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Waste Policy
Transport Canberra and City Services Directorate
PO Box 158
Canberra ACT 2601

via email: singleuseplastics@act.gov.au

ARA SUBMISSION REGARDING ACT'S TRANCHE-3 SINGLE-USE PLASTICS BANS

On behalf of the members of the Australian Retailers Association (ARA), we thank you for the opportunity to play an ongoing role in the Single-Use Plastic Working Group and provide comments on the third tranche of the ACT's regulations banning single-use plastics.

The ARA is the oldest, largest and most diverse national retail body, representing a \$400 billion sector that employs 1.3 million Australians and is the largest private sector employer in the country. As Australia's peak retail body, representing more than 120,000 retail shop fronts and online stores, the ARA informs, advocates, educates, protects and unifies our independent, national and international retail community.

We represent the full spectrum of Australian retail, from our largest national and international retailers to our small and medium sized members, who make up 95% of our membership. Our members operate across the country and across all categories - from food to fashion, hairdressing to hardware, and everything in between.

The ARA is broadly supportive of tranche three of the regulations, but we do have concerns about some aspects of the governments' proposals, as outlined below. These concerns and subsequent recommendation, as outlined below, have been informed by a survey of our membership, along with engagement with the ARA's Sustainability Advisory Committee.

Survey responses confirmed that ARA members are supportive of bans on single-use plastics, with over 70% agreeing that plastic pollution is a critical issue for the retail sector. However, a lack of national consistency is limiting the capacity of retailers to implement change in an efficient and cost-effective manner.

In addition, a lack of investment by government is impacting the ability of retailers to make tangible change in the space. Unfortunately, we have seen this challenge, and the fragility of the circular economy ecosystem without this form of investment, played out on a national scale with the recent RedCycle failure. The abovementioned survey also found that 72% of members highlighted the lack of recycling and composting infrastructure as a critical issue, with a further 68% saying they had shifted to alternatives at a higher cost without any guaranteed environmental benefit.

With regards to circularity, our survey highlighted that 85% of members believe more work is needed to improve access to the circular economy. As such, the ARA welcomes the ACT Circular Economy Strategy as one of the solutions to the complex single-use plastic problem. We look forward to working with the ACT government and other stakeholders in the roll out of this program to ensure any negative environmental impact is minimised.

ARA RECOMMENDATIONS

1. Timeframes need to be more reasonable

In terms of the reasonableness of some of the proposed timeframes, we make the following observations:

- Retailers need sufficient lead-time to design, test and source safe alternatives to single-use plastics.

- Retailers will need sufficient time to run down stock (particularly of branded packaging concepts) to avoid unintended environmental and financial costs of disposing banned items via landfill.
- Government and regulators need time to resolve for the risk of non-compliance with weights and measures during a transition to non-plastic produce bags. Produce bags should not be banned until all levels of government can agree on a national approach to this issue.

Assuming regulation is enacted by the end of July 2023, the ARA recommends the following timeframes for the phase-out of in-scope single-use plastics in the ACT.

Items	Government proposal	Issues and challenges	ARA recommendation	ARA rationale
Micro-beads	1 July 2023	No issues for retailers. Ban managed by suppliers	September 2023	To align with other states and support nationally consistent phase-out dates
EPS products and packaging	1 July 2023	Inadequate access to safe, cost-effective alternatives Insufficient processing capacity for compostable	March 2024 Moulded packaging September 2024 completed by July 2025	To align with APCO EPS Roadmap
Plastic takeaway containers	1 July 2023	Inadequate access to safe, cost-effective alternatives Insufficient lead-time to design, test and source alternatives Potential food safety risks	No earlier than September 2024	To allow time to source compliant and cost-effective alternatives To align with other states and support nationally consistent phase-out date
Plastic plates and bowls	1 July 2023	Potential food safety risks Adequate lead time to design, test and source alternatives with minimal environmental impact	No earlier than September 2023	To allow time to source compliant and cost-effective alternatives To align with other states and support nationally consistent phase-out date To allow time to develop national standard for reusability and recycled content
Heavyweight and boutique plastic bags	1 July 2023	Difficulty in the sourcing of adequate alternatives, particularly for large, bulky items	No earlier than September 2024	To allow time to source compliant and cost-effective alternatives To align with other states and support nationally consistent phase-out date To allow time to develop national standard for reusability and recycled content
Produce and barrier bags	Future consideration	Risk of weights and measures non-compliance Access to cost-effective alternatives Insufficient processing capacity for compostables	No earlier than September 2024 with one year grace period	To allow time to source compliant and cost-effective alternatives and agree national approach.
Takeaway coffee cups	Future consideration	Inadequate access to safe, cost-effective alternatives Insufficient lead-time to design, test and source alternatives Insufficient time to run down stock Insufficient processing capacity for compostables	No earlier than September 2024 with one year grace period	To allow time to source safe, compliant and cost-effective alternatives, and to allow for investment in appropriate infrastructure.

