



LOCAL GOVERNMENT WASTE MANAGEMENT MANIFESTO 2020 UPDATE

DEVELOPED BY THE TERRITORIAL
AUTHORITIES' OFFICERS FORUM, A
SECTOR GROUP OF WASTEMINZ

SUMMARY POINTS

CONTINUE TO MAKE PROGRESS ON WORK ALREADY BEGUN INCLUDING INTRODUCING A **CONTAINER RETURN SCHEME**, EXPANDING AND INCREASING THE **WASTE DISPOSAL LEVY** AND IMPLEMENTING MANDATORY OR CO-DESIGNED PRODUCT STEWARDSHIP SCHEMES FOR **TYRES, E-WASTE, AGRICHEMICALS** AND **FARM PLASTICS**.

REVIEW THE NZ **WASTE STRATEGY** TO SET A CLEAR PROGRAMME AND TARGETS FOR ACTION.

OFFICIALLY ADOPT THE **WASTE DATA** FRAMEWORK AND OVERSEE ITS IMPLEMENTATION TO ENABLE BETTER PLANNING AND MONITORING.

INVEST IN ONSHORE AND LOCAL INFRASTRUCTURE FOR THE PROCESSING OF RECOVERED MATERIALS - IN PARTICULAR PLASTICS, PAPER, ORGANICS AND BUILDING MATERIALS.

STANDARDISE HOUSEHOLD RUBBISH AND RECYCLING **COLLECTION** SYSTEMS TO IMPROVE THE QUALITY OF MATERIAL COLLECTED AND THE MATERIALS THAT ARE COLLECTED.

TAKE ACTION ON **PLASTICS AND PACKAGING** TO REDUCE POLLUTION AND MAKE SURE ALL PACKAGING USED AND MADE IN NZ CAN BE REUSED OR RECYCLED.

About the TAO Forum

The Territorial Authorities' Officers (TAO) Forum is a Sector Group of the Waste Management Institute New Zealand (WasteMINZ). The TAO Forum was established to create consistency and efficiency of service amongst territorial authorities through sharing knowledge and best practice.

Acknowledgements

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INTRODUCTION

In early 2018, the Territorial Authorities' Officers Forum, a sector group of the Waste Management Institute New Zealand, released the "Local Government Waste Management Manifesto" (the Manifesto). The Manifesto spelled out the key priorities for local government in the area of waste management.

The key actions that the Manifesto sought were:

Review the NZ **Waste Strategy** to set a clear programme for action

Introduce a **Container Deposit Scheme** to lift recycling rates from 45-58% to between 79% and 82%

Expand the **waste disposal levy** and raise the levy rate to reduce total waste to landfill by up to 3.5 million tonnes

Officially adopt the **Waste Data** Framework and oversee its implementation to enable better planning and monitoring

Declare **tyres, e-waste, agrichemicals** and **farm plastics** as priority products, to address problem waste streams

The purpose of the Manifesto was to clearly articulate and communicate government actions that would make a real difference to territorial authorities' ability to effectively manage and minimise waste as required under the Waste Minimisation Act 2008.

The Manifesto was adopted as a remit by Local Government New Zealand in July 2018.

The Manifesto also highlighted that taking action on waste minimisation would have a range of community and environmental benefits including:

More efficient industries and services that use less materials in the first place - improving our competitiveness

Reduced greenhouse gas emissions through reduced virgin resource use, as well as less emissions from landfill

Improved soil quality from use of organic waste, improving our farm productivity, and improving water quality as a result of better soil moisture retention and the need to use less fertilisers

A reduced reliance on importing materials and on fluctuating commodity markets

An increase in economic activity and jobs as a result of materials being diverted from landfill to productive local industries

WHY WE NEED AN UPDATE

In the two years since the Manifesto was released the world has changed. Events with significant ramifications on the waste sector include:

China “National Sword”

China used to be the main market for over 50% of the world’s recycling. In July 2017 China announced it was restricting imports of recyclable materials with changes taking effect from the end of 2017, just before the Manifesto was released. These changes started having a major impact on recycling markets from early 2018, in particular for grades of paper and plastic collected from kerbside, which now have virtually no market value. It is worth noting that paper typically makes up the largest fraction of material collected for recycling by weight, and so the downturn in the paper markets is having the biggest impact on the costs and viability of recycling in NZ.

