

For e-waste landfill ban to work, incentives to create a market for recovery needed: ACOR

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The Victorian government's proposed e-waste landfill ban has the potential to be an effective instrument to make recycling options more effective, says the Australian Council of Recycling (ACOR), but given the cost of landfill disposal is "much cheaper" than recovery, incentives are needed to create a market for e-waste recovery.



ACOR CEO Grant Musgrove.

ACOR was responding to the government's discussion paper, *Managing e-waste in Victoria* (see [Related Stories](#)), which sought comment on how to determine the best approach to fulfil its election promise to ban e-waste from landfills.

ACOR CEO Grant Musgrove said the association supported the propositions outlined in the discussion paper and was confident that if properly implemented, an e-waste landfill ban had numerous benefits, including supporting jobs and investment in the state's resource recovery industry.

However, he noted that the current price of e-waste recycling was less competitive than landfilling, as the cost of recycling most types of e-waste was greater than the revenue generated from recovered materials.

"Often the cost of landfill disposal (between \$150 and \$250) is much cheaper than recovery (between \$500 and \$1000)," Musgrove said.

"There is a strong need for the government to provide incentives to create a market for e-waste recovery. ACOR suggests that the government utilise the revenue generated from the waste levy to address issues identified in section 4, table 2."

These issues (see table below) include the lack of a pull market, instability in e-waste volumes, illegal dumping and export of e-waste.

Issue	Description
Cost of recycling	In Victoria, the cost of recycling most types of e-waste can be greater than the revenues generated from the recovered materials, often making disposal to landfill a cheaper option for managing e-waste. For instance, recycling televisions and computers costs between \$500 and \$1000 a tonne. ²⁵ This comprises costs for: <ul style="list-style-type: none"> • collection and storage infrastructure • transportation in appropriate vehicles, with specific standards • dismantling (mostly manual) • management and disposal of residual waste (higher costs for hazardous materials) Conversely, sending e-waste to landfill costs between \$150 and \$250 a tonne.
Lack of 'pull market'	The costs of many raw materials are lower than their recovered counterparts, as the environmental costs associated with extraction of the raw materials is not always factored in. <p>As such, it is generally cheaper to use raw materials to manufacture electronic products than to recover materials from e-waste and use them in the manufacture.</p> <p>The market price of these recovered materials therefore does not cover the costs of the recovery process. Nor does it cover the costs required to support or subsidise collection services.</p>
Instability in e-waste volumes	Lack of sufficient and consistent volumes of e-waste available for recycling has created uncertainty for the industry, ²⁶ resulting in a reluctance to invest in e-waste recycling, a lag in implementation of new and improved processing technologies, and an insecure environment for jobs in e-waste recovery.
Illegal dumping and export of e-waste	These cheaper pathways for e-waste undermine the financial viability of the e-waste recycling industry. <p>Illegal dumping also creates additional burden on community as costs for clean-up and disposal of any dumped waste are generally incurred by local government and charitable recycling organisations.</p>

Table: Viability issues with e-waste recycling. (Source: Victoria Department of Environment)

organisations "typically do not have commercial acumen or balance sheets to deal with volatility as evidenced by their repeated financial and compliance failure under the National Television and Computer Recycling Scheme".

Stockpiling and illegal dumping

ACOR said anecdotal evidence suggested landfill bans resulted in increased stockpiling and illegal dumping, pointing to such activities already occurring under the National Television and Computer Recycling Scheme (NCRS).

"The implementation of the National Television and Computer Recycling Scheme demonstrated dumping and stockpiles of CRT glass when the scheme was implemented, while the resource e-waste recovery industry was actually reduced in size by the use of annual mandated targets for the scheme, which led to co-regulators simply turning off e-waste feedstock as soon as targets were met," Musgrove said.

"The problem of stockpiling and illegal dumping also creates additional cost for local councils and EPAs to clean up and dispose of the materials. The cost is incurred by ratepayers, government, and the broader community," he added.

To address these problems, ACOR proposed complementary policies such as mandatory waste sorting and handling requirements, arrangements for separate collection, and full investigation of the legalities of producer responsibility measures and sponsored waste.

The introduction of mass balance reporting and an upfront levy liability could also be used to deal with stockpiling.

Design of the ban

ACOR agreed that a phased approach should be taken and the determination based on criteria set out in section 6.1 of the discussion paper, which include:

- The current or future market value of specific components of e-waste;
- The level of known risk to the environment and human health;
- The trends observed overseas;
- The availability of existing of existing processing technology; and

ACOR proposed that the government also use a purchaser provider model to provide recyclers with either direct or indirect funding.

"The funding can be allocated to recyclers to provide recovery tonnages and as necessary, upgrade their existing infrastructure and advance technology to recover e-waste components that often tend to be disposed to landfill with long run contracts to provide certainty in feedstock and plant and equipment requirements," Musgrove said.

Financial mechanisms, such as an industry innovation fund could also be provided to the industry.

ACOR also cautioned against using charitable recyclers, saying these

Additionally, both regulatory and non-regulatory tools, such as those outlined in the discussion paper, should be used to implement the ban, Musgrove said.

When it came to licensing requirements for the processing of waste, ACOR suggested extending the requirements to final disposal of e-waste when all recyclable materials had been extracted.

"ACOR would also like the Victorian government to consider a mandatory reporting requirement (i.e. mass balance reporting) of the entire e-waste supply and value chain," Musgrove added.

"The introduction of mass balance reporting is effective to reduce illegitimate operators, address the issue of illegal dumping/stockpiling, increase revenue to government, the resource recovery industry and local government, and improve the reliability of data in relation to e-waste movement and disposal.

Ultimately, ACOR supported the points highlighted in the discussion paper but suggested said the ban consider the issues mentioned above as well as details such as:

- Comprehensive information/data/material flows for electronic materials imported, sold, collected, stockpiled, recycled and disposed to landfill through official and unofficial channels;
- Establishing a dedicated e-waste collection stream to avoid contamination;
- A process to allow the resource recovery industry to meet the need in terms of existing infrastructure and market capacity to recycle an increased volume of materials, through, for example, bankable long-term contracts with security in feedstock;
- Adaptability in markets for emergent e-waste;
- Resource allocations to cover the true cost of e-waste to the community;
- Consideration of possible exemptions for non-e-waste recyclers in relation to low levels of e-waste contamination in other recycling streams;
- The context of broader international and national actions, such as the Basel Convention and NTRCS; and
- Properly and adequately resourcing, regulating and policing the ban.

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Aspermont Limited
Street Address 613-619 Wellington Street, Perth WA Australia 6000
Postal Address PO Box 78, Leederville, WA Australia 6902
Head Office Tel +61 8 6263 9100 **Head Office Fax** +61 8 6263 9148
e-mail contact@aspermont.com **website** www.aspermont.com **ABN** 66 000 375 048