ASSOCIATION FOR THE BATTERY RECYCLING INDUSTRY

Producer Responsibility to Improve Battery Safety and Resource Recovery

ABRI Policy Statement

December 2024

Only three out of every 20 handheld batteries (<5kg) are estimated to be recycled in Australia every year. This is a wasted opportunity to recover and reuse precious metals and materials, alleviate pressure on the environment and reduce the impact on landfills. Responsible recycling will also improve safety hazard standards and protect both community and waste industry workers.

Australia's battery recycling industry has united to call on Australia's Environment Ministers to urgently adopt a national mandatory producer responsibility requirement in relation to battery chemistries with poor recycling rates. Such a commitment will both drive investment and help consumers to reduce their impact on the environment.

Federal and State Environment Ministers are meeting in December to review progress on measures to reduce battery fires and improve safe disposal of batteries.

Also known as Extended Producer Responsibility (ERP), this approach mandates producers to manage the entire lifecycle of batteries and drive materials recovery.

Currently, robust EPR schemes operate successfully across the European Union as well as parts of the United States, Canada, Asia and the United Kingdom. The global trend is for increasing requirements on the responsible handling and disposal of end of life batteries.

Katharine Hole, CEO of the Association for the Battery Recycling Industry said, "Australia is at a critical juncture, and we need to take urgent action to make the most of opportunities from the clean energy transition."

"Today, we are literally throwing into landfill tonnes of metals and materials that are critical for our energy future like lithium, nickel, zinc, cobalt and copper.

"Mandating producers to take responsibility for their products before and after consumers use them would help us recover more of these valuable resources and catch us up to leading global economies.

"It would also help protect the community from growing risks of battery fires and shield the environment from incorrectly disposing toxic and polluting materials in batteries," she said.

In 2023-24, almost 20,000 tonnes of small batteries was available for collection under the B-cycle. A voluntary scheme available through supermarkets and other locations across Australia.

About 15 per cent of these are collected and recycled by Australian battery recyclers each year, who receive rebates through the scheme. Australian industry has funded and established over 5,000 drop off points.

Key drivers needed to boost this collection rate - a coordinated and lasting awareness campaign for consumers; and a step change in private and public funding for collection and processing of used batteries.

Australia's battery recycling industry has already made significant strides in recovering the metals and critical minerals from batteries. It is a clean energy growth sector:

- Investing well in excess of $50 million in collection and recycling infrastructure to support a battery circular economy in Australia
- Successfully exporting technology to Europe and the UK to support recovery of raw materials from lithium batteries
- Processing zinc and lead from end of life zinc carbon and lead acid batteries (respectively) for use in new batteries and other products
- Underpinning high recovery rates of lead acid batteries. The lead acid battery recycling market is a clear standout in recycling and materials recovery rates, with an estimated 96% of batteries going to recycling
- Developing and manufacturing containers to underpin safe and sustainable battery collection and storage at end of life
- Designing ESG technology, such as track and tracing capability, to support the transition to net zero and provide consumers with confidence that products are being recycled

To continue this progress and encourage further industry investment, it is important to consider making ERP for batteries mandatory in the absence of robust collection and recycling networks.

A mandatory producer responsibility requirement should include the following key elements:

- Robust compliance and enforcement measures, including stringent penalties, to ensure confidence among participants that materials are recovered safely and sustainably.
- Flexibility in implementation to accommodate the wide variety of batteries and products with embedded batteries available on the market.

- Expedited implementation within the next 12 months to ensure financial stability and investment certainty.
- Clearly defined performance standards.

A successful transition to EPR would need to be accompanied by measures, including:

- Guidance on the safe storage and handling of lithium batteries;
- Consumer education;
- Reduction on the dependency of landfills as an end of life disposal solution;
- Battery product standards;
- Preventing illegal exports;
- Insurance;
- Standards for battery reuse and repurposing; and
- Addressing associated regulatory barriers.