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Circular Economy

Department of Environment, Parks and Water Security
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Dear Sir/Madam,

Re: Submission to Phasing Out Single-Use Plastics in the Northern Territory Discussion Paper

Thank you for the opportunity to provide comment on the NT Government's proposal to phase-out certain single-use plastic products under the *Northern Territory Circular Economy Strategy 2022-2027* (the Strategy), as outlined in the *Phasing Out Single-Use Plastics in the Northern Territory Discussion Paper* (the Discussion Paper).

Animal Medicines Australia (AMA) is the peak industry association representing the registrants and approval holders of veterinary medicines and animal health products in Australia. They are the local divisions of global innovators, manufacturers, formulators and registrants that supply essential veterinary medicines and animal health products that are critical to supporting Australia's \$34 billion livestock industry and the \$33 billion pet industry. Our members represent more than 90% of registered veterinary medicine sales in Australia.

AMA member companies play a vital role in Australia's food production, agricultural trade and biosecurity preparedness, as well as ensuring the health and wellbeing of our pets, wildlife and competition animals. AMA members develop, register and supply innovative new medicines including vaccines and anti-infection medicines to prevent and control outbreaks of animal disease, as well as medicines and treatments that enable good health and wellbeing, and the production of food and fibre products that are safe for human consumption and use. Healthy animals are much less susceptible to disease and infection, and good animal health is essential to good animal welfare.

Ensuring access to animal health products and maintaining their viability and efficacy during transport across Australia in our unique and often extreme environmental conditions is vital to maintaining not only the health and wellbeing of the animals in our care, but also Australia's rigorous biosecurity systems, public health and access to safe, nutritious, affordable food.

Animal Medicines Australia commends the NT Government's commitment to addressing the impacts of single-use and disposable plastics.

The animal health sector is keen to engage and work collaboratively to address the risks associated with these plastics. Animal Medicines Australia is pleased to provide the following comments on the proposed single-use plastic phase-out for consideration by the NT Government.

Expanded polystyrene (EPS)

Animal Medicines Australia and our members are committed to reducing the use of unnecessary plastic packaging where possible throughout the animal health product supply chain. The unique requirements for safe transport of veterinary medicines, however, necessitate careful consideration of all potential options for replacement of specific packaging types. In particular, the requirements for shipping fragile, temperature- and light-sensitive veterinary medicines around Australia under variable environmental

conditions mean that, in some cases, the continued use of moulded Expanded Polystyrene (EPS) packaging is necessary.

Moulded EPS packaging (e.g. esky or cooler boxes) is essential for controlling shipment temperatures to ensure the viability and efficacy of animal health products throughout the entire supply chain. This includes both business-to-business shipping (from animal health companies to wholesalers, farmers, veterinarians etc.), as well as business-to-consumer shipping (from veterinarians, online pharmacies and online pet stores to individual animal owners including owners of dogs, cats, horses, livestock species etc.).

Currently, there are no suitable alternatives for transporting fragile and temperature-sensitive animal health products that adequately control cold-chain shipment requirements and ensure product viability and integrity in Australia's varied and often extreme environmental conditions. While options for replacing moulded EPS are available in Australia, they have not been validated at temperatures that reflect Australia's environmental conditions and can be cost-prohibitive. Animal health products are required to remain within 2 and 8 degrees Celsius for the duration of shipment, which could be up to 72 hours. Current alternatives to moulded EPS are not able to maintain this degree of precision in shipping temperature for 72 hours in the environmental temperatures likely to be experienced when transporting animal health products to regional and remote areas.

AMA notes that the Australian Packaging Covenant Organisation (APCO) *Plan for Problematic and Unnecessary Single-Use Plastic Packaging* specifically excludes specialist applications for pharmaceuticals.¹

AMA does not support a total phase-out of moulded EPS veterinary pharmaceutical packaging and proposes that pharmaceutical products with specific cold-chain transport requirements be exempt from any proposed phase-out of moulded EPS consumer packaging, on the basis that suitable alternatives are not currently available. An exemption would allow the animal health sector to consider alternatives and determine the appropriateness of those potential alternatives without compromising the integrity, stability and supply of these crucial animal health products.

AMA does, however, support the phase-out of moulded EPS for protective goods packaging for non-fragile products that do not require to be shipped under specific chilled conditions. Further consultation will be required to determine an appropriate timeframe to implement a phase-out of moulded EPS for non-fragile products that do not require specific temperature control during transport.

AMA and our members agree that there are sufficient alternatives for loose-fill EPS and support the phase-out of this material.

Bottle lids

The Discussion paper identifies bottle lids as a potential candidate for regulatory action. While AMA supports the intention of the NT Government to reduce unnecessary plastic packaging, it is important to note that these materials provide significant functional purposes for ensuring the safety and efficacy of pharmaceutical products, which go far beyond simple containment. Further consideration regarding the scope of the proposed phase-out of bottle lids is required, to ensure that unintended consequences are avoided.

