



Annual Report 2021



Product
Stewardship
Centre of
Excellence



Product Stewardship Centre of Excellence

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The Product Stewardship Centre of Excellence was established in December 2020 by a consortium of UTS Institute for Sustainable Futures, the Australian Industry Group and Cox Inall dentsu in partnership with the Australian Government through the Department of Agriculture, Water and the Environment. It was established with the assistance of a grant through the National Product Stewardship Investment Fund.

Message from the Minister



Product stewardship needs to be at the heart of the way we do business in Australia, from influencing the ways business designs and manufactures, through to the ways we collect, reuse, repair and recycle materials at the end of a product's life.

It is one of the most successful and hardest-hitting strategies to ensure Australia's waste is valued as a resource. Product stewardship also plays a key role in driving Australia's circular economy and National Waste Policy Action Plan objectives.

The Australian Government invested \$1 million to establish the Product Stewardship Centre of Excellence so that industry picks up the pace on adopting product stewardship as part of our national drive to change our mindset about waste and how we manage it.

The Centre provides mentoring and best practice guidance, educates and engages businesses, and assists with industry linkages to support national industry-led product stewardship schemes.

I am delighted that in its first year of operation, the Centre has been instrumental in supporting industries and businesses along the path to establishing some important new stewardship programs.

It is working with stakeholders to improve circularity across a diverse product range, including: solar panels, electrical and electronic products, batteries, carpets and mattresses, clothing, office furniture and the plastics used in agriculture and horticulture.

Key among these programs is the Battery Stewardship Council whose important scheme to recycle batteries will begin in January 2022.

Another important role is working with all levels of government to help improve product stewardship performance and understanding. The Department of Agriculture, Water and the Environment has also benefited from collaborating with the Centre on policy and programs.

The Centre also encourages industry to seek voluntary accreditation, our tick of approval, from the Australian Government and assists industry to apply. As a result, the number of accredited schemes has risen from one to four in the first half of 2021 and will continue to increase by the end of 2021.

I look forward to continuing to work with the Centre of Excellence to promote the many benefits of product stewardship and achieve improved waste reduction and recycling outcomes in Australia.

The Hon Trevor Evans MP
Assistant Minister for Waste Reduction
and Environmental Management

Message from Centre Directors



Our mission is to accelerate the uptake of product stewardship in Australia by mentoring, educating and activating stakeholders across product and material supply chains.

Our vision is for the wide-scale adoption of product and material stewardship principles into business models that reduce waste generation and create positive environmental and social outcomes via good design, improved resource productivity and sustainable reuse.

We are delighted to share the first Annual Report of the Product Stewardship Centre of Excellence. Established in late 2020 and launched at Parliament House, Canberra in March 2021, the Product Stewardship Centre of Excellence is an impact-focussed collaboration between consortium partners the UTS Institute for Sustainable Futures, Australian Industry Group and Cox Inall dentsu.

We have had a productive first year establishing the Centre of Excellence and communication channels to connect with our stakeholders, including our website, bi-monthly newsletter, and social media. To effectively pursue our mission, we have completed a needs assessment consulting with existing and emerging schemes, National Product Stewardship Investment Fund (NPSIF) grant recipients, businesses, associations, NGOs and all levels of government. We have also delivered a series of engaging webinars and insightful white papers, practice notes and case studies to build knowledge and capability.

Our team, along with our specialist advisers, have worked closely with individual businesses and schemes mentoring and guiding the development and implementation of their stewardship initiatives. This included one-on-one meetings, facilitating and participating in industry meetings, as well as providing more in-depth and comprehensive advice on product stewardship initiatives and applying for government accreditation.

The Centre has also supported and provided independent advice to the Australian Government's Department of Agriculture, Water and Environment as it builds and implements its product stewardship program and policies.

It is wonderful to see the endless potential offered by product stewardship targeting design, reuse and repair in addition to recycling, and underpinned by a strong circular economy approach. Applying product stewardship thinking and action across industries, sectors, and associations is proving to be necessary, desirable and timely. To celebrate and recognise the product stewardship achievements of businesses and organisations we have established our Annual Product Stewardship Excellence Awards to be held in December.

