



PROACTIVE RELEASE COVERSHEET

Title of package	Proactive release of Waste and resource efficiency work programme Cabinet paper and associated documents	Date to be published	7 March 2025
-------------------------	--	-----------------------------	--------------

List of documents that have been proactively released

<i>Date</i>	<i>Title</i>	<i>Author</i>
13 November 2024	Cabinet paper: Waste and resource efficiency work programme (CAB-483)	Ministry for the Environment
13 November 2024	Appendix 2 of CAB-483: Waste and resource efficiency action plan for 2024 to 2026	Ministry for the Environment
13 November 2024	Cabinet committee minute (ECO-24-MIN-0254)	Cabinet Office

Information redacted

YES

Any information redacted in this document is redacted in accordance with the Ministry for the Environment's policy on proactive release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Summary of reasons for redaction

One paragraph (34) is redacted in (CAB-483): Waste and resource efficiency work programme under section 9(2)(b)(i) of the Official Information Act, as there is a risk of prejudicing commercial position.

Appendix 1 of CAB-483: Waste and resource efficiency strategy is withheld in its entirety under section 18(d), as the information is or will soon be publicly available.

I N C O N F I D E N C E

Policy and Privacy

In-Confidence

Office of the Minister for the Environment

ECO - Cabinet Economic Policy Committee

Waste and resource efficiency work programme

Proposal

- 1 The purpose of this paper is to set out:
 - 1.1 a proposed Government approach for improving waste outcomes – including a new waste and resource efficiency strategy to replace the previous Government's strategy adopted in March 2023;
 - 1.2 my work plan to contribute to achieving these outcomes this term.

Relation to government priorities

- 2 The proposal relates to the Government target of reduced net greenhouse gas emissions. It will also achieve wider environmental benefits.

Executive Summary

- 3 I propose the following waste and resource efficiency outcomes for the Government to work towards:
 - 3.1 reduction of per capita waste disposal;
 - 3.2 increasing reuse and recycling of materials;
 - 3.3 minimising emissions and environmental harm from waste and litter;
 - 3.4 ensuring modern management of resource recovery and disposal facilities;
 - 3.5 proactively remediating legacy sites before they cause further environmental harm.
- 4 I propose these objectives and the approach to achieving them replace the existing waste strategy adopted in March 2023. Territorial authorities are required to have regard to the waste strategy in their waste management and minimisation plans.
- 5 In addition, I am seeking Cabinet agreement on:
 - 5.1 my work plan to contribute to achieving these outcomes;
 - 5.2 matters relating to the phase-out of certain hard-to-recycle and single-use plastic products;
 - 5.3 rescinding various mandatory provisions related to kerbside recycling agreed by the previous Government.

IN CONFIDENCE**Background**

- 6 New Zealand generates significant volumes of waste, most of which is disposed of in landfills. We dispose of more municipal waste per capita than Australia and many other Organisation for Economic Co-operation and Development (OECD) countries and recover and recycle less. South Australia achieved over 80 per cent diversion to recycling and recovery back in 2016 and sent around 360 kilograms of waste to landfill per capita. By comparison, in the 2022/2023 financial year New Zealand disposed of around 706 kilograms of waste in municipal landfills per capita.
- 7 This poses both economic and environmental challenges and is a matter of substantial public concern.¹ Environmental challenges include appropriate use and management of plastics; greenhouse gas emissions; impacts of inappropriate disposal including litter; and harm caused by legacy sites.
- 8 The waste disposal levy (levy) is a key regulatory tool to achieve waste minimisation. Recent amendments enabled by the Waste Minimisation (Waste Disposal Levy) Amendment Act 2024 have broadened the range of matters the levy can be spent on by central government.
- 9 In consultation with the Minister for Regulation I will report back to Cabinet later this year on the performance of government spending funded by the levy. I am also undertaking an independent review of the investment decision-making process and back-office functions in the Ministry for the Environment relating to the levy, with a focus on value for money. Outputs from these reviews can be incorporated into my work plan as appropriate.
- 10 Working alongside the Treasury, my officials will identify a suitable annual quantum for waste-related investments (including investment in reducing waste emissions as proposed in the second emissions reduction plan), as well as other environmental activities in which levy revenue can be invested to generate savings opportunities for Budget 2025.
- 11 I intend that 50 per cent of the levy revenue would continue to be provided to territorial authorities but will explore providing wider flexibility on what the levy can be used for. For example, I am mindful of considerable cost pressures facing local authorities in relation to stormwater and wastewater networks.

Analysis*The Government's approach to improving waste and resource efficiency outcomes*

- 12 I propose the strategy sets out the following outcomes to be achieved:
- 12.1 reduction of per capita waste disposal;
 - 12.2 increasing reuse and recycling of materials so that we retain valuable resources in the economy;
 - 12.3 minimising emissions and environmental harm from waste and litter;

¹ The 2024 *Kantar Better Futures* report highlighted that microplastics and managing waste and recycling were the second and third highest ranking sustainability concerns (Kantar. 2024. *Better Futures 2024*).

