
Soft Plastic Stewardship Australia Limited (SPSA) – AA1000695 – Draft Determination

**Submission from the Product Stewardship Centre of Excellence
September 2025**

Introduction

This submission to the ACCC is made on behalf of the Product Stewardship Centre of Excellence, an independent not-for-profit charity. The Centre exists to facilitate the avoidance and reduction of waste and create positive environmental and social outcomes through sustainable design, resource conservation, reuse, repair, and recycling.

The Centre has extensive experience across industries and sectors and based on ongoing research and investigations on product stewardship actions in Australia and overseas provides independent advice on product stewardship priorities to all levels of government.

Our submission seeks to outline the essential principles of effective and responsible product stewardship and provides an assessment of the SPSA authorisation / exemption application against the five characteristics of effective product stewardship schemes (section 6 of this submission).

The submission has 7 sections:

1. Principles of effective and responsible product stewardship
2. Product stewardship actions across the product lifecycle
3. Five characteristics of effective product stewardship schemes
4. Eight elements to effective product stewardship scheme design
5. Measuring and reporting on product stewardship scheme performance
6. Assessment of the SPSA authorisation / exemption application against the five characteristics of effective product stewardship schemes
7. Relevant centre publications list

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1. Principles of effective and responsible product stewardship

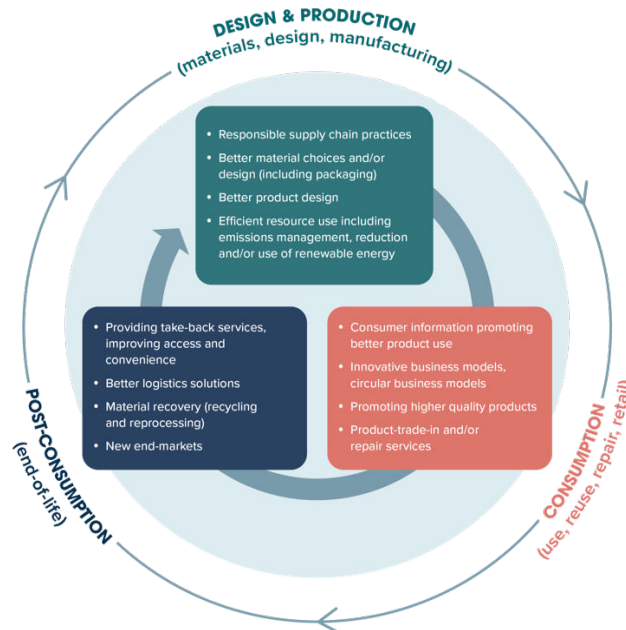
- ***The objectives to improve environmental and human health outcomes are at the centre of how product stewardship action is developed, implemented and monitored.*** This includes preventing and reducing waste, increasing reuse, repair and recycling, as well as removing / eliminating unsafe chemicals and managing hazardous wastes, minimising reliance on finite or non-renewable resources and conserving resources, decarbonising the economy and fast-tracking Australia's transition to a circular economy by 2030.
- ***The financial responsibility and accountability for the environmental and human health impacts are placed solely on the producers, manufacturers, brands, importers and retailers placing the products on the market.*** This principle rejects the diluted notion of shared responsibility, which fails to delineate who owns the responsibility to address adverse impacts and is held accountable from the various roles of the different actors across the supply chain (i.e. commercial service providers who repair, collect, recycle, or treat products; businesses, governments at all levels and consumers who purchase and use the products; local councils and state and federal government agencies who have either environmental, waste management, fair trading/consumer law, product safety, or procurement responsibilities).
- ***Effective product stewardship is aligned with circular economy principles and the waste hierarchy that prioritises strategies to reduce resource consumption, regenerate nature and decarbonise the economy.***
- ***Product stewardship provides an obvious step by step pathway for businesses and governments to operationalise circular economy objectives.***
- ***Product stewardship enables essential systemic change by focusing on action across the whole product lifecycle: design and production, consumption and post-consumption (Figure 1 and Table 1).***

2. Product stewardship actions across the product lifecycle

The Centre's practice note [*Circular economy and product stewardship: Connections and actions*](#) outlines product stewardship actions and activities that can deliver circular economy objectives and outcomes across the product lifecycle from design and production to consumption and end of life.

