

# Re-imagining Australian Recycling

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# Welcome!



APR - a collector and processor of cardboard, paper and plastic and a manufacturer of plastic, with some 5 facilities in Victoria, and currently recycling some 156,000 tonnes per annum of material



BINGO - an ASX listed recycling and waste management company across NSW and Victoria currently recycling over 1m tonnes of material.



CLOSED LOOP - a facilitator of whole-of-supply-chain resource recovery solutions such as the Simply Cups coffee cup recycling program



NAWMA - a local government processor of kerbside recycling and other materials, with a new mid-tier MRF in Northern Adelaide, and currently recycling some 30,000 tonnes of kerbside recycling material annually



# Overview

- Australian recycling's current dynamics
- Barriers, drivers and trends impacting Australian recycling
- Overcoming the barriers, harnessing the drivers & surfing the trends to achieve a sustainable, results-based system
- Immediate recommendations

# Current Dynamics

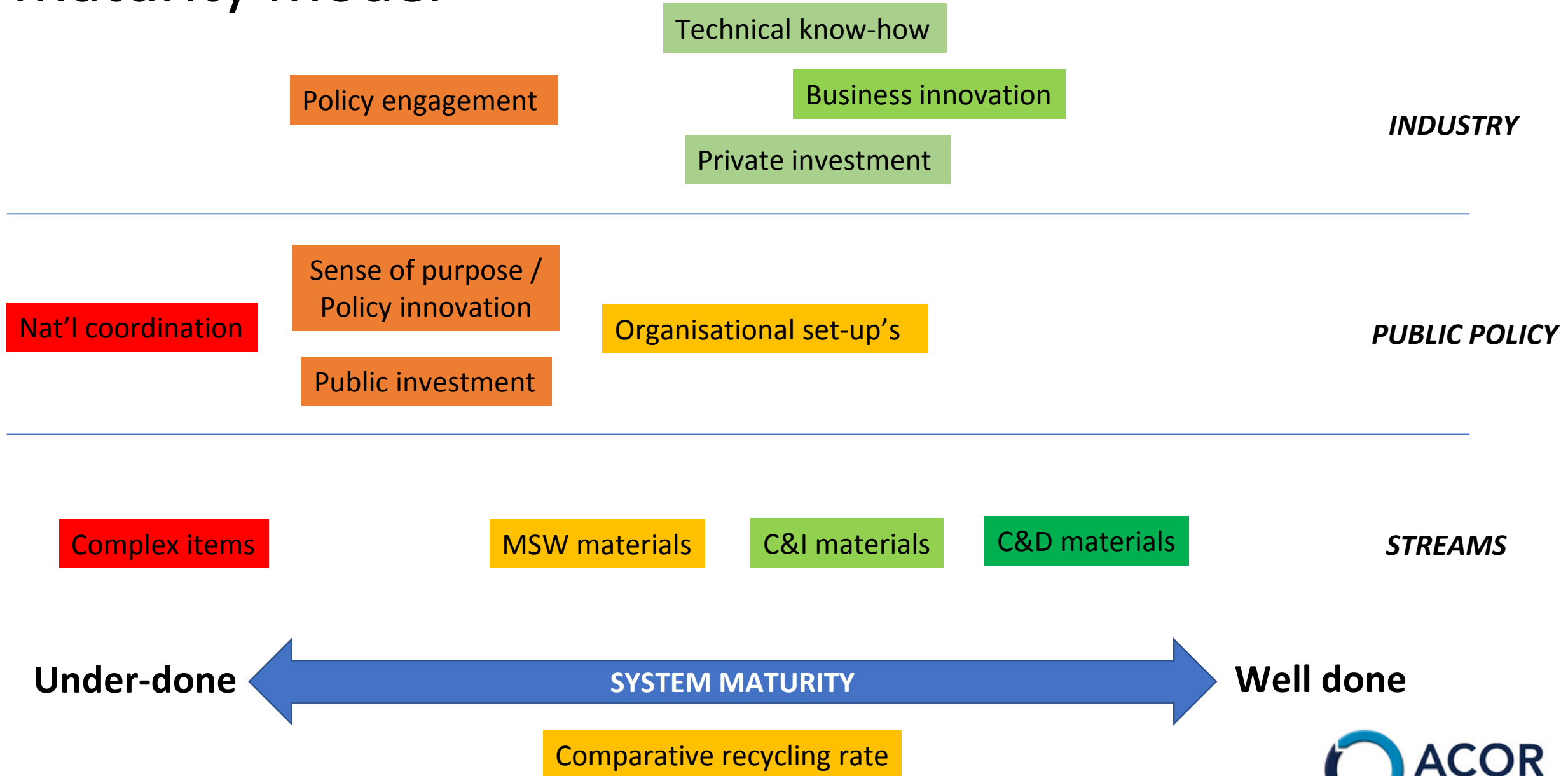
- 60% or so recycling rate but stats.. middle-ranking performance compared to the world
- Industry: 50K employees; \$20b value; .5% of GDP versus ag's 3%
- Waste disposal levy as key policy lever (NSW, WA, SA, Vic, Qld) together with recovery targets (that are largely w/o consequences)
- Fragmented policy approach reflects Federal governance model

