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MRI SUBMISSION ON PROPOSAL TO BAN E-WASTE FROM LANDFILL IN VICTORIA

MRI (Aust) Pty Ltd is pleased to provide a response to the Victorian Government's discussion paper, "Managing e-waste in Victoria – starting the conversation", which proposes to ban e-waste from landfill in Victoria. This proposal is of importance to MRI as we are one of Victoria's and Australia's largest processors of electrical and electronic waste and Australia's largest non-lead acid battery recycling.
At this stage of the review, in the absence of detail about the proposed approaches to ban e-waste from landfill and a cost-benefit assessment of the regulatory impact of the proposal, we can only highlight issues that we consider Government should seriously consider before proceeding any further with this review.

Existing schemes for managing e-waste

We are highly supportive of the nature and thrust and intent of the Government's aspirations for this review with respect to e-waste, including reducing hazardous materials, greenhouse gas emissions and safety risks, providing certainty and stability to industry, increasing community awareness, creating more jobs, and improving recycling technology. However, we remain concerned as to how any state based scheme will interact with existing schemes. Some flaws in existing schemes as we see it are:-

We acknowledge there are existing frameworks in place in some sectors including

Televisions and computers: The National Television and Computer Recycling Scheme (NTCRS) is the first co-regulatory product stewardship arrangement under the national Product Stewardship Act. This has driven substantial recycling over recent years. The Federal Government has only recently completed an operational review of the NTCRS and implemented changes which commenced from 1 July 2015. A broader review of the NTCRS and the Commonwealth Product Stewardship Act is expected in 2016-17. The scheme is not without its flaws including

- poor milestones that can change during the period
- volumes targets that can move causing enormous problems for recyclers in terms of regularity of supply
- Uncertainty for local government as to level of support received from CO Regulatory arrangements. For example the NEWRRG has tendered out E waste recycling to a third party
- To address these concerns, the Federal Government has sharply increased the targets for the NTCRS. However they also reduced average weights of units which anecdotally has indicated a net reduction in the annual target. We are unable to confirm this has the annual target from NTCRS was not available at the time of writing

SA Government E waste ban of all types of electrical and electronic e waste from landfill.

- In adequate funding for local government seems to be major problem as volumes recovered are not in line with per capital consumption

ACT government commitment to no waste to landfill

Suffering from funding issues recent indications that the territory government is considering a range of options including landfilling if they cannot get adequate funding from CO Reg Arrangements under the

The proposed ban will clearly overlap with existing regulatory mechanisms and reviews that cover particular e-waste products, including:

- Televisions and computers: The National Television and Computer Recycling Scheme (NTCRS) is a major co-regulatory product stewardship arrangement that has driven substantial recycling over recent years. The Federal Government has only recently completed an operational review of the NTCRS and implemented changes which commenced from 1 July 2015. A broader review of the NTCRS and the Commonwealth Product Stewardship Act is expected in 2016-17.
- Refrigerators and air conditioners: In June 2015, the Federal Government decided not to pursue further work on product stewardship approaches for end-of-life domestic refrigeration and air conditioning equipment. The Government's cost benefit analysis found that none of the options would generate a net benefit to society.
- Batteries: The Federal and State Governments have recently agreed to continue negotiations with industry on a voluntary stewardship program. Several pilots are also underway or starting soon, including Battery Back and pilots for power tools, emergency lighting and button batteries.
- Mobile phones: Mobilemuster is a national voluntary mobile recycling program which covers mobile phones, accessories and batteries.
- Other state based initiatives

We therefore strongly encourage the Victorian Government to harmonise its approach with other jurisdictions to take into account the existing e-waste recycling schemes and arrangements, and to avoid creating new regulatory measures that overlap or conflict with these existing measures. . This could be achieved in part by harmonising the forth coming regulatory review of NTCRS.

Definition of E Waste

If it plugs in or has a battery as defined in the discussion paper is a good start. However consideration needs to be given to inclusion into the scheme of following product/collection streams:-

- Batteries post-consumer and embedded in the product it is important that these are not excluded as consumers consider batteries has having some of the highest toxicity. In addition the NTCRS includes batteries embedded in a product but excludes batteries consumed and collected separately to the product
- Printers consumables- at present these are excluded from the NTCRS unless embedded in the product
- Product is not restricted to consumer arisings for example it should include Infrastructure assets from telecommunications providers IT assets such mainframe equipment for major users and medical equipment from the health sector
- Motor vehicle distributors should also be required to capture legacy product with electronics such as hybrid batteries and circuit boards out of a vehicle
- Power distribution companies – oil filled plant, capacitors, transformers , cable, battery back-up system wind farm assets should be included
- New technology items such as Photo voltaic panels, invertors , and battery back-up units