2. Timeframes for expanded polystyrene packaging need to be nationally aligned

Moulded EPS packaging

The ARA understands expanded polystyrene raises issues with regards to recyclability. We are supportive of a ban but not supportive of the current timeline as it relates to large bulky items and white goods.

Whilst we acknowledge the ACT government is looking to exempt EPS packaging for brown and white goods, we suggest this language should be more inclusive to include a variety of large, bulky items that also fall into this category. This allows for the inclusion of several other domestic items such as BBQs, smokers and outdoor fire pits.

Our members are actively trialling alternatives to EPS in relation to several larger bulky items, including BBQs. Whilst members have had varying degrees of success with honeycomb cardboard, more time is needed to test materials under a range of conditions.

A typical product development timeline for a product is 1-2 years, which includes the development of packaging. Any alternative must be tested under all conditions, as a damaged or unusable product ending up in landfill has greater environmental implications than the use of EPS packaging in packaging of the final product. This is in addition to any commercial loss attributed to the business.

Furthermore, the transition to an alternative requires new and or additional equipment down the supply chain, as well as the training of suppliers on both the alternative product, and the equipment. Whilst retailers are already engaged in this transition, change takes time to implement throughout the supply chain, and more time is needed to properly transition to alternatives.

We therefore recommend that the ACT allows more time for this transition and preferably aligns with the APCO EPS Roadmap.

Plastic takeaway containers

The ARA suggests further clarity is needed on what is included under the scope of plastic takeaway containers, as the current definition is so broad it may inadvertently encapsulate items that government has not anticipated.

For example, the current definition captures containers used in a deli for items which present with liquid, such as those used for olives and semi-dried tomatoes.

The ban would also capture bakery items (baked on site) such as cookies and Danish pastries that are in plastic.

Members have highlighted that there are issues with putting these items in paper bags. Not only will the use of paper bags affect the quality of the product but will also potentially reduce sales as the customer is not able to see what they are purchasing.

In addition, it is unclear whether the scope for these containers also includes those used to store hot items such as soups - and whether the lids of these containers are also in scope. A spill-proof lid is required on these products not only for customer safety, but also to comply with food safety standards. A compliant alternative must be found before a ban is implemented.

Given the short timeline, there is inadequate lead time to source, test and implement alternatives to these products that have minimum impact on the integrity of the product and comply with food safety standards.

The ARA recommends that further clarity is needed around this definition, to understand which items are in scope of the ban.

Heavyweight plastic bags

The ARA suggests that the timeframe for the ban on heavyweight plastic bags is troubling, as retailers need more time to source appropriate alternatives.

Members have highlighted two key areas of concern surrounding heavyweight plastic bags:

- **Plastic bags used for online delivery.** Online delivery services currently use plastic bags to deliver cold or frozen food. During transit, frozen items inevitably begin to thaw, currently this is not a cause for concern as plastic bags are able to retain the moisture without effecting the structural integrity of the bag. Current alternatives, such as paper do not have the same capability. This inevitably leads to holes and breakages in the bag upon delivery, which may not only impact the quality of the product but is potentially also a food safety issue.
- **Plastic bags used for large, bulky items.** Large items purchased in store such as microwaves, pots and pans require heavyweight plastic bags to ensure they do not tear after purchase. Our members are actively trialling alternatives to these bags but are yet to find a suitable alternative.

