

Enquiries: ASSIST  
03 9209 6777  
File Ref: 16/01/911



12 December 2019

St Kilda Town Hall  
99a Carlisle Street  
St Kilda  
Victoria 3182

[www.portphillip.vic.gov.au](http://www.portphillip.vic.gov.au)

**ASSIST Customer Service**  
☎ 9209 6777

Michael Masson  
Chief Executive Officer  
Infrastructure Victoria  
Level 33, 140 William Street  
MELBOURNE, VICTORIA 3000

Dear Michael

## **FEEDBACK ON RECYCLING AND RESOURCE RECOVERY INFRASTRUCTURE EVIDENCE BASE REPORT**

The City of Port Phillip congratulates Infrastructure Victoria on the release of their Recycling and Resource Recovery Infrastructure Evidence Base Report in October this year, and welcomes the invitation to provide feedback.

Our local government organisation, located in inner-metropolitan Melbourne, is Victoria's most densely populated council area, and is expected to double its population by 2050.

In September 2019 Council declared a Climate Emergency and has identified waste management as an essential aspect of our response.

We have a keen interest in supporting and engaging in progress towards effective, state-wide waste and resource recovery infrastructure, that supports a circular economy. This desire is reflected in our ten-year Waste Management Strategy *Don't Waste It! 2018-2028*, which includes targets and outcomes aimed at:

- reducing waste generated by households, council operations and businesses
- maximising reuse and recycling to significantly increase waste diversion rates
- minimising the contamination levels of our recycling
- supporting the establishment of a circular economy for waste and resource recovery
- utilising advanced waste treatment to ensure we maximise the value of our waste.

On the 4<sup>th</sup> December 2019 Council adopted a review of *Don't Waste It!* that includes investment in new waste service trials for glass and food organic waste, and appointment of a circular economy officer. The circular economy officer position will work with key stakeholders to identify potential planning controls to support recycling infrastructure in new multi-unit developments.

As part of the review Council also affirmed its priorities for State Government to respond to the waste crisis, including:

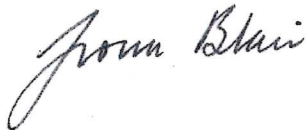
- Provision of single-point leadership, and a comprehensive policy for waste and resource recovery in Victoria
- Investment in waste and recycling infrastructure for a consistent state wide service
- Investment in developing a circular economy

The City of Port Phillip is committed to moving towards a future in which zero waste is disposed of to landfill, and in which resource extraction is minimised through maximising the use of existing resources in the production of new products to create cleaner environments and healthier communities.

As such, we hope our feedback will be valuable in helping to shape your final advice to the Special Minister of State, and to influence the next update of Victoria's 30-year infrastructure strategy in 2021.

The following feedback reflects officer comment in line with adopted Strategies and positions. This submission has not been specifically adopted by Councillors at a Council meeting.

Yours sincerely

A handwritten signature in cursive script that reads "Fiona Blair".

**Fiona Blair**  
**General Manager Infrastructure & Amenity**

## CITY OF PORT PHILLIP FEEDBACK ON RECYCLING AND RESOURCE RECOVERY INFRASTRUCTURE EVIDENCE BASE REPORT

### 1. Have we identified the right outcomes for Victoria to aim for?

The outcomes identified by Infrastructure Victoria (IV) cover three sectors: consumers, businesses and government. For each sector, separate and overlapping outcomes have been described. The City of Port Phillip (CoPP) supports these outcomes, and offers the following additions / amendments to each category:

	Outcome	Comment
<b>Consumers</b>	Waste is avoided and reduced.	Replace with: 'Reduced product packaging.' This would provide a solution with which consumers could engage without having to change consumption behaviours.
	Packaging is certified compostable.	The addition of this new outcome would align the State with the Australian Packaging Covenant Organisation's 2025 National Packaging Targets.
<b>Businesses</b>	Businesses and Education	Changes this section to 'Businesses and Education' to create an enabling environment for research and development partnerships with, for example, the University sector, to drive innovation in the resource recovery sector.
	High-performing waste management operators	Replace with: 'Compliant and innovative waste management operators.'
<b>Business and Consumers</b>	Separation of target materials in public places, households and businesses.	Replace with: 'Consistent, State-wide separation of target materials in public places, households and businesses.'  Include 'The community are enabled to purchase no- or low-packaged products.'
<b>Business and Government</b>	Complementary waste-to-energy and composting.	Replace with the term Alternative Waste Treatment to reflect the range of waste treatment technologies that could be implemented and reflecting the need for a thorough review of the costs, impacts and benefits of the different alternatives.  This outcome to also include the end-user of the product as a key stakeholder. For example, in the case of energy production, this would be the consumer.
<b>Government</b>	Resource management hierarchy is applied within circular economy framework.	Given new technologies and innovations, a review of the resource management hierarchy (the waste hierarchy), which was developed in the 1970s, may be prudent, to ensure that these principles are still relevant, and not conflicting, with those of a circular economy.
<b>Government and Consumers</b>	Robust and resourced public education campaign.	The inclusion of this new outcome would enable communities to play an active role in the following outcome: 'The community perform well with regard to waste management'.

Further to these, it is suggested that the principles of socially responsible procurement overlay this framework to ensure that the voices, skills, and contributions of marginalised communities are enabled to contribute in a just manner.



This could include the consideration of indigenous perspectives in regard to resource extraction, waste management and siting of waste infrastructure networks, employment of women, marginalised social groups, divestment from fossil fuel industries and recognition of the efforts of organisations and individuals who have acknowledged the climate emergency.

A circular economy should support all aspects of the community and empower all Victorians to grow with this movement.

## **2. Have we identified the most effective potential actions for government to take?**

Broadly speaking, CoPP supports the five potential actions identified by IV in their report, and CoPP offer the following comments on each of these:

### **5.1 Sector-wide improvements**

CoPP support the development of overarching policy framework for waste, recycling and resource recovery, as well as single-point leadership to support the implementation of strategies and actions that stem from this.

Further to this, policy must be supported by a robust monitoring and reporting framework to measure not only performance, but compliance to the incoming *Environment Protection Amendment Act 2018 (EPA Act)* and other relevant legislation.

In addition to supporting an ongoing and consistent education campaign, CoPP would like to see all material processing facilities (**MRF**) in Victoria, or those that Victorian State and local governments contract to, have mandated requirements for receipt of materials, i.e. all MRFs must accept the same materials specification.

This mandate would help eliminate the risk of mixed messages, making state-wide educational messages more effective and efficient. A move towards a standardised bin system would also require significant State Government funding for this sector-wide improvement.

With a focus on standardisation any sector wide improvements also need to consider legislative and planning controls. For example it is essential that all new developments are required to provide the space and access arrangements necessary for optimal waste separation and collection infrastructure, particular for high rise apartment buildings. Solutions for existing high rise developments with limited capacity for recycling services also need to be identified.

Finally, CoPP supports a review of the Metropolitan and Industrial Landfill Levy to ensure that departments and agencies delivering waste and resource recovery policy and associated strategies are resourced to be effective, and that research and development to support innovation, and the upscaling of successful trials, can be accommodated.

### **5.2 Supporting the reprocessing sector**

CoPP supports the five proposed actions listed in sections 5.2.

In regards the following proposed action: *“Infrastructure investment or support should be focussed on the development of a few end markets for problematic materials that have opportunity for greater recycling volume and long-term uses as inputs to other products”*, the definition of the term ‘problematic materials’ needs to be explained, and should consider the General Environmental Duty in the EPA Act.

Further to these, CoPP would like to see legislative and regulatory support for reprocessors via longer term licencing systems. Under the proposed regulations supporting the EPA Act, such facilities are only able to apply for a 20-year licence, whereas landfills can apply for 99-year licences. This discrepancy does not support long-term investment in resource recovery, either by companies or their investors.



### **5.3 Better enable use of products containing recycled materials**

Building on the second action listed under action 5.3, CoPP would like to see development of supplier panels who meet policy mandated resource recovery standards, preferencing use of reclaimed and recycled materials, for local governments to procure goods directly. It will be essential for targets on recycled content in procurement to be introduced to create the initial market demand that will in turn reduce long term costs when the market has stabilised.

