EXPLANATORY STATEMENT

Select Legislative Instrument 2011 No. 212

Issued by the authority of the Parliamentary Secretary for Sustainability and Urban Water

Product Stewardship Act 2011

Product Stewardship (Televisions and Computers) Amendment Regulations 2011 (No. 1)

The Product Stewardship Act 2011 (the Act) provides a framework for mandatory, co-regulatory and voluntary product stewardship. The objects of the Act are drawn from the aims of the National Waste Policy: Less Waste, More Resources and seek to address the environmental, health and safety impacts of a product or material across its full lifecycle, from manufacture to disposal.

Section 111 of the Act provides that the Governor-General may make regulations prescribing matters required or permitted by the Act to be prescribed, or necessary or convenient to be prescribed for carrying out or giving effect to the Act.

The Product Stewardship (Televisions and Computers) Regulations 2011 (the Principal Regulations) established the National Television and Computer Recycling Scheme (the Scheme).

These Regulations amend the Principal Regulations to require that a 90 per cent material recovery target apply to recycling undertaken under the Scheme from the financial year 2014-15.

Details of the Regulations are outlined in the Attachment.

Background

The Principal Regulations specify two outcomes to be achieved by industry under the Scheme, namely to provide the community with reasonable access to collection services and to ensure that annual recycling targets are met.

The annual recycling targets seek to ensure that a specified weight of waste products is sent through the initial stage of recycling each year. “Recycling” refers to the initial processing of the product for the purpose of recovering useable materials, and includes processes such as disassembly or shredding of the product.

The purpose of the Regulations is to insert a material recovery target into the Principal Regulations which complements the recycling target. “Material recovery” refers to the proportion of the weight of materials that is sent after recycling for processing into useable materials. It is a measure of the quality of recycling.

The material recovery target applies from the financial year 2014-15. It has been included in the Principal Regulations at this early stage of the Scheme to provide advance notice and
certainty and to allow time for consistent material recovery measurement and reporting methods to be developed.

A regulation impact statement, entitled *Material Recovery under the National Television and Computer Recycling Scheme*, was completed in November 2011. The regulation impact statement supported the inclusion of a material recovery target to apply from 2014-15. It demonstrated a material recovery target of 90 per cent is achievable, and will assist in maintaining the integrity of the Scheme, minimising the amount of materials (including hazardous materials) sent for disposal to landfill and maximising the recovery of resources in a safe, scientific and environmentally sound manner. The regulation impact statement can be obtained from the website of the Department of Sustainability, Environment, Water, Population and Communities ([http://www.environment.gov.au](http://www.environment.gov.au)).

**Conditions for the making of the Regulations have been met**

For the purposes of subsection 19(3) of the Act, the Minister is satisfied that:

- making the regulations in relation to the classes of products specified will further the objects of the Act; and

- the product stewardship criteria set out in section 5 are satisfied in relation to the classes of products specified.

**Consultation**

The Regulations were developed following a comprehensive national consultation process, commencing in July 2009 with the Consultation RIS undertaken by the Environment Protection and Heritage Council. This consultation process involved public meetings in four capital cities, which were attended by 163 people. It also involved the opportunity to make written submissions, of which 130 were received. This consultation process was undertaken on the basis that products recycled will be recovered and diverted from landfill. While the issue of material recovery rates and targets were not specifically covered in the Consultation RIS, some submissions highlighted the issue and recommended that an achievable minimum material recovery rate be included in the Scheme.

A further consultation process was conducted in March and April 2011 on the *National Television and Computer Product Stewardship Scheme Consultation Paper on the Proposed Regulations* (the consultation paper). The consultation process involved public meetings in all capital cities and three regional areas, which were attended by over 300 people. It also involved the opportunity to make written submissions on the proposed design of the Regulations, of which 62 were received. The consultation paper proposed that a material recovery target would not be set in the Regulations, as insufficient information was available to prescribe what a reasonable level of performance would be. Stakeholders, including state government, recyclers, industry groups and environment groups, opposed this proposal and argued that a material recovery target was needed to maintain the integrity of the Scheme and to prevent recyclers from recovering only the highest value materials and sending the low-value materials (including hazardous materials) to landfill.

The *Exposure Draft of the Product Stewardship (Televisions and Computers) Regulations 2011* (the exposure draft) and an accompanying commentary document were released on 12
September 2011 for a four week public consultation period and sought feedback to ensure the proposed Regulations were appropriate. Public forums were held in each capital city and attended by 223 people. It also involved the opportunity to make written submissions on the draft Regulations, of which 29 submissions were received.

The exposure draft included a 75 per cent material recovery target commencing in financial year 2014-2015 as a basis for consultation with stakeholders. The inclusion of a material recovery target was in response to stakeholder feedback on the consultation paper. Fourteen submissions, from business and industry groups, state governments, local governments, a recycler and an environment group, commented on the material recovery target. All welcomed the inclusion, with a general consensus for a material recovery target of 90 per cent or higher. This feedback was taken into account in the preparation of the regulation impact statement referred to above.

Commencement

The Regulations commenced the day after registration on the Federal Register of Legislative Instruments.

The Regulations are a legislative instrument for the purposes of the *Legislative Instruments Act 2003*. 
ATTACHMENT

Product Stewardship (Televisions and Computers) Amendment Regulations 2011 (No. 1)

Regulation 1 – Name of Regulations

This regulation provides that the title of the Regulations is the Product Stewardship (Televisions and Computers) Amendment Regulations 2011 (No. 1).

Regulation 2 – Commencement

This regulation provides for the Regulations to commence on the day after they are registered on the Federal Register of Legislative Instruments.

Regulation 3 – Amendment of Product Stewardship (Televisions and Computers) Regulations 2011

This regulation provides that Schedule 1 amends the Principal Regulations.

Schedule 1 – Amendments

Item 1 – Subregulation 1.03(1)

This item amends regulation 1.03(1) by inserting a definition of material recovery target. The material recovery target means the proportion of products in a class of products to be sent after recycling for processing into useable materials in a particular financial year, worked out under regulation 3.06.

Item 2 – Paragraph 3.01(1)(b)

This item amends paragraph 3.01(1)(b) and is required as a consequence of item 3 below.

Item 3 – After paragraph 3.01(1)(b)

This item inserts a paragraph 3.01(1)(c) after paragraph 3.01(1)(b). Paragraph 3.01(1)(c) provides that a material recovery outcome worked out under regulation 3.06 must be met commencing from the financial year 2014-2015 and in each subsequent financial year. This will allow time for consistent measurement and reporting methods on material recovery rates to be developed.

Item 4 – Subregulation 3.01(2)

This item amends subregulation 3.01(2) and is required as a consequence of item 3 above.

Item 5 – After Division 3.3

This item inserts Division 3.4 to specify a material recovery target for material recovery from recycling.
Regulation 3.06 relates to the quality of recycling that is undertaken under a co-regulatory arrangement. From financial year 2014-2015, and in each subsequent year, a co-regulatory arrangement must achieve, as a minimum requirement, a 90% material recovery target. The commencement date of this requirement will allow time for the development of consistent measurement and reporting methods on material recovery rates.

This regulation needs to be read with the definition of “material recovery target” in regulation 1.03(1). This term captures the proportion, by weight, of end-of-life products that are recovered following recycling and sent for processing into useable materials.

Example: An arrangement delivers 10,000 tonnes of end-of-life computers, printers and computer products to a recycler, which disassembles the products. 1,000 tonnes is sent to landfill because it is contaminated or broken, and the remainder is sent for further processing into metals, plastics and other useable products. The arrangement will have achieved a 90% material recovery rate and will have met the material recovery target.