

18 June 2010

**The Hon. Peter Garrett AM MP**  
**Minister for Environment, Heritage and the Arts**  
**GPO Box 787**  
**CANBERRA ACT 2601**

**Dear Minister**

**The future of the Australian Packaging Covenant**

On 25 June on your EPHC telephone meeting you will be considering the RIS for the Australian Packaging Covenant (APC) which you approved in principle at your November 2009 meeting.

Since you made that decision industry has proceeded with planning on a good faith basis and with the confidence and certainty that the APC clearly offered Australia the most effective environmental and economic solution to minimise the environmental impact of packaging. We have been working with Jurisdictions to plan the organisational arrangements, including preparing to employ staff that will need to be put in place to support the APC.

During this period we have been aware of the Choice Modelling work which may consider an alternative approach to the management of packaging via some form of regulated economic instrument such as container deposits. Apart from serious concerns about the methodology used in the Choice Modelling, industry signatories to the APC are concerned about the uncertainty that consideration of alternate approaches such as container deposit regulation outside the Covenant introduces.

The APC provides the mechanisms for specific issues relating to packaging to be addressed. The EPHC communiqué of November 2009 recognised this when it stated that the proposed APC includes a greater focus on the sustainable design of packaging, and will also provide more investment in workplace recycling, public place recycling and litter reduction projects. Further, the APC is the only regulatory (co-regulatory) mechanism that is operating under the National Waste Policy and, importantly, this collaborative model supports the government's commitment to a seamless national economy.

If governments were to compromise the goals and objectives of the APC with alternative and isolated approaches such as container deposit regulation, industry would query ongoing commitment to the comprehensive covenant approach. A decision on the APC on the 25 June teleconference in isolation to a decision at the proposed face to face meeting on alternate approaches such as container regulation introduces significant confusion and undermines the certainty which business has relied on.



Industry has continued to support and seek extension of the successful co-regulatory approach under the APC model and we have been advising industry signatories to plan to sign-up to the APC.

The uncertainty caused by adopting conflicting policy approaches on the future management of packaging is likely to stall the introduction of the APC and may well lead to the undermining of industry support for the APC. This is not the outcome we desire for industry, the environment or the community.

Ministers can remove the uncertainty and lock-in support for the APC by ensuring that work to address issues such as litter is done within an effective APC and thus deciding that no further work outside the APC is required.

The APC is the only regulatory (co-regulatory) mechanism that is operating under the National Waste Policy. A decision other than complete support for the APC may lead to the demise of this co-regulatory approach.

We will be contacting your office to seek a meeting with you so that we both can better understand the possible consequences of the next EPHC meeting.

Yours sincerely

**Stan Moore**

Chief Executive Officer  
National Packaging Covenant Industry Association  
GPO Box 261, SYDNEY NSW 2001

 02 8667 3068

 [stan.moore@issuesmanagement.com.au](mailto:stan.moore@issuesmanagement.com.au)