## CONTENTS

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>About the ACT Container Deposit Scheme</td>
<td>4</td>
</tr>
<tr>
<td>How it works</td>
<td>4</td>
</tr>
<tr>
<td>A partnership model</td>
<td>6</td>
</tr>
<tr>
<td>Return points in the ACT</td>
<td>7</td>
</tr>
<tr>
<td>Types of return points</td>
<td>9</td>
</tr>
<tr>
<td>Chair’s Foreword</td>
<td>10</td>
</tr>
<tr>
<td>CEO’s Overview</td>
<td>11</td>
</tr>
<tr>
<td>Network Operator’s Message</td>
<td>13</td>
</tr>
<tr>
<td>Scheme Performance Overview</td>
<td>14</td>
</tr>
<tr>
<td>Goal and priorities</td>
<td>16</td>
</tr>
<tr>
<td>2019-20 scheme highlights</td>
<td>17</td>
</tr>
<tr>
<td>Year in review</td>
<td>21</td>
</tr>
<tr>
<td>Priority 1: Customer Excellence</td>
<td>22</td>
</tr>
<tr>
<td>Priority 2: Sustainable Operations</td>
<td>26</td>
</tr>
<tr>
<td>Priority 3: Industry Participation</td>
<td>32</td>
</tr>
<tr>
<td>Looking Ahead</td>
<td>45</td>
</tr>
<tr>
<td>Appendix 1 ACT Container Deposit Scheme Accounts</td>
<td>46</td>
</tr>
</tbody>
</table>
ABOUT THE ACT CONTAINER DEPOSIT SCHEME

The ACT Container Deposit Scheme (ACT CDS) continues to deliver measurable environmental outcomes. And as the scheme celebrated its second anniversary on 30 June 2020, support among Canberrans was at an all-time high, with strong and growing participation.

How it works

The ACT CDS is based on a self-funding model that rewards and encourages participants. Individuals, families and community groups return their eligible beverage containers to a return point and receive a 10c refund per container. Beverage suppliers fund the scheme, including the container refunds and scheme operating costs.

The scheme works on a partnership model. The ACT Government through ACT NoWaste, governs and regulates the scheme to ensure it is operating efficiently. The scheme coordinator, Exchange for Change (EfC), manages the financial operations, marketing and community education, and ensures scheme integrity; and the network operator, Return-It, manages return points and ensures returned containers are recycled.

As the scheme celebrated its second anniversary ... support for the scheme among Canberrans was at an all time high, with strong and growing participation.
A partnership model

Scheme regulator – ACT Government
The ACT Government, through ACT NoWaste, is responsible for developing the scheme. It manages the scheme coordinator and network operator, ensuring they fulfil their contracted obligations.

Exchange for Change

Scheme coordinator – Exchange for Change
EfC is contracted to provide financial management, scheme auditing, fraud identification, verification, community education and marketing services. A key part of its role is to manage suppliers and ensure supplier funds are paid into the scheme.

Network operator – Return-It
Return-It is contracted to set up and manage a territory-wide network of return points, as well as manage the logistics and sale of commodities to ensure all collected containers are recycled.

Other participants

First suppliers
The success of the ACT CDS is in no small part due to the beverage suppliers that fund it. Any businesses selling beverages in containers or giving them away as part of a promotion – whether manufacturers, distributors, wholesalers or retailers – must enter a supply agreement with EfC and register any eligible containers.

Material recovery facility operator
The material recovery facility (MRF) operator, located in the suburb of Hume, is registered with the ACT Government. It claims refunds for processing eligible containers collected through kerbside recycling bins.

Consumers
Essential to the scheme’s success has been the support and participation of the ACT public, community groups and charities, who regularly return their eligible drink containers at a return point in exchange for 10c a container.
Return points in the ACT
# Types of return points

<table>
<thead>
<tr>
<th>Return Point Type</th>
<th>Return Point Operators</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Back Depot</td>
<td>Depot Fyshwick</td>
</tr>
<tr>
<td></td>
<td>Depot Mitchell</td>
</tr>
<tr>
<td></td>
<td>Depot Phillip</td>
</tr>
<tr>
<td>Drop &amp; Go POD</td>
<td>Amaroo District Playing Fields</td>
</tr>
<tr>
<td></td>
<td>Charnwood Shopping Centre</td>
</tr>
<tr>
<td></td>
<td>Hawker Shops</td>
</tr>
<tr>
<td></td>
<td>Kambah District Playing Field</td>
</tr>
<tr>
<td></td>
<td>RDOC Gungahlin</td>
</tr>
<tr>
<td></td>
<td>RDOC Tuggeranong</td>
</tr>
<tr>
<td>Drop &amp; Go POINT</td>
<td>ACT Basketball Belconnen</td>
</tr>
<tr>
<td></td>
<td>Anglicare Jamison</td>
</tr>
<tr>
<td></td>
<td>Anglicare Phillip</td>
</tr>
<tr>
<td></td>
<td>Depot Fyshwick (Kiosk)</td>
</tr>
<tr>
<td></td>
<td>Depot Mitchell (Kiosk)</td>
</tr>
<tr>
<td></td>
<td>Depot Phillip (Kiosk)</td>
</tr>
<tr>
<td></td>
<td>IGA Evatt</td>
</tr>
<tr>
<td></td>
<td>IGA Farrer</td>
</tr>
<tr>
<td></td>
<td>Salvos Fyshwick</td>
</tr>
<tr>
<td></td>
<td>Salvos Mitchell</td>
</tr>
<tr>
<td></td>
<td>Salvos Phillip</td>
</tr>
<tr>
<td></td>
<td>Salvos Tuggeranong</td>
</tr>
<tr>
<td></td>
<td>Vinnies Belconnen</td>
</tr>
<tr>
<td></td>
<td>Vinnies Dickson</td>
</tr>
<tr>
<td></td>
<td>Vinnies Tuggeranong</td>
</tr>
</tbody>
</table>

## Cash-Back Depots

**Staffed and offers additional services. Open during business hours and weekends.**

**Ideal for:** Larger quantities of drink containers at a time.

<table>
<thead>
<tr>
<th>Refund types</th>
<th>Donations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash</td>
<td>Yes</td>
</tr>
<tr>
<td>Electronic refund</td>
<td></td>
</tr>
</tbody>
</table>

## Drop & Go PODs

**Self-service and open 7am to 7pm, seven days a week.**

**Ideal for:** A smaller number of bags of drink containers.

<table>
<thead>
<tr>
<th>Refund types</th>
<th>Donations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronic refund</td>
<td>Yes</td>
</tr>
</tbody>
</table>

## Drop & Go Points

**Self-service and staffed. Open during business hours and weekends.**

**Ideal for:** Four to five bags of drink containers at a time.

<table>
<thead>
<tr>
<th>Refund types</th>
<th>Donations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Electronic refund</td>
<td>Yes</td>
</tr>
</tbody>
</table>
CHAIR’S FOREWORD

The past 12 months have been extremely challenging for governments, communities and businesses to navigate as we worked to keep ourselves and each other safe.

