



# SUBMISSION IN RESPONSE TO THE APCO MEMBER CONSULTATION PAPER – FROM COLLECTIVE ACTION TO SYSTEM IMPACT

MAY 2025

#### INTRODUCTION

The Australian Retailers Association (ARA) and National Retail Association (NRA), which propose to amalgamate into the Australian Retail Council (ARC), represent a \$430 billion sector that employs 1.4 million Australians – making retail the largest private sector employer in the country and a significant contributor to the Australian economy.

Our membership spans the full spectrum of Australian retail, from family-owned small and independent retailers that make up 95% of our membership, through to our largest national and international retailers that employ thousands of Australians and support both metropolitan and regional communities every day.

With a significant portion of every dollar spent in retail flowing back into employees, suppliers, super funds, and local communities, a thriving retail sector benefits all Australians. After a uniquely challenging five-year period, which has had significant impacts on the sector, we are united in advocating for policies, reform and collaboration that will drive growth, resilience, and prosperity for the retail sector and all Australians.

#### **EXECUTIVE SUMMARY**

The ARA and NRA appreciate the opportunity to provide feedback to the Australian Packaging Covenant's (APCO) proposed new Member Fee Model and the 2030 Strategic Plan. On behalf of the ARA and the NRA, we submit the following response to express our position and outline key considerations for the retail sector.

The ARA and NRA acknowledge the urgent need to improve packaging sustainability outcomes, however, the proposed Extended Producer Responsibility (EPR) model outlined in the Consultation Paper imposes significant and unjustified cost burdens on brand owners, particularly retailers, who are already actively investing in and advancing packaging sustainability initiatives. Given these concerns, the ARA and NRA do not support the proposed model.

### Our response to the survey questions is underpinned by the following three key principles:

- 1. Regulatory reform must prioritise national alignment, including through the establishment of a national EPA, with co-operation across state, territory and federal governments;
- 2. Packaging reform must minimise increased cost burdens on industry, ensuring it is equitable, justified, and designed through extensive and transparent consultation; and
- 3. Consumer education requires government leadership, coordination and funding, as opposed to relying on industry to provide additional funding.





### 1. Regulatory reform must prioritise national alignment, including the establishment of a national EPA

We strongly support the need for comprehensive regulatory reform of the packaging system, which must be underpinned by the creation of a national Environmental Protection Authority (EPA) to ensure consistent oversight, enforcement, and investment coordination. Without such a body, industry will continue to face duplicative, fragmented, and inconsistent expectations across jurisdictions, and limited national progress. This will support greater efficiency within the system and provide industry with certainty and consistency on regulations relating to specific materials.

### 2. Packaging reform must minimise increased cost burdens on industry, ensure it is equitable, justified, and designed through extensive and transparent consultation.

APCO's proposal seeks to increase industry funding from approx. \$40m in FY27 to \$273 million by FY30 – representing a significant cost burden on industry, without sufficient data or transparency on how these costs were derived. Any reform, including fee structures and service interventions, should provide appropriate detail and must undergo direct consultation with impacted sectors, including retail. Costs must be appropriate, proportionate, and structured to avoid placing undue pressure on businesses. It should further be noted that given the current cost pressures faced by industry, there is a limited extent to which any further costs can be absorbed. As such, in some cases, these costs will lead to higher prices to consumers.

### 3. Consumer education requires government leadership, coordination and funding, as opposed to relying on industry to provide additional funding.

While we agree that consumer education is a critical element of improving recycling outcomes, we do not support the ongoing expansion of industry funding for such campaigns beyond what is already administered through initiatives such as the Australasian Recycling Label (ARL). State and local governments already play a central role in consumer education. Consumer education must be a shared responsibility, with a coordinated approach across multiple stakeholders such as the government, local councils, APCO, and industry. For meaningful progress, this approach must be collaborative and cannot be solely led or funded by brand owners or retailers. APCO's proposal includes additional funding of \$63 million over four years to support consumer education – a cost that is in addition to operating costs that retailers are currently incurring through the application and maintenance of the ARL on almost 500,000 products. It is entirely unrealistic, failing to recognise the significant cost burden that has been faced by the sector, especially since the start of the decade.

The role of industry is to apply recognised markings, including the Australasian Recycling Label (ARL) or CDS labels on packaging, and consumer education will be more effective once the ARL and/or CDS labelling is on more packaging. Another current challenge is that some brands use non-standard labels and imported non-food products are much less likely to use the ARL or CDS labelling. Industry's focus should be the service payments stream of work, and education instead led by governments. Governments are best placed to fund and execute public awareness campaigns on matters of public policy, as is commonly the case across many portfolios, not least health.





