

C/- 65 Homebush Road
STRATHFIELD 2135

Contact: Stephen Summerhayes
Stephen.summerhayes@strathfield.nsw.gov.au

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Container Deposit Implementation Team
Waste and Resource Recovery Branch
NSW EPA

Lodged via email: container.deposit@epa.nsw.gov.au

Dear Sir/Madam,

RE: SUBMISSION ON THE NSW CONTAINER DEPOSIT SCHEME DISCUSSION PAPER

Containers significantly impact our coasts and waterways and therefore the myriad ecosystem services they provide. We enthusiastically support the introduction of a transparent, robust and effective container deposit scheme. We welcome and appreciate the opportunity to comment on your Discussion Paper.

1. Summary of submission

- 1.1 Our urban coasts and waterways are precious, valuable and irreplaceable. They are of enduring value and must be cared for.
- 1.2 Containers substantially impact upon our urban coasts and waterways.
- 1.3 The success of existing litter, waste and resource recovery strategies in addressing the impacts of containers can be enhanced.
- 1.4 A container deposit scheme is a crucial addition to the range of strategies addressing litter, waste and resource recovery. Recycling and reuse should be part of a comprehensive waste reduction strategy.
- 1.5 The cost of a container deposit scheme must be considered in the context of a full life cycle assessment (environmental, social and economic impacts) of containers.
- 1.6 Those that produce or utilise containers should be responsible for eliminating their impacts.
- 1.7 A container deposit scheme should:
 - a) include environmental, litter reduction and sustainability objectives
 - b) have a comprehensive scope to capture the range of existing and potential future container sizes
 - c) include neck rings and lids
 - d) be based upon financial incentives that can be redeemed in various ways and that are sufficient to achieve:
 - i) a recovery/return rate of at least 80%; and
 - ii) the Premier's target to reduce the volume of litter by 40% by 2020

- e) extend redemptions to 'legacy litter' – to clean up containers already in the environment
- f) be independently managed and audited, and supported by strong penalties and enforcement
- g) be dynamic, adaptable and reviewed iteratively, at least every three years to ensure it is operating optimally.

2. Who we are

- 2.1 We are a consortium of four Sydney regional organisations of councils (Table 1), united through a common organisational goal of sustainable environmental management and in our support for a container deposit scheme.
- 2.2 Collectively, we have a membership base of 35 separate local councils whose combined population exceeds 3.9M.
- 2.3 We have expertise in sustainable environmental management and write as champions of coasts and waterways.
- 2.4 This submission addresses primary elements of the Discussion Paper that relate to our area of interest - coasts and waterways¹. It harnesses the technical, experiential and local knowledge of our Member Councils as well as key stakeholders.

Table 1. List of submission proponents.

Name (alphabetical)	Local Government areas			Population
	#	Names		
Cooks River Alliance	8	Ashfield Bankstown Canterbury City of Sydney	Hurstville Marrickville Rockdale Strathfield	910,607
Georges River Combined Councils' Committee	9	Bankstown Campbelltown Fairfield Hurstville Kogarah	Liverpool Rockdale Sutherland Wollondilly Shire	1,240,024
Parramatta River Catchment Group	10	Ashfield Auburn Bankstown Blacktown Burwood Canada Bay Holroyd	Hunters Hill Leichhardt Parramatta Ryde Strathfield The Hills	1,500,424
Sydney Coastal Councils Group	15	Botany Bay Hornsby Leichhardt Manly Mosman North Sydney Pittwater Randwick Rockdale	Sutherland City of Sydney Warringah Waverley Willoughby Woollahra	1,516,009

3. Value of urban waterways and coasts

- 3.1 Our urban waterways are highly valued by the community for amenity, culture and history, existence value and myriad other ecosystem services. The resilience of these ecological resources is crucial to enabling communities to flourish.
- 3.2 Urban waterways are primary receiving environments for urban runoff. As a result, they are a sink for pollutants, particularly gross pollutants such as containers (and their breakdown products such as microplastics). These pollutants are a blight on our waterscapes: they are

¹ Please note that this does not mean that we endorse (or reject) the remaining elements.

unsightly and significantly impact upon the biota and biogeochemical and hydrological processes.

4. Containers and urban waterways and coasts

- 4.1 Our organisations unite many urban water managers. Accordingly, we know that containers are a particular problem in Sydney's urban waterways and coasts (Figs 1-7; Table 2) and can undermine existing maintenance and improvement programs.



