

Product stewardship accreditation guide for applicants: Priority products



Ministry for the
Environment
Manatū Mō Te Taiao



Te Kāwanatanga o Aotearoa
New Zealand Government

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Glossary

Term	Definition
Benefits	(As defined in the section, 5(2)(a), Waste Minimisation Act 2008 (WMA)) benefits expected from implementing regulations, or from reduction, reuse, recycling, recovery, or treatment of a product, include both monetary and non-monetary benefits
Circular economy	Linked to the low-carbon economy, a system designed to build a sustainable society. It is based on three principles: eliminate waste and pollution, keep products and materials in use and regenerate natural systems
Closed-loop recycling	A process where waste is collected and recycled, and all the recovered materials is used to make product(s) that can be recycled
Co-design	In this context, the process of working groups designing schemes for managing priority products to meet the Ministerial Guidelines and be eligible to apply for accreditation. The working groups include significant stakeholders (eg, industry, recyclers, local government, iwi) who would be affected by a regulated product stewardship scheme
Date of accreditation	The date the Minister signs and approves the scheme
End of life	At the end of useful product life
Environment	Has the same meaning as in section 2(1) of the Resource Management Act 1991.
Free rider	In this context, a person or company that obtains the benefits of a product stewardship scheme without paying their fair share towards costs of stewarding their products.
Legacy product	Product that entered the market before being covered by a product stewardship scheme and has an owner or producer.
Linear economy	An economy which takes resources, makes products, and then disposes of them to the environment. This results in pollution to air, water and land; climate change; release of persistent toxic substances; unsustainable rates of harvest for food and materials; and loss of species, habitats and ecosystems.
Low-emissions/low-carbon economy	An economy based on power sources and processes that have low output of carbon dioxide and other greenhouse gas emissions into the atmosphere.
Minister	The Minister for the Environment.
Ministerial Guidelines	In this context, the General Guidelines for Product Stewardship Schemes for Priority Products Notice 2020
Open-loop recycling	A process where waste is collected, recycled and used to make a new product that cannot be recycled again and will eventually have to 'leave the loop' and end up as waste in landfill
Orphan product	A product that entered the market before being covered by a product stewardship scheme and has been abandoned by an owner or producer.
Product life cycle	The product life cycle, in relation to a product, means the time for which the product is in existence from (and including) its manufacture or importation to its disposal.
Product stewardship	When people and businesses take responsibility for the life cycle impacts of products, either voluntarily or in response to regulations.
Priority product	A product declared to be a priority under section 9, WMA. The list of priority products and definition can be found here https://gazette.govt.nz/notice/id/2020-go4533

Term	Definition
Producer	<p>This includes manufacturers, brand owners and importers of a priority product.</p> <p>Note, the definition from the WMA says:</p> <p>Producer means a person who—</p> <ul style="list-style-type: none"> (a) manufactures a product and sells it in New Zealand under the person’s own brand; or (b) is the owner or licence holder of a trademark under which a product is sold in New Zealand; or (c) imports a product for sale in New Zealand; or (d) manufactures or imports a product for use in trade by the person or the person’s agent.
Product stewardship organisation (PSO)	The organisation which implements an accredited product stewardship scheme.
Recovery	<p>(As defined in WMA)</p> <p>Means extraction of materials or energy from waste or diverted material for further use or processing and includes making waste or diverted material into compost.</p>
Regulated product stewardship	Product stewardship covered by WMA regulations to ensure that responsibility for reducing end-of-life product impacts is shared by the producers, brand owners, importers, retailers and consumers rather than the wider community, and accredited schemes are cost-effective and accountable
Sale in accordance with a scheme	<p>There must be an agreement with the PSO for the priority product(s) to be sold in the New Zealand market.</p> <p>The use of this agreement can be regulated under WMA 22(1)(a).</p>
Scheme starting date	The date the scheme is operational (this will be after the date of accreditation)
Scheme manager	<p>Under the Waste Minimisation Act 2008 the scheme manager is</p> <ul style="list-style-type: none"> a) the primary contact person for the Ministry for the Environment, and b) has authority to sign on behalf of the product stewardship organisation (PSO).
Scheme participants	The persons/groups who have agreed to participate in a product stewardship scheme and there has been responsibility formally assigned to them to meet the scheme’s objectives.
Scheme users	The classes of person involved in the design, manufacture, sale, use, servicing, collection, recovery, recycling, treatment and disposal of the product (eg, public, retailers, producers, medical professionals).
Second-life product	When a product reaches the end of its useful life, the product can be used again in another application or product.
Second-life repurposer	A person or business that takes waste products and upgrades them to allow another product life.
Sellers and distributors	<p>Under the WMA (section 5) ‘sale’ is defined as “an offer for sale” as well as “distribution or delivery, whether or not for valuable consideration (including delivery to an agent for sale on consignment)”.</p> <p>This is relevant as the ‘participation obligation’ regulation option (WMA, section 22(1)(a)), if used, would prohibit sale of a priority product except in accordance with an accredited scheme for that product.</p>
Service network	A service network is a structure that brings together several entities to deliver a particular service. For instance, one organisation may sub-contract another organisation to deliver after-sales services to a third party. The buyer may use more than one supplier.

Term	Definition
Take-back	<p>An initiative by a 'producer' to collect used products from consumers.</p> <p>Options include collective responsibility for depots, collection from businesses and take-back at individual retail outlets.</p>
Treatment	<p>(As defined in the WMA)</p> <p>Means subjecting waste to any physical, biological or chemical process to change its volume or character so that it may be disposed of with no or reduced adverse effect on the environment, but does not include dilution of waste.</p>
Voluntary product stewardship	<p>Voluntary actions by producers and other stakeholders to reduce the impact of products, whether under an accredited scheme or not.</p>
Waste minimisation	<p>The reduction of waste, and the reuse, recycling and recovery of waste and diverted material</p>
WAB	<p>Waste Advisory Board</p>
WMA	<p>Waste Minimisation Act 2008</p>
WMF	<p>Waste Minimisation Fund – derived under the WMA from 50 per cent of the waste disposal levy, the balance of the levy going to district and city councils</p>

Introduction

About product stewardship accreditation

New Zealand is taking steps towards a circular economy. Our current linear economy involves taking resources and making products, then discarding the product when there is no longer use for it. Under a circular economy, used goods and products are not disposed of or discarded as waste products, but returned to the system through reuse, repair, repurposing or recycling.

To move towards this circular economy the environmental impacts of manufactured products need to be reduced. Through the Waste Minimisation Act 2008 (WMA) we can achieve this through product stewardship.

Product stewardship increases the responsibilities of manufacturers, importers, retailers and consumers/users to better manage end-of-life products and create incentives for circular resource use. The WMA provides for accreditation of schemes by the Minister for the Environment, focusing on waste reduction and measuring environmental impact.¹

Under the WMA, product stewardship may be voluntary or regulated, and the term 'product' can include classes or products and products packaging.

Voluntary product stewardship

Voluntary product stewardship is when producers, brand owners, importers, retailers and consumers voluntarily choose to take responsibility for reducing waste and/or reducing the environmental harm to better manage their end-of-life products.

The WMA does not require accredited schemes for voluntary products to divert or minimise specific quantities of waste, but it does require schemes to show that some reduction in environmental harm (with an emphasis on waste minimisation) is achieved through the operation of the scheme.

Regulated product stewardship

Regulated product stewardship means a product stewardship scheme that will need one or more WMA regulations for effective operation. It can level the playing field by requiring all producers of a specific product to participate in a scheme, reducing the 'free-rider' issues typically experienced by voluntary schemes.