I am proud to say that during this time, Canberrans continued to embrace the container deposit scheme (CDS). The number of containers redeemed, awareness of the scheme and participation all increased. It is clear that the people of Canberra value the scheme, and its environmental, social and economic benefits.

The past year has also been a period of change for EfC. We have continued to mature our young organisation and deliver even more value as coordinator of the ACT CDS.

In January, we were pleased to welcome our new Chief Executive Officer, Danielle Smalley. Having worked in leadership roles in the public sector, she brought a proven track record of building high-performance teams and fostering strong relationships with customers, stakeholders and the community.

In her short time with EfC, Danielle has successfully steered our response to COVID-19, built an experienced new executive leadership team, and renewed EfC’s commitment to placing our suppliers, partners and the community at the centre of everything we do.

Of course, she had a strong foundation upon which to build, and I would like to recognise Janelle Neath for her excellent work as Acting CEO from June to December.

Finally, I would like to thank my fellow Directors, and EfC’s talented team for their dedication, passion and professionalism during a very challenging year.

The future of the ACT CDS is bright. We have a strong partnership with the ACT Government and network operator, Return-It. The team is dedicated to improving and growing the scheme, and 73 per cent of Canberrans say they plan to return their containers. These are the perfect ingredients for ensuring that EfC can continue to work towards its vision of realising a future where waste is a valuable resource, not a problem.

Tracy McLeod Howe • Chair
Exchange for Change

“It is clear that the people of Canberra value the scheme, and its environmental, social and economic benefits.”
When I joined EfC in January 2020, Canberra was blanketed in thick, choking smoke from bushfires burning in the ACT and NSW. Two months later, the smoke had cleared but our community was gripped by uncertainty as COVID-19 took hold, dramatically changing our way of life.

These have been extraordinary times and it has been incredible to see the resilience of our community as it swiftly adapted to these challenges.

As with many operations and businesses, it proved a challenging time for the ACT CDS. I am pleased to say that, thanks to the strong model put in place by the ACT Government, we swiftly adapted to meet these challenges.

Three partners deliver the ACT CDS: the ACT Government; scheme coordinator EfC; and network operator Return-It. This partnership allowed for strong collaboration and problem solving as we worked towards the common goal of keeping the community and our workers safe. EfC and the ACT Government also worked closely to offer relief to beverage suppliers affected by COVID-19.

I am extremely proud of the work of the three scheme partners during these volatile and uncertain times. Over the past 12 months, we have kept the ACT CDS operating in extremely challenging circumstances while also improving its performance.

The year’s highlights are:
• 75.5 million containers collected
• 42 per cent of people in the ACT participated
• 73 per cent of people indicated they intend to participate in the future
• 88 per cent of Canberrans are aware of the scheme.

I would like to thank the ACT Government and Return-It for their commitment to delivering a quality scheme for the people of Canberra and the EfC Board, which strives for continuous improvement.

The beverage industry is another key element of the ACT CDS’s success. Members deserve recognition for being accountable for the containers they sell. This ensures the scheme can achieve outstanding results for the environment and the community.

Finally, I want to acknowledge the incredible efforts of the EfC team. They are the most committed and enthusiastic group I have had the pleasure of working with. Special thanks to Janelle Neath for her hard work and leadership as Acting CEO.

We have built a strong foundation for this relatively young scheme. I am excited about taking it to the next level to achieve higher redemption rates and even stronger environmental, social and economic benefits.

Danielle Smalley • CEO
Exchange for Change
The past 12 months have proven to be a challenging time for many Canberran businesses and members of the broader community, first with fires and then due to the COVID-19 pandemic. During this time Return-It has continued to demonstrate that, as the network operator for the ACT’s container deposit scheme, our business remains resilient in the face of adversity. Throughout the various challenges, our core collection network has remained open and provided much needed revenue for individuals, community groups and charities.

There were a number of highlights of 2019-20, including:
• the deployment of our sustainable PODs;
• the introduction of automated counting and sorting machines in our Mitchell and Phillip depots; and
• the relocation of our Mitchell depot.

These network developments enhance the interactivity and enjoyment of returning containers, and have enabled the ACT scheme to continue to operate and grow through some very challenging times. Critically, the planning and preparation of the Return-It Operations Team meant we were well placed to quickly activate our business continuity plans and ensure we could continue to provide essential recycling services to the ACT community.

Working together with Exchange for Change and ACT NoWaste Return-It was able to minimise risks to ensure our customers could safely continue to return their containers and benefit from the refund payments. During the year more than 45 million containers were returned and recycled across 24 return points.

Our collaborative approach enables Return-It to continue to deliver a world class network of container refund points, designed to make the return process fast, fun and rewarding. With the opening of our new Belconnen Cash Back Depot in October 2020, and further collection point development plans, we look forward to continuing to provide Territorians the high levels of service, convenience and benefits to society and the environment that they have come to know and expect from the ACT CDS and Return-It.

David Singh • Managing Director
Return-It, network operator

“... a world class network of container refund points, designed to make the return process fast, fun and rewarding.”
SCHEME PERFORMANCE OVERVIEW
The goal of the ACT CDS is to encourage recycling in the community while reducing litter and the number of containers going to landfill.

The ACT CDS provides an incentive to return containers rather than dispose of them through littering or general waste. This reduces the number of redeemable containers in recycling, general waste and public bins, as well as litter.

Priorities

The ACT CDS made significant progress in achieving its objectives in 2019–20. The following section details achievements in the three priority areas:
2019-2020 Scheme Highlights

Priority 1

Customer Excellence
Delivering a seamless customer experience through public awareness, community engagement and easy access to return points.

24 return points

88% awareness among ACT residents (18+)

83% support the scheme

42% of ACT residents (18+) have participated
### 2019-2020 Scheme Highlights

**Priority 2**

**Sustainable Operations**

Ensuring efficient and sustainable delivery of operations for the scheme.