Shifts in consumer behaviour are more likely to be affected by improvements in infrastructure than a focus on consumer education. Consumer education will be more effectively conducted once the bigger challenges of collection, sorting, and recycling infrastructure and systems are in place.

Finally, the lack of clarity in the proposed model, including the absence of detailed implementation scenarios and assurance mechanisms, makes it difficult to assess the practicality and value of APCO's proposed pathway. Until more detail is provided, we do not believe the case has been made for the scale of investment required that ensure fairness of the proposed cost distribution.

#### **RESPONSES TO SURVEY QUESTIONS**

9. How much do you agree that Brand Owners need to take greater responsibility and control of their packaging in the downstream system, to meet the National Packaging Targets (NPTs) and meet community and government expectations?

Strongly Agree

**Agree** 

Neutral

Disagree

Strongly disagree

10. How confident are you that each of the three drivers of change described in section 4 will be effective drivers to increase recycling rates and markets for Australian post-consumer recycled materials? \*

### **Service payments**

Very confident

Somewhat confident

Neutral

Slightly doubtful

Not confident at all

#### **Consumer education**

Very confident

Somewhat confident

Neutral

Slightly doubtful

Not confident at all

### Stewardship and supply chain facilitation

Very confident

Somewhat confident

Neutral

Slightly doubtful

Not confident at all





### 11. Please provide any additional information to explain your response to question 10.

The NRA and ARA strongly recommend the APCO defers the introduction of any EPR Scheme until industry have been extensively consulted on how the funds will be raised, where the service fees will be allocated, and to ensure that the fees generated from any future EPR are reinvested into reducing service payment fees over time, as opposed to increasing fees year-on-year.

Without this assurance, we are concerned the scheme could fail or become unsustainable due to inadequate infrastructure and resourcing.

Scheme and EPR fees cannot be solely based on packaging placed on the market. We also emphasise that industry cannot be the sole investor in the packaging recycling infrastructure and processing infrastructure often administered, or under the responsibility of Local Government and Waste and Recycling Contractors. We emphasise that the EPR should not require businesses to pay extensive fees, but rather encourage the proper design for sustainable packaging, based on APCO's Sustainable Packaging Guidelines, and supported by the Australasian Recycling Label (ARL) and Container Deposit Schemes (CDS).

We note that many State and Territory waste levies can sufficiently provide for the upgrade, investment, and management of Material Recovery Facilities (MRF) and schemes.

Industry is critical to the success of any future EPR scheme. It is therefore vital industry is consulted throughout the process. This allows the flow of updates and insights to a future scheme administrator. It helps ensure that market pressures, supply chain issues, discrepancies in regulations or laws are accounted for, and financial and economic pressures are relayed, and form part of the decision-making process when determining future levies.

A future Extended Producer Responsibility (EPR) Scheme needs to comprise board members, and individual working groups to allow consultation on the setting of fees, to determine business and packaging requirements, and to ensure that fees are invested efficiently and transparently in infrastructure. The ultimate goal should be to reduce duplication (where there are existing and established Stewardship Schemes). For this scheme to succeed and be sustainable, the overall goal must be to reduce the fees borne by businesses, which will be absorbed by businesses or subsequently passed on to the consumer.

Industry is also best placed to establish realistic scheme outcomes and to determine where and how funds can be used to the greatest scheme advantage. We strongly recommend that APCO members and representatives from peak bodies be provided with the opportunity to be part of ongoing consultation on the design and administration of the APCO EPR Scheme.

The National Retail Association and Australian Retailers Association therefore recommend that the EPR proposal is implemented no earlier than 2030 and industry is given adequate time to provide input on the fees, and to understand market gaps, avoid paying high costs, and to avoid duplicating, or double dipping with existing Schemes and APCO member fees. The introduction of an EPR in 2030 and beyond will also allow businesses the opportunity to comply with policies and systems are set.





## 12. What additional interventions could APCO consider helping increase recycling rates, develop markets for Australian post-consumer recycled materials and encourage uptake of reusable packaging?

### Harmonisation of Material Recovery Facilities and kerbside standards

Currently, Material Recovery Facilities (MRFs) can create their own standards. As a result, there are over 500 Councils with different requirements and advice, creating consumer confusion, reducing recycling rates and issuing directions in direct conflict with packaging instructions, including the ARL. Minimum MRF Standards and alignment with kerbside and packaging design standards can assist in resolving these issues.

