

# AUSTRALIA



**POPULATION:** 19.9 million

**CAPITAL:** Canberra; but many offices in Adelaide

**STATUS:** Commonwealth

## CULTURAL NOTES:

Though Australia is remote, the culture is British infused with its own “down under” casual style. The country consumes 500 million gallons of beer and 70 million gallons of wine annually; and has a \$50 billion consumer goods market. As with Britain, about one-third or more of the packaging consumed is imported.

Homebush Bay, a suburb of Sydney and the site of the 2000 Olympic Games, was previously a 400 hectare hazardous waste landfill site containing nine million cubic meters of contaminated soil. The site has been reclaimed through the collaboration of industry specialists to showcase Australian technology, resourcefulness, and concern for the environment.

The Packaging Council of Australia has been included in the New South Wales State Advisory Council to heighten environmental awareness. The Council advises the environment minister or the EPA Environmental Protection Agency on policy development.

**RETAIL SYSTEMS:** Western.

## MSW DISPOSAL:

Australia disposes of about 690 kg per capita per year of waste - less than the U.S., more than Canada. About 58% of this is household waste.

## RECYCLING BACKGROUND:

With the new Packaging Covenant in place, Australian brand owners now have targets for product recycling and an overall recycling rate target to reach. The Covenant uses 2003 figures as the baseline for subsequent years. Read on for more details about the Covenant.

### Targets:

Material	2003	2005	2010
Paper/cardboard	64%	66%	70-80%
Glass	35%	44%	50-60%
Steel	44%	38%	60-65%
Aluminum	63%	71%	70-75%
Plastics	21%	31%	30-35%
<b>Overall recycling rate</b>	<b>48%</b>	<b>56%</b>	<b>65%</b>

The overall target for nonrecyclable packaging materials is 25% by 2010.

Non-recyclable materials	2003	2005	2010
Paper/cardboard	10%	N/A	25%
Plastics 4-7	10%	23%	25%
Composites	10%	N/A	25%
<b>Overall recycling rate</b>	<b>10%</b>	<b>23%</b>	<b>25%</b>

## Packaging to landfill

Packaging (tonnes)	2003	2005	Change
Total Consumption	3,473,854	4,230,480	21.8%
Total Recycling	1,653,969	2,374,685	43.6%
<b>Total to Landfill</b>	<b>1,819,885</b>	<b>1,855,795</b>	<b>2.0%</b>

## 2005 Recycling Figures

Material type	Total consumption	Total recycling	Recycling rate
	t/yr	t/yr	%
Paper/cardboard	2,608,000	1,730,000	66.3%
Glass	893,031	395,000	44.2%
Plastics	586,840	179,125	30.5%
Steel cans	92,399	34,760	37.6%
Aluminum	50,210	35,800	71.3%
<b>Total</b>	<b>4,230,480</b>	<b>2,374,685</b>	<b>56.1%</b>

New South Wales launched an ambitious program in 1996 to slash MSW volume by 60% in five years. Packaging, building, tires, and white goods industries were to meet the targets, through design, packaging reduction, manufacturing controls, and usage controls (i.e., enhancing the life of a product). Companies could be fined up to Australian \$125,000 who failed to set and meet targets. The Waste Strategy 2003 was updated in 2006 but targets were maintained to be inline with the Packaging Covenant. New South Wales also has a priority document which lists seventeen “wastes of concern.”

These are:

- Agricultural and veterinary (Agvet) chemicals
- Agvet chemical containers
- Batteries
- Cigarette butts
- Computers
- End of life vehicle residuals
- Mobile phones
- Office paper
- Other electrical products
- Packaging
- Paint
- Plastic bags
- Polyvinyl Chloride
- Televisions
- Treated timber
- Tires
- Used oil and lubricants

Waste management in Australia operates under all levels of government: Commonwealth, State/Territory (6), and local government (900). Australia, like the U.S., leaves it to the states to determine how to reach goals. The state governments, especially Victoria, have extracted some major concessions from industry through voluntary agreements.

The Eurobodalla Shire Council in New South Wales recently joined Western Australia and Canberra in adopting a zero waste strategy. The shire wants to reduce landfilled waste by an average of 10% per year between July 2003 and 2004. The shire hopes to reduce landfilled waste by 90% between July 2003-2011, and achieve zero waste by 2015.