<table>
<thead>
<tr>
<th>SINCE COMMENCEMENT:</th>
<th>IN 2019-20:</th>
</tr>
</thead>
<tbody>
<tr>
<td>293.8 million containers supplied into ACT¹</td>
<td>151.2 million containers supplied into ACT²</td>
</tr>
<tr>
<td>148.1 million containers collected through the scheme</td>
<td>75.5 million containers collected through the scheme</td>
</tr>
<tr>
<td>50% average redemption rate of total containers supplied</td>
<td>50% average redemption rate of total containers supplied</td>
</tr>
</tbody>
</table>

¹, ² after adjusting for exports.
Priority 3

Industry Participation

Working together with stakeholders and industry to ensure scheme integrity and safety.

IN 2019-20:

- 366 supplier arrangements in force
- $18 million in supplier contributions paid (excl GST)
- $3.2 million in MRF processing refunds paid (excl GST)
- 0 safety incidents
Nine out of ten users of the scheme have a positive experience.
Year in review

The ACT CDS continued to grow in 2019–20, despite the challenges of bushfires, floods and the COVID-19 pandemic. Demonstrating resilience, the scheme marked its second year of operation with strong community support, improved access and increasing participation.

Growing participation
A total of 42 per cent of residents (aged 18+) in the ACT have now participated in the ACT CDS. Participation rates continue to steadily grow, with 73 per cent of residents indicating they intend to participate in the future. Environmental considerations continue to be the top driver of participation, with ACT residents motivated by their desire to minimise landfill and public litter.

Support for the ACT CDS is also high, with four out of five Canberrans supporting it and 51 per cent believing it is the best way to reduce litter and increase recycling of containers.

Responding to customer needs
This year, many improvements were made to the customer experience in response to feedback. These included opening multiple Drop & Go PODs across the ACT for express returns. This followed a successful trial at the Gungahlin recycling drop-off centre. A new automated counting system was introduced at the Phillip and Mitchell Cash-Back Depots. The system uses new technology that more than halves the time customers usually spend returning containers.

A new-look ACT CDS website was also launched, featuring a user-centred design to improve functionality and customer experience. It also has additional content to make it easier to understand how to participate in the scheme.

These improvements have significantly increased overall customer satisfaction, with nine out of ten users indicating they have had a positive experience.

Support for suppliers
EfC recognises that 2020 has been a difficult year for the community and the beverage industry. EfC worked closely with industry and consulted with the ACT Government to provide temporary relief options for beverage suppliers affected by bushfires and/or the COVID-19 pandemic. This included implementing payment plans to ease the financial burden, and ongoing engagement with industry representatives to better understand the challenges faced by suppliers.

Litter reduction
The ACT CDS continued to have a positive impact on the environment in 2019–20, with 75.5 million containers returned through the scheme for recycling. Eligible drink containers made up just 2 per cent of litter items in the ACT in 2019–20, a decline of 17.5 per cent on the previous year. While in terms of volume, eligible drink containers in the ACT litter stream decreased by 23 per cent in 2019–20 compared to 2018–19 levels.3

3 KAB Litter Index ACT 2019–20 Report
During the 2019–20 financial year, scheme participation rose from 31 per cent to 42 per cent of ACT residents (aged 18+). Consumer research undertaken in August 2019 found that many people were still unsure of how to participate or to locate their nearest return point.

In response, community education activities in 2019–20 focused on maintaining high levels of awareness, while also addressing the barriers to participation identified in the research.

Integrated marketing and proactive public relations campaigns were implemented on multiple channels across the ACT in the first half of the year, focusing on ‘why’ and ‘how’ to participate in the scheme. This included clear messages about the benefits of taking part and the different types of return points and containers that are eligible for a refund.

By April 2020, stated knowledge of the ACT CDS had improved, with 88 per cent of residents knowing something about the scheme. Those knowing a lot significantly increased, up from 26 per cent to 37 per cent. At the same time, support for the scheme also rose substantially, from 71 per cent in August 2019 to 83 per cent in April 2020. Additionally, 51 per cent stated they believe it is the best way to reduce litter and increase recycling of containers.

Positive environmental outcomes from the scheme remain the key motivator for 52 per cent of participants, followed by financial motivation at 37 per cent. The number of participants wanting to impart positive behaviours and values to their children and grandchildren has also grown, reaching 17 per cent.

EfC engaged with the ACT community during the first half of the year, participating in Floriade and the Molonglo Valley Markets, and supporting the fundraising efforts of local charities, community groups and schools.
Positive environmental outcomes from the scheme remain the key motivator.

Improved access and customer experience

The consumer research highlighted areas for improvement in the customer experience. These included the convenience of return points and need to improve knowledge to ensure a seamless first experience to drive regular use of the scheme.

Return-It implemented a number of improvements during the year, including the introduction of a new automated counting system at the Phillip and Mitchell Cash-Back Depots.

The new system uses technology that makes it easier to return and process containers, more than halving the time customers used to spend at the depot. Now, instead of customers having to hand trays of sorted containers to staff, they can place a mix of containers on the machine, which quickly counts them. Customers can immediately claim their cash refund from the connected ATM or receive it electronically over the counter.

Additional Drop & Go PODs were also rolled out at the Charnwood and Hawker shops, Tuggeranong and Gungahlin recycling drop-off centres, and Kambah and Amaroo playing fields, improving the convenience and access to the scheme for local residents.

CASE STUDY:
11-year-old funds trip to Latvia with bottles and cans

Talented young choir singer and environmentalist Jim Hodgson is using the ACT CDS to raise funds for a trip to Latvia with his choir, the Luminescence Children’s Choir.

Jim, who is 11, started his own venture, Jim’s Recycling, collecting eligible drink containers from his neighbours each week and taking them to a return point to receive a 10c refund for each one.

While the primary goal of the scheme is to reduce litter in the ACT, enterprising young people like Jim have jumped at the chance to tap into a new income source.

“I thought it was a great way to save up for the trip and help the environment,” said Jim.

To launch his enterprise, Jim dropped off flyers at his neighbours’ homes, asking if they would be willing to help by setting aside their empty containers for him to collect.

“Most of my neighbours are on board and leave their bottles and cans at the front of their house in the crate I’ve given them,” he said.

Jim sorts the containers at home, and his parents take him to the nearest return point. He has already returned 1,500 containers.
In addition to improving the network, the ACT CDS website was redesigned to enhance the user experience and ensure the community could easily access clear and concise information on how to use the scheme and their nearest return point. The new-look site was launched in December 2019, ahead of the summer peak return season.

These improvements to the customer experience led to a very strong increase in overall customer satisfaction, which jumped from 70 per cent in August 2019 to 90 per cent by April 2020.

