

NSW EPA
PO Box 544,
Albury NSW 2640

27 April 2020

Via email: CLM.Consultation@epa.nsw.gov.au

Dear Ms Paszkiewicz,

NWRIC Response - NSW EPA Draft Financial Assurance Policy

The National Waste Recycling Industry Council (NWRIC) is the national body representing commercial waste and recycling operators Australia wide. Its vision is for a fair, safe, transparent, sustainable and innovative national waste and recycling industry that services all Australians.

The NWRIC brings together national businesses and state affiliates to develop and promote policies and actions that will advance the waste and recycling sector in Australia. Its mission is to represent its members priorities to the government and to promote its members contribution to the community, environment and the economy.

National members and state affiliates of the NWRIC are committed to moving materials up the waste hierarchy, helping to create a circular economy by turning waste into resources and ensuring the safe treatment and disposal of materials that cannot be recovered.

With an estimated turnover of more than \$10 billion per annum, over 16,500 employees and more than 10,000 trucks our members collect, sort, process and treat more than 10 million tonnes of waste from households and businesses per year.

Founding members of the Council, Cleanaway, J. J. Richards and Sons, Solo Resource Recovery, Sims Metal Management, Remondis, ResourceCo and Veolia own and operate many of the waste collection, transport, processing, recycling, treatment and disposal services and facilities nationally.

This includes landfills for hazardous, inert and putrescible wastes; soil recovery; medical, liquid and hazardous waste treatment; thermal destruction; fuel manufacture; energy recovery; anaerobic digestion; composting; material recycling facilities; aggregate recycling plants and oil recovery plants.

The NWRIC welcomes the opportunity to submit feedback to the NSW EPA Draft Financial Assurance Policy.

COUNCIL MEMBERSHIP INCLUDES NINE FOUNDING MEMBERS

Cleanaway | JJ Richards and Sons | Remondis
| Veolia | Solo Resource Recovery | Sims
Metals and ResourceCo.

IT ALSO COMPRISES STATE AND TERRITORY AFFILIATES

Waste Recycling Industry Queensland (WRIQ)
Waste Contractors & Recyclers Association
of NSW & ACT (WCRA) | Victorian Waste
Management Association (VWMA) | Waste
Recycling Industry South Australia (WRISA)
Waste Recycling Industry Western Australia
(WRIWA) | Waste Recycling Industry Northern
Territory (WRINT)

Submission NSW EPA - Draft Financial Assurance Policy

Insurance is the preferred form of financial assurance

A number of legal instruments can act as financial assurances for waste and recycling facilities. These include; bank guarantees, deed polls, accumulated third party trust funds, and insurances.

The NWRIC's preferred model is insurance. This is because bank guarantees and bonds tie up the working capital of businesses, constraining their capacity to provide new and more sustainable waste and recycling services.

Financial assurances must be risk based

The NWRIC supports taking a risk based approach as proposed by the EPA to determine the need and level of financial assurance that may be required. Recognising that all businesses in the low risk category and those high performing and well established businesses in medium categories should not require assurance.

Financial assurances must be subject to regular review

The NWRIC supports that financial assurances should be reviewed every five years, with the option for licensees to seek earlier reviews if their operations and risk profile has changed. The NWRIC also considers that no financial assurance should extend beyond five years without a clear and transparent review process.

National Approach

The NWRIC advocates for a nationally consistent approach to financial assurances and requests the NSW EPA ensure their policy is consistent with other state and territory policies, specifically the risk categorisation and methodology to determine the assurance amount.

Limitations of Draft Financial Assurance Policy

The primary limitation is that this policy only applies to EPA licensed facilities. Unfortunately, it is quite often the case that environmental damage or potential damage occurs at facilities that are not EPA licensed and therefore do not have financial assurance.

This creates an unfair commercial advantage to those facilities operating outside the EPA licensing system. Reducing the thresholds for licencing of medium and high risk activities would address this matter, and create a more level playing field for the sector.

Timing of implementation

Given the current environment with COVID-19, the NWRIC requests that any reviews of existing financial assurances be deferred until post the pandemic, unless specifically requested by the licensee.

For further information please don't hesitate to contact me.

Yours sincerely,



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