Media Release from the Supermarket Members of the Soft Plastics Taskforce







# Soft Plastics Taskforce lays out path to restore soft plastic recycling

**Tuesday, 7 March 2023:** The Soft Plastics Taskforce has released a *Roadmap to Restart*, outlining the steps needed to launch a new supermarket soft plastic collection scheme, and the current state of play in the Australian recycling industry.

The Taskforce, made up of major supermarket retailers ALDI, Coles and Woolworths, has been tasked with developing an interim solution to restore community access to soft plastic recycling following the suspension of the REDcycle program.

Under the current plan, an initial in-store collection pilot is anticipated to launch in select stores in late 2023 - provided that REDcycle's existing soft plastic stockpiles can be cleared prior. The new program would then be gradually rolled out nationwide next year.

While the Taskforce is working to launch in-store collections urgently, it is severely constrained by Australia's limited access to domestic soft plastic recycling which can manage the "mixed polymer" soft plastics that are deposited by the public in supermarket collection bins.

At present, it would not be possible to recycle the volume of household soft plastics collected in a supermarket program using domestic infrastructure. Accordingly, the Taskforce has plotted out the projected gradual increase in Australian soft plastic recycling capacity over the next year, as new operators launch, and existing processors expand.

From late 2023, the Taskforce will meet the newly available processing capacity with a staged re-introduction of in-store collections so that the volume of incoming household soft plastics does not exceed the amount that can be recycled - as occurred with REDcycle.

A spokesperson for the Taskforce said: "For the vast majority of Australian households, the only avenue to recycle their soft plastic waste has been through the REDcycle bins available at Coles and Woolworths supermarkets.

"Restoring public trust in soft plastic recycling is paramount, and the Taskforce will reintroduce soft plastic collections when it can be confident that it will be properly recycled. We owe it to consumers to get this right.

"The best way to accelerate nationwide access to soft plastic recycling is through continued investment in recycling facilities to bring forward existing plans to expand domestic capacity.

"We thank the Department of Environment, the Minister for Environment and Water Tanya Plibersek, and industry for their support. We look forward to their continued contribution as we design this stepping stone towards a circular economy for soft plastic."

## Media Release from the Supermarket Members of the Soft Plastics Taskforce







The current timeline to launch an in-store collection pilot by late 2023 is contingent on the ability to clear REDcycle's existing stockpiles of soft plastic, which <u>Coles and Woolworths have recently been</u> granted control of.

Should new domestic processing capacity be taken up by the estimated 12,000 tonnes of stockpiled material for at least a year, the recommencement of in-store collections will be delayed. Accordingly, Coles and Woolworths intend to work through options to export the stockpiles to trusted recycling facilities overseas with the necessary transparency, traceability and government approvals. This would allow access to advanced recycling beyond Australia's existing domestic capabilities.

Over the coming months, the Taskforce hopes to engage other retailers, e-commerce platforms and consumer brands that generate soft plastics to contribute to the development of the new in-store collection program.

The Australian Packaging Covenant Organisation estimates that less than five per cent of consumer soft plastic was collected by the REDcycle program. The Taskforce recognises the need for a long-term national soft plastic recycling strategy beyond its interim program, which has the potential to significantly increase the proportion of household soft plastic collected.

The spokesperson for the Taskforce added: "We recognise that in the long-term, more soft plastic could be diverted from landfill if future schemes are more convenient for consumers and can meet soft plastic at the point where it becomes waste - the household.

"It is crucial that this opportunity to rethink Australia's future national soft plastic recycling model is not overlooked."

The National Plastics Recycling Scheme (NPRS) outlines a new kerbside model to collect more household soft plastics. It has been developed by the Australian Food and Grocery Council with funding support from the Australian Federal Government's National Product Stewardship Investment Fund. The scheme is based on a model which would see food and grocery manufacturers pay a levy to support the recycling of the soft plastics they create. It is currently being trialled in select areas.

The Victorian Government has announced a future state-wide rollout of kerbside soft plastic recycling, pending the success of the current NPRS trial. The Taskforce applauds this move and strongly encourages state and territory governments to support their local councils to do the same to ensure as much household soft plastic is saved from landfill as possible.

The Taskforce will continue to provide updates on its progress through 2023. The Roadmap can be accessed through <u>Aldi</u>, <u>Coles</u> or <u>Woolworths</u> websites.

## - ENDS -

#### For further information, contact:

ALDI Media: <u>ALDI-pressoffice@opragency.com.au</u> Coles Media: 03 9829 5250 or <u>media.relations@coles.com.au</u> Woolworths Media: 02 8885 1033 or <u>media@woolworths.com.au</u>

## Media Release from the Supermarket Members of the Soft Plastics Taskforce







#### Notes to Editors

#### Soft Plastics Taskforce

Coles made an application to the ACCC for urgent authorisation on behalf of Coles, Woolworths and ALDI to enable a joint roundtable of supermarkets to collaborate on interim solutions to the suspension of Redcycle's soft plastic recycling services. The first meeting of the Soft Plastics Taskforce was in early December, following interim authorisation from the ACCC the week prior. Meetings are chaired by the Federal Department of Climate Change, Energy, the Environment and Water.

#### **REDcycle program**

The REDcycle program was suspended in November 2022 after it came to light that the company had been stockpiling collected soft plastics for an unknown period due to insufficient processing capacity. While the supermarkets were not given any specific information on the volume or locations of stockpiled materials, it was determined that it would not be viable, nor responsible, to continue soft plastic collections under these conditions.

The REDcycle collection bins accepted household soft plastic waste from any source (not only supermarkets) and saw grocery packaging, e-commerce parcels and items from a wide range of retailers and FMCG brands deposited for recycling.

REDcycle was founded in 2011 as an independent commercial business offering soft plastic recycling services. Over the following years, it grew to offer collection bins in all Coles and Woolworths supermarkets, as well as a small number of other sites. Coles, Woolworths and more than <u>270</u> <u>consumer brands</u> in Australia paid REDcycle to collect the soft plastics deposited for recycling.

## Management of REDcycle stockpiles

Recently, Coles and Woolworths made an offer to REDcycle to take control of its stockpiled soft plastic and provide safe storage of the material while recycling solutions are explored. <u>Read about the details</u> <u>of the offer here</u>. The offer was accepted by REDcycle prior to the appointment of the REDcycle liquidator, and Coles and Woolworths have begun contacting warehouse operators currently holding stockpiles to commence their assessments. ALDI offered limited access to the REDcycle program through a recently implemented (and consequently paused) trial in 12 stores, and accordingly is not part of the joint offer to assume REDcycle's collected material.