



The Hon Penny Sharpe, MLC
Minister for Climate Change, Minister for Energy, Minister for the Environment, and Minister for Heritage
Parliament House
Macquarie Street
SYDNEY NSW 2000

21 November 2024

Dear Minister Sharpe

Re: Industry concern over the inertia with reforming the Resource Recovery Framework

The Waste Management and Resource Recovery Association of Australia (WMRR) is the national peak body for all stakeholders in the waste and resource recovery (WARR) industry. We have more than 2,300 members representing over 400 individual entities nationally, operating across a broad range of business organisations, the three (3) tiers of government, universities, and non-government organisations. Over a third of our membership is based in NSW, where our sector directly contributes more than \$4 billion per annum to the State's economy and directly employs more than 8,500 workers.

This letter seeks **urgent action** from the NSW EPA to accelerate delivery of the [RRF Delivery Plan: Towards a Circular Economy: enhancing the NSW resource recovery framework](#) ("Delivery Plan") which was adopted in July 2023, and in particular to prioritise those actions which the current lack of progress on, are directly limiting the state from transitioning to a safe circular economy. As you are aware, our essential industry has very much remained in the national conscience in recent years, particularly surrounding discussion of issues such as emerging contaminants including PFAS, asbestos and microplastics, the problems surrounding our society's reliance on plastic, and most recently, the decreasing landfill capacity. As we shift towards circularity including resource efficiency and carbon mitigation, it is critical that we take a systemic approach to designing out waste and managing the material that results from consumption to keep it circulating and being reinvested safely back into the productive economy.

WMRR appreciates that since coming to Government in May 2023, your leadership has seen direct action being taken to assist industry to improve the quality of material that we receive and address challenges across the entire supply chain. This includes developing a strategic WARR infrastructure plan for NSW with a real focus on avoiding the residual material challenges that have been created due to previous governments' lack of interest in protecting our essential sector, the review of the waste levy, which is key to both creating strong economic settings and certainty, along with the pending implementation of the FOGO Mandates and the NSW Plastics Plan – both of which help address some of the ongoing issues with litter, plastics pollution and restricting contaminant pathways into processed organic products.

WMRR NATIONAL OFFICE
57 ST JOHNS ROAD
GLEBE NSW 2037
(02) 8746 5000
INFO@WMRR.ASN.AU

However, as you are aware, despite all the talk of ‘creating a circular economy in NSW’, our overarching current legislative frameworks and policy settings for the WARR sector still look to ‘end-of-pipe’ remedies for linear consumption patterns rather than ‘front of-pipe’ prevention to create a safe circular economy. The NSW Government’s commitment to implementing the recommendations of Dr Wilkinson’s independent review in early 2022 of the NSW Resource Recovery Framework (RRF) was applauded by the WARR industry, given it appeared to offer a real possibility of resolving this discord.

That Review produced 22 recommendations aimed at achieving the following four (4) outcomes:

1. Improved administration and decision making;
2. A clearer definition of waste;
3. Production of high quality materials to facilitate circularity; and
4. Improving approaches to known and emerging contaminants

WMRR notes with disappointment that the independent review of the RRF was commissioned in 2021 and we are now fast approaching the end of 2024. Despite the release of the Delivery Plan in May 2023, most of the action items have yet to be completed, and many do not appear to even have commenced. This is despite industry affording many hours of consultation and direct written feedback to the NSW EPA over the last three (3) years. It strongly appears that this vital project that is fundamental to achieving a large number of 2030 targets - including 80% resource recovery and creating a safe circular economy, is not getting the priority it deserves.

As articulated at the NSW Circular Economy Summit on 1 November 2025, NSW needs to address the pending landfill crisis. This means we need decisive action from the Government and the NSW EPA in the immediate term so that we can design out ‘waste’, make safe products to compete with virgin materials, and establish clear and consistent pathways to keep this material circulating in the productive economy. This means (amongst other things) giving the industry and community clarity around the definition of ‘waste’, pathways for waste classifications and a certain recovery framework including contemporary and expedient orders and exemptions and certain testing and sampling regimes. The WARR sector needs urgent clarity as to the application and content of resource recovery orders and exemptions in particular, as well as in establishing and managing contaminant limits within those resources that are recoverable.

WMRR appreciates the complexity of the existing Resource Recovery Framework (being comprised of the *Protection of the Operations Act 1997* (NSW), the *Protection of the Environment Operations (General) Regulation 2022* (NSW) and the *Protection of the Environment Operations (Waste) Regulation 2014* (NSW) (Waste Regulation) as well as the EPA’s policies which support these laws) can seem overwhelming. It is also appreciated that the interlinked issues impacting the WARR sector can have a ‘snowballing’ effect - resulting in actions being delayed in order to see particular outcomes ‘wrapped up’ within a larger plan.

However, the WARR sector urgently needs to transition towards managing out waste, and put simply, we are running out of time to keep waiting for the NSW EPA to prioritise our sector. There are growing concerns that the continued uncertainty of regulatory settings going forward toward 2030 will stifle industry investment and hinder the necessary development of infrastructure needed to deliver the



2030 targets that the industry needs to meet the demand for waste management and resource recovery services for NSW residents and businesses. And no matter how many workshops NSW EPA holds on 'creating a circular economy' with interested stakeholders (as opposed to investors or generators), in the absence of updated regulatory settings this cannot occur.