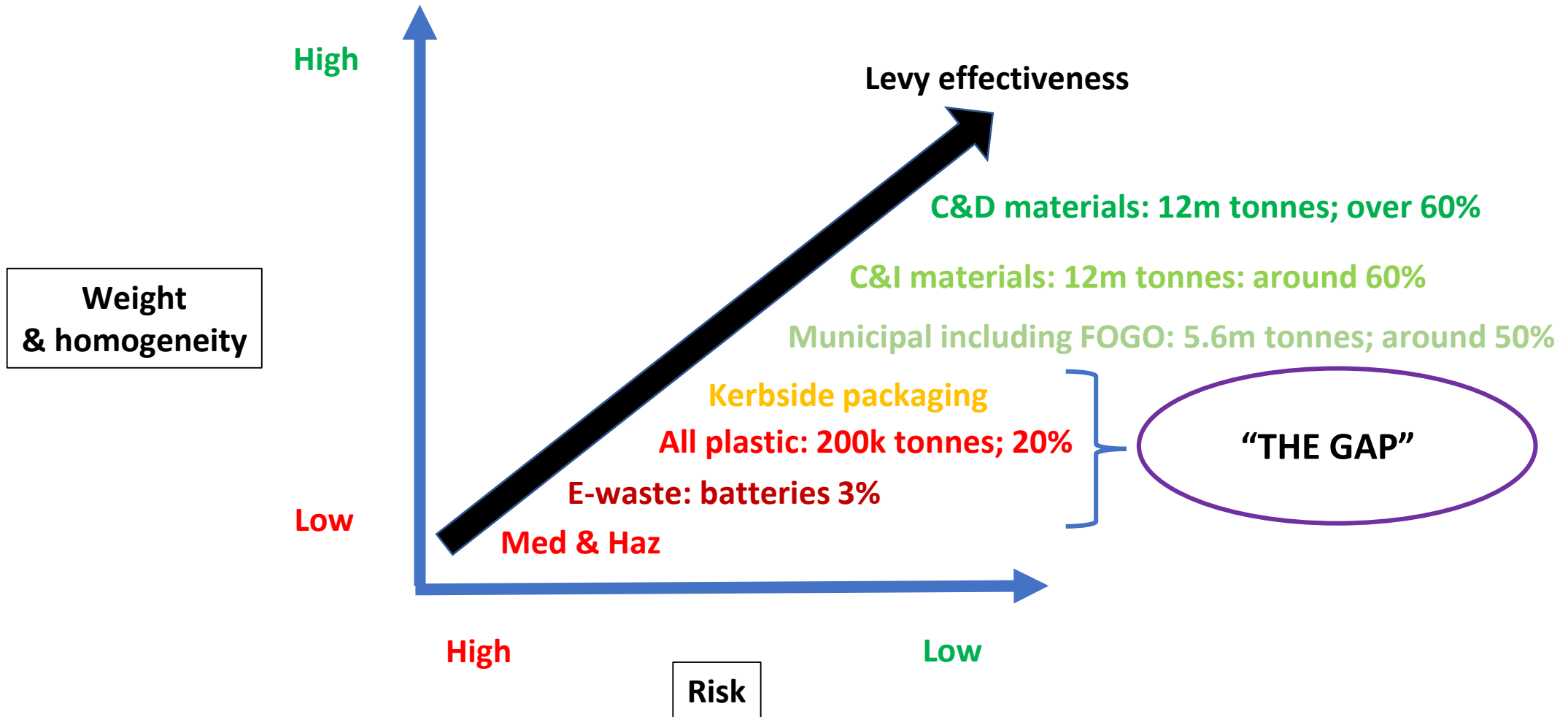
# Current Dynamics

- Depending on stream, different measures in different places: “shared responsibility” for packaging and paper materials, to “co-regulatory approach” for some e-waste, to landfill bans for some items
- Different organisational & re-investment models, eg, SA & Vic with implementation bodies
- “Iceberg effect” applies to waste policy: plastic bags 1kg of 60kg consumed per person per year