For 2022 we plan to enhance and expand our program of activities to include education and training for senior executives and practitioners, offer additional networking opportunities both online and in-person, publish more resources and continue to mentor and guide organisations and businesses along the product stewardship pathway.

Do join our network at stewardshipexcellence.com.au, enjoy our annual report and we are excited about what collaboration in 2022 will bring.

**Rose Read, John Gertsakis, Damien Giurco,
Louise McGrath, Tim Powell**

Centre Directors

State of Play



Introduction

Product stewardship in Australia is strong and momentum is building. Currently there are over 60 active national and state-based collective initiatives and a further 20 in development where producers, brands and governments are working together to reduce the environmental impacts of products. Importantly, there are also many individual business-led product stewardship activities underway incorporating circular design, reuse, repair, sharing and take back.

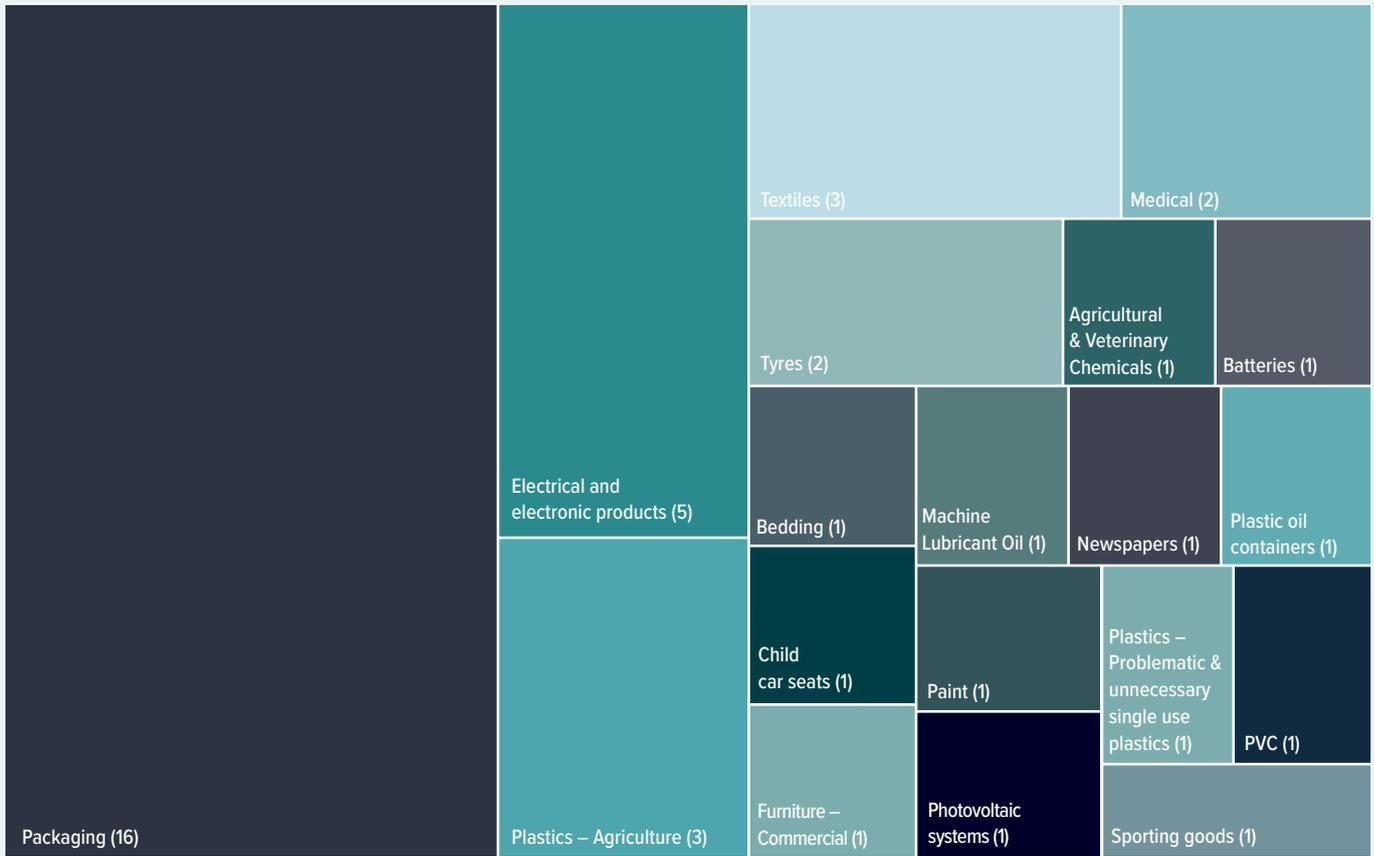
In this first State of Play of product stewardship in Australia, the Centre selected 44 established and emerging industry-wide product stewardship initiatives, in a high-level scan. We have examined initiatives by product class and reviewed the product life-cycle stages that are currently in focus for collective industry action.