Supporting scheme participants during COVID-19

EfC worked closely with Return-It following the onset of the COVID-19 pandemic in early 2020 and the introduction of public health orders.

During this period, EfC worked with ACT NoWaste and Return-It to develop and implement communications advising scheme participants how to keep on returning while adhering to public health orders.

Information was provided on how the scheme was responding to the pandemic. Return-It introduced initiatives – such as social distancing markers on the ground, additional cleaning of machines and signage at all return points – to keep the community safe.

CASE STUDY:
Charities ‘cash in’ on recycling at 2019 Floriade

Visitors to the 2019 Floriade helped raise over $4,800 for ACT charities by recycling their empty bottles and cans through the ACT CDS.

By placing their drink containers in the ACT CDS bins provided by Closed Loop Site Services across the grounds at Floriade, visitors donated their 10c refund to the RSPCA ACT and Lifeline Canberra.

More than 50,000 containers were collected, giving a well-deserved boost to these two important local charities while ensuring bottles and cans end up in the right place.
Return-It introduced initiatives – such as social distancing markers on the ground, additional cleaning of machines and signage at all return points – to keep the community safe.
In a year that saw many challenges, including bushfires and the onset of the COVID-19 pandemic, the ACT CDS was able to continue delivering environmental outcomes for residents.

The substantial increase in redemptions through return points was particularly pleasing, with volumes redeemed through this channel increasing 65 per cent from 27.3 million to 45.1 million.

Supplier pricing

The ACT CDS is based on a cost-recovery model. Pricing is set on a monthly basis to recover the scheme costs associated with each material type in advance. This allows the scheme to pay the 10c refund for each eligible container returned and meet administration costs.

The price for each material type is determined by forecasting the costs associated with redeeming each material type each month, and allocating fixed costs based on forecast supply. The total cost is then divided by the forecast number of containers expected to be supplied in that period for that material type.

When actual redemptions and supply volumes are known, a series of adjustments are made – known as true-ups – that result in an adjusted price that reflects the actual cost per container per material type each month.

Table 1 provides a summary of the adjusted pricing observed in 2019–20.
Scheme pricing in 2019–20

Table 1: Actual pricing summary by material type

<table>
<thead>
<tr>
<th>Container material type</th>
<th>Cents per container 2019–20 (average)</th>
<th>Maximum price per container charged (cents)</th>
<th>Minimum price per container charged (cents)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aluminium</td>
<td>10.56</td>
<td>14.38</td>
<td>7.00</td>
</tr>
<tr>
<td>Glass</td>
<td>8.43</td>
<td>13.49</td>
<td>5.55</td>
</tr>
<tr>
<td>HDPE</td>
<td>6.12</td>
<td>7.91</td>
<td>4.46</td>
</tr>
<tr>
<td>PET</td>
<td>8.28</td>
<td>11.48</td>
<td>5.51</td>
</tr>
<tr>
<td>LBP</td>
<td>5.92</td>
<td>7.85</td>
<td>4.95</td>
</tr>
<tr>
<td>Steel</td>
<td>7.12</td>
<td>22.98</td>
<td>3.68</td>
</tr>
<tr>
<td>Other plastics</td>
<td>3.31</td>
<td>4.45</td>
<td>2.07</td>
</tr>
<tr>
<td>Other materials</td>
<td>3.28</td>
<td>4.45</td>
<td>2.07</td>
</tr>
</tbody>
</table>

5, 6 Prices are based on reported volumes at the time the August 2020 invoice was generated.

HDPE (high-density polyethylene)
PET (polyethylene terephthalate)
LPB (liquid paperboard)

Supply volumes

The ACT acts as a distribution hub for the supply of eligible beverage containers in the ACT and surrounding parts of NSW. To ensure that containers are only subject to a container deposit/refund charge in the jurisdiction where they are finally consumed, an export protocol has been established.

The export protocol provides a rebate to businesses that purchase containers within the ACT and then supply them into another jurisdiction. When the containers leave the ACT, they are also removed from the supply volume so that the final scheme metrics and pricing relate solely to containers for beverages consumed within the ACT.

During 2019–20, 15 per cent of the total volume of containers first supplied into the ACT were exported.

Table 2 contains the volumes of each container material type after this adjustment. Net of export adjustments, total supply into the ACT increased by 6 per cent, compared to 2018–19.

Table 2: Actual supplier volumes, net of exports 2019–20

<table>
<thead>
<tr>
<th>Container material type</th>
<th>Total</th>
<th>Volume share (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aluminium</td>
<td>52,553,221</td>
<td>35</td>
</tr>
<tr>
<td>PET</td>
<td>43,283,963</td>
<td>29</td>
</tr>
<tr>
<td>Glass</td>
<td>40,811,441</td>
<td>27</td>
</tr>
<tr>
<td>LPB</td>
<td>8,451,281</td>
<td>6</td>
</tr>
<tr>
<td>HDPE</td>
<td>5,797,436</td>
<td>4</td>
</tr>
<tr>
<td>Steel</td>
<td>142,488</td>
<td>0</td>
</tr>
<tr>
<td>Other plastics</td>
<td>53,727</td>
<td>0</td>
</tr>
<tr>
<td>Other materials</td>
<td>127,300</td>
<td>0</td>
</tr>
<tr>
<td>Total</td>
<td>151,220,857</td>
<td>100</td>
</tr>
</tbody>
</table>

7 Volumes are based on reported volumes at the time the August 2020 invoice was generated.
Scheme redemptions

During 2019–20, the total volume of containers redeemed through the ACT CDS rose by 2.9 million (4 per cent), driven by a marked uplift in containers redeemed via return points. While the volume of containers redeemed rose, the redemption rate remained consistent at 50 per cent because the gain in redemption volume was offset by an increase in supply volume.

Additionally, the increase in redemptions through return points was offset by a fall in the number of containers redeemed through kerbside recycling. The scheme does not recognise containers recovered through kerbside recycling until they are delivered for re-use or recycling. This creates a timing difference between when the material is collected and processed and when it is recognised by the scheme. Should containers that were collected and processed during 2019–20 be delivered for re-use or recycling in 2020–21, they will contribute to the redemption performance of the later year.

