

**Product Stewardship
for West Australians**

An Invitation to Participate

- *Informing*
- *Consulting*
- *Investigating*

Statement of Intent

Our Vision

Towards Zero Waste in Western Australia

Our Principles

***Principle 1: Prevention** - to avoid the creation of waste*

***Principle 2: Recovery** - to efficiently re-cover, re-treat and re-use all wastes*

***Principle 3: Disposal** - to responsibly manage waste into the environment*

PRODUCT STEWARDSHIP FOR WEST AUSTRALIANS

An Invitation to Participate

An invitation to business and industry,
and other key stakeholders to work with the
Waste Management Board in developing
Product Stewardship Agreements
in Western Australia

SEPTEMBER 2006



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1. INTRODUCTION

The Waste Management Board invites relevant business and industry, and other stakeholders to work with the Board in developing Product Stewardship Agreements for selected Action Products.

Legislative support for Product Stewardship and Extended Producer Responsibility (EPR) in Western Australia is proposed in the draft Waste Avoidance and Resource Recovery Bill 2006 (the WARR Bill). When enacted, the WARR Bill will provide head powers for the approval of voluntary Product Stewardship Agreements and mandatory EPR schemes.

Through this invitation, the Government is committed to working with those industries wishing to develop voluntary Product Stewardship Agreements. This invitation to participate collaboratively with Government marks an important milestone in the changing landscape of waste management in Western Australia.

1.1 Background

'Hope for the Future', The State Sustainability Strategy 2003 is a vision for quality life in Western Australia. Clearly, sustainability is a concept that inspires us all. Many people, Government agencies and businesses now see this approach as the only way forward. It provides us with the basis of hope for the future.

One of the six identified Goals for Sustainability in Western Australia is to *'plan and provide settlements that reduce the ecological footprint and enhance our quality of life'*. An Action under this goal is to develop a strategic framework for waste management to achieve the vision of Towards Zero Waste in Western Australia.

Developed concurrently with 'Hope for the Future', the Board's *Statement of Strategic Direction for Waste Management in Western Australia: Vision and Priorities* (released in September 2004) recognises that new approaches and systems are needed, both to reflect changing community attitudes and to successfully manage the complexity within the range of different wastes that are now being generated within our society.

A commitment of the Strategic Direction is to explore opportunities for Product Stewardship and EPR initiatives in Western Australia. In response to that commitment and following a public consultation process, Cabinet endorsed a policy statement in June 2005.

Of particular importance, the policy states that schemes are best implemented as a partnership approach between government, industry and community, with State Government playing a strategic facilitating role.

Legislative support for Product Stewardship and EPR in Western Australia is proposed in the draft Waste Avoidance and Resource Recovery Bill 2006 (the WARR Bill). When enacted the WARR Bill will provide head powers for the approval of voluntary Product Stewardship Agreements and mandatory EPR schemes.

Through this invitation, the Government is committed to working with those industries wishing to develop voluntary Product Stewardship Agreements. This invitation to participate collaboratively with Government marks an important milestone in the changing landscape of waste management in Western Australia.

The Government is committed to both Product Stewardship and EPR in Western Australia. This will involve products being selected for development of voluntary Product Stewardship Agreements:

- where that approach alone is likely to be appropriate and sufficient for a specific product e.g. concrete; and
- where that approach may form a precursor to mandatory EPR schemes that may be required in the absence of sufficient progress being demonstrated through a voluntary approach.

1.2 Scope

The invitation defines six action products proposed to be addressed through Product Stewardship in collaboration with related industries, householders and other stakeholders in Western Australia. The list is neither exhaustive nor finite and there is no doubt that further products will be added and others removed as agreements develop and other industries express interest in participation.

2. PRODUCT STEWARDSHIP

2.1 Defining Product Stewardship

Product Stewardship is an approach which recognises the shared responsibility that all stakeholders have for the environmental impacts of a product throughout its full life cycle, including end of life management, and seeks to reduce adverse impacts and internalise unavoidable costs within the product price, through action at the point(s) in the supply chain where this can be most effectively and efficiently achieved.

2.2 Benefits of Product Stewardship

The focus of waste management changed dramatically during the twentieth century as we developed and later embraced a throw-away culture, so that today you and I regularly fill our bins with all manner of waste products at home, at school and in the workplace. The quantity and nature of our waste is a reflection of our success, or otherwise, as a society.

Local Government waste management systems are typically challenged to find ways to handle the increasing volumes and composition of changing waste streams. They generally respond well, but reduced availability of land for landfills and a requirement for socially, environmentally and economically acceptable management infrastructure and practices create new challenges for now and in the future. Properly designed and implemented Product Stewardship Agreements provide a driving force for waste and pollution reduction across many sections of the economy.

Benefits include:

- Building social responsibility through increased awareness and collaborative responses to environmental issues across stakeholders
- Reducing the number, scale and costs of landfills and waste treatment facilities and their accompanying environmental impacts
- Decreasing or eliminating potentially hazardous components of products
- Promoting cleaner production and products
- Promoting more efficient use of natural resources and materials
- Closing of material loops to promote sustainable development
- Encouraging more efficient and competitive manufacturing, and
- Promoting more integrated environmental management by emphasising the product's life cycle.