We examine the product classes where current activity is directed, how these product classes align with the current and previous Minister’s Priority Lists, what stages of the product life-cycle these initiatives focus on, as well the development status and regulatory framework including if an initiative is government accredited and/or has Australian Competition and Consumer Commission (ACCC) authorisation.

This analysis highlights that product stewardship efforts in Australia are strong and uptake is increasing with a greater number and diversity of initiatives. When we consider industry-wide programs, these are largely targeted towards the post-consumer life-cycle stages. There is an opportunity for increased focus on the design and production phase of a product’s life-cycle to avoid waste generation, consistent with the objectives of the *Recycling and Waste Reduction Act 2020* and the National Waste Policy Action Plan Targets.



Figure 1. Number of product stewardship initiatives by product class



Activity by product class

As shown in **Figure 1**, while the number and diversity of product stewardship initiatives is increasing, many of the existing and emerging schemes are either packaging or electrical and electronics related. However, as a result of the Australian Government’s *National Product Stewardship Investment Fund (NPSIF)*, the number of initiatives addressing plastics and clothing textiles is starting to grow.

Activity by product and material life-cycle

The objectives of product stewardship initiatives, and the activities that they support varies considerably, ranging from activities promoting product design and reuse, to improving collection and recycling rates. In our analysis we reviewed each scheme’s objectives and activities against the four product and material life-cycle stages described in **Table 1**.

Of the 44 schemes reviewed, nearly all schemes are focussed on collection and logistics, and end-of-life stages of the product and material life-cycle (see **Figure 2**). Less than a quarter of existing and emerging schemes have objectives and activities that focus on all four stages of the product and material life-cycle stages.

However, many of the emerging initiatives supported by the NPSIF have a greater focus on activities aligned with circular economy principles including product design, manufacturing approaches, reparability, reuse, sharing and other waste avoidance activities.

