



Container Deposit Scheme

Container Deposit Scheme Quarterly Report

1 January to 31 March 2014

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1 Introduction

The Northern Territory Container Deposit Scheme (CDS) commenced on 3 January 2012. The aim of the program is to reduce beverage container litter and increase resource recovery across the Northern Territory.

Five CDS coordinators are approved to operate in the Northern Territory. They are; NT Coordinators, Envirobank NT, Statewide Recycling, NT Recycling Solutions and Marine Stores. Their role is to work with the collection depots and beverage manufactures to recycle, reuse or appropriately dispose of approved containers. Territorians can collect their 10 cents in return for each approved container at a collection depot.

During the January to March 2014 quarter collection depots were open in Pinelands, Winnellie, Katherine, Elliot, Alice Springs and Tennant Creek. Reverse Vending Machines (RVM) were operating in Parap, Nightcliff, Milingimbi and at Charles Darwin University. The quarter saw the closures of the Nightcliff RVM in January, and Parap RVM in March.

1.1 Legislative amendments

Amendments to the *Environment Protection (Beverage Containers and Plastic Bags) Act 2011* (the Act) were introduced into the Legislative Assembly during the March 2014 sittings. The amendments intend to improve the efficiency of scheme operations and administration, and enhance the functionality of the CDS. External consultation has been on-going during the two years that the CDS has been in operation, with extensive feedback received from the community and industry. Targeted consultation was conducted with all CDS approval holders and industry associations during January, February and March 2014.

1.2 CDS Review

Section 50 of the Act required a review of the kinds of containers that are regulated under the Act. This had to occur within 2 years of the schemes commencement. The review was tabled in the Legislative Assembly in March 2014 and can be downloaded from the NT EPA website at www.ntepa.nt.gov.au.

2 Key Definitions

Containers returned: the number of containers that have been aggregated and returned to Coordinators from Collection Depots.

Return rates: the total percentage of container numbers that have been returned to Coordinators in relation to the total number of containers sold in the Territory.

Containers redeemed: the number of approved containers that have been accepted by Collection Depots to give a 10 cent refund to the community.

PET (polyethylene terephthalate): the product plastic beverage containers are made from (for example, water bottles).

HDPE (high-density polyethylene): materials that some juice containers are made from.

LPB (liquid paper board): material utilised in the packaging of beverages such as popper juices. LPB also includes ASEPTIC which is the packaging of beverages in a sterile container, used for example in long life UHT beverages.

Other containers: steel, foil sachets and other plastics including biodegradable, photo-sensitive and plant-based plastics. Also includes resin types established since 1988 and those marked with the number 7.

3 Sales Data and Return Rates

During the January to March 2014 quarter, 35 800 949 approved containers were sold in the Northern Territory. 16 386 512 of those containers were returned to CDS coordinators. This equates to a return rate of 45.77% across all material types (see Table 1). That is, 45.77% of all containers sold in the Northern Territory were reused, recycled or appropriately disposed of through the CDS.

Table 1: Number of Containers Returned by Material Type to CDS coordinators

| Container Material | Containers Sold | Containers returned to CDS Coordinators | Container Return Rates (%) |
|--------------------|-------------------|---|----------------------------|
| Aluminium | 14 349 713 | 9 140 096 | 63.70 |
| PET | 9 155 233 | 2 917 738 | 31.87 |
| HDPE | 885 072 | 162 500 | 18.36 |
| Glass | 9 304 949 | 3 507 956 | 37.70 |
| LPB | 2 098 302 | 658 222 | 31.37 |
| Other | 7 680 | 0 | 0 |
| TOTAL | 35 800 949 | 16 386 512 | 45.77 |

In this quarter 63.70% of aluminium containers sold in the Northern Territory were returned to CDS coordinators. Of the other major material streams 37.70% of glass containers, 31.87% of PET containers and 31.37% LPB were also processed through the scheme (see Figure 1).