See Figure 1 and Table 1 below for details on specific product stewardship actions across the three stages of the product lifecycle.

Figure 1. Product stewardship actions across the lifecycle to operationalise the circular economy



When executed well, effective product stewardship schemes deliver a wide variety of benefits and positive impacts including:

- Environmental — eliminating hazardous materials, conserving resources and materials, preventing and reducing waste, and reducing greenhouse gas emissions
- Social — improving workers' health and safety across the supply chain, and increasing accessibility to repair services and collection points for recycling
- Economic — job creation, upskilling, reskilling, and creating new markets for recovered materials

Table 1: Product stewardship actions across the lifecycle

ACTIONS	ACTIVITIES
Consumption (Use, reuse, repair, retail)	
Responsible supply chain practices	Improving worker welfare, including H&S training and/or Modern Slavery reporting
Better material choices in products and packaging	Using recycled and/or renewable materials; avoiding/eliminating the use of conflict minerals, unsafe chemicals, hazardous substances, toxic materials and non-recyclable materials; tracing and sharing information on materials used in products with the digitalisation of product information e.g. digital passports
Better product (and service) design	Designing for durability ; avoiding pre-mature obsolescence and preventing / limiting single use; enabling upgrades and repairs; making parts and component available and affordable; designing for disassembly and recyclability
Efficient resource (materials, energy, water) use in manufacturing	Reducing or more efficient use of materials, energy and water; avoiding harmful air and water emissions including carbon ; using renewable energy; preventing waste generation; reducing the number of components and simplify assembly; cleaner production
Consumption (Use, reuse, repair, retail)	
Consumer information promoting better product use	Providing information to consumers to help them keep products in use for longer including how to: - care and maintain original working condition - minimise energy use - repair, and where to access spare parts - manage the product when no longer useable - reduce cyber-security risks
Circular business models	Note this can be enabled with digitalisation of product information e.g. digital passports
Promoting higher quality products	Implementing alternative business models that promote and support new patterns of consumption through reuse or repurposing products; extending the useful life of a product or material, including sharing, leasing , product-service systems
	Promoting higher quality products with enhanced or extended warranties, approved product or component lists, and reduced risk of premature obsolescence
Product-trade-in and/or repair services	Providing trade-in and buy-back options; and accessible and affordable repair services or helping consumers repair their products themselves
Post-consumption (End of life)	
Providing take-back services, improving access and convenience	Providing access to convenient take-back and drop-off points or collection services for end of life products
Improved logistics solutions	Improving the efficiency of reverse logistics including, the use of digital platforms, low- emissions transport, sharing infrastructure
Material recovery (recycling and reprocessing)	Increasing material recovery , promoting higher value recovery, establishing recycling standards and guidelines
New end-markets	Establishing or growing new end markets for recovered materials including research and development of new products and materials using the recovered materials.

3. Five characteristics of effective product stewardship schemes

Based on research into the [Benefits and effectiveness of product stewardship and EPR](#) research by the Product Stewardship Centre of Excellence and the UTS Institute for Sustainable Futures identified five essential characteristics to effective product stewardship.

1. **High levels of industry or business investment and participation** – for the majority of product categories government regulation is required to ensure all relevant producers, importers, brands and retailers invest and participate equitably.
2. **Clearly defined objectives** — This should include environmental, social, and economic objectives and measurable performance indicators that are monitored annually for continual assessment and improvement of effectiveness. See the Centre’s [Data and Reporting Guidelines for Product Stewardship](#) for a complete list of performance metrics and their definitions essential to monitor the environmental, social and governance impacts and benefits of stewardship schemes and initiatives.
3. **Good governance** —This includes well-defined roles and responsibilities of the value chain and public reporting to ensure transparency. See the Centre’s [Data and Reporting Guidelines for Product Stewardship](#) for a complete list of performance metrics and their definitions essential to monitor the environmental, social and governance impacts and benefits of stewardship schemes and initiatives.
4. **Use of financial incentives** —to drive behaviour change of businesses, consumers, repairers, collectors, sorters, and recyclers.
5. **Effective marketing and communications** —leading to high awareness and increased user participation.

