



Department of
Environment and Conservation (NSW)



Extended Producer
Responsibility

PRIORITY
STATEMENT

2004

our environment *it's a living thing*



Department of
Environment and Conservation (NSW)



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Responsibility

PRIORITY
STATEMENT

2004

Extended Producer Responsibility Priority Statement 2004 was prepared by the Waste Management Section of the Department of Environment and Conservation (NSW).

Report on the Extended Producer Responsibility Preliminary Consultation Program, referred to in the Priority Statement, is available at www.environment.nsw.gov.au/waste

In September 2003, a number of agencies within the NSW Environment portfolio were amalgamated to form the Department of Environment and Conservation (NSW). These agencies included the Environment Protection Authority, the National Parks and Wildlife Service, the Royal Botanic Gardens and Resource NSW. The new department will now meet the responsibilities of the former EPA, including preparation and implementation of an annual Extended Producer Responsibility Priority Statement.

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INTRODUCTION

Current patterns of production and consumption need to change if we are to achieve ecological, social and economic sustainability. In particular, there is a clear need to use resources more efficiently and substantially reduce the generation of waste.

In New South Wales, over 6 million tonnes of waste are landfilled annually, including 4.5 million tonnes in the Sydney region.¹ Waste disposal not only pollutes our air, water and soil, but also uses up more and more of our finite resources. An expanding population is also putting increased pressure on the natural environment.

In February 2003, the State Government launched the first *NSW Waste Avoidance and Resource Recovery Strategy*, which identified four key waste challenges and set targets for their management. The challenges are:

- preventing and avoiding waste
- increasing the use of renewable and recovered materials
- reducing the toxicity of products and materials
- reducing litter and illegal dumping.

Extended producer responsibility (EPR) schemes are one of the key tools the State will use to meet these challenges. EPR emphasises that producers should be physically or financially responsible for the environmental impacts of their products throughout their life cycle. This includes both the 'upstream' impacts from their choice of materials and the manufacturing processes they use, and the 'downstream' impacts associated with the use and disposal of products. Under NSW legislation, EPR schemes can include product stewardship schemes.²

EPR is generally applied to post-consumer wastes and other wastes which are difficult to manage. International experience shows that initiatives across the spectrum from voluntary to mandatory EPR schemes have been successful in preventing waste generation at source, promoting more environmentally-compatible product design, and facilitating efficient product or material recovery, reuse and recycling. Ultimately, these schemes aim to achieve sustainable resource management.

The *Waste Avoidance and Resource Recovery Act 2001* requires the Environment Protection Authority (EPA) to develop an annual statement identifying the extended producer responsibility schemes it proposes to recommend to the Minister. As part of the preparation of this first Priority Statement, the EPA released a Consultation Paper for comment in early 2003. This led to extensive briefings and round-table discussions with key stakeholders in the industries responsible for the wastes identified. The EPA received 86 submissions on the paper.

Extended Producer Responsibility Priority Statement 2004 reflects the outcomes of this broad community consultation. Full details on the consultation process and the community's response to the proposals are outlined in *Report on the Extended Producer Responsibility Preliminary Consultation Program*.

In September 2003, a number of agencies within the NSW Environment portfolio were amalgamated to form the Department of Environment and Conservation (DEC). These agencies included the Environment Protection Authority, and the DEC will now meet EPA responsibilities for coordinating EPR, including preparing an annual Priority Statement.

1 Resource NSW 2003, *NSW Waste Avoidance and Resource Recovery Strategy 2003*, p. 23

2 'Product stewardship' is often referred to as shared responsibility and suggests that all stakeholders have roles and responsibilities in managing waste, from designers and manufacturers through to retailers and consumers.

FRAMEWORK

Extended Producer Responsibility Priority Statement 2004 identifies 16 wastes of concern, with nine of them receiving priority focus in 2004. The statement puts the industries producing these wastes on notice to act to reduce the amount and/or impact of their products in the waste stream. It specifies the action that will be taken over the next 12 months in relation to the identified wastes of concern, particularly those receiving priority attention, and whether this action should be at the State or national level. *Report on the EPR Preliminary Consultation Program* has more detailed information on each of the 16 wastes named in the statement.

The Department of Environment and Conservation (DEC) uses a number of criteria to identify waste products or materials suitable for management by EPR schemes as well as criteria to evaluate schemes. An Expert Reference Group is also being established to advise the DEC and the Minister on EPR schemes.

Before introducing a regulatory EPR scheme, the *Waste Avoidance and Resource Recovery Act 2001* requires the Minister for the Environment to consider:

- the volume of waste requiring ultimate disposal or the toxicity of the waste generated
- whether there is an existing national scheme which adequately addresses waste issues in NSW
- whether there is an effective voluntary scheme in place which is able to achieve the desired outcomes and is being actively implemented, monitored and reported on
- whether economic analysis supports introduction of the scheme
- whether there are any constitutional issues or other impediments to NSW acting unilaterally.

