



**A U S T R A L I A N  
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A S S O C I A T I O N**

**AUSTRALIAN RETAILERS ASSOCIATION  
CODE OF PRACTICE FOR THE MANAGEMENT  
OF PLASTIC BAGS  
(the 'Code')**

**9 October 2003**

# AUSTRALIAN RETAILERS ASSOCIATION CODE OF PRACTICE FOR THE MANAGEMENT OF PLASTIC BAGS

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## INTRODUCTION

The Australian Retailers' Association (ARA) has developed, in agreement with the Environment Protection and Heritage Council (EPHC), a code of practice for a managed reduction and recycling of current lightweight HDPE plastic bags.

The Code addresses the EPHC's challenge to retailers to reduce and recycle current lightweight HDPE plastic bags and represents a significant commitment by retailers to a range of initiatives to meet Environment Ministers' concerns about the environmental impacts of such bags.

The initiatives commit retailer signatories to work with governments, other industries and the broader community to influence behavioural change and substantially reduce the volume of plastic bags in the litter stream.

The commitments in the Code are summarised as follows.

- A 25 percent reduction in plastic bags issued by the end of 2004
- A targeted reduction of 50 percent in plastic bags issued by the end of 2005.
- An increase in the recycling rate of plastic bags to 15 percent (in store) and to target a 30 percent (combined in store and via kerb-side) increase by the end of 2005.
- The introduction of recycled content plastic bags consistent with availability.
- Work with the Australian plastics and recycling industries to extend the targeted rate of phase out, over time, of HDPE bags made of non-recycled plastic.
- Support the EPHC target of an audited 75 percent reduction in bag litter by December 2005, working in conjunction with Clean Up Australia and other agencies and building on the knowledge gained during Bag Yourself A Better Environment campaigns in 2002/3.
- Ensure availability in stores of multiple use bags and making available comprehensive customer information on these bags.
- Offering customers easily accessible and clearly identified recycling stations in major supermarkets and in shopping centres.
- Objectively auditing the effectiveness of the Code. ARA members believe that the implementation of the Code will obviate any need for the introduction of mandatory fiscal measures. These would penalise consumers as a significant tax on their supermarket purchases.
- Target a participation rate of 90 percent of the ARA's supermarket and chain members (Group One retailers) by 31 December 2003. These retailers account for around 50 percent of current lightweight

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HDPE bags issued but up to 80 percent of dry groceries sold in Australia pass through the check-outs of their stores.

- Campaign strongly to enlist as many smaller retailers ('Group Two') to adopt the Code's initiatives as possible, with the aim of achieving a 25 percent participation rate of ARA members falling into this category by 31 December 2004.

Group One and Group Two retailers signing this Code do so on the understanding that, should regulatory measures be introduced relating to the reduction and recycling of bags, they will not be subject to such measures.

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## 1. GROUP ONE OBJECTIVES

Each Group One Code signatory agrees to work in partnership with governments, consumers, environmental groups and industry to –

- Commit to an audited 25 percent reduction in the annualised rate of lightweight HDPE plastic bags being issued by 31 December 2004;
- Target a 50 percent reduction in the annualised rate of lightweight HDPE plastic bags issued by 31 December 2005. An external audit will be conducted in July 2004 to assess progress to endeavour to strengthen the target to a commitment (based on the rate of reduction achieved);
- Target any further reduction in the annualised rate of lightweight HDPE plastic bags that may be achievable, subject to review of relevant operational factors such as take-up of multiple use bags by customers beyond 31 December 2005;
- Review in June 2005 the results of the 2004 targets and potential to achieve the 50 percent reduction by end-2005 with the aim to determine changes/options should it appear the targets will not be reached. Retailers will undertake this review with the assistance of the EPHC and ACCC if this is deemed to be required.
- Undertake the active development and implementation of viable and environmentally acceptable reusable options to support the above reductions;
- Support and promote initiatives designed to increase the current recycling rate for lightweight HDPE plastic bags to 15 percent of available bags (via in-store return only), or 30 percent of available bags through combined in-store and kerbside recycling, by 31 December 2005. These targets are based on figures adjusted to reflect the reduction in lightweight bags issued;
- Commit to the use of HDPE bags containing domestic recycled content and through recycling programs, maximise the recovery of quality feedstock for such bags.
- Investigate the development of viable degradable/reusable options, as appropriate, following consideration of the report on degradable bags by Environment Australia and the National Packaging Covenant Council;

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- Work together to develop common standards for reusable bags and any redesign of packing frames needed to facilitate use and maintain productivity/efficiency.

