



4th February 2024

Via plasticsconsultation@epa.nsw.gov.au

Re: GS1 Australia Feedback – NSW Plastics: Next Steps

GS1 Australia is delighted to provide feedback on the NSW Plastics: Next Steps and its potential impact on Australian industry and government. While GS1 supply chain standards alone are not a panacea to solve systemic waste challenges, they provide important capabilities and building blocks for global industry and government to transition to more transparent and sustainable production and consumption systems.

Our understanding of the impact of using plastic continues to evolve, and NSW EPA is to be congratulated on recognising the issues with problematic and unnecessary plastics and taking strong action, expanding on work already completed under the NSW Plastics Action Plan. As a key enabler of the supply chain and issuer of product identification keys, such as the ubiquitous barcode - we are intimately aware of the difficulties and challenges associated with plastic packaging that is ubiquitous to society.

Summary and recommendations

GS1 fully supports alignment across states and territories on the harmonisation of approaches to eliminating the supply of single-use, problematic and unnecessary plastics. As a global and national standards organisation, we work with industries across the nation and consequently observe the difficulties businesses face in implementing state-specific approaches when operating nationally.

In this submission, we are pleased to bring to the attention of the NSW EPA:

- The opportunity to leverage the recently released Recycled Content Traceability
 Framework by the Department of Climate Change, Energy, the Environment and Water as a
 key first step towards achieving plastic product transparency.
- 2. Lessons learned abroad and defined in plastic use and recycling guidelines. This feedback recongises that NSW EPA is navigating well-defined international challenges.
- 3. **Opportunity to leverage international initiatives** not limited to the Digital Product Passport, UN transparency recommendations and financial reporting standards to address greenwashing concerns and provide a transparency and consistent approach to ESG claims management and reporting
- 4. **Potential to work with industry to help develop practical approaches that work**, via national industry advisory working groups, leveraging national location and product registries and developing standardised data models and implementation guidelines with and for industry.

GS1 Australia is delighted to support NSW EPA in taking practical action on plastics as part of our commitment to realising the Global Sustainable Development Goals, with particular emphasis on a 'managed transition' to more responsible production and consumption systems.

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About GS1 Standards and GS1 Australia

GS1 is an international, not-for-profit industry-led supply chain standards-setting body with a global federation of 116 member organisations operating in 141 countries. Representing millions of businesses worldwide, GS1 facilitates the use of global data standards to identify, capture, and share information about goods moving through global supply chains. Renowned for its ubiquitous barcode system in retail trade, GS1 supports simple, efficient, safe, sustainable, and fair-trade practices.

GS1 in Australia started operations in the early 70s and today has 22,000 business members across 21 sectors, including large multinational corporations, smaller enterprises, and government entities. The organisation promotes trade process alignment using global data standards, including unambiguous, unique global identifiers represented in barcodes for retail products and logistical units like cartons, pallets, and shipments. Additionally, GS1 manages data standards for various entities, including business identity, locations, assets, shipments, documents, and more.

Collaborating with industry associations, governments, and international trade facilitation agencies like UN/CEFACT, WTO, and WCO, GS1 strives for standardisation, harmonisation, and digitalisation of trade systems. The organisation maintains semantic libraries and information architecture to facilitate electronic trade messaging and data exchange. GS1 Standards are recognised Australian Standards and have also been adopted by governments in many economies as part of their regulatory frameworks for traceability, supply chain management and trade. For example, in New Zealand simplified import and export declarations, US, China and Canadian customs processes.

GS1 also supports industry and governments in their implementation of standards through a range of tools and services including:

- 1. Education and training services to build skills and knowledge in traceability and related standards.
- 2. Development of traceability guidelines and implementation tools.
- 3. Development and management of national and global registries supporting traceability through accurate master data related to products and locations involved in traceability.
- 4. Engagement with technology vendors to develop an ecosystem of interoperable solutions, based on GS1 standards that is available to industry.

GS1 standards are technology agnostic and allow the implementation of data sharing across value chains in a manner that is interoperable. They enable each participant in the supply chain to make their own independent commercial decisions in choosing technology and solution partners.

For readers interested in learning more about GS1, a more comprehensive summary of how GS1 Standards and global data standards help governments develop and implement impactful public policy is attached.

Also see: <u>www.gs1au.org</u> for more information.

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GS1 Australia Response

Our objective in providing feedback is to help government and industry understand what tools are at its disposal and provide opportunities for NSW EPA to consider how these tools and standards can be utilised to ensure its policy objectives and outcomes are achieved.

Our feedback is focussed on aspects of the <u>NSW Plastics: Next Steps</u> which interface or could potentially interface with GS1's operations, role and mission. This includes standards and frameworks, national and international registries, and industry coordination structures that may be unknown or poorly understood – with a view to leveraging these capabilities and resources to support NSW EPA's next step.

There is widespread support for phasing out damaging chemicals and microplastics, noting that in the long-term, greater transparency regarding a product's chemical constituents is necessary for consumers and government to continue to monitor and regulate. The area of harmful chemicals is ever emerging, and without data on products, it is not possible to know or keep track of what harmful substances are being circulated and used.

