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E-stewardship team
Department of Climate Change, Energy, the Environment and Water
Australian Government

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By email: estewardship@dcceew.gov.au

Dear E-stewardship team,

Submission in response to the discussion paper on the proposed product stewardship scheme for small electrical and electronic equipment (SEEE) and solar photovoltaic (PV) systems

The Business Council for Sustainable Development Australia (**BCSDAustralia**) welcomes the opportunity to make this submission to E-stewardship team.

We would also welcome the opportunity to speak directly on these points at the appropriate time.

Executive Summary

This executive summary provides an overview of the key points and insights gathered from the answers provided in response to the discussion paper on the proposed product stewardship scheme for small electrical and electronic equipment (SEEE) and solar photovoltaic (PV) systems.

This summary highlights leading global practices, relevant Sustainable Development Goals (SDGs), and resources from the World Business Council for Sustainable Development (WBCSD) that align with the proposed scheme.

The proposed product stewardship scheme aims to address the challenges of managing waste from SEEE and PV systems, promoting responsible waste management, resource recovery, and a transition to a more circular economy. The answers provided shed light on various aspects of the scheme, including targets and obligations, scope, financial responsibility, and stakeholder engagement.

Key Insights

1. Inclusive Stakeholder Engagement: The scheme should emphasize collaboration and engagement with stakeholders from industry, government agencies, recyclers, installers, and consumers. Leading global practices highlight the importance of involving diverse perspectives to ensure effective outcomes.
2. Sustainable Development Goals: The proposed scheme aligns with several SDGs, including SDG 12 (Responsible Consumption and Production), SDG 7 (Affordable and Clean Energy), and SDG 13 (Climate Action). By promoting sustainable waste management, resource efficiency, and renewable energy, the scheme contributes to the achievement of these goals.
3. Flexible and Adaptive Design: The scheme should be designed with flexibility and adaptability in mind, considering the evolving waste landscape and technological advancements. Regular reviews and updates will be essential to ensure the scheme remains effective and aligned with emerging challenges and opportunities.
4. Robust Monitoring and Evaluation: Establishing a robust monitoring and evaluation framework will enable the tracking of progress and outcomes of the scheme. This will involve defining clear indicators, such as recycling rates and reuse targets, to assess its effectiveness. Regular reporting and evaluation will inform evidence-based decision-making and continuous improvement.

5. Public Awareness and Education: Investing in public awareness and education campaigns is crucial to maximize the impact of the scheme. These initiatives will increase public understanding of responsible waste management, recycling, and product stewardship. They can also promote sustainable consumption practices and highlight the environmental benefits of choosing products covered by the scheme.

Leading Global and National Corporate Practices and WBCSD Resources

The proposed scheme aligns with leading global practices in product stewardship and waste management. Countries like Germany, Japan, and the Netherlands have implemented successful product stewardship schemes that provide valuable insights into design and implementation. Leading practices are not only limited to governments or environmental organizations but also are integral to corporations.

International

Microsoft, for example, offers several end-of-life programs for devices, batteries, and packaging, further showcasing its commitment to sustainable practices. More information about these programs can be found at Microsoft's Official Recycling Page.

In addition to recycling programs, Microsoft Store also offers a trade-in program for used laptops, tablets, phones, and game consoles. This program provides cash back to the participants while ensuring that the used devices are either recycled responsibly or find a new home. Details about this initiative can be accessed on the Microsoft Trade-in Page.

National

Quadrent is a specialist technology leasing provider to Enterprise and Government clients founded in 2002, operating throughout Australia and New Zealand and managing 43 billion dollars of leases.

In 2022, Quadrent launched Green Lease, circular leasing solution designed to collaborate with its customers to address specific social and environmental issues:

1. 1 in 7 young Australians (800,000) are at risk of being digitally excluded, simply because they are growing up in low-income families.
2. Only 50% of 539,000 tonnes of e-waste generated annually is properly recycled, with most ending up in Australian landfills. Australia is also one of the largest per capita producers of e- waste globally at 21.9 kgs per person and e-waste is the fastest growing waste stream globally.

Green Lease gives Quadrent's customers the ability to have their 'end of life' technology assets refurbished, remain in use for longer and be used by children who are disadvantaged and most in need. From an environmental perspective, Green Lease also improves recyclability and reducing e- waste to landfill and emissions. For these reasons, Green Lease ultimately supports wider economic and productivity outcomes for Australia.

