



# **Australian Government**

Australian Government response to the:

Review of the *Product Stewardship Act 2011*

[July 2020]

## Introduction

The Australian Government welcomes the release of the *Review of the Product Stewardship Act 2011*. Modernising and growing Australia's domestic waste recycling and recovery sector is a major priority for the Australian Government and is the subject of significant reform and investment.

The government's *National Waste Policy Action Plan 2019*, which was agreed to at the Meeting of Environment Ministers in November last year, sets out clear targets and actions to implement the National Waste Policy.

The government has also taken decisive action to enable Australia to take responsibility for its own waste. The government has restricted the export of unprocessed waste plastics, glass, tyres, paper and cardboard, and made unprecedented investments in improving Australia's capacity to reprocess and re-use waste products.

Many of the recommendations of this review will improve and modernise Australia's product stewardship regime and encourage and support best practice in stewardship.

In addition, the government is delivering the \$167 million recycling package it announced before the last election, which includes an investment of \$20 million for a new National Product Stewardship Investment Fund, to accelerate work on new recycling schemes and to support the creation of a Centre of Excellence.

Against this backdrop of broad and ambitious reform, the government views product stewardship as a central mechanism for achieving Australia's recycling and resource recovery objectives and contributing to the development of a circular economy.

Product stewardship lends itself to being applied broadly and holistically, with strong support and active participation by organisations, communities and governments. The government plans to foster and build on this engagement to take the outcomes of the review forward.

The government welcomes the findings of this review and will immediately commence action on its 26 recommendations, which have been informed by submissions from more than 270 businesses, organisations, experts and members of the public. The recommendations cover three broad themes:

- 1) overall effectiveness of the Act
- 2) product stewardship initiatives under the Act
- 3) the National Television and Computer Recycling Scheme.

The government's response to the review's recommendations is set out in the table. Implementation has already commenced for a number of these recommendations. The government will also undertake further detailed policy work and consult on how best to continue supporting voluntary industry-led schemes and will take action to implement regulation where industry fails to act.

As identified in the report, encouraging further voluntary action on a broader scale will support Australia to achieve the targets set out in the 2019 National Waste Policy Action Plan, while supporting jobs and the environment.

---

| <b>Recommendation</b>  | <b>Response</b>  |
|--|--|
| <hr/> <b>Overall effectiveness of the Act</b>  |  |
| <b>Recommendation 1</b>  | <b>The government supports this recommendation.</b>  |
| Continue applying product stewardship as an essential policy tool for transitioning to a circular economy. | <p>The government is strongly committed to product stewardship as a central mechanism for achieving Australia’s recycling and resource recovery objectives and contributing to the development of a circular economy.</p> <p>The government’s National Waste Policy recognises the critical role product stewardship will play in Australia’s continuing move towards a circular economy. The 2019 National Waste Policy Action Plan commits to a series of tangible actions to implement effective product stewardship for priority products. The \$20 million National Product Stewardship Investment Fund announced by the government in 2019 provides support for new and innovative processes, products, systems and technologies to ensure better and repeated use of resources.</p> |
| <b>Recommendation 2</b>  | <b>The government supports this recommendation.</b>  |
| Retain the flexible framework for voluntary, co-regulatory and mandatory product stewardship.              | <p>The government recognises the importance of providing a flexible and practical framework for product stewardship that enables fit-for-purpose approaches for different products, materials and industries.</p> <p>The government strongly supports the retention of the flexible framework under the Act, which makes voluntary, co-regulatory and mandatory approaches available for future product stewardship schemes. In particular, the government acknowledges the depth of knowledge and expertise held by industry and businesses about their products and material streams. This makes them best placed to understand the practical issues that arise in the development and operations of schemes.</p>  |