Since 2018, China has implemented further restrictions and intends to stop importing most grades of recyclable materials. Initially, recyclers sought other end markets such as Indonesia, Malaysia and Thailand, but these alternative recycling markets quickly became flooded, and in some cases have also started restricting recycling imports especially imported plastics. Increased capacity, for recycling, is ramping up in other countries but it will take some time before market capacity and demand returns.

COVID-19

The most dramatic recent change has been the worldwide impacts of COVID-19, which are still playing out. In the waste sector the key effects so far have been:

Further shrinking of international commodity markets - in particular for some plastic and grades of paper, due to reduced trade and reduced virgin plastic prices

Disruptions to recycling and waste services to cope with increased health and safety requirements

Changes and disruptions to supply chains and consumer habits

The impact of the global economic downturn on consumer demand for products and services

Plastics

In addition to the impacts from China National Sword and COVID-19, other developments that are likely to change the way that waste is managed in New Zealand include:

Amendments to the Basel Convention to restrict the export of mixed plastic grades. Under current proposals, due to take effect from January 2021, a permit will have to be issued by the importing country for grades of mixed plastic. This is expected to make it more difficult and increase the cost to export mixed grades of plastic.

The New Zealand Plastic Packaging Declaration signed in June 2018 commits signatories to using 100% reusable, recyclable or compostable packaging across their operations by 2025⁶

The Government’s ‘Rethinking Plastics in Aotearoa New Zealand’ report, released in December 2019, details a comprehensive range of measures to deliver sustainable use of plastics and calls for a national plastic action plan

Growing public awareness and demand for further government action on plastic and for manufacturers and brand owners to reduce the use of plastics in products and packaging. For example, Greenpeace launched a petition in May 2020 to ban single use plastic bottles.

⁶ Global signatories include Amcor, Danone, L’Oréal, Mars, Nestlé, PepsiCo, The Coca-Cola Company and Unilever, while local participants include Foodstuffs, Countdown, NZ Post and Frucor Suntory

Councils have begun to rationalise the types of plastics collected for recycling. The latest information indicates that since January 2019, the numbers of councils collecting plastics 3, 4, 6 & 7 has dropped by half.⁷

Australia

Australia recently announced that it will ban the export of waste plastic, paper, glass and tyres. The bans will begin to take effect from 1 January 2021 with a ban on the export of glass. Bans on all the materials will be in place by 1 July 2024. The intent of the bans is to increase the amount of waste material that stays in Australia to be recycled and reprocessed into value added product.

To support the bans, the Australian Government has said it will co-invest in critical waste sorting and recycling infrastructure with state and territory governments and industry. An AUS\$190m Recycling Modernisation Fund has been established to support investment in new infrastructure to sort, process and remanufacture materials such as mixed plastic, paper, tyres and glass. The funding is contingent on co-funding from industry, states and territories of AUS\$600m.⁸

The Australian Government will also strengthen its Commonwealth Procurement Guidelines to make sure every procurement undertaken by a public agency considers environmental sustainability and use of recycled content when determining value for money.⁹

Conclusions

These changes have served to not only highlight the importance of the actions identified in the Manifesto, but also bring into the spotlight other related actions that territorial authorities think should be added to the list of priorities. In particular, two things have become clear:

We need to build more resilience into our system by creating demand for and making use of recyclable materials locally. If recycled materials can be integrated into local circular economy processes, this will mean more stable markets for our recycling, as well as being able to meet local demand from local supply.