I N C O N F I D E N C E

- 12.4 ensuring modern management of resource recovery and disposal facilities;
- 12.5 proactively remediating legacy sites before they cause further environmental harm.
- 13 These outcomes will be pursued through an approach that involves:
 - 13.1 ensuring fit-for-purpose legislation that supports an efficient market for waste management and recycling, optimal investment decisions and appropriate responsibilities across the supply chain;
 - 13.2 cost-effective, outcomes-focused investment of the levy in infrastructure, innovation and local projects;
 - 13.3 working with the sector, business, local government and communities to develop and implement practical cost-effective solutions;
 - 13.4 where necessary, targeted policy/regulatory measures;
 - 13.5 using the waste hierarchy to guide decision-making, enabling resources to be retained in the economy at their highest value where possible.
- 14 The current waste strategy includes targets. I consider targets should be ambitious, measurable and achievable. Baseline data is insufficient to meet these requirements so I do not propose to include targets at this time. This could be revisited after a couple more years of data collection.
- 15 I propose these objectives and the approach to achieving them (appendix 1) replace the existing waste strategy adopted in March 2023.
- 16 Territorial authorities are required to have regard to the waste strategy when preparing, amending, or revoking a waste management and minimisation plan.

The waste and resource efficiency action plan

- 17 I intend to pursue a targeted action plan to work towards achieving these outcomes in this Parliamentary term (see appendix 2). Key elements of the work plan are outlined below.

Modernising the Waste Minimisation Act and Litter Act

- 18 The Waste Minimisation Act 2008 (WMA) provides for the setting, monitoring, distributing and investing of the levy. It also provides a framework for regulatory tools concerned with the management of waste materials, including product stewardship.
- 19 The WMA and Litter Act 1979 (Litter Act) require modernising and improvement, including:

IN CONFIDENCE

- 19.1 adjustments to how levy funds are allocated amongst councils², shifting from a fully population-based formula in recognition of the fixed costs and scale challenges faced by smaller councils;
- 19.2 options for councils to spend their share of the levy on a wider range of waste and environmental priorities, or alternatively removing restrictions entirely on how councils spend their levy share;
- 19.3 improving compliance, monitoring and enforcement provisions to ensure more proportionate and practical intervention tools;
- 19.4 amending provisions for product stewardship to ensure greater clarity of responsibilities; manage financial risks; and enforce obligations, to ensure a level playing field;³
- 19.5 inclusion of a regulatory framework to support possible future introduction of a beverage container return scheme.

Investment of the waste disposal levy

- 20 The levy is forecast to generate between \$237 and \$285 million⁴ per annum over the next three years (2024-25 to 2026-27).
- 21 This provides opportunities to invest in both waste and wider environmental priorities, following expansion of what the levy can be invested in [CAB-24-MIN-0138 refers]. As outlined above, work is underway to ensure investment targets high-priority areas.
- 22 In relation to waste, my work plan includes implementing the investment priorities Cabinet agreed in April 2024 including resource recovery infrastructure; contaminated sites remediation; innovation, community solutions and education; and system design.
- 23 Investment will be targeted at priority waste streams also agreed by Cabinet in April 2024 (CAB-24-MIN-0138 refers):
 - 23.1 construction and demolition materials;
 - 23.2 organic waste;
 - 23.3 plastics;
 - 23.4 kerbside recyclables;
 - 23.5 priority products the Minister has declared by notice in the *Gazette*.

Reducing waste emissions

- 24 The waste sector contributed four and a half per cent of New Zealand's total greenhouse gas emissions and around eight and a half percent of biogenic methane

² Under current provisions, territorial authorities receive 50 per cent of levy revenue, allocated on a population basis. I do not propose changing the revenue split between central and local government, but I do propose changes to how the levy is shared amongst councils.

³ Cabinet has already agreed some minor WMA amendments in an Omnibus Bill to improve the collection of duty, fees and levies being led by the Minister of Customs [ECO-24-MIN-0169 refers].

⁴ Forecasting levy revenue is uncertain due to multiple factors such as market dynamics, policy impact, and data quality. These figures are estimates only and will likely shift over time.

IN CONFIDENCE

emissions in 2022. Progress towards the biogenic methane targets⁵ set in the Climate Change Response Act 2002 is reliant on abatement from both the agriculture and waste sectors.

- 25 Current actions to reduce waste emissions are outlined in the first emissions reduction plan. Overall, the waste sector is projected to achieve an approximate 14 per cent reduction in biogenic methane by 2030 (compared to the 2017 baseline).
- 26 The second emissions reduction plan (ERP2) is also proposed to include waste and refrigerant gas actions, which could contribute an estimated 2.2Mt of CO₂e abatement by 2030.

Recycling and resource recovery

- 27 Resource recovery and recycling in New Zealand have been hampered by a lack of infrastructure, lack of household confidence and confusion about recyclability, and non-recyclable and harmful materials entering supply chains.
- 28 This workstream includes work to ensure each council throughout the country collects the same core recycling materials; collaborative work with industry to enhance what can be recycled, including through a Recycling Leadership Forum; and support for recycling infrastructure via the Waste Minimisation Fund.
- 29 Key actions relate to plastics phase-outs; kerbside recycling policies; product stewardship; and a beverage container return scheme.