¹ Part 2 of the WMA states the purpose of product stewardship is to encourage (and in certain circumstances, require) the people and organisations involved in the life of a product to share responsibility for (a) ensuring there is effective reduction, reuse, recycling or recovery of the product; and (b) managing any environmental harm arising from the product when it becomes waste.

Priority products

In July 2020, the Government declared six products to be priority products under section 9 of the WMA to be managed under regulated product stewardship schemes and the Ministerial Guidelines for schemes managing the priority products.²

The first declared priority products are:

- tyres
- electrical and electronic products
- agrichemicals and their containers
- refrigerants and other synthetic greenhouse gases
- farm plastics
- plastic packaging.

Read more about [product stewardship](#).

If a priority product(s) will be included in your proposed scheme you will need to complete the [Product stewardship accreditation application form: Priority products](#).

Please contact Ministry for the Environment at psaccreditation@mfe.govt.nz to discuss further.

² [Declaration of Priority Products Notice 2020 \(updated 29 September 2020\)](#) and [General Guidelines for Product Stewardship Schemes for Priority Products Notice 2020](#).

About this guide

This guide assists the reader to apply for product stewardship scheme accreditation for priority product(s) under the Waste Minimisation Act 2008 (WMA). It outlines:

- the requirements your scheme must meet
- the application and assessment process
- the information you will be asked for if you apply.

If you are applying for voluntary product stewardship accreditation, please see the [Product stewardship accreditation guide for applicants: Voluntary products](#)

Intended audience

This guide is for Scheme Managers and/or anyone interested in seeking accreditation for a priority product stewardship scheme.

How to use this guide

Use this guide in conjunction with the [Product stewardship accreditation application form: Priority products](#).

We recommend you read this guide in full and complete the self-assessment checklist before you start your application.

Green information boxes contain important information for applicants.

Contact us

Contact the Product Stewardship team if you have any questions.

Email: psaccreditation@mfe.govt.nz

Application process

Accreditation

Accreditation of a product stewardship scheme is a form of endorsement by the Government and means that the scheme has been assessed and conforms to the WMA and those specific requirements relating to the life cycle of a product and reduction in environmental harm have been met.

To accredit a product stewardship scheme, the Minister for the Environment must be satisfied that the scheme:

- is likely to promote waste minimisation, or
- will reduce the environmental harm from disposing of the product, and
- does not cause greater environmental harm throughout the product life cycle.

Table 1 outlines the process for accreditation.

Table 1: The high-level process for product stewardship accreditation

Step 1	Plan your scheme Please read this guide in full before you start your application. Plan your scheme, gather supporting evidence and meet all the requirements in the self-assessment checklist (Appendix A) before you submit your application.
Step 2	Download the application form Download and complete the applicable application form
Step 3	Submit the application form and supporting documentation Submit the application by sending all application documents in one email to psaccreditation@mfe.govt.nz . Applications must be received electronically.
Step 4	Assessment The application is reviewed and assessed ahead of recommendations being provided to the Minister. The Ministry for the Environment may contact the applicant to clarify details or request further information.
Step 5	Ministerial decision The Ministry briefs the Minister, based on the assessor's recommendations and, if necessary, seeks advice from the Waste Advisory Board. If the Minister is satisfied the scheme meets the requirements in the WMA, the scheme will be accredited. The applicant will receive notification from the Minister on the outcome of the application: <ul style="list-style-type: none">• Approved applicants will receive a letter and certificate of accreditation signed by the Minister.• Declined applicants will receive a letter outlining reasons why the scheme was not accredited.

What will the assessor be looking for?

Submitted applications are reviewed and assessed before recommendations are provided to the Minister. An example of the assessment criteria is listed in table 2.

Table 2: Summary of assessment criteria

Assessment criteria	Does the scheme meet this requirement?
Have the information requirements as stated in sections 14 and 15 of the WMA been met?	Yes/no
Is it clear how the scheme will: <ul style="list-style-type: none"> • promote waste minimisation • reduce the environmental harm from disposing of the product • not cause greater environmental harm throughout the product life cycle. 	Yes/no
Does the scheme demonstrate examples of industry best practice?	Yes/no
Are the stated objectives and targets SMART – specific, measurable, achievable, relevant and time-bound.	Yes/no
Does the scheme address the relevant legislation? <ul style="list-style-type: none"> • Waste Minimisation Act 2008 • Declaration of Priority Products Notice 2020 (updated 29 September 2020) • Ministerial Guidelines (General Guidelines for Product Stewardship Schemes for Priority Products Notice 2020) 	Yes/no

Accreditation endorses the scope of the scheme as defined in the application form. It does not endorse any activity outside the declared scope of the scheme.

The applicant is responsible for meeting the costs of preparing the application. The accredited product stewardship organisation (PSO) is responsible for the costs of administering and operating the scheme.

Duty of care/due diligence: evidence should be provided to show the scheme’s auditing processes and/or check of suppliers and service suppliers to show they are meeting their duty of care as well as international and environmental obligations.

Confidentiality of information

If a Scheme Manager for product stewardship accreditation considers a matter should be kept confidential, the Scheme Manager must clearly identify that information and include an explanation of why this information should be kept confidential.

The Scheme Manager must also provide a non-confidential summary of the information identified as confidential which the Minister or the Ministry for the Environment may include in any public statement about the scheme.

Except as required by the Official Information Act, or other legislation, parliamentary, Crown or governmental obligations, the Ministry will use all reasonable endeavours to ensure that information is not to be used for any purpose other than assessing the application for accreditation or made available to persons (other than the scheme assessor) who may or may not be employees of the Ministry for the Environment.

Reaccreditation of accredited scheme

The accreditation term of a product stewardship scheme is either the date specified in the scheme accreditation application or seven years after the date of accreditation.

Accreditation can be approved for a maximum term of seven years.

If the accredited scheme is to continue beyond the seven-year term, the scheme manager must apply for reaccreditation no later than six months before the scheme's expiry date. The Scheme Manager can use information from the original accreditation to support a new application to the Minister.

The process to apply for reaccreditation is the same process as applying for accreditation (see [table 1](#)).

Variation of accredited scheme

An accredited scheme may be varied under WMA Section 16.

If the variation is a substantial change to the scheme, then reaccreditation under WMA section 15 is required.

If the variation does not adversely affect the scheme's objectives or the ability of the scheme to meet the objectives in the original timeframe, then reaccreditation is not required.

Reaccreditation is not required if one or more brands or participants are added to the scheme, if this does not adversely affect the schemes objectives or its ability to meet timeframes set in the scheme. For a variation of this kind to be recognised, the Scheme Manager needs to notify the Minister within five working days of the scheme being varied.

How to apply

Before you start your application

Application guide

We want your application to be successful. Please read this guide in full before you start your application. This will help you have the right information to answer the questions. Table 3 below provides an outline of the information required.