Table 3: Total rate of redemption through the network and material recovery facilities, 2019–2020 (total scheme containers redeemed)\(^8\)

<table>
<thead>
<tr>
<th>Container material type</th>
<th>Redeemed volume</th>
<th>Net supply volume</th>
<th>Rate of redemption (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aluminium</td>
<td>35,616,845</td>
<td>52,553,221</td>
<td>68</td>
</tr>
<tr>
<td>Glass</td>
<td>21,193,120</td>
<td>40,811,441</td>
<td>52</td>
</tr>
<tr>
<td>PET</td>
<td>15,947,217</td>
<td>43,283,963</td>
<td>37</td>
</tr>
<tr>
<td>HDPE</td>
<td>1,412,534</td>
<td>5,797,436</td>
<td>24</td>
</tr>
<tr>
<td>Steel</td>
<td>32,132</td>
<td>142,488</td>
<td>23</td>
</tr>
<tr>
<td>LPB</td>
<td>1,298,829</td>
<td>8,451,281</td>
<td>15</td>
</tr>
<tr>
<td>Other plastics</td>
<td>552</td>
<td>53,727</td>
<td>1</td>
</tr>
<tr>
<td>Other materials</td>
<td>0</td>
<td>127,300</td>
<td>0</td>
</tr>
<tr>
<td><strong>All material types</strong></td>
<td><strong>75,501,229</strong></td>
<td><strong>151,220,857</strong></td>
<td><strong>50</strong></td>
</tr>
</tbody>
</table>

\(^8\) Volumes based on reported volumes at the time the August 2020 invoice was generated.
Network trends

With the exception of other plastics and other materials, which were not redeemed during the financial year, all material types recorded significant growth. This contributed to a 65 per cent increase, on average, in redeemed volumes through the network of return points.

Once again aluminium proved the most popular material type redeemed (46 per cent of total redemptions), followed by glass (27 per cent) and PET (22 per cent).

A combination of continuing education, through marketing initiatives, and enhancements to the network of return points operated by Return-It has increased awareness of the scheme and improved opportunities to participate. As at 30 June 2020, 22 return points were operating and two were closed due to the effects of COVID-19.

Table 4: Total rate of redemption through return points, 2019–20

<table>
<thead>
<tr>
<th>Container material type</th>
<th>Redeemed volume</th>
<th>Net supply volume</th>
<th>Rate of redemption (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aluminium</td>
<td>20,775,618</td>
<td>52,553,221</td>
<td>40</td>
</tr>
<tr>
<td>Glass</td>
<td>12,131,940</td>
<td>40,811,441</td>
<td>30</td>
</tr>
<tr>
<td>PET</td>
<td>10,121,038</td>
<td>43,283,963</td>
<td>23</td>
</tr>
<tr>
<td>Steel</td>
<td>32,132</td>
<td>142,488</td>
<td>23</td>
</tr>
<tr>
<td>LPB</td>
<td>1,298,829</td>
<td>8,451,281</td>
<td>15</td>
</tr>
<tr>
<td>HDPE</td>
<td>753,500</td>
<td>5,797,436</td>
<td>13</td>
</tr>
<tr>
<td>Other plastics</td>
<td>0</td>
<td>53,727</td>
<td>0</td>
</tr>
<tr>
<td>Other materials</td>
<td>0</td>
<td>127,300</td>
<td>0</td>
</tr>
<tr>
<td>All material types</td>
<td>45,113,057</td>
<td>151,220,857</td>
<td>30</td>
</tr>
</tbody>
</table>

9 Volumes based on reported volumes at the time the August 2020 invoice was generated.
**Material recovery facility trends**

Redemption from kerbside recycling fell by one-third, compared to 2018–19. While some of this fall may be attributed to a change in consumer preferences, with participants choosing to directly redeem containers at return points rather than using kerbside recycling, the timing of the recognition of redemptions will have contributed to this result. Containers are only recognised when they are delivered for re-use or recycling. This means that those containers held by the MRF operator, as stock on hand have not yet been recognised by the scheme. The MRF operator continues to seek opportunities to regularly deliver containers for re-use or recycling, which will reduce the time between kerbside collection and redemption.

The redemption of aluminium containers continued to perform well during the financial year, increasing by 4 per cent. However, the remaining material types fell sharply, with glass falling by 40 per cent, HDPE by 45 per cent and PET by 61 per cent.

During 2019–20, the MRF operator was paid refunds for 38,756,746 containers. These volumes relate to the final quarter of 2018–19 and the first three quarters of 2019–20, due to timing differences between when the containers were delivered for re-use or recycling and when the associated claims and payments were finalised.

<table>
<thead>
<tr>
<th>Container material type</th>
<th>Redeemed volume</th>
<th>Net supply volume</th>
<th>Rate of redemption (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aluminium</td>
<td>14,841,227</td>
<td>52,553,221</td>
<td>28</td>
</tr>
<tr>
<td>Glass</td>
<td>9,061,180</td>
<td>40,811,441</td>
<td>22</td>
</tr>
<tr>
<td>PET</td>
<td>5,826,179</td>
<td>43,283,963</td>
<td>13</td>
</tr>
<tr>
<td>HDPE</td>
<td>659,034</td>
<td>5,797,436</td>
<td>11</td>
</tr>
<tr>
<td>Other plastics</td>
<td>552</td>
<td>53,727</td>
<td>1</td>
</tr>
<tr>
<td>LPB</td>
<td>0</td>
<td>8,451,281</td>
<td>0</td>
</tr>
<tr>
<td>Steel</td>
<td>0</td>
<td>142,488</td>
<td>0</td>
</tr>
<tr>
<td>Other materials</td>
<td>0</td>
<td>127,300</td>
<td>0</td>
</tr>
<tr>
<td><strong>All material types</strong></td>
<td><strong>30,388,172</strong></td>
<td><strong>151,220,857</strong></td>
<td><strong>20</strong></td>
</tr>
</tbody>
</table>

**Table 5: MRF operator container redemptions, 2019–20**

10 Volumes based on reported volumes at the time the August 2020 invoice was generated.

**Graph 2: Material recovery facility redemptions and claim eligibility, 2019–20**

![Graph showing material recovery facility redemptions and claim eligibility, 2019–20](image-url)
Funding the scheme

First suppliers of beverages into the ACT are responsible for paying contributions to cover the costs of the ACT CDS. This includes the cost of managing, administering and operating the scheme. They do so by making monthly payments to EfC, as the scheme coordinator.

A total of 366 supplier arrangements were in force in 2019–20. EfC’s proactive efforts in identifying and educating suppliers has resulted in a more than 36 per cent increase in participating suppliers, compared to the previous year.

Collectively, suppliers paid more than $18 million in contributions in 2019–20.

Supplier satisfaction

Following close consultation with the beverage industry, EfC developed and undertook a supplier satisfaction survey in September 2019. This provided important feedback to inform ongoing efforts to improve the coordination and operation of the ACT CDS. It also helped to build trust and make it easier for suppliers to participate.

