



Report of the Environment Committee

Petition of Lydia Chai: Ban plastic waste exports to developing countries

August 2023

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Hon Eugenie Sage
Chairperson

Petition of Lydia Chai

Recommendations

The Environment Committee has considered the petition of Lydia Chai—Ban plastic waste exports to developing countries—and recommends by majority that the Government:

- set a deadline for the phase out of unlicensed exports of plastic waste to countries beyond Australia, and develop more comprehensive policy to avoid the creation of plastic waste
- increase investment in plastic reprocessing infrastructure in Aotearoa, recognising facilities in Australia
- consider regulations to strengthen the licensing and monitoring of waste exports until new waste legislation is operative
- increase monitoring of plastic exports to ensure that the Basel Convention requirements are being implemented.

Request to ban plastic waste exports to developing countries

The petition was presented to the House on 1 August 2022. It requests:

That the House of Representatives ban the export of plastic waste to developing countries; and note that over 11,000 people have signed an Action Station petition with this request.

The petitioner gives the following reason for the petition:

Large volumes of our exported plastics are being burned or dumped in recipient countries like Malaysia instead of being recycled - causing an environmental and health problem (see Greenpeace NZ report dated 9 August 2021). I believe that by banning waste exports New Zealand will transition more quickly to a safer, circular economy in which plastics are minimised.

Background information

In previous years, New Zealand heavily relied on exporting its plastic waste to China. From 2013 to 2018 China introduced the *Green Fence* and *National Sword* policies, which required mixed plastic waste imports to have a contamination rate of less than 0.5 percent with non-recyclables. This caused waste exporters to redirect their waste to other countries. From 2017 to 2018 the export of plastic waste to countries in south-east Asia increased substantially. The sudden increase of plastic imports into these countries put a strain on their local recycling and waste management capacity.

Plastic exports that developing countries receive are often pre-sorted. Therefore, they are of higher value than their domestic, unsorted waste. This means that it is more financially beneficial for these countries to recycle the imported waste, and their domestic waste is

more likely to be disposed of illegally, through dumping, burning, and unlicensed recycling operations.

From 2018 to mid-2021, New Zealand exported approximately 98 million kilograms of plastic overseas: 46.9 percent of this waste was sent to Malaysia and Thailand.

Comments from the petitioner

Lydia Chai, the petitioner, is a lawyer who was born in Malaysia and is based in Auckland. The information provided by the petitioner focuses on the effects that plastic waste exports have on communities in Malaysia, drawing on the experiences of Pua Lay Peng, who is an activist, chemist, and resident of Jenjarom, an area affected by the waste trade.

As New Zealand does not have the facilities to process all domestic plastic waste onshore, high-grade plastics (recycling categories 1, 2, and 5) are exported to recycling facilities in countries such as Malaysia and Thailand. The petitioner believes that putting the responsibility for managing plastic waste onto developing countries is unjust as many of these countries do not have the resources to regulate the waste industry and enforce environmental laws. We were told that the plastic being exported into Malaysia is creating adverse effects for the health of nearby communities and the environment. The petitioner told us that she does not accept the argument that the waste trade brings prosperity and employment to developing countries, as this ignores the health and environment of the communities affected by the trade. Ms Chai said that New Zealand has been participating in “waste colonialism”.

Adverse effects on health and the environment

We were informed that although the plastics being sent to developing countries are high-grade and in demand, they are still causing harm to the communities near recycling facilities. This is due to plastics leaching into the environment, and contaminated plastics getting dumped rather than recycled.

The petitioner referred to Greenpeace Malaysia’s 2020 report, *The Recycling Myth*.¹ This report found that topsoil in plastic waste dumpsites is contaminated with high concentrations of heavy metals, including lead.

The leaching of plastics can affect the health of those living in surrounding communities. Jenjarom is a town in the state of Selangor, Malaysia. Selangor has 332 licensed recycling factories. The petitioner told us that around this area, and in the state of Kedah, residents have reported an increase in respiratory issues, skin ailments, cancers, and hormonal imbalance.

Regulation and enforcement

Waste operators in Malaysia are required to be licensed and audited. However, the petitioner believes these measures are ineffective, auditors do not check the filters for plastic leachates, and do not know whether workers are being treated as the petitioner indicated, ethically.

