SYDNEY COASTAL COUNCILS GROUP Inc. PO Box 999 Manly NSW 1655

Email: info@sydneycoastalcouncils.com.au Web: www.sydneycoastalcouncils.com.au ABN: 39 638 876 538



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Environment Protection Authority Independent Review of the Resource Recovery Framework resource.recovery@epa.nsw.gov.au

Dear Sir/Madam,

Re: Independent Review of the Resource Recover Framework – Issues Paper

Thank you for the opportunity to comment on the Issues Paper.

I note that the resource recovery framework aims to divert materials derived from waste away from landfill and back into the economy, supporting circular economy outcomes, whilst ensuring protections for the health of the community and environment.

The review provides an opportunity to re-examine:

- the definition of waste and waste classifications
- the regulatory tools such as orders and exemptions to ensure they provide strong protections for community and environment health and
- opportunities to support circular economy investment and innovation.

There are five objectives of the review, seeking recommendations on:

- How well the framework protects the environment and human health from the inappropriate use of waste
- How well the framework achieves beneficial resource recovery and facilitates circular economy outcomes, including pathways for innovation
- The EPA's ability to take appropriate regulatory action to protect the environment and human health under the framework
- > The framework's transparency, clarity and enforceability
- Options to reform and strengthen the framework which proportionally balance the potential risks and benefits of resource recovery.

The challenges faced by the NSW Government, EPA, industry and community moving to a circular economy are acknowledged and are clearly a long term goal. The SCCG has prepared high level comments mainly about the vision, principles and outcomes needed for resource recovery in moving to a circular economy. Our responses to the questions under the themes posed in the Issues Paper are set out below.

Environment and human protection

1. What other risk-based approaches, sustainability principles or criteria could be used to assess and manage the environmental and human health risks of resource recovery?

Sustainability principles should include the aim as far as possible to use organic and biodegradable materials of minimal harm in the manufacture of products that may end up as waste. There needs to be a body of research that explores alternative organic and biodegradable raw materials to plastics and non-organics for a large range of commodities,



with priority given to the exploration of alternative raw materials to those commodities that are known to be prevalent and/or harmful in the waste stream.

Sustainability principles should strive for a vision of 'zero waste' such that all raw materials are either organic and biodegradable or if non-organic, have a pathway for continuous reuse or recycling. The SCCG considers it is insufficient that a material may be 'reused' as this can be too broadly interpreted. For example, plastic shopping bags made from recycled plastic being 'reused' as plastic bags is fundamentally flawed. What is being produced is simply another plastic bag that will eventually degrade and could join the waste stream. It is only delaying the inevitable. A better definition of the term 'reuse', such as 'perennial reuse' is needed that is consistent with a viable end product that cannot end up as waste.

These principles could be taken a step further by developing criteria for raw materials that mandates the use of organic and biodegradable materials or else, a clear pathway for the perennial reuse or recycling of raw materials.

2. How can the framework be structured to deal with new and emerging waste streams and mitigate the risk of cumulative impacts from legacy and emerging contaminants?

New material entering the waste stream should be assigned a waste classification in all circumstances. 'General' orders and exemptions seem to be a useful classification and there should be a vision to expand upon this classification as products and materials are progressively made from less harmful, organic and biodegradable substances.

It is not clear how the EPA currently assesses risk. In general, the most commonly adopted framework for risk assessment is under the Standards Australia AS/NZS framework. This is a comprehensive framework but it needs to be underpinned with specific consequence and likelihood descriptions and ratings that reflect the nature of the risks being assessed. Regarding the specific aspects of risk raised by stakeholders, the AS/NZS risk framework could be applied using consequence and likelihood descriptions and ratings to cover situations for one-off wastes and/or more variable waste streams and cumulative risks.

Resource recovery and circular economy outcomes

3. What options exist to facilitate better circular economy outcomes and improve certainty for innovation, business, investment and participants within the resource recovery framework?

The SCCG considers that better incentives and penalties should be applied to the whole-oflife cycle for products to reflect the true costs of disposal of materials, once they are no longer useful. Currently, it is too cheap to dispose of materials to landfill as the disposal cost does not reflect the true cost to the environment. In addition, the true cost of depleting resources does not appear to be factored into commodity pricing. There should be a body of work that attempts to cost out the whole-of-lifecycle costs, including impacts on ecosystem services as well as the costs of resource limitation and exhausting finite resources.

4. What specific benefits would an 'end of waste' provision deliver that aren't already provided by the current framework?

The definition of a 'waste' seems arbitrary if the waste product is being re-used or recycled which makes it in effect, a resource. 'End of waste' provisions could be implemented, provided appropriate requirements for the perennial reuse or recycling of the waste have been properly applied to prevent harmful human and environmental impacts.

