

Protecting New Zealand's environment is a shared responsibility between producers, manufacturers, brand-owners, retailers, consumers, and central and local government.

Meeting customers' increasing expectations for sustainable products and packaging, and for environmental and social responsibility, drives business success for everyone.

Context

- Nearly half of New Zealanders believe it is highly important for industry to take environmental and social sustainability seriously. Packaging is one of their top concerns when it comes to sustainability.¹
- Retailers have a role to play in reducing waste and creating a circular economy for products and packaging.
- Industry² has established voluntary product stewardship schemes to improve sustainability within their businesses.
- Retail NZ and retailers are working collaboratively within industry groups to create waste reduction and recycling solutions for priority products identified by government, including plastic packaging and electronic waste.
- Government regulation will progressively introduce mandatory product stewardship schemes that require retailers to play their part in taking responsibility for post-consumer waste management.

What's the problem?

Retailers need clear and consistent nationwide standards and a nationwide system for management of waste and recycling, so that retailers and consumers can do the right thing.

- National standardisation of kerbside recycling has not yet been implemented and the intended scope does not include all packaging that is reusable, recyclable or commercially compostable.
- We do not have a national standard for labelling so that consumers know how to dispose of packaging.
- New Zealand does not yet have sufficient onshore waste management and recycling facilities for retailers and consumers to trust that their recycling efforts are recycled – not mixed in with general waste.

Retailers need product stewardship schemes that operate across all packaging materials, whether soft or rigid plastic, glass, metal, paper, cardboard, or mixed materials.

- The Plastic Packaging Product Stewardship (PPPS) Scheme proposal is for industry to take responsibility only for single use plastic packaging of consumer goods at retail and wholesale level.
- In the absence of a single stewardship scheme covering all packaging materials, retailers and suppliers find it difficult to make the best packaging choices to improve reuse or recycling.
- Government's singular focus on plastic packaging may lead to suppliers choosing other, including composite, packaging that is less easily re-used, recycled, or composted.

Retailers need greater time and clarity about the introduction of new regulatory requirements in advancing the sustainability agenda.

- Retailers need greater clarity, and time to adjust to what is required, to better enable them to negotiate with suppliers.
- Retailers will need a longer transition period than currently envisaged to achieve data readiness and initial reporting/disclosures before the PPPS scheme fees come fully into effect.
- The timeline to phase out rigid (hard to recycle) plastics and polystyrene for food on 1 July 2025 is not achievable. Draft regulations have not been released for consultation, so are unlikely to be finalised by mid-2024 as planned. Given the size and complexity of the change, the industry would need more time (two years) to implement the regulations from when they are finalised.

What's the answer?

Retail NZ	Government	Retailers
- Continuing to engage with industry partners to support the development of mandatory product stewardship schemes - TechCollect for e-waste, and the Plastic Packaging Product Stewardship (PPPS) scheme. - Drawing on the expertise within the retail sector to inform policy development to advance the regulatory framework for product stewardship. - Providing product stewardship resources and information to retailers as the schemes become operational. - Supporting the Ministry for the Environment's single-use and hard-to-recycle plastics phase out with education, advice and support to all retailers. - Working with the Ministry for the Environment to review the Plastic Packaging Declaration to ensure it is fit for purpose, specifically in relation to the issues around compostable packaging and the timeframes to achieve the target of 100% sustainable packaging in the light of changes to kerbside collections.	- Support collaboration between industry associations to deliver public education campaigns to encourage behaviour change and reduce waste. - Standardisation and extension of the scope of materials collected from households for recycling across New Zealand. - Confirm a national standard for packaging labelling (including potential use of QR codes or other technology to overcome the constraints of putting on packaging and the speed of change). - The Ministry for the Environment to set clear expectations of data requirements on packaging volumes and flows, and to work with suppliers, retailers, local government, and the waste sector to collect data effectively. - The Ministry for the Environment to work with Retail NZ and other industry groups to ensure wide representation of industry leaders providing constructive feedback on the work required to achieve our shared goals. - Defer the timeline for the phase out on 1 July 2025 of rigid plastics and polystyrene for food and beverage packaging to ensure that regulations are finalised after sufficient consultation with industry and retailers, and at least two years before coming into effect. - Consider sponsoring investment in a single efficient onshore waste management and recycling facility for New Zealand.	- Making changes to be more sustainable, including reducing carbon footprints and improving internal supply chain efficiencies. - Supporting voluntary product stewardship schemes that are available by providing drop off points instore, or in other ways. - Signing a redeveloped Plastic Packaging Declaration.

¹ Retail NZ and Kantar April 2021.

² Including producers, brand owners, importers, retailers, collectors, and re-processors.