¹ [The Recycling Myth | Greenpeace Malaysia | 2020.](#)

We were told that residents of affected areas have complained to state and federal authorities for years, but no action has been taken. The petitioner noted that local authorities are short-staffed, and under pressure, citing claims from an official, saying:

We only have 11 staffers, and from there, only nine technical staff to look into three districts. These three districts have more than 1,000 sources of pollution, not just from industry waste but also non-industry ones like waste disposal areas, sewage plants, clinical waste and workshops.²

The petitioner told us that the while Environmental Quality Regulations³ mean offenders are liable to fines of up to US\$120,000 and 5 years in prison, offenders are only being fined between US\$1,000 and \$30,000. According to Pua Lay Peng, one waste operator has been jailed, but only for one day.

We asked the petitioner whether she thinks that a better tracking system for exported plastics could help solve the problem. The petitioner told us that this solution would be an “ambulance at the bottom of the cliff” and New Zealand should work towards more proactive solutions.

Basel Convention

The 1989 Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal aims to reduce the production of waste and regulate international export of hazardous wastes.⁴ In 2021, an amendment to the Basel Convention was introduced which requires a permit from the Environmental Protection Authority to import or export most mixed plastic waste. Under this amendment, the only plastic that may be exported without a permit is separated plastic waste that is listed under Schedule 3, Part 2A of the Imports and Exports (Restrictions) Prohibition Order (No 2) 2004.⁵

The petitioner believes that the Basel Convention is flawed as it “does not address the capacity required for receiving countries to monitor, regulate, enforce or return non-compliant containers of waste.” Firstly, the petitioner believes that the requirement for waste exporters to have prior informed consent for exporting waste is worthless as the consent is not being granted by the communities affected by it. Secondly, it cannot be guaranteed that plastic is processed using environmentally safe methods, due to inadequate monitoring and enforcement.

Response from the Ministry for the Environment

Waste management and minimisation is a key area of work for Manatū Mō Te Taiao—Ministry for the Environment. This work focusses on transitioning New Zealand to a circular economy.

² [Sg Petani folk suffering health effects from smog, chemical fumes | Rachel Yeoh | 2021.](#)

³ [Environmental Quality \(Industrial Effluent\) Regulations 2009 and Environmental Quality \(Clear Air\) Regulations 2014 \(Malaysia\).](#)

⁴ [Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal.](#)

⁵ [Imports and Exports \(Restrictions\) Prohibition Order \(No 2\) 2004, Schedule 3.](#)

The ministry agrees that there is work to be done to expand and improve the capacity of onshore recycling. New Zealand has limited ability to reprocess all of its plastic waste onshore. A ban on exporting plastics could result in high-grade plastics ending up in landfill.

We were told that the ministry has a medium-term goal of being able to process all plastic waste within Australasia. However, due to decades of under-investment, the ministry believes that New Zealand is in a position of “catch-up”. The ministry told us that it has been driving investment into recycling infrastructure. In 2021, the ministry published a National Plastics Action Plan which sets out the next steps to improve New Zealand’s waste performance and transition New Zealand to a circular economy.⁶ Funding from the Waste Minimisation Fund and the Plastics Innovation Fund is available to improve waste infrastructure.

The petitioner also expressed disappointment that the ministry does not intend to ban or monitor waste that councils are diverting overseas.

Waste strategy, legislation, and international obligations

The ministry told us that it was working on a new waste strategy and legislation which could link to the Imports and Exports (Restrictions) Act 1988. The waste strategy discussed the potential to increase export control powers beyond what is required by international obligations, for example, by creating controls on certain types of low-value plastic waste, and proposed waste reduction targets for businesses, households, and the public sector.

The ministry told us that, while New Zealand is a party to the Basel Convention, this predominantly focuses on the control of hazardous waste and there is no requirement for the exporter to have prior written consent to export clean, high-grade plastic. New Zealand is participating in negotiations at the United Nations to develop a new global plastics treaty to tackle plastic pollution, expected to be completed by the end of 2024. New Zealand is advocating for the treaty to consider the entire life cycle of plastic.

The ministry told us that New Zealand is also part of the Australia, New Zealand, and Pacific Islands Plastics Pact (ANZPAC).⁷ ANZPAC is a voluntary programme that allows the involved regions to share their knowledge and ideas on topics, including circular design and business models. ANZPAC has four regional plastics targets to be achieved by 2025:

- Unnecessary and problematic plastic packaging is eliminated.
- 100 percent of plastic packaging is reusable, recyclable, or compostable.
- Increase the amount of plastic packaging that is collected and effectively recycled by 25 percent for each area within the ANZPAC region.
- All plastic packaging to have an average content of 25 percent recycled plastic.