5. Are there resources being recovered or re-used outside the current exemption framework that would benefit from greater regulatory clarity?

The SCCG is unable to comment on this scenario. However, there are many wastes being generated for which there is no pathway for reuse or recycling. For example, clothing and textiles have insufficient local pathways for reuse and recycling except through charitable



organisations; many of these materials are shipped overseas to underdeveloped countries for reuse but feedback indicates that much of this material is unusable and creates a disposal burden on the receiving country. Greater incentives should be provided to textile and clothing manufacturers to reuse and recycle waste textiles and clothing. Also, there is a waste problem with packaging comprising mixed materials that singly could be reused or recycled but cannot be separated at source such as plastic-coated cardboard and foil-lined plastic packaging. The manufacture of this type of packaging should be prohibited unless there is a pathway for separating and reusing or recycling this type of packaging.

In addition, there are many littered items that end up as litter due to either insufficient valuing of the raw material and/or the final product, especially packaging. The littered items comprise a range of raw materials. The recovery of resources needs to ultimately develop pathways for the proper reuse and/or recycling of all waste products.

6. Does the current waste definition facilitate circular economy outcomes while ensuring protection of the environment and human health? If not, what changes do you suggest?

As discussed and recommended under Question 1, the SCCG considers that having any definition of 'waste' does not fully facilitate a circular economy. All commodities should be made from either organic and biodegradable raw materials or if made from non-organics, have a resource recovery pathway of perennial reuse or recycling. As such, there would be no generation of waste and no need of a 'waste' definition.

Administration of the framework

7. How could the overall transparency and clarity of the resource recovery framework be improved?

The SCCG is unable to comment on this issue.

8. What tools, systems, data or methods could be used by the EPA to better understand the waste being utilised under the framework?

The pilot project licence system used in Victoria appears to have some merit for resource recovery by providing opportunities for tracking how high-risk wastes can be recovered and reused or recycled, as well as tracking how these wastes are utilised and regulating any potential human and environmental harm. The proposal to expand data collection to all users of a resource recovery order to strengthen risk-based approvals and support innovation for industry appears seems sound.

9. What processes could the EPA put in place when determining whether existing orders and exemptions should be amended or revoked due to environmental or human health risks?

Monitoring pollution incidents against thresholds for contaminants in point-source discharges and emissions should be business-as-usual for the EPA and part of regulating licence conditions.

Enforcement of the framework

10. How could the framework be strengthened to ensure responsibility along the whole supply chain - waste generator, transporter, processor, transporter and consumer?

The SCCG is unable to comment on this issue but acknowledges the complexity and challenges faced in regulating the supply chain.

11. What are the strengths, weaknesses and challenges of using the waste classification guidelines and definitions in the context of operating within the resource recovery framework?

The SCCG is unable to comment on this issue.



Summary of recommendations

In summary of the previous discussion, the SCCG supports the following:

- 1. Sustainability principles should include the aim as far as possible to use organic and biodegradable materials of minimal harm in the manufacture of products that may end up as waste.
- 2. Research should be undertaken on alternative organic and biodegradable raw materials to plastics and non-organics for a large range of commodities, with priority given to the exploration of alternatives for those commodities that are known to be prevalent and/or harmful in the waste stream.
- 3. Criteria should be developed for raw materials that mandates the use of organic and biodegradable materials or else, a clear pathway for the perennial reuse or recycling of the raw materials.
- 4. A better definition of the term 'reuse', such as 'perennial reuse' is needed that is consistent with a viable end product that cannot end up as waste.
- 5. 'General' orders and exemptions seem to be a useful classification and there should be a vision to expand upon this classification as products and materials are progressively made from less harmful, organic and biodegradable substances.
- 6. AS/NZS risk framework could be applied using consequence and likelihood descriptions and ratings to cover situations such as for one-off wastes and/or more variable waste streams and cumulative risks.
- 7. Better incentives and penalties should be applied to the whole-of-life cycle for products to reflect the true costs of disposing of materials. There should be a body of research that attempts to cost out whole-of-lifecycle costs, including impacts on ecosystem services as well as the costs of resource limitation and exhausting finite resources.
- 8. Greater incentives should be provided to textile and clothing manufacturers to reuse and recycle waste textiles and clothing.
- 9. The manufacture of packaging made from mixed materials that cannot be separated at source such as plastic-coated cardboard and foil-lined plastic packaging should be prohibited unless there is a pathway for separating and either reusing or recycling this type of packaging.
- 10. The recovery of resources needs to ultimately develop pathways for the proper reuse and/or recycling of all waste products.

If you have any queries in relation to the above discussion, please contact me on M.0407 733 075 or by email at executiveofficer@sydneycoastalcouncils.com.au.

Yours sincerely,

Sarah Joyce **Executive Officer**