4. Eight elements to effective product stewardship scheme design

Based on substantial experience in designing and implementing product stewardship schemes, the Centre has identified the following eight elements to effective product stewardship scheme design. The table below lists the eight elements to scheme design and how they relate to the five characteristics of effectiveness. To ensure a scheme is well designed and will be effective it needs to have addressed the following eight essential elements. This table was first published in the Centre's white paper [*Global scan of packaging stewardship schemes: Lessons for Australia*](#) – which provides insights and learnings from a high-level review of packaging stewardship scheme characteristics in Europe, North America, Australia, and New Zealand. It also identifies six opportunities to improve the effectiveness of national packaging regulations in Australia.

Table 2: Characteristics for effective scheme design

Eight elements essential to product stewardship scheme design		Five characteristics for effective product stewardship schemes
1. Problem	The environmental and human health impacts and issues that are being solved or addressed?	Clearly defined objectives Environmental, social, and economic objectives and measurable performance indicators that are monitored annually for continual assessment and improvement of effectiveness.
2. Scope	The product class, type, geographic coverage, type of consumer e.g. B2C, B2B?	
3. Solutions	The actions and interventions required to solve the problem and at each stage of the product lifecycle. Can include testing possible solutions through pilots and trials.	
4. Objectives/ Targets/ Outcomes	The environmental and human health outcomes that will be achieved and over what timeframe.	
5. Financing/ Incentives	How will the scheme be funded. How much will it cost. Who will pay and how much will they pay or what factors determine how much each participant will pay. How will funds be collected and spent.	High levels of industry or business investment and participation ensuring fair sharing of costs by industry. For collective schemes, government regulation is necessary.
	What financial incentives and penalties will be used to facilitate the necessary changes to deliver scheme outcomes.	
6. Governance	How the scheme will be managed (i.e. legal framework) Who has primary responsibility (i.e. producers, importers, brands, retailers) What are roles and contributions of organisations / agencies across the entire product lifecycle (i.e. manufactures, importers, brands, retailers, repairers, collectors, recyclers, governments) How will information be reported, service provider contracts etc.?	Good governance Includes defined roles and responsibilities and ensures transparency through public reporting.
7. Risks	The controls in place to manage financial, environmental, social and reputational risks to the scheme e.g. companies not contributing, unsafe, non-compliant and fraudulent operational practices etc.?	
8. Operations	Operational principles and procedures for	Effective marketing

Eight elements essential to product stewardship scheme design		Five characteristics for effective product stewardship schemes
	• marketing communications • data collection and reporting • environmental health and safety • legal compliance • product design standards • reuse, repair, collection, recycling standards	Leads to high awareness and increased user (i.e. public, businesses) participation.

5. Measuring and reporting on product stewardship scheme performance

Accurate data collection and timely reporting is important for measuring and evaluating the performance of product stewardship schemes in reducing the environmental and human health impacts of products across the lifecycle. It also enables continuous improvement of operations and governance, and importantly, builds creditability and trust with customers and government.¹

The Centre has developed [Data and Reporting Guidelines for Product Stewardship](#) this includes the following set of performance metrics and definitions essential to monitor the environmental, social and governance impacts and benefits based on local and international reporting of product stewardship scheme performance .

Governance Metrics

Data category	Metric description	
Governance		
	Quantitative [units]	Qualitative
Market share & membership	Number of products or material produced, imported, distributed, or sold per annum (aggregated total) [no. and/ or tonnes per annum]	Public disclosure of membership
	share of total market [%]	
Product class		List product class handled by scheme
Product type		List of product types and materials handled by scheme
Funding model	Funding required to operate the scheme [total \$ and/or \$ per tonne/unit] (incl. breakdown by operations e.g. administration, marketing, collection and recycling, R&D, audit etc)	Description of process and funding arrangements prior to the establishment of the scheme
	Cost to consumer to return or reuse the product/ material at end of life [\$ per unit product]	
Compliance	Number and frequency of instances of non-compliance [expressed as % of membership not complying with specified obligation, total number of instances]	Description of instances of non-compliance
	-	Description of corrective measures in place to address non-compliance
Regulatory enforcement	Total number of incidents of non-compliance with regulations [no.]	Description of regulatory enforcement activities undertaken
Reporting details	Reporting period [dd/mm/yy]	Statement from independent verifier
	Date of previous report [dd/mm/yy]	
Targets	Progress towards targets [%]	Corrective measures in place for not achieving targets