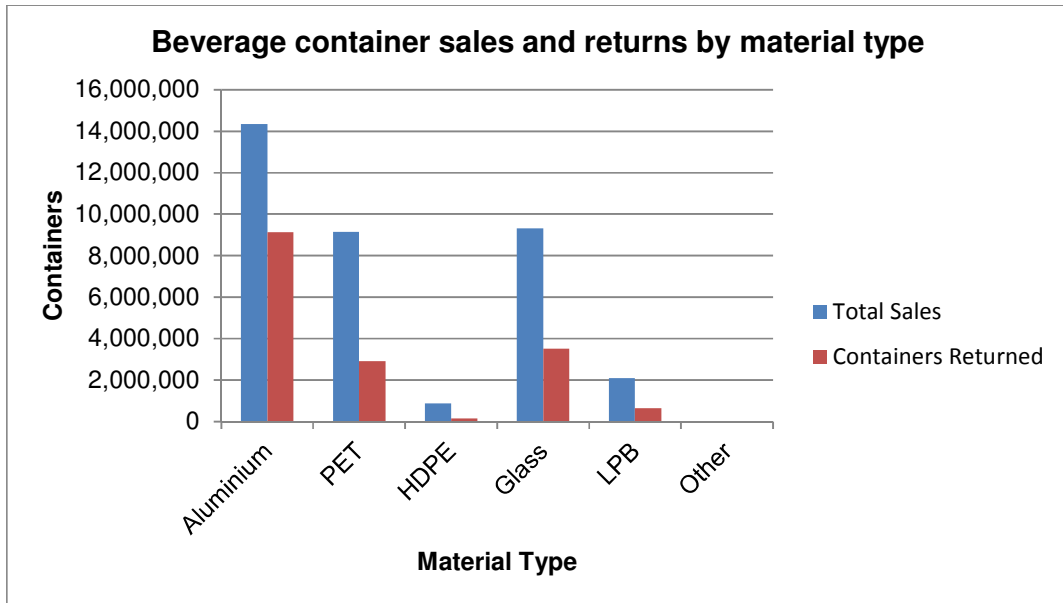


Figure 1: Beverage Container Sales and Returns by Material Type

The CDS has seen a steady increase in return rates since the Jul-Sept 2013 quarter, following the granting of the permanent exemption from the requirements of the *Mutual Recognition Act 1992* (Cth) on 5 August 2012. As Figure 2 demonstrates, at 45.77% the January to March 2014 quarter saw an increase of 6.94% on return rates from the previous quarter.

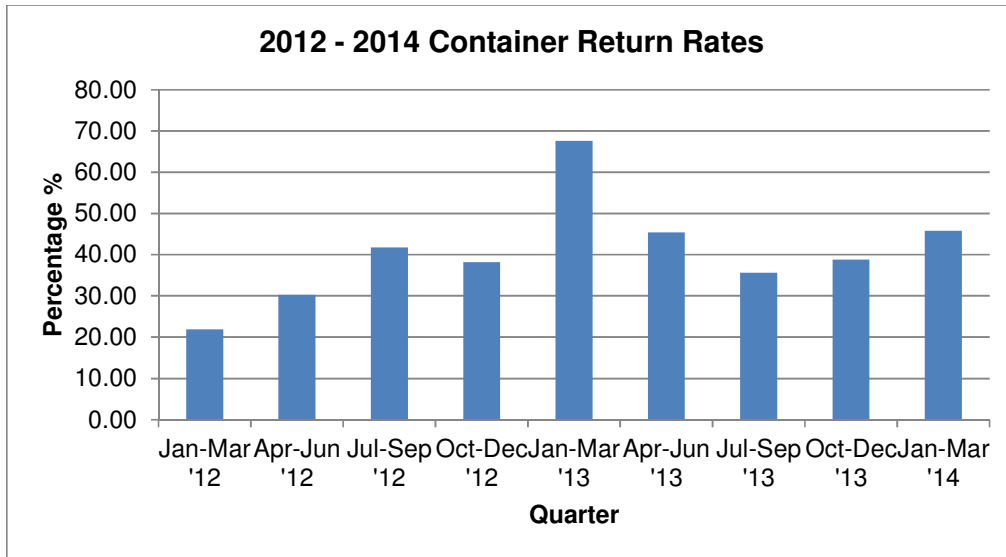


Figure 2: Container Return Rate by Quarter

4 Containers Redeemed at Collection Depots

A total of 16 674 011 containers were redeemed at collection depots over the first quarter of 2014 (see Table 2). The redemption of these containers equates to over \$1.6

million in deposits that have been paid out to families, schools, community organisations and commercial operators in the Northern Territory over the January to March 2014 period.

Table 2: Number of Containers Redeemed by Material Type at Collection Depots

| Container Material | Containers Redeemed at Collection Depots |
|--------------------|--|
| Aluminium | 8 851 205 |
| PET | 2 803 775 |
| HDPE | 512 559 |
| Glass | 3 779 247 |
| LPB | 725 036 |
| Other | 2 189 |
| TOTAL | 16 674 011 |

Figure 3 shows the number of containers redeemed at collection depots in each quarter that the scheme has been operating. 118 468 fewer containers than the previous quarter were redeemed at collection depots during the January to March 2014 quarter. This decrease may be attributed to the closure of the RVM in Nightcliff in January, and to a lesser extent, the closure of the Parap RVM in March.