# Maturity Model





**HOW BEST TO PLUG THE GAP & REDUCE RISK?  
HOW TO GET SYSTEM SUSTAINABILITY?**

LOWER SYSTEM COSTS?	INCREASE SYSTEM REVENUE?
Standardisation / accreditation of <b>collection, sorting &amp; processing</b> arrangements by material and by technique	One-off investment in additional sorting & reprocessing <b>infrastructure</b> : part of \$150m to reduce China exports by half
Community education (and labelling) to reduce <b>contamination</b> and improve quality of recovery – PROJECT YELLOW (and ARL scheme via APCO/Planet Ark)	<b>Producer responsibility</b> provisions to packaging and complex materials, including plastics levy or mandatory recycling targets
Piggy-backing (eg, <b>scale</b> ) of logistics between material types	Increased <b>Council rates</b> / service fees & expanded services
Improved <b>strategic planning</b> for resource recovery, including facility siting	Increased hypothecation / <b>re-investment of levy</b> funds (eg, greater proportion of some \$1b collected annually)
<b>Localisation</b> of resource recovery delivery	<b>Recycled content measures</b> to drive markets: note Unilever and Coke...
<b>Automation</b> of resource recovery delivery	<b>Positive procurement</b> by public and private sector and consumers
<b>Multi-purpose</b> resource recovery sites / facilities	Waste levy <b>concessions/exemptions</b> for legitimate recycling residuals (based on accreditation)

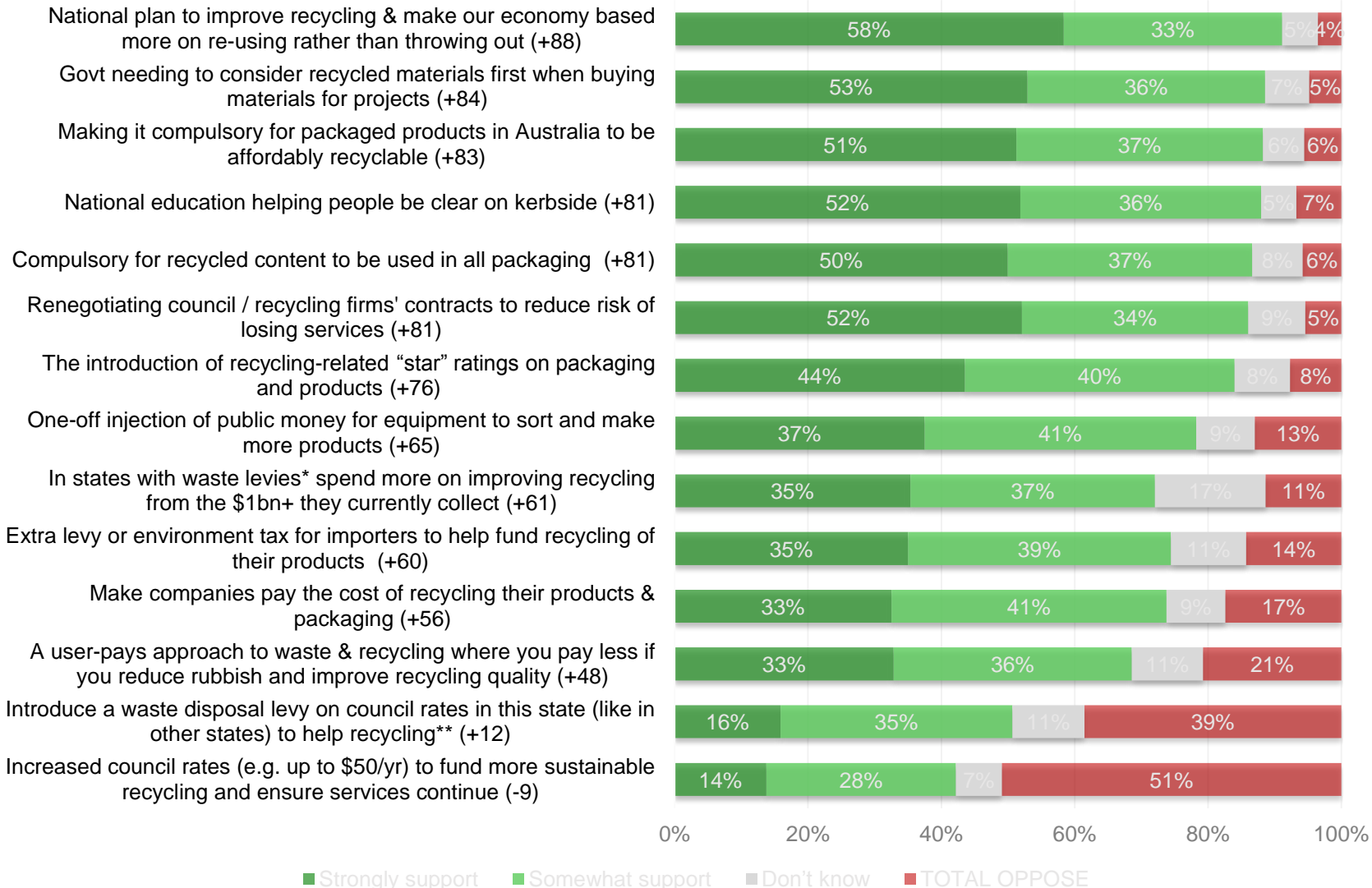
*More transparent and more collaborative risk sharing arrangements*