Environmental Metrics

¹ Data and reporting guidelines for product stewardship schemes, July 2024, <https://stewardshipexcellence.com.au/product/data-and-reporting-guidelines-for-product-stewardship-schemes/>

Data category	Metric description	
Environmental		
	Quantitative [units]	Qualitative
Materials used in products	Quantity of materials used [by weight (kg or tonnes) and by proportion (%) of total]; Quantification of hazardous materials must be product and material specific, while remaining composition can be average or typical for a particular product and material	List of materials used in products and whether they are hazardous, non-recyclable, non-renewable, recyclable, consumable,
Design	Quantity of hazardous materials eliminated from use [incremental reduction by weight in kg or tonnes and by proportion (%) of total relative to previous reporting period]	Description of improvements to product and material supply chain sustainability in line with circular economy principles. This includes initiatives to reduce or eliminate environmental (e.g. GHG emission reduction) or human health and safety impacts and or create positive environmental or social outcomes
	Resource use efficiency (energy savings [kW], water savings [litres], waste avoidance [tonnes]) initiatives during manufacture	
	Recycled content [by weight (kg or tonnes) and by proportion (%) of total]	
	Renewable materials use of in manufacturing [by weight (kg or tonnes) and by proportion (%) of total]	
Product lifetime	Designed lifespan of product and average age of products and materials at end of life [years since manufacture]	
Collection	Total number or weight of products collected per annum [no., tonnes]	
	Collection rate expressed as total number or weight of products collected per annum relative to waste arising [%]	-
Recycling	Total weight [tonnes] or volume [m3] per annum (incl total and by product or material type); Quantification should specify at what point in the recycling chain the value is reported, e.g. out-the-gate of re-processor	Destination of recycling (by company, location e.g. interstate or overseas)
	Recycling rate [% of total materials recycled]; Quantification should specify how material recycling rate is defined e.g. out-the-gate of re-processor divided by collection volume	Quality, environmental or health and safety standards required by company (for each company receiving or processing the materials)
Repair and reuse	Number of units per annum (total and by product) or weight [kg or tonnes] or volume [m³]	End use and destination of repaired, reused or refurbished products, materials and components (total and by product and material)
Stockpiling	Number of units per annum (total and by product) or weight [kg or tonnes] or volume [m³]	
Product destruction	Number of units per annum (total and by product) or weight [kg or tonnes] or volume [m³] of product destruction, whereby producers, brands or retailers destroy/dispose of viable consumer products including superseded and unsold products or customer and warranty returns	

Landfill	Weight [kg/t] or volume[m] per annum (total and by product, waste stream)	-
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Social Metrics

Data category	Metric description	
Social		
	Quantitative [units]	Qualitative
Accessibility	Geographic coverage of collection points / return points/repair services (incl. urban, regional breakdown); Accessibility can be measured as [%] of population covered, distance [km] to collection points, number of collection points per population, or events conducted in defined areas	
	Total number of collection points/ return pathways/repair services [no.]	
Human health and safety	-	Description of measures to minimise risk to human health and safety during EOL management
Job creation	Total number of full-time equivalent (FTE) jobs created specifying direct employment owing to the activities of the initiative and indirect jobs created through the activities of partners, sub-contractors and supply chain actors associated with the initiative [no. FTE]	
Consumer awareness and behaviour change	Measurement of consumer awareness and engagement (e.g. consumer surveys) [%]	Description and evidence of initiatives to improve consumer awareness and engagement (e.g. marketing campaigns, information provided to consumers, labelling), aimed at transitioning to more sustainable and circular patterns of consumption.
	Investment [\$] in initiatives to improve consumer awareness	

6. Assessment of the SPSA authorisation / exemption application against the five characteristics of effective product stewardship schemes

This assessment is based on information in the SPSA application to the ACCC and the Product Stewardship Centre of Excellence's work in association with UTS Institute for Sustainable Futures on the *Benefits and Effectiveness of Product Stewardship and EPR*, including *Actions across the product lifecycle* (see Figure 1 and table 1), *Five characteristics effective product stewardship scheme* (see section 3), *Eight elements to effective product stewardship scheme design* (see section 4), *Data and collection guidelines for product stewardship schemes* (see section 5 and practice note).

