CAP-SEA, DIALOGUE SERIES – DEPOSIT RETURN SYSTEMS

Who we are, why is DRS relevant and how a DRS could work in Indonesia

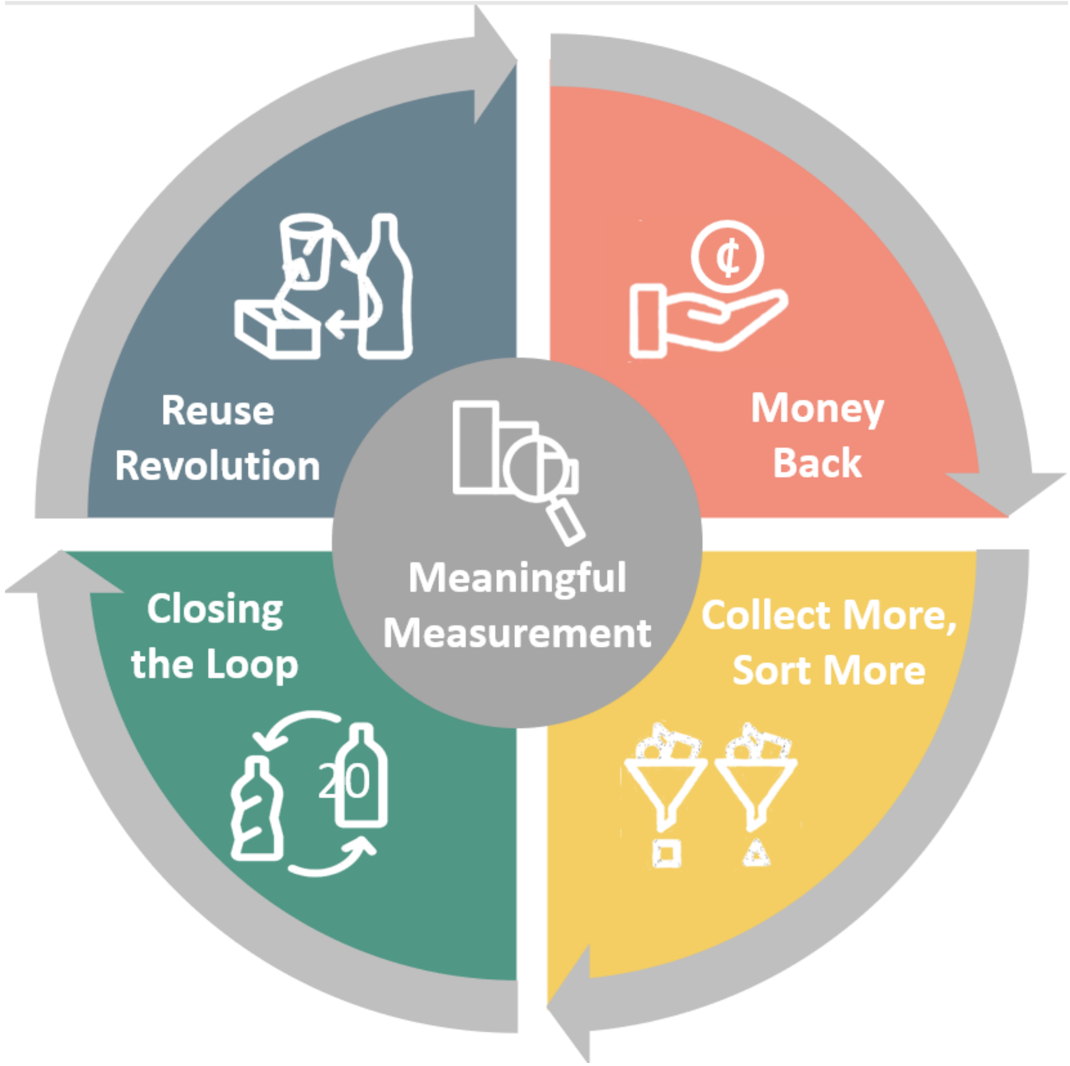
29 SEPT 2022

Reloop Overview

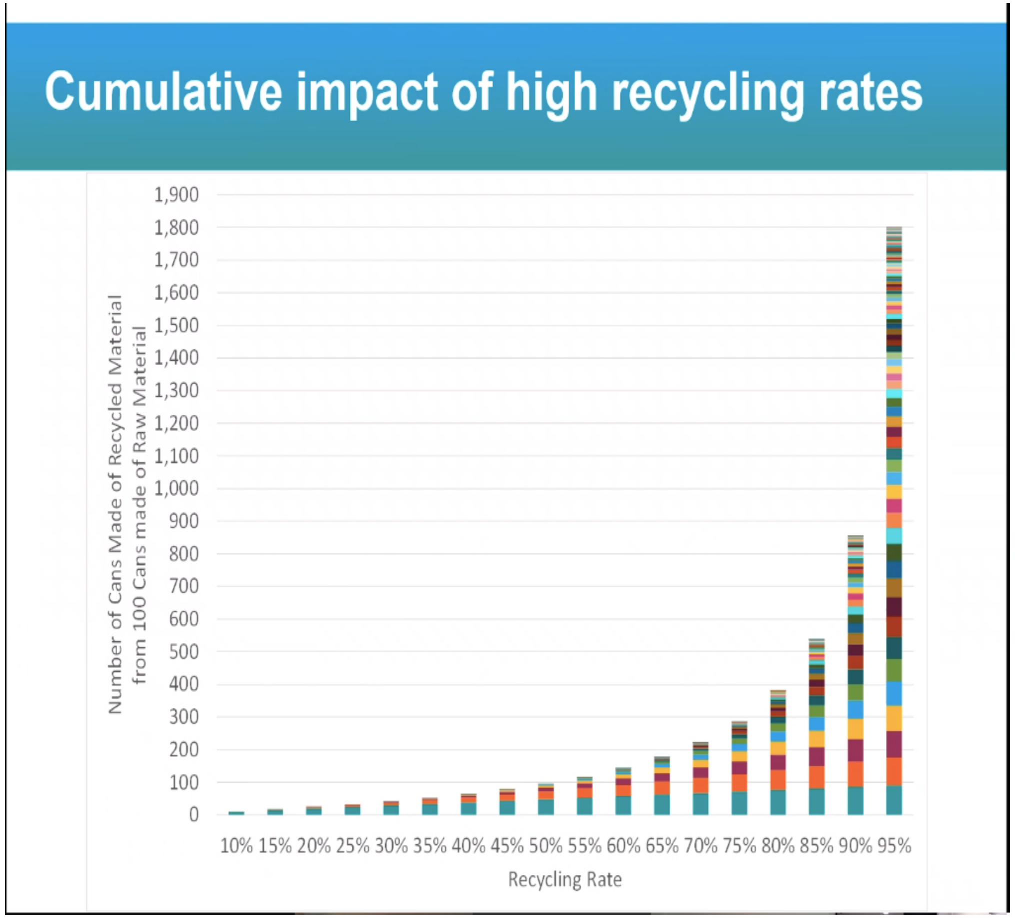
Directors in Europe, US and Asia/ Pacific