# Support for Measures



C|T GROUP



- Voters are highly supportive of governments acting to support recycling including “a ***national plan...***”.
- Measures forcing government and industry to be better with recycling are also supported, including “*Consider recycled materials first when buying materials for projects*” (89% support), and “*Making it compulsory for packaged products in Australia to be affordably recyclable*” (88%).
- Measures that hit the hip pocket, are less supported, especially increased council rates

Several ideas have been put forward of things that governments in Australia could do to create a more viable and sustainable recycling sector in Australia. To what extent would you support or oppose governments in Australia introducing of each of these measures?

\* Asked in NSW, VIC, WA, SA and ACT. \*\* Asked in QLD, TAS and NT only.

<b>PROJECT YELLOW: AGREED ANTI-CONTAMINATION MESSAGE</b>	
A. Partner	Australian Local Government Association; National Waste & Recycling Industry Council; Australian Council of Recycling
B. Supporter	Waste Contractors and Recyclers Assn of NSW*; Sustainability Victoria*; Boomerang Alliance; NSW EPA; Australian Food & Grocery Council

**RECYCLING IS WORKING THANKS TO YOU**

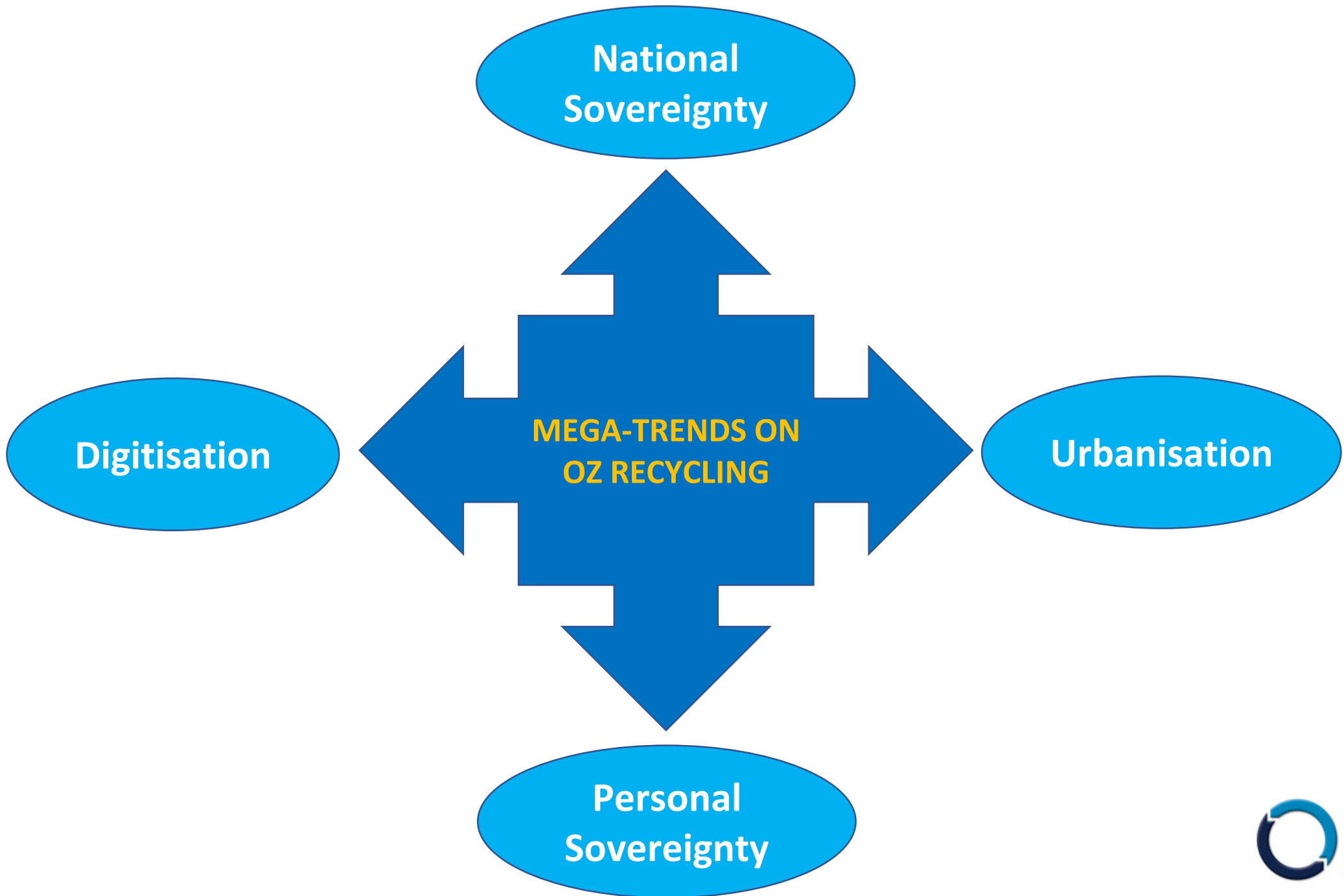
**IT WORKS BETTER WHEN WE RECYCLE RIGHT**

