From: <u>Harry Livesey</u>

To: <u>barney@irvineandpartners.co.nz</u>
Cc: <u>Liz Butcher; Shaun Lewis</u>

Subject: RE: Request data from WRIF on Kāpiti kerbside recycling

**Date:** Monday, 14 August 2023 10:29:00 am

Attachments: <u>image008.ipg</u>

image010.png image011.png image012.png image013.png image014.png image015.ipg image016.ipg image017.ipg

WRIF policy document FINAL DRAFT.pdf

#### Kia ora Barney,

As Shaun has discussed with you MfE is undertaking further analysis to consider if it is reasonable to include bylaw licencing as a way for Councils to meet their new requirements to provide kerbside recycling and food scraps services to urban areas.

The WRIF 2023 policy document (attached) states "Kapiti, which has a 100% user-pays system, has the highest recycling rates of the Wellington region". Are you able to share the data and analysis for Kāpiti, and the other seven councils of the Wellington region, that is behind this statement? We have been unable to reach the same conclusion based on the data available to MfE from the Wellington Regional Waste Assessment and as supplied by the Wellington Councils.

Your assistance is appreciated and will allow a better informed decision.

Ngā mihi,

Harry Livesey

#### Harry Livesey (he/him)

Senior Waste Policy Analyst | Kaitātari Kaupapa Here Matua Policy and Waste Streams Team

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Ministry staff work flexibly by default. For me, this means I work 4 days a week Mon-Tue and Thu-Fri.



From: Shaun Lewis < <a href="mailto:Shaun.Lewis@mfe.govt.nz">Shaun.Lewis@mfe.govt.nz</a>>

**Sent:** Thursday, August 3, 2023 5:47 PM **To:** <u>barney@irvineandpartners.co.nz</u>

**Cc:** Liz Butcher < <u>Liz.Butcher@mfe.govt.nz</u>>

**Subject:** Update on role of councils

Kia ora Barney

Thanks for taking the time just now to catch up. To confirm what I conveyed in our discussion just now:

The team are currently working through additional policy detail to define the role councils will play in delivering compliant kerbside services. This will include clarification on whether the use of a licensing scheme could constitute a compliant model of kerbside service delivery. There is a some work for us to do to finalise this thinking and it is likely to be a few more weeks before we have the detail to share. We intend to notify key stakeholders as soon as we can.

While the clarification of these policy details is still being worked through, the intent behind the kerbside policies remains unchanged – that is to increase public confidence in access to kerbside recycling and food scrap collections. In landing our thinking on the role of councils in delivering compliant kerbside services we are giving consideration to whether a licensing model can ensure that this overarching policy intent can be met.

Many thanks Barney

Shaun

#### Shaun Lewis (he/him)

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# Let's not waste the opportunity.

Waste & Recycling Industry Forum | 2023





# Let's not waste the opportunity.

Recommendations to transform New Zealand's performance on waste and recycling, from an industry passionate about our country doing better.

#### Introduction

New Zealand has the opportunity to do a much better job when it comes to waste and recycling. Per capita, our country is one of the highest generators of waste in the world.

As a nation, we need to reduce the amount of waste we generate as consumers and businesses; improve resource recovery rates via reuse, repurposing, and recycling; and reduce emissions throughout the waste ecosystem.

The Government has brought renewed focus to waste minimisation, unveiling in March 2023 a new strategy to set New Zealand's direction on waste for the next three decades

The Waste & Recycling Industry Forum (WRIF) endorses the general direction of travel of waste policy-making, even though we see a number of areas where there's a need to do things differently.

Our thinking draws on our members' unique insights and experiences from delivering the waste collection and recycling services that New Zealand relies on, and from striving every day for better outcomes for the sector.

In this document, we share our recommendations to help transform the way New Zealanders make, use, recycle and dispose of waste.

#### Who we are

The WRIF is the industry voice on waste and recycling matters in New Zealand.

We represent the companies who collect and recycle or dispose of New Zealand's waste, servicing households and businesses in every part of the country. Collectively, our members handle the bulk of New Zealand's municipal waste, including around 90% of landfill waste and close to 100% of household waste.

WRIF's membership includes: Enviro NZ, Green Gorilla, JJ Richards, Northland Waste, Oji Fibre Solutions, Smart Environmental, Visy, Waste Management NZ, WasteCo. In total, our members:

- Employ close to 5000 kiwis.
- Generate annual revenue approaching \$1.5 billion.
- Own or operate over 30 recycling facilities and 15 specialised landfills.
- Have invested well over \$700 million in waste management infrastructure over the past five years.



#### Three key opportunities to drive better performance

We believe a more focused approach in three key areas of waste policy would drive significantly better outcomes:

# 1 | Embrace the private sector's role

The private sector drives innovation and efficient delivery and is a critical source of investment – our members alone invest in the order of \$150 million a year in infrastructure.

WRIF members are at the front line of nationwide efforts to minimise waste. Their understanding of how the system works, and what needs to be done to improve it, is second to none.