Recycling and resource recovery – plastics phase-outs

- 30 Cabinet agreed to phase out some hard-to-recycle and single-use plastics in June 2021 [CBC-21-MIN-0057 refers]. The purpose was to reduce waste and litter and reduce contamination of recycling with non-recyclable or low-value materials. It was estimated the policies would remove more than 2 billion plastic items from landfills and the environment each year, including plastic drinks stirrers, polystyrene takeaway packaging and single use produce bags.
- 31 The Waste Minimisation (Plastic and Related Products) Regulations 2022 (the phase-out regulations) give effect to stage one and two of the phase-outs. The third stage, which is intended to phase out certain hard-to-recycle plastic types and will support the February 2024 changes to materials accepted at kerbside, has not yet been implemented.
- 32 Ministry for the Environment officials have engaged closely with a range of affected stakeholders on plastics phase-outs, including packaging manufacturers, importers, industry bodies, supermarkets and businesses. These stakeholders generally support the additional phase-outs but would prefer a longer lead-in time to ensure practicable alternatives are available and provide sufficient time to make operational changes and run-down existing stock.
- 33 I propose that Cabinet rescind the decisions referred to at paragraph 30 that have not yet been implemented, and instead agree to additional policy work to ensure that further phase-outs of food and beverage packaging made from polyvinyl chloride

⁵ 24 – 47 per cent reduction by 2050, and a statutory minimum 10 per cent reduction by 2030 (from 2017 baseline).

IN CONFIDENCE

(PVC) and polystyrene (PS) that are not already captured in previously implemented phase-outs are workable, well-supported, and provide adequate lead time.

34 9(2)(ba)(i)

35 I am also seeking Cabinet's agreement to amend the phase-out regulations as they relate to produce label requirements. An estimated 7.5 billion produce labels are used per year in New Zealand, of which 98 per cent were plastic prior to 2023. Plastic produce labels are not recyclable or biodegradable and contaminate both home compost and industrial compost facilities with microplastics, inks and dyes.

36 The phase-out regulations that came into force on 1 July 2023 began a transition towards home compostable produce labels. The phase-out regulations provide a transitional period until 1 July 2025 for imported produce sold in New Zealand, and for the adhesive on labels affixed to domestic produce.

37 Domestic and international businesses and industry bodies have requested an extension to the transitional period for these requirements to better align with other jurisdictions, such as the EU. I am seeking agreement that the transitional period in the phase-out regulations be extended to 1 July 2028. I have sought the advice of the Waste Advisory Board in proposing this change, as I am required to do under the WMA. This change is necessary to ensure continued market access for imported produce.

Recycling and resource recovery – kerbside recycling policies

38 In November 2022, Cabinet agreed to five policies to improve household recycling [ENV-22-MIN-0058], only one of which has been fully implemented to date.⁶ I propose a different approach for the policies not yet implemented.

39 While I support the aim of improving household recycling, I do not consider a mandatory approach that will place additional costs on councils is the right approach at this time, nor necessary. For instance, many councils, including most of the large urban councils, have already taken their own decisions to adopt food scraps collection services.

40 I am seeking Cabinet approval to rescind the decisions in ENV-22-MIN-0058 not yet implemented.⁷ Instead, I will continue to support recycling and recovery of recycling, food scraps and green waste through targeted investment of the Waste Minimisation

⁶ The Standard Materials for Kerbside Collections Notice 2023 establishes performance standards for territorial authorities to collect standard materials in their kerbside dry recycling, food organics collections, and combined food organics and garden organics collections.

⁷ The policies agreed but not yet implemented are to require councils to provide dry recycling collections and food scrap or food and garden waste collections for all households in areas with 1000 people or more within specified timeframes [ENV-22-MIN-0058 refers] (decision 7); set performance standards for how much household waste is diverted to recycling and food waste collection (decision 15); require waste companies to record and report to the Ministry details of household waste and recycling collections (decision 18). Cabinet also agreed in principle that new waste legislation could provide for mandatory provisions for businesses to separate organic from non-organic waste (for example, separate collection of food scraps (decision 22).

IN CONFIDENCE

Fund in supporting infrastructure and technology. This will reduce waste, improve recycling and contribute to our efforts to meet emissions reductions targets, consistent with ERP2. Officials will monitor outcomes.

