

3R Group Submission: 20 August 2024

<https://consult.environment.govt.nz/climate/second-emissions-reduction-plan/>

Second emissions reduction plan consultation supporting document

3R Group Ltd welcomes the Ministry for the Environment's *Second Emissions Reduction Plan* as a key step to transitioning Aotearoa New Zealand to a truly low-emissions, zero-waste economy.

3R supports the submission made by the Sustainable Business Council, however we have also provided our own feedback on the Waste section of the consultation document. As product stewardship experts we are disappointed not to see stewardship (regulated or voluntary) utilised as a tool for tackling emissions reductions. Product stewardship is the cornerstone of a strong circular economy, and therefore a vital part of any country's emissions and waste reduction strategy. Further to this, we believe product stewardship organisations should be required to measure and report the emissions generated by its product stewardship programmes – something which is missing from the *Second Emissions Reduction Plan* consultation document.

It is vital to take a holistic approach to reducing emissions. Only addressing emissions once they're in landfill, while important, will not effectively reduce our overall emissions in the long run. It is the waste equivalent of providing an ambulance at the bottom of the climate cliff. To fully address the climate crisis, we must consider the whole picture, focusing on the interlinked emissions effects of all Government policies, not just those which fall within the parameters of the Emissions Reduction Plan, Circular Economy and Bioeconomy, and Te Rautaki Para Waste Strategy. For example, while MBIE has identified a circular economy and bioeconomy as priority areas for strengthening local markets, the Government is still considering rolling back the part of the Building Act which relates to H1 insulation standards. Reducing minimum insulation requirements means more energy will be required to heat homes, thus increasing their operational carbon and emissions over the lifespan of the building.

It is vital these policies all work together to reduce our environmental impact and build a stronger economic future for all New Zealanders. We cannot continue to kick the cost down the road, where it eventually unfairly burdens our young and indigenous populations. We need to invest in systems we know work now, rather than hoping for as-yet-undeveloped technology solutions to save us.

Chapter 10 – Waste

Do you agree or disagree that the Government should further investigate improvements to organic waste disposal and landfill gas capture?

Any action taken by the Government should align with the waste hierarchy, thus prioritising waste avoidance and minimisation first and foremost. We do not want New Zealand to invest in infrastructure which requires ongoing feedstock of the organic and non-organic material that we are actively trying to reduce.

While any improvements to organic waste disposal and landfill gas capture will be positive for the country, it's important to note that landfill gas capture is inefficient.

Any changes to nationwide organic waste disposal should echo Auckland Council's approach, as the first city-wide food waste collection with a circular outcome, where the

nutrients in food and garden organics are recycled back to the soil and the food chain through compost or digestate (an end-product of anaerobic digestion).

Standardisation of organic materials collections will also help reduce the risk of contamination in any compost or digestate that is produced.

Much of the organic waste in landfills is wood waste from the building sector. We would like to see more directives for the C&D sector to encourage reduction and diversion of this waste from landfill.

We also note that diverting non-organic material from landfill can reduce emissions throughout the supply chain. For example, every tonne of glass that is too contaminated for recycling (due to poor collection practices) misses the opportunity to reduce emissions by 499kg, by offsetting virgin material and lowering manufacturing energy requirements. Regulating separate glass collection in kerbside services would improve our collective glass recovery rates across New Zealand.

Pricing incentives are also powerful tools for the separation of green waste at transfer stations and green waste processing plants.

What is the main barrier to reducing emissions from waste (in households and businesses or across the waste sector)?

In our view, the main barrier is the Government's lack of focus on the waste hierarchy and building a circular economy. We need to collectively work to avoid emissions throughout entire product lifecycles, preferably designing out waste in the first place, long before they become waste.

A lack of infrastructure for large-scale organics from food production is also a major barrier, particularly in Te Matau-a-Māui Hawke's Bay, where we are based. Our food systems have long supply chains and are driven by market demands. Giving businesses confidence to invest in best waste reduction practice, through a mix of regulatory and financial incentives, can move us all closer to a zero-waste, truly circular economy.

What is the main action the Government could take to support emissions reductions from waste (in households and businesses or across the waste sector)?

Product stewardship, particularly regulated product stewardship, is one of the most effective ways of reducing waste. It places the burden of dealing with the waste which is generated back onto those who make, import, sell and consume the products, rather than the wider community and environment. It ensures that the funds levied from importers, manufacturers, and producers are placed where they can have the most measurable impact, by assisting to design out waste and utilise any residual material into higher-value products, ensuring the embedded carbon due to manufacture is not wasted.

It is vital that Government immediately identifies and signals to markets which products will be prioritised for product stewardship regulation in the next three years. We support a legislative and regulatory environment that encourages and enables more participation in voluntary stewardship.

Enacting regulatory requirements for product stewardship schemes would give businesses confidence to invest in waste reduction and product stewardship measures. There is market appetite currently, but the lack of surety around regulation has a chilling effect on investment in this area. Communicating priority products gives producers confidence to take meaningful

action and engage in a voluntary approach if none has been attempted. The financial burden of impending regulation would also reduce the likelihood of free riders not participating and therefore gaining unfair commercial advantage.

We also support implementation of regulated product stewardship for particularly problematic products, where supply chains cannot agree on a voluntary model, or where voluntary schemes cannot achieve target participation rates and where the waste stream is hazardous to the biosystem.

We have a wealth of domestic expertise available to develop product stewardship schemes which, when combined with knowledge gained from successes and failures in overseas markets for carbon intensive product streams (such as mattresses and textiles), can scale for the New Zealand market and geographical challenges.

Please provide any additional feedback on the Government's thinking about how to reduce emissions in the waste sector.

As we've previously iterated, there should be more of a focus on reducing waste, and therefore emissions, throughout a product's life cycle, rather than managing it at the end of its life alone. This can be achieved by shifting to a circular economy, supported by regulated product stewardship.

We note that while product stewardship is referenced many times in the Aotearoa New Zealand Waste Strategy, it is only mentioned once in the Second Emissions Reduction Plan consultation document – in relation to possible uses for the Waste Minimisation Fund. While the Emissions reduction plan rightly puts a strong focus on organic waste and landfill gas capture, it speaks little to tackling emissions created in the process of making products which result in waste. Regulated stewardship, when used well, can push the responsibility for cutting these emissions, and the associated waste, further up the supply chains. We would also like to see a larger portion of the WMF being ring-fenced for waste reduction and resource recovery actions.