The ARA therefore recommends that an exemption should be considered for bags that have a high percentage of recycled content (such as 80% +) until appropriate alternatives can be sourced.

EPS food trays

Whilst a number of larger retailers have already commenced the transition to alternatives to EPS food trays, issues remain for smaller retailers who are struggling to find a safe, compliant and cost-effective alternative to EPS trays.

Again, we therefore recommend that the ACT allows more time for this transition and preferably aligns with the APCO EPS Roadmap.

3. Other issues and challenges need to be resolved

In addition to the concerns outlined above, the ARA believes that a number of other issues need to be taken into account throughout the design and implementation of tranche 3.

- **Produce and barrier bags.** An insufficient lead time for products such as produce and barrier bags, will not allow for the sourcing of effective and compliant alternatives. Members are trialling alternative scenarios for produce and barrier bags, with limited levels of success. These trials have notably highlighted that customers are also not ready for this change. Without regulatory intervention, the proposed timeframes will also increase the risk of penalties for non-compliance, which we believe is unacceptable. Produce bags should not be banned until all levels of government can agree on a national approach.
- **Inability to influence global suppliers.** Due to the comparative small scale of the Australian market, Australian retailers have little leverage and influence over global packaging suppliers. This creates immense challenges in the sourcing of suitable and sustainable alternatives, potentially ahead of global demand.

4. National approach needed

Addressing the challenge of plastic pollution remains a critical issue for the retail sector. We need well considered, carefully planned approaches to phasing out single-use plastics to deliver strong compliance and positive environmental results, at the lowest cost to business.

However, the lack of national consistency has made these changes harder and more costly to deliver. The ARA welcomes the proactive approach that state and territory governments have taken in lieu of a national framework, but this approach has resulted in an inefficient and complex implementation, as outlined in the table below.

The ARA strongly recommends that government work closely with industry to understand which timelines are achievable and modifies timelines accordingly. State and territory governments should be working together to implement changes to plastics regulation to make sure that the transition is managed at least cost and risk to business, and without any unintended environmental consequences.