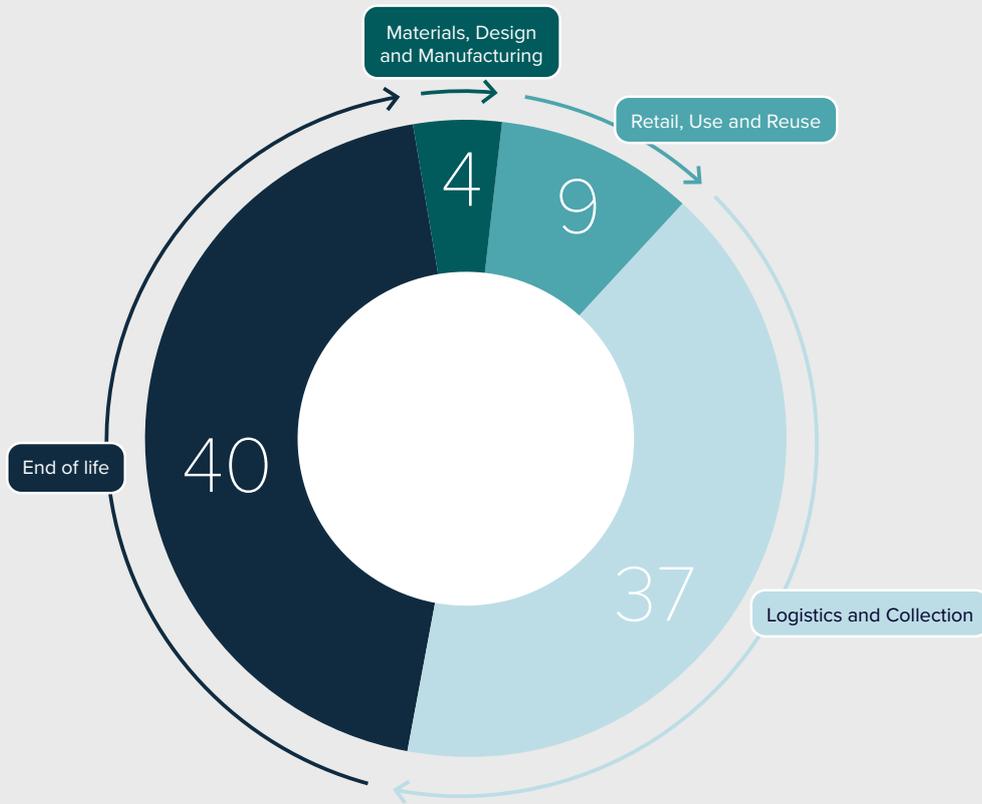
The 2021-22 Minister’s Priority list also requires for most product classes that **“manufacturers, importers, distributors and retailers should reduce the environmental impacts of their products across the life-cycle including through product design improvements related to durability, reparability, re-usability and/or recyclability.”**

Table 1. Product stewardship objectives and activities across the four product and material life-cycle stages*

Production	Materials, design, manufacturing	<p>The initiative encourages better material choices: secondary materials, use of recycled content, avoiding conflict materials, elimination of hazardous chemicals; circular product design, e.g., design for durability, disassembly, repairability, parts and component replacement; manufacturing approaches promote resource-use efficiency, reducing number of components used, simplifying assemblies, by-product recovery and exchange, shared access to materials and resources (e.g., industrial symbiosis), WHS, cleaner production</p> <p><i>Example The PVC Stewardship Program takes a whole of life-cycle approach where its members commit to and report on annually Best Practice Manufacturing, Safe and Sustainable Use of Additives, Energy Efficiency and Green House Gas Management.</i></p>
	Use, reuse, retail	<p>The initiative promotes provision of consumer information and guidance on product performance, enhanced warranties; new circular business models that extend the useful life of a product or material e.g., sharing, leasing, product-trade-in, repair services, and reuse. Note: for the purposes of this analysis, retail participation in hosting collection points is considered under collection and logistics.</p> <p><i>Example: MobileMuster advocates for mobile phone reuse and repair and how to manage data, while continuing to raise awareness of the accessibility of recycling options.</i></p>
Post-consumption	Collection & logistics	<p>The initiative provides or ensures there is efficient, responsible and convenient logistic solutions for the collection and recovery of discarded products and materials from consumers and businesses, including improving collection rates, expanding collection channels, optimising reverse logistics, providing product take-back services and enabling source separation.</p> <p><i>Example: The National Television and Computer Recycling Scheme arrangements provide a national wide network of accessible free, collection points in association with retailers, local councils and other organisations for the public and small businesses to drop off their old televisions, computers, printers and accessory products.</i></p>
	End-of-life	<p>The initiative ensures collected products and materials are processed responsibly, including setting recycling standards, increasing material recovery rates, establishing new end markets for secondary materials.</p> <p><i>Example: Tyres Stewardship Australia sets standards and accredits organisations for the collection, transport and recycling of tyres, as well as investing in research and development to create new markets for end-of-life tyres and tyre-derived products.</i></p>

*The above classification is not intended to be exhaustive and considers only key product stewardship objectives and activities across the four product and material life-cycle stages.

Figure 2. Product stewardship initiatives by product and material life-cycle stage



Alignment with Minister’s Priority Lists

In accordance with the *Recycling and Waste Reduction Act 2020* and its predecessor the *Product Stewardship Act 2011*, the Minister is required to publish a priority product list every year that identifies products and materials considered to be most in need of a product stewardship approach. This may include the Minister deciding to implement regulatory measures where adequate industry action has not been taken.