---

---

| <b>Recommendation</b>   | <b>Response</b>   |
|---|---|
| <p><b>Recommendation 3</b></p> <p>Consider updating language used in government resources to encourage the application of product stewardship to a broader range of materials and products.</p> | <p><b>The government supports this recommendation.</b></p> <p>The government will encourage the public and industry to think more broadly about product stewardship. This will include amending the language in the Act and associated government resources to encourage industry and the public to think about product stewardship applying to a broad range of materials rather than just discrete products or categories of products.</p> <p>The government will encourage applicants to its \$20 million National Product Stewardship Investment Fund to consider product stewardship applying to a broad range of materials rather than just discrete products or categories of products.</p> <p>The government will establish a Centre of Excellence under the National Product Stewardship Investment Fund to bring together sources of product stewardship expertise and stimulate broader thinking and action on the effective use of product stewardship approaches. Among its other functions, the Centre of Excellence is intended to provide information on different material and product gaps and alternative ways of addressing current and emerging impacts on the environment and human health.</p> |
| <p><b>Recommendation 4</b></p> <p>Continue supporting the development of voluntary schemes.</p>   | <p><b>The government supports this recommendation.</b></p> <p>The government is strongly committed to actively encouraging the development of voluntary industry-led schemes.</p> <p>The government’s \$20 million National Product Stewardship Investment Fund, and the Centre of Excellence, will provide financial support, expert advice and mentoring to assist the development of new and existing voluntary schemes.</p>   |

---

| <b>Recommendation</b>   | <b>Response</b>  |
|---|--|
| <p><b>Recommendation 5</b></p> <p>Consider the appropriateness of new co-regulatory approaches where significant free-rider issues exist.</p> | <p>To this end, the government will take steps to reduce the cost and will implement measures to broaden the benefits of voluntary accreditation.</p> <p><b>The government supports this recommendation.</b></p> <p>The government will tackle the problem of free riders by reforming the Minister’s Product List process. This will include imposing deadlines to encourage the development of new schemes in priority areas and making it clear to industry that, without an industry-led proposal coming forward within a set timeframe, the government’s default response will be to impose a regulatory scheme (see Recommendation 10).</p> <p>The government will also amend the Act to enable the Minister to take a more active and structured approach to supporting successful voluntary industry-led schemes accredited under the Act. The government will introduce new processes to highlight the achievements and increase public awareness of successful industry-led schemes and organisations participating in them, while also drawing attention to and encouraging the participation of businesses perceived to be free riding. Where these actions do not sufficiently address free-rider issues, the government is committed to considering regulatory approaches on an ongoing basis.</p> |
| <p><b>Recommendation 6</b></p> <p>Improve community support for, awareness of and engagement in product stewardship schemes.</p>              | <p><b>The government supports this recommendation.</b></p> <p>The government is funding education tools, including Planet Ark’s ‘Recycling Near You’ initiative, the National Circular Economy Hub and the Australian Council of Recycling (ACOR)’s Recycle Mate app to promote awareness of product stewardship schemes.</p> <p>The government will also take steps to increase the visibility of accredited product stewardship schemes, including through branding, promotion and community awareness initiatives with scheme proponents. A new logo and new government</p>   |

| <b>Recommendation</b>   | <b>Response</b>   |
|---|---|
|   | <p>resources will be developed to help improve community support for, and awareness of, accredited product stewardship schemes.</p> <p>A Centre of Excellence will also be tasked with promoting awareness of product stewardship schemes to improve understanding of the respective roles governments, industry and the community play in supporting responsible product management.</p> <p>The government is making changes to its procurement policies and guidelines to drive more sustainable purchasing decisions in government projects.</p> |
| <p><b>Recommendation 7</b></p> <p>Explore the merit of creating a central clearinghouse to create efficiencies across multiple schemes, encourage the creation of new schemes and assist with compliance and enforcement.</p> | <p><b>The government supports this recommendation.</b></p> <p>The government will consult with industry and existing co-regulatory schemes in 2020–21 to assess the merit of creating a central clearinghouse.</p>  |
| <p><b>Recommendation 8</b></p> <p>Broaden the objects of the Act to include product design improvements related to durability, reparability, re-usability and recyclability.</p>  | <p><b>The government supports this recommendation.</b></p> <p>The government will amend the language in the Act and associated government resources to encourage the development of schemes that address the full product life cycle.</p>   |
| <p><b>Product stewardship initiatives</b></p>   |   |
| <p><b>Recommendation 9</b></p> <p>Continue publishing the Product List and tabling it in Parliament.</p>  | <p><b>The government supports this recommendation.</b></p> <p>The government recognises that the Minister’s Product List is a powerful mechanism that allows the government to work with industry and key stakeholders to identify priorities, communicate the government’s expectations for industry-led action,</p>   |

