

11 April 2025

Productivity Commission

Dear Sir / Madam,

Response to Australia's circular economy: Unlocking the opportunities - Interim report

The Battery Stewardship Council (BSC) seeks to make the following response to the Productivity commission interim Report. Specifically, in relation to the following items:

Reform direction 9.3: Product stewardship for small electronics, including embedded lithium-ion batteries.

The BSC suggest the Productivity Commission consider the work being done by the NSW Government as a model for national stewardship for small electronics with lithium-ion batteries rather than the Australian Government's co-regulatory product stewardship scheme for small electronics.

The BSC wishes to draw the Commission's attention to the submission made by the BSC to DCCEE's e-Stewardship Regulatory Paper in July 2023 (attached) At that time the BSC identified the following primary items in opposition to the department's proposal

- + **The overly bureaucratic nature of the administration of the proposed Scheme and the cost burden this would place on industry**
- + **The coupling of small electronics and PV panels in the one Scheme where the life cycle and cost structure of the two categories are vastly different and resulting in a lack of alignment with the stewardship activities of the Scheme.**

Since this time the Federal Government has moved away from taking any action in this space and has left it to the States to address the regulatory landscape for small electronics and lithium-ion batteries.

At the same time the BSC commenced its reauthorisation of the B-cycle Battery Stewardship scheme with the ACCC to expand the scope of the B-cycle Scheme to include small electronics. B-cycle is Australia's only national battery stewardship scheme accredited by the Australian Government.

The BSC agree with the Commission's findings that small electronics make up most of the e-waste in Australia and that only 12% of this waste is currently being collected. In preparation for the reauthorisation of the B-cycle Scheme the BSC identified that over 75% of small electronics with batteries weighed less than 3kg and that the current B-cycle collection network of over 5000 drop off points nationally could potentially be used to incorporate small electronics within the B-cycle stewardship scheme. The remaining 25% are under 10kg and the BSC is considering this within its expansion planning.

Currently the BSC is working closely with the NSW Government as they prepare regulation for battery stewardship under the Product Lifecycle Responsibility Act 2025. At the same time, the reauthorisation of the B-cycle Scheme is with the ACCC and has been designed to complement and dovetail with relevant state or federal legislation as it unfolds. For the Commission's reference we have attached the Scheme Design document for B-cycle 2.0.

The Product Lifecycle Responsibility Act 2025, and the proposed regulation being introduced by the NSW Government, present an efficient and cost-effective approach to addressing the issues associated with end-of-life small electronics with batteries. This legislation aims to address the core problems with minimal bureaucracy and has been drafted as standalone legislation allowing it to be introduced in other jurisdictions.

The BSC encouraged the Productivity Commission to review both the work of the NSW Government and the BSC with respect to the stewardship of small electronics with lithium-ion batteries as a preferred method for national stewardship in this space.

Reform direction 8.2: Establish the foundations of a robust end-of-life electric vehicle battery industry

The BSC supports the Commission's recommendation on end-of-life batteries for electric vehicles. The BSC will continue its work in conjunction with the vehicle industry to introduce battery stewardship in a phased approach.

The BSC welcomes the opportunity to expand on these points further with the Commission. Please don't hesitate to contact me directly should you wish to discuss further.

Yours sincerely,

Brett Buckingham
Director – Engagement and Technology
Battery Stewardship Council

REF 10.1.5: interim Report 20250411