**ANZECC:** The Australian and New Zealand Environment and Conservation Council, founded in 1992, set overall goals for waste management until 2001 when it ceased to be a Ministerial Council. ANZECC, consists of

Commonwealth, State, Territory and New Zealand Environment Ministers, and provides a forum for developing coordinated policies. The Council set specific recycling targets for packaging materials which the states and organizations adopted by voluntary agreement.

States with easy access to recycling facilities and a market for recycled products have been able to achieve those rates. However, Queensland for example, had problems recycling all its HDPE because the recycled material had to be shipped 1500 miles.

In November 1995, ANZECC decided to develop new Industry Waste Reduction Agreements for organic, commercial, industrial and institutional waste, and to include waste reduction targets for more materials. In 1996, ANZECC began encouraging waste minimization along with recycling. The program focused on industry-specific waste minimization targets and penalties for companies that don't comply. Most of the duties held by ANZECC are now held by the Natural Resource Management Ministerial Council.

## **PACKAGE RECYCLING MANDATES:**

### **Packaging Covenant Update:**

The National Packaging Covenant, launched in 1999, was originally set to expire August 2004, but was extended to April 2005. The original Covenant was voluntary but contained a regulatory safety net. It utilized a national approach, had a total of 677 signatories, including all major brands, and focused upon what each company/association can do to reduce the impact that packaging has on the environment. Extension review and consultation about a new covenant are in process. The new covenant, MKII, commenced in July 2005 after intense negotiations.

The targets for the new Covenant aims to achieve the following goals: A reduction in total amounts of packaging disposed to landfill; an increase in the amount of packaging recycled; increased use of recycled packaging in new products; reductions in the use of non-recyclable packaging; improved company performance against baseline data.

Specifically MKII sets targets of 65% recycling rate for packaging overall, 70-80% for paper and paperboard, 50-60% for glass, 60-65% for steel cans, 70-75% for aluminum cans, and 30-35% for plastics all by 2010. The aim is to keep landfill from increasing beyond the current baseline. The ranges offered for the specific materials resulted from strong industry opposition to any such targets. These are instead meant to offer an idea of what it will take to reach the overall recycling rate requirement.

A big change is that the funding industry puts in now goes beyond kerbside to Away from Home recycling sources which were deemed necessary to reach the high recycling target.

There will be a review of the new covenant in 2008.

The Used Packaging Materials National Environmental Protection Measure (UPM NEPM) has been implemented and small changes are already being made to give greater clarity. This measure is a regulatory net meant to prevent free riding by identifying companies that do not sign the Covenant. The large states of Victoria, New South Wales, and Queensland have already signed. Each signatory also commits to developing an Action Plan on packaging waste, and to contributing funds for a Transitional Arrangements program to strengthen curbside recycling and develop markets for collected materials.

State recycling committees are developing plans for the Transitional Arrangements program that will be reviewed by the national-level Kerbside Recycling Group (KRG). The best practice Kerbside recycling was found in Victoria with a 20% increase in average recyclable yields.

In October 2000, the federal environment ministry announced a national commitment to increase PVC recycling from the current 5% (of 6,000 metric tons) to 25% by 2003. This was to be achieved through a collection initiative established by Australian Vinyls, Peteron, and Hollywood Plastics, and operating under the Covenant.

### **Background:**

The Covenant was developed because individual material recycling agreements were aimed solely at raw material producers and not the entire packaging chain. Though opposed by most local governments, a five-year national packaging covenant based on “shared responsibility” was endorsed in 1999. With no recycling or recovery targets and considerable compliance flexibility, the Covenant is something of a coup for industry. Though required to contribute A\$17.45 million in transitional funding over three years to develop a “sustainable, market-based” curbside recycling system, industry’s commitment is contingent on matching allocations from states and territories.

The Covenant covers the entire packaging chain including raw material suppliers, packaging producers, manufacturers, retailers and governments, and details obligations for each sector. It applies to all consumer packaging and household paper except newsprint. Imported packaged products are also covered. Rather than focusing on recycling targets, the goal is one of “continuous improvement,” said PCA’s Gavin Williams, explaining the lack of overall or material-specific targets.

#### **Action Plan:**

The new Covenant is focused on setting targets to achieve the essential goals. The issues with setting targets have been a lack of reliable national data, the lack of consistency between the states, and drop-out of many community groups. The Industry is working to help establish targets as something that can conceivably be achievable rather than aspirational. The Environmental Code for Practice for Packaging was also significantly rewritten.

