



Deputy Chair Mick Keogh
Chair, Competition Exemptions Committee
Australian Competition and Consumer Commission
GPO Box 3131
Canberra ACT 2601
Submission by [online portal](#)

3 September 2026

Dear Commissioners

Re: Council of Mayors (South East Queensland) Pty Ltd residual waste procurement – response to draft determination

The Waste Management and Resource Recovery Association of Australia (WMRR) welcomes the opportunity to comment on the ACCC's draft determination not to grant authorisation to the Council of Mayors (South East Queensland) Pty Ltd and its 11 member councils ("CoMSEQ") to establish a Special Purpose Vehicle to aggregate and acquire the councils' residual waste, enter into waste supply agreements, and procure the development of up to three(3) regional waste facilities within South East Queensland.

The Waste Management and Resource Recovery Association of Australia (WMRR) is the national peak body representing Australia's \$20 billion waste and resource recovery (WARR) industry. With more than 2,300 members from nearly 400 entities nationwide, we represent the breadth and depth of the sector, including representation from business organisations, the three (3) tiers of government, universities, and Non-Government Organisations (NGOs), including research bodies. In Queensland, WMRR represents over 380 individual members from than 50 entities from across the value chain.

WMRR's interest in the determination is driven by our motivation to ensure that such an authorisation would deliver optimal circular economy outcomes in accordance with the Queensland Waste Strategy to increase recycling and reduce landfill disposal, whilst preserving a competitive and innovative resource recovery market in order that Queenslanders can access the most economically and environmentally beneficial solutions available. Queensland in 2022/23 generated almost 10 million tonnes of waste in 2023/ 24, with only 45% of this being recovered. In order to meet the strategy targets by 2035 there will need to be a further increase in recovery by a further 20%, which will require significant investment and regulatory certainty in order for this to occur.

The ACCC proposes not grant authorisation due to the uncertainty of the proposed conduct and the potential public detriment – and WMRR supports the draft determination based on the information currently available. While coordinated procurement can assist to facilitate investment in resource recovery infrastructure and divert residual waste from landfill, WMRR concurs with the view that CoMSEQ's application lacks the necessary detail to demonstrate that the public benefits would outweigh the potential long-term impacts on competition, innovation and circular economy outcomes.

In particular, aggregating the majority proportion of South East Queensland's council-controlled residual waste – including large volumes from Brisbane Council, Moreton Bay Council and Sunshine Council – for up to 35 years would not only remove critical feedstock from the contestable market, it may inhibit also the ability to move this material to higher order outcomes. The proposed volume and tenure may make it difficult for alternative facilities, smaller operators, researchers and emerging technologies to establish viable business cases or

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undertake the trials necessary to demonstrate their capabilities. Moreover, aggregating volumes without certainty of the technology, location, or number of participating councils could eventuate into these feedstock tonnes being tied up in a contract that fails to deliver improved environmental and economic outcomes when compared to available alternatives – many of which are currently in development (such as the City of Gold Coast’s Advanced Resource Recovery Centre), alongside projects being developed by private-sector proponents and emerging technology providers, some of which are funding from DETSI (such as Wildfire’s Bulwer Island pilot facility). The proposed arrangements from CoMSEQ could therefore entrench lower order outcomes, particular technologies and providers before other solutions have had an opportunity to develop. They may also reduce councils’ ability to respond to future improvements in recycling technology, changes in waste composition, new markets for recovered materials and evolving government policy.

In its support for the ACCC’s draft determination, WMRR emphasises the following points:

- i. Regional collaboration should be proportionate to the infrastructure need and should not unnecessarily foreclose alternative projects*

South East Queensland requires significant investment in infrastructure to increase reuse and recycling, recover value from genuinely residual materials and reduce reliance on landfill, including through energy-from-waste projects already in development. WMRR supports regional collaboration where it delivers demonstrable efficiencies and environmental benefits. However, uncertainty about the participating councils, facility locations and feedstock volumes means there is insufficient evidence that the proposal would minimise transport costs and emissions or enable the efficient movement of waste from more remote councils.