There is an opportunity to create jobs and stimulate the economy by investing in the recovered materials sector. In the post-Covid world, building the capability of local business and ensuring a diverse local economy is vital to long term resilience. The resource recovery sector represents an area of relatively untapped potential to provide opportunities in business development and in the efficiency of existing businesses.

Another reason to update the Manifesto is that, since 2018, progress has been made on many of the priorities set out in the initial Manifesto. The following section acknowledges the progress alongside what remains to be done.

⁷ WasteMINZ survey 2020

⁸ bit.ly/recyclingfundAU

⁹ bit.ly/waste-export-banAU

WHAT THE MANIFESTO SAID & PROGRESS

REVISE THE NEW ZEALAND WASTE STRATEGY (2010)

WHAT THE MANIFESTO SAID

Revising the New Zealand Waste Strategy would help TAs align their WMMPs to national objectives, provide strategic direction for investing levy funds, and create greater certainty for the sector to invest in infrastructure and services that align with government objectives.

The strategy should:

- Have a clear set of goals and objectives
- Set measurable targets
- Identify specific policies and actions to deliver the targets, goals and objectives
- Identify the roles and responsibilities for key parties
- Establish funding mechanisms that will enable delivery of the targets, goals, and objectives
- Establish monitoring and reporting.

PROGRESS

The Ministry has not yet revised the NZ Waste Strategy.

WHAT WE SAY NOW

A revised waste strategy that is relevant to the current context is as important as ever. It is important that the range of actions being taken by government and industry are part of a strategic approach.

Setting clear priorities backed by measurable targets and appropriate resourcing will be vital in giving certainty to the sector and enable it to deliver benefit to the environment and the economy.

WHAT THE MANIFESTO SAID & PROGRESS

INTRODUCE A CONTAINER RETURN SCHEME (CRS)

WHAT THE MANIFESTO SAID

A CRS puts a price on empty containers to encourage their return. This would have a range of benefits including:

- Improving recycling rates
- Reducing kerbside collection costs for households and TAs
- Job creation and public engagement
- Reducing landfill disposal costs
- Reducing litter and litter collection costs.

The Manifesto called on the government to:

- 1 Undertake appropriate consultation
- 2 Declare beverage containers a priority product
- 3 Decide the key features of the scheme
- 4 Enact required regulation
- 5 Set up the necessary administrative structures and infrastructure.

PROGRESS

A WMF funded project to design a NZ CRS scheme is being led by Auckland Council and Marlborough District Council. The design group is working with a wide range of stakeholders and is due to report in October 2020.

WHAT WE SAY NOW

This is still a top priority for councils. The uncertainty around recycling markets means that ensuring value for materials and providing good quality materials, is more important than ever.

WHAT THE MANIFESTO SAID & PROGRESS

INCREASE AND EXPAND THE WASTE DISPOSAL LEVY.

WHAT THE MANIFESTO SAID

New Zealand has a \$10 levy on every tonne of waste disposed to Class 1 landfills. The levy rate has not increased since it was introduced in 2009.

Evidence is clear that extending the levy to all types of disposal, and raising the rate of the levy, can generate substantial reduction in waste to landfill and will significantly increase the available funds to invest in the waste minimisation sector. The levy is probably the single most powerful tool available to government to reduce waste and improve resource efficiency and recovery.

The Manifesto called on the government to:

- 1 Undertake further work to understand the potential costs and benefits in more detail
- 2 Develop draft proposals for a revised levy
- 3 Undertake consultation on draft proposals
- 4 Finalise levy design and implement new regime.

PROGRESS

The Ministry undertook economic cost benefit analysis and, at the end of 2019, released draft proposals to extend the scope of the levy to include Class 2-4 landfills and increase the levy rates. In July 2020 the Minister announced plans to begin raising the levy from the current \$10 per tonne to \$60 per tonne by 2025 and to extend the levy to landfill Classes 2, 3 and 4 (up to \$30 for Class 2 and \$10 for Classes 3 and 4)*.