In light of these considerations and with voluntary action and national measures being considered for several of the priority wastes, the 2004 Priority Statement does not recommend any regulatory EPR schemes. Another factor influencing this decision was that EPR is a new approach to resource management with many sector-specific implementation issues yet to be resolved.

Assessment criteria

Following consultation, the DEC modified the assessment criteria for identifying wastes of concern suited to management by EPR schemes. The final criteria below include in italics the changes made as a result of community feedback:

- detrimental environmental and/or public health impacts resulting from *the recovery and/or disposal of the product*
- total volume of the waste requiring disposal and/or the percentage of the waste stream it comprises
- potential for *waste avoidance*, reuse or beneficial resource recovery
- *potential to contaminate waste streams and limit opportunities for resource recovery*
- likelihood of illegal disposal through dumping or littering
- level of community concern about the waste
- extent to which EPR is the appropriate tool for managing the waste.

Assessment of the detrimental environmental/public health effects from the recovery or disposal of a product needs to consider impacts throughout the product's life cycle, including in the long term. This includes ensuring that any measures taken to reduce impacts from the product's recovery and/or disposal do not have negative consequences upstream.

When determining the extent to which EPR is the appropriate tool for managing the waste, consideration is generally given to whether:

- there are clearly identifiable producers
- the producers have a reasonable capacity to take action
- there is a well-structured or organised industry sector
- there is a capacity to influence the whole supply chain.

However these should not be essential requirements. Other relevant considerations could include whether there is experience of product stewardship or EPR schemes locally or overseas to manage the waste or if more effective tools are available, such as licensing or education.

Wastes of concern

Using the above assessment criteria, the DEC identified the following 16 wastes of concern that are suitable for management by EPR schemes:

- computers
- televisions
- nickel cadmium batteries, excluding mobile phone batteries
- used tyres
- plastic bags
- agricultural/veterinary chemicals
- agricultural/veterinary chemical containers
- mobile phones and batteries
- packaging waste, excluding plastic bags
- cigarette litter
- office paper
- polyvinyl chloride (PVC)
- electrical products, excluding computers, televisions and mobile phones
- treated timber
- end-of-life vehicle residuals
- household hazardous and chemical wastes.

This is the same as the list proposed in the Consultation Paper except plastic bags are treated separately from packaging waste and whitegoods residuals are included with electrical products.

Wastes for priority focus

EPR is a new initiative and the development of effective schemes will require close and intensive dialogue between industry, governments and other key stakeholders. EPR schemes for several of the identified wastes for priority focus are currently under development at the national level. Some other wastes already have existing schemes and transparent monitoring will be necessary to judge their effectiveness.

In light of the comments received from the community, the DEC will give priority to nine wastes of concern over the next 12 months. This means that the DEC is seeking early action by the identified industries to reduce the amount and/or impact of these materials in the waste stream.

Immediate priority will be given to the following wastes which do not have a post-consumer management scheme:

- computers
- televisions
- nickel cadmium batteries, excluding mobile phone batteries
- used tyres
- plastic bags

and the following wastes with a post-consumer management scheme in place, which the DEC will monitor and evaluate:

- agricultural/veterinary chemicals (ChemClear scheme)
- agricultural/veterinary chemical containers (drumMUSTER)
- mobile phones and batteries (Mobile Phone Industry Recycling Program)
- packaging waste, excluding plastic bags (National Packaging Covenant).

These are the same priority wastes proposed in the Consultation Paper, except for the addition of plastic bags.

Fact sheets presenting the most up-to-date information available to the DEC on the assessment criteria for these wastes of concern are included in *Report on the EPR Preliminary Consultation Program*.

Expert Reference Group

An Expert Reference Group (ERG) is being established to advise the DEC and the Minister for the Environment on implementing EPR schemes and evaluating their effectiveness. ERG responsibilities will include:

- developing and advising the DEC and the Minister on the selection of wastes of concern and those for priority focus using the agreed assessment criteria
- advising the DEC and the Minister on EPR proposals and approaches from industry sectors identified as priorities in relation, for example, to their practicality, current and future data collection, performance indicators and time frames for action
- reviewing information from industry on progress in implementing EPR schemes at specified reporting milestones to evaluate the effectiveness of the schemes in reducing waste volumes and toxicity
- advising the DEC on the need for regulatory EPR schemes.

The ERG may also be able to assist industries to reach a coordinated and cohesive position by listening to and responding to the concerns of industry representatives.

The ERG will consist of an independent Chairperson, two representatives from the DEC and one representative from each of the following sectors: industry generally; the recycling industry; local government; environment groups; and consumers.