---

| <b>Recommendation</b>   | <b>Response</b>  |
|---|--|
| <b>Recommendation 10</b><br><br>More clearly link the Product List with the process for developing new schemes or expanding existing schemes.                   | <p>highlight achievements and identify challenges, particularly around participation and free riding.</p> <p>The government tabled the 2020–21 list in April 2020 to signal its focus on priority products, including child car seats.</p> <p><b>The government supports this recommendation.</b></p> <p>The government will strengthen the Minister’s Product List by adding timelines to encourage the development of new schemes in priority areas. The government will also make it clear that, without an industry-led proposal coming forward within those timeframes, the government’s default response will be to impose a regulatory approach.</p>  |
| <b>Recommendation 11</b><br><br>Increase the brand recognition of Commonwealth product stewardship accreditation among industry and the community more broadly. | <p><b>The government supports this recommendation.</b></p> <p>The government will take steps to increase the visibility of accredited product stewardship schemes, including through branding, promotion and community awareness initiatives with scheme proponents. A new logo and new government resources will be developed to help improve community support for, and awareness of, accredited product stewardship schemes. The government will also implement measures to broaden the benefits for voluntary schemes to seek and maintain accreditation.</p> <p>The Centre of Excellence will promote awareness of product stewardship schemes and improve understanding of the respective roles governments, industry and the community play in supporting responsible product management.</p> <p>The government is making changes to its procurement policies and guidelines to build support, awareness and engagement in product stewardship schemes.</p> |

---

| <b>Recommendation</b>  | <b>Response</b>  |
|--|--|
|  | <p>The government is also funding education tools, including Planet Ark’s ‘Recycling Near You’ initiative, the National Circular Economy Hub and ACOR’s Recycle Mate app to promote awareness of product stewardship schemes.</p>  |
| <p><b>Recommendation 12</b></p> <p>Run regular application rounds for accreditation and further streamline the application process.</p>  | <p><b>The government supports this recommendation.</b></p> <p>The government will transition to an application and accreditation process that is always open and make changes to streamline and reduce the administrative burden for participants.</p>   |
| <p><b>Recommendation 13</b></p> <p>Review the cost recovery arrangement for voluntary accreditation.</p>   | <p><b>The government supports this recommendation.</b></p> <p>The government will take steps to reduce the costs of seeking and maintaining voluntary accreditation.</p>   |
| <p><b>National Television And Computer Recycling Scheme (NCTRS)</b></p>  |  |
| <p><b>Recommendation 14</b></p> <p>Consider options for improving the outcomes, administration and compliance of the NTCRS, including through cost recovery and creation of a clearinghouse.</p> | <p><b>The government supports this recommendation.</b></p> <p>The Department of Agriculture, Water and the Environment will continuously review departmental processes to reduce the administrative burden for participants in the scheme from the 2020–21 scheme year onwards. The government will pursue improved compliance outcomes through a new compliance policy (see response to Recommendation 17).</p> |
| <p><b>Recommendation 15</b></p> <p>Assess the feasibility of expanding the NTCRS to include electronic and electrical equipment products.</p>  | <p><b>The government supports this recommendation.</b></p> <p>The government will consult with industry and key stakeholders in 2020–21 to assess the options, costs and benefits of developing product stewardship arrangements for electrical and electronic equipment.</p>  |



---

| <b>Recommendation</b>   | <b>Response</b>   |
|---|---|
| <b>Recommendation 16</b><br><br>Consider options to broaden the focus of the NTCRS to address the full product life cycle in line with the objectives of the Product Stewardship Act. | <b>The government supports this recommendation.</b><br><br>The government will amend the language in the Act and associated resources to encourage the development of schemes that address the full product life cycle.   |
| <b>Recommendation 17</b><br><br>Develop and publish a compliance policy for the NTCRS.  | <b>The government supports this recommendation.</b><br><br>The Department of Agriculture, Water and the Environment has commenced work on a compliance framework and guidance for the NTCRS and will be engaging with co-regulatory arrangements, liable parties and stakeholders early in the 2020–21 scheme year.   |
| <b>Recommendation 18</b><br><br>Review annual scheme timeline and develop guidance material.  | <b>The government supports this recommendation.</b><br><br>The Department of Agriculture, Water and the Environment will review the annual scheme timeline and implement improvements to better assist industry to meet reporting requirements within statutory deadlines, including by providing timely information to co-regulatory administrators on their liabilities.<br><br>The department is progressing IT improvements to the online product stewardship user platform, and is developing clear standards and processes to ensure that liable parties have sufficient time to meet their scheme obligations. |

