

Voluntary battery stewardship scheme granted authorisation

4 September 2020

[https://www.accc.gov.au/media-release/voluntary-battery-stewardship-scheme-granted-authorisation]

The Battery Stewardship Council (BSC) will be able to establish and operate a national scheme for managing expired batteries under an authorisation granted by the ACCC.

BSC was formed in 2018 with the primary goal of establishing a battery stewardship scheme in Australia that would see a significant increase in battery collections and recycling.

Batteries imported by members of the scheme would attract a levy of four cents per 24 grams (the weight of a AA battery). Rebates would then be paid to recyclers to help offset the cost of collecting, sorting and processing expired batteries. Members of the scheme must agree to only deal with other members along the supply chain, with limited exceptions such as for pre-existing arrangements.

The BSC estimates that only about 3 per cent of handheld batteries in Australia are recycled. Most batteries go to landfill.

"This battery stewardship scheme has the potential to be an important tool for encouraging businesses across the battery supply chain to take responsibility for treating batteries in an environmentally responsible way," ACCC Deputy Chair Delia Rickard said.

"The ACCC believes the scheme can achieve significant environmental benefits by increasing the number of batteries that get recycled rather than going to landfill."

"There are also benefits from increased public awareness around battery disposal and re-use, and supporting increased research and development," Ms Rickard said.

The ACCC notes that by encouraging consumers to hold onto button batteries for subsequent collection and recycling, there is a risk the scheme may inadvertently



increase the safety hazard of young children ingesting batteries or the risk of house fires.

The ACCC's current advice is for consumers to dispose of used button batteries immediately given the safety risk of serious injury or death if they are swallowed or inserted into the body. Young children are at the greatest risk due to their narrower oesophagus and tendency to place small objects into their mouths, ears and noses.

In order to address this issue of consumers potentially storing button batteries for later recycling, the ACCC has imposed a condition requiring BSC to develop a button battery safety strategy within 12 months. The strategy is to be guided by an advisory group involving the ACCC, relevant industry bodies and medical and child safety experts.

The ACCC has granted authorisation until 26 September 2025.

The ACCC considers it important that BSC is able to demonstrate strong take-up of the scheme, and effective administration and risk management before applying for re-authorisation in 2025.

More information, including the ACCC's reason for decision is available online on the ACCC's public register at <u>Battery Stewardship Council</u>.

The scheme is intended to manage all types of end of life batteries except for automotive lead-acid batteries and batteries that are currently included in a stewardship or recycling scheme (such as the embedded batteries covered by the <u>National Television and Computer Recycling Scheme</u>; or the mobile phone batteries covered by <u>MobileMuster</u>).

BSC proposes to offer the following rebates to recyclers:

- \$2.50/kg for battery collection in metropolitan areas,
- \$3.50/kg in regional and remote areas (to account for increased costs and logistics),
- \$1/kg for sorting, and
- \$1/kg for processing.

BSC was established as a not-for-profit company limited by guarantee with the purpose of designing and administering a battery stewardship scheme in Australia.

Authorisation provides statutory protection from court action for conduct that might otherwise raise concerns under the competition provisions of the *Competition and Consumer Act 2010*.



Broadly, the ACCC may grant an authorisation when it is satisfied that the public benefit from the conduct outweighs any public detriment.

Without authorisation, the imposition of the levy and the obligation on scheme members to only deal with other scheme members would risk breaching the Act.

Background

Product Stewardship is an environmental management strategy that means whoever designs, produces, sells or uses a product takes responsibility for minimising that product's environmental impact through all of the stages of its lifecycle.

The Product Stewardship Act 2011 identifies batteries (of all types) as 'priority products' for Stewardship.

The 2019 <u>National Waste Policy Action Plan</u> has indicated an intention for all Governments to develop a common approach to restrict the disposal of priority products and materials in landfill, starting with lithium ion batteries and e-waste by 2021. The Victorian government <u>banned all e-waste</u>, including all batteries, from landfill from 1 July 2019.

The Australian Battery Recycling Initiative (ABRI) has published <u>guidelines</u> on the safe and responsible use of button batteries. These guidelines are specific to button batteries and include the following tips when recycling expired button batteries:

- As soon as you have finished using a button battery put sticky tape around them to:
 - make them less attractive to children
 - prevent short-circuiting, and
 - o avoid the low risk of having them catch fire.
- Once taped, store batteries in a child-proof container.
- Take batteries to a designated battery recycling drop-off location.

Release number:

187/20

ACCC Infocentre:

Use this form to make a general enquiry.

Media enquiries:

Media team - 1300 138 917