



P O Box 58899
Botany
Auckland 2163

17E Greenmount Drive
East Tamaki
Auckland 2013

Phone: 09 271 4044
pac.nz@packaging.org.nz
www.packaging.org.nz

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By email: basel@mfe.govt.nz

Submission: Managing the trade in plastic waste: New Zealand's approach to implementing amendments to the Basel Convention

Introduction

Packaging New Zealand's role is to represent the interests of industry in public policy on packaging issues. Our members have a primary responsibility and commercial imperative to manufacture 'fit for purpose' packaging. This includes reducing the environmental impact of packaging through cost effective innovation including extended product stewardship where that is appropriate.

Packaging New Zealand represents the whole packaging supply chain, from raw material suppliers, packaging manufacturers and brand owners through to retailers and recycling operators.

The New Zealand packaging industry contributes \$4,338m to New Zealand's GDP supporting circa 5900 businesses and employing over 50,000 people, it also underpins a further \$32b of New Zealand's annual export revenue.

General comments

Packaging New Zealand is supportive of actions which seek to ensure the quality of recyclates and where necessary policy interventions which drive positive change.

Our comments are limited to a general position on the two options proposed in the consultation document, based on unlocking the value of discarded packaging materials.

Our preference would be to see **OPTION 2** implemented.

Option 2 sends a strong signal that New Zealand is committed to applying the same standards of domestic quality to recyclates as it does across the many other areas of exported goods. A key tenant of New Zealand's advantage in international trade.

Packaging New Zealand is not of the opinion that our exporters would have less flexibility to respond to the dynamics of the international market if we were to take this option versus the less onerous option 1 proposal. Businesses operating in the trade of recovered recyclates are already motivated to reduce contamination and increase the quality of the materials they trade, on two counts; financially better quality material attracts a better price and reputationally being a trusted source of quality



material. Only those exporters who operate at the margins of contaminated material bales are likely to be disadvantaged through implementation of Option 2.

Since National Sword was implemented in 2018, together with the subsequent collapse of recycling markets around the world, the tolerance for mixed rubbish, masquerading as recyclates, is at an end. Combined with a drive towards implementing circular economies, the stark reality is that keeping materials in flow requires a degree of quality not previously considered, or indeed attempted to attain.

As all international markets are facing these issues the likely trend will be towards ever better quality, not less, strengthening the case for implementing option 2 which will not only discourage marginal behaviour, but will also drive changes to recovery systems to ensure the availability of long term markets both international and domestic.

We appreciate that contamination levels need to be set at stretch-attainable levels and would encourage robust industry dialogue and cognisance of the scale of adoption of current industry standards such as those issued by ISRI. It will be important to clearly understand the impacts of introducing new standards on available export markets particularly if introduction adds confusion into the market rather than clarity. We would be happy to participate in future discussions in this regard.

Finally, it has been a frustration of the packaging industry for many years that both the available volume and value of packaging material is squandered by a combination of unsuitable recovery methods and a lack of quality standards for the consolidation of recovered materials. As an industry we are committed to reuse and recycling options for our material but without commitment to improving recovery methods and standards in other parts of the supply chain, we will remain unable to unlock solutions.

Your sincerely

Executive Director