



PROACTIVE RELEASE COVERSHEET

Minister	Hon Penny Simmonds	Portfolio	Environment
Name of package	Proactive release of Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025 Cabinet paper	Date to be published	30 April 2025

List of documents that have been proactively released

Date	Title	Author
30 January 2025	BRF-5739: Briefing: Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025	Ministry for the Environment
10 February 2025	CAB-516: Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025	Ministry for the Environment
13 March 2025	LEG-25-MIN-0030 Minute	Cabinet Legislation Committee

Information redacted **YES**

BRF-5739: Briefing: Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025 includes redactions of officials' contact details under section 9(2)(a) of the Official Information Act.

Appendix 1 of CAB-516 is withheld in full under section 9(2)(h) to maintain legal professional privilege. Final legislation is made publicly available at legislation.govt.nz



Briefing: Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025

Date submitted: 30/01/2025

Tracking number: BRF-5739

Sub Security level: In-Confidence

MfE priority: Medium

Actions sought from Ministers

<i>Name and position</i>	<i>Action sought</i>	<i>Response by</i>
To Hon Penny SIMMONDS Minister for the Environment	provide feedback on the attached Cabinet paper <i>or</i> agree to circulate the draft Cabinet paper for Ministerial consultation	7 February 2025

Actions for Minister's office staff

Return the signed briefing to the Ministry for the Environment (advice@mfe.govt.nz).

Appendices and attachments

1. Appendix 1: Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025

Key contacts at Ministry for the Environment

<i>Position</i>	<i>Name</i>	<i>Cell phone</i>	<i>First contact</i>
Principal Author	Romilly Cumming	s 9(2)(a)	
Responsible Manager	Liz Butcher	s 9(2)(a)	✓
General Manager	Shaun Lewis	s 9(2)(a)	

Minister's comments

Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025

Background

1. This paper seeks your feedback on a draft Cabinet paper (appendix 1) to the Cabinet Legislation Committee (LEG) on draft Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025, so that Ministry for the Environment (the Ministry) officials can amend it to your satisfaction, prior to Ministerial consultation and lodgement.
2. Per the Waste Minimisation (Plastic and Related Products) Regulations 2022, the transition towards home compostable labels for the domestic market came into force on 1 July 2023, with a longer transition period for (a) labels on imported produce sold in New Zealand and (b) for the label adhesive on domestic produce. The transition period is due to end on 1 July 2025, at which point all labels must be fully home compostable.
3. On 13 November 2024, the Cabinet Economic Policy Committee agreed that the Waste Minimisation (Plastic and Related Products) Regulations 2022 be amended to extend the date by which the labels on all produce sold in New Zealand) must be fully certified home compostable from 1 July 2025 to 1 July 2028 [ECO-24-MIN-0254 refers].

Statutory Obligations

4. Before you recommend the making of the regulations, the Waste Minimisation Act 2008 requires:
 - 4.1 a reasonably practicable alternative to the specified materials to be available
 - 4.2 you to obtain and consider the advice of the Waste Advisory Board (WAB)
 - 4.3 you to be satisfied that there has been adequate consultation with parties who may be significantly affected by the regulations
 - 4.4 you to be satisfied that the benefits expected from implementing the regulations exceed the costs
 - 4.5 you to be satisfied that the regulations are consistent with New Zealand's international obligations.

These criteria have been met and are further explained in the Cabinet paper but some additional context to points 4.2 and 4.5 is outlined in the paragraphs below (para 5 –8) for your awareness.

WAB advice

5. In September 2024, you wrote to the WAB requesting its advice on extending the transitional period for all produce sold in New Zealand from 1 July 2025 to 1 July 2028. Also in September 2024, the WAB responded with their advice including that:
 - 5.1 “the requirement that labels and adhesives on imported produce should be home compostable should be extended to 1 July 2028”

5.2 “the requirement that label adhesives on locally grown and sold produce should remain as 1 July 2025 given the great progress the industry has already made.”

6. The WAB’s advice aligns with “Option 2” of four options presented to you in the August 2024 briefing ‘Options for addressing stakeholder concerns around requirements for produce labels from 1 July 2025’ [BRF-5097]. In accordance with your decision to progress Option 3 in that paper (a 2028 implementation for both domestic and international produce), and subsequent decisions made by Cabinet in November 2024 [ECO-MIN-0254], amendment regulations have been prepared on the basis that both domestic and imported produce will have the same extension. While this differs from the WAB’s advice, this policy change is discrete and has minor impacts overall.

