

## **ARA SUBMISSION**

### **SINGLE-USE AND OTHER PLASTIC PRODUCTS (WASTE AVOIDANCE) PROHIBITED PLASTIC PRODUCTS) AMENDMENT REGULATIONS**

FEBRUARY 2024

The Australian Retailers Association (ARA) welcomes the opportunity to provide feedback to Green Industries South Australia (GISA) regarding the Single-use and Other Plastic Products (Waste Avoidance) (Prohibited Plastic Products) Amendment Regulations 2024.

The ARA is the oldest, largest, and most diverse national retail body, representing a \$420 billion sector that employs 1.4 million Australians – making retail the largest private sector employer in the country.

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 in all categories - from food to fashion, hairdressing to hardware, and everything in between.

In South Australia, we represent the interests of small retail businesses as well as our large, national members who operate extensive store networks across the state in supermarkets, speciality retail, pharmacy, hospitality and quick service restaurants.

The ARA has been an active member of the South Australian Single Use Plastics Stakeholder Taskforce and has had the opportunity to share industry perspectives about the impact of plastics bans in that forum.

#### **EXECUTIVE SUMMARY**

The ARA is broadly supportive of the draft amendments and commends GISA on supporting the phase out of single-use plastics with the necessary infrastructure and composting facilities to ensure products are disposed of responsibly.

However, we would like to acknowledge the significant challenges many businesses will face in receiving compostable certifications in line with AS 4736:2006 or AS 5810:2010 by the 1 September 2024 deadline.

Members of the ARA, who are familiar with the process, have advised that the standard timeframe for certification can be up to 18 months, and small businesses may face additional delays and challenges because they may not be particularly familiar with the certification process. In both circumstances, receiving certification for products in line with the commencement date in nine months would be challenging.

In response to these challenges, the ARA proposes that the timeline for compostable products to be certified and labelled be deferred until 18 months after the regulations are gazetted, or a one-year grace period in the regulations be offered.

## COMMENTS AND RECOMMENDATIONS

We make the following comments and recommendation in response to the draft regulations.

### 1.0 SINGLE-USE PLASTIC CUPS AND SINGLE USE PLASTIC LIDS FOR ALL HOT AND COLD BEVERAGES AND SOUP

Whilst the ARA is supportive of the ban on single-use plastic cups and plastic lids that are not certified compostable in line with AS 4736:2006 or AS 5810:2010, the ARA is not supportive of the 01 September 2024 timeline.

#### **Retailers need time to get certified and adjust packaging design**

To replace current plastic packaging with compostable alternatives, retailers need sufficient lead-time to design, test and source those alternatives, and then ample time to get the product certified.

The composting certification process can take up to 18 months, and this does not include time needed for the Australasian Bioplastics Association (ABA) to review the test reports and issue their final certification. As the ABA is the only organisation in Australia which confirms compliance of the certification, there are challenges in a number of businesses seeking certification in the nine months until the regulation commencement date.

For those businesses that have not only commenced the certification process, sourcing compliant products by the 1 September 2024 commencement date is challenging.

Similarly, retailers need adequate time to change the product or packaging design and circulate new stock, which can take anywhere between 9-24 months depending on the size of the organisation. There are also instances where businesses may already stock compliant compostable alternatives but are not yet labelled as such.

The pipeline for the development, design and rollout of new labelling also requires additional time to run down stock (particularly of branded packaging concepts) as well as time to modify the packaging design and roll out new stock.

The current timeline could result in unintended environmental impacts of banned items that do not comply ending up in landfill. As such, the ARA recommends that the timeline for compostable products to be certified and labelled be deferred until 18 months after the regulations are gazetted, or a one-year grace period in the regulation be offered.

This sensible approach will ensure retailers have adequate time to source safe, compliant, and cost-effective alternatives, and mitigate the potential for any unintended environmental consequences.

#### **Government must make education a priority**

The recyclability of single-use plastic cups for hot beverages, in particular, has been a constant source of confusion for consumers, which largely remains today. We think it's critical that GISA ensure the consumer education about end-of-life disposal form a key part of this transition, to ensure that compostable products

are being composted, and do not contaminate waste streams. Government-industry collaboration in this process would be welcomed to research and develop innovative solutions to ensure coffee cups are appropriately composted at scale. As Australia's largest peak body for the retail industry, the ARA is well placed to work with our members and GISA to explore solutions and support roll out.

## **2.0 SINGLE-USE PLASTIC FOOD CONTAINERS, INCLUDING BOWLS WITH LIDS**

Similar to points raised above, the ARA is broadly supportive of the ban on single-use plastic food containers that are not certified compostable in line with AS 4736:2006 or AS 5810:2010. However, the same challenges apply for all retailers in meeting the 1 September 2024 timeline. Retailers need sufficient lead-time to design, test and source compliant alternatives to ensure they suit the needs of the business.

### **Compostable labels not yet available**

In addition, there are challenges in labelling packaging in line with certified compostable standards in Australia as currently there is no certification to Australian Standards for compostable thermal labels for packaging.

Our members have advised that the given thermal label rather than ink-based labels, are the industry standard in Australia, there are challenges for retailers providing appropriate disposal information on packaging.

If consumers purchase a food item that presents in certified compostable packaging, with a non-certified compostable label, there is a risk of the consumer disposing of the product incorrectly, resulting in the contamination of the waste stream; but further the risk of misleading and deceptive conduct under the Australian Competition and Consumer Commission Guidance on Environment and sustainability claimed.