WHAT WE SAY NOW

A revised waste levy remains the most powerful tool to effect change in the sector.

The plans to expand and increase the levy are very positive, and the TAO Forum encourages the government to proceed.

*Class 1 industrial monofills, and Class 5 cleanfills will not be subject to the levy under current plans.

WHAT THE MANIFESTO SAID & PROGRESS

BETTER WASTE DATA

WHAT THE MANIFESTO SAID

It is widely acknowledged that NZ lacks comprehensive, reliable waste data*. Better waste data will allow benchmarking of performance, identify performance improvements, and enable effective planning and better monitoring and reporting.

The Manifesto recommended government:

- 1 Require TAs to use the already established Waste Data Framework
- 2 Use section 86 of the WMA to require reporting of recovered material data
- 3 Establish an IT platform for national waste data
- 4 Work with stakeholders to develop a national waste data system that will meet the needs of all parties.

PROGRESS

The Ministry included consultation on waste data proposals as part of its consultation on the Waste Disposal Levy in late 2019. The proposals focused on landfill and transfer station data and did not include data on recovered materials (although the consultation indicated that scoping work on this was likely to take place in 2020). The results of the consultation and the government's proposed response have not yet been made public.** Other work includes a joint licensing and data collection project underway with Waikato and Bay of Plenty councils which aims to collect a full range of waste data.

WHAT WE SAY NOW

Good waste data indirectly supports waste minimisation outcomes. It is a vital enabling factor for waste initiatives and provides an evidence-base to measure progress.

Government is strongly encouraged to formally establish a national waste data system, use the already established Waste Data Framework, and build on other work in the sector and make reporting mandatory.

*Ministry for the Environment. 2017. Review of the Effectiveness of the Waste Disposal Levy 2017. Wellington: Ministry for the Environment

** The Government's July 2020 announcement on the waste levy included improved waste data, but provided no details.

WHAT THE MANIFESTO SAID & PROGRESS

MANDATORY PRODUCT STEWARDSHIP

WHAT THE MANIFESTO SAID

Product stewardship schemes put responsibility on producers and sellers to manage products at the end of their life. They are a well-established tool for addressing problematic waste streams.

The Manifesto recommended government establish mandatory product stewardship schemes for tyres, e-waste, and agricultural chemicals and plastics.

The Manifesto said government should:

- 1 Review and update previous work
- 2 Undertake consultation
- 3 Declare tyres, e-waste, and agricultural chemicals and plastics as priority products
- 4 Develop schemes for each priority product
- 5 Accredit schemes.

PROGRESS

In 2019 the Government consulted on six proposed priority products:

- tyres
- e-waste
- agrichemicals and containers
- refrigerants and other synthetic greenhouse gases
- farm plastics
- plastic packaging

At the end of July 2020 the Government announced that all six categories would be declared priority products.*

WHAT WE SAY NOW

Action on dealing with these problematic waste streams was overdue so the Forum is pleased to see these addressed.

The Forum looks forward to seeing compulsory product stewardship schemes set up for the first five products and working with government and industry to find solutions for packaging.

*Declarations for the sub-categories of beverage containers and methyl bromide have been postponed to align with existing work and stakeholder consultation

OTHER SIGNIFICANT PROGRESS

Plastic bag ban

Single use plastic shopping bags have been banned from 1 July 2019. The ban applies to all new single-use plastic shopping bags with handles that are made of plastic up to 70 microns in thickness. As a result, 1.1 billion fewer single use plastic bags have been produced since the ban.⁶

Kerbside Standardisation Project

Government commissioned a piece of work, involving extensive stakeholder engagement with the industry, to identify:

What materials should be collected in kerbside recycling

Presentation of materials collected in kerbside recycling

The best methods of kerbside collection of recycling, rubbish and organics

The project has completed its draft report to the Ministry for the Environment, but the outcomes have not been publicly released at the time of writing.