These objectives are to be pursued through the implementation by Group One retailers of a range of initiatives and programs that present least risk to the health and safety of consumers and retail staff, and have the most favourable environmental impact.

The number of lightweight HDPE bags issued in calendar 2002 is to be used as the base annualised rate, adjusted so that reduction targets reflect business growth. Group One signatories will provide this baseline data to the ARA, and define performance indicators along with comprehensive and transparent metrics, as part of the process of signing to the Code. The ARA then undertakes to provide aggregated figures to the National Packaging Covenant Council.

## 2. CODE PRINCIPLES

This Code is guided by the principles of the National Packaging Covenant, the Waste Management Hierarchy and the package of measures endorsed by the EPHC on 23 December 2002.

By signing this Code, retailers commit to implementing such of the initiatives as are practicable and achievable by each organisation.

Signatories to this Code will implement reduction initiatives individually or collectively with industry and recycling programs through an alliance with Clean Up Australia and the National Packaging Covenant Council.

Code signatories that are also National Packaging Covenant participants will include strategies for applying the Code's initiatives in their Covenant action plans as appropriate.

For Group One signatories, these programs seek to achieve a targeted reduction in the use of current lightweight HDPE plastic bags based on a phased approach over the next two and a half years, subject to monitoring and review of progress.

The following principles are the foundations of the Code, in accordance with the Waste Management Hierarchy;

**Refuse** – signatories will implement initiatives that encourage customers to minimise their acceptance of current lightweight HDPE bags;

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**Reduce** – signatories will implement cost-effective initiatives to reduce the issuance of those current lightweight HDPE bags not already being recycled or reused;

**Reuse** – signatories will implement initiatives that encourage consumers to maximise the adoption of alternative plastic or other reusable bags;

**Recycle** – signatories will provide and promote in-store recycling systems where practicable, encourage the establishment of community and kerbside recycling schemes and support the use of Australian recycled-content bags.

Additionally, signatories will -

**Review and report on progress** – each Group One signatory will monitor the progress of their own initiatives, based on a common audit process developed by a professional independent auditor, with the intention of improving procedures and practices.

Signatories will report audited results half yearly to the National Packaging Covenant Council (NPCC) via the ARA. This report will track reduction in bag issue and increases in recycling. Achievements in litter reduction will be measured via Clean Up Australia and other agencies.

**Review of the Code** – after 18 months of implementation, the Code will be reviewed by a retail industry working group with the goal of achieving a continual improvement in the sustainable management and reduction of current lightweight HDPE bags.

This Code covers the period 10 October 2003 to 31 December 2005.

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## 3. CODE INITIATIVES

Signatories commit their best efforts to implementing, as is practicable and achievable by each organisation (e.g. smaller retailers may not find it practicable or achievable to provide in-store recycling bins, etc), the following initiatives -

### **Reducing bag use**

- a) Provide and promote alternative/reusable bags, taking into account the environmental impacts of using alternatives; food safety requirements; occupational health and safety of staff; the physical limitations of customers; and public liability.
- b) Train checkout staff to build and maintain awareness of and support the promotion of alternatives, including to improve bag packing efficiencies to decrease the number of current lightweight HDPE bags issued; increase number of items packed per bag; and question the need for a bag where appropriate (e.g. in transactions of three items or fewer).
- c) Educate consumers about reducing the number of current lightweight HDPE bags used through encouraging the purchase and use of reusable alternatives.
- d) In conjunction with Environment Australia, Clean Up Australia and the National Packaging Covenant Council, implement community education campaigns that encourage behavioural change to:
  - Purchase and use reusable alternative bags;
  - Avoid using a bag for only a few items.
- e) Encourage packaging/filling/manufacturing companies to provide carrying devices on their larger packs to preclude the need for an outer carry bag.