International obligations

7. Ministry officials have worked with officials at the Ministry of Business, Innovation and Employment (MBIE) and the Ministry of Foreign Affairs and Trade (MFAT) to ensure that the proposed change is compliant with obligations under the World Trade Organization’s Agreement on Technical Barriers to Trade. Officials from both agencies advised in January 2025 that the measure is compliant with international trade law obligations.

Agency Consultation

8. MFAT, MBIE, and the Ministry for Primary Industries (MPI) have been consulted on this paper. The Department of Prime Minister and Cabinet were informed of the paper. MPI recommended including further detail about the continued contaminant risk that plastic labels pose in compost systems as a result of extending the timeframes. It was decided not to include this level of detail in the paper as this is challenging to quantify and we consider the change to be a necessary step for ensuring the regulations are workable.

Next Steps

9. Subject to your approval, we intend to lodge this Cabinet paper on 6 March 2025 for the 13 March Cabinet Legislation Committee meeting. We seek your feedback on the attached Cabinet paper prior to consulting your Ministerial and coalition colleagues (recommended to take place from 12 – 26 February).
10. The Parliamentary Counsel Office have advised that the amendment regulations will be drafted prior to lodging with the Legislation Committee.

Recommendations

We recommend that you:


- a. provide** feedback to the Ministry on the draft Cabinet paper by 7 February 2025 for further amendments

Yes | No

or

- b. agree** to circulate the draft Cabinet paper for Ministerial consultation without further amendments

Signatures

Shaun Lewis General Manager – Waste Systems Climate Change Mitigation and Resource Efficiency	
Date:	27/01/2025
Hon Penny SIMMONDS Minister for the Environment	
Date:	

Security classification – In Confidence

Office of the Minister for the Environment

Chair, Cabinet Legislation Committee

Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025

Proposal

- 1 This paper seeks authorisation for submission to the Executive Council of the Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025 made under section 23(1)(b) of the Waste Minimisation Act 2008 (the Act).
- 2 As previously agreed by the Cabinet Economic Policy Committee on 13 November 2024 [ECO-24-MIN-0254 refers], the proposed regulations will extend the date by which the labels on all produce sold in New Zealand (domestic and international) must be certified fully home compostable (including both the label and its adhesive) from 1 July 2025 to 1 July 2028.

Background

- 3 An estimated 7.5 billion produce labels (commonly referred to as fruit stickers) are used per year in New Zealand on fruit and vegetables, of which 98 percent were comprised of non-home compostable plastic prior to 2023. Conventional plastic produce labels are not recyclable or biodegradable and contaminate both home compost and industrial compost facilities with microplastics, inks and dyes.
- 4 To address this, plastic produce labels that could not be composted at home¹ were phased out on 1 July 2023 from the domestic market. By 1 July 2025 all labels on domestic and imported produce are to be certified fully home compostable. Labels intended for use on exported produce are excluded [CBC-21-MIN-0057 refers].
- 5 In 2024, officials re-engaged with affected stakeholders to understand their preparedness for the 1 July 2025 deadline. It was highlighted that, whilst promising progress has been made in New Zealand, an extension to the 2025 date is necessary because:
 - 5.1 while our main trading partners are also moving towards home compostable labels, no trading partners will have similar regulations in place by July 2025. International progress towards similar regulations has been slower than anticipated, with the European Union (EU) now

¹ Except for the adhesive.

not implementing a ban until 2028.² New Zealand is a small market, and it is unlikely that international packhouses will adopt special labels for New Zealand, either due to cost or operational reasons;

- 5.2 there is only one company selling a fully home compostable produce label on the international market. Although the label meets the requirements of the principal regulations³, there are still some issues with its functionality on certain types of produce and time is needed to scale up solutions for international uptake.

Compliance

- 6 The regulations comply with:
 - 6.1 the principles of the Treaty of Waitangi
 - 6.2 the rights and freedoms contained in the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993
 - 6.3 the principles and guidelines set out in the Privacy Act 2020
 - 6.4 relevant international standards and obligations
 - 6.5 the Legislation Guidelines (2021 edition).
- 7 The Act provides that I must not recommend the making of regulations controlling or prohibiting the sale of products containing 'specified materials' under section 23(1)(b), unless a reasonably practicable alternative to the specified materials is available.
- 8 In addition, the Act requires that before recommending the making of regulations, I must obtain and consider the advice of the Waste Advisory Board (section 23(3)(a)), and must be satisfied of the following:
 - 8.1 there has been adequate consultation with persons or organisations who may be significantly affected by the regulations (section 23(3)(b)(i));
 - 8.2 the benefits expected from implementing the regulations exceed the costs expected from implementing them (section 23(b)(ii)); and
 - 8.3 the regulations are consistent with New Zealand's international obligations (section 23(3)(b)(iii)).