The membership and size of the ERG is designed to allow it to function as a tight, effective reference group rather than an advisory committee, which would need more diverse representation. Because the wastes of concern and those for priority focus will change over time, specific industry sectors will not be included as members of the ERG. Instead, sectors for priority focus will be invited to submit written and/or verbal proposals to the ERG, giving members access to those with direct knowledge of the industry and 'hands-on' experience.

The ERG will meet initially about four times a year but may require fewer meetings once the work program and broader issues are addressed. The DEC will coordinate meetings and provide papers as appropriate.

Evaluating EPR schemes

A number of useful criteria for evaluating the progress of EPR schemes were suggested as part of the consultation process. These have been refined and classified by the DEC into measures for effectiveness, efficiency, equity and administrative feasibility.

The DEC proposes that the Expert Reference Group consider the following evaluation criteria³ when advising on the implementation and evaluation of EPR schemes in NSW:

Effectiveness measures

- level of reduction in the total volume of the waste generated
- percentage or volume of the waste diverted from disposal
- reuse/recycling rates or quantity of the waste recovered
- level of recycled content in products

³ Not all criteria will be relevant to every scheme but they should all be considered when determining assessment criteria for particular schemes.

- extent of reduced toxicity and environmental/health impacts, waste avoidance or resource recovery attributable to product redesign or the use of alternative materials
- level of reduction in illegal dumping or littering of the waste
- change in level of community concern about the waste
- extent to which the targets set have been achieved within agreed time frames

Efficiency measures

- efficiency of transport collection networks for recovery
- ease with which consumers can dispose of the product safely
- percentage of residents/businesses aware of, and participating in, the scheme

Equity measures

- proportion of importers/manufacturers participating in the scheme as a percentage of sales
- extent to which producers/consumers meet the costs of any externalities caused by the wastes, including collection and disposal costs
- impact on international competitiveness
- social costs and benefits of EPR schemes
- impact on production costs minimised or positive

Administrative feasibility

- administrative costs minimised
- compliance and monitoring costs minimised

Targets and time lines need to be developed in the context of specific schemes for particular products. Realistic targets for producer participation, waste avoidance, resource recovery, consumer access, etc. will depend, among other things, on the structure of the industry, the age of the scheme, resource recovery infrastructure, and the efficiency and viability of collection networks.

When advising on targets, time lines, reporting and auditing arrangements for particular schemes, the Expert Reference Group should identify performance measures that would trigger an investigation into the need to shift from a voluntary to a regulatory approach.

In addition, Part 4 of the *Waste Avoidance and Resource Recovery Act 2001* requires the Minister to consider a range of factors⁴ before agreeing to introduce a regulatory EPR scheme.

⁴ These are listed on page 2.

ACTION IN 2004

Computers

Under the EPR assessment criteria, computers have been identified as a waste of concern suitable for management by EPR schemes. Waste computers will have priority focus for EPR in the next 12 months in NSW because of:

- their volume
- their toxicity
- their good resource recovery potential
- their potential to contaminate other waste streams and limit resource recovery of other materials
- the degree of community concern about them.

Computers are also a national waste priority.

For the purposes of this Priority Statement, 'computers' include monitors, central processing units, keyboards and associated cabling.

In June 2003 Environment Australia⁵ and Resource NSW⁶ contracted Nolan-ITU, in conjunction with the Centre for Design, RMIT and Product Ecology Pty Ltd, to study the barriers to the recovery of electrical and electronic equipment, particularly computers, peripherals and televisions. The objective was to develop options for all components of the recovery process, including collection, reprocessing, funding, management and policy development. Stakeholders from all parts of the product supply and value chains provided input to the project consultation team drawn from Environment Australia and Resource NSW.

The study identified a range of barriers to the collection and reprocessing of electrical and electronic products, which could be classified into technical, financial, commercial, collection logistics, geographic and regulatory. It recommended a National Electronic Products Recovery Program,⁷ including the setting up of a 'producer responsibility organisation' (PRO) to be managed and funded by industry. The study suggested that government could act as an adviser to the PRO and possibly consider implementing national regulation to encourage full industry participation and deter 'free riders'.⁸

Over the next 12 months

- **The DEC will continue to work with the Commonwealth, other jurisdictions and the electrical industry to develop and implement a national voluntary recovery and recycling scheme for computers, with equitable cost-sharing by relevant producers. If requested and the need is demonstrated, jurisdictions will consider appropriate options to regulate free riders.**
- **Baseline information will be gathered in consultation with all stakeholders before determining appropriate resource recovery targets for computers.**

Consideration of an appropriate recovery/recycling scheme needs to be supported by detailed information including:

- market data to develop acceptable targets and determine costs, such as recyclability of products, demand for recycled materials and opportunities for end-of-life processing
- the methodology used to measure industry performance
- proposed targets for, and timing of, industry participation

⁵ Now the (Commonwealth) Department of the Environment and Heritage

⁶ Now part of the Department of Environment and Conservation (NSW)

⁷ Department of the Environment and Heritage and DEC, *Electrical and Electronics Products Infrastructure Facilitation*, forthcoming

⁸ 'Free riders' are those that gain competitive advantage by avoiding undertaking the responsible actions of competitors participating in a scheme.