Table 3: Overview of the information categories in the application forms

Part	Title	Description
A	Applicant details	Information about your organisation, including legal name, legal entity status and contact details
B	Scheme details	Information about the scheme, including the scheme name, what product(s) the scheme will address, life of the scheme and how the scheme operates
C	Scheme objectives	Outlines what the scheme will achieve (ie, what difference the scheme will make to New Zealand and New Zealanders) and the measures year on year you will use to show the scheme is on track to achieve success
D	Participants	Outlines all the groups and individuals who will be impacted and/or involved in the scheme and identifies where formal agreements are held
E	Governance	Outlines the leadership and decision-making and how the governance group will carry out its duties and responsibilities in accordance with the highest professional standards
F	Communications and reporting	Outlines how you will promote the scheme, engage with scheme users and report on the scheme's performance
G	Environmental impact	Detailed information about the product life cycle and how the scheme aims to improve the environmental impacts
H	Funding	Outlines how the scheme is funded
I	Supporting information	Evidence and documentation which supports your application for accreditation
J	Declaration	Declaration requirements

Plan your scheme

Consider how your scheme will:

- encourage (or require) people and organisations involved in the product life cycle to share responsibility for ensuring its effective waste minimisation
- manage the environmental harm when product(s) becomes waste
- address what products and/or specific brands will be included in your scheme
- collect products and its operational range
- manage other 'like products' that may be presented for collection but not covered under your scheme

- monitor and evaluate the performance of your scheme (eg, suppliers, data and information management, education and consumer awareness)
- be funded.

Self-assessment checklist

We recommend you meet all the requirements in the self-assessment checklist ([appendix A](#)) before you submit your application. Schemes that do not meet all the requirements are unlikely to be successful.

Supporting evidence

We recommend you gather evidence to support your application before starting your application. For example:

- product stewardship organisation (PSO) deed or constitution showing governance, decision-making and reporting pathways and organisational chart
- scheme financial model (including profit and loss statement) supporting full costs of operating the scheme over a minimum seven-year period, including the set-up costings and implementation phase of the scheme
- scheme implementation or business plan including (but not limited to) examples of service agreements, examples of compliance monitoring and enforcement actions, communication and marketing plans
- Evidence of collaborative co-design process.

Work in partnership with the Ministry for the Environment

We recommend you contact the Ministry for the Environment to talk through your scheme as you start the process. We are here to help. Contact us at psaccreditation@mfe.govt.nz.

Important

The Ministry for the Environment cannot provide specific guidance on the content of your application but can help with:

- advising what information to include in the application
- confirming the process for assessing applications.

Assessment and accreditation are limited to the scope of the scheme as defined in the application form.

Application form

Complete the application for priority products ONLY if your product has been declared a priority, otherwise you can complete the [Product stewardship accreditation application form: Voluntary products](#).

- If your scheme addresses one (or more) of the priority products complete the [Product stewardship accreditation application form: Priority products](#).

- If your scheme does not address a priority product complete the *Product stewardship accreditation application form: Voluntary products*.

Important

If any part of your scheme comes under the definition of a priority product you will need to complete a *Product stewardship accreditation application form: Priority products*. For example, if your scheme manages a product recovery scheme (eg, for oil, paint, carpet) and uses plastic packaging (eg, containers and/or shrink wrap) that is in-scope for a plastic packaging priority product, the recovery scheme would need to complete the priority product application form.

When writing your application:

- Write simply and clearly when describing your scheme.
- Answer all applicable questions. Use this guide to help you if you are not sure how to answer a question.
- Ask a colleague or third party to review and proofread your application.
- Only provide supporting documentation the Ministry for the Environment has specifically requested.

Submit your application

Submit your application to psaccreditation@mfe.govt.nz.

Completing your application form

The information and examples below will help you gather the information to complete the application form.

PART A: Applicant details

This part provides information about your organisation, including its legal name, legal entity status and contact details.

1. Organisation details – Ministerial Guidelines, Expected Product Stewardship Scheme Contents (1)a.i.

Organisation name and registration number

Priority product schemes need to be managed by a legally registered not-for-profit entity. Provide the full legal name and registration number of the organisation that will manage the scheme.

The organisation may be registered with one or more agencies – this could include: New Zealand Business Number (NZBN), [Charity Services](#), [Companies Office website](#).

Addresses, telephone numbers and website

State the physical address, postal address (if different), telephone numbers, website address and social media handles (if applicable) for your organisation.

2. Key personnel contact details – WMA section 14(a)

The Scheme Manager is responsible for ensuring the scheme meets its obligations under the WMA.

Enter the details of the primary and secondary contacts who will manage the scheme. This includes their name, position, email and contact phone numbers. Primary and secondary contacts need to ensure they are available if the Ministry for the Environment needs to contact them.

Notify the Ministry for the Environment when there are any changes to the primary and/or secondary contacts.

PART B: Scheme details

This part provides information about the scheme. Include the scheme name, what product(s) the scheme will address, life of the scheme and how the scheme operates.

3. Scheme overview

Assessment and accreditation are limited to the scope of the scheme as defined in the application.

Product category – WMA section 14(b)

Confirm the product(s) category the scheme is addressing. You can select more than one product (if applicable).

Product stewardship scheme name (optional)

While not a WMA requirement, it would be helpful to know the scheme name. Provide a short and succinct name for the scheme. This will likely be the public name the scheme will be known as.

Description – WMA section 14(b)

How would you describe the scheme to others outside of your industry? Provide a brief description (approximately 200 words) of what the scheme will do, which part of the product life cycle it impacts, and how the scheme promotes waste reduction or achieves a reduction in environmental harm from disposal of the product (or both).

Example: Widget X creates 50,000 tonnes of waste to landfill annually. If widget X is illegally dumped there is a high likelihood it will leak toxic and harmful chemicals into the environment (air, water, soil). The solution is to enhance the voluntary network for recovered end-of-life widget X by establishing an accredited product stewardship scheme to provide access to a national network collection point. This would recover 95 per cent of end-of-life widget X and reduce the environmental harm caused by illegal dumping and landfill disposal of widget X.

Scope (what is in and out-of-scope) – WMA section 14(b)

Enter the details of what products will and will not be included in (or are exempt from) the scheme. Clearly identify:

- eligible product(s) covered by the scheme, either a specific brand or a generic description
- the ineligible product(s) not covered by the scheme (out-of-scope) and, where practicable, reasons why it is excluded
- how will your scheme manage 'like products' that are presented for collection but not included your scheme?

Examples of 'like products' include:

- mobility scooter tyres in a scheme designed to recover passenger car tyres
- non-refillable plastic bottles in a scheme designed to recover refillable plastic bottles.

Expiry date – WMA section 14(g)

The date selected must allow a reasonable timeframe to meet the scheme objectives and targets.

Under the WMA, this date cannot be longer than seven years from the date the Minister accredits the scheme (WMA section 17). If the scheme is to continue beyond seven years, the Scheme Manager will need to re-apply for accreditation, no later than six months before the scheme's expiry date.

4. Collection and processing network

Collection and processing network – WMA section 14(f)(ii) and Ministerial Guidelines 4(1)a.ii

The Ministerial Guidelines require priority product applicants to consider how the scheme will address product management higher up the waste hierarchy to reduce environmental harm, for example, reduction, reuse, recycling and recovery (refer to 4(1) a. ii) and support transition to a circular economy in New Zealand.

Describe the collection and processing infrastructure network required to operate the scheme. You need to clearly identify how products will be collected and what happens to them after they have been collected.

Outline how this network will address product management higher up the waste hierarchy to reduce environmental harm and support transition to a circular economy in New Zealand.

Consider:

- How will the scheme collect eligible product(s)?
- What will the scheme do with the recovered eligible product?
- Will the collection network change over the life of the scheme?
- How does the collection and processing network increase end-of-life management of the product higher up the waste hierarchy for example, reduction, reuse, recycling and recovery?
- Will the scheme phase in eligible products over time? If yes, please explain what products will be phased in and include how and when they will be brought into the scheme.

