

# A circular economy for soft plastics in Australia

September 2023

The Australian Council of Recycling (ACOR) welcomes industry, government and community commitment to support a circular economy for soft plastics in Australia.

As the peak industry body for the resource recovery, recycling, and remanufacturing sector in Australia, our mission is to lead the transition to a circular economy through the recycling supply chain.

The Australian Government has prioritised onshore processing of recovered plastic, as signatories to international conventions that address the prevention and minimisation of plastic waste, and as a global leader in enacting measures to ban the export of plastic waste.

A holistic approach, underpinned by product stewardship and investment, must be taken to deliver a circular economy for all types of plastic. In particular, soft plastics have risen to the fore in terms of public scrutiny and concern. With around 360,000 tonnes of soft plastics placed on market in Australia annually, this material presents both a major challenge and opportunity.

Soft plastic is a complex and problematic material in terms of recycling—reflecting a lack of design standards, recovery systems, processing infrastructure and genuine markets in Australia. But that does not necessarily make the challenge an unsolvable one.

A collaborative, collective, whole-of-system transformation will be required to deliver circular outcomes for post-consumer soft plastics. This entails committed product stewardship and meaningful investment by manufacturers and brand owners who are responsible for soft plastics in the supply chain.

As a transition unfolds, it is also essential that the trust, confidence and engagement of the Australian community is upheld, with public expectations realistically managed—especially in light of recent widely publicised failures in the soft plastic recycling systems.

It is also essential that the suitability of existing recycling infrastructure is properly considered. For example, it has been proposed that post-consumer soft plastic packaging could be collected via kerbside recycling. Australia's long running and well-established Material Recovery Facility (MRFs) infrastructure, through which kerbside recycling is sorted, is designed to process a limited range of material streams. Any changes to these streams must be very carefully appraised in light of the technical and physical limitations of each of these facilities, and the sites on which they are located, the effect on the commercial viability of currently sorted materials, and the community education and engagement required to avoid further contamination of recycling streams.

To support a sustainable circular economy solution for soft plastic, we must ensure that all parts of the circular economy are in place, are properly funded, fit-for-purpose and work together. Single point solutions won't achieve the outcomes needed for us to be successful in addressing this key challenge.

A transition to a circular economy for soft plastics will require a mandatory product stewardship scheme that invests in a comprehensive, scaled, economically viable and circular supply chain, which will ensure:

- A **practical and accessible collection system**, to efficiently aggregate post-consumer soft plastics at end of use;
- **Sorting and consolidation capability**, to receive, sort, consolidate and prepare material for processing;
- **Processing and manufacturing capability**, to reprocess and remanufacture these materials at scale, ensuring quality, retaining value and serving customer demand;
- An **economically viable and sustainable market** for transformed soft plastics.

Such a system must be underpinned by an aligned and supportive regulatory framework that:

- Ensures the recyclability of soft plastics through strong **design** parameters;
- Drives **demand** for Australian recycled content in soft plastic packaging and other high-quality applications;
- Supports investment confidence and enables delivery of necessary **recycling infrastructure and processes**;
- Ensures **product stewardship**, meaningful investment and ongoing commitment by manufacturers and brand owners.

Reflecting these factors, an end-to-end circular system for soft plastics will require significant scaled investment across the entire value chain. This value chain will need to be carefully mapped out to ensure that there is a clear understanding of the necessary infrastructure and market interactions at each point, addressing domestic and international opportunities.

Given the complexity of the material, the current technological landscape, the diverse regulatory frameworks and uncertain markets for recycled commodities, this task, and the commitment involved, should not be underestimated and significant work needs to be done to better comprehend the entire value chain for soft plastics.

As a part of building a circular system, ACOR believes it is necessary to work closely with the supply chain and other stakeholders to assess an end-to-end value map; ensuring that any scaled plan for high quality recycling of soft plastics is fit-for-purpose, practically implementable and economically viable.

## **About ACOR**

The Australian Council of Recycling (ACOR) is the peak industry body for the resource recovery, recycling, and remanufacturing sector in Australia. The Australian recycling industry contributes almost \$19 billion in economic value, while delivering environmental benefits such as resource efficiency and diversion of material from landfill. One job is supported for every 430 tonnes of material recycled in Australia.

Our membership is represented across the recycling value chain, and includes leading organisations in advanced chemical recycling processes, CDS operations, kerbside recycling, recovered metal, glass, plastics, paper, textiles and e-product reprocessing and remanufacturing, road recycling and construction and demolition recovery. Our mission is to lead the transition to a circular economy through the recycling supply chain.

### **Australian Council of Recycling**

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