Industry may benefit additionally from:

- market advantage through environmental leadership
- greater adaptability within the Government policy/legislative frameworks
- direct returns, such as energy and resource savings, reduced cost of pollution control measures and better product design.

3. SCHEMES IN PRACTICE

3.1 National Schemes

Several initiatives which incorporate aspects of Product Stewardship are already being progressed at a national level, mostly through the voluntary support of industry sectors¹.

These initiatives include:

- *Agricultural and veterinary chemicals* – the chemical supply industry is operating the ChemClear program to collect and safely dispose of unwanted chemicals.
- *Electronic goods* – Consumer Electronic Suppliers Association (CESA), Australian Electrical & Electronic Manufacturers Association (AEEMA), and Australian Information Industry Association (AIIA).
- *End of life tyres* – Joint Working Group Tyres (JWGT) has been established between the Australian Tyre Manufacturers Association Ltd (ATMA) and the Australian Tyre Importers Group Ltd (ATIG).
- *Lubricating oils* – regulated through the Product Stewardship (Oil) Act 2000, which allows for oil producers and supporters to pay a levy on lubricants to support environmentally sustainable management and refining of the waste (used) oil.
- *Medicines* – established in 1998, over 760 tonnes of unused medicines have been handed in to pharmacies.
- *Mobile phones and their batteries* – Australian Mobile Phone Industry Recycling Program and ARP Aussie Recycling Program.
- *Plastic bags* – Australian Retail Association.

(cont. over)

- *Pesticide containers* – chemical containers are being collected, recycled or disposed of through the industry drumMUSTER program.
- *PVC products and chemicals* – PVC product stewardship scheme sponsored by the Vinyl Council of Australia to promote environmentally friendly practices in the production, use and disposal of PVC products and the chemicals used in their manufacture.
- *Used packaging* – National Packaging Covenant.

Western Australia is currently working with NSW, Victorian, South Australian and Australian Governments through the Environment Protection and Heritage Council's Waste Working Group to develop a National Environment Protection Measure (NEPM) for product stewardship. The NEPM will provide a framework for a national approach for product sectors to implement programs. Complementary legislation in individual States will be prepared as the national program rolls out.

Some State jurisdictions are developing responses to other products including mobile phones, which will be more effectively resolved at a National level. Where feasible, Product Stewardship Agreements in Western Australia will be considered as a part of a broader national system.

3.2 Close to Home

A specific example of voluntary Government/Industry/Community collaboration in Western Australia is provided in a current E-waste (electronic waste) Recycling Program.

The WA Government acknowledges the potential negative impacts that the disposal of e-waste has in the environment and accordingly, in June 2006 developed a Whole of Government Common Use Arrangement (CUA) for the disposal of Information and Communication (ICT) equipment.

The CUA is the first of its kind in Australia and provides a framework for Government agencies to help them effectively dispose of their surplus ICT equipment in an environmentally acceptable manner. The arrangement incorporates refurbishment of ICT equipment for reuse by charitable and disadvantaged groups.

Stringent requirements concerning actual product recycling and data reporting were imposed as part of the CUA tender documentation process. Recycling ensures all equipment components are managed in an environmentally friendly way with less than three per cent going to landfill.

The CUA process has enabled industry to establish electronic waste recycling facilities in Perth and develop a recovery network option for country and regional WA to access the e-waste recycling service. The facilities also allow for the public to drop off disused equipment for recycling.

There are a number of possible actions to extend and take this program forward, including;

- Further promotion of the e-waste CUA to government agencies (both in metropolitan and regional Western Australia).
- Expand the service to include all local governments.
- Encourage and develop schemes locally or at a National level.

The program demonstrates the benefits of pro-active stakeholder participation.

4. SELECTING ACTION PRODUCTS

4.1 Methodology

A methodology was established for selecting action products. The methodology involves a staged assessment process.

Stage 1 defines a product or waste stream, identifies its problem and scale, determines its status as an action product based on stipulated criteria and defines response objectives for identified action products.

Stage 2 considers the most suitable management approach (eg. Product Stewardship Agreements) including the development and assessment of options and ensuring that any chosen option is practical.

Stage 3 requires a cost-benefit assessment of the chosen program or program options.

Stage 4 leads into the design of the program.

4.2 Technical Reference Panel

In reality, the concept of Product Stewardship and EPR are relatively new to Australia. It would be fair to say that at times the implementation process in Australia and overseas has been problematic, both for Governments and industry. The State Government is keen to move forward, ensuring that adequate resources can be directed to developing and refining processes and maximising stakeholder interaction to ensure positive outcomes. The Government acknowledges that the implementation of Product Stewardship will be a learning process for all stakeholders.

A Technical Reference Panel will be established, in the first instance, to assist parties in the development of Product Stewardship Agreements in Western Australia. The Panel will be made up of specialist individuals selected on the basis of the skills and experience that they can offer in supporting the role of the Panel.

