

15 June 2026

Environment and Legislation Communications Committee
PO Box 6100, Parliament House
Canberra ACT 2600

via email: ec.sen@aph.gov.au

To the Committee Secretary,

Re: Submission to the review of the *Extended Producer Responsibility Scheme for Packaging (No Time to Waste) Bill 2026*

The Australian Beverages Council Limited (ABCL) is the leading peak body representing Australia's non-alcoholic beverages industry. For over 75 years, the ABCL has been the only dedicated advocate for this industry, representing approximately 95 per cent of the industry's production volume. Our members range from Australia's largest drinks manufacturers to small and micro beverages companies whose drinks are enjoyed nationally as well as around the world. These beverages include carbonated soft drinks, energy drinks, sports and electrolyte drinks, frozen drinks, bottled and packaged waters, 100 per cent juice and fruit drinks, cordials, iced teas, ready-to-drink coffees, kombuchas, flavoured milk products and flavoured plant milks.

Industry commitment to a circular economy

The ABCL and its members have been leaders in producer responsibility and circularity for decades. We work to demonstrate our commitment through the development, full funding and participation in container deposit schemes (CDS), participation in APCO and the ANZPAC Plastics Pact, as an accredited stakeholder in the United Nations Environment Programme, and through a variety of additional domestic and international forums. Our members also support recycling through local state-of-the-art glass beneficiation facilities, as well as PET recycling facilities including Albury-Wodonga and Altona North, created through beverage, waste, packaging and government co-investment.

For beverage packaging, there is no single solution suitable for all scenarios. Policy settings should recognise that different materials will achieve optimal food safety and environmental outcomes in differing circumstances, including recycling, reuse or a combination of both. As such, regulatory frameworks must avoid creating conflicting incentives or unintended displacement of existing high-performing systems, and should instead be designed to maximise system efficiency and environmental performance across all packaging formats.

Recycled Content Targets

The ABCL supports the intent of the Bill and initiatives that increase resource recovery, improve recycling rates and support the growth of Australia's domestic recycling industry. Minimum recycled content requirements can play an important role in driving demand for recycled material and ensuring consumer product sectors contribute to national circular economy objectives.

However, any legislated recycled content requirement must be carefully calibrated to reflect the practical realities of different packaging materials, food safety requirements and current domestic market capacity. A single recycled content threshold applied across all packaging risks creating obligations that are not technically or commercially achievable for some materials or product categories.

The proposed requirement that all packaging, whether plastic or non-plastic, must include at least 50 per cent recycled content, including at least 30 per cent Australian recycled content, appears to go beyond the structure of the existing National Packaging Targets. Those targets do not apply a flat 50 per cent recycled content requirement across all packaging. Rather, they include material-specific targets that recognise differences in recycling systems, material availability, end markets and technical feasibility¹.

This distinction is particularly important for food and beverage packaging. Beverage manufacturers must use food-grade recycled material to ensure product safety and protect consumers. A significant proportion of recycled material available domestically is not food-grade and therefore cannot be used in food and beverage contact applications. Targets that do not distinguish between food-grade and non-food-grade material could overstate the amount of recycled content that is genuinely available to the beverage sector.

There is also a risk that poorly calibrated targets could create unintended competition for limited food-grade recycled material. Businesses that are not required to use food-grade material often still seek to purchase it because it is generally higher quality and performs more consistently in manufacturing processes. This could further constrain supply for food and beverage applications, where food-grade material is not optional but essential.

These pressures are likely to affect small and medium beverage manufacturers most acutely. Larger businesses may be better placed to secure long-term supply contracts for domestic food-grade recycled content. Smaller businesses often do not have the same purchasing power or supply chain leverage, and could be locked out of access to suitable material if demand is increased faster than domestic supply can support.

The proposed Australian recycled content requirement also raises material-specific feasibility issues. For example, aluminium used in beverage packaging is generally processed offshore due to Australia not having any domestic aluminium recycling

¹ These targets, set in 2019, are PET – 30%, HDPE – 20%, PP – 20%, paper – 60%, metal – 25%, and glass – 50%.

capabilities, meaning a requirement for Australian recycled content is not practically achievable for that material under current market arrangements. Similar constraints may arise for businesses that rely on imported packaging or finished goods, where Australian recycled content cannot readily be specified or verified.

The ABCL therefore recommends that recycled content requirements be designed on a material-specific basis and include appropriate recognition of food safety, food-grade material availability, domestic processing capacity and supply chain access for small and medium businesses. This would better support the policy objective of increasing recycled content while avoiding perverse outcomes, market distortion or obligations that cannot be met in practice.

Further, to mitigate against the downcycling of this high-quality recycled material, the scheme should acknowledge the role of scheme funders and provide priority access to the material. For instance, a first right of refusal for beverage manufacturers to access material recovered through CDS would reflect the intended outcome of the scheme, allowing the material to be made into new containers and achieving closed-loop circularity.

Relationship with State and Territory Laws

The ABCL notes the Bill's recognition that federal extended producer responsibility requirements may need to interact with existing State and Territory laws. This is an important issue for the beverage sector, given container deposit schemes are already established in every Australian jurisdiction and represent one of the most mature producer responsibility frameworks operating in Australia.

Container deposit schemes deliver recovery outcomes that are unmatched across most other packaging materials, supported by dedicated collection infrastructure, clear producer funding arrangements and established pathways for material recovery. Beverage manufacturers already fund and participate in these schemes, including through scheme contributions, reporting obligations and material stewardship arrangements.

It is therefore critical that any federal EPR scheme does not create duplicative obligations for containers already regulated under existing container deposit schemes. In particular, beverage manufacturers should not be required to fund overlapping obligations under both a federal EPR framework and State or Territory container deposit schemes for the same products and materials.

The ABCL supports a nationally coherent approach to product stewardship and recognises the need to reduce inconsistency between jurisdictions. However, this should be achieved in a way that preserves the integrity and effectiveness of existing container deposit schemes, rather than layering additional administrative or financial requirements over systems that are already operating and delivering strong recovery outcomes.

The ABCL recommends that the Bill and any subsequent regulations include clear safeguards to ensure that products already subject to container deposit scheme

obligations are not captured by duplicative federal EPR requirements unless there is a clear and agreed policy rationale. Any interaction between federal EPR requirements and State and Territory container deposit schemes should be developed in close consultation with affected industries and scheme administrators, with the objective of improving national consistency while avoiding unnecessary cost, duplication and disruption.

We thank you for the opportunity to submit to the review of the Extended Producer Responsibility Scheme for Packaging (No Time to Waste) Bill 2026. If you have any additional questions, please do not hesitate to contact Shannon Doherty-Andall, Sustainability Manager on 0406 239 795 or via email shannon@ausbev.org.

Yours sincerely,

A handwritten signature in black ink, appearing to read "G Parker".

Geoff Parker
Chief Executive Officer