Criteria	Assessment based on application	Actions to improve effectiveness
1. Levels of industry or business investment and participation	Low to moderate Unclear what proportion of relevant producers, importers, brands and retailers investing and participating but appears to be quite low. High performing schemes have 90% plus industry participation. Unlikely that proposed levy design will address free rider issue. Likelihood of achieving >90% participation of market is low due to lack of government regulation and the large number of businesses in market. Equitable sharing of costs between brands and retailers Low level of participation and investment will limit the ability of SPSA to realise potential environmental / public benefits at scale in a timely manner. Question whether level of investment i.e. levy is sufficient. SPSA plans to seek state and federal government to subsidise some activities through grants, this is not true EPR. Unclear what is in place to manage financial risks associated with changes in industry participation and market dynamics.	To achieve > 90% participation federal or state government regulation is required that clearly identifies who is a liable party, their responsibilities and sets annual performance targets. Report annually on industry participation by market share and number of participants. Publish annually audited financial statements. Have the ability to revise levy annually to ensure sufficient funds to cover costs of scheme and manage cash flow effectively with changes in industry participation and market dynamics.
2. Clearly defined objectives, measurable performance indicators	Low to moderate <u>Environmental objectives, targets, and performance metrics</u> limited to end of life stage of product, specifically recycling • rapidly and significantly reduce the volume of soft plastics being disposed of as waste to landfill; and • maximise resource recovery by increasing collection and recycling rates and developing domestic soft plastics recycling capacity and end markets for recycled materials.	Expand environmental, social and governance objectives, targets and performance metrics to cover all stages of the packaging lifecycle <u>Design and production stage</u> - reduce the amount of soft plastic packaging on the market, increasing the amount of recycled content of soft plastic packaging. <u>Consumption stage</u> - reuse of soft plastic packaging. <u>End of life stage</u> - reducing soft plastics litter

Criteria	Assessment based on application	Actions to improve effectiveness
	No Environmental targets, performance measures targeting litter reduction, scant mention of litter prevention benefits but no targets, metrics No Environmental objectives targeting the design and production or consumption stages of the product life cycle. I.e. increasing recycled content of packaging placed on market, decreasing the amount of single use soft plastics packaging being placed on the market, designing soft plastic packaging for reuse, <u>Social objectives</u> include job creation and increasing public awareness, no objectives, targets or metrics on consumer accessibility, consumer participation behaviour change, dollars to be invested <u>Governance objectives</u> only reporting on number of participants, annual reporting, no objectives, targets on participation levels by market share, funds collected, or independent verification of annual scheme metric reporting	Metrics should align with Centre’s Practice Note on Data and Report Guidelines for Product Stewardship Schemes SPSA should seek federal government accreditation under RAWR Act 2020 in first 12 months to ensure environmental and human health impacts across the lifecycle are being addresses adequately. Independent third party assurance of annual performance reports/ scheme metrics that is released publicly
3. Good governance	Moderate Not for profit entity. Board Directors currently limited to brand owners and retailers – proposal to appoint independent. Stakeholder Advisory Council Monitoring and reporting details are lacking, unclear how much will be reported to scheme participants versus the public, what information / scheme metrics will be published in the annual report. No indication of independent verification/auditing of annual scheme performance Independent reviews proposed at 3rd and 7th year	Appointment of independent directors with relevant environmental and social skills to balance commercial interests. Independent third party assurance of performance / scheme metrics should be done annually and released publicly Metrics should align with Centre’s Practice Note on Data and Report Guidelines for Product Stewardship Schemes SAC should include Clean up Australia and / or the Australian Marine Conservation Association Seek federal government accreditation under RAWR Act 2020 in first 12 months to ensure environmental and human health impacts across the lifecycle are being addresses adequately.
4. Use of financial incentives	Low Some discussion that future levies may be eco-modulated to incentivise design for recyclability and increased use of recycled content above any minimum thresholds, through adjustments in the levy structure (e.g., discounts could be provided to Scheme	Consumer incentives to collect and return soft plastics, this can help reduce litter and increase volumes collected Greater clarity on use of eco-modulation to encourage recycled content