- further detail on the mechanics of the proposed model, such as number and location of collection sites and treatment of orphaned products
- a mechanism for costing and raising funds early in the life of products which will pay for proper management at the end of their useful lives.

The DEC is seeking clarification of these issues with key industry contacts, participants in relevant overseas schemes and members of the national Waste Working Group. Proposals for a computer recovery and recycling scheme are to be submitted in April 2004 to the Environment Protection and Heritage Council (EPHC), which will consider the need for regulatory mechanisms if progress is slow.

A reasonable aim of effective extended producer responsibility management of computers would be a scheme that provides consumers with readily available collection points where they can take their end-of-life equipment. The computers would then either be lawfully disposed of or, preferably, sent to a facility which could recover the resources.

Televisions

Under the EPR assessment criteria, televisions have been identified as a waste of concern suitable for management by EPR schemes. Waste televisions will have priority focus for EPR in the next 12 months in NSW because of:

- their volume
- their toxicity
- their resource recovery potential
- their potential to contaminate other waste streams and limit resource recovery of other materials
- the likelihood of their illegal dumping
- the degree of community concern about them.

Televisions are also a national waste priority.

Over the next 12 months

- **The DEC will continue to work with the Commonwealth and other jurisdictions to assist the electrical industry to develop a national voluntary recovery and recycling scheme for televisions, with equitable cost-sharing by relevant producers. This will take into account the detailed plan submitted for national consideration in December 2003 by the Australian Electrical and Electronic Manufacturers' Association and the Consumer Electronics Suppliers Association.**
 - **Jurisdictions will consider the case to regulate industry free riders and options to regulate them.**
 - **Consultation with all stakeholders will agree on baseline information to be used in the process of determining appropriate resource recovery targets for televisions.**
-

The national Waste Working Group has asked industry to provide details of the television recovery and recycling scheme and its case for regulatory underpinning for consideration by the Environment Protection and Heritage Council at its meeting in April 2004. At this stage, the television scheme is the most advanced of the electrical equipment waste sectors and the national scheme proposed by the industry is consistent with the aim for computers (as above).

NiCad batteries, excl. mobile phone batteries

Under the EPR assessment criteria, nickel cadmium (NiCad) batteries have been identified as a waste of concern suitable for management by EPR schemes. Used NiCad batteries will have priority focus for EPR in the next 12 months in NSW because of:

- their high toxicity
- their good resource recovery potential
- their potential to contaminate other waste streams and limit resource recovery of other materials
- the degree of community concern about them.

All NiCad batteries are imported. Research by Nolan-ITU for the DEC has identified industry participants in NSW to clarify their roles and responsibilities in managing this waste and current trends in NiCad battery consumption and recovery.⁹

Over the next 12 months

- **The DEC will continue to explore with the Australian Mobile Telecommunications Association (AMTA) and representatives of the battery industry the scope for introducing a voluntary recovery scheme for all NiCad batteries, with equitable cost-sharing by relevant producers.**
 - **Baseline information will be gathered in consultation with stakeholders as part of the development of a suitable EPR scheme and to set appropriate resource recovery targets.**
-

A review by the DEC at the end of this time will determine the effectiveness of these initiatives and whether national or regulatory approaches need to be pursued.

Used tyres

Under the EPR assessment criteria, used tyres have been identified as a waste of concern suitable for management by EPR schemes. Used tyres will have priority focus for EPR in the next 12 months in NSW because of:

- their high volume
- their potential environmental impact if poorly disposed of
- their good resource recovery potential
- the likelihood of their illegal disposal
- the degree of community concern about them.

Used tyres are also a national waste priority.

The DEC consultation on EPR in NSW revealed strong support for a national approach to waste tyre management which could provide for innovative reuse and recycling systems, national waste tyre auditing and monitoring systems, market development (such as through green procurement), industry and community education, and enforcement of tyre transport, storage and disposal regulations.

The national Waste Working Group is considering options for an Australia-wide approach to waste tyre management. Tyre manufacturers, importers, retailers and recyclers are preparing a draft framework for action, which recognises waste tyres as a problem and proposes a national levy as the preferred instrument to fund additional recycling. In these circumstances, it is preferable to pursue national solutions rather than introduce a regulatory EPR scheme in NSW at this stage.