We have a critical role to play, and we are eager to do more. We encourage the Government to put in place a policy framework that maximises the contribution the private sector can make.

That means maintaining a level playing field between private- and public-sector players, to ensure funding into the sector generates the best results.

It means recognising that strong market understanding is required to develop waste and recycling solutions that are truly sustainable, and guaranteeing that new investment leverages, rather than duplicates, existing investment and infrastructure.

It also means providing the strategic clarity that all businesses need to guide long-term investment decisions.

# 3 | Always consider the whole system

Waste is an extremely complex, interdependent system. To make things harder, this system has been built on a historic foundation of tenuous economics that can easily break down – as we saw a few years ago when China clamped down on waste imports and the entire economics of recycling in New Zealand collapsed.

To get it right, we need to understand the practical implications of every policy decision – how action in one part of the system will affect other parts.

We must also think always in terms of net impacts. Efforts to reduce emissions through new processing technology, for instance, may count for little if transporting waste and recyclable material to processing facilities generates a whole lot of extra emissions. We must also recognise all the costs involved in building and maintaining stable and efficient markets for recyclable material.

# 2 Make it easier for kiwis to do the right thing

New Zealanders want to waste less and recycle more – the system needs to make it as easy as possible for them to do so.

The Government is taking some important steps, such as mandating standardised household kerbside recycling, phasing in household food scraps collection, and phasing out hard-to-recycle materials. But it has not moved far or fast enough. New Zealanders who want to do the right thing are confronted by too many confusing signals about what they should and shouldn't recycle.

There are big differences between what might be technically recyclable, and what can be recycled efficiently and economically. The public deserves greater clarity, coherence and consistency in the rules for recycling and in product labelling, designed with the user at the centre.



#### An action plan to accelerate transformation

The Government's Waste Strategy is underpinned by a wide range of policies and initiatives, the majority of which WRIF supports. To sharpen the effectiveness of the Waste Strategy, we are recommending the following actions to supplement or strengthen current initiatives:

#### Clearer focus on waste emissions

#### WHY:

Our sector has made steady progress in reducing emissions, with a 19% reduction in greenhouse gas emissions from managed landfills since 2015. But more work is required, starting with the most emissions-intensive areas, if we are to reduce biogenic methane emissions by at least 30 per cent by 2030 (as called for in the Waste Strategy).

To bring greater focus and efficiency to sector planning and decision-making, emissions reduction needs to sit above – rather than alongside – other waste objectives.

#### WHAT:

- Ensure that the development of Action and Investment Plans, which will guide infrastructure investment in the sector, is viewed first and foremost through the lens of emissions reduction.
- Install gas capture systems at council-owned landfills.
   This should be co-funded by councils, using a portion of the funding received through the Waste Disposal Levy.

#### An effective plan for food waste

#### WHY:

We support steps by central and local government towards separate collection of food waste – where the total emissions equation makes sense – as a means to advance New Zealand's fledgling organic waste recovery programme (in other developed countries, composting is a cornerstone of the recycling and recovery system). To date, however, those steps have not been supported by a clear plan for how food waste collection will be implemented.

#### WHAT:

 We need a framework to guide: how food waste collection will be managed and monitored; how transport of food waste will be accounted for when assessing alternatives; how the approach will change across different-sized population centres; and how decisions will be made about processing methodology and where infrastructure will be located.

#### Level playing field for waste sector funding

#### WHY

The Waste Disposal Levy, which is charged on waste disposed of at municipal landfills, is being progressively increased, and is expected to generate more than \$275 million annually from 2024/25 (up from around \$35 million in previous years).

Levy revenue goes into the Waste Minimisation Fund, which the Ministry for the Environment (MfE) then allocates to waste reduction and recycling projects. Given the large sums involved, it is vital that these funds are directed to the best projects – whoever is driving them - and not ring-fenced to be spent by particular stakeholders. That is a recipe for inefficient investment and poor-quality waste and recycling outcomes.

Historically, 50% of levy revenue has been automatically allocated to councils – this does not align with international best practices.

#### WHAT:

- All projects funded by the Waste Minimisation Fund, whether delivered by the private sector, councils, iwi or community groups, should be subjected to exactly the same assessment criteria.
- The funding should flow to the solutions that best deliver on the Waste Strategy, regardless of where or who they come from.
- If auto-allocation of levy revenue to councils continues, it should be capped at the dollar values in place before the recent levy increases took effect.





#### WHV

As a nation we must take greater responsibility for our own waste, and substantially lift the proportion of total waste that gets recycled here in New Zealand.

#### WHAT:

- Encourage greater investment in domestic recycling infrastructure, including via the Waste Minimisation Fund. This must be done in a way that balances the desire for scale economies against the realities of New Zealand's population, geography and transport logistics.
- Support the development of new markets for recycled material by:
  - Establishing innovation funds for glass, fibre and metals, based on the successful Plastics Innovation Fund mode.
  - ► Incentivising greater re-use and recycling of timber and construction and demolition waste. This should include recycled content requirements for the materials used in large-scale construction projects, starting with concrete.
- Streamline the resource consent pathways for key recycling infrastructure.

