



Environment Protection and Heritage Council



Consultation Regulatory Impact Statement: Televisions and Computers





Overview

- Australians are early adopters of technology
- Environment Protection and Heritage Council (EPHC) is committed to finalising product stewardship arrangements for televisions and computers at their meeting in November 2009
- Stakeholder consultation is an important part of the process
- The Electrical Equipment Product Stewardship working group is leading the work





Background

- E-waste – EPHC national priority waste
- Discussion Paper: *Developing a Product Stewardship Strategy for Electrical and Electronic Appliances in Australia* (March 2001)
- Electrical Equipment PS sub-group (2002)
- Industry trials
 - Beyond the Dead TV
 - Recycle IT!
 - Byteback
- Initial focus on voluntary industry schemes
- Call for Regulatory Safety Nets





Background

- In 2005, EPHC initiated the development of a generic framework *Product Stewardship National Environment Protection Measure (NEPM)*
 - State-based, nationally consistent, co-regulatory safety net
 - Performance-based EPR approach (Targets)
 - Designed to drive producers into voluntary industry schemes
- Initially aimed at TVs and Tyres
- Emergence of new priorities:
 - Productivity Commission enquiry on Waste Management (Oct 06)
 - Banks Report: Rethinking Regulation (Apr 06)
 - COAG: Best Practice Regulation – A Guide for Ministerial Councils and National Standard Setting Bodies (Oct 07)





Background

- Stand alone action on televisions and computers (2007)
- Choice Modelling survey (2008)
- Identification of preferred option by November 2009
- Consultation RIS – 15 July





Why is action being considered?

- Conservation of non-renewable resources
- Community expectations
- Free-riders
- Environmental Externalities
- Landfill direct costs & opportunity loss of land





What do we want to achieve?

- Organised collection and recycling scheme, which is national in scope and with processing undertaken according to best practice
- High collection and recycling rates for televisions and computers in order to reduce their impact on the environment and improve the recovery and utilisation of the materials contained in them
- Address all products including historical and orphan stocks
- Simply and effectively regulated/enforced and administered
- Self financing
- Meet community expectations and be simple for consumers to use





Consultation Package

- Consultation Regulatory Impact Statement (RIS), including cost benefit analysis
- Choice Modelling survey
- Draft Television Industry Code of Practice





Consultation RIS

The aims of the RIS are to:

- Identify the nature and significance of the problem
- Justify government intervention
- Identify clear objectives for that intervention
- Identify viable policy options to achieve the objectives
- Analyse the Efficiency, Effectiveness and Equity of the options through a Cost Benefit Analysis
- Determine if government intervention will result in a net benefit to the community
- Provide a robust public document and invite feedback





Policy Objectives

- Bring recovery of TVs & computers into line with community expectations
- Improve resource efficiency
- Fair & equitable coverage: geographically, across industry and products
- Complimentary to existing policies and obligations





Consultation RIS Options

The RIS examines nine major options or groups of options and a 'business as usual' case:

1&2: Co-Regulatory State-based EPR (NEPM) with exemption for belonging to an industry scheme

- i. joint television and computer industry scheme
- ii. separate television and computer recycling scheme

3&4: Co-Regulatory Commonwealth-based EPR with exemption

- i. joint television and computer industry scheme
- ii. separate television and computer recycling scheme

5&6: Co-Regulatory Commonwealth-based excise (levy) with exemption

- i. joint television and computer industry scheme
- ii. separate television and computer recycling scheme

7: Mandatory Commonwealth-based levy with government scheme

8: Mandatory Import license with all importers required to belong to a scheme

9: Mandatory state-based EPR (NEPM)





Results of the CBA

- All 9 options result in a net benefit
- There is little to separate the options
- Any differences are due to ramp up of recycling rates and varying administrative costs
- Mandatory Commonwealth Levy results in the highest Net Present Value (NPV)
- Incremental costs are lowest for the Commonwealth EPR and highest for a Mandatory Import License
- Commonwealth-administered options result in lower costs to all levels of government and are lowest for a Commonwealth EPR and highest for a Mandatory Import License





Options with the Highest NPV

- Option 7 – Mandatory Commonwealth levy with government run scheme
- Option 5 – Co-regulatory Commonwealth Levy with exemption if belonging to a scheme
- Option 8 – Mandatory Commonwealth import license requirement
- Option 3 – Co-regulatory Commonwealth-based Extended Producer Responsibility with exemption if belong to an industry scheme
- Option 1 – Co-regulatory state-based extended producer responsibility (NEPM) with exemption if belong to an industry scheme





How do we identify a preferred option?

Proposed criteria

- Net benefit to the community
- **Acceptability to stakeholders**
- Time to implement
- Cost of government administration
- Impact on the market is equitable
- Legal
- Considers other government processes





Choice Modelling

- Landmark for Product Stewardship
- Determine the community's willingness to pay (WTP) for recycling e-waste
- Hypothesis: the community has a high willingness to pay for television and computer recycling but this demand is not being met
- Choice Modelling survey underpins the CBA





Results of Choice Modeling

- Average household had:
 - 7 items (TVs and computers)
 - 29.7% of households had 4 or more TVs
- Average Willingness to Pay:
 - \$0.50 per new item for 1% increase in recycling
 - Hypothecates to \$35 to achieve 70% recycling or \$45 to achieve 90% recycling
- Premium for kerbside collection
 - \$3.55 per item





Draft Code of Practice for Managing End-of-Life Televisions

- Minimum guidance on how EoL TVs should be managed.
- Performance-based
- Content:
 - Collection, storage and transport
 - Infrastructure
 - Refurbishment and Reuse
 - Dismantling and Recycling
 - Management Systems
 - Verification and Accreditation





Next Steps

15 July – 13 August 2009	Public consultation period open for 4 weeks
13 August 2009	Submissions close
August/September 2009	Development of a Decision RIS
November 2009	EPHC Meeting – agree a national approach





How can you contribute?

- Share your ideas, insights, knowledge and information at this session.
- Make a submission on the Consultation RIS: Televisions and Computers by close of business 13 August 2009.
 - Written submissions should be sent to:
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