Criteria	Assessment based on application	Actions to improve effectiveness
	Participants for packaging which meets certain design guidelines including recyclability and recycled content). No financial incentives to encourage consumer participation or reduce litter. Unclear how service fees to collectors and recyclers will incentivise increased volumes collected and higher order recycling outcomes	Invest in litter clean ups Rebates to encourage greater collection and higher order recycling outcomes
5. Effective marketing and communications	Low Limited to • Undertake education, awareness and information activities to promote the scheme. • Commitment to increase community awareness about soft plastics recycling and alleviating concern about legacy stockpiles • Achieving buy in from small retailers and Consumer brands Unclear how SPSA will use labelling as a consumer education tool Unclear how much will be allocated and how effective this will be.	Consumer awareness / educations campaigns need to be broadened to include information on the impact plastic has on the environment and the importance of keeping soft plastics out of the environment and regular updates on what is collected how it is being processed and where it is being used to instil confidence rather in addition to how stockpiles are being managed Guaranteed % of budget allocated to community awareness and education campaigns, annual monitoring of consumer / local government/ business awareness and participation. Needs to be in the \$millions to have cut through and impact. Include annual public surveys. Set targets and report annually on consumer awareness, knowledge and behaviour change.

7. Relevant Centre publications

[Benefits and effectiveness of product stewardship and EPR](#) - a landmark study and includes the following six distinct reports:

1. [Evaluating Stewardship Benefits and Effectiveness, Summary Report](#) provides an overview of the research findings including extent of product stewardship activity, benefits, levels of engagement, challenges and future opportunities.
2. [Product stewardship benefits assessment 2022: General population report](#) based on a survey of 1,000 Australians to measure awareness and understanding of product stewardship. A key finding was that product durability and longevity are key purchase considerations for consumers.
3. [Product stewardship benefits assessment 2022: Business report](#) based on interviews with 600 Australian businesses found that businesses are most engaged with product stewardship activities that relate to the production stage of the lifecycle, especially consideration of improved material choices and responsible supply chain practices.
4. [Product stewardship benefits assessment 2022: Local Government report](#) based on a survey of 89 local government staff to assess awareness and understanding of product stewardship among staff and assess the nature of their engagement with product stewardship initiatives.
5. [Effectiveness and Benefits of Product Stewardship: Themes from 60 Qualitative Interviews with Stewardship Actors and Experts](#). This report found the key environmental performance indicators reported ranged from diverting materials from landfill (e.g. material recovery, product repair and reuse, recycled content in products); preventing waste (e.g. making products more durable, dematerialising packaging); reducing greenhouse gas emissions (e.g. powering supply chains with renewable energy); and conserving natural resources (e.g. substituting virgin materials with recycled materials, using less water and energy).
6. [Environmental, social and economic benefits of product stewardship initiatives in Australia](#): A survey of publicly reported environmental, social and economic performance data for 106 product stewardship collective schemes and individual business initiatives which provides insights into what makes product stewardship schemes successful. This data is made available on the Product Stewardship Gateway, a detailed database of existing and emerging product stewardship initiatives run by industry sectors and businesses in Australia.

[Data and Reporting Guidelines for Product Stewardship](#) for a complete list of performance metrics and their definitions essential to monitor the environmental, social and governance impacts and benefits of stewardship schemes and initiatives.

[Circular economy and product stewardship: Connections and actions](#) – outlines product stewardship actions and activities that can deliver circular economy objectives and outcomes across the product lifecycle from design and production to consumption and end of life.

[Global scan of packaging stewardship schemes: Lessons for Australia](#) - This White Paper presents insights and learnings from a high-level review of packaging stewardship scheme characteristics in Europe, North America, Australia, and New Zealand. It also identifies six opportunities to improve the effectiveness of national packaging regulations in Australia

[Investing in Intelligent Regulation](#) - outlines why regulated product stewardship has strong economic advantages over voluntary approaches and the allocation of government grants. Specifically, the paper provides evidence why regulated product stewardship is especially effective in:

- [Stimulating investment](#): Regulation provides incentives for private sector investment, including in more challenging economic conditions.
- [Ensuring that the investment is efficient](#): Well-designed regulation ensures that investment is aligned with the long-term interests of the community, promoting long-run economic efficiency.

- Driving productivity and competitiveness: Regulation provides incentives for innovation and technological growth, driving productivity and competitiveness.