



# Cabinet Environment, Energy and Climate Committee

## Minute of Decision

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### New Zealand Container Return Scheme: Proposed Scope

**Portfolio**                      **Environment**

On 30 September 2021, the Cabinet Environment, Energy and Climate Committee:

#### Background

- 1        **noted** that investigating a container return scheme for New Zealand (NZ CRS) is a Labour Party Manifesto commitment, was recommended to be implemented by the Prime Minister's Chief Science Advisor in 2019 and aligns with the New Zealand Labour Party and Green Party of Aotearoa's Cooperation Agreement;
- 2        **noted** that on 5 August 2021, the Cabinet Environment, Energy and Climate Committee (ENV) made an in principle decision to proceed to consultation on a NZ CRS and invited the Minister for the Environment to prepare further advice on the design considerations for a NZ CRS [ENV-21-MIN-0039];
- 3        **noted** that the aim of a CRS is to increase the recovery and recycling of eligible beverage containers, reduce litter, and contribute to New Zealand's transition to a climate-resilient, sustainable, circular and low-emissions economy;
- 4        **noted** that international schemes typically include a broad scope of beverage containers and materials including plastic, glass, aluminium, and in some cases, liquid paperboard;
- 5        **noted** that:
  - 5.1      the following decisions are in principle, and subject to a Cabinet decision on whether to consult on the option of a NZ CRS;
  - 5.2      in order to implement a scheme, further public consultation would occur at the regulatory development stage;

#### Subject to Cabinet's agreement to consult on a CRS for New Zealand:

- 6        **noted** that the Minister for the Environment recommends a broad scope of beverage containers be included in a proposed NZ CRS for public consultation, including:
  - 6.1      all single-use metal beverage containers, noting that the majority of these are aluminium;
  - 6.2      all single-use plastic beverage containers (including PET, HDPE, PP and bio-based HDPE and PET);

- 6.3 all single-use glass beverage containers, noting the Ministry has identified a range of potential solutions to address the current over-supply;
- 6.4 all single-use LPB containers, noting that the application of an eco-modulation fee could help ensure LPB is successfully recycled whether in New Zealand or abroad;
- 7 **noted** that some niche beverage container products may need to be considered for inclusion on a case-by-case basis pending recyclability, and that public consultation will help identify these products;
- 8 **noted** that non-beverage containers are proposed to be excluded from the design of a NZ CRS for public consultation;
- 9 **noted** that the Minister for the Environment intends to seek feedback through public consultation on the potential role of refillable beverage containers in a NZ CRS and that the proposed design of a NZ CRS for public consultation would:
- 9.1 not include refillable beverage containers at this stage;
- 9.2 include provisions to enable refillables/reusables to be incorporated in the future;
- 10 **noted** that fresh milk is considered a staple product and is excluded from most schemes overseas;
- 11 **noted** that New Zealand has relatively high recovery of fresh milk at home (through kerbside recycling), but low recovery of fresh milk in commercial channels (e.g. restaurants and cafes);
- 12 **invited** the Minister for the Environment to prepare a draft consultation document for Cabinet consideration on a proposed NZ CRS that excludes fresh milk in all packaging types and target commercial recovery through other means;
- 13 **noted** that the Ministry for the Environment will engage with key stakeholders such as fresh milk producers and the hospitality sectors to investigate and develop further the alternative options for increasing the commercial recovery of milk bottles;
- 14 **noted** that the option of incentives and/or reuse targets would be complementary to a NZ CRS (e.g. differential fees and/or targets for refillable bottles as a percentage of beverage (or any other) container volume sold to market);
- 15 **noted** that a Cabinet paper will be submitted outlining the proposed design for a New Zealand beverage container return scheme and seek Cabinet's agreement to consult;
- 16 **directed** the Ministry for the Environment to prepare a consultation document on the option of a NZ CRS, in line with the above paragraphs.

Vivien Meek  
Committee Secretary

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**Attendees (see over)**

**Present:**

Hon Grant Robertson  
Hon David Parker (Chair)  
Hon Willie Jackson  
Hon Michael Wood  
Hon Kiri Allan  
Hon Phil Twyford  
Rino Tirikatene, MP

**Officials present from:**

Office of the Prime Minister  
Officials Committee for ENV

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