⁹ EPA 2003, *Trends in Nickel Cadmium Battery Consumption and Recovery*, report prepared by Nolan-ITU Pty Ltd, August, unpublished

Over the next 12 months

- The DEC will continue to work with the Commonwealth, other jurisdictions and the tyre industry to develop a national approach to the management of waste tyres, with equitable cost-sharing by relevant producers. A proposal by the Joint Working Group on Tyres as representatives of the tyre manufacturers and importers is to be submitted to the Environment Protection and Heritage Council in April 2004.
 - Baseline information will be refined in consultation with all stakeholders before appropriate resource recovery targets for tyres are determined.
 - The DEC will take immediate action to explore opportunities to encourage tyre reuse and recycling in NSW by industry and Government organisations. For example, a joint Roads and Traffic Authority–DEC program seeks to overcome barriers to the use of crumbed rubber in asphalt.
-

The DEC will review progress after 12 months, in consultation with the Expert Reference Group, to determine the effectiveness of these initiatives and consider whether regulatory approaches need to be pursued in NSW.

Plastic bags

Under the EPR assessment criteria, plastic bags have been identified as a waste of concern suitable for management by EPR schemes. Plastic bags will have priority focus for EPR in the next 12 months in NSW because of:

- their volume
- the environmental impact resulting from plastic bag litter

- their good resource recovery potential
- their potential to contaminate other waste streams in materials recovery and alternative waste treatment facilities
- the degree of community concern about them.

The Environment Protection and Heritage Council (EPHC) agreed in August 2003 to the phasing out, within five years, of lightweight single-use carry bags made of high-density polyethylene (HDPE). In October, the EPHC also accepted the Code of Practice for the Management of Plastic Bags, developed by the Australian Retailers' Association (ARA), which includes commitments to:

- reduce the number of lightweight bags used by 25% by the end of 2004 and by 50% by the end of 2005
- increase the recycling of lightweight bags by between 15% and 30%
- introduce recycled-content plastic bags consistent with their availability
- undertake a range of education initiatives.

Retailers are also supporting the community goal of cutting litter from plastic bags by 75% by 2005. They have agreed to:

- introduce a transparent and independent auditing process to measure bag use, recycling and litter levels
- report regularly to the EPHC on progress
- undertake a vigorous recruitment program to encourage more retailers to join the scheme.

Over the next 12 months

The DEC will monitor the implementation of the actions agreed to by the ARA.

Agricultural/veterinary chemicals

Under the EPR assessment criteria, agricultural/veterinary chemicals have been identified as a waste of concern suitable for management by EPR schemes. They will have priority focus for EPR in the next 12 months in NSW because of:

- their high toxicity
- their potential to contaminate other waste streams and limit resource recovery of other materials
- the degree of community concern about them.

Industry has agreed to implement a national voluntary product stewardship scheme for agricultural/veterinary chemicals, called ChemClear. The ChemClear Advisory Committee has advised that the Agsafe¹⁰ program will implement ChemClear, beginning with a trial at two locations in NSW from October 2003 and a progressive roll-out from 2004.

Over the next 12 months

- **The DEC will give priority to encouraging industry to meet its commitments by monitoring the pilot ChemClear program that commenced in 2003 and ensuring the full program commences early in 2004.**
 - **The DEC will monitor the effectiveness of ChemClear in NSW, particularly in terms of opportunities for participation and access to the scheme and recovery rates.**
 - **The parties to ChemClear will be asked to provide information on the total waste stream for NSW, broken down into key product categories, and specify appropriate resource recovery targets and time frames for delivery of outcomes, in consultation with stakeholders. This information will be submitted to the Expert Reference Group for consideration.**
-

Agricultural/veterinary chemical containers

Under the EPR assessment criteria, agricultural/veterinary chemical containers have been identified as a waste of concern suitable for management by EPR schemes. They will have priority focus for EPR in the next 12 months in NSW because of:

- their potential toxicity
- their good resource recovery potential
- their potential to contaminate other waste streams and limit resource recovery of other materials
- the degree of community concern about them.

drumMUSTER is a national voluntary product stewardship scheme for agricultural/veterinary chemical containers. It arose from a national Industry Waste Reduction Agreement between the National Farmers' Federation, the National Association for Crop Production and Animal Health (Avcare), the Veterinary Manufacturers and Distributors Association and the Australian Local Government Association which aims to:

- recover 66% of clean, empty, rinsed chemical containers through drumMUSTER
- reduce the weight of chemical container waste going to landfill by 68%, compared with 1990
- supply 50% of raw materials in recyclable or returnable packaging.

drumMUSTER has 97% coverage in NSW/ACT councils identified as priorities because of the high sales of chemical drums in these areas. drumMUSTER collected 4.65 million waste agricultural/veterinary chemical containers (7067 tonnes) between 1 February 1999 and 5 February 2004.¹¹ The return rate for drums was 30% nationally in June 2002.¹²

10 Agsafe is an industry initiated co-regulatory stewardship program covering the members of Avcare (the National Association for Crop Production and Animal Health). All Avcare members must participate in Agsafe, which is a fully owned subsidiary company of Avcare.