The specific role of the Panel is to assist, where requested, in the development and implementation of effective and efficient Agreements. Specifically and as requested, panellists will provide advice on:

- The selection of products, materials and relevant industry sectors which Agreements might address.
- The adequacy of proposed Agreements.
- The effectiveness of the implementation of Agreements.
- The need for full regulation of any product to compel development of producer responsibility schemes.

5. ACTION PRODUCTS

The WA Government invites participation from industries, householders and other key stakeholders, and offers encouragement and support to voluntary, collaborative responses to six action products:

- **Polypropylene (Type 5 plastic)**
- **Paint**
- **Computers**
- **End of life tyres**
- **Concrete**
- **Mobile Phones**

5.1 Action Product Assessment

5.1.1 Polypropylene (Type 5 plastic)

Polypropylene is a high volume plastic used in the manufacture of a number of products including ice-cream containers, margarine/butter containers, cordial bottles, take-away food containers, plant pots, and garden furniture and tools. It has been estimated that 8,000 tonnes of polypropylene plant pots alone are disposed of to landfill in WA annually, resulting in the loss of embedded energy and recyclable resources, and increasing the need for landfill development.

The Plastics and Chemicals Industries Association (PACIA) is committed to the elimination of plastic waste in landfill using supply chain stewardship. At a national level, and with the current emphasis on Eastern State activities, PACIA is investigating recycling programs for rigid plastic products, including polypropylene.

Of significance to Western Australia, local recycling business PP Recyclers has received international recognition for its work in recycling polypropylene plant pots and is keen to expand the recycling of polypropylene in Western Australia. Local plastics manufacturers have expressed cautious interest in exploring opportunities for the increased use of recycled plastics.

In its initial approach, the invitation specifically concerns polypropylene in Western Australia. This approach complements and supports the national industry (PACIA) initiative to recover post consumer rigid plastics, with a view to expanding the scope to other plastics as a national program develops or in the absence of a suitable national program.

5.1.2 Paint

Paint is the most common waste disposed of through household chemical collection programs, has the potential to contaminate and therefore devalue other waste streams such as organics and paper, and is a common problem for most householders. In the absence of suitable alternatives, paint is often inappropriately disposed of through drainage systems or directly to the environment.

The paint industry is supported by a national Producer Responsibility Organisation (PRO), which, through its broad representation, has the ability to influence program development. Whilst some individual paint manufacturers are keen to participate in developing programs, the industry as a whole has not been successful in addressing the problem.

It is considered in this situation, where a whole of industry approach would be more effective in tackling the waste issue, that a Product Stewardship response may be appropriate.

5.1.3 Computers

Computers are complex products made in most instances from non-renewable resources. The average computer contains more than 700 substances including hazardous materials such as lead, cadmium, mercury, hexavalent chromium and brominated flame retardants.

In Western Australia, work has commenced to recycle computers, and it is acknowledged that a number of players, including major manufacturers, have sought to implement voluntary product stewardship arrangements. Notwithstanding, the Australian computer industry comprises numerous 'manufacturers' of various sizes and with various levels of interest in resource management. Nationally and in other jurisdictions (specifically NSW) the computer industry is on notice to improve its poor overall product stewardship performance.

5.1.4 End of Life Tyres

End of life tyres are a high volume waste of concern for their potential adverse environmental and health effects if poorly managed. Typically these products are shredded, crumbed and recycled or disposed of to landfill in Western Australia. Alternatively, illegal dumping of tyres creates numerous problems. The protracted lifespan of tyres gives rise to breeding opportunities for and harbouring of vectors and vermin. Tyres can create erosion problems when dumped or ineffectively managed in creeks and other waterways. Fires in stockpiles can release toxic gases and pollute.

Equally importantly, tyres going to landfill or being dumped are a lost opportunity for reuse of potentially valuable resources. There are increasingly effective technologies available now and developing, for the reuse and recycling of end of life tyres.

The Government will continue to play an active role in National and local schemes to resolve this issue.

5.1.5 Concrete (C&D waste)

Building products currently comprise approximately 50%, by weight, of the overall waste stream in Western Australia.

The current economic situation is encouraging localised use of recycled materials due to increasing transport costs. Recyclers have indicated that they are struggling to keep up with demand for a variety of recycled materials. The increasing availability of recycled materials, combined with the continuing infill developments within the metropolitan area pushing raw material producers further out, will provide more opportunities for developers to use recycled materials in projects.

5.1.6 Mobile Phones

A national voluntary take-back scheme for mobile phones and batteries is managed by the Australian Mobile Telecommunications Association (AMTA) and has collected over 300 tonnes of mobile phones, accessories and batteries since 1999.

There continues to be a level of community concern about discarded mobile phones, exacerbated by the estimated significant increase in mobile phone sales over recent years with an estimated penetration (mobile phone services per 100 people) in excess of 94%.

Mobile phones components are potentially toxic and although providing good resource recovery potential have an ability to contaminate other waste streams.

6. CONTACT DETAILS

To discuss the way forward in developing voluntary Product Stewardship Schemes, please contact John Davis at the Department of Environment and Conservation on 6467 5200 or email on john.davis@dec.wa.gov.au.

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