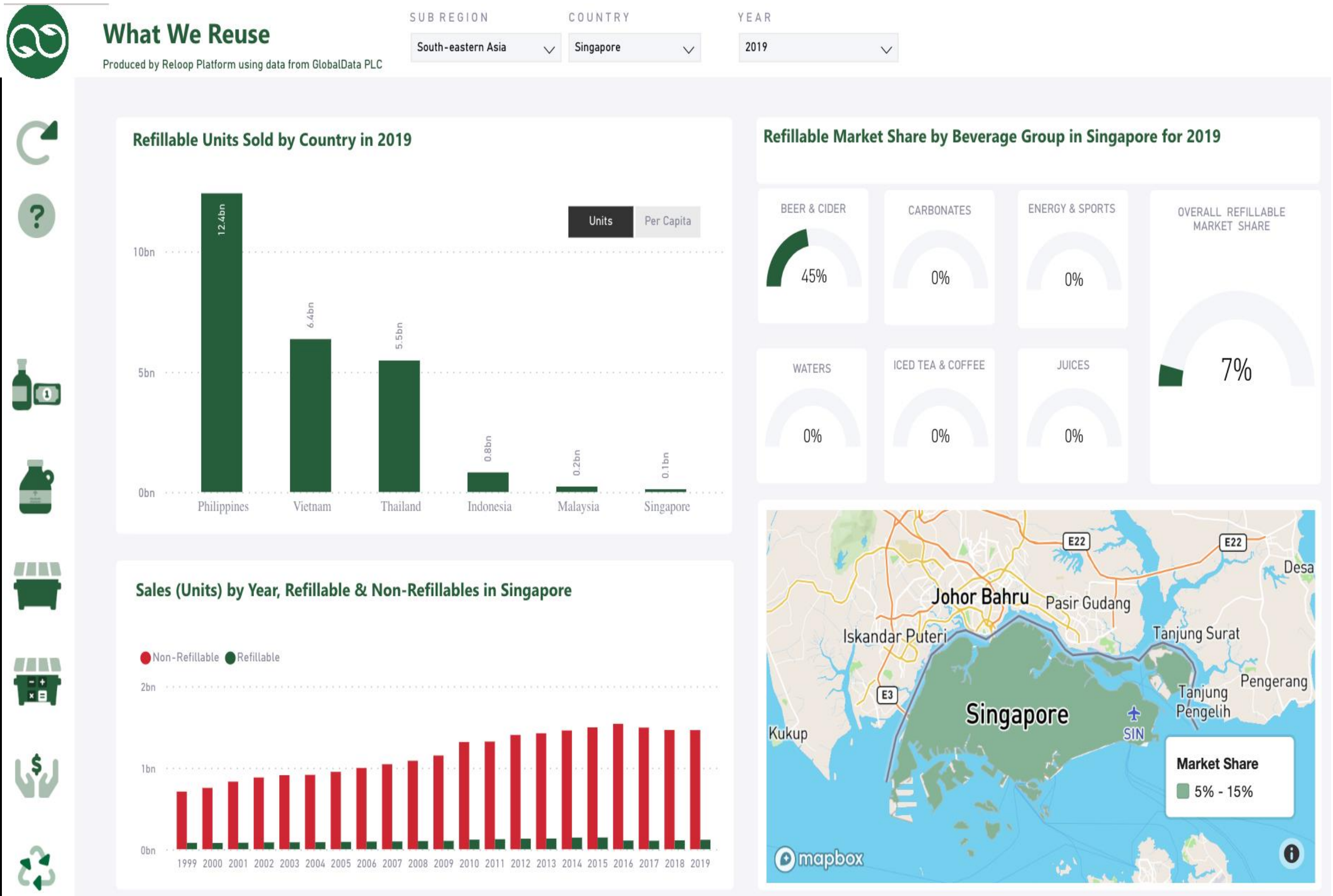
+ a few additional contractors in Scotland, South Korea

Contracted consulting services (e.g. Paid by NZ Govt; represented on every state AG in Australia; the same is true of every other RL Director)



Data – Analysis and Representation





What we waste dashboard – Expanding in 2023 to represent all packaging; Asia data includes China, HK, India, Thailand, Indonesia, SG, Korea, Malaysia, Phillipines