Example:

Widget x will be assessed for repairability by trained personnel and, where the repairability criteria is met, the product will be repaired and placed back on the market.

Widget x will be included in the scheme from years two to three to allow time to build capacity in the collection and resource recovery network.

Location/geographical coverage of the scheme

– WMA section 14(b) and Ministerial Guidelines 4(1)b.ii

The geographical coverage of the scheme describes the locations and/or areas serviced by the scheme. Describe how the scheme will achieve free and convenient collection when the product reaches end of life.

Consider:

- How will the scheme define convenient collection(s) service?
- What region(s) of New Zealand will have access to the scheme?
- How will urban, semi-urban, rural and remote locations access your network?

Legacy and orphaned products – Ministerial Guidelines 4(1)b.iii

Clearly outline the scope of legacy and orphaned products for your scheme and how they will be managed. 'Legacy' refers to product that entered the market before being covered by a product stewardship scheme and has an owner or producer. 'Orphaned' products are similar, except they have been abandoned by owners.

Consider:

- What and where are the legacy and orphaned products that need to be managed? Are these products still in use? When will they reach end-of-life? Are they being stockpiled?
- What volume of legacy and orphaned products needs to be managed?
- Can legacy and orphaned products be clearly identified from products that are covered by the scheme?
- How will the scheme fund the collection of legacy and orphaned products?

Infrastructure and network collaboration

– Ministerial Guidelines 4(1)d.i.

Outline how the scheme will optimise use of existing and/or new collection and processing infrastructure, and co-design and integrate between product groups.

Consider:

- What is the existing collection and processing network for your product? Are there any gaps in the existing network? Can the existing network provide convenient collection services?
- Outline the costs, benefits and other impacts on the existing collection and processing infrastructure networks.
- Is there capacity within the existing network to collect and process the product?
- Will new collection and processing infrastructure be required?

Example:

The existing collection network for widget X has been operating for more than a decade and is provided by retailers, local authorities and community recycling facilities which transport widget X to New Zealand's only onshore processor. There is sufficient capacity within the existing collection network to manage the expected end-of-life volumes of widget X. However, discussions with the onshore processor indicated they would reach peak processing capacity within three years of the widget X scheme starting. The technology to process widget X is the same as processing widget Y. Widget X scheme is working with widget Y scheme to identify opportunities for collaboration, including a feasibility study for new onshore infrastructure to process both products.

New Zealand's international obligations – WMA section 15(1)(d) and Ministerial Guidelines: Expected Product Stewardship Scheme Contents (1)b.v.

A treaty is an international agreement between countries or international entities (eg, the United Nations, World Trade Organisation, or World Bank) that is legally binding under international law. New Zealand is currently party to more than 1,900 treaties, as well as many others that are not yet in force. Treaties cover issues including, but not limited to, environment, human rights, human trafficking, the rights of disabled people, refugees, trade, transport, communications and other economic issues.

Where possible, provide details and supporting evidence about how your scheme meets any relevant international obligations relating to the environment, trade and human rights. Outline the scheme's ability to obtain new permits, and/or identify existing permits held for all activities in New Zealand in relation to the processing and potential export of the product (and its parts).

Examples of supporting evidence may include, but are not limited to:

- service-level agreements
- evidence of destruction certificates
- standard certificates and most recent audit report
- transfrontier movement of waste notification forms
- shipping documents (bill of lading)
- traceability of consignments once they have left New Zealand
- breakdown reports (details of recovered materials).

Examples of relevant international obligations may include, but are not limited to:

- Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal
- Montreal Protocol on Substances that Deplete the Ozone Layer (and amendments)
- Stockholm Convention on Persistent Organic Pollutants.

Example – Compliance with international obligations

How a scheme can show that it is compliant with New Zealand’s international obligations.

If disposal by export is proposed, the proposed scheme must show how it complies with New Zealand’s international obligations.

Examples of international requirements include, but are not limited to the following:

- the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal, the Waigani Convention and/or equivalent schemes approved under those agreements (eg, the specific procedures provided for OECD member countries accepted under the Basel Convention) Note: In meeting this requirement, the definition of waste used in the above agreements must be complied with.
- the Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade, if the product is or contains hazardous chemicals listed under the convention
- the Stockholm Convention on Persistent Organic Pollutants, including those for transboundary movement of the substances named under the convention for environmentally sound disposal, if the product is, or contains, hazardous chemicals listed under the convention.

Showing evidence of compliance with domestic law is necessary, and it is helpful to understand how your scheme will comply with international law (where applicable). For example, if some proportion of the product within the scheme is disposed of in New Zealand then the relevant legislative standards will need to be complied with.

5. Regulations – WMA section 13(2)(e)

Regulations are a law-making action made under the delegated authority of an Act. These address matters of detail, implementation and/or matters that are technical in nature. WMA sections 22 and 23 prescribe some of the available WMA powers to create regulations to support product stewardship schemes. Table 4 below shows some of the regulations available under the WMA. Further information on regulations can be found on the [Department of the Prime Minister and Cabinet website](#).

Regulations are likely to be required for priority product schemes to improve waste minimisation and/or illegal dumping of declared priority products, and level the playing field within the product supply chains.

Consider if this scheme requires regulations to be implemented (or amended). All scheme-operation scenarios, including what would happen if the scheme were to operate under the current regulations, should be considered carefully before deciding if the scheme requires regulations to be implemented.

If you decide that new regulation(s) are required, clearly describe what is required in the regulation(s). Consider:

- What problem does the regulation solve?
- How will the regulation bring about the desired change? Why this is the preferred option, and include a comment on its feasibility.
- What are the associated benefits and costs? Who are the expected beneficiaries, and what is the nature of the benefit? Where do the costs fall?
- What are the likely risks and unintended impacts? How significant are they and will they be minimised or mitigated?

Also consider:

- What part of the scheme needs to be regulated?
- Who do the regulation (rules) apply to?
- What must they do or not do?
- When will the regulation apply?
- What happens if they do not meet the regulation(s)?

Regulations are implemented nationally, which means your scheme most likely will need to be nationwide to practicably implement regulations.

Due to the lengthy and resource-intensive process to implement and publicly consult on regulations, it is unlikely that regulations would be implemented for voluntary product stewardship schemes.

- The Minister may not be able to accredit the scheme if a request for regulations is not supported.
- The Minister is not required to enact regulations to implement voluntary or priority product schemes.
- Regulations are made by Cabinet and there is no guarantee of timely or successful resolution.

Refer to the WMA and/or talk to the Ministry for more information on regulations.

Obligation to participate – WMA section 22(1)(a) (optional)

The Minister can recommend a regulation under WMA section 22(1)(a) to prohibit the sale of a priority product except in accordance with an accredited scheme. This regulation requires parties involved at the point of sale (eg, importers, retailers) to participate in an accredited scheme. Provide details on what the scheme participants are required to do to sell their product in the New Zealand market.

More on what the process for implementing regulations may look like can be seen in the 2021 public consultation – [Proposed product stewardship regulations: Tyres and large batteries](#)

Table 4: Examples of some of the regulations available for consideration for your scheme

WMA 23 (1)	
The Governor-General may, by Order in Council made on the recommendation of the Minister, make regulations for 1 or more of the following purposes:	
Control or prohibition on disposal, sale, etc	WMA 23(1)(a) and (b)
Take-back services, fees and refundable deposits	WMA 23(1)(c), (d) and (e)
Labelling of products	WMA 23(1)(f)
Quality standards	WMA 23(1)(g) and (h)
Information to be collected and provided	WMA 23(1)(i)
Miscellaneous	WMA 23(1)(j)

6. Health, safety, and wellbeing – Ministerial Guidelines, Expected Product Stewardship Scheme Contents (1)b.iv.

Scheme Managers are required to ensure everyone involved in the scheme will have completed suitable training, including best practice in prevention of harm to people, and environment.

