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How new recycling laws impact manufacturers, importers, brand owners, consumers

By Janine Will

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The "extended producer responsibility" provisions of the Waste Act No. 59 of 2008 have been kicked into gear by the recent publication of regulations and notices governing the lighting sector, the electrical and electronic equipment sector, and paper, packaging and some single-use products (including plastic products, and glass and metal packaging).



Image source: www.pixabay.com

All manufacturers, importers and brand owners ("producers") of the relevant goods are required to register with the Department of Forestry, Fisheries and the Environment by no later than 4 May 2021.

Producers are required, among other things, to establish and implement an extended producer responsibility scheme which includes the entire value chain, or join another such extended producer responsibility scheme, or appoint a producer responsibility organisation to establish and implement such a scheme.

Schemes will require an annual financial plan, budget, external audit, external performance audit reports and performance reviews, as well as biannual internal audits and interim performance reports.



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Reporting requirements

At least once a year, producers will need to submit a report to the South African Waste Information System, outlining the quantities of waste, in tonnes, resulting from products which are generated, collected, diverted away from landfills (recycled, reused, recovered, refurbished), exported, and discarded.



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Collection, recycling and other targets have been prescribed for the first five years of implementation of a scheme. For example, in year two of implementation of a scheme in respect of PET plastic beverage bottles, the product design (recyclate content) is 12.5%, the collection target is 72% and the recycling target is 70%.

Consumers are not required to return waste to producers, rather, producers are required to encourage such returns. The biggest impact on consumers will be felt at the till as the costs of running the schemes are likely to be transferred to them, resulting in higher prices. Products which are relatively cheap to recycle should, therefore, have smaller price increases, whilst schemes in respect of more complex products, such as electronic equipment, should result in greater price increases.

The extended producer responsibility fee will be indicated as a separate line item on every invoice and cash sale receipt. The administration fee of a scheme must not exceed 12% of the revenue (extended producer responsibility fees) collected in year one of implementation, and 9% of the revenue collected in year two of implementation. The maximum percentage will be reviewed thereafter.

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