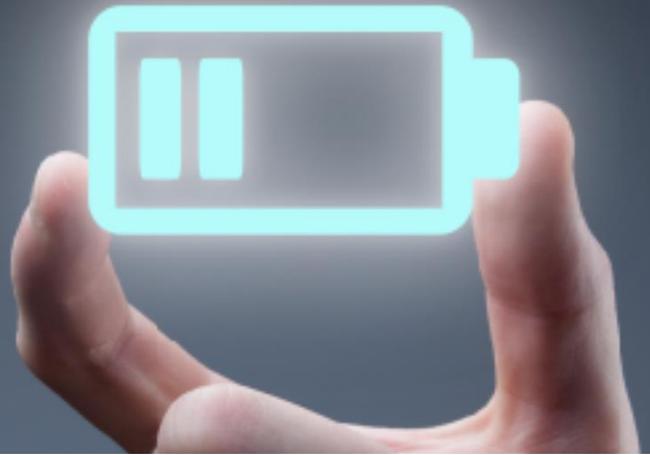


Briefing Note #3 BSC Update and Scheme Principles



TOPICS

1. **Battery Stewardship Council releases draft principles**
2. **MEMs endorses path forward**
3. **Key feedback incorporated into Version 2**
4. **Consultation Process**
5. **Stages in the scheme deployment process (with schedule)**
6. **Update on the registration of the BSC Entity**
7. **Stocks and Flows**
8. **Battery Collection Channels Assessment**

Battery Stewardship Council releases draft principles



The Battery Stewardship Council (BSC) has released a set of principles with key features to provide a strong foundation for the Phase 2 of consultation with BSC members. The aim is to showcase the evolving nature of the scheme and ensure that members have a clear picture of the intent of the scheme and its structure.

The principles are:

- Shared responsibility
- Improved environmental outcomes
- Circular economy
- Fair and equitable funding model
- Increased competition, innovation, and efficiency
- Transparency and accountability
- Focus on behavioural change

For each principle, we have also identified key scheme features that give details about how they will be applied in practice. Download the [Draft Scheme Principles Document](#). If you have comments on the principles or key features, please email us at: stewardship@batteryrecycling.org.au

MEMs endorses path forward



The Meeting of Environment Ministers (MEMs) met last week and reviewed the BSC Progress Report and considered a number of matters recommended by Senior Officials. The report was well received, and the path forward proposed by the BSC was endorsed including funding for the next round of consultation. There was consideration of a number of key issues and Ministers have not yet publicly released their decisions on these matters.

Feedback from BSC members incorporated into Version 2.



Scheme design continues to evolve as we take on industry feedback. Version 2 of the Scheme Design (see link below) will form the basis of another round of consultation with BSC members to ensure the scheme design reflects member needs and perspectives, and also achieves an effective and efficient stewardship scheme for Australia. This will be very important as we proceed to the targeted public consultation phase in February.

Feedback from Members on Version 1 of the scheme design included strong support for the approach in general. Feedback also highlighted that it will be critical to engage a greater number of players in the market in order to ensure free riding is minimised. There was also invaluable feedback from BSC members that has been incorporated into V2, for example:

- Clarification of the scope to include all batteries subject to market failure,
- Emphasis on the cost recovery nature of the program with the levy and rebate subject to review based on actual costs,
- Addition of a core elements diagram to introduce the scheme at a high level,
- Inclusion of new Scheme Principles with Key Features as the foundation for BSC activities,
- Clarification about linkages with related schemes,
- Confirmation that liable parties will not be double charged for batteries collected by related schemes,
- Leveraging of existing schemes for collection programs,
- Integration of existing take back programs,
- Clarification that the rebate will not be applied to existing stockpiles, and
- Inclusion of an offset program for greenhouse gas emissions.

Download [Version 2 of the Scheme](#). It is our intention to re-release key details in subsequent briefings notes to aid in the digestion process. In the mean time, if you have comments or queries, please pick up the phone or send us an email.

Stages in the scheme deployment process



The following illustration indicates the key steps involved in establishing the stewardship scheme.