11 drumMUSTER statistics at 5 February 2004 at www.drummuster.com.au

12 Avcare 2003, *Industry Environment Report 2002*, p. 18

Over the next 12 months

- The DEC will give priority to monitoring the effectiveness of drumMUSTER in NSW, particularly in terms of the recovery rates and broader objectives of the Industry Waste Reduction Agreement.
 - The parties to the Industry Waste Reduction Agreement will be asked to review its targets and objectives in the light of current information on the total waste stream and stakeholder views on ways to improve resource recovery. This information will be submitted to the Expert Reference Group for consideration.
-

Mobile phones and batteries

Under the EPR assessment criteria, mobile phones and batteries have been identified as a waste of concern suitable for management by EPR schemes. They will have priority focus for EPR in the next 12 months in NSW because of:

- their potential toxicity
- their good resource recovery potential
- their potential to contaminate other waste streams and limit resource recovery of other materials
- the degree of community concern about them.

The Australian Mobile Telecommunications Association (AMTA) manages a national voluntary product stewardship scheme for the take-back of mobile phones and batteries. The scheme had collected approximately 177 tonnes of mobile phones, accessories and batteries by June 2003, including about 250,000 handsets.¹³

Over the next 12 months

- The DEC will give priority to monitoring the effectiveness of the AMTA scheme in NSW, particularly in terms of producer participation levels, recovery rates and recycling and reuse of the materials collected.
 - AMTA will be asked to review the targets and objectives of the scheme in the light of current information on total mobile phone sales and product turnover, and stakeholder views on ways to improve resource recovery. This information will be submitted to the Expert Reference Group for consideration.
-

13 AMTA Mobile Phone Industry Recycling Program collections to June 2003

Packaging waste, excl. plastic bags

Under the EPR assessment criteria, packaging waste has been identified as a waste of concern suitable for management by EPR schemes. 'Packaging waste' covers glass, plastic (including polystyrene and polypropylene), paper, liquidpaperboard, cardboard, aluminium and steel, but excludes plastic bags, which are dealt with separately.

Packaging waste will have priority focus for EPR in the next 12 months in NSW because of:

- its volume
- its good resource recovery potential
- the high level of illegal dumping and littering
- the degree of community concern about it.

Levels of packaging waste are addressed through the National Packaging Covenant, a co-regulatory agreement between industry and government, which aims to improve recovery, reuse and recycling of used domestic packaging materials. It is managed by a council, with representatives from Commonwealth, state/territory and some local governments, and industry. Businesses who do not join the Covenant are regulated by the states under the National Environment Protection Measure (NEPM) for Used Packaging Materials. In NSW, the NEPM is enforced by the *Used Packaging Materials Industry Waste Reduction Plan*.

The Covenant commenced in August 1999 and is due to expire in July 2004. As a result, the Covenant is being reviewed, with key input from industry, the Commonwealth, state and local governments, and environment groups. In its contribution to the review, the DEC drew attention to the need to ensure that priority packaging types, in terms of their environmental impact, were being adequately addressed.

Stakeholders have suggested that these include polystyrene, polystyrene foam, polypropylene, PVC, stretch film, oil containers and products containing mixed plastics. NSW is keen to ensure that administrative and compliance processes are simple, effective and deliver real environmental outcomes and benefits.

The DEC has also funded the Nature Conservation Council to provide an environment group perspective on how the Covenant has worked in NSW.

The final report of a review of the Covenant by consultants Nolan-ITU was released in February 2004. It recommended retaining the Covenant with its regulatory safety net for a minimum of three years; improving operational elements of the Covenant/NEPM; and developing nationally consistent and measurable outcomes on the environmental impact of consumer packaging.¹⁴

An independent local government evaluation of the Covenant is also being prepared. The full review of the Covenant should be completed by March 2004 with key recommendations submitted to Ministers for consideration at the Environment Protection and Heritage Council (EPHC) meeting in April.

As the EPHC has agreed that the National Packaging Covenant and supporting NEPM should be the principal instruments for managing consumer packaging waste, further action on this waste in NSW will await the outcome of the full review of the Covenant.

¹⁴ Nolan-ITU Pty Ltd 2004, *National Packaging Covenant Council: Evaluation of the Covenant*, vols I-III; see www.deh.gov.au/industry/waste/covenant/evaluation

Cigarette litter

Cigarette litter is a waste of concern and constitutes a high proportion of litter items. Preliminary research indicates moderate toxicity to aquatic life from cigarette butt leachate. There is also a potential fire risk from discarded lit cigarette butts.

