



Minister for City Services  
Minister for Multicultural Affairs  
Minister for Recycling and Waste Reduction  
Minister for Roads and Active Travel  
Minister for Transport  
Member for Murrumbidgee

Mr Darrell Channing  
Director, Adjudication  
Australian Competition and Consumer Commission  
23 Marcus Clarke Street  
CANBERRA ACT 2601  
adjudication@accc.gov.au

Dear Mr Channing,

Thank you for your invitation to make a submission regarding the Battery Stewardship Council's application for authorisation AA1000476 for their proposed Battery Stewardship Scheme (BSS). The BSS seeks to charge a weight-based levy on all imported batteries, to be passed onto consumers as a visible levy and then allocated as a rebate for service providers responsible for the battery's collection, sorting and processing.

As a signatory to the National Waste Policy Action Plan, the ACT Government has agreed to support the implementation of effective product stewardship schemes for priority products. The Action Plan specifically aims to identify a preferred battery stewardship scheme during 2020, and to have the scheme in place by 2022.

The ACT is therefore supportive, in-principle, of a product stewardship scheme for batteries. It supports the cautious and considered approach that the Battery Stewardship Council (BSC) has taken in developing their proposed scheme. As such, the ACT considers the following scheme aspects to be key strengths:

- Application of the principles of sustainability and the circular economy framework for action;
- A practical and cost-effective approach which supports commercial development of opportunities, innovation and sharing of responsibility across the supply chain;
- Improved safe and responsible options for battery recycling including a broad array of drop-off options;
- Education of industry and the community and research into the productive, efficient and effective uses of end-of-life batteries;
- The proposed levy on battery importers to support the provision of rebates to battery collectors, sorters and processors;
- The proposal to cover all batteries subject to market failure, so that effective existing markets for lead acid batteries can be maintained; and
- The adaptable scheme design elements aimed at preventing free riders.

---

## ACT Legislative Assembly

London Circuit, Canberra ACT 2601, Australia GPO Box 1020, Canberra ACT 2601, Australia

Phone [REDACTED] Email [REDACTED]



The ACT Government recognises that product stewardship schemes are globally effective ways to improve resource recovery. Decades of international experience in product stewardship highlight that regulatory support is essential for schemes to be successful. The ACT Government supports schemes underpinned by regulation where possible.

Increased regulatory product stewardship schemes, such as mandatory and co-regulatory, are useful to minimise 'free rider' issues where companies that produce, distribute or sell products can choose to not contribute to the costs of relevant product stewardship schemes. Free riders create commercial disadvantage for those companies that participate in and fund such schemes. For these reasons, the ACT Government applauds the BSC's ongoing efforts to engage with all relevant stakeholders and success in gaining the support of many key players. We note that further work will be required with two major stakeholders – Duracell and Energizer – who are not yet supporters of the proposal.

For this reason, the ACT Government anticipates the need for a mandatory regulatory mechanism to prevent free riders in order to facilitate full engagement of battery importers in the proposed Battery Stewardship Scheme. Such a mechanism could be introduced nationally or harmonised nationally across all jurisdictions but is considered necessary for the scheme to fully succeed.


Other potential problems that need to be designed out from the start are those experienced in the implementation of some existing stewardship schemes. Instances exist where hazardous components, or those without clear markets have proven difficult for participants to manage within the budgets available through the schemes. At times, this has resulted in stockpiling and other problematic outcomes. The ACT Government therefore requests ongoing engagement in finalising the scheme design elements including:

- Establishing key performance indicators;
- Ensuring transparency in operation and reporting; and
- Prevention of non-compliance.

The ACT has adopted a target of achieving net zero greenhouse gas emissions by 2045. This is being achieved in part through a rollout of 36 megawatts of [smart battery storage](#) in up to 5,000 battery storage systems in ACT homes and businesses. The ACT is also implementing a [Zero Emissions Vehicle Action Plan](#). This includes a target that all newly leased ACT Government fleet passenger vehicles be zero emissions by 2020-21 where fit for purpose, while supporting a range of other strategies to encourage zero emissions vehicles in the ACT. Electric vehicles, with inbuilt battery storage are a key option in this strategy. These zero emissions strategies mean that ACT will face a significant battery recycling challenge when these systems reach their end of life. Therefore, the ACT requests ongoing engagement with proposals involving the timing and delivery of options for collecting, storing, re-using and recycling these large-scale battery installations.

The ACT Government congratulates BSC on the progress made to date and looks forward to continuing to work on the matters we have raised here. Future correspondence can be sent to the Director of Waste Policy at [ACTWastePolicy@act.gov.au](mailto:ACTWastePolicy@act.gov.au).

Yours sincerely



Chris Steel MLA  
Minister for Recycling and Waste Reduction