) in accord with circular economy principles. Key to managing contamination issues – across all

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material streams – is better understanding, including improved design and material selection, of the upstream supply chain.

Whilst it is appreciated that the EPA’s remit may not extend beyond regulating end-of-pipe solutions, it is requested that the NSW government clarifies where the responsibility for improving design and removing barriers (particularly regulatory) to a circular economy reside to achieve sustainable material management in NSW. What is evident in the EPA’s plan, with actions such as to ensure “waste is reduced” and to “manage the risks of problematic, harmful and unnecessary waste” as opposed to designing out problematic, harmful and unnecessary waste, is that the broader emphasis on stages higher up the hierarchy such as avoidance, and steps within circular economy such as design for re-use and repair, which should be the first priority of any credible sustainable material management strategy, are absent.

WMRR acknowledges that while the overarching goal may be mitigating carbon, it is noted that there will still need to be requisite (and primary) focus on material stream management, including resource optimisation and minimisation, to achieve this goal. WMRR commends the NSW government for thinking broadly about climate change; however, notes that this being a WARR strategy, it requires clear articulation of the synergies between the waste management hierarchy, behavioural and consumption changes, and circular economy actions required to drive sustainable material management and importantly, achieve national agreed targets such as 80% recovery and reduction of generation per capita of 10% by 2030.

*Recommendations:*

- WMRR is urging the government to consider how it could place greater emphasis on waste generators to have responsibility for the material they generate; for example, through extended product responsibility (EPR) and obligations to classify correctly (e.g., asbestos) to both mitigate the risk of contamination across all material streams, as well as have responsibility for managing the costs associated with poor material management.
- WMRR queries if the NSW government, perhaps through another department, is developing a separate plan to drive sustainable resource use and material management across the whole supply chain and if this is being done, that we’d would be advised.
- The EPA must consider how this plan, dubbed a “waste delivery plan”, can genuinely drive the original intent of the **sustainable materials** (not waste) strategy as apart from plastic, there is little consideration of material streams and how to optimise these through first and foremost product design, avoidance of pollution and waste, followed by the other actions in the waste hierarchy.
- The EPA is encouraged to articulate its role and responsibilities, as well as actions, in creating end markets for materials and how it proposes to drive resource optimisation across the supply chain to achieve a circular economy.

2. **Achieving our 2030 goals** – it is unclear how the various strategies, when employed, will assist NSW in meeting its 2030 targets, e.g., how does each action numerically achieve the resource recovery target? Further, what are the consequences if NSW does not hit these goals, e.g., in relation to the proposed contestable grants for councils, will local government be penalised if they do not meet their targets, and therefore not be eligible for grant funding?

*Recommendation:*

- WMRR proposes that the EPA develops sector-specific plans aligned to the state's 2030 targets, with clear measures, actions, milestones, and consequences for not meeting these. If these plans have already been developed, WMRR recommends that they be published as a matter of urgency.
3. **Protracted timelines** – there were lengthy delays in releasing the strategies and it is now noted that all other programs and grant funding will only be released at the earliest in HY2 2022 with two (2) only expected in HY1 2023. These long timelines and the lack of milestones to be achieved during these periods beg the question of how NSW can realistically meet its 80% recovery rate by 2030.

*Recommendation:*

- The EPA must consider expediting some of these programs and grant funding, and include milestones (i.e., articulate the actions to be undertaken by a pre-determined date and the outcomes these actions will achieve).
4. **Initiative one (1): diverting organics from landfills** – while WMRR supports initiatives that will divert organics from landfills, diversion should not be the primary component of a holistic long-term solution to the food and organic system; moreover, diversion is not the key principle of a circular economy, rather it is first and foremost designing out waste and pollution. What is currently lacking is the avoidance strategy. Greater consideration also needs to be given to how the significant challenges of rolling out FOGO in certain localities, e.g., remote areas and MUDs, will be resolved ahead of mandating FOGO across all of NSW.

Further, given the revocation of Municipal Waste Organic Output by government in 2018, which a number of councils and operators had significantly investment in, WMRR queries what safeguards will be in place to ensure that the transition to FOGO does not result in similar future action by the NSW EPA or government.

*Recommendations:*

- Greater emphasis needs to be given to food waste avoidance programs as the first priority in managing FOGO waste. WMRR proposes that the EPA undertakes cost-benefit modelling of avoidance programs vs. FOGO in order to develop long-term sustainable programs that will support waste avoidance. In doing so, the government

will mitigate the potential risk of financial sinkholes and stranded assets when consumption behaviour changes (which should be the primary goal).