Recycling and resource recovery – product stewardship

- 41 Some products, such as batteries, tyres, and harmful chemicals are particularly hard to either recycle or safely dispose of. Currently, the associated costs are primarily borne by consumers and ratepayers, and there are limited incentives to ensure appropriate design, manufacture and disposal of products. Product stewardship offers sector-wide opportunities to reduce waste and better meet international obligations and requirements of our export markets.
- 42 The WMA provides for both voluntary and mandatory or regulated product stewardship. Voluntary schemes have experienced challenges obtaining full sector engagement and effective reduction of waste volume and harm.
- 43 I propose to continue work initiated in July 2020, when six products were declared to be 'priority products,' for which product stewardship schemes must be developed and accredited. The 'priority product' declaration also allows use of regulation to ensure full sector participation in the accredited scheme.⁸ I intend to progress schemes in a measured way to ensure they are well-considered and cost-of-living impacts are limited.
- 44 In response to this declaration, industry-led working groups have designed product stewardship schemes for five priority products and the sixth is anticipated this year. The first product stewardship regulatory framework to be implemented under the WMA is for end-of-life tyres, through the Waste Minimisation (Tyres) Regulations 2023. As of September 2024, all components of the regulations are in force. Ministry officials will work with the sector to monitor and support ongoing implementation of the scheme.
- 45 During 2024/25 I plan to bring items in this policy area to Cabinet for decision, including:
- 45.1 synthetic refrigerant gases – I will be seeking policy decisions for regulations, following consultation which took place in late 2022;
- 45.2 farm plastics, agrichemicals and their containers – I will be seeking approval to consult on proposed regulations.
- 46 Existing voluntary schemes for these product groupings are long-standing and industry have supported making upgraded schemes mandatory. Subsequent decisions may be sought for electrical and electronic products (including batteries) and potentially plastic packaging.

Recycling and resource recovery – beverage container return scheme

- 47 New Zealanders use over two and a half billion single-use drink containers each year. It is estimated that over half these empty beverage containers end up in landfills and unused stockpiles or as litter.

⁸ The six priority products are plastic packaging; tyres; electrical and electronic products (e-waste, including large batteries such as those from electric vehicles); agrichemicals and their containers; refrigerants and other synthetic greenhouse gases; farm plastics), as outlined in the *New Zealand Gazette*, notice 2020-go4533.

IN CONFIDENCE

- 48 A beverage container return scheme would encourage consumers and businesses to return beverage containers for recycling and/or re-use, through use of a refundable deposit that would be added to the price of purchase. Such schemes are common overseas to increase recycling rates, reduce litter, and reduce emissions by decreasing the need for virgin packaging production.
- 49 There are challenges to establishing a scheme under existing legislation, particularly in relation to provisions for setting fees and monitoring and enforcing obligations. I propose to provide a framework as part of wider improvements to product stewardship provisions in the WMA, which would enable the establishment of a container return scheme if the Government decided to do so, and subject to subsequent Cabinet decisions about key parameters of any scheme.

Reducing harm and addressing legacy issues

- 50 Closed landfills and other contaminated sites caused by historic poor management of waste can cause a range of environmental harms and can be vulnerable to the impacts of severe weather events. From 1 July 2024, projects to remediate contaminated sites will be funded through the levy. This will enable a significant increase in funding, and more proactive management of historic sites before they become a problem.

International chemical and waste commitments

- 51 My work plan includes supporting global solutions to environmental issues through negotiating, ratifying and implementing international Treaties, including:
- 51.1 continued engagement in negotiations towards an international treaty on plastic pollution and advocating for New Zealand interests as outlined in the mandate Cabinet agreed in April 2024 (CAB-24-MIN-0126 refers);
 - 51.2 implementation of the Basel Convention, including e-waste amendments – consultation on these proposals closed at the end of August 2024 and I intend to seek Cabinet agreement to final policy proposals;
 - 51.3 ratification of the Minamata Convention (on mercury) to ensure effective compliance and enforcement.

Cost-of-living Implications

- 52 Cost-of-living implications will be carefully considered for any proposed future interventions, and these decisions will be brought to Cabinet as appropriate.

Financial Implications

- 53 Recent amendments to the WMA have broadened the range of matters the levy can be spent on by central government, including the Ministry's responsibilities relating to waste and hazardous substances. I am nonetheless mindful of the need for fiscal restraint in delivery of my work programme.

Legislative Implications

- 54 A legislative bid has been submitted for the review of the WMA and the Litter Act.

IN CONFIDENCE**Impact Analysis**

- 55 A regulatory impact statement accompanied the plastics phase-outs when they were first considered by Cabinet. 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.
- 56 The Climate Implications of Policy Assessment (CIPA) team has been consulted and confirms that the original CIPA assessment applies (ie, CIPA requirements do not apply to the produce label proposal as the threshold for significance is not met).
- 57 Impact and CIPA analysis will be carried out as required where any further regulatory decisions are sought for items in my work plan.

Population Implications

- 58 No specific population implications have been identified for these proposals.

Human Rights

- 59 The proposals in the work programme are consistent with the New Zealand Bill of Rights Act 1990 and the Human Rights Act 1993.

Use of external Resources

- 60 No external resources have been used to develop this paper.