The ARA recommends that the requirement for certified compostable food containers to be clearly marked with their certification details by 1 September 2024 should be amended to allow time for compostable thermal labels to be readily available in the market.

## **3.0 PLASTIC BARRIER BAGS**

The ARA commends GRIA on its sensible approach in allowing compostable barrier bags, in replacement of single-use plastic barrier bags.

As has been seen in the banning of single-use plastics in other states, navigating consumer demand for barrier bags, as well as a general apathy of the consumer to bring their own bag, or pay for an additional bag has resulted in operational challenges for retailers in finding a solution.

Compostable bags offer a multi-purpose solution to produce barrier bags, improving shelf life, reducing food wastage and supporting good food safety practice. As South Australia has already demonstrated, they also provide a re-use option for Food Organics and Garden Organics (FOGO) caddie bags - acting as a compostable, cost-free solution to FOGO bin bags.

The ARA acknowledges the inclusion of compostables is appropriate for South Australia as the infrastructure exists to support their reuse and or disposal at end of life.

### **Barrier bags used for meat, poultry and fish**

The use of these barrier bags for meat, poultry and fish however, present additional challenges that require additional testing and cannot be solved by the 1 September deadline.

Notably, how the consumer uses the bag once they complete their purchase. Members have highlighted that consumers commonly freeze their meat, poultry or fish products in the barrier bag supplied by the retailer, and then upon defrosting at a later date, place the bag in the microwave.

Trials at this stage suggest that whilst these bags are suitable to freeze, they are not suitable to microwave, as when heated they begin to breakdown leading to contamination of the meat product.

To ensure consumer safety, the retail industry needs additional time to develop appropriate alternatives that comply with food safety regulations. The ARA recommends that single-use plastic barrier bags remain in circulation for use with meat, poultry and fish products until a compliant compostable alternative can be sourced.

## **4.0 PLASTIC BREAD TAGS**

The ARA is supportive of a ban of plastic bread tags, granted its application remains solely to bread and or bakery items and other light weight products.

The inclusion of produce (fruit and vegetable) bags in the consultation paper presents challenges for retailers, as these tags are often used for bulkier, large fruit and vegetables such as potatoes, carrots and onions. Not only are these tags used to make it easier for the consumer to transport the heavy products, they also have a functional purpose to ensure the bag withstands temperature changes and any condensation that forms in the bag during the preparation and packaging.

Paper alternatives to bread tags are too weak to hold the produce and can easily become wet and mouldy in the packing environment at the farm.

Whilst there are alternatives available, such as metal closures and sealing tapes, they do not provide the consumer with the ability to reseal the product again at home. This may have an impact on the shelf life of the product, which could lead to unintended environmental outcomes such as increased food waste.

Therefore, the ARA recommends GRIA amend the definition of “bread bag tag” to remove “or other food product bag”, or to amend to exclude fresh produce bags specifically until a more appropriate alternative can be found.

## **5.0 PLASTIC PRODUCE STICKERS**

Produce stickers continue to play a valuable role in the retail supply chain, providing traceability for the product, as well as supporting retail workers and the consumer in correctly identifying product types. Therefore, the ARA commends the department on the decision to allow compostable produce stickers.

However, our consultation with members has highlighted that whilst adoption of compostable stickers is possible in Australia, there is currently no certified compostable adhesive available for the stickers in Australia.

Additionally, it has been highlighted by our members that it is the growers, rather than the retailer who place the produce sticker on produce. To comply with these regulations, growers will need to invest in new or updated equipment to allow for the adoption of compostable stickers.

As compostable glue is not yet available, this process may have to be repeated in the near future when a solution is available which will likely be very labour and cost intensive for growers. Growers will also need adequate time to run down their stock to ensure negative environmental impacts, such as sending of the excess stock to landfill, do not occur.

In consideration of this, the ARA suggests the following options be considered by GRIA:

1. The adhesive used on plastic produce stickers be exempt from the proposed ban , which will allow the broader retail industry to comply with the regulations and move to paper or compostable stickers
2. Do not pursue a ban on plastic fruit stickers until a compliant compostable adhesive is found to mitigate impacts on growers

## ADDITIONAL COMMENTS

### Other items

Regarding the following items raised in the draft amendment, the ARA is broadly supportive of the bans and seeks to make the following comments:

ITEM	ARA COMMENTS
<b>Thick plastic shopping bags</b>	Generally supportive of phase out of bags with handles and a thickness greater than 35 microns
<b>Expanded polystyrene food and beverage containers</b>	Government education is required to support smaller retailers in this transition
<b>Pre-packaged EPS containers</b>	No additional comments
<b>Plastic soy sauce fish</b>	Supportive of a ban on soy sauce fish, acknowledging this does not extend to other single-serve plastic condiment packages
<b>Other plastic confetti</b>	No additional comments
<b>Plastic ballon sticks and ties</b>	No additional comments

### Retailers will need support and assistance

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

- **Financial support to invest in reuse schemes.** Retailers require government support through investment and development of a reuse scheme that functions in line with a circular economic model.
- **Education for retailers.** An education 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. We also have an in-house marketing team to assist with strategy and implementation 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.

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Thank you for the opportunity to provide a submission to this review. Any queries in relation to this submission can be directed to our policy team at [policy@retail.org.au](mailto:policy@retail.org.au).