² In 2022, when the amendment regulations that added the ban on plastic produce labels into the principal regulations were drafted, similar regulations were in place in France with Belgium due to follow suit in 2023 (France is currently not enforcing its regulations and Belgium amended its regulations to be more permissive).

³ The Waste Minimisation (Plastic and Related Produce Regulations 2022)

- 9 Paragraphs 10–19 briefly outline how compliance with the Act has been met with regard to these statutory preconditions.

Practicable alternative

- 10 I am satisfied that this statutory precondition is met. The ‘specified material’ relevant to the regulations is non-compostable plastic in produce labels. However, the regulations will only extend the date by which fully home compostable labels become mandatory and do not impose new controlling or prohibiting measures on non-compostable plastic in produce labels.
- 11 One benefit of the regulations extending the date by which all labels must be home compostable is to allow more time for practicable alternatives to come onto the market. Currently there is one product available that meets the regulatory requirements. Whilst this solution caters to the New Zealand market, additional time is needed to work through some functionality issues and to scale up for international uptake. As other jurisdictions implement similar regulations, further innovation in product development will stimulate competition. This will continue to improve the functionality and lower the cost of labels as we approach 1 July 2028, after which all plastic produce labels sold in New Zealand (except labels used on produce intended for export) must be home compostable.

Advice of the Waste Advisory Board

- 12 I received advice from the Waste Advisory Board in September 2024. This advice was considered as part of, and has informed, the development of the regulations.

Adequate consultation

- 13 I am satisfied that there has been adequate consultation with persons and organisations who may be significantly affected by the regulations.
- 14 The Ministry for the Environment has undertaken consultation and follow-up targeted engagement with key stakeholders (including Zespri, Foodstuffs, United Fresh⁴, Jenkins Group⁵, Woolworths, Horticulture NZ, NZ Fresh Produce Importers Association Inc. and WasteMINZ⁶) since the original 2021 Cabinet decisions [CBC-21-MIN-0057 refers] on the three tranches of plastic phase outs.
- 15 The stakeholder feedback received through this consultation process has been considered and reflected in the proposed regulations.

⁴ Industry body for fresh produce, representing the fresh fruit and vegetable supply chain.

⁵ NZ packaging company specialising in self-adhesive labels.

⁶ Waste sector industry group.

Costs and benefits

- 16 I consider that the benefits of shifting the implementation date to 1 July 2028 exceed the costs of doing so. Costs of compostable labels are still broadly similar to what was estimated in the Regulatory Impact Statement (RIS) provided with the original proposals [CAB-21-MIN-0057] for the plastic phase-outs in 2021.⁷
- 17 Extending the transition period in the regulations will delay the benefit of removing a source of plastic contamination from home and commercial composts. However, it will also ensure ongoing market access for imported produce [ECO-24-MIN-0254 refers] and provide a level playing field between domestic and international producers.
- 18 Overall, I am satisfied that the benefits expected from implementing the proposed regulations exceed the costs expected from implementing them.

International obligations

- 19 Officials have confirmed there are no international obligations affected by this proposal, and therefore I am satisfied that the regulations are consistent with New Zealand's international obligations.

Regulations Review Committee

- 20 I do not consider there are grounds for the Regulations Review Committee to draw the regulations to the attention of the House of Representatives under Standing Order 327.

Certification by Parliamentary Counsel

- 21 The draft regulations were certified by the Parliamentary Counsel Office as being in order for submission to Cabinet.

Impact Analysis

- 22 The Ministry for Regulation has determined that the regulatory proposal relating to produce labels is exempt from the requirement to provide a Regulatory Impact Statement (RIS) on the grounds that it has no or only minor impacts on businesses, individuals and not-for-profit entities.
- 23 The Climate Implications of Policy Assessment requirements do not apply to the produce label proposal as the threshold for significance is not met. Depending on the alternatives selected to replace the prohibited plastics, there may be a small indirect impact on emissions. The use of organic-based alternatives could lead to a small increase in domestic emissions if they are

⁷ Cost estimates for fully home compostable labels were not provided in the RIS, but an increase of 30 to 70 per cent was estimated for commercially compostable labels. Subsequent engagement with industry in 2024 estimates the cost to transition to home compostable labels is between 50 to 80 per cent, however this will likely decrease in the coming years as other alternatives become available.

disposed of in landfill. Efforts to promote the use of reusable alternatives and enhance recycling through the adoption of higher-value materials are likely to result in global net emissions reductions by reducing the emissions associated with upstream plastic production processes.