Consistent and integrated standards along all parts of the supply chain are key to ensuring we lift the recycling rate. For brand owners to invest in new packaging design, including new packaging plant and equipment, they require long-term assurance new packaging will be acceptable in kerbside nationwide or alternatively, that the currently deemed 'non-recyclable' item will not be deemed 'recyclable' in the near future due to technological advances.

Brand owners' confidence to invest would likely increase if national kerbside standards were adopted rather than the current council-by-council approach, which results in vast variances in packaging acceptance nationwide. In short, brand owners need greater certainty so they can confidently design products that can be recycled in all MRFs prior to investing capital in new packaging plant and equipment.

The National Retail Association and Australian Retailers Association supports the creation of national minimum material quality specifications or standards for each point along the supply chain, to maximise the quality, yield, and value of recyclate. These standards could apply from inbound and outbound Material Recovery Facilities through to plastic resin input quality standards, therefore increasing the supply of quality recyclate, and supporting the availability of food grade plastic packaging to stimulate a circular economy.

There are no current definitions of packaging, plastic, product, or reusable. This must be prioritised before future policies are enacted.

### **Invest in Domestic Recycling Infrastructure**

Prioritise funding and policy support for infrastructure that processes highly recyclable materials (e.g., PET, glass, metals) and scales up schemes like soft plastics stewardship and Container Deposit Scheme stewardship, ensuring adequate supply of quality recycled content to meet domestic demand and circular economy goals.

### **Ensure Recycled Content Availability**

Delay recycled content mandates until businesses have assured access to sufficient, verified, and cost-competitive recycled materials, preventing unaffordable price hikes for Australian products while aligning policies to bolster domestic recycling capabilities.

The most important intervention to help increase recycling rates and develop markets for Australian post-consumer recycled materials is for Commonwealth-led regulation. This should include mandated levels of recycled content.





We emphasise that not all packaging can be replaced with recyclable materials or formats. Regulated mandates must only apply when technology exists to enable a change, and when other consumer safety (such as packaging for knives or medicines) and product quality considerations allow.

### Consider incentives to reprocess materials onshore

Inconsistent energy pricing in Australia deters long term investment in recycling plants. A future EPR Scheme, in consultation with industry, could investigate opportunities for investment into subsidies, automation grants, and relief for businesses who are seeking to expand domestic manufacturing capabilities.

#### **Invest more in Australian manufacturing capabilities**

Increasing recycled content mandates, and feedstock via soft plastics pilots, and already established CDSs across Australia can provide the stock to reprocess onshore. Export controls must allow for other materials, fibre and glass to expand onshore recycling capability, and prioritise traceability, and clean streams of materials.

#### **Invest in Infrastructure**

There are credible examples of Australian plants that cannot reach full capacity, without secure, affordable feedstock.

#### EPR policies are implemented no earlier than 2030

We appreciate legislation, and regulatory changes will be required to implement these changes and given the current economic crisis where many citizens and businesses cannot afford price increases, that any future EPR policies are implemented with adequate time. Once industry has been extensively consulted and represented, recycling evaluation systems and policy have been introduced, industry will then need time and support to understand the new Scheme, design alternatives, manufacture and implement changes, incorporate fees, and educate customers. We predict that establishment and policy setting will take at least 5 years, and then further staggered timeframes for industry to implement changes throughout the supply chain will be required.

#### Make the EPR Scheme affordable, sustainable, and able to deliver tangible results

Businesses should not be punished for placing packaging on the market that is required or regulated in accordance with the individual state and territory single-use plastic and/or packaging bans, and instead, state and territory governments must adhere to the new national direction, amending state-based law to align, and pausing any contradictory policy. APCO must drive more work with the Commonwealth, state and territory Governments to encourage harmonisation on single-use plastics and packaging.

We believe that a future EPR Scheme must consist of a board, and individual working groups to consult on the setting of fees, to determine business and packaging requirements, and to ensure that fees are invested efficiently and transparently in infrastructure, and prevented from being used local, state and territory governments to upgrade infrastructure.





### **Data and reporting barriers**

Confirming liability, compliance and providing data is often a time consuming and costly exercise for businesses. For individual SKUs of packaging, this often equates to full time packaging and sustainability employees, and significant financial investment, time and resources into the training, data, compliance and reporting aspect. Funds from levies should be directed to upgrade and enhance current reporting platforms, and to minimise the inconvenience and duplication often placed on businesses.