**NO IN YELLOW BIN: PLASTIC BAGS, FOOD, GARDEN MATERIAL, TEXTILES, OR BATTERIES.**

**YES IN YELLOW BIN: PLASTIC, STEEL, GLASS & ALUMINIUM CONTAINERS; PAPER & CARDBOARD.**

**IF IN DOUBT, THROW IT OUT - IN THE RED BIN.**

**Every 10% in contamination reduction in NSW = at least \$1m in system costs**



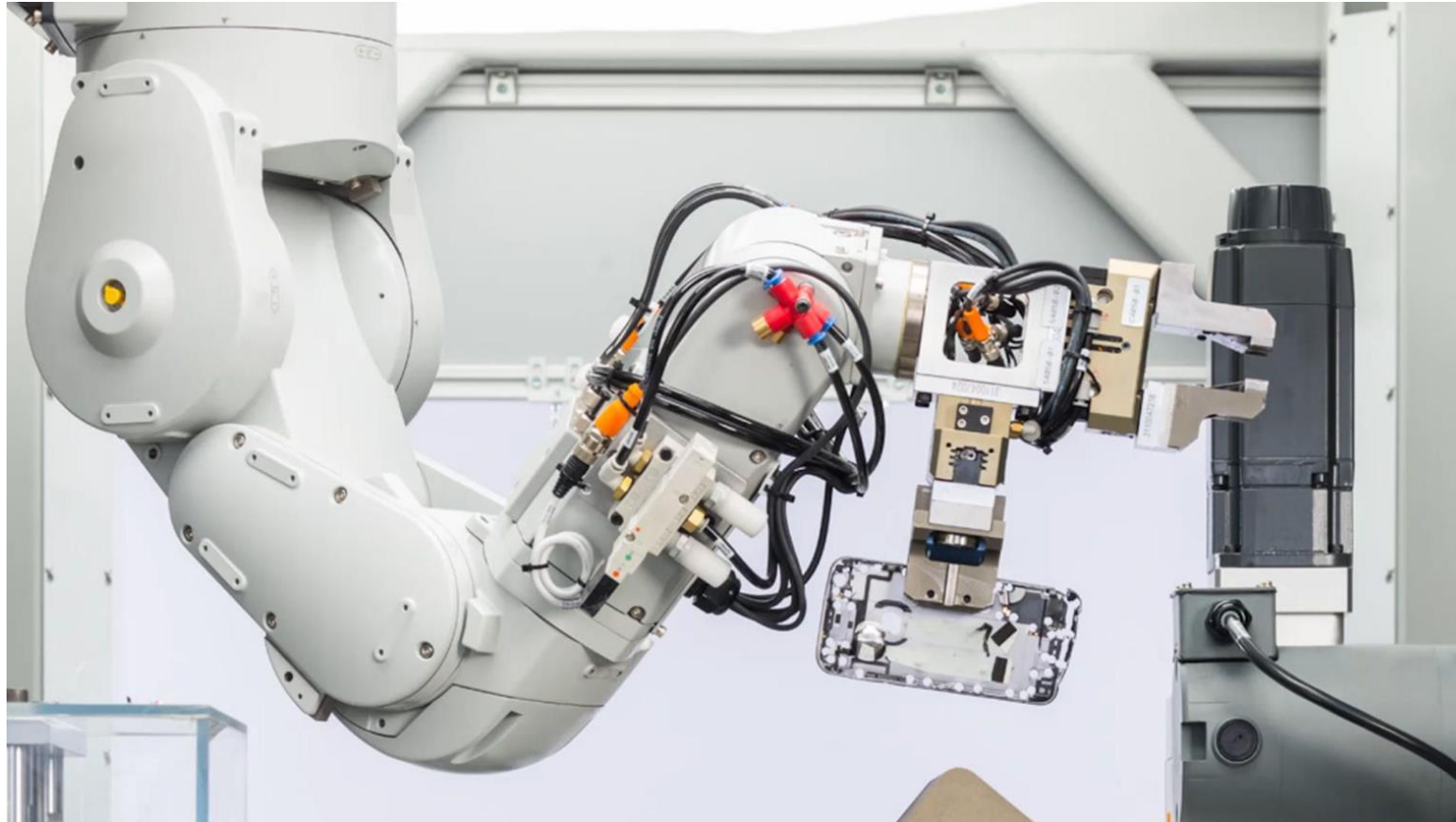
- Smart machines to move, process, measure, and remanufacture our urban resources

Pro's

Digitisation

Con's

- Massive increase in e-waste
- Massive increase in batteries
- Massive increase in complex plastics



- Driver for building domestic reprocessing
- Greater emphasis on resource optimization & security including EfW

Pro's

## National Sovereignty

Con's

- Decreased export opportunity
- Commodity squeezes
- Investment uncertainty





- Smart machines to move, process, measure, and remanufacture our urban resources



- Cultural complexity
- Logistical complexity
- Increased transport / land costs



- "Uberification" of consumption & resource management
- Accountability in production, consumption & resource management
- "Values" response by some corporates

Pro's

## Personal Sovereignty

Con's

- Massive increase in e-waste
  - Massive increase in batteries
- Massive increase in plastics
- "Price-driven" response by some corporates







# The Bottom Line

1. C&D and C&I recycling WILL go forward as a result of market conditions and the right economic signals, including now in Queensland
2. MSW recycling, plastics recycling & complex item recycling CAN go forward for improved results – BUT with further measures to address market failure
3. **New “National Plan”** as promised in April: chance to “plug the gap” and grab economic development opportunities of funded kerbside recycling, funded plastics recycling, and funded EPR initiatives such as anything with plug or battery & tyres
4. **Top Trifecta: a) reduce contamination; b) offer immediate concessions from levies for legitimate recycling residuals; c) invest in paper & plastics upgrades**
5. Being “funded” means a mix of reducing systemic costs and increasing systemic revenues, and/or greater equilibrium between supply and demand as we seek 100% recyclability by 2025 (or some **2m more tonnes of packaging** in system)
6. Without a sustainable approach, waste generation will hugely outstrip our fractured capacity to keep up – we lose economic opportunity of **800 jobs per 1m tonnes recycled**