

A Federal action plan for Australian recycling



May 2025

Who is ACOR?

Australia's peak body for resource recovery, recycling & remanufacturing.

Committed to leading the transition to a circular economy through the recycling supply chain.





Recycling is the link that closes the loop in a circular economy!





International commitment

- UN Global Alliance on Circular Economy and Resource Efficiency (GACERE)
- Global agreement to combat plastic pollution
- EU Circular Economy Package and Action Plan promoting a circular economy through recycling, reuse, and resource efficiency
- UK Plastic Packaging Tax on plastic packaging with less than 30% recycled plastic



Australian priorities

- Achieve a circular economy by 2030
- National Packaging Targets (100% reusable, recyclable or compostable)
- National Waste Policy Action Plan (80% resource recovery by 2030)
- Recycling Modernisation Fund
- National framework for recycled content traceability
- Packaging reform to minimise waste, maximise recovery, reuse and recycling





Progress is lagging...



National waste and resource recovery report 2024

PREPARED FOR		
Australian Gover	Ement	
Department of Climate Ch the Eavironment an	ange, Ewergy, d Water	
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- 80% resource recovery target by 2030
- Total waste generated has increased
- Australia's recycling rate only slightly increased to 66%
- Producing more plastic waste and recovering less (12.5% recovery rate)
- No clear progress on packaging reform



...but the recycling sector is geared for growth

- Growing 1.5 times faster than
 Australia's economic growth, over last
 10 years
- Employment expanded 4 times faster than national employment, over last 10 years
- Recycled over 47 million tonnes in 22/23
- Contributes almost \$19 billion to the Australian economy





Waste Management *≠* Recycling

Waste management is a logistical enterprise: movement, treatment, containment of waste. <u>An essential service</u>





Recycling is a remanufacturing supply chain: turning recovered materials into new products.











Processing includes separation, sortation, baling, size reduction, cleaning and refining of materials...









Recycling roadblocks

- Lack of market demand for domestically recycled materials
- Misaligned and fragmented regulatory frameworks prioritising risk elimination over circular outcomes and indefinitely classifying recovered resources as waste
- Policy uncertainty surrounding packaging reform
- Product stewardship schemes lack consistency and accountability, undermining recycling outcomes
- Batteries and consumer electronics causing fires that threaten Australia's recycling infrastructure and workers' lives



Australia is a net importer of products, all of which end up in domestic waste streams at end of use; where the priority is recycling.

There must be robust and viable markets both domestic and international—for locally produced recycled commodities.



Lack of market demand

- Australia is a **net importer of finished goods**
- All products and materials distributed in Australia ultimately reach Australian waste streams
- Export regulations require domestic processing but current administration hinders trade of processed recycled product
- **Domestically recycled material** must have a market
- **Market barriers** for domestically recycled materials include:
 - **Cost competitiveness** with cheaper virgin and imported materials
 - **Reluctance to change** within supply chains
 - Standards & specifications that preclude recycled content
 - Lack of incentives
 - Particularly critical for domestically recycled **plastics**



Impact of export regulation

- Recycling and Waste Reduction (RAWR) Act 2020 provides the legislative framework to regulate the export of unprocessed waste plastic, glass, tyres and paper – supporting good outcomes and industry confidence in domestic recycling.
- Current export licensing system is not fit for purpose: costly and inefficient; does not sufficiently distinguish between waste and recycled commodities; largely unenforced.
- Urgent need to streamline export licensing in order to enable access to markets and support domestic recycling rates and ramp up compliance.
- Review of RAWR Act presents opportunity to improve.



Driving demand for Australian recycled content

- Prioritise procurement of
 Australian recycled content in
 Government-funded projects,
 underpinned by a traceability
 framework for recycled materials
- Streamline export licensing for processed recycled products





Australia's packaging regulation is overdue for an overhaul!



EPR for packaging overdue!

- National Environment Protection (Used Packaging Materials) Measure
 - Co-regulatory framework: voluntary industry action and government regulation
 - First gazetted in 1999 focused on waste reduction
 - 2011 update more emphasis on resource recovery and life-cycle management
- The current co-regulatory framework has failed
 - 2021 Independent Review found current co-regulatory system to be ineffective
 - 2025 National Packaging Targets, overseen by APCO, will not be met
 - States and Territories have not met their commitment to support enforcement
 - Regulatory uncertainty and widespread non-compliance, enables free-riders
 - System lacks incentives, penalties and governance mechanisms needed to drive meaningful change in packaging design or recycling outcomes
- A stronger national approach is needed
 - Mandatory Extended Producer Responsibility (EPR) scheme that includes traceable, enforceable obligations for producers, ecomodulated levies, design standards, proper labelling, and investment in end-market development for domestically recycled material
 - Need to avoid fragmented State-based approaches (such as the Single Use Plastic Bans)



Packaging reform priorities

- Expedite mandatory national extended producer responsibility for packaging, prioritising recoverability, recyclability, traceability & Australian recycled content.
- Ecomodulated levies as a market signal to encourage sustainable design and incentivise use of domestic recyclate.
- Embed mandatory minimum thresholds for traceable, verified recycled content that meets strict environmental standards.