#### A digital Container Return Scheme

#### WHY:

Current plans for a Container Return Scheme (CRS) in New Zealand (which were shelved, at least temporarily, earlier in 2023) are based on the traditional 'return to retail' model, where consumers return containers – and collect deposits – via a new network of public collection points, including reverse vending machines.

That model appeals because there are plenty of international precedents to draw on, but experience has shown it is very costly to set up and run, inconvenient for users, and is likely to significantly add to carbon emissions.

We believe there is huge merit in developing a CRS that harnesses the best that existing and emerging digital technologies have to offer.

Other jurisdictions such as England, Wales and Northern Ireland are exploring the possibility of a digital CRS, which leverages (rather than duplicates) the existing kerbside collection system. Householders use a smartphone app to scan containers and redeem deposits, before placing them in the kerbside recycling bin.

#### WHAT:

 Before any final decisions are made about the design of the CRS, carry out a trial of a digital scheme. This should be done in collaboration with industry, and take into account learnings from overseas trials.

### Retain flexibility around recycling collection models

#### WHY:

WRIF supports the Government's decision to require councils to adhere to a standardised kerbside collection system nationwide, in terms of what is collected and how it is presented for recycling. However, we do not agree with the intention to mandate council ownership of collection contracts, and strip councils of the flexibility to choose the collection model that best suits their needs.

In most parts of the country, recycling collection services are delivered through council-owned contracts, but some local authorities have opted for a purely private solution, or at least want to consider it.

In communities that only generate a small volume of recyclable waste (e.g. where there's a high proportion of aged residents), a user-pays model can make more sense from a cost perspective. Also, it can improve the incentives for householders to minimise waste: Kapiti, which has a 100% user-pays system, has the highest recycling rates of the Wellington region.

Why displace services that are working well, and in the process load extra cost onto ratepayers?

#### WHAT:

 In determining how recycling is collected (as opposed to what is collected), councils should be given space to make decisions that are in their best interests, and in the best interests of their ratepayers. That includes abandoning plans to make council ownership of collection contracts mandatory.

#### Deal with farm dumps

#### WHY:

The data are patchy, but it's clear that an enormous amount of New Zealand's waste is finding its way into farm dumps, which are still largely unregulated. Given the potential environmental impacts (in terms of pollution and emissions), there is an urgent need for clarity around the volume and composition of waste ending up in farm dumps.

#### WHAT:

 Establish a register of private farm dumps and put in place a monitoring system to keep track of the waste they are receive.



## ComCom Investigation into recyclability 'greenwashing'

#### WHY:

More and more, we are seeing packaged goods companies make dubious claims about the recyclability of their products – from coffee cups to confectionery wrappers – in an effort to tout their sustainability credentials to consumers.

Often, they seem to be designed to prey on a lack of public awareness of what is technically recyclable versus what is practicably recyclable in New Zealand. This is unethical, leads to cross-contamination of other recyclable items, and undermines public trust in the system. Other jurisdictions are cracking down on greenwashing, and New Zealand must too.

#### WHAT:

 We are calling for a Commerce Commission investigation into recyclability greenwashing, to send a powerful message to brandowners and nip this behaviour in the bud.

#### Ramp Up Public Education

#### WHY:

Kiwis deserve clearer information about what can and can't be recycled under the current system.

Previous public education attempts have been localised and fragmented, with variable results. With moves towards standardised household collection, now is the time to begin a sustained, nationwide campaign.

Guidance on packaging about what can be recycled is hard to understand and often lacks relevance in the New Zealand market. Non-recyclable or dirty items cross-contaminate other products and undermine the efficiency and economics of the recycling process as a whole.

#### WHAT:

- Develop and implement a sustained, nationwide public education campaign with clear and consistent messages on:
  - What can go into your household recycling bin, and how it must be presented.
  - ► How households can reduce the amount of waste they generate.
- Establish a simple, user-centric labelling scheme that tells an accurate story about what can be recycled in New Zealand. Ideally, the scheme should be binary (e.g. a tick for yes, cross for no).

#### Strengthen Waste Strategy governance

#### WHY

Although the Government's Waste Strategy will be reviewed and monitored by MfE, a strengthened governance framework that includes oversight from outside central government will improve delivery of the strategy and drive greater accountability and transparency.

By drawing on insights and knowledge from across the waste and recycling ecosystem, the strategy can be refreshed rapidly to respond to new learnings.

#### WHAT:

- Establish an advisory committee to oversee all aspects of the national Waste Strategy, comprised of representatives from central government, local government, and industry.
- Its main task will be to continually monitor and evaluate the impact of the strategy, identifying successes and failures and addressing blockages.



# 2023 members



























