

SUBMISSION

by the



PACKAGING COUNCIL
OF NEW ZEALAND (INC)
(PAC.NZ)

to the

**Priority Waste Streams Consultation
Ministry for the Environment**

on the

**PRIORITY WASTE STREAMS FOR PRODUCT
STEWARDSHIP INTERVENTION**

2ND JULY 2014

1.0 Introduction

This submission is from:

Sharon Humphreys
Acting Executive Director
Packaging Council of New Zealand (Inc)

Postal address

PO Box 58899
Botany
Auckland 2163

Physical address

77 Greenmount Drive
East Tamaki
Auckland 2013

Tel: (09) 271 4044

Email: sharon@packaging.org.nz

- 1.1 The Packaging Council of New Zealand's role is to represent the interests of industry in public policy and debate on packaging issues including the role of packaging in reducing the environmental impact of the supply of goods through cost effective solutions and product stewardship.
- 1.2 The Packaging Council represents the whole packaging supply chain, including raw material suppliers, packaging manufacturers, brand owners, retailers and service providers.
- 1.3 We represent more than 80% of the packaging manufacturing industry and 75% of New Zealand's top 100 food and grocery brands. Packaging Council members represent approximately NZ\$20 billion within the New Zealand economy.
- 1.4 The Packaging Council has been directly involved in the development of environmental policy affecting packaging from 1996 when it partnered with Government in developing the New Zealand Packaging Accord. The organisation was involved in developing the 2002 New Zealand Waste Strategy, provided data for the 2006 review of targets and assisted with the research behind the Parliamentary Commissioner for the Environment's 2006 report '*Changing behaviour: Economic instruments in the management of waste*'.

2.0 General Comments

- 2.1 The Packaging Council is concerned that the discussion document does not acknowledge the amount of waste which is currently being diverted through voluntary product stewardship. The document therefore significantly under represents the actual amount of waste being avoided voluntarily, which in our opinion gives an incorrect impression as to the success of current product stewardship arrangements.
- 2.2 *“Some companies, industry associations, and user groups have shown strong leadership, and many have not¹.”* In our opinion this comment infers that industry is simply choosing not to engage in product stewardship. The discussion document does not address potential underlying commercial considerations which may have a significant bearing on why particularly parties are not currently engaging in product stewardship, nor does it discuss the role of the Ministry to understand these considerations and how these might be overcome without resorting to regulations.
- 2.3 The Packaging Council is concerned that the tone of the discussion document implies that the only ‘solution’ is mandatory product stewardship, yet there is no clear explanation of the actual ‘problem’. Does the presence of tyres in landfill justify a mandatory product stewardship scheme? What is the impediment to management of tyres (and any other specialist waste) by landfill operators to address any problems these waste streams may give rise to?
- 2.4 The discussion document makes it clear that the Ministry does not have good data on the current waste streams which brings into question the appropriateness of additional regulatory measures, such as establishing priority products, when the supporting data is not available.
- 2.5 The discussion document appears to suggest that due to the practices of illegal dumping and burning, the ‘answer’ is regulated product stewardship rather than enforcing existing and directly applicable regulations already in place.
- 2.6 The Packaging Council is concerned that a singular focus on reducing the weight of waste to landfill could lead to unwarranted decisions and direction. Modern landfills are environmentally well managed under the Resource Management Act and being

¹ Priority waste streams for product stewardship intervention – A Discussion Document Page 8

commercial operations already factor in the economic value of solid waste disposal. The 'pariah' status of waste disposal to landfill is emotive rather than factually justified and ignores the reality that in New Zealand the challenges of low volumes of waste, needing transport over long distances, makes landfilling an optimum environmental and economic outcome in some situations. There is no apparent regard given in the discussion, of landfilling to regional economics and the practical reality that the options for economic reuse vary considerably throughout the country.

- 2.7 The Packaging Council contend that where value exists in reused products these are already being commercially exploited and have given rise to economically sustainable employment in those situations. Creating an artificial economic operating environment through regulation, where there is no underlying value in the collection and reuse or recycling of materials, is not the best use of limited funding and certainly does not provide a platform for long term job security and skills development.
- 2.8 The discussion document does not address deficiencies in the Waste Minimisation Act which we would consider to be a significant barrier to developing effective and efficient product stewardship schemes. For example, lightweighting of packaging has significant potential environmental benefits across the whole-of-life of a package. A regulatory focus on reducing the weight of packaging material would fail to deliver the targets in a product stewardship scheme where the prescribed measure of success is to increase the weight of materials diverted from landfill. We hasten to add that this is not an argument for additional intervention to secure the data needed to demonstrate effective waste minimisation in all its complexity, recognising that the cost and difficulty of such measures would be significant.
- 2.9 There is inadequate regard in the discussion document for the limitations of product stewardship regulations when it comes to influencing consumer behaviour. Effective product stewardship requires outcomes which are efficient and cost effective for both business and the community and require a primary responsibility to be placed on the 'owner' of the product at each stage of the products life. Consumer behaviour needs to be addressed in the context of the part they too must play in product stewardship.
- 2.10 Any assessment of product stewardship regulation needs to include an analysis of the risk of creating an illogical and unfair trading advantage for imported products versus domestically produced products. Any regulation-driven product stewardship which

imposed costs on domestic producers but not importers would logically shift waste generating activities off shore but achieve no overall positive environmental outcome.

3.0 CONCLUSIONS

- 3.1 The Packaging Council is committed to engaging in product stewardship to the extent that it makes economic and environmental sense. However product stewardship is a shared responsibility amongst all stakeholders, including the consumer. Without clear, consistent messaging and associated programmes which reinforces this, product stewardship will always fall short on delivered outcomes despite the regulations imposed on industry.
- 3.2 The Packaging Council would suggest that compilation of data to support the argument that more regulation is required should be the first priority. Without robust data there can be no comprehensive understanding of the scale of the 'problem' much less the appropriateness of mandatory product stewardship as a 'solution'.
- 3.3 The Packaging Council recommends the Ministry examines individual opportunities for waste minimisation through product stewardship. We do not support the assumption that compulsory product stewardship will result in overall waste minimisation. The Packaging Council would like to offer its assistance in this regard.
- 3.4 The Packaging Council recommends that any commercial discussions include representatives from other Ministries to ensure that a business can engage in product stewardship with the certainty that their actions do not fall foul of other legislative requirements such as the Commerce Act. The Packaging Council is willing to facilitate such workshops amongst its membership.
- 3.5 The Packaging Council understands that each sector of business has its own challenges and is supportive of those businesses taking the lead where they consider additional controls would aid their sector. We contend that the use of regulations should be the absolute last resort and the focus for the Ministry should be to create a platform of enabling business to achieve waste minimisation outcomes rather than creating regulations to compel waste minimisation, other than through existing mechanisms such as the Litter Act and the RMA.