Consultation

- 61 I have used meetings with the sector to help me shape the priorities within the proposed work programme.
- 62 Previous public consultation has taken place on work programme components including the earlier waste strategy, waste legislation, plastics phase-outs, improvements to kerbside recycling, product stewardship regulation and emissions reduction plans. Additional external consultation on elements of the work programme will take place as required.
- 63 I propose to undertake some targeted engagement on the strategy in appendix 1 before finalising it for publication. I do anticipate some criticism that I am not intending to formally consult the sector more fully. However, I am focused on achieving outcomes and do not wish to delay adoption of the strategy and work plan.
- 64 The following departments were consulted on this paper: Department of Conservation, Department of Internal Affairs (DIA), Environmental Protection Authority, Kāinga Ora, Ministry of Education, Ministry for Primary Industries, Ministry for Regulation, Ministry of Business, Innovation and Employment, Ministry of Foreign Affairs and Trade, Ministry of Health, the Ministry of Housing and Urban Development, Ministry of Social Development, New Zealand Customs Service, Te Arawhiti, Te Puni Kōkiri (TPK), and the Treasury. The Department of Prime Minister and Cabinet was informed.
- 65 DIA and TPK recommend consultation on the revised waste strategy with territorial authorities and iwi, hapū and Māori, respectively.

IN C O N F I D E N C E**Communications**

- 66 I anticipate a high level of sector interest in my priorities for waste. I intend to publicise my revised waste strategy (appendix 1) and work plan (appendix 2).

Proactive Release

- 67 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.

Recommendations

The Minister for the Environment recommends that the Committee:

Waste and resource efficiency strategy

- 1 **agree** to replace the waste strategy adopted by the previous Government in March 2023 with a revised strategy, reflecting this Government's proposed objectives and approach for improving waste and resource efficiency outcomes as outlined in appendix 1 (subject to targeted sector engagement);

Waste and resource efficiency action plan

- 2 **agree** the proposed action plan outlined in appendix 2, subject to any updates necessary to ensure it remains current;

Recycling and resource recovery – plastics phase-outs

- 3 **agree** to recommend that Cabinet rescind the decisions made by Cabinet in June 2021 [CBC-21-MIN-0057] to phase out various hard-to-recycle and single-use plastics that have not yet been implemented through the Waste Minimisation (Plastic and Related Products) Regulations 2022, and instead agree to additional policy work to ensure that further phase-outs of food and beverage packaging made from polyvinyl chloride (PVC) and polystyrene (PS) are workable and well-supported;
- 4 **agree** 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 certified home compostable (including both the label and its adhesive) to 1 July 2028;

Recycling and resource recovery – kerbside recycling policies

- 5 **agree** to recommend that Cabinet rescind the decisions to improve household recycling made by Cabinet in November 2022 [ENV-22-MIN-0058 refers] which have not yet been implemented (namely, decisions 7, 15 and 18).

Authorised for lodgement

Hon Penny Simmonds

Minister for the Environment

Appendix 2: Waste and resource efficiency action plan for 2024 to 2026

Focus area: ensuring fit-for-purpose waste legislation

Workstreams	Timing
Implement recent changes established by the Waste Minimisation (Waste Disposal Levy) Amendment Act 2024 <ul style="list-style-type: none"> Changes made to the Waste Minimisation Act include enabling funding for activities that reduce environmental harm or increase environmental benefits; emergency waste; and contaminated site remediation. 	Ongoing Contaminated Sites and Vulnerable Landfills Fund opens October 2024
Modernise the Waste Minimisation Act and Litter Act <p>Modernising and improvements including:</p> <ul style="list-style-type: none"> adjustments to how levy funds are allocated amongst councils, shifting from a fully population-based formula in recognition of the fixed costs and scale challenges faced by smaller councils options for councils to spend their share of the levy on a wider range of waste and environmental priorities, or with no restrictions on how it can be spent improving compliance, monitoring and enforcement provisions to ensure more proportionate and practical intervention tools amending provisions for product stewardship to ensure greater clarity of responsibilities; manage financial risks; and enforce obligations, to ensure a level playing field inclusion of a regulatory framework to support future introduction of a beverage container return scheme. 	Consult on detailed legislation proposals in 2025

Focus area: cost-effective, outcomes-focused investment of the levy

Workstreams	Timing
Independent review of investment of the waste disposal levy <ul style="list-style-type: none"> independent review of the process for making investment decisions using the levy and back-office functions in the Ministry for the Environment relating to the levy in consultation with the Minister for Regulation, review the performance of government spending funded by the levy implement recommendations of these reviews, including through legislative change (see above) where required 	Report back to Cabinet before end 2024
Investing the waste disposal levy <p>Implement the investment priorities Cabinet agreed in April 2024 (CAB-24-MIN-0138 refers), including:</p> <ul style="list-style-type: none"> contaminated sites including vulnerable landfill remediation (15 to 25 per cent of waste-related investment of the levy¹) infrastructure, e.g. materials recovery, recycling and manufacturing facilities (70 to 80 per cent) innovation, community solutions and education, e.g. product design, and recycling education campaigns (5 to 10 per cent) system design, e.g. design and development of producer responsibility schemes (2 to 5 per cent). <p>Priority waste streams also agreed by Cabinet in April 2024 (CAB-24-MIN-0138 refers):</p> <ul style="list-style-type: none"> construction and demolition materials organic waste plastics kerbside recyclables priority products the Minister has declared by notice in the <i>Gazette</i>. <p>Projects seeking over \$10 million in levy funding will be consulted on with the Minister of Finance, Minister for Infrastructure, Minister for Regional Development, and any other relevant portfolio Ministers.</p>	Ongoing

¹ Excluding emergency waste and spending on the Ministry's responsibilities relating to waste and hazardous substances.