### Mitigating duplication with current or future Stewardship Schemes

We believe that current EPR Schemes, and critically, the Container Deposit Schemes (CDS) and Soft Plastics Stewardship Australia should not be subject to additional EPR fees or be required to pay levies twice. Under existing CDSs, industry is already required to pay levies which fund both the extensive network of CDS return points and the extraction of CDS containers from traditional kerbside recycling, and have established markets for the materials, and material recovery.

Many existing schemes have established fees and end markets. For existing Stewardship Schemes, including the CDS and SPSA, we support that the Schemes must continue operating under their current obligations, and without additional regulation or mandates.

### 13. How confident are you that APCO's Scenario B will drive higher recycling rates and increase markets for post-consumer recycled materials? \*

Very confident
Somewhat confident
Neutral
Slightly doubtful
Not confident at all

### 14. <u>How confident are you that APCO's Scenario B will support community and government confidence in Brand Owner's leadership in improving downstream outcomes for packaging?</u>

Very confident Somewhat confident Neutral Slightly doubtful

Not confident at all

### 15. <u>Does Scenario B strike the right balance between risk management and achieving improved</u> packaging system outcomes? \*

Yes Somewhat <mark>No</mark>

Unsure





### 16. To what extent do you support Scenario B as the right pathway for APCO to deliver meaningful packaging outcomes by 2030? \*

Strongly support
Support
Neutral
Do not support

### 17. Please explain your answers to questions 13-16 about Scenario B's ambition and balance.

### **Financial Impact**

Higher costs (e.g., \$230.4 - 272.9 million by 2030) challenge businesses, particularly those with high soft plastic usage, but modulated fees align costs with packaging volume, ensuring fairness.

### **Operational Impact**

Requires significant investment in data reporting, supply chain adjustments, and recycling infrastructure, but APCO's support (e.g., calculators, member engagement) eases transition.

### **Implementation Complexity**

Requires coordinated efforts across collection, sorting, and reprocessing, posing logistical challenges, especially for smaller members.

#### **Data Requirements**

Robust data collection and verification for EPR fees and eco-modulation discounts may strain members with limited reporting capabilities.

A potential option to reduce the risk of poor data integrity is to require the larger brand owners, which have the highest tonnage of packaging placed on the market and therefore have the largest EPR fees, to have their packaging tonnage verified by a third party.

### Accountability for smaller suppliers and international suppliers

We note that smaller entities may not contribute to the proposed funding model, and we are unsure of how materials placed on the market by overseas based importers, or packaging directly imported by a consumer will be accounted for.

We propose that there should be an investigation into whether collection frequency needs to be increased or if current recycling bins can handle a larger volume of materials.

#### **Enforcement**

We note that APCO is not a government entity that can enforce regulations. It would however be strengthened if supported by effective enforcement of legislation to reduce the effect of free riders. As an example, we understand that only one prosecution has taken place under the National Environment Protection Measures (NEPM) since the federal government introduced the national packaging targets in 2018.





18. How well do you feel APCO's proposed Scenario B model aligns with your expectations of a national packaging stewardship scheme? \*

Very well

Well

Neutral

**Poorly** 

19. Please provide any additional information to explain your response to question 18.

As we have highlighted earlier in the submission, the proposed fees for Scenario B are significant, especially for industry. We believe that Scenario A could provide an initial baseline, to ensure APCO can tangibly demonstrate to industry that the new EPR structure is both effective in terms of meeting the established goals, and efficient in the use of member funds, and investment into the EPR Scheme. On establishing this framework, APCO will have more of a mandate to potentially expand on the work of current EPR Scheme.

We strongly recommend that the EPR Scheme is not implemented until 2030. This timeframe will ensure that there is more clarity on the Commonwealth's National Packaging Regulations and for Plastics Stewardship Australia (SPSA) to reach operational scale. This will provide an opportunity for existing Stewardship Schemes to work closely with APCO, to ensure a future EPR Scheme complements the existing work currently underway by established Schemes and allows APCO to redevelop its proposal with more detail around how fees are set, how fees are disbursed, and to ensure it is complementary to forthcoming regulation and emerging Product Stewardship Organisations.

20. <u>Do you support APCO's proposed model of a base fee (calculated using the existing annual turnover-based fee model) and a modulated EPR fee (calculated using material fees and each Member's packaging profile)?</u>

Support

Neutral

Do not support

21. Please provide any additional information to explain your response to question 20.

The National Retail Association and Australian Retailers Association strongly recommend that brand owners are exempt from service fee based on the following criteria.

