



Ms Jo Townsend
Chief Executive Officer
Department of Environment Parks and Water Security
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14 April 2023

Dear Ms Townsend

Re: Improving the Container Deposit Scheme

Thank you for the opportunity to provide feedback on the *Improving the Container Deposit Scheme Discussion paper*. The Waste Management and Resource Recovery Association of Australia (WMRR) is the national peak body representing Australia's \$15.8 billion waste and resource recovery (WARR) industry. With more than 2,000 members from over 500 entities nationwide, we represent the breadth and depth of the sector, within business organisations, the three (3) tiers of government, universities, and NGOs. WMRR's members are also heavily involved in all jurisdictions that currently have refund schemes, performing the role of network operators, operating depots, administering Material Recovery Facilities (MRF) contracts, operating MRFs and operating remanufacturing facilities.

Meeting the 2030 target of 80% resource recovery poses a significant challenge for the NT given the recovery rate across all streams at present is less than 30%, meaning that over the next seven (7) years an additional 270,000 tonnes of material needs to be recovered within the NT. In the absence of a landfill levy, an important economic tool that places a real cost on the value of material to entice investment in resource recovery infrastructure, it is unclear how this target and the linked economic (jobs) and environmental (carbon mitigation) benefits can be achieved, nor the NT's desire to achieve a circular economy.

The discussion paper is a good document that sets the scene for how the scheme has operated in the NT, and WMRR recognises that most of the recommendations from the 2018 review have been adopted. WMRR would encourage the NT to consider recent reviews undertaken for the SA, NSW and Queensland schemes in conjunction with the older, albeit NT specific, 2018 review and 2016 report to ensure that improvements to the scheme reflect current industry operations and align with a common national approach.

WMRR supports, in principle, the NT's proposed expansion in the scope, noting that the NT government needs to support recovered materials becoming part of the manufacturing environment flow to drive circularity and achieve the goals of the *Northern Territory's Circular Economy Strategy 2022-2027*. As such, by increasing the scope of the CDS in the NT to focus on material currently able to be recycled at scale in Australia, the NT will ensure greater simplicity and certainty for the community, as well as increasing the stream of clean materials to enable higher recovery rates. Ideally for greater use in Australian remanufacturing to return this material back into beverage containers.

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WMRR's responses to the consultation questions can be found at **Annexure A**. Please contact the undersigned if you wish to further discuss WMRR's submission.

Yours sincerely

A handwritten signature in blue ink, appearing to read 'G Sloan', positioned below the 'Yours sincerely' text.

Gayle Sloan
Chief Executive Officer
Waste Management and Resource Recovery Association of Australia

Submission:

<p>General</p>	<p>WMRR notes that transition and implementation of the proposed changes have not been discussed in the paper. The NT should consider timeframes and an implementation plan to address issues such as community awareness, stored container eligibility, etc. to ensure a smooth transition. Ideally this should align with timeframes and changes that are occurring nationally to avoid confusion for community and business.</p> <p>Importantly a funded public education campaign on the final agreed containers, in plain language, will be required, as well as agreements with operators and local government to address any impacts that changes in scope will have.</p>
<p>9.1. Reduce container complexity</p>	<p>WMRR encourages the NT to tighten the wording of acceptable containers to ensure that only those containers that are recycled in practice and not simply technically recyclable are included in the scheme (e.g., wine sachets). Whilst WMRR appreciates that the inclusion of all the proposed beverages is designed to keep the scheme simple and certain for consumers, there is a real risk that by including packaging items that are non-recyclable, the government is effectively endorsing greenwashing, leading to community confusion.</p> <p>WMRR agrees that the variety of containers should be expanded, focusing on consolidation of material types and national alignment. The inclusion of additional containers, that have been demonstrated as recyclable at scale in Australia, has the potential to deliver significant benefits in terms of:</p> <ul style="list-style-type: none"> • Reduced consumer confusion about why (and which ones) some beverages are in and some are out. • Greater aggregation of each relevant material type, supporting the ability to deliver circular economy outcomes. • Fairer distribution of collection and processing costs across a broader range of packaging materials. <p>We urge the NT to work with other jurisdictions and agree on a nationally consistent approach to developing and expanding the scope of the scheme. The proposed inclusion of unflavoured milk containers, although a recommendation of the review, is not consistent with current or proposed improvements for other schemes (cost of living pressures) nor a national approach. WMRR has advocated for the continued exclusion of plain milk as the recovery rate of these containers is high and this ensures national alignment.</p> <p>Although not mentioned in the paper WMRR would recommend that stored containers be considered eligible when the scheme expands.</p>

<p>Container lids</p> <p>Should the scheme be amended to require the collection of container lids, and make lid collection more viable for scheme participants?</p>	<p>WMRR recognises that a number of schemes allow for collection of lids with containers and encourages the NT to include this requirement in the scheme. As previously mentioned, this will ensure national alignment and contribute to improving recoverability with producers being held responsible for the collection of lids and may influence design changes to improve recycling (e.g., polymer changes).</p>
<p>9.2. Improved scheme reporting</p> <p>What else can be done to improve scheme reporting?</p>	<p>WMRR supports greater scheme information and outcomes education with the community. This should link in with behavioural change campaigns to raise awareness and return rates of the scheme along with other educational initiatives that are part of the NT’s circular economy strategy.</p> <p>WMRR supports the NT moving to an online system and capturing life cycle data. Given the importance of moving to a circular economy, greater information on the design compliance of containers, their recycled content, and the actual use of the recycled material from the scheme (e.g., how much collected material is used to make new containers, roads etc in Australia) should be captured, to determine whether positive change is being achieved.</p> <p>Ideally a consistent national approach will support this data collection and ensure the schemes continue to drive improved product stewardship.</p>
<p>9.3. Incentivise container returns by setting targets</p> <p>What else can be done to improve access to the scheme, improve container returns, and facilitate refunds to consumers?</p>	<p>WMRR supports the use of targets and encourages initiatives to assist in achieving them. The recent reviews of the SA, NSW and Queensland schemes offer insights that the NT may find useful.</p> <p>The NT should also look to the other schemes for education material and for collection model inspiration/guidance.</p> <p>NT could look to scheme designs in other Australia jurisdictions (particularly NSW and Queensland) that have set clear targets (and penalties) on responsible parties to ensure state-wide and access targets are met.</p>