



Cabinet

Minute of Decision

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Proposals for a More Effective Waste Levy: Policy Decisions

Portfolio **Environment**

On 8 June 2020, following reference from the Cabinet Environment, Energy and Climate Committee (ENV), Cabinet:

The Committee:

- 1 **agreed** that regulations be developed under the Waste Minimisation Act 2008 to:
 - 1.1 prescribe additional classes of landfills as disposal facilities, based on the information on classifications outlined in table A1.1 in Appendix 1 of the paper attached under ENV-20-SUB-0018;
 - 1.2 prescribe the waste levy rates (plus GST) that will apply for each landfill class (per tonne of waste) and the dates on which these rates will take effect, as follows:

Landfill class	1 July 2021	1 July 2022	1 July 2023	1 July 2024
Municipal landfill (class 1)	\$20	\$30	\$50	\$60
Construction and demolition fill (class 2)	-	\$20	\$20	\$30
Managed fill (class 3)	-	-	\$10	\$10
Controlled fill (class 4)	-	-	\$10	\$10

- 1.3 require operators of construction and demolition fills, managed fills and controlled fills (described in table A1.1 of Appendix 1) to keep, and provide to the Secretary for the Environment (the Secretary) information on the tonnage of waste disposed of at and diverted from the site (to assist the Secretary to compile statistics), commencing six months prior to the date the sites become prescribed as disposal facilities as set out in the table above, in accordance with the existing reporting requirements for levy calculation;
- 1.4 require operators of industrial monofills (class 1) and cleanfills (class 5) (described in table A1.2) to keep and provide to the Secretary information on the tonnage of waste disposed of at and diverted from the site on a quarterly basis commencing from 1 January 2023;

- 1.5 require operators of transfer stations (described in table A1.2) to keep and provide to the Secretary information on the tonnage of waste received at the transfer station, the tonnage of waste sent from the transfer station to a landfill for disposal, and the tonnage of waste diverted, commencing from 1 January 2022;
- 1.6 require operators of the sites described in table A1.1 and A1.2 of Appendix 1 of the paper under ENV-20-SUB-0018 to keep, and provide to the Secretary, their contact details and (if applicable) landfill classification according to the categories in tables A1.1 and A1.2 commencing 1 July 2022;
- 2 **invited** the Associate Minister for the Environment (Hon Eugenie Sage) to issue drafting instructions to the Parliamentary Counsel Office to draft regulations under sections 41 and 86 of the Waste Minimisation Act 2008;
- 3 **agreed** that the responsible Minister may take further decisions on minor and technical matters in line with the policy decisions agreed by Cabinet;
- 4 **agreed** that the Ministry for the Environment will develop policies, procedures and guidance for:
 - 4.1 classifying landfills;
 - 4.2 dispute resolution;
 - 4.3 compliance, monitoring and enforcement;
- 5 **noted** that further work is proposed with recycling operators to mitigate the short-term impacts of the proposed changes;
- 6 **noted** that the proposed levy rates would generate around \$276 million per annum by the end of the 2024 financial year;
- 7 **noted** that this creates a significant opportunity to achieve a step change in New Zealand's performance on waste by investing in onshore recycling infrastructure, research and development, behaviour change initiatives and other key change levers;
- 8 **noted** the strategic investment approach, proposed in Appendix 2 of the paper attached under ENV-20-SUB-0018, which sets the proposed framework for ensuring that the additional levy funds are used effectively and efficiently across the range of activities needed to shift New Zealand's performance on waste;
- 9 **agreed** that the Ministry for the Environment should continue to develop the proposed strategic investment approach, and report back to Cabinet before the end of October 2020 with proposals for the content of the guiding strategy and plans, the process for finalising them, and the supporting institutional and administrative arrangements for making investment decisions and allocating funding;
- 10 **noted** that the planned review of the Waste Minimisation Act and Litter Act will cover a range of areas, including:
 - 10.1 allocation of revenue and purposes for which revenue can be used;
 - 10.2 compliance, monitoring and enforcement;
 - 10.3 other matters to modernise and improve these acts;

- 11 **noted** the proposed establishment of an Illegal Dumping Prevention and Enforcement Fund and a Litter Prevention and Enforcement Fund, to be open to applications from councils and community groups;
- 12 **noted** that it is proposed to review the New Zealand Waste Strategy later in 2020;
- 13 **noted** that it is proposed that the review of the New Zealand Waste Strategy include consideration of strategies for litter prevention and illegal dumping;
- 14 **noted** that it is proposed to provide territorial authorities with further guidance on how they can spend the levy funds they receive, using both statutory and non-statutory tools;
- 15 **invited** the Associate Minister for the Environment (Hon Eugenie Sage) to report to ENV with final policy advice on additional proposals to improve the availability of waste data by the end of March 2021;
- 16 **noted** that the Associate Minister for the Environment (Hon Eugenie Sage) will submit a paper to the Cabinet Legislation Committee to submit the regulations for approval;
- 17 **noted** that Cabinet will review the implementation dates outlined in paragraph 1 in light of the economic conditions at the time the Minister submits the regulations for approval.

Michael Webster
Secretary of the Cabinet

Secretary's Note: This minute replaces ENV-20-MIN-0018. Cabinet added paragraph 17.