Publicity

- 24 Following the Cabinet decision on 13 November and subsequent media interest, the 2028 implementation date was confirmed in the media and Ministry officials notified affected domestic producers via email in mid-December. The same group will be notified once the regulations have been gazetted.
- 25 International suppliers have been notified of the extended transition period in the Regulations via an addendum notification to the World Trade Organization Committee on Technical Barriers to Trade. The addendum notification was submitted via the Ministry of Business, Innovation and Employment on 24 December 2024.

Timing and 28-day rule

- 26 Subject to Cabinet's approval, I propose that the regulations be submitted to the Executive Council on 17 March 2025 and notified in the *New Zealand Gazette* on 20 March 2025.
- 27 I propose that the regulations come into force on 1 May 2025.

Proactive release

- 28 I intend to proactively release this paper and associated Cabinet committee papers and minutes within 30 business days of final decisions being confirmed by Cabinet, subject to redaction as appropriate under the Official Information Act 1982.

Consultation

- 29 The regulations were informed by engagement with a range of sector stakeholders (noted in paragraph 16) and analysis of similar international regulations.
- 30 The Ministry of Foreign Affairs and Trade (MFAT), the Ministry of Business, Innovation and Employment, and the Ministry for Primary Industries have been consulted on this paper. The Department of Prime Minister and Cabinet has been informed. MFAT confirmed that the regulations are in line with relevant international obligations. No substantive changes were made to the paper following agency engagement.

Recommendations

I recommend that the Committee:

1. **note** that on 13 November 2024, the Cabinet Economic Policy Committee agreed that the Waste Minimisation (Plastic and Related Products) Regulations 2022 be amended to extend the deadline for completing the transition to certified home compostable produce labels (which began in July 2023) from 1 July 2025 to 1 July 2028 [ECO-24-MIN-0254 refers].
2. **note** that the Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025 will give effect to the decision referred to in paragraph 1 above;
3. **note** that the Minister for the Environment is required to comply with section 23(2)(b) and (3) of the Waste Minimisation Act 2008 (described in paragraphs 9 and 10) before recommending that the Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025 be made;
4. **note** that the Minister for the Environment advises that the requirements in recommendation 3 have been met;
5. **authorise** the submission to the Executive Council of the Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025 (Appendix 1);
6. **note** that the Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025 come into force on 1 May 2025.

Authorised for lodgement

Hon Penny Simmonds

Minister for the Environment

Appendix 1: Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025

Appendix 1 withheld in full under section 9(2)(h) to maintain legal professional privilege. Final legislation is made publicly available at legislation.govt.nz



Cabinet Legislation Committee

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025

Portfolio **Environment**

On 13 March 2025, the Cabinet Legislation Committee:

- 1 **noted** that in November 2024, the Cabinet Economic Policy Committee agreed that the Waste Minimisation (Plastic and Related Products) Regulations 2022 be amended to extend the deadline for completing the transition to certified home compostable produce labels (which began in July 2023) from 1 July 2025 to 1 July 2028 [ECO-24-MIN-0254];
- 2 **noted** that the Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025 (the Amendment Regulations) give effect to the decision referred to in paragraph 1;
- 3 **noted** that the Minister for the Environment is required to comply with section 23(2)(b) and (3) of the Waste Minimisation Act 2008 before recommending that the Amendment Regulations be made;
- 4 **noted** that the Minister for the Environment advises that the requirements in paragraph 3 have been met;
- 5 **authorised** the submission to the Executive Council of the Waste Minimisation (Plastic and Related Products) Amendment Regulations 2025 [PCO 27157/5.0];
- 6 **noted** that the Amendment Regulations will come into force on 1 May 2025.

Tom Kelly
Committee Secretary

Present:

Rt Hon Winston Peters
Hon Louise Upston (Chair)
Hon Brooke van Velden
Hon Judith Collins KC
Hon Simon Watts
Hon Casey Costello
Hon Chris Penk
Hon Penny Simmonds
Stuart Smith, MP
Jamie Arbuckle, MP
Tod Stephenson, MP

Officials present from:

Officials Committee for LEG