These targets connect to the key commitments of the Ellen MacArthur Foundation’s New Plastics Economy Global Commitment, which New Zealand is also a signatory to.⁸ The ministry believes that these global commitments will complement future global plastics

⁶ [National Plastics Action Plan | Ministry for the Environment | 2021.](#)

⁷ [ANZPAC Plastics Pact.](#)

⁸ [Global Commitment 2022 | Ellen MacArthur Foundation.](#)

agreements. We were told that the obligations will encourage less reliance on plastic and improve onshore recycling capabilities.

Current system for waste exports

We asked the ministry whether there are any mechanisms in place that empower the appropriate authorities to consider how the plastic waste exports are treated in the receiving country before they are exported. The ministry told us that if the exported plastics are high-grade, there are no binding requirements that authorities must follow. The ministry noted that the new waste legislation will include a licensing regime for the waste sector which includes exporters. However, at the moment, the waste sector is not strongly regulated in this regard. The ministry hopes that in 3 to 5 years' time, the waste sector will be regulated, New Zealand Customs will have stronger powers to do audits, and licences could be removed if proper practices were not being followed.

We were also interested in whether it would be more ethical for New Zealand to store its waste while onshore recycling facilities are improved, rather than exporting it to developing countries. The ministry told us that, due to the lack of data on what is being reused and what is being dumped, the volume of waste that would need to be stored is unknown.

Australia's ban on plastic waste exports to developing countries

In 2020, Australia introduced the Recycling and Waste Reduction Act 2020, which enforced an export ban on waste plastic, paper, glass, and tyres.⁹ The ministry told us that this ban exposed the lack of investment that had been put into Australia's waste infrastructure.

Phase two of the Waste Export Licensing and Declaration Scheme, which implemented the ban, required waste plastic to be sorted into resin and polymer types, then processed either into flakes, pellets, or engineered fuel prior to it being exported. We were told that this highlighted shortfalls in Australia's domestic recycling capacity, and put pressure on the supply chain. Some jurisdictions had concerns about stockpiling plastic waste, and it ending up in landfill. In 2023, the Australian Environment Minister granted some companies a one year exemption on these export restrictions to ensure plastic waste does not end up in landfill.

Response from PlasticsNZ

PlasticsNZ represents companies in the plastic industry across New Zealand. It supports using onshore plastic processing in the transition to a circular economy. However, it believes that the current waste infrastructure in New Zealand is unable to deal with all the plastic waste produced. We were told that, without the option to send plastic waste to environmentally-sound international facilities, the plastic would end up in landfill. PlasticsNZ expressed concern that this would make it more challenging to transition to a circular economy. It acknowledged the impact that mismanaged waste has on the environment and developing nations. It told us that it applauds the work that non-governmental organisations do to highlight these issues.

⁹ [Recycling and Waste Reduction Act 2020 | Australian Government.](#)

Waste sector is supporting Malaysia's economy

PlasticsNZ told us that the imported plastic waste that recycling plants in developing countries receive helps ensure that their plants are economically sustainable. We heard that partners in the recycling industry in south-east Asia are concerned about bans on exports as it may threaten the viability of their recycling plants. PlasticsNZ noted the threat that an export ban would pose for recycling facilities in Malaysia. It said it was also a threat to Malaysia's circular economy as local waste processed in those facilities would instead go to landfill.

PlasticsNZ also noted the role of the informal waste picker community whose members rely on recycling plants to make a living. PlasticsNZ noted that a just transition from exporting plastics to onshore reprocessing is important to protect those that rely on such vocations in a country without employment and welfare provisions. We heard that a just transition for those in the informal waste picker community is being discussed as part of the global plastics treaty. The petitioner believes that a just transition for waste pickers would be to be able to move into a different industry that is not reliant on waste.

We asked PlasticsNZ whether it believes it is ethical to export plastic waste to a country with lower environmental and safety standards than New Zealand, given the evidence that plastic is not being processed correctly. PlasticsNZ told us that while more plastic processing needs to be done onshore, the unintended social and economic consequences of reduced exports for developing countries also need to be considered.

Increasing onshore plastics reprocessing

PlasticsNZ reported that international plastic exports have halved since 2019. We were interested in whether the plastic waste that is no longer being exported is being processed onshore. We were told that, while there is insufficient data about the amount of plastic processed onshore, PlasticsNZ has seen an increase of onshore reprocessing of those materials.

