



Our ref: AA1000627  
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Dear Interested Party

### **Coles Group Limited and other participating supermarkets application for authorisation AA1000627 – interim authorisation and interested party consultation**

On 16 November 2022, the Australian Competition and Consumer Commission (the **ACCC**) received an application for authorisation from Coles Group Limited (**Coles**) on behalf of itself, Woolworths Group Limited and ALDI Stores (together, the **Participants**) and any Program Partners to engage in certain conduct in connection with the Soft Plastics Taskforce to explore solutions to address the immediate effects of the suspension of the REDcycle recovery and recycling program. This letter is to invite you to comment. You are welcome to pass this letter on to others who may wish to make submissions.

On 25 November 2022, the ACCC granted urgent interim authorisation, with conditions, to the Participants and any Program Partners to engage in certain conduct in connection with the Soft Plastics Taskforce. Broadly, the conditions imposed on the interim authorisation require the applicant to provide to the ACCC minutes of any meeting of the Soft Plastics Taskforce and provide the ACCC with reports which detail the progress the Taskforce has made towards a short-term solution. Where appropriate, non-confidential versions of these documents will be made available on the ACCC's public register.

This letter invites your views on three main issues:

1. the interim authorisation, including whether the Authorised Conduct should be further narrowed and/or your experience of the impact of that conduct over the coming weeks and months
2. the application and the length of the period sought for authorisation, being 12 months from the date of the ACCC's final determination
3. the likely public benefits and detriments of the proposed conduct.

We are interested in hearing from you at any time during the ACCC's assessment process in relation to point 1, but we ask that submissions addressing all the above points and any other issues be provided by **Monday, 19 December 2022**.

#### **Application for authorisation**

The Participants are seeking authorisation<sup>1</sup> under the *Competition and Consumer Act 2010* (Cth) (the **Act**). Authorisation would give them legal protection to engage in certain conduct

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<sup>1</sup> For information about Authorisations, please see <https://www.accc.gov.au/business/exemptions/authorisation>

in connection with the Soft Plastics Taskforce, an industry-led taskforce, that will initially be chaired by the Department of Climate Change, Energy, the Environment and Water, to address the immediate effect of the suspension of the REDcycle program. The REDcycle program is a return-to-store soft plastics recovery program that facilitates the collection and processing of soft plastics into durable recycled plastic products.

The Participants are seeking authorisation for a period of 12 months from the date of the ACCC's final determination.

A full copy of the application for authorisation is available on the ACCC's [authorisations public register](#).

### **The authorisation process**

Authorisation provides protection from legal action for conduct that may otherwise breach the competition provisions of the Act.

Broadly, the ACCC may grant authorisation if it is satisfied that the benefit to the public from the conduct outweighs any public detriment, including from a lessening of competition. The ACCC conducts a public consultation process to assist it to determine whether a proposed arrangement results in a net public benefit.

### **Interim authorisation**

On 25 November 2022, the ACCC granted interim authorisation to enable the Participants and Program Partners to engage in the described Authorised Conduct prior to the ACCC's final determination.

In granting interim authorisation, the ACCC has decided to impose a number of reporting conditions which will assist it in determining the substantive application for authorisation.

The ACCC will review the scope of the Authorised Conduct as its assessment continues, including based on submissions from interested parties.

A copy of the ACCC's interim authorisation decision is attached.

The ACCC did not conduct a public consultation process in respect of the request for interim authorisation given the urgent need for the Participants and Program Partners to begin discussions as soon as possible.

Interim authorisation commenced on 25 November 2022 and remains in place until it is revoked, the application for authorisation is withdrawn, or the date the ACCC's final determination comes into effect.

### **Making a submission**

The ACCC invites you to make a submission on the application for authorisation. In making your submission, please provide information, evidence and views about the likely public benefits, effects on competition and any other public detriment that you consider will result from the proposed conduct.

If you intend to provide a submission, please do so by **Monday, 19 December 2022**. If you wish to request an extension, please contact us on the details below as early as possible. Submissions after the due date (or after any extension granted) may not be taken into account.

Please email your submission to [exemptions@accg.gov.au](mailto:exemptions@accg.gov.au), with the subject 'AA1000627 – Coles Group Limited and other participating supermarkets – submission'. Alternatively, if you

would like to provide comments orally, please contact Penny Bigham via the details at the end of this letter.

Your submission **will** be placed on the ACCC's [authorisations public register on the internet](#) unless you have made a request (with reasons) for us to exclude part or all of the submission from the public register. (see [Guidelines for Excluding Information from the Public Register for more information on how to make a request and how we assess requests](#)).

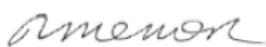
## Timetable

The ACCC will progress its assessment of the application in a timely manner. An indicative timetable is set out below for your information, and an up to date version (including any changes) will be posted on the public register.

| Indicative date         | Stage in assessment process   |
|-------------------------|---|
| <b>16 November 2022</b> | lodgement of application and supporting submission                            |
| <b>28 November 2022</b> | public consultation process begins  |
| <b>19 December 2022</b> | closing date for submissions from interested parties                          |
| <b>March 2023</b>       | draft determination   |
| <b>March 2023</b>       | public consultation on draft determination including any conference if called |
| <b>April 2023</b>       | final determination   |

This letter has been placed on the ACCC's public register. If you have any questions or wish to discuss any aspect of this matter, please do not hesitate to contact Penny Bigham on (07) 3052 1221 or [exemptions@acc.gov.au](mailto:exemptions@acc.gov.au).

Yours sincerely



Naomi Menon  
Director  
Competition Exemptions

### **Interested Party List**

- Australian Food and Grocery Council
- Australian Local Government Association
- Australian Packaging Covenant Organisation
- Cleanaway
- Close the Loop
- CurbCycle
- Department of Climate Change, Energy, the Environment and Water
- Environment Protection Authority Northern
- Environment Protection Authority South Australia
- Environment Protection Authority Tasmania
- Environment Protection Authority Victoria
- Independent Grocers Australia
- Local Government Association of South Australia
- Local Government Association of Tasmania
- Local Government Association of the Northern Territory
- Local Government Association of Queensland
- Local Government NSW
- NSW Department of Planning and Environment
- NSW Environmental Protection Authority
- Plastic Forests
- Qenos
- QLD Department of Environment and Science
- Replas
- RG Programs and Services Pty Ltd (REDcycle)
- WA Local Government Association
- Waste and Resource Recovery Australia
- Waste Contractors and Recyclers Association