---

| <b>Recommendation</b>  | <b>Response</b>  |
|--|--|
| <p><b>Recommendation 19</b></p> <p>Identify options to improve community awareness and participation to increase recovery rates, including improving access for regional and remote communities.</p> | <p><b>The government supports this recommendation.</b></p> <p>The Department of Agriculture, Water and the Environment will consult with industry and key stakeholders in the 2020–21 scheme year on options to improve scheme outcomes for regional and remote communities.</p> <p>The government is also funding education tools, including Planet Ark’s ‘Recycling Near You’ initiative, the National Circular Economy Hub and ACOR’s Recycle Mate app to promote awareness of product stewardship schemes.</p> |
| <p><b>Recommendation 20</b></p> <p>Modify the Product Stewardship (Televisions and Computers) Regulations 2011 to ensure they refer to the most recent Census of Population and Housing.</p>         | <p><b>The government supports this recommendation.</b></p> <p>The government will modify the Product Stewardship (Televisions and Computers) Regulations 2011 to refer to the most recent Census of Population and Housing.</p>  |
| <p><b>Recommendation 21</b></p> <p>Review the percentage target and the methodology for calculating waste arising before the next statutory review.</p>  | <p><b>The government supports this recommendation.</b></p> <p>The Department of Agriculture, Water and the Environment will commission further analysis of the methodology for calculating waste arising before the next statutory review of the NTCRS.</p>  |
| <p><b>Recommendation 22</b></p> <p>Ensure conversion and scaling factors are up to date.</p>   | <p><b>The government supports this recommendation.</b></p> <p>The Department of Agriculture, Water and the Environment will review the conversion and scaling factors, which were last updated in 2018.</p>  |

| <b>Recommendation</b>  | <b>Response</b>  |
|--|--|
| <p><b>Recommendation 23</b></p> <p>Consider updating or developing new guidelines for allowable material recovery tracking and reporting under the scheme.</p> | <p><b>The government supports this recommendation.</b></p> <p>The Department of Agriculture, Water and the Environment will develop a national standard for waste data and reporting, building on the existing reporting framework for hazardous waste. The department will engage with governments, industry and peak groups to develop this standard by the end of 2020. This work will inform the development of updated guidelines for allowable material recovery tracking and reporting under the NTCRS.</p> |
| <p><b>Recommendation 24</b></p> <p>Develop a policy position for the NTCRS on re-use before the next review.</p>   | <p><b>The government supports this recommendation.</b></p> <p>The National Waste Policy and 2019 National Waste Policy Action Plan emphasise the importance of re-use to building a circular economy.</p> <p>The Department of Agriculture, Water and the Environment will examine opportunities to recognise re-use and other waste avoidance activities before the next review of product stewardship legislation.</p>   |
| <p><b>Recommendation 25</b></p> <p>Clarify reporting requirements for downstream recycling.</p>  | <p><b>The government supports this recommendation.</b></p> <p>The Department of Agriculture, Water and the Environment will develop a national standard for waste data and reporting, building on the existing reporting framework. A draft enhanced framework will be developed by the end of 2020 and the department will work with stakeholders to identify reporting options to improve transparency of downstream recycling.</p>  |

---

| <b>Recommendation</b>   | <b>Response</b>  |
|---|--|
| <b>Recommendation 26</b>  | <b>The government supports this recommendation.</b>  |
| Consider options to strengthen and broaden the NTCRS' assurance regime to cover the full end-of-life cycle. | The Department of Agriculture, Water and the Environment will continue working with Standards Australia on the review of AS/NZS 5377 to ensure the standard provides an appropriate assurance framework for use in the Australian context. Further to this, the department will consider appropriate ways to strengthen the assurance regime to cover such issues as collections, transport and storage, overseas recycling and downstream processing to end-of-life fate. |

---