Outline how everyone involved in the scheme will have completed suitable training to complete their roles. Things to consider:

- Best practice in prevention and reduction of harm to people and the environment
- Codes of practice that apply to the scheme
- Duty-of-care processes that apply to the scheme.

It is important you have a health, safety and wellbeing plan in place for your scheme. Advise the Minister of any known health, safety and wellbeing risks or requirements that may apply to the scheme at any time.

Visit the [WorkSafe website](#) for information about the Health and Safety at Work Act 2015.

7. Existing Schemes – Ministerial Guidelines, Expected Product Stewardship Scheme Contents (1)a.v.

If the scheme is not the only accredited scheme, the Ministerial Guidelines require Scheme Managers to have agreements in place with other Scheme Managers to enable cooperation and cost-effective handling to prevent confusion for users and demonstrate net community and environmental benefit.

Agreements will help ensure there are opportunities to collaborate or minimise confusion for scheme users and scheme participants around priority product(s). The responsibility is on the applicant to research what other schemes are already in their market. Although it is not a requirement, you may wish to consider opportunities to work with non-accredited stewardship schemes.

Things to consider:

- Clearly identify existing scheme(s).
- How does your scheme complement the existing scheme(s)?
- Will the schemes collaborate on collection and recovery network(s)?
- What agreements are in place with existing schemes? (Ministerial Guidelines, Expected Product Stewardship Scheme Contents, (1)a.v.a.)
- How will the schemes communicate with consumers to prevent confusion?
- What is the net social, cultural, economic and environmental benefit of multiple schemes? (Ministerial Guidelines, Expected Product Stewardship Scheme Contents, (1)a.v.b.)
- Clearly identify the gaps and risks between your scheme and existing scheme(s).

PART C: Scheme objectives

This part outlines what the scheme will achieve (ie, what difference the scheme will make to New Zealand and New Zealanders) and the measures year on year you will use to show the scheme is on track to achieve success.

8. Baseline data – WMA section 15(1)(c)

Where practicable define the current levels of waste generated for this product(s) in New Zealand. This can be an estimate but, if it is an estimate, provide information on how you reached this estimate for future reporting purposes. State which part(s) of the product life cycle the data refers to and which part(s) of the product life cycle the scheme covers. Include any calculations, assumptions or references to studies, trials and/or the figures used where applicable.

Measures of waste may be by weight, litres or number of units.

Baseline data should be of a quality that can be used alongside your objectives and targets to ensure the scheme is promoting waste minimisation or reducing the environmental harm from disposing of the product(s) without causing greater environmental harm over the product life cycle.

Consider how future data collection and monitoring will be improved to provide more accurate data for waste generated.

9. Objectives – WMA section 14(c), 15(1)(b) and Ministerial Guidelines, Expected Product Stewardship Scheme Contents, (1)c.

Objectives are specific high-level statements describing the outcome of the scheme and align with the goal(s) of your scheme. Targets are the desired change expected for each objective, expressed as a quantitative measurement.

Set objectives and targets as:

- a reduction in the amount of waste being generated or disposed of and consider performance against best-practice collection and recycling or treatment rates for the same product in high-performing jurisdictions
- recycling and/or other waste minimisation objective
- infrastructure development to support the scheme
- implementation phase-in to reflect availability of markets and infrastructure
- new products and market development to accommodate collected materials
- measures for public awareness including consumer satisfaction and complaints.

All objectives must be SMART (specific, measurable, achievable and relevant within the timeframe) for the duration of the scheme and show continuous improvement in scheme performance to attain best practice.

Set clear timeframes for each objective and, where practicable, have at least two to six relevant targets. The targets should be:

- able to be related to the baseline waste data provided
- expressed as a percentage of the baseline data provided, or such a percentage should be readily calculable from the figures provided
- able to demonstrate a commitment to minimised waste beyond business as usual

- delivered within these timeframes (WMA section 14(c)(ii)).

The measuring and monitoring of the objectives and targets should be sufficient to demonstrate progress towards meeting set objectives and targets. Things to consider:

- Methodology for measuring and monitoring targets should be consistent with how the baseline data was measured.
- If the methodology for monitoring targets is different from the baseline data methodology, then provide an explanation as to why this is necessary or better.
- If estimates were used to establish baseline data, then describe how actual data will be collected and measured against the baseline data.

Important

- When determining objectives and targets consider the implications of WMA section 16, which relates to variation of an accredited scheme. If a variation adversely affects the scheme's ability to meet its objectives within the timeframes set, reaccreditation will need to be considered.
- When setting your timeframes take into consideration the Ministerial Guidelines requirement that targets are reviewed and/or amended every three years. This review will need to consider changes in market, natural events and technology. You could report back on the scheme targets review as part of your annual reporting process.
- If, following your scheme targets review process, the outcome is to amend the targets a variation to the scheme (under WMA section 16) may be required.

10. Risk management (optional)

A risk is something that could affect the success of the scheme and needs to be managed. It is good practice to identify all concerns as early as possible. You may identify issues that can be resolved or actively managed before the scheme is implemented. Best practice is to maintain a risk register. This should be regularly updated to include any new risks, and the mitigations (if any) to deal with or actively manage them.

This is not a specified requirement of the WMA, however, it is highly recommended that you advise the Minister through your application and/or as soon as practicable of any foreseen risks for the scheme and how your scheme plans to resolve or manage these risks. You may choose to provide this information as a risk assessment, risk-management plan or risk register to support your application.

PART D: Participants

This part outlines all the groups and individuals who will be impacted and/or involved in the scheme and what formal agreements are held.

11. Scheme users – WMA section 14(d)

Scheme users are passive participants who will help contribute to the success of the scheme. **Scheme users** referred to in the WMA as ‘classes of person’ as organisations/groups or individuals who have not signed an agreement to participate in the scheme. Scheme users can be involved directly or indirectly in any aspect of the scheme including, but not limited to design, manufacture, sale, use, servicing, collection, recovery, recycling, treatment and disposal of the product.

The scheme interacts with **scheme users** through public communication channels and public reporting. Examples could include members of the public, consumers and tradespeople.

If the scheme’s operation:

- requires involvement by the general public, identify this group as ‘public’
- targets a generic type of business or activity (eg, tyre dealers for car tyres, IT businesses for electronic waste, transport companies), these should be listed.

The application should include what role(s) the general public will have in the scheme.

Example: members of the public are expected to drop-off eligible products to the designated scheme collection point.

12. Scheme participants – WMA section 14(e)

The applicant must be able to show that there are scheme participant organisations involved to ensure its success. **Scheme participants** are parties or partner organisations required to participate in the scheme or have opted to take part in the scheme. Examples could include, but are not limited to, importers, manufacturers, producers, retailers, collectors and recyclers.

Identify their role(s) and responsibilities, and what tasks they need to complete to help the scheme achieve its objectives and outcomes and provide evidence of their agreements with the scheme. Details must be sufficient to enable the Minister to make a judgement on whether the scheme objectives can be met.

Important

Agreements between the scheme and **scheme participants** may be legally binding contracts or may take the form of voluntary accords. It may be necessary for agreements to have a minimum notice period.