In response to the feedback received, EfC consolidated digital platforms to improve supplier access to information. It also focused on providing more personalised service and education for suppliers.

EfC acknowledges it has more work to do to improve the supplier experience, but feedback on improvements to date has been positive.
Supporting suppliers affected by COVID-19

In recognition of the effects of COVID-19 on all beverage suppliers, EfC worked closely with the industry to provide temporary relief options and support.

Measures included working closely with any affected suppliers to implement payment plans to ease the financial burden. EfC also continued to engage with industry representatives to better understand the challenges suppliers faced during COVID-19, to assist with cash flow pressures.

CASE STUDY: Tackling local litter, one bottle at a time

Kirsty Young and her husband Wayne Corbin have recycled a remarkable 7,589 bottles and cans with the ACT CDS since it was launched in June 2018.

“I actually got involved even before the ACT CDS officially began because I went to a community forum to see how the scheme would work,” Kirsty said. “I’m involved in a local litter pick-up group – Lanyon Litter Control – and when you pick up litter regularly you see lots of cans and bottles. So I was interested in what was eligible and what it was all about.

“I’ve been interested in recycling and the environment for a while and I saw this as a really good way for the recycling industry to get a good, clean stream of containers. I’ve been out to the Recycling Discovery Hub at the materials recovery facility at Hume a few times when they have held open days. It just blows your mind when you see how much recycling comes in each day.”

Kirsty and Wayne have collected $758.90 through the container refund. They have used some of the funds to pay for pick-up sticks and gloves for pick-up group volunteers.

“With Lanyon Litter Control, I try to run monthly events to pick up litter with other members in the local community. Since the ACT CDS launched, we’ve really noticed a lot less cans and bottles in the litter stream. These days we pick up fewer and fewer containers.”

“Thank you for all the help and direction, really appreciated you going through everything.”

– Supplier
Material recovery facility processing refunds

Re.Cycle is entitled to claim processing refunds for eligible containers collected through kerbside recycling bins, which are sent for recycling or re-use.

The operator is paid a processing refund of 10c, including goods and services tax (GST), for each container delivered for re-use or recycling. As the MRF operator reports delivered recyclables in tonnes, conversion factors known as eligible container factors are used to convert these weights into a count. EFC calculates these factors based on sampling data collected at the kerbside for glass and from the MRF output streams for all other material types. These factors are published on the EFC website.

EFC paid more than $3.2 million (excl GST) in processing refunds during the reporting period.

EfC paid more than $3.2 million (excl GST) in processing refunds during the reporting period.

Governance and risk management

EFC is responsible for implementing effective governance and risk management practices to support achieving the scheme’s objectives and fulfil corporate governance, legislative and contractual obligations.

EFC reported zero performance failures in the reporting period.

Risk and assurance model

As scheme coordinator, EFC administers the risk and assurance model, which primarily focuses on verifying and validating the operational and compliance requirements of the scheme. This ensures that the volumes of materials and funds that flow through the scheme are monitored and validated. The model is also designed to minimise the risk of fraud and corruption across the scheme.

Scheme participants are monitored for compliance with the Waste Management and Resource Recovery Act 2016 (ACT) and other associated legislative, regulatory and contractual instruments. EFC, ACT NoWaste, Return-It and the independent scheme auditor all manage components of the assurance program to provide a safe, secure and customer-focused scheme.

EFC audits and conducts verification activities in relation to suppliers and exporters, Return-It, the MRF and return points. It also monitors the path of containers, from production to end of life, when collected containers are recycled or re-used.

Enhancing risk and assurance

Over the course of the financial year, EFC took steps to further develop the approach to governance, risk management and assurance across the scheme, including a more collaborative approach to issues management and iterative enhancement of risk and assurance governance, which has provided a strong foundation for continuous improvement.
Graph 3: ACT CDS’s operational risk and assurance structure

KEY:
- Information
- Accountability

- Contract manager and regulator
- Scheme coordinator
- Network operator
- Independent scheme auditor (RSM)
- Suppliers and exporters
- Material recovery facility
- Return points
- Drop & Go Points
- Drop & Go PODs
- Cash-Back Depots
CASE STUDY:

‘Canberra Kids Collecting’ launches in National Recycling Week

Recycling dynamo James Jayatilka, winner of the 2019 Young Canberra Citizen of the Year Award in the Environment and Sustainability category, was keen to share all he had learnt from setting up his own recycling business ‘Cans in Crates’.

So with the help of his mum Jodie, James launched ‘Canberra Kids Collecting’ during National Recycling Week in November 2019. His initiative aims to inspire other kids to make a difference in their community by making use of the ACT Container Deposit Scheme (CDS) to start their own business.

James was just 12 years old when began ‘Cans in Crates’. He approached his neighbours in South Bruce and asked for their help to set aside 10c containers to help him save for a new saxophone. Within three months, he had almost thirty customers as well as the local retirement village helping him out. In approximately twelve months James collected, sorted and returned almost 30,000 containers through the ACT CDS. He’s now keen to share what he’s learnt and encourage other kids to give it a go.
COVID-19

In response to the COVID-19 pandemic, EfC implemented various initiatives to minimise potential risk to the organisation and the scheme.

It established a tripartite risk forum on COVID-19, attended by representatives of Return-It and ACT NoWaste, to ensure a consolidated approach to managing any risks.

The operational audit plan was revised to reflect the need to manage the risk of transmission and ensure the safety of participants across the scheme, while maintaining effective levels of assurance. EfC worked closely with scheme partners to revise processes and activities to minimise the risk of infection while managing disruption caused by COVID-19. This primarily led to all site-based audit activities ceasing from 17 March 2020 and the audit program moving online. Suppliers and exporters, Return-It and ACT NoWaste have all supported and cooperated with this approach.

The kerbside and MRF sampling audits are a key input for calculating ongoing scheme payments. They were risk assessed and approved to continue. New safety procedures were implemented in March to mitigate any risk of contracting COVID-19. These included measures to maintain social distancing at all sites, use of personal protective equipment, sanitising procedures and revisions to physical processes.
Operational risk and assurance overview

During 2019–20, EfC executed audit activities in alignment with the ACT Government–approved Risk and Assurance Plan. The plan was revised in late March 2020 in response to the effect of the COVID 19 pandemic on standard audit processes. This included ceasing onsite audits and increasing assurance sampling to achieve pre-COVID-19 levels of assurance.