Work programme on infrastructure

The Ministry has commissioned a waste services and infrastructure stocktake, as well as work on options for improving processing of paper. The work could inform an infrastructure investment strategy and is due to be completed in early 2021.

Changes to the NZ ETS

After extensive consultation, changes to the NZETS were passed by Parliament in June 2020. The key changes that will affect the waste sector include setting a cap on emissions and introducing auctions and price controls. The effect of the changes is expected to be greater control over the price of carbon under the scheme, which will allow it to be used to more effectively to drive emissions reductions. An increased cost of carbon will drive more waste away from landfills without gas capture or low or medium gas capture rates to landfills with very high gas capture rates, or to recovery such as recycling or composting.

⁶ bit.ly/bagban-1yr-on

NEW PRIORITIES

What recent issues have highlighted is the need for resilience and greater emphasis on local economic development. As well as creating more stable and trustworthy markets for recycling and compostable packaging, building up New Zealand's resource recovery sector has potential to deliver added employment and economic growth. Multiple studies have found that recycling and composting results in around ten times more jobs compared to sending materials to landfill.⁶

A New Zealand study found that benefits to the local economy were even greater where the recycling companies were community or locally owned, because more of the profits are retained and spent locally.⁷

To help ensure that the sector can contribute positively to economic growth and resilience, some additional priorities have been identified by Territorial Authorities. The key initiatives are:

Resource recovery infrastructure

WHAT IS BEING ASKED FOR

Invest in onshore and local infrastructure for processing of recovered materials - in particular plastics, paper, organics and building materials. Any investment opportunities identified should support New Zealand's transition to a circular economy.

⁶ The numbers vary between 3 and 65 times more jobs for recycling compared to landfilling depending on the materials involved and the methodologies of the studies. The multiples tend to apply to both direct and indirect employment. Refer to:

More Jobs, Less Pollution: Growing the Recycling Economy in the U.S., Tellus Institute and Sound Resource Management, 2011.

NRDC (2014) *From Waste to Jobs: What Achieving 75 Percent Recycling Means for California*, Tellus Institute

Access Economics (2009) *Employment in waste management and recycling*. The Department of the Environment, Water, Heritage and the Arts, Australia

bit.ly/benefits-of-reuse

European Environment Agency (2011) *Earnings, jobs and innovation: the role of recycling in a green economy*

⁷ CRN (2009) *Valuing Recycle Town - Measuring which bucket has the most leaks*. Report prepared with support from the Ministry for the Environment's Sustainable Management Fund

WHY IS THIS IMPORTANT

More onshore processing capacity for key materials such as plastics and paper will help ensure more stable markets for these materials and promote confidence that the materials are being appropriately managed and are going to beneficial use.

Additional infrastructure to help recover building materials would increase employment, improve resource efficiency, and reduce waste and emissions from the construction sector. This is likely to be particularly important if the planned large investment in infrastructure to aid recovery from the effects of COVID-19 go ahead.

Investment in diverting organic waste from landfill will reduce greenhouse gas emissions, reduce the use of chemical fertilisers, and increase carbon sequestration which will help progress towards New Zealand's climate change targets.

It is important that investment for onshore infrastructure occurs both in the North and South island to ensure that all communities are equally able to reduce waste to landfill and that transport emissions are minimised wherever possible.

Overall, local processing will ensure that more of the value of these recovered materials is realised locally, leading to additional employment and economic development.

RECOMMENDED STEPS

Develop an infrastructure investment plan as part of a strategic approach. The infrastructure plan should:

Identify key priorities for investment

Identify where investment in innovation and resource recovery infrastructure is most needed to support New Zealand's transition to a circular economy approach

Determine the most appropriate method

of delivery for the infrastructure, including ownership and funding

Coordinate between agencies

Programme the investment over time

Standardise collection systems and recycling materials

WHAT IS BEING ASKED FOR

Identify and promote best practice systems for collection of recycling, organic waste, and rubbish, including a standard set of materials that are collected. This should be supported by appropriate resourcing and mechanisms that will enable councils to adopt best practise systems and ensure that materials are recovered consistently around the country.