Evaluation by the DEC in 2003 of its litter reduction campaigns revealed 48% of people surveyed rated cigarettes as the litter item of greatest concern, up from 35% in 2000. The DEC supports continued action at the national level to improve recognition by tobacco companies of their responsibility for the problems caused by cigarette litter and to obtain commitments for financial support for the externalities caused by cigarette litter.

For example, in 2003, one of the three major cigarette suppliers, British American Tobacco Australia, established the independent Butt Littering Trust with funds of up to \$1 million in the first two years for actions to reduce the impact of cigarette butt litter. The Trust will collect information to benchmark local government activities and expenditure on managing cigarette butt litter, including litter enforcement and clean-up programs. The DEC will review this information in consultation with local government to identify the scope of the problem and provide baseline data against which to measure action taken to reduce cigarette litter.

Enforcement activity by the DEC, local councils and other authorised officers will continue to target cigarette butt littering. Cigarette litter is a key focus of a range of litter education activities, including the NSW Government's *Don't be a tosser* campaign, local litter prevention activities by councils across NSW, and community projects funded by the Government and administered by Keep Australia Beautiful.

Office paper

Office paper is a waste of concern in view of its volume and the potential for improved resource recovery through better collection systems and education about the need to avoid contaminating office paper with general waste.

Commercial arrangements may be as effective as EPR schemes in promoting resource recovery and recycling of office paper. This product is not toxic or hazardous; is not generally illegally dumped or littered; and is not currently the subject of significant community concern.

The DEC will review the outcomes of office paper recovery programs prior to the release of the next EPR Priority Statement to determine whether sufficient progress has been made to enable the removal of office paper as a waste of concern.

Polyvinyl chloride (PVC)

Under the EPR assessment criteria, PVC has been identified as a waste of concern suitable for management by EPR schemes because of:

- its toxicity
- its good resource recovery potential
- the degree of community concern about it.

The PVC industry committed to a voluntary product stewardship approach in November 2002. The commitment covers issues related to the production of PVC and management of its waste, as well as monitoring developments in scientific research on the potential health and environmental impacts of the product's life cycle.

The DEC will monitor the effectiveness of the industry's commitment to product stewardship, particularly achievement of the identified targets for phasing out the use of cadmium stabilisers and the setting of targets to phase out the use of other heavy metal stabilisers.

Electrical products, excl. computers, TVs and mobile phones

Under the EPR assessment criteria, electrical products, including whitegoods, whitegoods residuals and lighting products, have been identified as wastes of concern suitable for management by EPR schemes because of:

- their volume
- their potential toxicity
- their good resource recovery potential
- their potential to contaminate other waste streams and limit resource recovery of other materials
- the degree of community concern about them.

Whitegoods residuals are a by-product of the recycling and disposal of whitegoods. The management of residuals is considered a part of the end-of-life management of electrical products generally.

Action on electrical products should be phased in following achievement of the waste management and EPR outcomes set for the electrical wastes identified as priorities: computers and televisions. The national Waste Working Group has agreed that whitegoods should be the next priority within this category.

Treated timber

Treated timber is a high-volume waste often containing highly toxic materials. It currently has poor resource recovery potential, although a number of studies are investigating new recovery options.¹⁵ There is some illegal dumping and disposal of treated timber and significant and rising community concern about the disposal of certain types of treated timber, especially

when treated with wood preservation products containing copper chrome arsenate (CCA).

In March 2003, the Australian Pesticides and Veterinary Medicines Authority (APVMA), which is the national regulator of agricultural and veterinary chemicals, announced that it would review the registration of arsenic-based timber treatments, including CCA. In July 2003, the APVMA Board advised industry that it would stop the use of CCA as a timber treatment in certain domestic situations, such as decking and children's playground equipment, by the end of 2003 unless there was conclusive proof that its continued use was safe. With scientific opinion divided on whether CCA is a significant hazard, the Board considered it should take a highly protective approach. The Board noted that in the United States these products were being phased out by the end of 2003 at the request of industry.¹⁶ APVMA included advice on frequently asked questions about arsenic-based timber treatment on its website in August 2003.¹⁷

In December 2003, APVMA released a report for public comment recommending no further use of arsenic treated timber products in children's playground equipment, picnic tables, decking and handrails.¹⁸

The DEC supports continued action to develop consistent national standards for managing treated timber, taking into account the outcomes of the APVMA review. In the meantime, treated timber should remain a waste of concern.

The DEC is also focusing on the impacts of the wood preservation industry at treatment facilities, through a new approach to environmental compliance. The DEC will report on any further environmental controls needed after it has completed a review of all wood preservation environment protection licences in NSW.