Batteries—in loose or embedded form—are an alarming hazard in conventional kerbside and commercial waste and recycling streams.



Batteries and consumer electronics: overarching situation

- Rapid digitisation and proliferation of 'disposable' electronics
- Consumers not sufficiently aware
- Lack of comprehensive access to safe disposal locations
- Regulatory gaps, inconsistency, confusion
- Product stewardship schemes do not cover all electronics







Industry survey: Battery fires in waste & recycling June 2024

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PRAGMATIC



Between 10,000 and 12,000 battery-related fires a year across waste and recycling streams in Australia.



Battery related fires: costs & impacts

- Average cost increase of \$400k+ per business (damage, repairs, insurance)
- Upfront costs: \$75k-\$800k per site for fire systems, plus battery-safe bins, extinguishers
- Ongoing costs: \$20k+/year for training; \$5k-\$15k/month for monitoring; \$20/kg battery disposal
- Truck fires: ~\$24k clean-up; ~\$250k vehicle replacement
- Major rebuilds: e.g., MRF ~\$60m
- Broader impacts: disruption, reputational harm, lost revenue, and worker injury



Community education





Many consumer electronics and batteries not covered by stewardship schemes...



Flashing wristbands



Electric toothbrush





Damaged batteries



Hoverboard



Shoes and skates



Emergency lights



Scrunchies



Digital pregnancy test



Polymer Li-ion batteries



Vapes

...most are not commonly recognisable as 'batteries'



There are no comprehensively accessible 'safe disposal' options for many items with loose and embedded batteries.

Recycling information

Please do not dispose in your kerbside bins



Vape

Dont put these in any kerbside bin

Alternative Disposal Locations

Unavailable for this item



There is little point telling the community not to 'bin' their batteries or electronics if there are no available alternative disposal options.



Lives are at risk. Action must be taken before a worker is killed in a battery fire. Many injuries already.







Key message must be about **safe disposal** of batteries and consumer electronics.



Urgent action needed for batteries and consumer electronics

- Implement national extended producer responsibility regulation for all consumer electronics, including batteries and batterycontaining products.
- Launch a national campaign, supported by Recycle Mate, to educate the community about the safe disposal of batteries and consumer electronics.





Product stewardship in Australia

- Establishment of a scheme prioritised as an end in itself, rather than delivery of robust outcomes, leading to inefficient and duplicative systems.
- Many schemes cater to brand owners above the interests of the rest of the supply chain.
- True cost of recycling is not properly reflected.
- Self-reporting with little benchmarking or tangible targets, lack of transparency, consistency, accountability and effectiveness.
- Material collection often counted as 'success'.
- Lack of clarity about where Governments will intervene with product stewardship measures, impacting on investment certainty.



Recycling is not free or cheap in Australia: costs include labour, energy, logistics, adherence to stringent environmental and safety regulations.



Product stewardship priorities

- Strengthen the Product
 Stewardship Accreditation
 framework to ensure robust
 scheme governance,
 accountability, and genuine and
 scaled recycling outcomes.
- Establish a transparent 'Trigger Framework' to determine when a product stewardship scheme is required.





Resource recovery is the regulatory exception rather than the rule.

We're recycling through regulatory loopholes!



Fragmented & misaligned regulations

- Lack of alignment between environmental policies and circular economy principles
- **Fragmented** regulatory frameworks across jurisdictions
- Lack of consistent 'end-of-waste' criteria increases complexity and impedes investment
- **Contaminants** regulated at end-of-pipe, rather than at source
- Uneven regulatory playing field with virgin material
- Lack of distinction between waste management and recycling impacts market confidence in recycling processes and outcomes







Need for nationally harmonised resource recovery rules

- Government-led body to deliver a nationally harmonised regulatory framework for resource recovery and recycling, underpinned by defined end-of-waste criteria, to boost productivity and support circular economy goals.
- Support the implementation of an Australian Recyclers Accreditation Program.





A national agenda to unleash the full potential of recycling!

- \checkmark Strong end markets for Australian recycled material
- ✓ Expedited national packaging reform
- ✓ Urgent action to address the hazard of batteries and consumer electronics
- \checkmark Product stewardship that ensures genuine recycling
- Nationally harmonised resource recovery rules to boost productivity



