

FACT SHEET

1 October 2024

Scheme coordinator of the NSW and ACT container deposit schemes

ACT CONTAINER DEPOSIT SCHEME SUPPLIER CONTRIBUTION PRICING

What are the current and future fixed prices per container by material type?

Material type	Current pricing (cents) ¹ applied to invoices issued Feb 2024 to Jan 2025	Future pricing (cents) ¹ applied to invoices issued from Feb 2025 to Jan 2026
Aluminium	15.50	16.36
Glass	13.95	13.14
HDPE	8.50	11.10
PET	10.90	13.07
Liquid paperboard (LPB)	4.92	6.67
Steel	2.46	3.36
Other plastics	1.39	1.75
Other materials	1.43	1.86

⁽¹⁾ All prices are in cents and exclude GST

Why has the price of most of the material types increased?

The increase in pricing for most material types reflects the strong volumes we forecast will be redeemed during the pricing period. Our forecast is based on detailed modelling which considers past scheme performance, the latest consumer participation trends, and consultation with the beverage industry.

Why is aluminium more expensive in the ACT compared to other jurisdictions?

Scheme pricing by material type reflects the redemption rates and the actual costs of recovery for each material type. Aluminium is the most highly redeemed material in the ACT scheme, which is reflected in the material pricing.

Which invoice does the new pricing take effect?

The new fixed price per material type is effective for 12 months for invoices issued from February 2025 to January 2026 (inclusive).

Invoice – 1 January 2025	T R	Invoice – 1 February 2025
November 2024 actuals, reported on 15 December 2024 to fund January 2025 scheme costs	A N S I T	December 2024 actuals, reported on 15 January 2025 to fund February 2025 scheme costs
Current fixed pricing	0 N	New fixed pricing

How are supplier invoices calculated?

Supplier invoices are calculated by multiplying actual historical container volumes supplied and declared by each supplier by the fixed price per material type:

Actual supply volumes (two months in arrears) x fixed price by material type = invoice issued on 1st of the current month to fund that month's scheme costs

For example, March volumes reported on 15 April x container price by material type = invoice issued on 1 May to fund May scheme costs. This example is shown in the table below.

Invoice month	May – issued 1 May
Based on actual monthly volume	March actual volumes reported on 15 April
Contribution for	May scheme costs

A supplier can therefore calculate in advance exactly how much their invoice will be before they receive it, as their invoice is based on their supply volumes as reported to EfC.

Is the scheme a cost recovery model?

Yes, the ACT scheme is a cost recovery model. This means that pricing covers the scheme's expected annual operating costs. The scheme does not generate any profit, and any surplus or shortfall of funds from one period is incorporated into the pricing considerations for future periods.

What do supplier contributions fund?

The ACT Container Deposit Scheme is financed through an advanced contribution model to ensure liquidity. This approach ensured that return points, administration services and 10c refunds were available when the scheme launched in July 2018.

As the financial management of the scheme operates on a cost recovery model, every effort has been made to keep pricing low. Supplier contributions cover the core scheme costs, which are:

- refunds 10c (including GST) per container, paid to the network operator and passed on to consumers
- network fees a fixed fee per container collected that is paid to the network operator

- MRF refunds 10c (including GST), paid to the MRF operator for each container collected through commercial and kerbside recycling
- export rebates to refund suppliers for beverage containers exported out of the ACT
- scheme coordinator fee fixed fee (regardless of volumes collected) for administration carried out by the scheme coordinator
- scheme compliance fee fixed fee (regardless of volumes collected) paid to ACT NoWaste to cover compliance costs.

What assumptions have been used to forecast scheme performance when setting pricing?

The fixed pricing was developed based on:

- historical supplier volumes and estimated growth in line with population growth
- historical and projected growth in redemptions through the network of return points
- historical and projected redemptions through the MRF operator (commercial and kerbside collections)
- · network operator handling and processing fees per container
- fixed costs, including for scheme coordinator and government compliance fee
- · maintaining scheme liquidity.

When will EfC announce the next price review?

EfC intends to announce pricing for the next period on or before 1 October 2025. This pricing would take effect from the February 2026 invoice.

How is scheme performance and pricing tracked?

Suppliers can track scheme performance each month including the <u>rolling scheme</u> <u>performance overview</u> and <u>detailed monthly supplier contributions</u> by visiting the <u>EfC</u> website.

Get in touch

If you have any questions about pricing or the ACT scheme, please contact our Customer Service Team on **1800 813 887** or email customersupport@exchangeforchange.com.au.

Please have your Supply Arrangement Number (ACT1XXXX) ready, so our friendly team can help with your enquiry efficiently.