Focus area: reducing waste emissions

Workstreams	Timing
Implement Emissions Reduction Plan 1 actions <ul style="list-style-type: none"> The first emissions reduction plan (ERP 1) covers the period 2022 to 2025. It includes 14 actions for waste and four for fluorinated gases. Key actions relate to investment (as outlined above), kerbside food scraps collections (see below), improvement to landfill gas capture, supporting improvements in waste data, and improved management of refrigerant gases. Some actions require legislative change to proceed. In conjunction with the Minister of Climate Change, the Minister for the Environment will assess which actions should proceed, either as initially planned or with modification, and which do not need to proceed at this time, with regard to the Government's overarching climate strategy. 	Ongoing
Finalise and implement Emissions Reduction Plan 2 actions <ul style="list-style-type: none"> The second emissions reduction plan (ERP 2) covers the period 2026 to 2030. Officials are developing options to enable the sector to continue to deliver towards national emissions targets, including the 2030 statutory target for methane reduction. Subject to Cabinet decisions on the ERP 2, this could include investigating improvements to landfill gas capture systems, and actions relating to refrigerant gases. Ongoing investment into infrastructure and resource recovery and recycling systems (as outlined above) will continue to be an important action for reducing waste emissions. 	Ongoing

Focus area: increasing reuse and recycling of materials

Workstreams	Timing
Plastics phase-outs <p>Ensure plastic packaging is recyclable and high value, including through:</p> <ul style="list-style-type: none"> refining options for phasing out hard-to-recycle polyvinyl chloride (PVC) and polystyrene food and beverage packaging which is no longer collected through kerbside collections to ensure practicable alternatives are available and provide sufficient time to make operational changes and run-down existing stock. Advice will include outlining exemptions (or extensions) needed where there are no viable and cost-effective alternatives available amending the Waste Minimisation (Plastic and Related Products) Regulations 2022 to extend the date by which the labels on all produce sold in New Zealand must be certified home compostable (including both the label and its adhesive) to 1 July 2028 	Report back to Cabinet by mid-2025 with policy options to phase out additional PVC and PS packaging Produce labels to be certified home compostable by 1 July 2028

Kerbside recycling policies

- support territorial authorities to introduce standardised kerbside dry recycling and food organics or food and garden organics collections through targeted investment packages of the Waste Minimisation Fund
- work collaboratively with the sector, including on the Recycling Leadership Forum, which brings together sector representatives from across the system to explore challenging kerbside issues including solutions for some of the items that are no longer accepted in household recycling bins
- monitor outcomes, including in relation to council adoption of food scrap collections (which help to achieve emissions reduction objectives). Mandatory record-keeping and reporting by territorial authorities from 1 July 2024 will assist with monitoring

Ongoing

Product stewardship

Develop product stewardship schemes to reduce waste and better meet international obligations and requirements of our export markets, including:

- **tyres** – An estimated 4.6 million tyres (out of a total 6.5 million that reach end-of-life) go to landfill or illegal disposal in New Zealand each year. Industry led the co-design of the product stewardship scheme, known as Tyrewise, which collects and processes end-of-life tyres and turns them into new products. A tyre stewardship fee funds the scheme. The fee is built into the cost of the newly imported tyres that have entered the market from 1 March 2024. The fee replaces the old system of ad-hoc disposal charges that many tyre retailers used to charge but did not guarantee responsible end-of-life management. The scheme is given effect through the Waste Minimisation (Tyres) Regulations 2023, the second and final tranche of which has been in force since 1 September 2024. Ministry for the Environment officials will work with the sector to monitor and support ongoing implementation of the scheme.
- **synthetic refrigerant gases** – Refrigerant gases are used in heating, ventilation, air-condition and refrigeration technology. The Trust for the Destruction of Synthetic Refrigerants was established by the industry in 1993 and operates a voluntary product stewardship scheme to collect and destroy the highest risk refrigerant gases, which have much higher global warming potential than carbon dioxide. The scheme has been accredited under the WMA since 2010, but as a voluntary scheme has had lower impact than is desirable. In 2020 a sector working party reported to government on how best to improve the collection and destruction or safe reuse of refrigerant gases and bring workforce competence up to international standards. Regulations to support full industry participation and restricting access to trained technicians is required to give this scheme full effect. In late 2022 government consulted on regulations to support this design. It is proposed to enact regulations in 2024/25, with progressive implementation (timing to be outlined in upcoming Cabinet paper). This initiative will reduce domestic emissions significantly by 2030, at almost no cost to businesses and consumers.