Independent scheme auditor

The independent scheme auditor, RSM, is responsible for providing oversight and specialist advice to the ACT Government on assurance matters across the ACT CDS Risk and Assurance Program. It ensures EfC’s audit program is conducted in accordance with scheme requirements and its design effectively identifies potentially fraudulent activity and other scheme risks. RSM provides specialist advice directly to the ACT Government about the effectiveness of the EfC audit program and endorsed two positive audit reports during the year (in December 2019 and April 2020) following in-depth reviews of EfC’s audit program and records.

EfC reported no performance failures in 2019–20.

Network operator

Return-It claims through EfC for the total volume of eligible containers collected through its network of return points. EfC’s audit program verifies the volume of containers and financial records to substantiate its claims.

During 2019–20, EfC conducted eight audits of Return-It to review and validate the volume of containers collected, counted and delivered for re-use or recycling as well as matters of compliance.

EfC issued nine non-compliance notices (NCNs) due to issues surrounding container processing and recounting within acceptable tolerances, to manage associated financial risks. At the end of June 2020, two NCNs remained open due to COVID-19 preventing final validation of corrective actions; however, EfC and Return-It have worked cooperatively to manage the risk.

Return points

Return points are the public interface for the scheme and are managed by Return-It.

EfC conducts audits to ensure the availability, suitability and safety of the 24 return points – Drop & Go Points, Drop & Go PODs and Cash-Back Depots – and to consider the risk of fraud and corruption.

It conducted 16 audits across the network during 2019–20 before temporarily halting onsite activity due to COVID-19. EfC identified 16 minor issues, which Return-It promptly addressed with corrective or preventive actions, resulting in nil open issues at the end of the financial year.

Key issues identified during the audits included:

- unavailable return points due to being full or printer failure
- security of customer Drop & Go bags until they are counted
- lack of signage and poor cleanliness at some return points.
Return points are the public interface for the scheme and are managed by the network operator.

CASE STUDY:
National Zoo volunteer recycles 170,000 containers for wildlife

Sue Fallon, a retired nurse and National Zoo & Aquarium volunteer, has helped recycle 170,000 bottles and cans through the ACT CDS, raising $17,000 for wildlife charities along the way.

Sue has volunteered at the Canberra zoo for more than 11 years and is part of the National Zoo Animal Conservation Team (NZACT), a group of 15 people from different areas of the zoo who focus on fundraising and conservation goals.

In 2017, Sue initiated soft plastic recycling at the zoo, personally taking the soft plastics collected in the designated bin to return points at Coles and Woolworths twice a week. She said that after viewing War on Waste, she felt she “had to do something”.

Then in 2018, the ACT CDS was launched, giving a 10c refund for each eligible bottle or can returned. Sue jumped at this opportunity, helping to arrange for the zoo to set up bins for recyclable containers that she would return.

“My first week’s collection came to $27. It was so easy and the staff were wonderful and very helpful and encouraging,” Sue said.

The recycling has gone from strength to strength, earning $1,350 for the month of January 2020, which went to the Native Animal Rescue Group in Braidwood.

“This is a local group that looks after sick and injured wildlife. They need money, especially after the recent bushfires,” Sue said.

Each month’s fundraising goes to a specific charity or animal, recently supporting penguins and bears. Otters, giraffes, lions, red pandas, lemurs and kowari (a native Australian marsupial rat) all feature in the 2020 donation plan.

“I am inspired by the way the staff at the zoo have all got on board,” Sue said. “It is all about changing practices and getting people to think before they act as they did routinely in the past. It is about how what we are doing at the zoo can inspire others to make changes and recycle too.”
Beverage suppliers and exporters

EfC facilitates a robust audit regime to verify that the volumes suppliers and exporters reported are accurate, and to ensure suppliers are accurately contributing to scheme costs.

With 13 suppliers funding 90 per cent of scheme costs, EfC takes a risk-based approach that involves the more frequent audit of these higher-volume suppliers.

EfC outsources supplier auditing to independent specialist auditor PKF Australia to ensure supplier and exporter audits are impartial and independent of EfC and its shareholders.

During 2019–20, 29 supplier audits were conducted to verify claims of more than 67.5 million supplied containers.

Supplier non-compliance notices fell into two categories:
- over/under-declared supply due to some products not being tagged as eligible, including new products and samples or free products, or ineligible containers included in declarations
- over/under-declared supply due to an incorrect unit of measure.

After an audit, PKF Australia provides EfC with a report to enable follow-up with each supplier and apply corrections to declarations if needed. EfC makes all efforts to explain supply and export requirements to participants, to minimise ongoing errors.

Material recovery facility operator

The MRF operator is an important part of the ACT CDS, responsible for extracting, sorting, compressing and baling or crushing eligible containers from kerbside yellow bin collections.

In the ACT, only one operator is eligible to claim when the processed eligible materials have been delivered for re-use or recycling. The MRF also receives and processes material from Return-It – collected in the ACT and NSW – that has already been claimed but still has commodity value within the recycling industry.

EfC conducted four audits of the MRF during 2019–20, plus follow-up visits and reviews as needed.

Before the COVID-19 pandemic, audits included onsite verification of the processing of eligible containers and the controls in place to maintain compliance with scheme regulations. Onsite audit activities ceased in March 2020, due to COVID-19.

All Return-It’s financial claims were validated against the calculated mass balance to identify potentially incorrect claims and process adjustments.

Eight NCNs were issued to the MRF during 2019–20. They can be broadly categorised as:
- insufficient records to support the claim
- ineligible material included in the claim
- insufficient evidence of delivery to confirm re-use or recycling outcomes
- Annual Recycling Statement, theoretical mass balance and actual stock on hand tonnages differ.

By the end of 2019–20, only a few NCNs remained outstanding. An agreed plan is in place to close each one before the end of the first quarter of 2020–21.

Fraud and corruption control

Effective management of risks associated with fraud and corruption is a core element of EfC’s responsibility as scheme coordinator. EfC works closely with Return-It and ACT NoWaste to manage the risks of fraud and corruption and associated controls, taking a holistic scheme view when identifying, analysing and managing these risks.

Some key initiatives to help minimise fraud and corruption in 2019–20 included:
- maintaining the audit and verification program that traces materials through the scheme, via a scheme mass balance
• conducting independent recounts at three counting depots
• undertaking a detailed review of the MRF mass balance to validate the tonnages being processed
• conducting physical ‘mystery shopper’ testing of the consumer express points and pods
• collaborating with CDSs in other jurisdictions to share lessons learned and address issues relating to the movement of scheme material across state borders.

No material instances of fraud and corruption were identified during 2019–20. No incidents of false claims for the payment of refund amounts were identified by EfC during the reporting period.