Any phase-out of bottle lids that would capture the animal pharmaceutical sector would pose significant barriers to access to these critical products. Any changes to lid materials would require significant product testing to ensure the product remains safe and effective for use and ensure the satisfaction of regulatory requirements for product stability, quality and safety.

¹ APCO Plan for Problematic and Unnecessary Single-Use Plastic Packaging:
<https://documents.packagingcovenant.org.au/public-documents/Action%20Plan%20for%20Problematic%20and%20Unnecessary%20Single-Use%20Plastic%20Packaging>

Plastic pallet wrap

The Discussion paper identifies plastic pallet wrap as a potential candidate for regulatory action. Alternatives to plastic pallet wrap exist but are not widely available or used. The successful replacement of business-to-business plastic pallet wrap requires a cost-effective national reusable pallet cover system – similar to the reusable pallet program. Any consideration of phasing out plastic pallet wrap in the NT prior to the establishment of such a program would present significant logistical barriers and costs for Australian businesses and could result in supply issues for animal health products in the NT.

National Impacts

National consistency regarding the use (or exemption) of various packaging types should be prioritised. In the case of veterinary pharmaceutical products, national consistency is essential for ensuring rapid, reliable transport nation-wide to address animal health and welfare concerns and ensure that biosecurity threats can be appropriately managed. Further consideration should be given to ensuring the proposed phase-out activities are aligned with regulations in other jurisdictions.

Phasing out the use of moulded EPS for pharmaceutical products is not currently aligned with other jurisdictions within Australia, particularly as it relates to business-to-business applications.

The Western Australia Government has recently finalised and gazetted Stage 2 of the *Environmental Protection Regulations Amendment (Prohibited Plastics and Balloons) Regulations 2023*. These Regulations outline the WA Government's approach to managing moulded EPS packaging, which aligns with APCO's *Plan for Problematic and Unnecessary Single-Use Plastic Packaging*, by excluding business-to-business applications. The Regulations also exempt reusable moulded EPS cooler boxes and their lids from the ban. There are similar clauses for packaging that is used to protect an item that is designed to be used for medical or scientific purposes and for fragile and precision products.

AMA encourages the NT Government to ensure that any phase-out of single-use plastic packaging is aligned with APCO's *Plan for Problematic and Unnecessary Single-Use Plastic Packaging* and is nationally consistent to safeguard the efficacy and safety of critical animal health products within the Northern Territory.

Changes to the use of single-use plastic items in the veterinary pharmaceutical supply chain in the NT would have impacts on the national supply chain. Animal health products are distributed nationwide and across state and territory borders. Manufacturers and distributors of animal health products are unlikely to adopt a new SKU to accommodate one jurisdiction. Product lines with specific packaging requirements that cannot meet new regulations may become unavailable in certain jurisdictions, posing significant risks to animal health and welfare, agricultural production, human health and food safety. To ensure the costs and benefits associated with any new regulations on single-use and problematic plastics are shared across the Australian marketplace and do not result in unintended negative consequences, any amendments to packaging requirements within the pharmaceutical supply chain need to be consistent nationwide.

In Summary:

Animal Medicines Australia commends the NT Government's commitment to addressing the impacts of single-use and disposable plastics.

AMA proposes that veterinary pharmaceuticals be exempt from the proposed phase-outs of moulded EPS, lids/caps and pallet wrap relating to both business-to-business and business-to-consumer shipping. In the case of moulded EPS, there are no suitable alternatives for transporting fragile and temperature-sensitive animal health products that adequately control cold-chain shipment requirements and ensure product viability and integrity in Australia's varied and often extreme environmental conditions. An exemption would provide the animal health sector with sufficient time to consider alternatives and determine the appropriateness of those potential alternatives without compromising the integrity and stability of these crucial animal health products.

AMA opposes:

- AMA does not support the phase-out of moulded EPS for fragile products or those with specific cold-chain transport requirements for business-to-business or business-to-consumer veterinary pharmaceutical packaging.
- AMA does not support the phase-out of plastic lids for animal health products, due to the lack of viable alternatives and regulatory requirements regarding product stability.
- AMA does not support the phase-out of plastic pallet wrap in the NT. A cost-effective national reusable pallet cover program is required to facilitate any phase-out of plastic pallet wrap.

AMA supports:

- AMA supports the phase-out of moulded EPS for protective goods packaging for products that are not fragile or do not require to be shipped under specific chilled conditions. Further consultation is required to determine an appropriate timeframe for the implementation of a phase-out of these materials.
- AMA and our members agree that there are sufficient alternatives for loose-fill EPS and support the phase-out of this packaging type.

If we can provide further information at any time, please do not hesitate to contact me.

Yours Sincerely,



Dr Katie Asplin

Director, Animal Health Stewardship