When developing Green Lease, Quadrent used the United Nations Sustainable Development Goals and the sustainability hierarchy of reuse, repair, refurbishment, recycling, and responsible disposal to minimise the use of new resources, and guarantee reduction in e-waste, pollution, and carbon emissions. Green Lease is assured by an independent 3rd party auditor, which allows our customers and partners to have confidence in reported results.

Green Lease delivers social benefits through the donation of good quality, ex-lease technology devices like laptops, tablets, and monitors to Australia's most vulnerable children. Where needed, children also receive device training and internet connectivity, with the programme sustained through an eco-system of our like-minded partners, including The Smith Family. The ongoing volume of devices to be delivered by Green Lease for our social initiatives will come from the participation of Australia's largest and most iconic organisations.

Green Lease solves the conventional problems faced by businesses that traditionally owned their technology assets. Quadrent supports its customers by better managing the lifecycle of these assets, in a more sustainable and cost-effective way. Green Lease also helps customers wanting to achieve a more disciplined approach to the technology lifecycle, ensuring that large volumes of devices will be managed responsibly during corporate use and at the end of their life. Green Lease helps customers donate up to 20% of their end of lease devices to digital inclusion initiatives in Australia to improve education outcomes for kids in need.

Green Lease was launched a year ago in New Zealand, with foundation customers including Bell Gully (law firm), Buddle Findlay (law firm), EnviroNZ (asset management), PwC (accounting firm) and ANZCO Foods (meat producer) and now includes 1,000 devices already committed to be donated to digital inclusion initiatives. Quadrent in Australia has a list of Corporate and Government customers actively reviewing the Green Lease, representing a combined employees using 120,000 devices, with 24,000 devices that could be donated to the Digital Inclusion program.

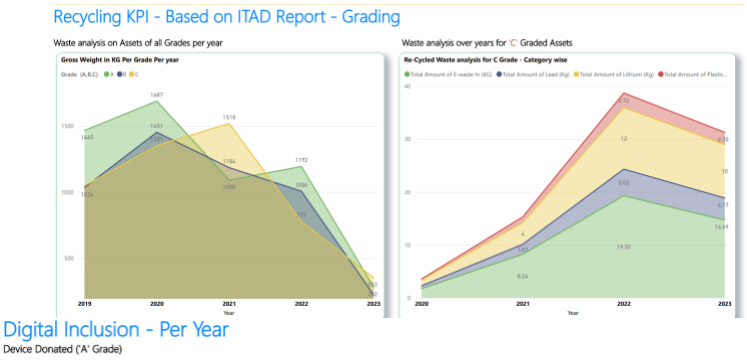
The key elements of Green Lease include:

- **Digital Inclusion Framework and Ecosystem (Social):** Digital inequity leads to poor education outcomes, deterioration of mental health and reduced employment opportunity for kids when they grow into young adults. It is a large complex, problem that can only be addressed when organisations collaborate effectively together. Quadrent will work with our Green Lease customers to ensure technology equipment is maintained to the highest standards while in use, then collected by Quadrent, data wiped, refurbished and an agreed percentage donated to kids in communities identified as most in need.
- **E-waste Reporting (Environmental):** Quadrent and its certified IT Asset Disposal (ITAD) partners provide the data supporting Green Lease reporting obligations. This includes detailed individual asset-by-asset information, including grading of assets and their suitability to be repurposed (including into digital inclusion initiatives), repaired or recycled. This reporting is also aggregated to analyse trends and measure overall programme effectiveness.
- **Funding (Economic):** Quadrent partners with Australia's largest banks and invests in the value of technology assets returned to us at end of lease to ensure that the commercial benefits of Green Lease compare favourably to customers who have traditionally paid cash or used other forms of finance to fund technology.
- **Independent Third-party Assurance (Governance):** To support the integrity of sustainability outcomes, Quadrent engaged PwC to perform an assurance review of Green Lease controls, which are reviewed and updated annually. This supports Quadrent's ongoing monitoring, measurement, and continuous improvement of outcomes that are critical to give our customers the confidence to be able to rely on Green Lease ESG reporting and incorporate it into their Annual and Sustainability Reports.
- **Legal Documentation (Governance):** The Green Lease contract framework has been designed to address technology asset management sustainability expectations and reporting requirement of the Quadrent and the customer. The framework included the creation of unique terms defining the asset use protocols, and the appointment of Green Lease representatives from both parties. The terms also address the disposal of packaging from assets when they get delivered and are unpacked, through to the end of life when the assets are to be removed by secure collection and transport, certified data wiped, and ultimately the asset are either repaired & reused or responsibly recycled.