### **Recycling**

- a) Provide and promote use of recycling bins for return of clean used current lightweight HDPE bags.
- b) Train checkout staff to build and monitor awareness of and support increased recycling by customers.

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- c) Develop initiatives with Shopping Centre owners, community groups and schools that encourage the recycling of current lightweight HDPE bags.
- d) In conjunction with Environment Australia, Clean Up Australia and the National Packaging Covenant Council, implement community education campaigns that encourage behavioural change to;
  - use in-store and kerbside recycling services;
  - avoid bags being sent to waste in landfill, either as direct disposal or after secondary use;
  - correctly dispose of bags when used or re-used outside the home to prevent litter.
- e) Encourage development of the recycling industry by using bags with a percentage of recycled content derived from recycled bags.
- f) Strongly support and encourage the inclusion of current lightweight HDPE bags in kerbside recycling by local government.

### **Supporting Initiatives**

- a) Encourage Group One and Group Two participation in the Code and in the National Packaging Covenant.
- b) Work with government, the bag manufacturing industry and research organisations to develop environmentally and commercially viable alternative bag options (including degradables if endorsed by Environment Australia) to current lightweight HDPE plastic bags.

## **4. COMMUNITY BEHAVIOURAL CHANGE CAMPAIGN**

In conjunction with Clean Up Australia, Environment Australia, State Agencies and the National Packaging Covenant Council, the retail industry will develop and implement a continuing national community awareness campaign, that will inspire and facilitate consumer and retailer action to:

- Refuse, reduce, reuse and recycle bags and raise consumer and retailer awareness of environmental impacts of bag use and associated waste management and recycling issues;
- The campaign would include advertising, direct marketing, public relations and internet marketing and publicity concerning the extension of recycling opportunities;

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- The campaign will commence as soon as practicable and will run for the duration of the Code period, targeting the broader community as well as retailers, local councils, community groups and schools;
- The effectiveness of the campaign on community behaviour and litter will be evaluated at regular intervals using consumer research organisations, focus groups, litter audits and disposal behaviour observational methods.

## 5. AVOIDANCE OF NEGATIVE IMPACTS

The Code's initiatives will be implemented so as to:

- Limit or not add to costs related to store operational productivity/efficiency (through inappropriate alternative or secondary bag use);
- Minimise the risk of shoplifting and theft of trolleys and wire baskets;
- Not increase health and safety risks to staff and customers.

## 6. DEFINITIONS AND CLARIFICATIONS

*Bag* - standard, single use, lightweight HDPE plastic bag designed for the general-purpose carriage of goods by consumers, excluding light plastic bags for the packing of perishable food and vegetables.

*Initiatives* - the initiatives mentioned in this Code will not contravene laws including those relating to Occupational Health and Safety and Food Safety.

*Retailers* – include supermarkets, department stores, convenience stores, take-away food outlets, chemists, newsagents, hardware stores, clothing and general stores.

Other forms of retail trade such as community fetes, markets and stalls will also be encouraged to comply with relevant parts of the Code.

*'Group 1'* retailers – include the major and smaller supermarket chains and independent supermarkets sponsored by wholesalers or run under banner groups.

*'Group 2'* – all other retailers using lightweight HDPE bags.

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*Retailer commitment* - the retailer endorses the objectives of the Code and agrees to pursue initiatives to meet these objectives as is practicable and achievable for their organisation, and to report regularly as required under the Code.

*Available bags* - there are approximately 7 billion<sup>1</sup> current lightweight HDPE bags issued annually in Australia. This number will change with reduction in issue and use as envisaged under this Code.

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<sup>1</sup> Plastic Shopping Bags – Analysis of Levies and Environmental Impacts – Nolan ITU Pty Ltd, December 2002