



Submission to the Ministry for the Environment

Reducing the impact of plastic on our environment

4th December 2020

1. Seafood New Zealand Limited welcomes the opportunity to submit on the Reducing the impact of plastic on our environment – moving away from hard-to-recycle and single-use items (the Consultation Document).
2. Seafood New Zealand is a professional organisation delivering industry-good services for the wider benefit of the seafood industry, an industry which had an annual export earnings of \$2.02 billion in 2019. Seafood New Zealand plays a leading role in developing and presenting the seafood industry's response on legislative and regulatory proposals affecting the industry.

General Comments:

3. The New Zealand seafood industry is supportive of Government's efforts to reduce the impact of plastic on the environment and is itself working to reduce the use of plastic within and across our operations. An example of this is initiative where Aquaculture New Zealand partnered with the Ministry for Primary Industries and the Sustainable Business Network this year to undertake work to better understand plastic use and the opportunities to reduce plastic waste in New Zealand aquaculture.
4. Many companies have also individually invested in a range of initiatives designed to reduce the overall amount of plastic used within their businesses and/or to replace plastic items where there are cost effective and viable alternatives.
5. However significant concern has been raised by our industry regarding the proposed mandatory phase-out of expanded polystyrene (EPS) transport boxes. A large portion of seafood is distributed in live or chilled form using EPS transport boxes both throughout New Zealand and to many export markets, including markets in China, the United States of America and Europe. Products include live rock lobsters, shellfish, eels and other high value chilled and processed seafood products. The annual export value of live and chilled seafood alone is approximately \$530 million.
6. Live and chilled seafood is extremely perishable and places high demands on packaging during transport. Thermal properties, liquid containment and product protection (requiring a high degree of rigidity), are necessary to maintain the product's integrity and to ensure high quality, safe seafood reaches its destination.

7. There are alternatives to expanded polystyrene boxes available for transport of food products. However, the nature of live and chilled seafood and the exposure to the variable transport conditions throughout the distribution chain, challenges the integrity of these alternatives, particularly for live seafood and/or long-distance transport.
8. The recent HelloFresh recall of trevally fillets in New Zealand due to elevated histamine levels (which is caused by a break-down of the cold-chain) within New Zealand has highlighted the critical importance of temperature control of chilled seafood during transport and distribution.
9. For reasons further outlined in this submission relating to liquid containment, thermal and protection properties necessary to maintain product quality, integrity and food safety, the seafood industry is opposed to the proposed mandatory phase-out of expanded polystyrene boxes by 2025 and seek an exemption to continue to utilise this product for the transport of live and chilled seafood.

Specific Comments and Question Response:

Q1. Do you agree with the description in this document of the problems with hard-to-recycle plastic packaging and single-use plastic items? If not, why?

10. We agree we need to encourage New Zealanders to use less plastic overall and to reduce the reliance on single use plastic items. However, we do not completely agree that expanded polystyrene boxes used for transport of seafood are hard-to-recycle. First, these often remain in circulation as they are reused by industry, and according to Plastics New Zealand (EPS Sector Group), the EPS sector has been actively recycling EPS, including recycling over 1,200 tonnes in New Zealand since 2019. EPS is also collected, compacted and sent offshore for recycling overseas by the waste management companies and organisations like Abilities Group.

Q2. Have we identified the correct objectives? If not, why?

11. We agree with the intent of the policy objectives however believe that simply focussing on 'reducing the use' of specified plastics may be too blunt. We are also concerned that, as stated in the consultation document, this is a starting point. With respect to seafood, it must be packed and transported in a manner that maintains quality and food safety, otherwise the product very quickly becomes waste. Food safety must be a priority consideration for the Government in determining any future actions associated with plastic reduction, as it is for industry when assessing alternative packaging options for viability.

Q3. Do you agree that these are the correct options to consider? If not, why?

12. These appear to be the correct options to consider but we do not agree that the proposed mandatory phase-out should be the preferred option for expanded polystyrene transport boxes. As previously stated, other options such as a product stewardship approach should be considered.

13. Option 6 (mandatory phase-out), also only considers the costs to the taxpayer but is silent on the costs that will be borne by industry. A move away from expanded polystyrene transport boxes, not only comes with additional risks to quality, food safety and meeting market requirements, but additional cost. In the seafood industry a large proportion of live and chilled product is exported into competitive markets where there is limited ability to simply add on additional cost, and so these will need to be absorbed into an already tight cost structure.
14. For a mandatory phase-out to be considered the Minister for the Environment must be satisfied that 'a reasonably practicable alternative to the specified materials are available'. There are alternatives to expanded polystyrene boxes available for transport of chilled seafood, and there are companies using alternatives where they are truly viable. However, this is usually in specific situations and where the transport conditions (product type, travel distance, with additional refrigeration, etc) are controlled.

Q4. Have we identified the right criteria (including weightings) for evaluating options to shift away from PVC and polystyrene packaging, oxo-degradable plastics and some single-use items? If not, why?

Q5. Do you agree with our assessment of the options, and our decision to take forward only one option (a mandatory phase-out)? If not, why?

