

## VICTORIA'S CHALLENGING COMMODITIES MARKETS HAS INSPIRED A RE-THINK OF TRADITIONAL PROCESSING FROM COMMERCIAL AND INDUSTRIAL RECYCLER AUSTRALIAN PAPER RECOVERY.

s Victoria deals with the fallout of SKM, numerous solutions to the state's ailing recycling market are being proposed, including additional bins for difficult waste streams.

Earlier this year, the City of Yarra announced plans to trial a fourth kerbside glass bin in 1300 households.

In making the decision, the council acknowledged that there will be a lack of available landfill space in future and this will place additional pressure on the waste and recycling industry.

Months later, other councils such as Macedon Ranges Shire followed suit.

The City of Yarra's move towards a fourth kerbside glass bin collection service is part of a bigger push towards cleaning up Victoria's recycling crisis.

The Victorian Government is working in partnership with local government and the waste industry on a major overhaul of kerbside collection, with expressions of interest to be released in 2021.

It comes as KordaMentha secured a \$10 million loan from the Victorian Government to help clean-up SKM waste stockpile sites and resume waste processing.

Darren Thorpe, Australian Paper Recovery's Managing Director, says the situation should serve as a wake-up call that the current system is broken and needs to be repaired.

"In the past it's just been about quantity with a let's produce as many tonnes as we can per hour attitude, but now it's all going to be about quality as we transition to a sustainable circular economy," Darren says.

Australian Paper Recovery (APR) has collected waste paper, plastic and cardboard since 2002, but it's recent market trends that are prompting a

new approach to its traditional role as a commercial and industrial (C&I) processor.

APR has over time become an important resource for the C&I sector. In that time, it has handled more than two million tonnes of pre-consumer and post-consumer waste and processed it into new materials for domestic and international markets.

Darren's extensive background in paper recovery helped propel the business forward, while also learning extensively along the way.

## **HUMBLE BEGINNINGS**

Darren's career began in October 1984 at the Smorgon's Paper Mill, following in the footsteps of his father and uncles. It was there that Darren made his first start as an accounts payable clerk, learning the intricacies and nuances involved with fibre collection and

recovery.

He then worked his way up to Regional Sales Manager, before the business expanded into rural Victoria in the mid 80s. But despite a streak of successes, the mill was unfortunately sold in September 1989, with the corrugating plant sold to Visy in partnership with Amcor.

Following this, Darren went onto work for Southern Waste Paper – now part of Visy, where he remained for 12 and a half years before starting Australian Paper Recovery in 2002.

Over the years, Darren turned his attentions towards the C&I sector, with the paper manufacturing sector evolving throughout the mid 90s and early 2000s.

"Back in the 90s there was seven paper mills in Victoria and now there's four so it makes a massive difference to fibre recycling. That is why the export market presented such a viable opportunity as there was no use for it here in Victoria," he says.

"The closure of the Broadfield and Fairfield Mills also created an opportunity to send product overseas."

The present state of the industry led Darren towards the overseas markets, working for Visy in WA. The same path inspired Darren to establish his own business in 2002, moving to Springvale, in Melbourne to start Australian Paper Recovery.

"For the first 18 months we were just trading paper overseas because that's what the market demanded," Darren says.

In 2005, APR moved to Dandenong and started another operation at Laverton.

More than 17 years on, the company now has five facilities in Victoria, including its materials recovery facility (MRF) in Truganina, a C&I processing site at Dandenong and secure destruction and shredding facility in Fairfield. Its network ensures it can partner with major organisations such as Australian Paper to deliver them fibre for processing at Australian Paper's Maryvale facility.

APR established a purpose-built facility in 2013 in Dandenong South at Thomas Murrell Crescent allowed it to service the market effectively.

Extensive planning went into improving on-site logistics, with a traffic management plan ensuring smooth vehicle movements.

"We needed to get vehicles in and out of the facilities in an efficient and safe manner so we built a purpose-built facility in Dandenong in 2013 and designed it so we could get vehicles in and out in a timely manner," he says.

Darren says that due to the ease of use of the facility, APR tripled its volumes. Working with major retail and hospitality outlets, APR covered the broader market segment.

But as China's National Sword policy was announced in 2017, and a glut of materials released onto the market, APR began to reconsider its strategy and look at entering the municipal solid waste space.