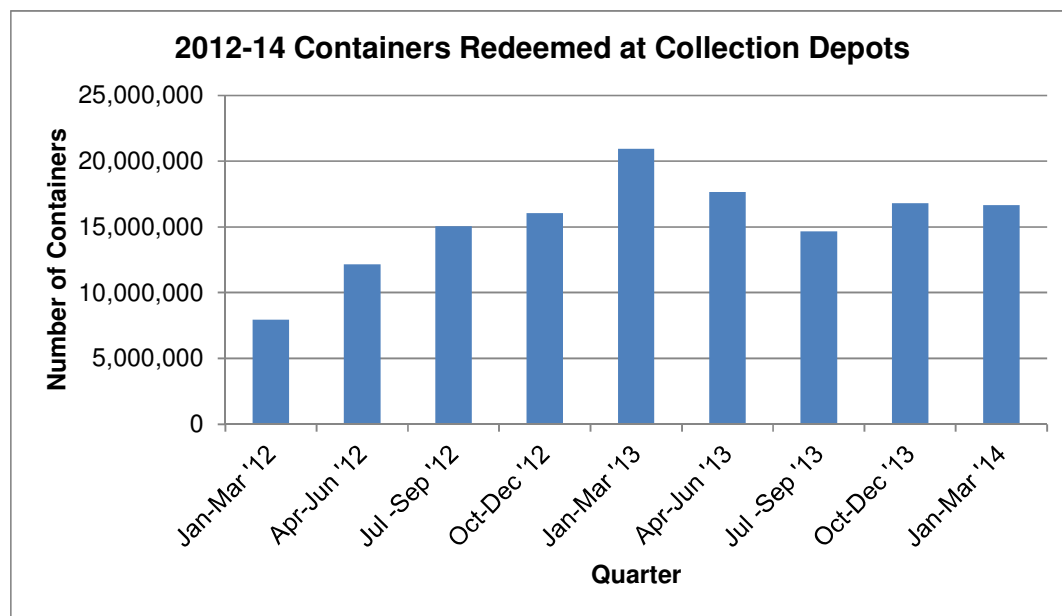


Figure 3: Number of Containers Redeemed at Collection Depots by Quarter

4.1 Redemptions by Region

Collection depots operating in the greater Darwin region include the depots located in Berrimah, Pinelands, Parap, Nightcliff and Charles Darwin University. Areas outside of Darwin include depots in Katherine, Alice Springs, Tennant Creek, Elliot and Milingimbi:

- 12.72 million containers were redeemed in the greater Darwin region; and
- 3.95 million containers were redeemed in areas outside of Darwin (see Figure 5).

Figure 5 shows the number of containers by material type collected in the greater Darwin region compared to the number in areas outside of Darwin.

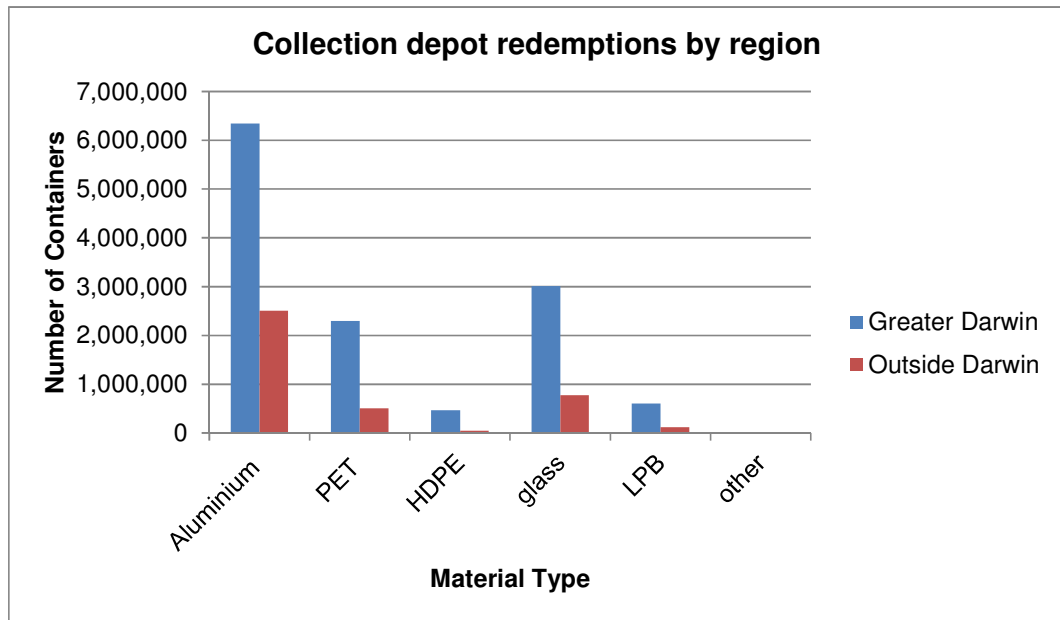


Figure 4: Collection Depot Redemptions by Region