CoMSEQ has estimated that the processing capacity per year of a Thermal Residual Waste Facility (RWF) could be up to 990 ktpa, and up to 400 ktpa total for 1 or 2 Emerging Technology RWFs to cover an area of covers an area of approximately 33,939 square kilometres. WMRR is not satisfied that aggregation across all 11 councils is necessary to achieve economies of scale or investment certainty.

Larger councils control substantial waste volumes, while smaller and more flexible procurement groupings could support investment, preserve competition and reduce the governance, cost-sharing, transport and administrative complexity of an 11-council arrangement. Any regional procurement model should be proportionate to the demonstrated infrastructure need and avoid unnecessarily foreclosing alternative projects, technologies and procurement models.

- ii. It is unclear from the proposal if the aggregation is reasonably necessary to deliver improved environmental outcomes*

Following on from the previous point, the proposal from CoMSEQ currently lacks sufficient detail for the conduct for which authorisation is actually sought. Before any authorisation is granted, there should be much greater certainty regarding:

- which councils will participate and the volumes each council will commit;
- the number, scale, location and intended technologies of the proposed facilities;
- the proportion and types of waste to be committed;
- the proposed contracting, financing, governance and cost-sharing arrangements;
- the duration of the contracts and opportunities for periodic review;
- the treatment of transport costs and any cross-subsidisation between councils; and
- the measures that will preserve competition, innovation and access to feedstock.

Please note also that this is the second time in the past five (5) years that CoMSEQ has attempted to progress a solution for residual material in South East Queensland, with an EOI launched in 2021/22. However, after

significant investment from companies to participate in this process, there was no actual outcome. The result of this is that South East Queensland finds itself in an ongoing uncertain market environment, hindering investment and recovery infrastructure development, which is both a poor economic and environmental position to be in.

It is also surprising given the passage of time the lack of information that is available in this application. Without this information, it is difficult to assess the actual public benefits of the proposal or determine whether aggregation at the proposed scale is reasonably necessary, and at this stage what we see is ongoing market confusion impacting the service delivery and investment in this area. Furthermore, authorising such broadly described conduct for 35 years could also limit the ACCC's ability to assess the competition effects of the procurement model that ultimately emerges.

iii. Authorisation for CoMSEQ would need to include specific safeguards to preserve opportunities for market innovation for less landfill and more recycling.

If a revised application is brought forward, WMRR recommends that any authorisation be carefully defined and include safeguards to:

- exclude separately collected materials and any material reasonably suitable for reuse or recycling;
- preserve access to controlled quantities of residual waste for research, trials and emerging operators;
- provide separate procurement streams or contract parcels in which smaller and specialist operators can compete;
- limit aggregation to the volumes demonstrably required to support the proposed facilities;
- require regular market and technology reviews rather than an effectively closed 35-year supply arrangement;
- allow waste commitments to be adjusted where new reuse or recycling opportunities emerge; and
- require transparent reporting demonstrating that reuse and recycling were considered before energy recovery.

These safeguards would not only help ensure that the EfW solution is confined to genuinely residual material that cannot reasonably be reused or recycled, but should also preserve competition and innovation while providing councils and infrastructure proponents with an appropriate degree of investment certainty.

Accordingly, WMRR supports the ACCC's draft determination and believes that any future authorisation should be considered only after the proposed conduct, participating councils, committed volumes and procurement arrangements have been clearly identified and the need for aggregation at that scale has been substantiated. This would provide a more reliable basis for assessing whether the proposal will deliver optimal circular economy outcomes, improve recycling, reduce landfill disposal and preserve a competitive and innovative resource recovery market.

Please contact the undersigned if you wish to further discuss WMRR's submission.

Yours sincerely



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