We were told that in the next 1 to 5 years, PlasticsNZ believes it is likely that New Zealand will have the following capabilities for onshore plastics reprocessing:

- increased volume capacity for mechanical recycling of materials
- milk bottle to milk bottle recycling
- coloured PET (polyethylene terephthalate) recycling into non-food packaging or durable products
- chemical recycling of waste plastics into naphtha or oil that can be exported.

PlasticsNZ noted that while this shows progress, it is anticipated that some more complex plastics would still need to be sent offshore to specialist reprocessing facilities. Therefore, PlasticsNZ is concerned a ban would prevent New Zealand from achieving a circular life cycle for all plastics.

We asked PlasticsNZ if the recently introduced and efficient waste incineration technology was a viable option to reduce waste exports. We heard that waste incineration should be a last resort for plastics that cannot be reprocessed as it does not contribute to the circular economy.

Response from Waste and Recycling Industry Forum

Members of the Waste and Recycling Industry Forum (WRIF) manage around 85 percent of waste and recycling in New Zealand. Membership of WRIF includes waste management companies such as EnviroNZ and Green Gorilla. We heard that WRIF agrees that New Zealand needs to take greater responsibility for its plastic waste, and grow onshore reprocessing capabilities where economically viable. However, WRIF believed export bans would do more harm than good for environmental outcomes. Rather than being re-processed offshore, high-grade plastic—which WRIF’s customers purchase for several hundred dollars per tonne—would likely end up in New Zealand’s landfills. We asked WRIF how the waste industry is contributing to the effort to improve onshore reprocessing in New Zealand. We heard that the industry has started to expand its onshore reprocessing capabilities and with the increased waste levy the industry will have more funds to support new infrastructure being built.

WRIF emphasised that the plastic waste exported from New Zealand is sorted, high-grade plastic that is valuable to overseas markets. WRIF told us that the Basel Convention has prevented any low-value plastic from being exported; this includes shrink wrap, material in recycling categories 3, 4, 6, and 7, and baled plastic. We heard that WRIF members ceased export of these plastics several years ago. We asked the WRIF how they know that the Basel Convention has been effective, given the lack of monitoring and data collection about onshore reprocessing. We were told that the WRIF members measure what they export and use that information as a base for its statements.

Our response to the petition

We thank the petitioner for her work on this petition. We commend the advocacy work that she, and those who contributed to the petition, undertake for those affected by the waste trade in Malaysia. We agree that it is unethical for communities in Malaysia to bear the burden of New Zealand’s historic under-investment in plastics reprocessing infrastructure.

Countries around the world are implementing reforms and investing in the infrastructure to support a circular economy. New Zealand is not alone in this regard. Some of us believe that during this transition it is unacceptable for New Zealand to export plastic waste without much more rigorous licensing and monitoring until some undetermined future date, especially given the questions raised about the harmful environmental, health, and social consequences of this trade even in an advanced economy like Malaysia. We need a regulatory framework that provides evidence in an open and transparent way that the obligations under the Basel Convention are being met.

We recommend by majority that the Government:

- set a deadline for the phase out of unlicensed exports of plastic waste to countries beyond Australia, and develop more comprehensive policy to avoid the creation of plastic waste
- increase investment in plastic reprocessing infrastructure in Aotearoa, recognising facilities in Australia
- consider regulations to strengthen the licensing and monitoring of waste exports until new waste legislation is operative

- increase monitoring of plastic exports to ensure that the Basel Convention requirements are being implemented.

We thank the Ministry for the Environment, PlasticsNZ, and the Waste and Recycling Industry Forum for their helpful contributions in our consideration of this petition.

Appendix

Committee procedure

The petition was referred to us on 1 August 2022. We met between 25 August 2022 and 31 August 2023 to consider it. We received written submissions and heard oral evidence from the petitioner, the Ministry for the Environment, PlasticsNZ, and the Waste and Recycling Industry Forum.

Committee members

Hon Eugene Sage (Chairperson)
Hon Rachel Brooking (until 3 May 2023)
Tāmami Coffey
Simon Court
Anahila Kanongata'a (until 8 February 2023)
Barbara Kuriger
Hon Stuart Nash (from 3 May 2023)
Hon Scott Simpson
Hon Aupito William Sio (until 3 May 2023)
Stuart Smith (until 8 February 2023)
Lemauga Lydia Sosene
Hon Phil Twyford (from 3 May 2023)
Angie Warren-Clark

Evidence received

The documents we received as evidence in relation to this petition are available on the [Parliament website](#).

A recording of our hearing can be accessed online at the following link:

- [Hearing of evidence](#) (8 June 2023).