This application must include evidence of the scheme participant agreements.

Examples of agreement could be a:

- contract or service level agreement
- voluntary accord
- memorandum of understanding
- declaration signed by the person or company officer.

13. Compliance and enforcement procedures – WMA section 14(h)

Compliance and enforcement procedures cover how the scheme plans to complete quality assurance to ensure the scheme's operations are meeting scheme objectives and targets and other obligations. Scheme Managers are responsible for ensuring monitoring and enforcing activities have been undertaken to uphold its policies and meet accreditation requirements.

Identify and describe the processes for compliance and enforcement procedures of any agreements between scheme participants. This may include:

- details of the mechanisms in place to audit and ensure scheme participant compliance
- written evidence from scheme participants
- details of any enforcement procedures that can be used in the event of non-compliance by a scheme participant.

Voluntary and priority product Scheme Managers are responsible for the internal compliance and enforcement of their schemes.

Note that the Ministry for the Environment has a direct regulatory role in compliance, monitoring and enforcement (CME) of the WMA and associated regulations for priority products. [Read more about the Ministry's CME role.](#)

PART E: Governance

This part outlines leadership and decision-making, and how the governance group will conduct its duties and responsibilities in accordance with the highest professional standards.

14. Governance arrangements and organisation structure – WMA section 14(f) and Ministerial Guidelines, Expected Product Stewardship Scheme Contents (1)a.iii., iv. and vi.

For scheme governance arrangements we want you to provide information on the direction, leadership, accountability and responsibility for strategic decision-making across the scheme. Depending on how the scheme governance arrangements are structured, it may also include processes for auditing, monitoring and reviewing the scheme. Provide information on who is responsible for the oversight of the scheme, and for ensuring it stays on track.

Consider who is responsible for:

- making decisions under the scheme
- the control and overall operation of the scheme
- keeping records and making reports under the scheme.

The type of governance required for your scheme needs to be appropriate for the complexity and duration of the scheme. Structured governance involves having an advisory board or a board of directors or both. Further information on what type of governance could be suitable for your scheme can be found here: [What governance is and why it's important](#).

Consider here also the future governance needs of the scheme, as you may need a board of directors to manage the complexity, share the load and benefit from others' skills and experience as the scheme evolves.

Other factors to consider when planning the governance arrangements

Independence from the PSO	<p>A governance group should be separate from the Scheme Manager (who reports to it) and should include key stakeholders where relevant. It should:</p> <ul style="list-style-type: none">• be the body that 'owns' the scheme and is responsible for ensuring it has the resources and direction to be successful• assess key opportunities and risks, and confirm ways to realise or mitigate these• review scheme performance• give overall guidance to the Scheme Manager.
Advisory Board(s) – Ministerial Guidelines, Expected Product Stewardship Scheme Contents, (1)a.vi.	<p>How will your governance board represent the interests of producers, consumers and wider community?</p> <p>Scheme start-ups may benefit from the guidance of an advisory board, which can be used as a scheme development tool and adjunct to strategic planning.</p> <p>If using an advisory board, please outline how advisory board members are appointed, length of term and whether they are needed for initial set-up and/or ongoing development.</p>

Other factors to consider when planning the governance arrangements	
Governance needs over time – Ministerial Guidelines, Expected Product Stewardship Scheme Contents, (1)a.iii.	<p>Will the governance needs change over time? If yes, provide information on the transitional arrangements.</p> <p>The applicant should show that a suitable governance structure is in place for the initial set up and ongoing development and operation of the scheme.</p>
Appointment process and representation – Ministerial Guidelines, Expected Product Stewardship Scheme Contents, (1)a.vi.	<p>The governance group will have major responsibilities and legal obligations and is likely be appointed by stakeholders. Outline the proposed appointment process for directors or governance boards, including how board members will represent stakeholders while bringing the necessary knowledge, skills, and experience ie, chairperson, tikanga Māori, industry, recyclers, local government, community and financial.</p> <p>The process should be open and transparent.</p>
Best-practice guidelines – Ministerial guidelines, Expected Product Stewardship Scheme Contents, (1)a.vi.	<p>Boards of directors play a crucial role in enabling the scheme to achieve its purpose. Provide details on how the governance group will carry out its duties and responsibilities in accordance with the highest professional standards.</p>
Commerce Commission guidelines – Ministerial guidelines, Expected Product Stewardship Scheme Contents, (1)a.iv.	<p>All governance activities will adhere to the Commerce Commission’s guidelines on collaborative activities between competitors including, but not limited to, considering the option to apply for collaborative activity clearance from the Commission for the scheme.</p> <p>For further information see Commerce Commission New Zealand Te Komihana Tauhokohoko Competitor Collaboration Guidelines.</p>
Confidential data – Ministerial Guidelines, Expected Product Stewardship Scheme Contents (1)b.iii.	<p>Consider what confidential and/or commercially sensitive information your scheme will need to manage and how this data will be used to support scheme operations ie, objectives and targets.</p>

Organisational structure – WMA section 14(f)(i) and (ii)

Provide information on the organisational structure of the legal entity operating the scheme. Include key positions, roles and responsibilities, how decisions are made and how information flows between levels within the organisation and the governance group.

You may choose to submit an organisational chart as supporting evidence as part of answering the scheme governance arrangements and organisational structure questions.

15. Procurement and record keeping – WMA section 14(f)(iii) and Ministerial Guidelines, Expected Product Stewardship Scheme Contents, (1)b.i.

Record-keeping and confidential data management – WMA section 14(f)(iii) and Ministerial guidelines Expected Product Stewardship Scheme Contents (1)b.iii.

Good record-management systems include principles of accountability, transparency, integrity, protection, data security, compliance, accessibility, retention and disposal. Provide details on how data will be managed within your scheme, and the arrangements for keeping records and making reports under the scheme.

Things to consider:

- Who is responsible for keeping records and who will have access to the records?
- Who is responsible for making reports and who will have access to the reports?
- How is data captured, including security, storage and handling?
- What is the process for the retention and disposal of records?
- How will confidential information and commercially sensitive information be managed?

Procurement – Ministerial Guidelines Expected Product Stewardship Scheme Contents (1)b.i.

Procurement is buying services or goods for the scheme. This can range from simple purchases through to complex and strategic activities to source appropriate suppliers for future use. Demonstrate how the scheme will procure services using transparent, non-discriminatory and competitive processes.

Things to consider:

- What services (eg, collection, sorting, material recovery and disposal) need to be procured?
- What methodology will be used to procure the required services (eg, tendering or non-tendering) and/or equipment in accordance with established specifications and standards, and contractor-quoted pricing?
- Why has the scheme selected this procurement methodology?
- How does this methodology meet best-practice procurement approaches?

Accredited product stewardship schemes are subject to the Commerce Act. For further information see [Commerce Commission New Zealand Te Komihana Tauhokohoko Competitor Collaboration Guidelines](#), including the [Fact Sheet: The Commerce Act product stewardship schemes](#).

PART F: Communications and reporting

This part outlines how you will promote the scheme, engage with scheme users and report on the scheme's performance.

16. Community and scheme user engagement – WMA section 14(j) and (k) and Ministerial Guidelines 4(1)c.i. and Expected Product Stewardship Scheme Contents, (1)b.ii.

Communication strategies are integral part of product stewardship schemes. For consumers, businesses and service providers to participate fully, they will need to know clearly what the services are, what the service rules are, why they should participate and what happens to the product/s when they are dropped off at the collection point.