The Minister’s Priority List represents an important contribution to accelerating the adoption of product stewardship across product classes and materials streams. It is an innovative measure to elevate the value and role of product stewardship while also giving certainty to the community and industry about what the Australian Government is considering for regulation under the *Recycling and Waste Reduction Act 2020*.

The Product Stewardship Centre of Excellence provided input to the Department on issues and opportunities associated with existing listed products as well as new

product classes and materials streams that could be considered for future inclusion. The Centre continues to play a proactive role in supporting companies, associations and other organisations that are affected by the Minister’s Priority List.

Figure 3 shows the various product classes that have been listed since 2013-14. Certain product classes, such as electrical and electronic products, and photovoltaic (PV) systems have been on the list for 6 years. Whereas other product classes have been added then removed once a scheme has been established (e.g., paint and batteries), action completed (e.g., removal of plastic microbeads and products containing them) or in the case of packaging (and subsets of packaging such as consumer packaging and beverage packaging) a Decision Regulation Impact Statement (2014) recommended extending the Australian Packaging Covenant, however subsequently each state and territory has or is in the process of implementing regulated container deposit schemes.

For all the product classes listed up until June 2021, except photovoltaic systems, there are either existing or emerging industry-wide schemes in place. Two new products classes were added to the Minister's Priority List in 2021-22 – (i) problematic and unnecessary single use plastics and (ii) clothing textiles. The solar, packaging, plastics and clothing industries are in the very early phases of developing product stewardship responses.

There are also several existing and emerging industry led schemes for product classes that fall outside the Minister's Priority Lists. These include bedding, commercial furniture, medical/hygiene products, plastics in agriculture, PVC products and textiles, sporting goods, sports shoes, medical, agricultural and veterinary chemicals, printer cartridges, bulk bags used in agriculture, food production, construction and mining, and tyres. The majority of these have recently received financial support via the NPSIF.

Considering the gaps in initiatives for PV systems and Problematic and Unnecessary Single Use Plastics, it is worth noting that efforts to support the establishment of end-of-life solutions for PV systems has been supported by Commonwealth and State Government funding programs. This includes ARENA's Research and Development Program addressing end-of-life issues and the NSW Government Circular Solar Grants program. While these initiatives support the development of new reuse and recycling industries, they do not directly address the need for a coordinated national stewardship solution.

For Problematic and Unnecessary Single Use Plastics, the objective is supported by the National Plastics Plan and a raft of policy and regulatory instruments being implemented by state and territory governments in all jurisdictions. Under the National Waste Policy Action Plan, Australian Packaging Covenant Organisation is responsible for developing the roadmap on the phase out of expanded polystyrene in consultation with stakeholders.



Figure 3. Minister’s Priority Lists from 2013 to 2022

2013-14	2014-15	2015-16	2016-17	2017-18	2020-21	2021-22
Waste architectural and decorative paint						
End-of-life handheld	End-of-life handheld batteries (less than 5kg in weight)		Batteries (all)			
Packaging (and subsets of packaging such as consumer packaging and beverage packaging)						
End-of-life air conditioners with small gas charges						
End-of-life refrigerators with small gas charges						
			Plastic microbeads and products containing them			
			Photovoltaic systems			
			Electrical and electronic products			
			Plastic oil containers			
					Child car seats	
						Clothing Textiles
						Problematic and Unnecessary

*No Minister’s Priority List was tabled in Parliament or published in 2018-19 or 2019-20.

Regulatory framework, accreditation, authorisation

Two thirds of schemes assessed are voluntary industry-led schemes (29 out of the 43) reflecting the Australian Government’s preferred approach to product stewardship. Most of the co-regulated schemes are state and territory-based container deposit schemes. There are two national co-regulated schemes (i.e., the NTCRS and the NEPM Used packaging) and one mandatory scheme for machine lubricant oil.

There are four government-accredited voluntary, industry-led initiatives. MobileMuster which was first accredited in 2014 plus Tyre Product Stewardship Scheme, Big Bag Recovery and the Battery Stewardship Council which were all accredited for the first time in 2021.