15. We have considered these two questions together, as we have concerns with regards to the weightings applied in Table 3, and the way the assessment has been carried out broadly across the 'hard to recycle' and 'single use products' identified in the consultation document, leading to the consideration of only taking one option forward for both categories.
16. We believe both effectiveness and cost should be given equal weighting, with consideration to how effective the measure will be in achieving the objectives, alongside of the cost of implementation.
17. The seafood industry believes that there is scope for these packaging materials to be better managed through a product stewardship or similar type of scheme and are happy to work with EPS manufacturers and other stakeholders to progress this option.
18. In terms of assessment, Table 6 does not provide an actual cost benefit analysis, so there is no ability to assess whether or not the implementation of a mandatory phase-out across the products identified can be achieved without placing undue costs on New Zealand, i.e. on Government (taxpayer) and on those businesses affected.

Proposal 1:

Q6. Do you agree with the proposed phase-out of PVC and polystyrene packaging as set out in two stages (by 2023 and 2025)? If not, why?

19. The seafood industry is generally supportive of a managed phase-out of PVC and polystyrene, however, we are opposed to the mandatory phase-out of expanded polystyrene (EPS) transport boxes, for reasons already outlined in this submission.

Q7. Have we identified the right packaging items that would be covered by a phase-out of PVC and polystyrene packaging? If not, what would you include or leave out, and why?

20. Table 4 of the consultation document proposes the scope for the phase-out of food and beverage packaging but it is noted that the list provided, has 'includes but is not limited to' as a disclaimer. Without a defined list it is difficult to identify exactly what is in scope and what is not. It is recommended that a defined scope is provided and a full cost benefit analysis be undertaken.

Q8. Do you think we should include all PVC and hard polystyrene packaging, in stage 2?

Q9. What would be the likely costs or benefits of phasing out all PVC and polystyrene packaging?

21. As previously identified an actual cost benefit analysis would provide necessary information to make an informed decision in terms of the overall impact for New Zealand, and specifically the impact on the seafood industry.

Q10. Do you believe there are practical alternatives to replace hard to recycle packaging (PVC, polystyrene and EPS)?

22. While we acknowledge the on-going work and continual development of alternative packaging, the nature of live and chilled seafood and the variation of transport conditions that product is exposed to through the distribution chain, means that the liquid containment, thermal and protection properties required are challenging to replicate. Currently, there is not a truly time tested, practical alternative available that ensures product integrity is maintained, under the range of transport conditions various live and chilled product are exposed to.
23. The investment, research, innovation and particularly the time required to develop alternatives that meet the demands for liquid containment, thermal control and production protection is significant. Complexity is added with the amount of trialling required to truly determine viability. For seafood there is significant variability that must be factored in such as, the product form (live or chilled), the species and product format, level of protection (rigidity) required, the distance of travel, the mode of travel, and the conditions under which transport occurs. What works for one situation may not work for another.
24. The current alternatives have not yet been truly tested over time and for some product formats and/or travel distances required, they do not stand up, and are not yet a practical alternative. For this reason, the industry is opposed to the proposed mandatory phase-out of expanded polystyrene boxes by 2025.
25. It should be noted that the industry is willing to continue to work with packaging companies in the alternative space. However, can only move to an alternative when one is developed that ensures product will meet quality, food safety and integrity on reaching its destination in the same way that expanded polystyrene boxes do. And only after having been truly time tested and over the range of transport conditions product is exposed to.
26. Until this happens, the seafood industry considers a product stewardship approach more suitable.

Q11. Do you agree with a mandatory phase-out of all oxo-degradable plastics by January 2023?

27. Yes, we agree with the phase-out of oxo-degradable plastics where there is a truly viable alternative, however we do note the relatively short timeframe (2023) which could add additional cost pressures on some businesses in an already challenging time.

Q12. If you manufacture, import or sell oxo-degradable plastics which items would a phase-out affect?

28. Not applicable.

Q13. Have we identified the right costs and benefits of a mandatory phase-out of the targeted plastics? If not, why not? Please provide evidence to support your answer.

Q14. How likely is it that phasing out the targeted plastics will have greater costs or benefits than those discussed? Please provide details to explain your answer.

29. No assessment of the actual costs has been provided in the consultation document. A full cost benefit analysis needs to be completed to understand the impact of these proposals on the taxpayer, businesses and New Zealand overall.

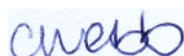
Proposal 2

30. The seafood industry is supportive of proposal 2, the phase-out of the identified single-use plastic items. That said, it is important an actual cost benefit analysis is completed in order to truly understand the impact of the proposal on New Zealand before regulatory decisions are made.

In Summary

31. The New Zealand seafood industry is supportive of Government's efforts to reduce the impact of plastic on the environment. However, we believe that a full cost benefit analysis is critical to understand the full impact of the proposals before regulatory decisions are made.
32. For reasons as outlined in this submission relating to the thermal and protection properties necessary to maintain quality, integrity and food safety, we are opposed to the proposed mandatory phase-out of expanded polystyrene boxes by 2025 and seek an exemption to continue to utilise this product for the transport of live and chilled seafood.

Yours sincerely



Cathy Webb

Contact Person:

Cathy Webb,
Seafood Standards Manager
Seafood New Zealand Ltd
PO Box 297
Wellington
ddi: (04) 801 4690
mob: 0274 747 033
eml: cathy.webb@seafood.org.nz