Tyres- ongoing implementation by Tyrewise

Refrigerants – enact regulations in 2024/25

Farm plastics, agrichemicals and their containers – consultation on regulations in 2024/25

E-waste – work with industry on next steps

Plastic packaging – receive final report

-
- **farm plastics, agrichemicals and their containers** – Voluntary accredited product stewardship schemes Agrecovery and Plasback have engaged many farmers to recycle agrichemicals, their containers and other farm plastics over the last decade. However, on-farm burning and/or burial of these products remains common practice in rural areas. Industry-led working parties designed improvements to the Agrecovery and Plasback schemes and proposed a combined regulated ‘Green-farms’ scheme which was accredited in 2023. Proposed regulations would affect producers who place these products on the market. Farmers would not be regulated and would have better options for reducing waste through a free nationwide collection service funded by a small product fee charged to producers. Public consultation on these regulations will be proposed in an upcoming Cabinet paper.
 - **electrical and electronic products (including batteries)** – Waste electronic and electrical products are known as e-waste. New Zealand generates an estimated 99,000 tonnes of e-waste annually, 98 per cent of which goes to landfill or illegal disposal. E-waste contains hazardous materials harmful to human health and the environment, but it also offers significant opportunities for business development, employment, and the extraction of valuable metals, including rare earth elements and precious metals. In addition, it is estimated that by 2030 New Zealand will have over 84,000 large batteries from electric vehicles reaching the end of their lifecycle, posing substantial environmental challenges. The most widely used battery chemistries pose risks of fire hazard, release of toxins, and loss of rare earth metals. Two industry led co-design projects have been completed, one for large batteries (led by the Battery Industry Group) and one for a small range of other e-waste (led by Tech-Collect NZ). The Ministry for the Environment will work with stakeholders to combine and build on these designs and update the evidence base.
 - **plastic packaging** – Plastic waste makes up an estimated 80-85 per cent of marine litter and most urban litter in New Zealand. Plastic packaging poses harm to freshwater and marine wildlife from ingestion and breaks down into microplastics and food chain contamination. Currently the financial and environmental burden of managing post-consumer packaging falls on councils and communities. Since 2018, the Packaging Forum has operated an accredited voluntary product stewardship scheme for soft plastics. However, limited participation and limited markets for the collected plastics have hindered significant environmental gains. In September 2022 the Packaging Forum (supported by the Food and Grocery Council) was awarded funding from the Waste Minimisation Fund to lead a two-year project to co-design a plastic packaging product stewardship scheme. Their final report to government is expected later this year.
-

from Packaging
Forum by end 2024

Beverage container return scheme

New Zealanders use over two and a half billion single-use drink containers each year. It is estimated that over half these empty beverage containers end up in landfills and unused stockpiles or as litter. A beverage container return scheme would encourage consumers and businesses to return beverage containers for recycling and/or re-use, through use of a refundable deposit that would be added to the price of purchase.

- develop a framework for a container return scheme as part of wider improvements to product stewardship provisions in the WMA, which would enable the establishment of a beverage container return scheme should the Government choose to do so.

Consult on detailed legislation proposals in 2025

Construction and demolition waste

Initiatives to enable construction waste to be reduced in a cost-effective way, incorporating industry views on how this can best be achieved:

- prioritising levy funds to invest in construction and demolition separation and recovery infrastructure, including solutions to problematic materials such as treated timber
- work with industry to identify options to help manage surplus soil generated through construction and infrastructure projects, with the aim of developing cost-effective solutions that recognise the value of soil resources and maximise benefits. This will include work with and responding to sector group WasteMINZ, who are developing a white paper on soil reuse.

Ongoing

Waste-related trade opportunities

Waste-related trade opportunities include:

- European Union (EU) requirements for recycled content for packaging and the necessary domestic infrastructure to enable major New Zealand businesses to comply and continue to access the European market
 - the role of the Eco Choice Aotearoa ecolabel in supporting businesses to substantiate their green credentials and adhere to the new EU laws on green claims.
-

Ongoing

Respond to petitions considered by the Environment Committee

Responses are required on petitions considered by the Environment Committee (the committee) covering:

- banning single-use disposable food and drink serveware and using waste legislation and targeted investment to require and support the implementation of accessible, reusable systems instead (petition of Hannah Blumhardt considered by the committee in July 2023). The committee recommended to the Government that it gives full consideration to the ideas presented by the petitioner in advancing work to reduce the use of single-use serveware products. 2024
- banning plastic waste exports to developing countries (committee report on the petition of Lydia Chai released in September 2023).²

Focus area: reducing harm and addressing legacy issues

Workstreams	Timing
Contaminated site and vulnerable landfill remediation	
<ul style="list-style-type: none">• The environmental harm associated with closed landfills and the historic inappropriate dumping of waste is becoming more prominent, particularly as the impacts of severe weather events are becoming more prevalent. From 1 July 2024, projects to remediate contaminated sites will be funded through the levy. This will enable an increase in funding, and more proactive management of historic sites before they become a problem• Officials will investigate using levy revenue to also fund the remediation of contaminated sites on Crown land which pose an unacceptable risk to the environment and human health.	New Contaminated Sites and Vulnerable Landfills Fund opens in October 2024

² Potential responses could include using tools in the current WMA, adding new provisions as part of reform of the WMA, or improvements to the Imports and Exports (Restrictions) Act 1988, which is administered by the Ministry of Business, Innovation and Employment.

