

Initiative of



ACT
Government

ACT
CDS
container deposit scheme

Scheme Design

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Extended Producer Responsibility

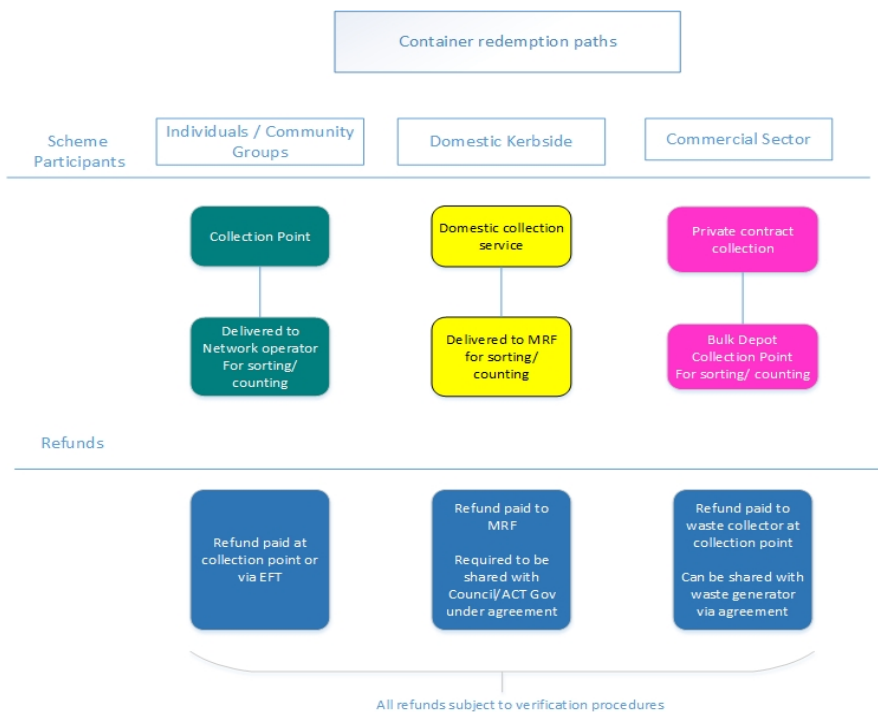
- CDS is a product stewardship scheme – mandated by legislation
- Beverage industry shares responsibility with consumers for managing beverage containers
- Key aims: Reduce litter, increase recycling of beverage containers

Key principles

- Alignment with other CDS:
 - seamless cross border experience for consumers
 - reducing complexity and administration for suppliers
- Based on *actual returns* - only redeemed containers accrue costs to scheme
- Involving community organisations to participate and benefit

'Scheme-matic'

Paths for
container returns



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Legislative Framework

- ***Waste Management and Resource Recovery Act 2016***

Sets the structure of the CDS - closely aligned with NSW

“Scheme Coordinator”, “Network Operator”, “Beverage Suppliers”

- ***Waste Management and Resource Recovery (Container Deposit Scheme) Amendment Regulation 2018 (draft)***

Sets the ‘rules’ for the CDS:

- *10c refund*
- *eligible beverages and containers*
- *refund marking*
- *Scheme compliance*
- *Scheme access*

Role of Scheme Coordinator & Network Operator

Scheme Coordinator

- Ensures funds flow through scheme
- Captures supplier, network and recycling info
- Promotion and marketing of the scheme
- Scheme reporting and performance
- Scheme integrity and info confidentiality
- 7 year appointment

Network Operator

- Establish collection point network across ACT
- Pay 10 cent refunds for returned containers
- Count and report on returned containers
- Meet service delivery and return rate targets
- Customer service and complaints handling
- Partner with community organisations
- 5 year appointment

Fair dealing: The Act & scheme agreements ensure the Scheme Coordinator and Network Operator will not act unfairly, or unreasonably discriminate, against or in favour of any scheme participant in performing their functions

Role of beverage “suppliers”

To supply beverages in the ACT after 30 June 2018, “suppliers” must have two things:

1. **“supply arrangement”** with the scheme coordinator
2. **“container approval”** for each beverage product

Supply Arrangements

- Similar documentation and requirements to NSW scheme
- Standard format for all suppliers
- Electronic signatures

Container Approvals

- ACT CDS will recognise other container approvals
- No need for any further approvals if you already have one in SA/NT/NSW

Who is a beverage “supplier” in ACT?