All signatories, including governments, are required to develop action plans setting out measures to fulfill their commitments. Companies must set targets and procedures that can be assessed and audited. They may submit action plans either individually or through an industry association. Plans covering more than one year will have annually on progress and performance. After officials discovered a lag time between the time of signature and the payment of fees in May 2001, the governing council made two requirement changes: action plans must be launched within three months after signing instead of 12 and the fees associated with membership must be paid within one month.

*Some of the possible means of demonstrating compliance are:*

- Set objectives and monitor performance outcomes
- Commit to continuous improvement of environmental outcomes in the production, use, sale and/or processing and recovery of packaging material
- Develop/review material specifications for use of recycled products
- Contribute to research and development into minimize waste through product design
- Support the development of markets for the use of recovered and recycled material.

The action plans are to be assessed by the Covenant Council, comprised of representatives of signatory governments and components of the packaging supply chain. The NEPM’s focus on brand owners will theoretically leave non-signatory raw material suppliers and packaging manufacturers out of the scope of enforcement action.

Retailers will be treated as brand owners in regard to packaged product they import directly and their home brands. Therefore, a retailer who does not sign the covenant will be covered by the takeback requirements for their products.

The covenant does not specify industry obligations for waste processing or treatment once it is collected by the local governments. Ian Swann of the Plastics and Chemical Industries Association (PACIA) say it is possible to enlist the waste industry in helping to “identify what to do with the collected materials.”

#### **NEW SOUTH WALES:**

Recycling plan agreements are currently in place with the tire, dairy, beer and soft drink, and packaging industries under the 1996 New South Wales “producer responsibility law.” The successor packaging plan implemented the National Packaging Covenant and does not apply to compliant Covenant signatories. In 2001, the region also enacted on a new waste law that urges the industrial sector to take responsibility for their packaging or products under a new extended producer responsibility (EPR) approach to solid waste management.

The Australian Environment Protection and Heritage Council (EPHC) and the New South Wales Environmental Protection Agency formed a working group to develop a proposal for a national environmental risk management framework for chemicals. They will confer with ministerial councils, communities, government agencies and industry to develop the proposal. No date was set for the release of their findings.

**The Avoidance and Recovery Act of 2001** calls for industry to voluntarily implement 'environment sensitive' solid waste management measures and states that EPR regulations will be a last resort. This law replaces the 1995 Waste Minimization and Management Act. The law states "EPR will not be used to regulate effective voluntary industry waste reduction schemes. It will only be considered as a mechanism where the market has failed to deal with its waste."

A new waste management enforcement body, Resource NSW, has been created to assist regional efforts. At press time, RLI had no information on which products with inadequate markets the state would target for new agreements. Under a national packaging covenant, states must pass their own implementing laws.

#### **DEPOSITS AND FEES:**

South Australia is the only state in Australia to have container deposit legislation, passed in 1975. Deposits are required on carbonated beverages-beer and soft drinks. Exporters of beverage containers to South Australia must either join a container collection agency or arrange a point-of-sale takeback.

In 2002, the Australian government was contemplating a levy on plastic bags similar to Ireland's. The 12,000 members of the Australian Retailers Association (ARA) are resisting government action to impose a levy on plastic bags in supermarkets, even though a survey showed that 80% of consumers supported the levy. In December, Australian environment ministers announced that a plastic bag levy will only happen if retailers fail to meet voluntary recycling and reduction targets set for the end of 2004. Retailers are asked to cut plastic bag litter by 75% and reach a recycling target of 50% by 2004.

The Federal Environmental Minister, Ian Campbell, announced that in June 2005 he will ask retailers to agree to phase out plastic bags completely by 2008. Retailers would be given three months to sign the document that would be made public to shoppers. Overall, recycling of plastic bags is not successful, as only 3.2% of plastic bags were returned to supermarkets for recycling from June to December last year. This was found by a study done by the Australian Retailers Association in March, 2005. Government is continuing to work on the levy legislation in case retailers fail to meet the targets. Additionally, the ministers are in favor of funding research to study the degradability of plastic bags, developing a national standard for degradable plastics, and determining the effect putting biodegradable plastics on the market would have on recycling, manufacturing, and landfilling.

In 2007 the ministers of the Environment Protection and Heritage reaffirmed their commitment to phase out plastic bags by 2009.

#### **LANDFILL BANS:**

South Australia -- on tires and "very" thin-walled glass containers; Queensland -- tires, solvents, pesticides and oil. IT Recyclers, an electronic recycling company based in Sydney, offered businesses an alternative to landfilling old computers.