"We moved into the domestic space because of National Sword as we were dealing with regional MRFs who had a problem getting rid of mixed paper because the quality that they were making wasn't meeting export or local quality specifications," Darren says.

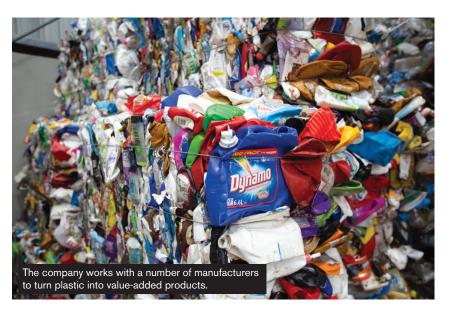
"So that's when we went to Sustainability Victoria with a proposal in late 2017 which they supported and we were fortunate enough to get a grant of \$475,000 to build our value-add fibre sorting facility."

The proposal led to a new MRF at Truganina, which processes up to 39,000 tonnes of kerbside recyclables per annum.

The MRF facility sees materials run along a conveyor belt with contaminants removed, before running over several ballistic separators to pull out any fibre. Containers are then dropped down to conveyors to extract metal such as steel. Manual sorters take off milk, detergents and soft drink bottles.

As the MRF was continually refined, APR envisioned a plan to partner with other regional MRFs and value-add their fibre products.

But new opportunities soon emerged as the City of Yarra embarked on a single-stream glass recycling program.





## **GOING GLASS OUT**

APR took a "glass out" approach and started to partner with the City of Yarra, with other metropolitan councils soon following suit.

"If you put all the commodities together in a single stream recycling program you have a lot of contamination due to the fact that broken glass is mixed in with other products," Darren says.

"Once you separate glass, it's a very valuable and recoverable resources that can be utilised in a circular economy through the likes of O&I and others such as aggregate companies such as Alex Fraser, Sunshine Groupe and Fulton Hogan."

"But when it's contaminated with other products it's too hard for them to use, so by moving to a separate glass collection we are able to produce a much cleaner and valuable resource."

He adds that glass is the biggest source of contamination in kerbside bins besides fibre, polymers, aluminium and steel. "We've made it quite clear to the councils that we will only receive material that has glass out."

Taking its "glass out" strategy a step further, APR in September agreed on a new partnership with City of Ballarat. From 30 September, the council will ask its residents to take their glass to several free drop-off sites around the municipality using containers provided by council or their own.

City of Ballarat Mayor Samantha McIntosh in a statement said that for many years, Ballarat shipped its recycled material overseas for processing, which was no longer an option.

With quality now being a key priority, Darren says APR has continued to partner with a number of local manufacturers, including Huhtamaki and Norske Skog for fibre. Norske Skog is one of the world's largest suppliers of newsprint while Huhtamaki produces consumer packaged goods such as egg, paperboard and plastic packaging.

Darren says that wherever possible products are repurposed back into their original form in a circular motion such as cleaning products or soft drinks. In other cases, waste streams like milk bottles are repurposed back into plastic pellets. He says the main priority is adding as much value as possible and keeping products out of landfill.

"Vicfam Plastics is a company we're working with to make the plastic pellets and they've been greater partners with us in other commodities in our business."

Darren says APR aims to be as diligent as possible in ensuring material is contaminant free and is in the process of auditing materials that come in from both councils and the C&I space.

Overall, Darren is excited about the future possibilities for APR and predicts the company's current plans will only lead to further growth for the company.

"Our facility is the way of the future. The commodities that we'll generate out of the sorting facility will provide end users with a quality product," he says.

"All indications are that our materials recovery facility will be at capacity by Christmas and as such we'll be looking to build a new facility taking on board the learnings from this facility."

However APR will only enter the market when a need presents itself, as it's about quality, not quantity.

Its next stage is to build a receivable area with an additional 1200-square metre facility planned in four to five month's time at a cost of around \$1.3 million.

While ensuring its operations are economically viable is the number one priority, Darren hopes APR can make a vital contribution to the sector at a critical juncture.

"We've shown the initiative to go out there and do something different because no one wants to keep doing the same thing and have a broken system, we need to make some changes even when it's difficult," Darren says.

Darren says that the challenges going forward will be getting the message out to the community to stop 'wishcycling'."

"Education, commitment and understanding by residents will certainly be a major influence in the way we view recycling in the future. Developing more local production opportunities and government procurement policy for recycled products will also be part of the now 'broken system' we are trying to fix," Darren says.