WHY IS THIS IMPORTANT

There are a wide range of materials and systems used by councils and collectors to collect recycling, organics, and rubbish from kerbside. More standardisation would lead to benefits such as:

Enable compulsory labelling for recyclability and compostability on packaging

The ability to have nationally consistent messaging for recycling. This will result in less confusion among the public about what and how to recycle.

More consistent quality of recycling collected – with the result being higher overall quality and market prices for recycling

Higher quality recycling will better support local processing and infrastructure

Easier for councils to identify the best practice system that will work for them

Greater standardisation will lead to greater efficiencies for collectors

RECOMMENDED STEPS

Adopt the recommendations of the recently completed Kerbside Standardisation Project, including providing appropriate support and resourcing for its implementation.*

Take action on plastics and packaging

WHAT IS BEING ASKED FOR

Work with the packaging industry to develop product stewardship scheme(s) for both recyclable and compostable packaging, phase out the use of hard to recycle plastics, and initiate a national label for recyclability on packaging.

WHY IS THIS IMPORTANT

Packaging, and in particular plastic packaging, has been identified by a range of recent studies as a key issue for sustainability.⁸

Packaging is one of the main elements of the waste stream the local authorities are required to deal with. The value inherent in these materials when they are recycled is not enough to cover the costs of collecting, sorting and processing, and so this cost falls on councils and their communities rather than producers of products. Requiring the producers to take greater responsibility for packaging once it is placed on the market, phasing out the use of less valuable and more problematic plastic types, and making sure that packaging can be easily identified for correct recycling, are steps that will reduce the

8 For example:

Office of the Prime Minister's Chief Science Advisor (2019) *Rethinking Plastics in Aotearoa New Zealand*, A report from the panel convened by the Office of the Prime Minister's Chief Science Advisor.

Ellen MacArthur Foundation, "New Plastics Economy Global Commitment June 2019 Report." 2019, bit.ly/GC-report0619.

Ellen MacArthur Foundation, "Reuse - Rethinking Packaging." 2019, bit.ly/EMF-reuse

Circular Economy Accelerator Sustainable Business Network, "New Zealand's Plastic Packaging System, an Initial Circular Economy Diagnosis." 2018

Keep New Zealand Beautiful, "National Litter Audit." 2019, bit.ly/knzb-audit

* Subject to understanding the implications of the CRS and health and safety aspects of any collection model proposed as best practice.

burden on ratepayers and enable better, more sustainable management. Improved labelling for recyclability of packaging forms part of the key recommendations in the 'Rethinking Plastics in Aotearoa New Zealand' report by the Office of the Prime Minister's Chief Science Advisor.

RECOMMENDED STEPS

Take action on plastics and packaging by:

Working with the packaging industry to develop product stewardship scheme(s) for both recyclable and compostable plastic packaging

Phasing out the use of low value, hard to recycle, plastics in packaging. For example, plastics 3 (Poly Vinyl Chloride), and 6 (Polystyrene and Expanded Polystyrene) are two of the least valuable and hardest to recycle plastic types, and there are viable alternatives.⁹

Establishing nationally mandated labelling for recyclability and compostability on packaging. The label should be a requirement for all packaged goods sold in New Zealand. The TAO Forum recommends a well-designed, evidence based compulsory labelling scheme be implemented.

⁹ Ellen McArthur Foundation (2016) The New Plastics Economy: Rethinking the Future of Plastics [bit.ly/EMFrethinking-plastic](https://www.ellen-mcARTHUR.org/EMFrethinking-plastic)

SUMMARY

The Government has made progress on the issues identified in the 2018 Territorial Authority Waste Management Manifesto. However, there is still much to be done to get these initiatives up and running. In addition, recent events such as COVID-19 and issues with international commodity markets, mean some new priorities have emerged for territorial authorities in the waste sector.

To support territorial authorities in the waste sector, the government should:

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