A further four voluntary, industry-led initiatives Drum Muster & ChemClear, B-Cycle, Paintback and Tyre Stewardship Australia have ACCC authorisation which provides legal protection for certain types of activities

that may be deemed anticompetitive. These activities include ‘industry levies’ raised to fund stewardship activities, and ‘enterprise-to-enterprise agreements’ that are exclusive dealing requirements imposed to address the issue of free-riders.

Next steps

The Centre is excited to report that work is already underway to broaden the scope of next year’s State of Play review process. The assessment will be expanded beyond collective industry initiatives to also include individual business or company-led product stewardship activities that often focus on designing-out waste, reuse, repair, sharing and take-back. Plus, a detailed evaluation of the benefits and effectiveness of product stewardship at both a product class and individual initiative level will be undertaken.

Centre Activities

The Centre has conducted a range of activities since its inception. These have occurred across the following categories and are noted in the timeline below.



Networking



Training and Executive Development



Mentoring Schemes and Business



Excellence and Awards



Centre Established

Mission: To accelerate the uptake of product stewardship in Australia

Vision: To see the wide-scale adoption of product stewardship principles



Branding Developed

Including style guide and the marketing and communications plan



Website Created

www.stewardshipexcellence.com.au officially launched



First Newsletter

First issue of *What Comes Around Newsletter* released highlighting mission of the centre



First Webinar

The value and role of product stewardship in Australia



Second Newsletter

Second issue of *What Comes Around* released providing details on needs assessment

December

January

February

March

April

May



Mentoring

Began fostering excellence in stewardship by providing mentoring to organisations



Business Engagement Strategy Developed

Created Twitter and LinkedIn accounts

@StewardshipAU

Product Stewardship Centre of Excellence



Outreach

Attended the Keep Australia Beautiful Litter Conference and Melbourne Design Week.



Outreach

The Centre team continued to present at workshops and conferences throughout the period.



◀ 2020 2021 ▶



Resources



Research and Advisory Services



Second Webinar

Government accreditation of product stewardship initiatives



Third Newsletter

Third issue of *What Comes Around* released highlighting stewardship in action



Commenced research and advisory services



Third Webinar

ACCC authorisation for product stewardship schemes



Mentoring

Conducted numerous briefings of associations and organisations over the year.



Fourth Webinar

Governance options for product stewardship schemes

June

Mentoring

Continued to meet with organisations and offer stewardship advice



July

First White Paper

Addressing the barriers: a needs assessment of product stewardship in Australia



August

First Practice Note

The potential of leasing as a product stewardship strategy



September

First Ai Group Business Forum Meeting

Businesses met to discuss ways to contribute to Centre's vision and mission



October

Second White Paper

Overcoming free-riders: strategies to maximise industry participation



November

Product Stewardship Excellence Awards Announced

The Centre ran an awards program recognising outstanding contributions to stewardship in Australia



Team

UTS Institute for Sustainable Futures

Rose Read, Director

John Gertsakis, Director

Professor Damien Giurco, Director

Dr Nick Florin, Principal Adviser

Dr Taylor Brydges, Senior Adviser

Dr Rachael Wakefield-Rann, Adviser

Dr Simran Talwar, Adviser

Rupert Legg, Adviser

Australian Industry Group

Louise McGrath, Director

Tennant Reed, Principal Adviser

Rachael Wilkinson, Senior Adviser

Andrew Campbell, Adviser

Agnes Fok, Adviser

Molly Knox, Adviser

Cox Inall Communications

Tim Powell, Director Communications

Reagan Ruppell, Adviser

Photographs courtesy of the Australia New Zealand Recycling Platform, the Australian Bedding Stewardship Council, MobileMuster, and Tyre Stewardship Australia.