Health, safety and the environment
EfC is committed to providing a safe place to work and to protecting the environment in which we operate. The effective management of health, safety and the environment requires that EfC, Return-It and ACT NoWaste collaborate in managing the associated risks to the scheme.

While these organisations are responsible for managing their own business risks and have individual duty of care responsibilities, they take an integrated approach to managing risk and assurance for the ACT CDS. This involves taking a holistic view of the scheme when identifying, analysing and mitigating health, safety and environmental risks.

A whole-of-scheme workplace health and safety risk management approach has been developed in accordance with Safe Work Australia guidelines. It is managed collaboratively by scheme partners and overseen by the independent scheme auditor.

At an organisational level, a Work Health and Safety Management System is in place, which maintained independent, third-party certification under ISO 45001:2018 Occupational health and safety management systems throughout the year and alignment with ISO14001:2015 Environmental management systems.

There were no reportable health, safety or environmental incidents during 2019–20.

Data governance, information security and confidentiality
As part of its daily operations, EfC manages significant volumes of confidential data and information from scheme participants and partners.

It recognises that the rapid evolution of technology, and greater reliance on technology solutions, presents an ongoing risk to operations and the scheme.

EfC is committed to guarding the confidentiality of the data and information it manages. It continues to proactively review its approach and build on its capabilities in managing this risk.

Controls and measures in place to ensure information security and confidentiality include:

• de-identifying and aggregating scheme data when reporting to the EfC Board
• conducting independent audits of IT security and backup systems, and introducing a robust testing regime using penetration, scenario and simulation testing
• integrating ISO 27001:2018 Information technology and PCI Data Security Standard version 3.2.1 standards in EfC’s IT Security Plan as a benchmark for risk assessments, controls and settings for the EfC portal
• reviewing EfC’s IT security management approach and structure to separate the governance and audit program from day-to-day operational management and implementation
• developing a cyber and data governance uplift program.

There were no material breaches or performance failures including material data or confidentiality breaches during 2019–20.
LOOKING AHEAD

As the ACT CDS enters its third year of operation in 2020–21, EfC will continue to work with ACT NoWaste, Return-It and other key stakeholders to ensure the scheme continues to deliver environmental, social and economic benefits, and contribute to a more sustainable future.

EfC is committed to delivering continual improvements and enhancements to make it easier for suppliers to contribute to the scheme and for ACT residents to participate.

More Canberrans ‘returning’

EfC will continue to work closely with Return-it to increase participation in the ACT CDS. It will use the latest consumer research to identify barriers to participation and inform development of effective communication and engagement strategies.

Word-of-mouth is important for raising awareness of the scheme among ACT residents. For this reason, EfC will work hard to highlight the positive outcomes of the scheme, and increase advocacy through partnerships, ambassadors and community-building activities.

Simplifying supplier contributions

EfC will continue to work closely with ACT NoWaste to look at ways to address suppliers’ challenges with the scheme’s monthly price-setting and complexity of true-up adjustments for invoicing and will seek to explore options to simplify the contribution approach. ACT as a smaller market is more susceptible to the impacts of any market changes which needs to be taken into consideration.

Part of life in the ACT

In 2020–21, a key focus will be encouraging people to make using the ACT CDS part of their routine, and part of everyday life in the ACT. Initiatives will be developed to engage individuals, families, community groups, schools and local businesses and – notwithstanding pandemic-related restrictions – to increase visibility of the scheme at major community events.

EfC will work with schools and community groups to better understand their needs and make it easier for them to participate in the scheme. Dedicated resources and other support mechanisms will be developed to help these groups to use the ACT CDS to raise funds for their activities.

The EfC team looks forward to delivering on these commitments and to working with scheme partners and stakeholders to ensure the continued growth and success of the ACT CDS.
Financial management of the ACT CDS is based on a cost-recovery model, operating to achieve a similar outcome to that of a not-for-profit model.

The scheme coordinator receives a fixed fee to perform a number of duties, including acting as the trustee of the ACT CDS assets. The fixed fee forms part of the cost-recovery model.

The scheme’s accounts are independently audited each year to ensure the financial statements comply with Australian Accounting Standards and other mandatory professional requirements in Australia.

### Scheme costs

The core scheme cost comprises:
- refunds – the refund (10c including GST) per container paid to the network operator and passed on to the consumer
- network fees – paid to the network operator per container collected, based on the material type
- MRF refunds – 10c (including GST), payable to the MRF operator for each container collected through kerbside recycling
- export rebates – refunds paid to suppliers for beverage containers exported out of the ACT
- a fixed scheme coordinator fee – paid to the scheme coordinator for administration
- scheme compliance fees – paid to the ACT Government to cover compliance costs.

### Impact of COVID-19

EfC has continued to support and engage with the beverage industry to understand the effect of COVID-19 on industry participants’ ability to meet their financial obligations.

In response to ongoing uncertainty resulting from the pandemic and its potential effect, EfC stress-tested the scheme’s balance sheet and liquidity position across a range of scenarios to meet stringent COVID-19 financial audit requirements.
The following table shows scheme contributions and costs for 2019–20. As preparation of the financial reports is based on applicable Australian Accounting Standards, revenue and expenses are recognised net of goods and services tax (GST). The financial information below has been prepared on an accrual basis.

<table>
<thead>
<tr>
<th>Financial accounts</th>
<th>2019-20</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Revenue (AUD)</strong></td>
<td></td>
</tr>
<tr>
<td>Scheme contribution</td>
<td>$18,059,841</td>
</tr>
<tr>
<td>Finance income</td>
<td></td>
</tr>
<tr>
<td>- Bank interests</td>
<td>$18,393</td>
</tr>
<tr>
<td>Total finance income</td>
<td>$18,393</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>$18,078,234</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses (AUD)</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>- Scheme refund (container deposits)</td>
<td>($4,101,187)</td>
</tr>
<tr>
<td>- Network operator’s fees</td>
<td>($3,748,895)</td>
</tr>
<tr>
<td>- Material recycling facilities’ processing refund</td>
<td>($3,523,341)</td>
</tr>
<tr>
<td>- Exporters’ refund</td>
<td>($4,246,273)</td>
</tr>
<tr>
<td>- Scheme coordinator administration fee</td>
<td>($1,638,960)</td>
</tr>
<tr>
<td>- Scheme compliance fee</td>
<td>($338,995)</td>
</tr>
<tr>
<td>- Other</td>
<td>($480,583)</td>
</tr>
<tr>
<td><strong>Total expenses</strong></td>
<td>($18,078,234)</td>
</tr>
<tr>
<td><strong>Profit for the period</strong></td>
<td>-</td>
</tr>
</tbody>
</table>