Option a) If they have met the National Packaging Targets

**Option b)** Where brand owners have their own collection and processing activities (e.g., cardboard balers in stores)

**Option c)** If the brand owner is part of an existing Product Stewardship Organisation and has established markets for the processing, sorting and collection of materials





**Option d)** To incentivise redesign, and to align with National Packaging Targets (NPT), APCO provide a pro rata exemption for partial achievement against the NPTs.

To encourage transparency and industry investment, the National Retail Association and Australian Retailers Association recommend APCO create an advisory council, composed of the larger retailers, industry, and major brand owners by weight of packaging placed on the market. This structured Council would advise the APCO Board. It would assist in ensuring that member fees deliver a meaningful and measured return on investment, underpinned by accountability and transparency. The council would also help provide oversight to ensure the funds provided to industry is appropriately used for its intended purpose.

### 22. What factors are of greatest concern for your organisation in considering potential fees for the financial year 2026-27? Please rank in order of importance.

- 1. Total cost impact on our business
- 2. Opportunities to participate in the design of the cost allocation model through consultation
- 3. Fairness of cost allocation across Members
- 4. That fees will not be double charged if already paid in other schemes (e.g., CDS)
- 5. Assurance that the fees will lead to meaningful system improvements
- 6. Protection from competition from free riders
- 7. Ability to influence community and government perceptions of industry led EPR for packaging
- 8. Another not shown here (Open Ended)

### 24. Please provide any additional information to explain your response.

Ensure that cost-efficiency remains at the forefront of an EPR Scheme. Businesses already invest significant amounts of funding, time, and resources to introduce and maintain sustainable packaging on the market, and this effort must be rewarded.

The core function of packaging is to provide products in a safe, affordable, and accessible manner. We note that adding a fee to every piece of packaging through an EPR scheme will increase the price of goods and have a significant impact on the household budget, like a GST. Environmental and circular benefits must be reviewed and balanced with practical realities of delivering safe food and products to Australian citizens without undue impacts on cost of living. It is critical any proposals are properly modelled to assess potential inflationary impacts. We recommend ongoing review systems and an independent accountability and audit framework to assess flow-on impacts and avoid unintended issues.

25. If new packaging stewardship schemes were introduced, how important would it be for APCO to handle all EPR fee billing and data reporting obligations as a one-stop shop? \*

Very important

Somewhat important Neutral Not important





### 26. How effective do you think the modulating discounts set out in section 8.4 (Table 20) would be in incentivising changes to packaging design? \*

Very effective Somewhat effective Neutral Not effective

### 27. Please explain your response to question 26.

Multiple packaging formats are often required to retain hot liquids, maintain temperature and safety of a product, prevent microbial growth or contamination, prevent against spillage and loss, seal food and beverages securely and to ensure food, beverages and products can withstand changes in temperature and during storage and transportation. Businesses should not be punished for using mixed materials and must be allowed an opportunity to explore potential stewardship for their products, and additionally, a mechanism for businesses to outline why they must use specific materials, or multiple polymers.

Mechanisms for businesses to outline why they must use specific chemicals, additives or chemicals, and ways for businesses to understand how they can redesign packaging, or where there are potential market opportunities and research and development opportunities that can assist them to reformulate or change their packaging.

For difficult packaging formats, businesses should be encouraged to explore if specific materials that fall under, as an example, A, B, C, D can be categorised together, and processed under one single, stewardship scheme, or a collection that could be administered by a Local Government Area (LGA) in addition to current collection services.

As outlined previously, it is critical that businesses that have adopted the Australasian Recycling Label (ARL) or Container Deposit Scheme (CDS) labelling are not unduly punished for packaging placed on the market. Minimum MRF Standards and alignment with kerbside and packaging design standards can assist in resolving these issues.

28. <u>How effective do you think each of the levers outlined in section 8.5 to increase demand for Australian post-consumer recycled materials would be? \*</u>

Service payments set at a level that is sufficient to enable materials to be placed on the market at a competitive price, including for packaging-to-packaging use

Very effective

Somewhat effective

Neutral

Not effective

Modulating discounts on APCO Member fees for PCR content in packaging

Very effective

Somewhat effective Neutral Not effective





### **Market development**

Very effective
Somewhat effective
Neutral
Not effective

### 29. Please provide any additional information to explain your response to question 28.

Australia is the only country in the world to have enacted legislation on the export of recycled commodities, through the *Recycling and Waste Reduction Act 2020 (RAWR Act)*. The current approach results in the treatment of manufactured materials as waste, adding cost and delay to the trade of recycled commodities and fundamentally undermining investment in domestic recycling infrastructure, including nearly \$230 million contributed by government through the Recycling Modernisation Fund.

