



8 May 2001

Nandia Sirianni  
Industry Ecology Unit  
Sustainable Industries Branch  
Environment Australia  
GPO Box 787  
CANBERRA ACT 2601

Dear Nandia

The Australian Environment Business Network (AEBN) welcomes the opportunity to comment on the **Developing A Product Stewardship Strategy For Electrical And Electronic Appliances In Australia** discussion paper and the **Proposed Model For A Product Stewardship Strategy For Electrical And Electronic Equipment** (Proposed Model). Background on AEBN can be found on our website at [www.aebn.com.au](http://www.aebn.com.au).

AEBN supports the initiative set in the discussion paper for seeking ways to improve the already substantial product stewardship actions undertaken by industry and Government on electrical appliances. The discussion paper also recognises the limited control that Australia has over the international market that supplies most of Australia's electrical appliances. Also reasonable are the scope of actions that could be used to progress this program including:

**A. Independent Jurisdictional Approaches**

**B. Government recognition of national industry codes of practice and voluntary measures**

**C. Separate national agreements between governments and discrete industry sectors** (eg. industry waste reduction agreements, eco-efficiency agreements, energy efficiency agreements)

**D. One national agreement ('covenant')** between all spheres of government and all relevant industry sectors, agreed on a voluntary basis, with targets.

**E. Agreement (as per Option D) with supportive legislation** - such as a National Environment Protection Measure (NEPM) or Commonwealth Act - to address expected problems such as 'free-riding'. Options for supportive legislation suggest a NEPM is one appropriate vehicle, the other is an independent bill should levies be a primary driver.

Option E being the most regulatory intense and appearing to use the NEPM on Used Packaging and the National Packaging Covenant as a model.

AEBN supports a voluntary approach using a market-based system with its higher efficiency compared to regulatory mechanisms. If properly run and supported a voluntary market based system can result in improved economic and also environmental outcomes. This extends to recycling of used products. AEBN believes there is an optimum point maximizing environmental outcomes for the percentage recycling of a used product. Recycling at percentages lower than this optimum will miss out on environmental advantages. Exceeding this optimum and the environmental impacts of recycling start exceeding alternative means such as waste to energy and landfilling.

AEBN is concerned that a number of pieces of legislation across Australia are focused on reduction or minimisation of waste to landfill, rather than seeking to achieve maximum environmental outcomes. This approach is flawed as it ignores the environmental impacts of the alternatives to landfilling. For example, composting is being driven as an alternative to landfilling, however the greenhouse gas emissions from composting are larger than a well run landfill, especially one with landfill gas extraction and use.

In brief AEBN's positions are:

- The use of market forces and voluntary, rather than regulatory means to promote product stewardship in the electrical and electronic appliances across Australia.
- Improvements to the environmental fate of used electrical appliances must use a range of reuse, recycling and disposal options to achieve maximum environmental outcomes

Both AEBN's positions are counter to the *Proposed Model*, which calls for:

- A levy on all electrical appliances
- Ban of all electrical appliances to landfill by 2005

The economic and environmental outcomes of these two strategies is bleak. By banning electrical appliances to landfill, assumes 100% reuse and recycling of used products. This is also contrary to the objectives stated in the discussion paper:

*This discussion paper sets out the key issues and perspectives in developing a product stewardship strategy to help improve the overall environmental performance of electrical and electronic appliances.*

The Proposed model also recommends that importers access eco-labeling *to gain market recognition and continuous improvement*. Eco-labeling appears beneficial on the surface, but it tends to favour those generally larger manufactures that can afford the assessment price, rather than delivering any useful comparative information for consumers.

A final issue is the consultation process on the discussion paper. Submissions are to close on 2 May 2001, yet the **Proposed Model** was issued on 30 April 2001. AEBN is concerned that a government position is generated before submissions are due. Normally, at least two to three months is required for the Government agency to distill the responses from a public discussion paper. As a result for this discussion paper AEBN doubts if this process could be called public consultation

**AEBN recommends the *Proposed Model* be abandoned and a voluntary approach based on market forces and industry cooperation be advanced as the preferred model for improved product stewardship for the electrical and electronic equipment.**

If you require further clarification of AEBN's position on the above issues please contact me on (02) 9924 7515.

Yours sincerely

*Andrew Doig*

ANDREW DOIG  
Director  
AUSTRALIAN ENVIRONMENT BUSINESS NETWORK

