

Submissions Climate Change Authority GPO Box 787 Canberra ACT 2600

Email: submissions@climatechangeauthority.gov.au

22 August 2019

Dear Sir/Madam

Re: Updating the Authority's advice on meeting Australia's Paris Agreement commitments

Thank you for the opportunity to provide input into how Australia can build on the success of current policies to achieve Australia's 2030 greenhouse gas emissions reduction target and Paris Agreement commitments.

The Waste Management and Resource Recovery Association of Australia (WMRR) is the national peak body for all stakeholders in the \$15 billion waste and resource recovery industry. We have more than 2,000 members across the nation, representing a broad range of business organisations, the three (3) tiers of government, universities, and NGOs.

Our members are involved in a range of important and essential waste management and resource recovery activities within the Australian economy, including community engagement and education, infrastructure investment and operations, collection, manufacturing of valuable products from resource recovered materials, energy recovery, and responsible management of residual materials. The industry's services, including extracting energy from waste and the remanufacture of recycled products, play a significant role in lowering greenhouse gas emissions annually.

WMRR's submission

WMRR's feedback provided in this document offers an update to the association's submission to the 2017 review of climate change policies discussion paper; since then, there have been significant changes in the Australian waste and resource recovery sector.

This submission comprises input from WMRR's National Carbon Division as well as related Divisions and State Branch Committees in response to the Climate Change Authority's (CCA) questions within the discussion paper. In doing so, WMRR has reviewed CCA's 'industry action on climate change mitigation in Australia' chapter (10) on waste.

What aspects of the Authority's previous recommendations remain valid and why?

What has changed since this advice was given and how should the advice be updated to account for those changes?

Once landfill flaring projects under the Emissions Reduction Fund (ERF) come to an end, there will generally be no incentive in many cases for continued flaring and it is likely that this will lead to instances of abandoned gas collection equipment and uncontrolled methane emissions. The Commonwealth should coordinate all State and Territory EPAs and/or relevant Departments and develop a nationally consistent set of regulations requiring landfill flaring wherever feasible.

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This paper should also put more emphasis on the diversion of organics from landfill. The progressive diversion of all organics from landfill should be canvassed as a long-term goal.

Achieving a net zero emissions economy in the long-term

How can the Government assist the positioning of the Australian economy to best take advantage of opportunities associated with the global transition to net zero emissions, while managing any risks? And what are these opportunities and risks?

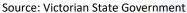
Should particular regions or communities and emissions-intensive trade-exposed industries be assisted in the transition, and if so how?

What is the role of prudential regulation and macroeconomic policy in assisting the Australian economy transition?

Government support for innovation in low carbon technology is key to positioning the Australian waste and resource recovery sector as leaders in circular economy principles. A circular economy is based on the principles of designing out waste and pollution, keeping products and materials in use at their highest and best value, and regenerating natural systems.1

However, it should be noted that in certain circumstances, closing the loop could increase greenhouse gas (GHG) emissions for example, recycling and remanufacturing of some materials can be impractical as well as technologically unfeasible and these materials would be better used as a replacement for fossil fuels for energy recovery, or to manufacture fuels. Thus, a full life cycle analysis (LCA) of GHG needs to be understood in the decision-making process. This can be used to test the relative GHG merits of technologies, and they can vary between circumstances and material types. The recently released draft circular economy paper by the Victorian State Government includes the diagram below showing the varying options for which the merits would need to be assessed.





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¹ Ellen MacArthur Foundation



Sectoral and economy-wide policies

What are the current and projected costs of, and potential for, abatement across different sectors and how does that influence the choice and timing of policy across sectors?

What are the barriers (regulatory and non-regulatory) to realising emissions reductions and are there any additional supporting policies, regulations or government actions that could drive emissions reductions in cost effective ways?

How should sectoral policies be linked to ensure efficient economic outcomes and to minimise the cost of abatement across the economy?

Should changes be made to the Emissions Reduction Fund to explicitly target multiple benefits (such as environmental outcomes) as well as abatement outcomes?

How should the Government ensure that major infrastructure investments remain resilient to future climate change impacts and policies?

The solid waste sector has a unique profile which cannot be easily characterised given the unpredictability and lack of control over materials generated and receipted. As a result, this impacts the ability of this sector to be as easily managed in the same way as other sectors with more immediate and predictable emissions, however the sector still has an important role to play in carbon abatement. This statement is supported by the prevalence of waste sector projects in the ERF where it has been proven that the waste and resource recovery sector can provide a significant contribution to meeting emission reduction targets.

Through the National Waste Policy, there is a renewed opportunity for Federal engagement with the waste and resource recovery sector. Considering the industry's history of participation in climate change programs, WMRR as the national peak body, welcomes the opportunity to cooperate further in developing national regulatory and incentive-based programs to achieve the main objectives of capturing more landfill gas and diverting organic wastes from landfill. This response forms part of the ongoing discussion on these issues.

National consistency is vital as it offers certainty and confidence for all stakeholders, driving participation and engagement. However, the current, inconsistent approach to landfill levies, regulations, and policies across Australia provides uncertainties. A more transparent consultative approach could assist, including a common approach to levies on a national level, importantly coupled with the allocation and increased investment of existing landfill levy funds (broadly, WMRR is advocating for a minimum 50% of reinvestment of collected landfill levies back to the waste and resource recovery industry) in low carbon solutions, to assist industry in reducing GHG emissions.

Supporting innovation, finance and new industries

What role should the Government play in enabling the development and uptake of low-emissions technologies and development of associated industries?

What role is there for Government in developing an enabling environment to support increased flows of green finance?

As a start, investing landfill levies back into a low carbon waste and resource recovery sector is key to success for a low carbon industry. It is also vitally important that there is national coordination across all jurisdictions to harmonise policies and regulations.

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WMRR is available to meet with relevant parties to discuss its response and offer further advice where appropriate. Please do not hesitate to contact the undersigned if you have any questions or would like to further discuss WMRR's submission.

Yours sincerely

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