There is also strong feedback from the NSW WMRR Branch that the actions identified within the Delivery Plan – which all work together to form the one (1) overarching framework to help NSW transition from the linear 'waste disposal' thinking towards circular 'resource recovery thinking' - have been addressed separately by different teams within the NSW EPA. For example, we have seen significant progress and consultation undertaken on action item D1 (investigation of pathways for suitable common, low risk recovered materials) – but no significant movement on actions A1 to A3 for improving the Resource Recovery Orders and Exemptions (RRO/Es). The lack of cohesion between these actions is concerning given that they are inextricably linked in terms of the RRO/Es establish what is and isn't considered part of the resource recovery supply chain in the first place.

WMRR urges the Minister to assist industry gain a clear commitment on timing and responsibility from the NSW EPA on completing the following priority actions which underpin the transition to a safe circular economy.

Resource Recovery Orders and Exemptions

Given Australia and the state's focus on shifting towards circular economy principles, it is essential that the basis of the RRF - the Resource Recovery Orders and Exemptions – are paid urgent attention. Without having clear parameters set for what resources can and cannot be recovered, the framework will inevitably fall over.

High rates of resource recovery and a reduction in the use of virgin materials and their associated emissions are key for the *Waste and Sustainable Materials Strategy 2041 (WaSM)* and *Waste Delivery Plan*, and these require a Resource Recovery Framework that is certain, secure and backed by robust scientific data so that the EPA can engage in transparent decision-making and evidence-based regulation. For the WARR industry to transition to circular principles to achieve 80% resource recovery by 2030, these levers need to be in place. Time is of the essence.

WMRR urges the NSW EPA to address as a matter of urgency progressing Action Items A1, A2 and A3 in relation to providing certainty and clarity in the order and exemption framework. These in our view, are the most integral actions as the standard of materials that can be recovered and reinvested into the economy is the foundation stone for transitioning to a circular economy and determines the appropriate pathways for materials.

WMRR NATIONAL OFFICE
57 ST JOHNS ROAD
GLEBE NSW 2037
(02) 8746 5000
INFO@WMRR.ASN.AU
WMRR.ASN.AU



Establishing a clear line of site for the implementation of the Delivery Plan

WMRR urges the Minister to allocate overall responsibility for the RRF Delivery Plan to a specific Executive Director of sufficient seniority to coordinate and deliver across the agency, and in order that they can regularly liaise with the WARR sector to provide line of sight.

The possible lack of alignment between the assigned working groups for each of the action items has been a growing concern for industry and it appears that the actions are being carried out in isolation of each other, despite being necessarily inextricably linked, and not being coordinated by a senior officer. For example, resource recovery operating conditions at a particular site will be driven by the requirements of the end products, and the demand for those products and suitable procurement/contracts being established to underwrite the development of the facility, which is in turn linked to what technology is needed on site to make those products to the necessary regulatory and product specification, which is dependent upon appropriate data being available to demonstrate compliance, and the site having the correct planning approvals being in place.

Regulatory certainty around legacy and emerging contaminants

As per WMRR's previous correspondence to the Minister's office regarding the lack of regulatory certainty for the NSW Construction & Demolition industry following the implementation of the *Environment Protection Legislation Amendment (Stronger Regulation and Penalties) Act 2024 (EPLA Act)*, the WARR sector is urgently seeking certainty of regulatory settings with regard to contaminant limits in end-products and by extension – testing, sampling and dealing with unexpected finds.

As made evident from the 'mulch crisis' of early 2024, and the ongoing challenges with PFAS and microplastics, clarity and certainty in this area is urgently needed by both the broader community and industry. Whilst the contaminant settings are captured under actions 20, 21 and 22 of the Delivery Plan, they are also intrinsic to the RRO/Es, which align to recovered products. Without addressing these settings for contaminant limits, it will become impossible for industry to create and develop appropriate products and end markets in NSW. This topic is part of the current discussions with the NSW Construction and Demolition sector that has been meeting frequently since 2023, however this issue applies across all streams and products and we need urgent attention to develop and document a comprehensive framework. The discussions with this group and the imminent report by the Office of the Chief Scientist and Engineer does not alleviate the need for this work to be done.

If NSW is to achieve the 2030 targets, it is essential NSW provides the resource recovery industry with the certainty and clarity it needs – particularly around regulatory settings that define what can be recovered and reinvested into the circular economy as a product. This accords with the NSW EPA's *Strategic Plan 2024-29* which articulates the strategic choice for the EPA to enable a safe circular economy. Being only five (5) years out from 2030, the lack of measurable progress of the RRF Delivery Plan is of serious concern for the industry.

WMRR appreciates that there are a number of competing priorities at present in NSW due to the lack of action of previous governments. In no way do we want to reallocate resources from strategic infrastructure planning, FOGO or the levy review, however we strongly believe that this too is a critical project that NSW must progress to meet its 2030 targets and investment objectives. WMRR would

WMRR NATIONAL OFFICE
57 ST JOHNS ROAD
GLEBE NSW 2037

(02) 8746 5000
INFO@WMRR.ASN.AU

WMRR.ASN.AU



welcome opportunities to engage further with a view to enabling more expedient outcomes that provide much needed certainty and security for industry.

Yours sincerely

Gayle Sloan

Chief Executive Officer

Waste Management and Resource Recovery Association of Australia