- The EPA should consider the challenges unique to remote locations and high-density areas where MUDs are commonplace when rolling out FOGO and articulate viable solutions/alternatives for these areas.
- Partners of this initiative need to include market development for FOGO, which may be outside the EPA's remit but must still form part of this strategy.
- NSW government develops a clear strategy that includes regulatory certainty to councils about the future of FOGO in NSW and consider that government underwrites cost impacts associated with regulatory change on industry, which is being considered by IPART.

5. **Initiative two (2): increasing uptake of landfill gas capture and waste-derived biogas** – WMRR believes this is a positive initiative in theory but the devil is in the details. This initiative also needs to be aligned with the overarching goal of 80% resource recovery - we do not want to continue to landfill so as to encourage gas capture; rather, we need to be avoiding landfill.

*Recommendations:*

- Greater clarity and guidance are sought on how this initiative will be aligned to the Emissions Reduction Fund (ERF) and how current ERF participants can transition successfully to the NSW initiative.
- Emphasis also must continue to be placed on maximising resource recovery and only having residuals destined for landfill.

6. **Initiative three (3): building waste sector resilience to climate change** – WMRR believes this program will be valuable but notes that the development of emergency waste management plans will only commence in early 2023. Given NSW and other jurisdictions have learned numerous lessons over the last few years and the available strategies in other states, notably SA, WMRR does not believe that it would take two (2) years to develop a disaster waste management plan, which is incredibly vital for the state.

*Recommendation:*

- The EPA should work with other jurisdictions, particularly SA in developing a disaster waste management plan sooner rather than later and not reinvent the wheel.

7. **Initiative five (5): government purchasing to stimulate the circular economy** – while this is supported by industry, the details are lacking particularly around the requirements to preference and penalties or consequences in failing to do so.

*Recommendations:*

- Local government should be included and required to also meet this outcome.

- The EPA is urged to detail the requirements related to preferencing of recycled content and the penalties in failing to do so. If there are no penalties, then WMRR queries the need for annual reporting given there is no disincentive in underachieving.
  - Timelines and actions to drive the progression of pilot projects to commercialisation are required, alongside specifications, regulatory pathway, standards, and financing models that will assist in commercialisation.
  - Further details are sought on what infrastructure will be captured - beyond built and transport infrastructure - in this program.
  - A broader conversation is required on complex low value materials that cannot be viably recycled and have no long-term end-markets. This is a discussion that has commenced on a national level with all jurisdictions and should continue.
  - WMRR would encourage looking to the success of Victoria in driving uptake of recycled material by Ecoliq and lessons learned to date.
8. **Initiative eight (8): strategic infrastructure planning and investment** – WMRR is seeking the release of significant reports that informed the infrastructure guide as these are key to productive consultations.
- Recommendation:*
- Further detail is sought on how the EPA will resolve the ongoing challenge of extremely lengthy DA and approval timelines.
9. **Initiative nine (9): avoiding plastic waste** – WMRR notes that there is a proposal to develop EPR for plastic litter from tobacco products and queries if this is the most significant priority stream for EPR.
- Recommendations:*
- The EPA should consider rolling out EPR schemes for other plastic waste, in particular hard-to-recycle packaging.
  - The proposed design standards in the plan need to capture more than single-use plastics but also composite (i.e., more than one polymer) materials as well.
10. **Initiative 10: litter prevention** – there is no emphasis on behavioural change programs which is key to litter prevention.
11. **Initiative 11: preventing illegal dumping and strengthening waste crime regulation** – there are a number of positive actions in this initiative, including the proposal that generators pay disposal fees directly to WARR facilities, which WMRR supports. Clarity is sought on how far the licensing requirement extension will go as it appears to only be extended in the area of transportation.

*Recommendation:*

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- WMRR recommends that the licensing requirement is expanded to include waste generators and handlers, similar to the new Victorian Environment Protection Act.

12. **Initiative 12: hazardous and household problem waste** – WMRR supports expanding the range of materials that can be safely accepted at CRCs.

13. **Initiative 15: NSW asbestos coordination committee** – based on the proposed actions in this section, WMRR queries why the WARR sector is a proposed partner given these actions do not appear to relate to WARR. However, there appears to be a missing piece which the industry could provide valuable input to – that of upstream management and classification of this material, i.e., how can we ensure the safe disposal of this material?

*Recommendation:*

- WMRR proposes that the EPA considers developing an asbestos plan that has clear roles and responsibilities across the entire supply chain.

WMRR looks forward to continued engagement with the EPA as it rolls out its delivery plan. Please do not hesitate to contact the undersigned if you would like to further discuss WMRR's feedback.

Yours sincerely



Gayle Sloan

**Chief Executive Officer**

Waste Management and Resource Recovery Association of Australia