Specialist Advisers

Currently, advisers are being drawn from the following organisations:

Bestrane

Clean Up Australia

Design Institute of Australia

Equilibrium

Future Industries Institute (UniSA)

Good Design Australia

King & Wood Mallesons

Monash University Design / Blue Sky Creative

RPS Group

Empauer

ThinkNewsBrands

Uplift Consulting

Verus

WSP Digital

Resources available online

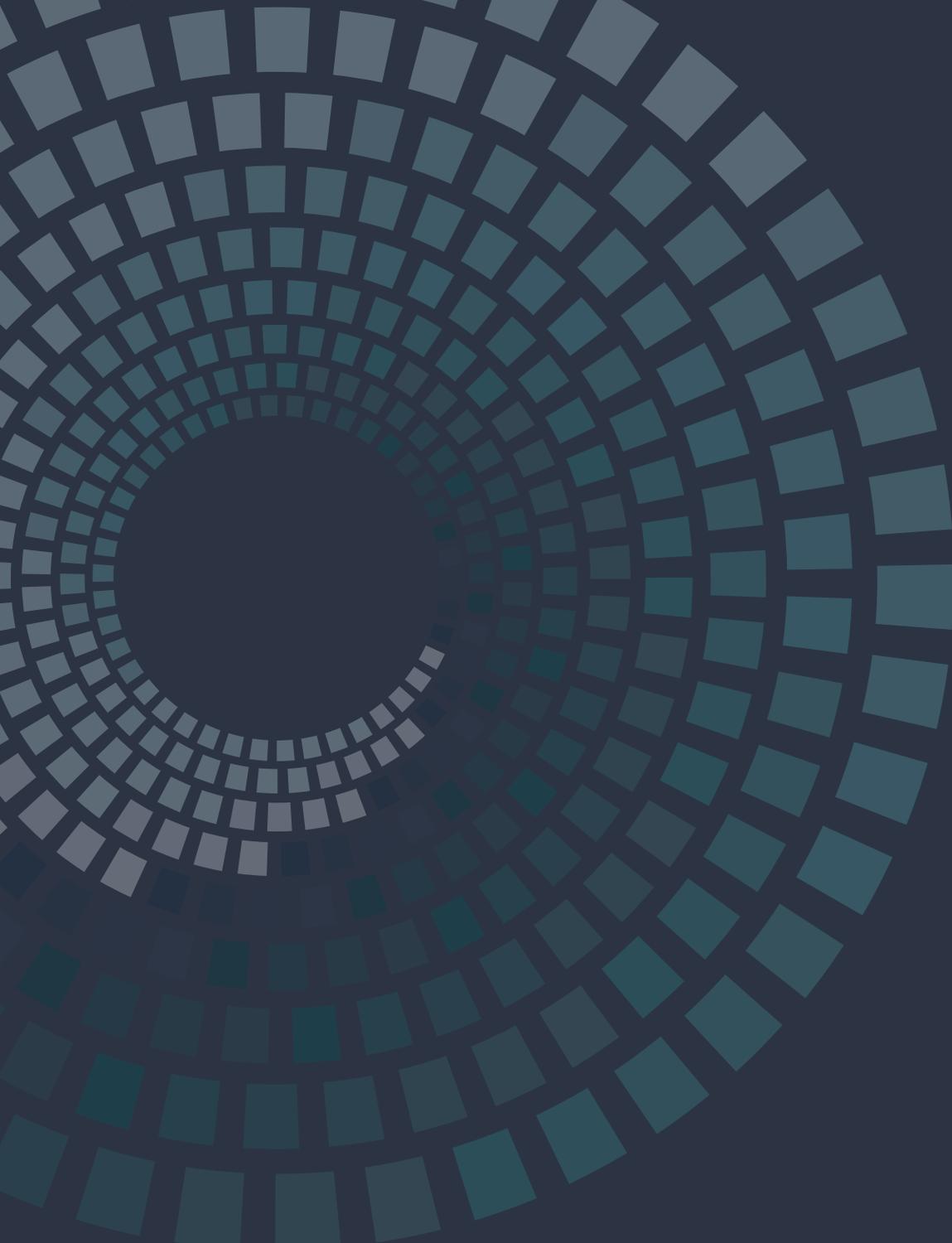
Please visit our website

www.stewardshipexcellence.com.au

to access our resources including:

- webinars
- white papers
- practice notes and case studies
- list of schemes, initiatives and programs.





www.stewardshipexcellence.com.au

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