	Draft Scheme Design	<ul style="list-style-type: none"> Release of BSC Consultation Scheme Design Draft #2 	Dec 2018
	BSC Consultation Round #2	<ul style="list-style-type: none"> BSC Briefing Notes to communicate key features BSC Webinar(s) / General Meeting(s) as needed Revision of proposed scheme design based on feedback from members on BSC Consultation Scheme Design Draft #2 	Jan / Feb 2019
	Public Consultation	<ul style="list-style-type: none"> Release of Public Consultation: Proposed Scheme Design Targeted consultation with consumer groups 	Feb 2019
	BSC early adopters agree to join the scheme	<ul style="list-style-type: none"> Agreement obtained for key players to join become early adopters 	Mar 2019
	ACCC Application & Consultation Process	<ul style="list-style-type: none"> BSC submits the application for ACCC review ACCC conducts public consultation 	Apr – Jun 2019
	Scheme launch	<ul style="list-style-type: none"> Scheme is launched & board appointed Key decisions made consistent with scheme design Scheme branding & infrastructure roll-out 	Jun – Dec 2019
	Scheme implementation	<ul style="list-style-type: none"> Members join the scheme Accreditation process begins Collections begin 	Jul 2019

Consultation Process



The success of the Battery Stewardship Scheme design process relies on feedback from BSC Members. The Battery Stewardship Council proposes to conduct a 2nd round of consultation with BSC members to ensure that the revised approach is practical and addresses member feedback.

Round 2 of BSC consultation will include:

- A series of briefing notes exploring key features of the scheme
- Face-to-face meetings with proposed scheme initiators
- BSC Webinar(s) as needed to update to discuss key issues
- BSC General Meeting(s) as needed

We would be interested to hear from you if there are any particular groups or companies that you believe we should speak to during this design stage. Feedback from Round 2 will then be integrated into a revised version of the Scheme Design document, which will then form the basis of a targeted public consultation process early next year.

Update on the registration of the BSC Entity



As indicated at the BSC General Meeting, the BSC has now been registered as an entity. It is proposed that an interim board be established to guide the legal formation of the BSC and be responsible for providing leadership on governance and scheme deployment. Proposed details will be forward to BSC members early in the new year.

The intent is to reflect the interests of Scheme members as shown in the Design document. Initially Board members will be selected by the current leadership team, however once the BSC is launched, nominations for Board positions will be invited.

Batteries Stocks and Flows



In early 2019 a Stocks & Flows analysis will be conducted for the Battery Stewardship Council by Envisage Works in partnership with Randell Environmental Consulting, Sustainable Resource Use and Marsden Jacob Associates.

The aim of the project is to analyse battery flows within Australia in order to determine trends in the source and fate of end-of-life batteries domestically. This will provide a robust and accurate data and analysis to understand the flow and market share dynamics of batteries in Australia. It will also include a market assessment to determine the jobs and economic value of the sector.

Battery Collection Channels Assessment



The Institute for Sustainable Futures recently completed an assessment of potential collection channels for a new stewardship scheme.

The research team, Rachael Wakefield-Rann, Research Consultant, Nick Florin, Research Director, and Melita Jazbec, Senior Research Consultant, characterised existing and potential collection points and channels, then conducted a preliminary assessment of points and channels identified, followed by targeted stakeholder interviews with organisations across the recycling supply chain, and concluding with a final evaluation and recommendations for implementation. The study determined that:

- Diverse collection points should be pursued
- Multiple types of collection points are needed
- Dangerous goods standards and training is required
- Processing capacity stronger than collection capacity
- Existing and potential collection points have indicated they will need more support to establish or increase battery collections
- A wide range of cost estimates (\$2 - \$9/kg) were offered by stakeholder and part of variation arose from the different services being offered.

The study confirmed current approach to leveraging existing collection services makes sense. The cost estimates identified in the study are consistent with the rebate cap of \$5-7 proposed in the draft design.

The study also highlighted some key actions for success, including the need to:

- Provide guidance on dangerous goods training and information,
- Provide incentives for collection points, and
- Resolve inconsistent licensing requirements limiting the use of existing collection networks in some jurisdictions and dangerous goods certification.

Download a copy of the [Channel Characterisation Study Executive Summary](#).

Like what you see?

Does our new approach to briefing notes work for you? Our goal is to improve understanding about the scheme and to add value to the ongoing process of engaging you in scheme design. If you like this new approach to communication, please let us know!

BatteryStewardshipCouncil

Wishes you a very happy holiday season!

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You are receiving this Briefing Note because you are a valuable member of the Battery Stewardship Council