Outline the high-level communication tactics that will be used to promote the scheme. And summarise how you will inform scheme users on how the scheme works, how it is funded and how to find the nearest collection point.

Consider how scheme users and scheme participants will learn about:

- how the scheme works
- what information they need and how to find it
- how the scheme is funded
- how to find the nearest collection point
- what happens to their product after it has been collected
- how often you will communicate with specific audiences.

17. Communication strategy – WMA section 14(j) and (k) and Ministerial Guidelines 4(1)c.i. and Expected Product Stewardship Scheme Contents, (1)b.ii.

Outline the strategy for publicising the scheme. Explain how information will be provided to purchasers, users and handlers of the product to which the scheme relates. Options to communicate with groups could be through a website, social media handles, promotional campaigns and publicly available reports.

Working example:

Audience Who	Key message/ desired response What do we want them to think/do? What information does the group need?	Key promotional activity How will information be made available?	Frequency of key promotional activity When and how often?	Roles/responsibilities Who is responsible for the key promotional activity?
General public	Be aware of the scheme	Website Media releases at key milestones	Ongoing as key milestones are achieved	PSO – communications and media adviser
	Return product to registered collection point	Radio and social media campaign	Initial set-up, quarterly campaigns	PSO – marketing team
	Maintain their product		2 events per region per year	Collaborative event key stakeholders and PSO team
Product collector	Promote the scheme	Website – service providers only section (password protected)	Monthly email on scheme set-up (first 12-months) Quarterly emails on scheme updates (year 2 onwards)	Collector Communications team in collaboration with PSO marketing team

18. Public accountability and reporting requirements – WMA section 14(i) and Ministerial Guidelines 4(1)c. and Expected Product Stewardship Scheme Contents (1)a.ii and c.

The WMA requires accredited schemes to submit annual reports to the Minister (through the Ministry for the Environment). The annual report is a comprehensive report detailing the scheme’s activities throughout the preceding year. Its purpose is to provide information about the scheme operations and environmental performance.

Public annual report – WMA section 14(i) and Ministerial Guidelines 4(1)c.iii. and Expected Product Stewardship Scheme Contents (1)a.ii and c.

Outline the process for reporting to the Minister on scheme performance. All priority product schemes will set targets and report annually to the Ministry for the Environment. These reports will be readily available to the public on targets that include as a minimum:

- objectives and targets for significant, timely and continuous improvement in scheme performance
- performance against best-practice collection and recycling or treatment rates for the same product type in high-performing jurisdictions (environmental performance)
- a clear time-bound and measurable path to attain best practice, including progress towards transitioning to circular resource use

- financial performance (including fees collected and disbursed, and net cash reserves held as contingency)
- implementation phase-in to reflect availability of markets and infrastructure
- new product and market development to accommodate collected materials
- measures for public awareness of scheme-participant satisfaction and a record of response by the scheme to concerns raised
- health and safety (including notification of any accidents and occurrences of serious harm or near misses)
- agreements with scheme service providers
- governance structure (including any changes in key personnel)
- public satisfaction (including complaints)
- communication strategy performance
- results of annual independent audit on scheme performance
- overview of future year(s) activities (optional)
- any other net benefits the scheme has achieved.

The Ministerial Guidelines require an annual independent audit on scheme performance. The minimum audit requirements are:

- financial performance and scheme cost effectiveness
- environmental performance
- agreements with scheme service providers.

The results of this audit are to be included in the public annual report that is submitted to the Minister.

Working example:

The Scheme Manager and governance board will procure the services of a suitably qualified independent auditor. The auditor will be skilled in assessing financial and environmental performance. The scheme will produce monthly performance reports that will be collated into a comprehensive annual report. The key reporting areas will include (but are not limited to) – [list of key reporting areas]. The scheme’s advisory groups will provide input into the draft annual report. The draft annual report will be approved by the governance board for release to the appointed independent auditor. Where applicable, the draft annual report will be amended based on the feedback of the independent auditor and governance board. The governance board will approve the final version of the annual report, and the Scheme Manager will submit the final annual report to the Minister (by emailing it to the Ministry for the Environment). Following approval from the Ministry for the Environment, the annual report will be published on the scheme’s website and a media release will be issued to notify the public.

Transparent chain of custody – Ministerial Guidelines 4(1)c.ii.

Describe how you will ensure that the public will be able to see what happens to collected and processed materials, to both onshore and to offshore processors, and to published mass balances showing rates of reuse/recycling or environmentally sound disposal of the priority products.

Annual report due date (optional)

The WMA does not include details of when the scheme's annual reports are to be submitted to the Minister. The annual report timeframe could be based on calendar year, financial year or the anniversary of the scheme's accreditation. Please indicate if your scheme has a preferred timeframe for the annual report.

PART G: Environmental impact

This part provides more detailed information about the product life cycle and how the scheme aims to improve environmental impacts through the product stewardship scheme.

19. Environmental impact – WMA section 15(1)(c) and Ministerial Guidelines 4(1)a.i.

To accredit the scheme, the Minister must be satisfied the scheme is likely to promote waste minimisation or reduce the environmental harm from disposing of the product to which the scheme relates without, in either case, causing greater environmental harm over the life cycle of the product.

Briefly describe the current environmental impact of the product(s). Consider all aspects of the product life cycle impacts, emphasising its impact in the New Zealand context. This could include design, manufacturing, general use and/or end-of-life

Where applicable, reference relevant research, life-cycle assessments or other reports that support your response. **Do not submit** referenced reports with your application; we can find them from the reference.

Consider the following potential environmental impact of the product(s):

- upstream and downstream negative and positive effects
- greenhouse gas emissions and ozone-depleting substances
- carbon footprint and emissions
- release of hazardous substance and/or hazardous waste
- freshwater consumption
- energy (including electricity and other fuels)
- discharges (and emissions) to water, air, land
- reduction of biodiversity
- any other environmental effects that would occur
- the social impact – are the materials sourced ethically eg, avoiding forced or child labour, poor labour conditions for workers/sub-contractors, conflict areas).

Ministerial Guidelines 4(1)a.i. and WMA section 15(1)(c) requires priority product stewardship scheme applicants to show continual improvement in minimising the environmental harm of a product and to maximise benefits at the product's end-of-life. Outline how the scheme will improve its environmental performance over the life of the scheme. If this priority product does not currently have a closed-loop recycling process, describe how the scheme will work towards this objective.

Typically, a product life cycle will include:

- design and manufacture of the product
- transportation and handling of the product up to the point of purchase of the product by its end-user
- operation or normal use of the product over its normally expected lifetime
- what materials (including their quantities) are used by the manufacture.

Note:

The Scheme Manager is responsible for ensuring the scheme is compliant with any other enactments, regulations or bylaws.

Example – Compliance with New Zealand enactments, regulations and bylaws

This example describes how a scheme could demonstrate compliance with enactments, regulations and bylaws. In this example all conditions mentioned must be met.

Responsibilities may include:

- identifying and demonstrating compliance with any conditions imposed on the disposal of the product or on any process within the scheme itself under the Resource Management Act 1991 and its associated instruments (eg, district or regional plans, national standards)
- demonstrating compliance with all requirements for disposal under the Hazardous Substances and New Organisms Act 1996, regulations made under that Act, and any specific controls on the substance imposed by the Environmental Risk Management Authority. Applicable if a hazardous substance is part of the product or product life cycle
- demonstrating compliance with all requirements for disposal under the Ozone Layer Protection Act 1996 and any applicable regulations under that Act. Applicable if an ozone-depleting substance is part of the product or product life cycle
- demonstrating compliance with all requirements for disposal under the Climate Change Response Act 2002 and amendments. Applicable if the emission or production of greenhouse gases is part of the product or product life cycle
- providing a baseline amount of the discharge or other substance emitted to the environment
- specifying a reduction in the discharge or emission during the life of the scheme.