There are several adjoining global and local policy interactions worth noting for capturing better product and supply chain data:

- In Europe, the introduction of the <u>Digital Product Passport</u> will assign passports to each product covered under the regulation, providing key data on the product's credentials including provenance and conformity certifications. This data is required to more effectively identify, track and manage resources across a product's complex value chain, incentivise improvement of sustainability performance and ultimately support purchasing decisions of consumers. Ensuring global, open decentralised standards are used to implement this is critical to keeping costs down for industry and consumers in the long-term.
- Locally, the timely release of the Department of Climate Change, Energy, the Environment and Water (DCCEEW) <u>Recycled Content Traceability Framework</u> is a key first step towards achieving product transparency. While the framework is focused on recycled content, implementing traceability across national supply chains will ensure that information about material constitutes of products can be easily identified, including recycled content and chemical additives and constituents. This also applies to claims of 'degradable' and 'compostable' – which are currently used loosely. Regulation of these terms should ensure strong reference to standards, which should be supported by proper data and traceability requirements for visibility of credibility of claims.
- Specifically for plastics, we note that GS1 Germany has supported industry develop the <u>Circular Plastics Traceability</u> process for data sharing. The guideline articulates the events and data to be recorded across the plastics supply chain, including additives and adhesives that maybe used. This provides an example of the type of guideline that can be developed in Australia for this supply chain. Without transparency linking data about products via globally unique and persistent identifiers, there is no way of knowing what harmful chemicals or additives a product may contain. This approach goes beyond the elimination of certain items, to ensure there is oversight over the plastic items and their constituents in circulation.

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We also wish to bring to the attention of NSW EPA, significant international work underway to help address challenges attributed to many hundreds, if not thousands of plastic-related sustainability and circularity initiatives that are loosely or not aligned. This challenge manifests in a mosaic of incompatible or siloed platforms that may work for one jurisdiction or industry but not another. In support of the Next Steps, the NSW EPA is encouraged to review UNCEFACT work in progress, referred to as <u>transparency at scale (recommendation 49)</u>. Australian experts are playing a key role in framing interoperability protocols designed to address scalability and interoperability challenges – to leverage existing government investment in platforms and systems and maintain technology and vendor neutrality via the adoption of internationally recognised standards.

To support the implementation of plastic next steps and replated points, GS1 has extensive experience and a vast international knowledge base to support the industry's adoption of traceability and supporting data standards.

- Defining master data and developing industry guidelines (like the plastics traceability example provided above) is crucial to support the maturation of existing and new industries to adopt and adapt more responsible production and consumption systems. The same applies to government and regulatory systems – opening the door to regulatory automation opportunities. NSW EPA could consider using product master data to capture information about the constituents of products, using existing established industry processes and soft national infrastructure, including global and Australian product registries.
- Practical and industry-led examples of industry transformation 'in action' will be critical to support industry change. There are many examples of relevance to NSW EPA to progress the proposed next steps. To illustrate;
 - GS1 Australia is working with APCO in the implementation of the <u>National Product</u> <u>Catalogue (NPC)</u> – a national registry of product information administered by GS1 Australia and managed by the products' manufacturer or brand owner. Under this partnership, GS1 Australia has made several modifications to the NPC to support a range of product attributes related to packaging, the packaging type, recyclability, and recycled content. Brand owners will be able to use the NPC to publish packaging data to APCO as part of meeting their reporting requirements. This approach provides an alternative mechanism to determine, communicate and share recycled content information in consumer goods.
 - Related projects are underway with Federal Government agencies including DCCEEW to capture and share national location data for materials collection and recycling facilities. <u>The National Locations Register (NLR)</u> and related data models are extensively used by industry and governments including for healthcare, infrastructure, transport, and agriculture for property identification and to improve the efficiency of national logistics systems.
 - The above soft national assets are further supported by global registries where GS1 member organisations around the world syndicate data to enable verification <u>Verified by GS1</u>. This capability is increasingly important to address import and

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export of upstream and downstream products, to address fraud, organised crime and tax evasion.

- Finally, and importantly, GS1 members are on the front line of industry reform. National working and advisory groups (typically facilitated by GS1 Australia) serve as important vehicles to navigate technology and regulator change and manage associated supply chain disruption. These fora have proven highly effective in supporting industry adoption and use of plastic labels and new packaging.
- Practical examples of impactful innovation to support public safety and enhance operation efficiencies include using next-generation data carriers such as GS1 Databar, DataMatrix and QR codes using a range of labelling substrates and materials. There is broad support for the phasing out of harmful plastic labels on fruits, for example; however, consultation with primary producers, retailers, and the International Fresh Produce Association (IFPA A-NZ) is critical. It is equally important to ensure that cost-efficient and viable alternatives are readily available nationally and that appropriate lead-in times for any bans are considered.

Finally, I would like to express my gratitude for the opportunity to provide feedback on this crucial initiative. GS1 Australia welcomes the chance to engage further with the framework and collaborate closely with industry and government stakeholders to ensure its success. If needed, I am available to discuss these submission points in person and offer any additional insights that may be beneficial.

Thank you for considering these contributions. We look forward to a prosperous collaboration that will enhance recycled material traceability and promote sustainability in Australia and beyond.

Should you have further queries, please do not hesitate to contact GS1 Australia's Sustainability and Circularity Manager, Dharshi Hasthanayake via <u>Dharshi.hasthanayake@gs1au.org</u>.

Sincerely,

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