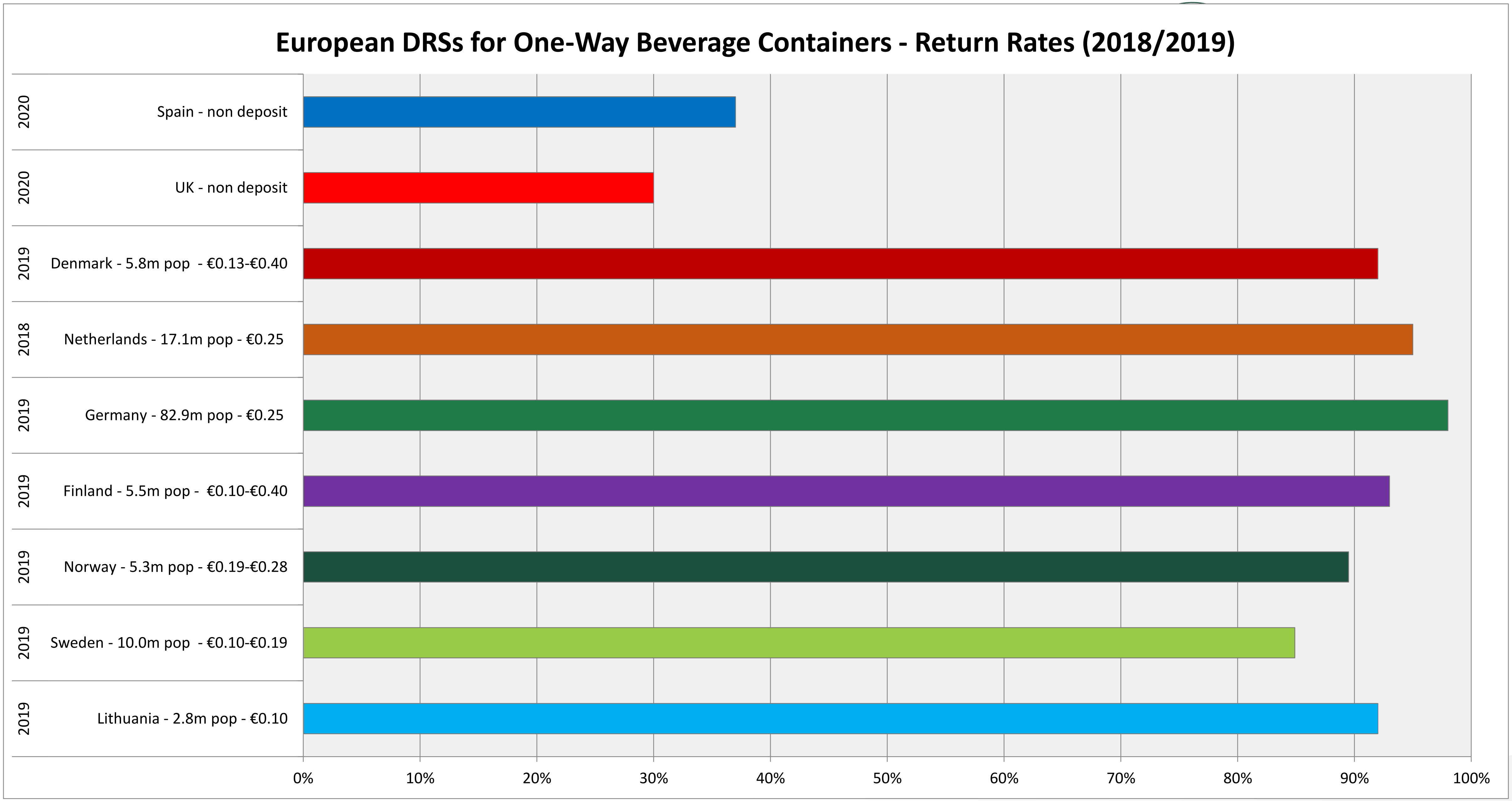
Reloop Asia – new frontier

- **More than half the world's population**
- **Significant source of marine plastic pollution**
- **Diverse peoples, GDP's etc**