### **5.4 Provide clarity to the waste-to-energy sector**

CoPP are exploring advanced waste processing (AWP) via the Metropolitan Waste and Resource Recovery Group (MWRRG). AWP encompasses waste-to-energy and other resource recovery technologies to process waste instead of sending it directly to landfill. As such, state-wide clarity and stability for this industry in its entirety.

Technologies exist at present which fall under the banner of AWP, which provide better solutions to landfill, but do not turn waste to energy. This makes them preferable, in consideration of the waste management hierarchy, to waste-to-energy plants. If appropriate measures and incentives are not put in place to maximise material diversion for reuse there is a real risk that waste to energy plants could become the 'easy' solution for waste disposal that does not contribute to a circular economy approach.

Waste to Energy plants also encounter significant barriers in terms of appropriate siting and design to manage impacts on amenity and air quality and waste transport distance. A real world, realistic approach to siting and design needs to be determined before a true cost/benefit analysis to other technologies can be considered.

### **5.5 Support high levels of recovery for organics, particularly food organics**

Approximately 40% of CoPP residential bins are made up of food organics and garden organics (FOGO). At present, CoPP does not offer residents a third bin for the ongoing collection of FOGO, however our community are interested in gaining access to such a service. As such, CoPP supports a state-wide approach to FOGO collection and processing and would welcome State Government support for implementation.

It is essential that the deployment of such a service is accompanied by a consistent state wide education campaign, in order to minimise contamination and maximise the reuse opportunities of end products. Support and solutions for densely developed areas that may not have the space or internal infrastructure to support new services (such as high rise apartment blocks) is also required.

## **3. Which, if any, of the initiatives implemented in Wales would you like to see applied in Victoria?**

CoPP support single-point leadership for the waste and resource recovery sector, and the declaration of the industry as an essential service. We feel this would enable greater regulation of the industry, better reporting, and better standardised outcomes to be had for the Victorian community.

The Welsh example provided in the IV report appears to reflect this, and if this were to occur in Victoria, CoPP would like to see this happen in close consultation with local government to ensure the solution supports a collaborative approach to waste management.

Further, the Welsh example of single-point leadership, is accompanied by targets, support for a consistent approach for municipal solid waste collections across Council areas, and a programme to enable and empower the local government sector to gain compliance. This is seen by CoPP as a critical element in the design of such a system.

The new EPA Act will compel collectors of waste to report on the waste that is collected, including to where it goes, as per the Wales example. CoPP supports this requirement, and that



of robust and consistent data collection to promote accountability and transparency of the industry.

CoPP supports in principle the concept of banning organic waste from landfill, provided local governments receive sufficient support to respond, without a significant additional cost burden on residents. The challenge would also be in providing solutions for a range of existing property types that lack the physical infrastructure or space for collection of organic waste (for example some older high rise apartment buildings).

There is the potential for a broad range of other materials to be banned from landfill without prior processing over time. This would build strong incentives for the development of resource recovery industries and strengthen requirements around the types of packaging and other disposable materials that are permitted to enter the market. With this approach the IV outcome *Landfill capacity is taken up slowly* could be achieved.

The immaturity of the current market and infrastructure for resource recovery in Victoria would not facilitate the type of statutory targets listed in the Wales example. A fiscal penalty system for failure to reach diversion targets would not be supported.

Alongside improved recycling rates, CoPP would like to see an overall reduction in waste generated. This is not expressed in the Welsh example in the IV report, and CoPP see this as a critical component of adopting a circular economy for Victoria.

#### **4. What do you think of the market design opportunities proposed to improve waste sector outcomes and efficiency?**

The proposed market design opportunities present a range of future scenarios all with varying pros and cons. CoPP have identified three as our preferred options to improve waste sector outcomes and efficiency: FOGO FOMO, Closing the Floodgates, and Circular Stewards.

These three options most closely align with the outcome areas of our Don't Waste It! Waste Management Strategy, and our advocacy plan for waste and resource recovery. Our preference would be however, to find alternate solutions to energy from waste where possible. From this perspective, Circular Stewards present the best opportunity for the local reprocessing market.

Additionally, these options align to the recent COAG agreement, to ban the export of waste plastic, paper, glass and tyres through a phased approach from 1 July 2020. This ban will assist in driving processing markets onshore, and specifically, locally in Victoria.