#### **OTHER WASTE STREAMS:**

South Australia has a funded voluntary system for household hazardous waste. The Environmental Protection Authority collects HHW from either a depot or a mobile depot, and pays for its disposal. In major cities, all types of items including used oil are collected through curbside and drop-off systems. The ANZECC strategy called for better management and recovery of C&D waste.

By the end of January 2005 ten countries will have implemented wood packaging material regulations and will only accept word processing material from other countries who have implemented the regulations as well.

#### **OIL:**

Since January 1, 2001, oil producers and importers have paid a five-cent per liter fee to fund grants to oil recyclers. The fee is expected to generate A\$25 million (US\$13.4 million) per year. The government has budgeted A\$60

million (US\$32.2 million) as a back up in transitional assistance for the first four years of the oil stewardship program.

Benefits from the program will be available to recyclers of waste oil at rates ranging from 50 cents per liter for re-refined base oil (Category 1) down to three cents per liter for low-grade industrial burning oils (Category 6).

**BATTERIES:**

No mandates yet, though there are pilot programs.

**ELECTRONICS:**

Currently there is voluntary take back on a number of products, but according to Russ Martin of Martin Stewardship and Management Strategies that's probably going to change. There is a push for regulation as many in government take the "best practices" approach, i.e. "if the EU has WEEE regulation, so should we." This is not necessarily in line with the needs of the country given the lower population density.

So, if it's coming what's Australian WEEE regulation going to look like? Well, ministry is not overly concerned with televisions, mobile phones, or tyres as impressive strides had been made through industry funded, and operated, programs. So the target is really computers and their peripherals. Certainly, mandatory labeling is often the first response, from there it could become a voluntary scheme with free-rider provisions or something resembling the oil stewardship scheme with levies which would be established by legislation and governed by customs requirements since most electronics in Australia are imported.

In October 2005, Environment Ministers announced development of a National Environment Protection Measure (NEPM) for Product Stewardship. This would include "National framework and safety net for voluntary agreements with industry sectors" with enforcing legislation in each state and industry-specific schedules attached as programs developed.

Australia's federal Minister for the Environment and Water Resources, Malcolm Turnbull, directed the Department of the Environment and Water Resources to investigate ways to recover costs of recycling computers and report its findings to the Environment Protection and Heritage Council in 2007.

The council is comprised of state and territory environment ministers, and is expected to meet to consider new regulations in November. A levy and a California-style advance disposal/recovery fee are among a range of measures that state and federal environment authorities would consider for a national electronics recycling program.

The Australian government and the information technology industry have been unable to reach consensus on tackling the computer recycling problem in Australia for more than a year. There are widely different views on how to handle computer recycling levy. The dilemma of how to handle orphaned products and waste from small computer vendors has also impeded progress.

In November 2006, the Australian Information Industry Association proposed a scheme based on a voluntary levy that distributed costs for computer recycling based on market share. But this proposal was rejected by the Environment Protection and Heritage Council citing lack of industry consensus.

The Association has expressed opposition to regulations that would require an advance disposal fee.

**INCANDESCENT LIGHT BULBS:**

Australia has approved its first energy efficiency project under the Greenhouse Friendly scheme. Under this project, an Australian company Easy Being Green will give out free compact fluorescent lamps (CFLs) to at least one million Australian households.

The households receiving the free CFLs will sign over their carbon abatement to Easy Being Green, who will sell the approved abatement to business and consumers under the Greenhouse Friendly scheme.

This announcement complements the government's February 2007 announcement that it will replace inefficient incandescent lights with energy efficient lights by 2010. The government estimates that this will reduce greenhouse gas emissions by four million tons by 2015.

**GREEN LABELING:**

The Trade Practices Commission issued guidelines for environmental labeling in 1992. Though similar to the Federal Trade Commission guidelines, they are more general. Both the state and federal governments have the authority to prosecute misleading advertising under the Trade Practices Act. The guidelines are available from the Commission office.

**DOMESTIC ECOLABELING PROGRAM:**

Environmental Choice Australia is a voluntary program which is still in progress. More information on Australia's program is found in Raymond Communication's Green Labeling Report.

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**Oil Stewardship Program** [www.environment.gov.au/epg/oilrecycling](http://www.environment.gov.au/epg/oilrecycling); Carolyn Gresele, Automotive Waste Resources +61 2 6274 1770, [carolyn.gresele@ea.gov.au](mailto:carolyn.gresele@ea.gov.au)

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