Fig. 1 Duck River, Parramatta River Catchment



Fig. 2 Boat Harbour, Cooks River



Fig. 3 Heynes Reserve, Cooks River



Fig. 4 Heynes Reserve, Cooks River



Fig. 5 Croydon Park, Cooks River



Figs. 6 & 7 Berry's Bay, North Sydney Council area (Photo Courtesy of Michael Stevens, HarbourCare)

Table 2. Rubbish collection results 2015 (# bags rubbish @ 68% plastic containers) for the Cooks River Alliance Intensive Corrections Order Program.

Month	Bags
January	25
February	90
March	204
April	178
May	118
June	172
July	327
August	462
September	221
October	126
November	243
December	56
TOTAL	2,222
KGS	5,777

- 4.2 Existing litter, waste and resource recovery strategies have been unable to adequately address the impacts of containers. Considerable resources are expended in an endeavour to ameliorate littering and its impacts.
- 4.3 A container deposit scheme is crucial for the conservation, preservation, protection, enhancement, and maintenance of our coasts and waterways, as well as to achieve sustainability objectives such as resource recovery.
- 4.4 The cost of a container deposit scheme (to industry, local government, the community etc) must be considered in the context of a full life cycle assessment of containers. A full life cycle assessment compiles and evaluates the inputs, outputs and the potential environmental, social and economic impacts throughout a container's life. If people desire the convenience of containers then they (and all other actors in the product chain) must be prepared to pay for the costs of addressing impacts (the polluter and user pays principles).

5. Key design element 1: Incentives

Question: What type of incentive do you think the CDS should have?

- 5.1 The CDS should offer a financial incentive that will achieve:
- a) a recovery/return rate of at least 80%; and
 - b) the Premier's target to reduce the volume of litter by 40% by 2020.

Question: Do you think the financial incentive should be consistent with the ones in South Australia and the Northern Territory?

- 5.2 Yes, if this will result in the most effective scheme.

Question: If you think the scheme should be based on a financial incentive, what format would you prefer the reward to be in (e.g. cash, credit or your choice)?

- 5.3 We support financial incentives because the evidence referred to in the Discussion Paper supports their effectiveness. We support a simple and effective format, whether it be cash, credit or otherwise.
- 5.4 The financial incentives must be reviewed at regular intervals and adjusted as necessary to ensure that the level of incentive remains.

Question: Do you support the idea of providing a choice in the type of reward at the point of refund (e.g. cash or a charitable donation)?

- 5.5 Yes, provided it is fair and equitable, for example, not-for-profit organisations that do not hold DGR status are eligible to receive donations.

6. Key design element 2: Interaction with kerbside recycling

Question: Should the scheme be designed to keep containers consumed at home in the kerbside recycling system, or should it aim to divert them to the new CDS? Why? Why not?

- 6.1 The scheme should complement the kerbside recycling system, which is effective and embedded in behavioural norms. We acknowledge that whilst a CDS may remove some containers from kerbside systems, councils are unlikely to be worse off overall.²

Question: Should the scheme allow containers recovered through the kerbside recycling system to be redeemed under the CDS? Why? Why not? Also, by whom and how?

- 6.2 Yes. To maximise return rates, redemptions should be available to both council and households. The reduction of litter should be the primary driver even if this requires structural adjustments to existing litter reduction systems including kerbside systems.

Question: If the scheme provides a financial incentive, and if councils are allowed to claim the incentive on containers collected through the kerbside system, should they be able to claim:
o the full value of the incentive on each container? Why? Why not?
o the same level of handling fee as received by collection-point operators under the CDS?

- 6.3 Councils should be allowed to redeem an amount that best supports the effectiveness of the scheme, whilst supporting existing kerbside recycling collections.

Question: If councils are able to claim a financial incentive for containers recovered through kerbside, should they be obliged to use those funds to offset waste service fees to ratepayers, or should they be able to spend the money as they choose? Why? Why not?

- 6.4 The financial incentive should be utilised to reinforce and support the overarching objectives of the scheme: litter reduction and resource recovery.

² LGSA 2012. The impacts (cost/benefits) of the introduction of a container deposit/refund system (CDS) on kerbside recycling and councils. Available: <http://www.lgnsw.org.au/files/imce-uploads/90/LGSA%20CDS%20Impact%20Study%20100812a.pdf>

7. Key design element 3: Scope of containers

Question: What should be included in the scope of containers in the NSW CDS, particularly if the target of this scheme is the reduction of litter?

Question: Should the NSW CDS have a container scope consistent with that of Northern Territory and South Australia? Should milk, wine and spirits be included or excluded from the scope of containers?