Compliance, monitoring and enforcement

Compliance, monitoring and enforcement of regulatory obligations under the WMA, including:

- payment of the levy
- record-keeping and reporting provisions
- monitoring and audit of levy spend by territorial authorities and Waste Minimisation Fund recipients
- product bans including single-use shopping bags and other hard-to-recycle and single-use plastics
- regulated product stewardship (currently the Waste Minimisation (Tyres) Regulations 2023, with additional regulations under development)

Ongoing

Focus area: international chemical and waste commitments

Workstreams	Timing
<p>Supporting global solutions to environmental issues through negotiating, ratifying and implementing international Treaties, including:</p> <ul style="list-style-type: none"> • continuing to engage in the negotiation of the United Nations global plastics treaty and advocating for New Zealand interests as outlined in the mandate Cabinet agreed in April 2024 • implementation of the Basel Convention, including e-waste amendments – consultation on these proposals closed at the end of August 2024 • ratification of the Minamata Convention (on mercury) to ensure effective compliance and enforcement. This will include amending the National Environmental Standards for Air Quality. 	<p>Fifth session of the global plastics treaty (INC-5) is scheduled for 25 November to 1 December 2024</p>



Cabinet Economic Policy 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 and Resource Efficiency Work Programme

Portfolio **Environment**

On 13 November 2024, the Cabinet Economic Policy Committee:

- 1 **noted** that in November 2022, the previous government approved the release of a waste strategy [ENV-22-MIN-0053];
- 2 **agreed** to replace the waste strategy referred to above with a revised strategy, reflecting the Government's proposed objectives and approach for improving waste and resource efficiency outcomes, as outlined in Appendix 1 to the paper under ECO-24-SUB-0254, subject to targeted sector engagement;

Waste and resource efficiency action plan

- 3 **agreed** to the waste and resource efficiency action plan for 2024 to 2026, outlined in Appendix 2 to the paper under ECO-24-SUB-0254, subject to any updates necessary to ensure it remains current;

Recycling and resource recovery – plastics phase-outs

- 4 **noted** that:
 - 4.1 in June 2021, the previous government agreed to phase out various hard-to-recycle and single-use plastics [CBC-21-MIN-0057];
 - 4.2 these decisions have not yet been fully implemented through the Waste Minimisation (Plastic and Related Products) Regulations 2022;
- 5 **rescinded** the above decisions that have not yet been implemented; and instead
- 6 **agreed to** additional policy work to ensure that further phase-outs of food and beverage packaging made from polyvinyl chloride (PVC) and polystyrene (PS) are workable and well-supported;
- 7 **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 certified as home compostable (including both the label and its adhesive) to 1 July 2028;

Recycling and resource recovery – kerbside recycling policies

- 8 **noted** that in November 2022, the previous government made the following decisions to improve household recycling, which have not yet been implemented:
- 8.1 agreed that regulations be developed under section 48 of the Waste Minimisation Act 2008 (WMA) through Order in Council, to direct territorial authorities to amend their waste management and minimisation plans in a way that achieves or assists in achieving the waste strategy, and require territorial authorities to:
 - 8.1.1 implement either food waste or food and garden waste collections for all households within urban areas with 1000 people or more by:
 - 8.1.1.1 2027 for the territorial authorities with access to existing food and garden waste processing infrastructure (within 150 km of a main centre);
 - 8.1.1.2 2030 for all other territorial authorities;
 - 8.1.2 implement dry recycling collections for households of urban areas with 1,000 people or more by 2027;
 - 8.2 agreed that performance standards be set under section 49 of the WMA to require implementation of Waste Minimisation and Management Plans to achieve 50 percent diversion of household waste placed at kerbside to dry and food waste recycling by 2030, and be implemented through councils' waste management and minimisation plans and phased in as follows:
 - 8.2.1 30 percent by 2026;
 - 8.2.2 40 percent by 2028;
 - 8.2.3 50 percent by 2030;
 - 8.3 agreed that regulations be developed under section 86 of the WMA to require private waste companies that provide contracted services to households for regular waste collection (e.g. weekly or fortnightly etc), to record and report on the amount of waste collected annually through household kerbside services, as follows:
 - 8.3.1 total tonnes of household kerbside waste by material stream (rubbish, recycling, food waste and garden waste) by council area;
 - 8.3.2 tonnes of contamination in these streams via an agreed reporting protocol;
- [ENV-22-MIN-0058]
- 9 **rescinded** the decisions referred to in paragraph 8 above.

Rachel Clarke
Committee Secretary

Present: (see over)

Present:

Hon David Seymour
Hon Nicola Willis (Chair)
Hon Shane Jones
Hon Simeon Brown
Hon Erica Stanford
Hon Louise Upston
Hon Judith Collins KC
Hon Tama Potaka
Hon Matt Doocey
Hon Melissa Lee
Hon Penny Simmonds
Hon Chris Penk
Hon Nicola Grigg
Hon Andrew Hoggard
Hon Mark Patterson

Officials present from:

Office of the Prime Minister
Officials Committee for ECO