- Residual product from auction houses require safe disposal and only tested and working product can be sold. There is a desire on behalf of venders to salt broken and redundant product with working equipment to avoid disposal costs
- Assistance needs to be considered for charitable organisations – it is a well-known fact the consumers use charitable drops off as a method of disposing of unwanted and useless electrical and electronics
- Residual product from commercial tenants in buildings must be diverted from landfill requiring source separation at the earliest point of aggregation such as building waste collection points. There is tendency by commercial tenants to put it out with a other waste without effective diversion
- Adequate solutions in place for high rise residents – many resident do not have viable methods of transporting product for recycling as such there needs to be recognition of this fact
- Aged consumers do not have strength transport or ability to deal with legacy product in adequate manner. Consideration needs to be given how they can comply with any ban
- Kerbside/Hard waste collection often use compaction as method of collection. This can impair the ability to recycle product. This procedure should be banned from a collection method for e waste /hard waste to

Funding additional e-waste recycling for recyclers

The cost of processing exceeds the value of recovery of recyclates that is there is cost associated with recycling and disposal. There will need to be a funding mechanism in place to pay recyclers adequate funding for recycling.

This funding needs to viewed at a numbers of levels

- Funding for infrastructure to encourage increased diversion rates
- Subsidies /gates fees to be met out of the waste levy. Any such subsidies should be linked to diversion rates achieved and movements in values of recyclates
- Long term contracts and minimum tonnage guarantees also help provide additional market support to an industry that has been hit by inconsistent volumes from the NTCRS and is wary of investing heavily into an industry where there is significant uncertainty as to volumes to terms of regularity and consistency
- A ban without an increase in the funding available from government, industry or consumers to support recycling would not offer stability to the e-waste recycling sector
- The order of magnitude of cost of processing e waste requires a gate fee of in the order of $500 to $1000 per tonne against competitive landfill alternative of between $150- $250 per tonne in Victoria.

Funding additional e-waste recycling for local government

Local governments have a significant role to play in any ban, and indeed are responsible for the portion of waste arising that is outside the current recycling targets under the NTCRS. There is concern that local government is unable or unwilling to meet this responsibility by adequately funding diversion and recycling. This has implications for the stability of the recycling sector and consequent growing risks through the stockpiling of material that was beyond industry targets and not economic to recycle.

If an e-waste ban were to be imposed on landfill in Victoria, it is likely that substantial amounts of waste will be diverted from landfill in the first instance. But the capacity of local government to manage the waste stream and fund recycling will not necessarily increase commensurately. This could result in potentially dangerous stockpiling, financial instability for local government or recyclers, or the hasty imposition of costs on industry.

Local government must be adequately fund and incorporate into their budgeting process the increased costs of diversion. In addition there is anecdotal evidence in some jurisdictions that local government is avoiding their responsibilities for diverting e waste from landfill. As such there should be adequate measures in place

to ensure individual local government landfill /transfer stations measure and track volumes collected to ensure their obligations are met.

Therefore, in assessing the costs and benefits of introducing an e-waste ban in landfill, serious consideration should be given to how this may impact on government, recyclers and consumers to fund collection and recycling of additional e-waste. Landfill bans do not necessarily create better economics for recycling.

Data Security and Reuse

An important issue for the industry is to provide suitable assurances around the issue of retained data on devices such as computers and mobile phones. The industry needs to introduce in their code of practice and provide some sort of transparency as to how data contained devices are managed to prevent illegal access. A code of practice for the industry supported by optional fees for consumers to track and receive documented confirmation of data destruction process.
Anecdotal evidence indicates there is pent up demand for viable tracking for data contained devices

Recyclers' Minimum Standards

Recyclers should be required to meet minimum mandatory stands such as the AS4377 meet by audits by accredited bodies. In this way the recycling industry can demonstrate via third party accreditation adherence to a standard. In addition the AS5377 should be bought into line to be recognised by other bodies/standards such as EPEAT. By achieving this sort of recognition can obviate the need for recyclers' to seek multiple standards and accreditations and hence the need for costly multiple audits

The Minimum standards should also be supported by annual reports by n recyclers' for meeting mandatory targets as to

- Recycle rates
- OH& S targets
- Mass balance reporting
- Other additional target such a data destruction standards

Recyclers' should also be encouraged to specialise in particular waste streams such as

- Degassing of Devices
- Battery recycling services
- Data Destruction
- Smoke detector

In this way centres of excellence can make sure economies are achieved and adequate returns achieved on funds invested together with Best Practice outcomes

Policing

There needs to strict monitoring of performances by

- Collector
- Local government
- recyclers

To ensure targets are meet and societies' expectations are met on a long term basis. Often standards are lowered by lack of adherence to minimum standards. A responsible regulator needs to be able to monitor performance and ensure standards are maintained.

Public safety standards

Any landfill ban would need to be accompanied by adequate environmental regulation to deter and respond to any dangerous stockpiling. Appropriate health and safety standards and best practice for e-waste management should be in place.

For any further information in relation to this submission, please contact our adviser Will LeMessurier (03) 9303 1814, will@mri.com.au).

Yours faithfully

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