- 7.1 The scope should maximise removal of containers from the litter stream and simplify uptake. Therefore, the container scope should be consistent with that of Northern Territory and South Australia, but include all containers.
- 7.2 Neck rings and lids should be included as well as containers already in the environment (with or without labels and irrespective of condition) to capture 'legacy litter'. We acknowledge that the government may need to establish an initial fund to cover redemptions applicable to legacy litter, however, this will be a one-off investment and, once removed from the environment, a well-designed scheme will ensure that the litter does not return.

8. Key design element 4: Collection infrastructure

Question: Should the scheme provide universal access for all NSW residents?

- 8.1 Yes.

Question: Where should collection points be located to best achieve the litter reduction target and to minimise the transfer of containers out of the kerbside system?

- 8.2 Logically, collection points should be located in areas where container use is high, as well as at transport and other hubs, such as at the point of sale.

Question: How can the scheme give incentives for the take-up of collection infrastructure at sites that focus on away-from-home consumption?

- 8.3 Infrastructure should be located where it will integrate with common journeys e.g. to shopping centres, sporting events, parks etc.

Question: How can modern technology be used to deliver a cost-effective scheme?

- 8.4 Technology should be simple to use and cost effective (vandal proof, sufficient capacity etc). New and novel technologies should be iteratively examined to exploit new opportunities. Social media can be utilised in education and promotion.

9 Key design element 5: Governance and the role of government

Question: What role should the government (state/local) have in the scheme?

- 9.1 The government should have overall responsibility. It should chair and provide secretariat support to a transparent and deliberative stakeholder governing body. The government can provide access to State owned land for placement of collection infrastructure.
- 9.2 To encourage and embrace a diversity of knowledge and values, the body should have a balanced and equitable representation of stakeholders. Some marginalised stakeholders may need additional support to ensure that they can participate.
- 9.3 The CDS should be dynamic and adaptable. The government should therefore be responsible for iterative reviews (at least every three years) to ensure it is operating optimally.

Question: What role should the beverage industry have in a Refund CDS?

- 9.4 The beverage industry's role should be as a stakeholder and therefore a member of the governing body.
- 9.5 Industry should also have a duty to provide quarterly sales data (as in the NT) and information for an annual independent, comprehensive, transparent and publicly available audit. It should also play a key role in education and promotion.

Question: Should a Refund CDS be run by a single organisation or multiple organisations?

- 9.6 Whatever best achieves the objectives of the scheme and promotes stakeholder trust and confidence.

Question: How should the scheme deal with cross-border arbitrage risks?

- 9.7 Risks can be best managed through effective policy and legal frameworks and sanctions supported by adequately resourced enforcement.

10. CDS Models

Question: Do you support the introduction of a container deposit scheme in NSW?

- 10.1 Yes, unequivocally. It is an economic incentive to prevent waste and pollution, increase recycling and reuse, reduce use of scarce resources, enhance markets for secondary materials and reduce the use of toxic materials. It also sends a signal to the community as to the 'real' costs of containers and that used containers are a resource and not a waste product. It can also reduce dependence on single use containers. CDS schemes also shift responsibility from local councils to producers and consumers.

Question: If so, what type of container deposit scheme do you support?

- 10.2 Option 1: Refund CDS. This option places the responsibility of material recovery on the beverage container producers and consumers.

Question: Do you support a Refund CDS?

- 10.3 Yes.

Question: Do you support Thirst for Good?

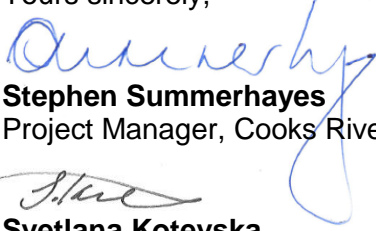
- 10.4 No. This option does not represent a CDS solution and offers no additional incentive for litter prevention.

Please note that the GRCCC has also prepared a separate submission. The GRCCC supports this joint submission, noting one key point of difference namely that it supports the exclusion of milk containers from the scheme.

We look forward to hearing how this submission has been considered and applied.

If you wish to discuss any element of the above, or would like any further information or documentation, please do not hesitate to contact us.

Yours sincerely,



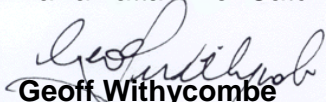
Stephen Summerhayes
Project Manager, Cooks River Alliance



Svetlana Kotevska
Manager, Georges River Combined Councils' Committee



Sarah Holland Clift
Parramatta River Catchment Group Coordinator



Geoff Withycombe
Executive Officer, Sydney Coastal Councils Group