PHASE-OUT OF SINGLE-USE PLASTICS

AR/0:2050
COUNTDOWN TO NET ZERO

STATUS BY ITEM BY JURISDICTION (AS AT 21-JUN-22)	NEXT PHASE OF BANS IN NSW FROM 01-NOV-22									
	ACT	NSW	NT	QLD	SA	TAS	VIC	WA	HOBART	
01 LIGHT PLASTIC BAGS WITH HANDLES (BELOW 35 MICRONS)	● JUL-11	● JUN-22	● SEP-11	● JUL-18	● MAR-09	● NOV-13	● NOV-19	● JAN-19		
02 THICK PLASTIC BAGS WITH HANDLES (ABOVE 35 MICRONS)		○ NOV-24 REVIEW	● BY JUL-25		● MAR-24			● JUL-22		
03 PLASTIC LAMINATED PAPER BAGS WITH HANDLES		○ NOV-24 REVIEW						● JUL-22		
04 PLASTIC BARRIER BAGS FOR PRODUCE AND DELICATESSEN		○ NOV-24 REVIEW		● SEP-23	● MAR-23			● AFTER JUL-23		
05 PLASTIC STRAWS	● JUL-22	● NOV-22	● BY JUL-25	● SEP-21	● MAR-21		● FEB-23	● JUL-22	● JUL-21	
06 PLASTIC CUTLERY AND STIRRERS	● JUL-21	● NOV-22	● BY JUL-25	● SEP-21	● MAR-21		● FEB-23	● JUL-22	● JUL-21	
07 PLASTIC TAKEAWAY CONTAINERS	● JUL-23			● SEP-23	● MAR-24			● JUL-22 (2)	● JUL-21	
08 POLYSTYRENE TAKEAWAY CONTAINERS	● JUL-21	● NOV-22	● BY JUL-25	● SEP-21	● MAR-22		● FEB-23	● JUL-22 (2)		
09 POLYSTYRENE CUPS	● JUL-21	● NOV-22	● BY JUL-25	● SEP-21	● MAR-22		● FEB-23	● AFTER JUL-23		
10 PLASTIC CUPS FOR COLD PRODUCTS		○ NOV-24 REVIEW		● SEP-23	● MAR-24			● OCT-22		
11 PLASTIC-LINED PAPER CUPS FOR HOT PRODUCTS		○ NOV-24 REVIEW			● MAR-24			● AFTER JUL-23	● JUL-21	
12 PLASTIC LIDS FOR PLASTIC AND PLASTIC-LINED CUPS		○ NOV-24 REVIEW			● MAR-24			● AFTER JUL-23	● JUL-21	
13 PLASTIC PLATES AND BOWLS		● NOV-22 (1)	● BY JUL-25	● SEP-21	○ SEP-22 REVIEW		● FEB-23 (4)	● JUL-22		
14 PLASTIC-LINED PAPER PLATES AND BOWLS		● NOV-22			○ SEP-22 REVIEW			● JUL-22 (3)		
15 PLASTIC LIDS FOR PLASTIC AND PLASTIC-LINED BOWLS		○ NOV-24 REVIEW			○ SEP-22 REVIEW			● AFTER JUL-23		
16 POLYSTYRENE PLATES AND BOWLS		● NOV-22			● MAR-22		● FEB-23	● AFTER JUL-23		
17 COTTON BUDS WITH PLASTIC STICKS	● JUL-22	● NOV-22		● SEP-23			● FEB-23	● AFTER JUL-23		
18 PRODUCTS CONTAINING MICROBEADS	● JUL-23	● NOV-22	● BY JUL-25	● SEP-23				● AFTER JUL-23		
19 OXO-DEGRADABLE PLASTICS	● JUL-22	○ NOV-24 REVIEW		● SEP-23	● MAR-22			● AFTER JUL-23		
20 NON-COMPOSTABLE STICKERS FOR FRUIT		○ NOV-24 REVIEW			○ SEP-22 REVIEW			● AFTER JUL-23		
21 POLYSTYRENE PACKAGING (TRAYS, LOOSE-FILL, MOULDED)	● JUL-23			● SEP-23	○ SEP-22 REVIEW			● AFTER JUL-23		

NOTES
 (1) BOWLS WITH LIDS NOT INCLUDED IN NSW BAN (NOV-22)
 (2) TAKEAWAY CONTAINERS WITH LIDS NOT INCLUDED IN WA BAN (JUL-22)
 (3) PLASTIC-LINED PAPER PLATES AND BOWLS THAT MEET COMPOSTING STANDARDS NOT INCLUDED IN WA BAN (JUL-22)
 (4) BOWLS NOT INCLUDED IN VIC BAN (MAR-23)

● BANS IMPLEMENTED ● BANS SCHEDULED ● BANS ANNOUNCED – SUBJECT TO CONSULTATION ○ REVIEWS ANNOUNCED

5. Retailers will need support and assistance

As noted, ARA members are supportive of the phase-out of single-use plastics, but we believe that government needs to invest in assistance and support measures to enhance engagement with the sector and optimise efficient and effective implementation of the proposed bans.

- **Investment in circular economy.** Government should continue to encourage infrastructure investment through the development of reuse schemes that function in line with a circular economic model. This will also avoid unintentional environmental consequences such as increased litter or the contamination of waste streams.
- **Education for retailers.** An education and awareness program is required to assist retailers with both the transition from single-use plastics, and the sourcing challenges they will encounter through that transition. The ARA has a demonstrated history of working with government and retailers to implement complex change. Our resources include an in-house

marketing team and experienced trainers (in the ARA Retail Institute, a Registered Training Organisation) to assist with the design, development and roll out of education programs.

- **Education for suppliers and consumers.** Further resources should be provided to educate suppliers and consumers on the necessity to switch from single-use plastics, as well as those alternatives that are available.

Thank you again for the opportunity to provide a submission to the Department. We look forward to further engagement through the Single-Use Plastics Working Group as discussions progress in coming months.

Any queries in relation to this submission can be directed to our team at sustainability@retail.org.au.

Yours sincerely,



Paul Zahra
Chief Executive Officer