¹⁵ The University of Sydney and the Forest and Wood Products Research Development Corporation have commenced a study to investigate the potential to recover copper, chromium and arsenic from treated timber waste. The feasibility of burning waste in a proposed biomass power plant is also being assessed.

¹⁶ APVMA media release, *Copper Chrome Arsenate (CCA): APVMA puts industry on notice*, 28 July 2003

¹⁷ Available at www.apvma.gov.au/chemrev/arsenic_faq.shtml

¹⁸ APVMA 2003, *The Reconsideration of Registrations of Arsenic Timber Treated Products (CCA and Arsenic Trioxide) and their Associated Labels*, Review Summary, Draft for Public Discussion, December

End-of-life vehicle residuals

Under the EPR assessment criteria, end-of-life vehicle residuals have been identified as a waste of concern suitable for management by EPR schemes because of:

- their volume
- their potential toxicity
- their good resource recovery potential
- the level of their illegal disposal.

The DEC supports continued action at the national level for product stewardship approaches for end-of-life vehicles to develop consistent standards for sampling and disposal of shredder floc,¹⁹ and design for vehicle disassembly from an environmental perspective, such as removal of hazardous substances and the labelling of reusable plastics.

Household hazardous and chemical wastes

Under the EPR assessment criteria, household hazardous and chemical wastes have been identified as wastes of concern suitable for management by EPR schemes because of:

- their volume
- their toxicity
- their potential to contaminate municipal waste and limit resource recovery from it
- their potential for improved resource recovery through better collection systems and education.

'Household hazardous and chemical wastes' include automotive chemicals; batteries containing lead and other toxic materials (other than NiCad and mobile phone batteries); community sharps; domestic pesticides and cleaning products; lubricants and oils; paints; pharmaceuticals; and solvents.

The scope for action on these wastes will be reviewed in light of the results of the NSW CLEANOUT domestic collection program in 2003. A second round of collections has commenced, but it is not intended that public funding will be ongoing. Once historical stocks have been significantly reduced and data collected and analysed, the DEC will be keen to see relevant industries develop product stewardship schemes for targeted streams within this waste category.

Paint has accounted for 46% of all material collected to date in the CLEANOUT program and the industry is being encouraged to develop solutions with several trials undertaken already. This process, along with the paint industry commitment to the National Packaging Covenant (particularly in relation to the recycling of steel cans), should allow significant progress to be made over the next 12 months. The DEC will continue to work with the industry to develop appropriate recovery options.

Another significant component of the household hazardous and chemical wastes collected in NSW has been waste oil (17%). Funds from a Commonwealth levy to facilitate the recovery and recycling of waste oil will assist in its collection in NSW.

Community sharps are not accepted at CLEANOUT collections. NSW Health convened a Community Sharps Management Reference Group in February 2003, comprising representatives of the major stakeholders in NSW. The Reference Group is developing guidelines to manage community sharps for use by NSW councils based on a shared responsibility/product stewardship model. This will encourage support from all stakeholders for local government activities to manage community sharps.

The DEC is represented on the Reference Group and will continue to monitor the effectiveness of this voluntary approach, including the impact of the availability of syringes with retractable needles on managing disposal.

¹⁹ 'Shredder floc' is a by-product of the metal shredding process and consists mainly of non-metallic material. Its composition depends on the feedstock and is highly variable.

NEXT STEPS

The DEC will continue to discuss options for extended producer responsibility with the industry sectors whose wastes are identified as priority areas of focus. Discussions will address such issues as:

- the sector's current waste generation
- resource recovery and waste management practices
- the Government's expectations
- information needs and programs that may assist industry in its task to reduce the volume and/or impacts of its waste
- the best means of achieving progress.

The DEC welcomes the views of the community on *Extended Producer Responsibility Priority Statement 2004*, in keeping with the requirements

of the *Waste Avoidance and Resource Recovery Act 2001*. All comments will be considered, both by the Expert Reference Group in assessing progress on the wastes of concern and the selection of future priorities and by the DEC in preparing future Priority Statements. The DEC will publish a report on the submissions received on this Priority Statement.

The closing date for comments is **Friday 28 May 2004** and these should be sent to:

Executive Director, Sustainability Programs Division
Department of Environment and Conservation
PO Box 644
Parramatta NSW 2124

or e-mail to: info@epa.nsw.gov.au

under the title 'EPR Priority Statement 2004'.

Responses to the consultation paper: privacy information

The DEC must handle personal information according to the *Privacy and Personal Information Protection Act 1998*. Details such as name, private address or other information that can identify respondents personally are defined as 'personal information' in that Act.

Any personal information received as part of comments on the Priority Statement may be made known in some circumstances but only for the purposes of finalising the report on submissions received or later Priority Statements. For example, this could include acknowledging the authors of some comments.