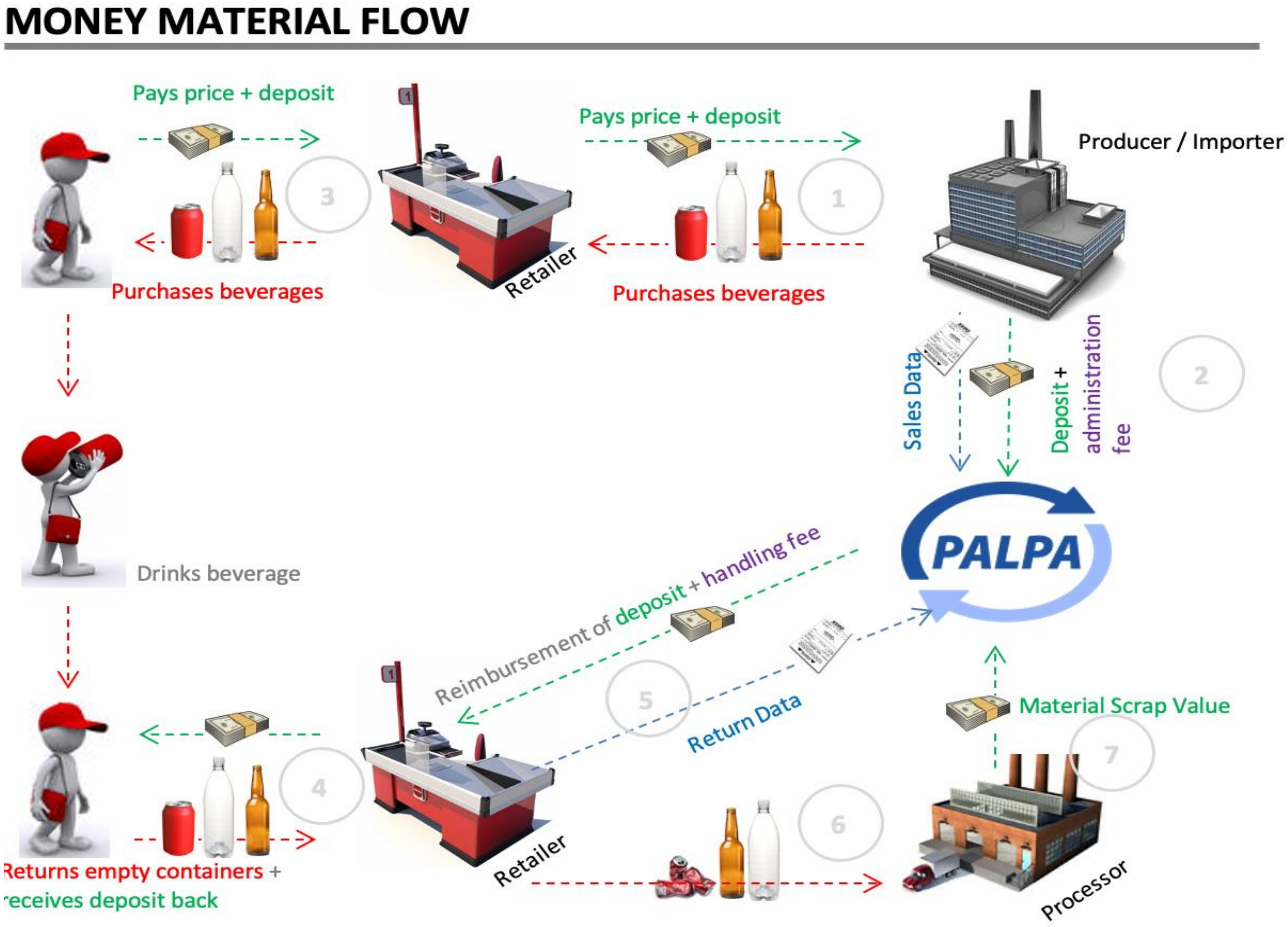
SIMILAR

- High levels of govt awareness of plastics problem; some regulatory action (voln)
- Community response to the problem
- Corporate power over regulation
- Informal sector (solutions likely to be manual in many states)
- Myriad of waste/ recovery problems, incl incineration, landfills, lack of collection and regulation, film/ sachets, socio-economic

Why DRS? Europe – a sample of EU states



DRS in action – new schemes every year; Austria, New Zealand



DRS – Example material and financial flow model

Government regulation ➔ private sector funding

Zero cost to the consumer

Costs of Norway's DRS + Australian price impacts

- Popn – 5.3M
- Refund – 20-30 EU cents (recently increased A30-50c)
- Eligible approx. 1.5BN containers
- Retail involvement
  - HF to the stores of $A0.3.3-0.4.3 cents
- Total Handling/Transport/Logistics Fee – approx. $A 0.75cents
- **Producer Fee A1.2cents (offset by unredeemed deposits and material sales)**
- Recycling rate - 90%

Private Sector Invests in Infrastructure, Facilities, Logistics

COSTS – impacts on consumers

QLD Productivity Commission May 2019 non-alc increase of 9.04c; alc 8.3cents

NSW IPART (2018) – average across all categories - 7.7cents

With a 10cent refund consumers are better off

DRS (a form of EPR) in Asia – Challenges and Opportunities

Drives CE outcomes and litter reductions

- Deposit amount
  - A key determinant of return rates
  - Singapore DRS consultation 10c-20c (1000-2000 IDR)
  - Would ID want to motivate most consumers, or just the IS to recover containers?
- Consumer convenience of collection points
  - SG consulting on return-to-retail model
- Legislation / Regulations
  - Target 90% and leave to industry to determine the-how (Norway eco-tax)
  - Full DRS legislation with retail obligation (store size etc)
  - Describes eligible containers; outlines deposit value; Governance arrangements

Could deposits could also be applied to additional products. Sachets?