#### **5. Where do you think government should focus their efforts to increase recycling and resource recovery? (for example, through setting targets, promoting consistency or funding local councils?)**

CoPP seeks single-point leadership, and a comprehensive policy for waste and resource recovery in Victoria that:

- covers all aspects of a circular economy from waste generation (e.g. single use plastics ban), kerbside services, recycling, and economic levers (e.g. landfill levies, funding for business)
- see the waste and resource recover sector classified as an essential service, governed by an Essential Services Commission
- clearly defines the roles of each organisation involved (DELWP, SV, EPA, MWRRG)
- delivers a consistent, state-wide, community-focused, communications and behaviour change campaign for waste and recycling
- clarifies Victoria's key needs and funding from the National Waste Policy implementation plan which drives reduction in waste produced from excessive packaging, single use products etc.

- works in partnership with State Government and other Councils to conduct research and build knowledge on best practice
- looks to introduce container deposit legislation for Victoria.

We also encourage investment in waste and recycling infrastructure (landfill levies) through:

- funding the standardisation of kerbside collection services:
  - o consistent bin system across the State
  - o consistent application of Australian Standards
- funding improvements in recycling technology and standardization of the waste processing services provided (e.g. all recyclers can handle equivalent levels of contamination, can take same types of material for recycling)
- speeding up of collaborative procurement for Advanced Waste Processing
- engagement with market and industry to identify innovative solutions and new approaches for managing waste
- working in partnership with State Government, industry and other Councils to build up research and knowledge on the best approaches. We require funding to implement trials of new standardized services.

And, finally, we seek investment in developing a circular economy (landfill levies) that will:

- require significant investment to stimulate the market
- include a clear business case with mechanisms for monitoring and evaluating the effectiveness of the market
- set minimum standards and specifications for recycled content in all in government procurement (as one of the largest purchasers of goods and services in Victoria)
- provide grants and incentives for businesses generating recycled products to scale up and improve cost competitiveness
- provide grants and incentives for businesses for waste minimization
- support research and development into new recycled products that meet a market need
- match needs of business waste producers with recyclers for specific waste streams
- regulate planning/building controls prohibiting recyclable materials going to landfill and increasing landfill costs to improve the cost competitiveness of recycling
- produce an initial business case, ongoing analytics and monitoring of market conditions and health to allow further interventions if necessary and measure the outcomes achieved.

These recommended advocacy points and key messages align with current Don't Waste It actions, and the MAV advocacy positions from their [2019 Rescue our Recycling Plan](#).

## **6. Which materials or infrastructure types present the most opportunity in your region?**

CoPP's Waste Strategy has a focus on municipal solid waste, including FOGO and glass, exploration of alternative waste processing to treat all waste before landfill, and waste from commercial and Council operations, including waste generated by staff, in construction and from street sweeping operations. These materials present the most opportunity in our region.

As a physically small municipality, with a mostly residential population and a shrinking industrial area, space to accommodate waste and reprocessing infrastructure within the city is limited. The CoPP, however, is keen to explore partnership opportunities including collaborative procurements for services, research and development to test innovation in the resource recovery sector and regional solutions for infrastructure needs.

## **7. What is a legislative barrier or enabler that you have encountered when trying to use recycled materials?**



Beyond what has been outlined already throughout this submission, the following legislative barriers have been encountered:

- The delayed release of the Circular Economy Policy, and the resulting absence of a formal policy position on alternative waste treatment technology.
- Lack of any legislative drivers or incentives to procure, or report on the use of, recycled materials.
- Lack of clear regulated and transparent standards on what constitutes recycled content in marketing and labelling (for example the use of the word 'recyclable' vs 'recycled').

Enablers have included:

- Fulton Hogan, CoPPs roads maintenance contractor is keen to innovate in this space and together we have trialled the use of their trademarked product PlastiPhalt on two of our suburban roads.
- Procurement panels which list providers and their environmental and sustainability credentials. These could be evolved to incorporate circular economy principles and goals.
- M.G.B manufacturer Sulo in accepting and recycling old/damaged mobile garbage bins.