

Committee Secretary
Senate Standing Committee on Environment, Communications and the Arts
Department of the Senate
PO Box 6100
Parliament House
Canberra ACT 2600
Australia

By Email: eca.sen@aph.gov.au

23rd May 2008

Dear Senator Fielding

Ecos Corporation wishes to table the attached report, *Carbon Value Proposition of Container Recycling*, to the Senate Environment, Communications and Arts Committee Inquiry into the Management of Australia's Waste Streams.

Ecos Corporation has a substantial and proud history in Australia and internationally assisting some of the world's largest companies in their evolution toward sustainability. These companies include such leaders in their fields as ANZ, Diageo, IAG, BHP, Ford and DuPont, amongst around one hundred clients from all sectors of the economy over our past 13 year history. More information on Ecos, our clients, people and processes is available at www.ecoscorp.com.

Ecos has throughout this time consistently advocated for market based solutions to environmental challenges and believe waste management is an area where government assisted or defined market approaches can greatly assist.

Ecos believes that just as government is now waking up to the necessity of placing a price on carbon, so too manufacturers need to accept a price on waste. We also believe that placing such a value on a waste item (in the form of a deposit on a container for instance) transforms this item in the public's mind from rubbish to resource – an important societal shift as we grapple with a rising tide of single use and short lived resources that are in the main being unsustainably discarded as rubbish.

The attached paper proposes that high recycling rates for containers in Australia (circa 85%+) bought about a national system of container deposits – which is from our research and assessment the only mechanism to achieve such rates or recovery for recycling, i.e. there is no evidence anywhere in the world of recovery rates rising beyond around 60% in the absence of such a return incentive – will result in greenhouse gas emission savings of around 1.8 Million tones p.a.

The paper outlines that the embodied energy in materials from containers currently discarded to landfill or as litter in Australia if redirected for reuse/

recycling would achieve savings in this order, including discounting any possible increase in transportation associated with either consumers returning these materials or the shipping of them to reprocessing facilities. This issue of transportation emissions is important, as it seems much has been made in various reports that have been critical of container deposits of the potential for individuals returning containers to collection points resulting in transport emission increases. In fact this notion is shown to be fallacious in the attached report in having no substantial material effect compared with the environmental benefits.

Ecos believes a national system of container deposits is an appropriate response to rising community demand for action on environment issues and particularly for recycling; societies obvious demand for reductions in greenhouse gas emissions, to which recycling and action on waste (e.g. removing organics from landfill) can play an important role; and as an extension of the overwhelming trend in either greenhouse or waste policy toward some level of price on waste/ pollution and producer responsibility.

Ecos would be happy to provide further background on this report if this were useful to the committee.

Sincerely

Robbie Kelman
Senior Consultant
Ecos Corporation

