Beverage Suppliers

Draft Environment Protection (Beverage Container Deposit Scheme) Amendment Bill 2024

The South Australian Government is seeking feedback on the draft Environment Protection (Beverage Container Deposit Scheme) Amendment Bill 2024 (the draft Amendment Bill). This information sheet provides a summary of what the key changes in the draft Amendment Bill mean for beverage suppliers (manufacturer, distributer or retailer of containers).

What the changes mean for beverage suppliers

Existing beverage suppliers

Existing beverage container approvals issued by the Environment Protection Authority (EPA) would carry over into a reformed scheme. This would be made possible by transitional provisions in the draft Amendment Bill (Schedule 1, cl.3).

Beverage suppliers would need to enter into a new supply agreement with the scheme coordinator. The supply agreement would replace the current waste management arrangement with the beverage supplier's chosen super collector (new s.68A(2)(a)).

New beverage suppliers

The draft Amendment Bill would not change who is required to make an application for a new beverage container. Any manufacturer, distributor or retailer who places eligible beverage containers on the South Australian market would remain responsible for seeking EPA approval and entering into a supply agreement with the scheme coordinator (substitution of s.68 with new s.68B).

Application fees for category B containers (recyclable containers) would be removed, with the variation regulations to repeal the prescribed fees. The current application fees disproportionally impact small beverage suppliers who frequently place small batches of new beverages on the market.

All beverage suppliers

The scheme coordinator would be required to publish the scheme price for each material type payable under supply agreements. The scheme price covers the refund amount paid to customers, container refund point handling fees, and scheme administration costs. Revenue received by the scheme coordinator from the sale of material into recycling markets would offset scheme costs and would be factored into the scheme price for each material type (new s.68F).

The scheme price may vary for different containers materials noting there are a number of factors that would influence variable costs including the commodity price for container materials, transport costs and the return rate for the container material.

Beverage suppliers' financial contribution under supply agreements would be based on the type of material the containers are made from (reflecting the scheme price for that material), and the number of those containers sold into the South Australian market.

The draft Amendment Bill proposes that the Minister may request the Essential Services Commission of South Australia (ESCOSA) to assess whether the scheme price determined by the scheme coordinator is reasonable and efficient. The draft Amendment Bill proposes that the Minister must request a review at least once every 3 years. ESCOSA's review report including recommendations must be provided to the Minister and published on ESCOSA's website (new s.69).

The scheme coordinator would be required to establish a digital register of container approvals along with a database of scheme agreements that would enable digital reporting and payment of contributions under supply agreements (new s.68A(2)(d)).

Supply arrangements under the scheme coordinator would start on a prescribed day to be fixed by the Minister by notice in the Gazette (Schedule 1, cl.2).

Key benefits:

- no application fee to seek a new beverage container approval
- scheme price for each container material type would be published by the scheme coordinator, and must be reviewed by ESCOSA on Ministerial request at least once every three years, and
- IT-based systems to support online reporting and payment for beverage suppliers.

Disclaimer

This publication is a guide only and does not necessarily provide adequate information in relation to every situation. This publication seeks to explain your possible obligations in a helpful and accessible way. In doing so, however, some detail may not be captured. It is important, therefore, that you seek information from the EPA itself regarding your possible obligations and, where appropriate, that you seek your own legal advice.

Further information

Legislation

Online legislation is freely available.

General information

Environment Protection Authority

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