In particular, the current export licensing process is unclear and inefficient, and impedes the trade of Australian recycled polymer commodities. This is a perverse situation, given the unprecedented investment into recycling capability to produce this material, while, at the same time, there are no impediments to importing virgin and recycled polymers into Australia.

As outlined previously, we believe that APCO can lead the policy discussion to consider incentives to reprocess materials onshore, invest in more Australian manufacturing capabilities, invest in programs that encourage domestic content and work with government to provide industry with the opportunity to expand onshore domestic manufacturing capabilities, prioritise traceability and clean streams of materials.

### 30. Which of the following best describes how your organisation prepares packaging data for APCO reporting\*:

Externally audited (by a third party)

Internally reviewed through a management system process (via a quality management system such as ISO, that requires an internal audit schedule)

System derived (this could be a report generated from an ERP, such as SAP, Oracle, MYOB, etc.) Manual calculation (i.e. the Optional Calculator Tool, provided by APCO)

Estimates (used for where packaging specifications are unknown, and therefore packaging metrics have been estimated)

Another not shown here (Open Ended)

This question is not applicable to my membership type

### 31. How confident do you feel that you can provide more detailed packaging data for APCO reporting? \*

Very confident Somewhat confident Neutral Slightly doubtful Not confident at all

This question is not applicable to my membership type





### 33. What would be the biggest challenge for your organisation in adapting to a new cost allocation model in the future? \*

#### Cost of fees

Access to detailed/accurate packaging data

Administrative burden of enhanced reporting

Lack of internal resources to take advantages of opportunities such as modulating discounts and participation in stewardship and supply chain facilitation activities

Other not shown here (Open Ended)

This question is not applicable to my membership type

### 34. Please rank the following material types in order of priority for your business for early action in the EPR model delivery, with 1 being the highest priority.

Paper & paperboard

Rigid Plastic

Flexible plastic

Glass

Metal

Reusable packaging

Other – All Material Types

#### 36. Which Stewardship schemes are important to your organisation and should be considered? \*

Aerosols

Agricultural packaging

Expanded Polystyrene (EPS)

Hazardous chemicals

Large format plastic food containers

Lubricating oil packaging

Personal care packaging

Pharmaceutical care packaging

Polymer-coated paperboard

Another not shown here (Open ended)

None of these / This question is not applicable to my membership type (Single code)

### 37. What support, resources or transitional mechanisms would help your business to effectively implement the changes proposed in Scenario B?

Greater Industry collaboration for an EPR Scheme in 2030 as outlined previously in this submission.





### 38. <u>Is there any other feedback you wish to provide on any matters covered in the consultation paper?</u>

Harmonised legislation is the most important thing for businesses in Australia. We believe this will lead to improvements in recycling infrastructure and a higher share of recycled materials. This will make it easier for business and industry to comply and to allow industry the opportunity to access to secondary raw materials, and domestic recycled materials.

While the National Retail Association and Australian Retailers Association support the premise of the introduction of a future EPR Scheme, we strongly recommend that APCO work with industry members to establish to create an advisory council, composed of the larger retailers and major brand owners, with membership reflecting weight of packaging placed on the market. The Council would advise the APCO Board and ensure that funds are distributed in ways that deliver a meaningful return on investment. The Council would also help provide oversight to ensure the funds provided to industry is appropriately used for its intended purpose, and to engage regularly, and consistently with our members and retailers on timelines and the approach.

We stipulate that more engagement and consultation is required with industry, and technical experts and working groups, to understand the implications of packaging obligations. As we have outlined, we believe that specific materials are required for packaging, and current single-use plastic bans have forced businesses to provide products that would be potentially restricted or unable to meet the requirements as set out in the Sustainable Packaging Guidelines or National Packaging Targets.

A staged approach, and ongoing industry consultation could provide certainty to businesses, however we do not believe that the EPR Scheme should be introduced before 2030.

#### 39. If you wish to provide any written submissions or supporting documents, please upload here.

Should you have any questions or wish to discuss this submission, please do not hesitate to policy@nationalretail.org.au