

Submission on Waste Minimisation in New Zealand - A Discussion Document from the Ministry for the Environment 15 May 2009

The New Zealand Food & Grocery Council (the "FGC") welcomes the opportunity to comment on the Waste Minimisation in New Zealand Discussion Document (the "Document") prepared by the Ministry for the Environment (the "MfE").

The FGC represents the major manufacturers and suppliers of food, beverage and grocery products in New Zealand. FGC member companies supply over 95 percent of the processed food and beverages supplied to the grocery retail industry and over 65 percent of supermarket packaged good sales.

The matters addressed in the Document are of major interest and importance to member companies because of the significant implications they have for the grocery industry.

The Document seeks comment on five areas, which are listed below:

- (1) Revising targets for the New Zealand Waste Strategy;
- (2) Identifying products that are priorities for product stewardship;
- (3) Identifying funding criteria for the Waste Minimisation Fund (the "WMF");
- (4) Monitoring waste in New Zealand; and
- (5) Improving the operation of the waste levy.

The FGC wishes to comment on the identification of products that are priorities for product stewardship and the identification of funding criteria for the WMF.

The FGC is aware that the purpose of this section of the Document is to seek feedback on products that should be identified as priorities for mandatory product stewardship, however, the FGC does not support mandatory product stewardship.

The FGC submits that a voluntary, industry led scheme is the most efficient way of ensuring that the overall goals of the Waste Minimisation Act (the "Act") are met. The FGC believes that only in situations where an industry led scheme is unworkable should the Minister consider using their power to declare a product to be a priority product and as such subject to a mandatory product stewardship scheme.

The FGC notes that packaging has been assessed as a product proposed for further investigation. The MfE has stated that it will monitor the effectiveness of any voluntary scheme and then assess whether further action is required. The FGC would like to take this opportunity to confirm that our members are giving their full support to the development of a third Packaging Accord once the current Accord expires later this year. The FGC submits that this collaborative, flexible and cost-effective approach is the most effective way of minimising environmental harm caused by waste.

The WMF will be established in order to fund waste minimisation projects that will have to meet certain criteria and be approved by the MfE. The Document states that funding may be allocated to:

- projects that promote or achieve waste minimisation;
- help establish waste infrastructure;

- encourage innovation and the development of new technology for product design, production, reuse and recycling; and
- provide opportunities for businesses operating in, or entering, the waste minimisation sector.

The FGC understands that the Act affords considerable power to the Minister in that it gives him the discretion to utilise all or part of the WMF on projects of his choice. The FGC is concerned that the Minister will invoke this power to use the WMF solely to establish infrastructure that is needed for the Waste Strategy to operate. The FGC submits that the levy should be put on hold until the requisite infrastructure is in place as currently there is no way of capturing the data to ascertain whether or not the aims of the Waste Strategy are been met.

The FGC notes that potentially half of the WMF may be distributed to territorial authorities, on a population basis, to help with implementing their waste minimisation and management plans. The FGC is concerned that this affords considerable power to the territorial authorities as it enables them to use the fund in any way they deem fit. This is likely to result in significant administration costs for a large number of minor projects which afford little benefit and which do not necessarily reflect the purpose of the Act, which is to encourage waste minimisation.

The FGC submits that all of the money contained within the WMF should be contestable and that the criteria identified by the MfE are appropriate, with the exception of allocating funding to help establish waste infrastructure. The FGC firmly believes that waste infrastructure must be in place before the levy is collected.

For further information, please contact:

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