What is innovative about this project?

Green Lease is a world-first technology lease that combines both environmental and social sustainability outcomes, with a governance wrap providing assured reporting to their customers. Unlike carbon offset arrangements, Green Lease promotes improved sustainability outcomes through positive customer behavioural change.

- **Digital Inclusion Innovation:** Green Lease builds a pipeline of good quality technology assets that will be donated to future social initiatives focused on reducing digital inequality for kids in need, with all the partners contributing financially in some way. Green Lease ensures the responsible management of technology even after it has been donated. Devices like laptops are treated like a library book, with an expectation that they will be returned at the end of the school year, then either passed to another child the year following, or recycled if end of useful life has finally been reached.
- **Reporting:** Green Lease delivers an online sustainability reporting suite. It includes data on asset grading, weight of e-waste produced and social donation outcomes to enable Green Lease customers to report under GRI and TCFD reporting standards. This establishes a base line for Quadrent to work with our customers for continuous improvement and reduce the level of their e- waste over time. Green Lease also provides a reporting portal that provides comprehensive Power BI reports online.



WBCSD Resources on this Topic

The WBCSD offers a range of programs, resources and thought leadership on circular economy, sustainable consumption and production, and waste management. The Circular Economy Action Plan developed by the WBCSD provides practical guidance for businesses to transition towards circular business models, emphasizing waste prevention, reuse, and recycling. Relevant platforms include:

- UN, WEF, WBCSD and partners come together to address e-waste challenges
  - ***A New Circular Vision for Electronics – Time for a Global Reboot***
  - CEP Roadmap and the Circular Electronics System Map. These key CEP publications give a broader systemic view of the barriers and enablers to the circular economy transition for electronics and showcase the vision of the electronics value chain, represented in CEP. In considering this consultation and the work of the CEP we note:
    - The product stewardship scheme should be part of government's holistic efforts to enable the transition of the electronics sector to circularity with relevant interventions across the products lifecycle. Global industry leaders, as part of Circular Electronics Partnership, have aligned on a Vision and a Roadmap, as well as an industry blueprint for action, 'The Circular Electronics System Map', outlining the roadblocks as well as enablers to building such a circular economy for electronics.
    - Strong public-private cooperation is needed to develop effective EPR regulation that encourages the right actions by all stakeholders. Public-private cooperation is also key to improving the enforcement of existing regulation or enhancing regulation to drive better outcomes (e.g. through avoiding inconsistencies or tailoring policies to the type of equipment). (CEP Roadmap Action P4.3).
    - The EPR obligations should be as much as possible harmonized with those in other jurisdictions to reduce complexity for producers (Circular Electronics System Map).
    - There is a need to strengthen convenient take-back and collection (CEP Roadmap action P4.7). In addition to data security concerns (see Pathway 3), a lack of clarity on responsibility for take-back of equipment, and financial costs or inconvenience associated with the return process limit collection rates. To address these issues, producers, in collaboration with local governments, can incentivize for consumers to return equipment through investing in more convenient drop-off locations and exploring ways to reward the right behaviour. Better communication of EEE on specific take-back opportunities and embedding messaging about take-back opportunities into the customer journey can raise awareness.
- Circular Transition Indicators
  - Circular Transition Indicators v4.0 – Metrics for business, by business
  - CTI academy – Online training
  - CTI academy – Company workshop
- The EU Digital Product Passport: how can companies prepare for it today?

Responses to specific questions

BCSDA's response to the specific questions is contained in the Department's Questionnaire document

Conclusion

In conclusion, the proposed product stewardship scheme for SEEE and PV systems presents an opportunity to address the challenges of waste management and promote sustainable practices. By embracing inclusive stakeholder engagement, aligning with relevant SDGs, incorporating leading global practices, and leveraging resources from the WBCSD, the scheme can contribute to a more circular and sustainable economy. By implementing robust monitoring and evaluation, fostering public awareness and education, and promoting continuous improvement, the scheme has the potential to make a meaningful impact in waste reduction, resource recovery, and environmental sustainability.

Yours faithfully,

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