<i>supplier—</i>		
	<i>(a)</i>	<i>means an entity that—</i>
		<i>(i) manufactures a container; or</i>
		<i>(ii) imports a container from a State or</i>
<i>another country; and</i>		
	<i>(b)</i>	<i>carries on a business that is, or includes, the supply of a</i>
<i>beverage in the</i>		<i>container; but</i>
	<i>(c)</i>	<i>does not include a person prescribed by regulation not to be</i>
<i>a supplier.</i>		
<i>supply</i>		<i>means provide, by way of sale or otherwise, in the course of carrying on a</i>
<i>business.</i>		

To identify the supplier in any individual case will depend on the particular manufacturing, distribution and supply chain for that beverage.

The scheme coordinator has the responsibility to identify beverage suppliers to the ACT and ensure they participate in the Scheme via signing supply arrangements and making supply contributions when required.

Who is a beverage “supplier” in ACT? (2)

In order to help avoid disputes about who the supplier is, the following are guiding principles the scheme coordinator will use to correctly identify suppliers:

- Ownership:** The entity that owns the beverage, or owns the brand rights to the beverage, or has the rights to deal with the beverage (e.g. sell, give away) when it enters the ACT is considered the “supplier” for the ACT CDS.
- Change of title:** When a beverage product is sold, its ownership (or title) changes. For beverages imported to the ACT, the entity that has title to the beverage product immediately prior to it entering the ACT is considered the “supplier” for the ACT CDS. For beverages manufactured in the ACT, the manufacturer will likely be the “supplier” except where it manufactures for a separate entity which owns the beverage.
- Location of supply:** The supply occurs where the supplier passes over the beverage container to the recipient in the ACT.

Refund Marking

- All containers must have a “refund marking”
- Proposed to commence 30 June 2020
- Common refund marking agreed across all CDS states/territories

10c refund at collection depots/points in participating State/Territory of purchase

Kerbside returns – Materials Recovery Facility (MRF) Protocol

- Containers in kerbside recycling bins eligible for a 10 cent refund
- Includes ACT and 4 surrounding NSW Councils
- Paid to MRF - **refund sharing** required between Councils/ACT and MRF
- Only containers in kerbside recycling bins eligible for a refund

Key differences between ACT and NSW CDS

The ACT and NSW schemes are closely aligned to minimise duplication and ensure a seamless cross border experience for consumers

ACT	NSW
Suppliers invoiced 1 st of month	Suppliers invoiced 1 month in advance
Face-to-face collection points, partnering with social and disability enterprises	Mix of face-to-face and Reverse Vending Machine collection points
Only kerbside eligible for a MRF Refund – commercial waste must go through collection network for refunds	Kerbside and commercial waste eligible for MRF Refund
Containers must be able to be 'identified' as CDS eligible via a more flexible manual process	Containers must be intact able to be scanned and electronically identified as CDS eligible
Initial scheme pricing assumes 70% return rate	Initial scheme pricing assumed higher return rates

Scheme Compliance

- **Scheme Coordinator:**
 - Verification & audit of Network and MRF's
 - Prevent, monitor and report fraud
 - Invoicing and container data from suppliers

- **ACT Government:**
 - Oversee scheme coordinator and network operator (Act/Regulation and agreements)
 - Approve and licence collection points
 - Monitor collection network compliance and service delivery targets
 - Monitor scheme performance
 - Enforce scheme compliance (eg. fraud, performance failures)