Example – Evidence of reduction in environmental harm

This example describes how a scheme could demonstrate evidence of a reduction in environmental harm.

Waste reduction – Preventing or reducing the amount of waste generated by:

- reducing the amount of hazardous waste (eg, reduction of mercury in a light bulb and removal of lead in electronic products)
- changing or substituting the material used (eg, replacement of toxic agrichemicals with non-toxic alternatives)
- redesigning the product (eg, to increase product durability, repairability)
- changing the plastic type used in a container to recycled content plastic to decrease harm from mining or harvesting raw materials
- adapting cleaner technology in the manufacturing process, such as instigating emissions controls and reductions, increasing energy efficiency and waste efficiency
- changing product ingredients from non-biodegradable to biodegradable
- redesigning the product so the process no longer results in a harmful by-product
- changing logistics processes to decrease the amount of transportation required in the distribution of goods.

Waste reuse – Reusing waste by:

- coordinating waste to be redistributed (eg, phone redistribution schemes or unwanted paint schemes)
- harvesting components from use in new products (eg, electronic components reused in new equipment).

Waste recycling – Increasing the amount of waste recycled by:

- treating waste that is no longer usable in its present form and using it to make new products (eg, plastic products made with recycled content)
- designing for disassembly and recyclability to recover materials easily (eg, using homogeneous material, not applying paints, lacquers or glues that cannot be removed).

Waste recovery – Recovering waste products by using the energy from waste in other processes (eg, burning used oil).

Waste treatment and disposal – Treating and disposing of waste before disposal by:

- bio-treatment or physio-chemical treatment to degrade a material into a compound or mixture
- blending or mixing the waste to obtain a compound or mixture
- storing or repackaging waste
- processing the hazardous waste to convert it into a non-hazardous or less hazardous material.

Circular resource use – Ministerial Guidelines 4(1)a.i.

New Zealand currently has a 'linear' economy. This involves taking resources, making products then discarding the products when there is no longer a use for them. We are now making the shift to a circular economy. In a circular economy, products are built to last and designed to be returned to the system through reuse, repair, repurposing or recycling.

The transition to circular resource use requires innovation and continual improvement to design out waste (and pollution) and maximise materials in use.

Outline how the scheme will continually improve its environmental harm and maximise benefits at the product's end of life.

PART H: Funding

This part outlines how this scheme will be funded.

Important:

- Funding information must not presume the Minister, the Crown or any other arm of government will provide any funding for the scheme. If government funding has already been obtained and confirmed (eg, as a grant from funds acquired through the waste levy under the Act) this should be shown as income to the scheme.
- Priority product stewardship schemes will need to provide sufficient information for the Minister to be confident that the scheme is financially viable and has internalised end-of-life costs. While not a specified requirement of the WMA, an independent cost-benefit analysis would be beneficial to assess the financial viability of the scheme.
- We recommend you do most of your preparation and modelling separately before filling out this accreditation application. This will enable you to work out how much the scheme is going to cost, based on the outputs and processes.

Further information on New Zealand Government cost recovery guidelines can be found here:

- [Guidelines for Setting Charges in the Public Sector \[2017\] \(treasury.govt.nz\)](#)
- Chapter 17, Legislation Design and Advisory Committee Guidelines – <http://www.ldac.org.nz/guidelines/>
- [Setting and administering fees and levies for cost recovery: good practice guide – Office of the Auditor-General New Zealand \(oag.parliament.nz\)](#)

Confidentiality: You may provide all or part of the scheme funding model information in confidence. Any such information must be clearly marked as 'commercial in confidence'. See note on Official Information Act for more information.

20. Funding model – WMA section 14(l) and Ministerial Guidelines 4(1)b.

Provide a breakdown of all the estimated scheme-related costs (expenditure) for each year of the scheme. All figures provided should be GST exclusive. Funding should be clearly identified and can be for operational or capital expenditure necessary to deliver a successful project.

The cost breakdown should link to the answers you provided in Part B Scheme Details. Further information to help prepare your financial model can be found here: [Financial models: Step-by-step guide — business.govt.nz](#)

Consider including summary of income and expenditure that captures the following:

- operating costs, including start-up (eg, setting up infrastructure for collection, recovery and/or disposal operations) and ongoing operational costings
- administration (including governance, monitoring, and reporting)
- research and design for environmental issues, particularly in relation to waste minimisation and reduction of environmental harm
- communications and publicity
- any other information useful in explaining the scheme's financial viability.

The Ministerial Guidelines 4(1)b. require priority product schemes to clearly outline and internalise end-of-life costs and that end-of-life costs are met by product stewardship fees proportional to the product's market share and ease of reuse or recyclability.

In preparing your scheme financial model consider:

- What are the main cost drivers of the scheme?
- What are the outputs and the business processes used to produce those outputs?
- Break down the fee into direct costs and indirect costs. Direct costings can be attributed directly to the output and/or activity and indirect costings cannot.
- What legacy and orphaned product services need to be funded?

21. Product stewardship fee – WMA 23(1)(d) and (j)

The Minister can recommend regulations under WMA section 23(1)(d) and (j) to set a product stewardship fee on imported and domestic manufacturer products.

The product stewardship fee is set in regulation and will be reviewed, likely at three-year intervals, as the product stewardship scheme matures.

When setting your product stewardship fee consider the following Controller and Auditor General guiding principles of equity, efficiency, justifiability and transparency. The fee should not disadvantage one group over another, be set at no more than the amount necessary to recovery costs, achieve value for money and be accountable to the public. Further information can be found here: [Setting and administering fees and levies for cost recovery: Good practice guide](#).

If your scheme requires a product stewardship fee to be set in regulation, please provide details on:

- How is the product stewardship fee calculated, and what is the rate?
- Who is the preferred fee-collection agent(s)?
- How is the fee justifiable eg, reasonably related to services charged?
- How is the fee equitable eg, managed in a way that is administratively fair and does not seek to recover costs from one group that might benefit a previous or future groups?
- How is the fee efficient eg, achieve value for money?
- How is the fee transparent to payers eg, provide enough information to payers so they can understand and assess charges?

22. Activities covered by the product stewardship fee – WMA section 23(1)(d)(iii)

The Treasury categorises the product stewardship fee under WMA section 23(1)(d) to be a cost-recovery fee (as opposed to a cost-recovery levy). This means charges imposed on a specific individual or organisation for a good, service or regulation directly provided to (or directly benefiting) that individual or organisation.

The types of activities that are cost-recovered are decided on a case-by-case basis depending on the nature of the activity, what is intended to be achieved and the related outputs.

Activities (or expense categories) covered by the product stewardship fee may include:

- stewardship fee collection and administration
- priority product management: collection, transportation, processing
- information management for participants and product consumers
- compliance, monitoring and enforcement
- reporting
- developing and maintaining infrastructure and market development partnerships
- organising administrative costs: staff, governance, overheads.

23. Costings of the activities – WMA section 23(1)(d)(iii)

Building on the activities identified in question 22, describe each activity's outputs and direct or indirect costings on an annual basis, using GST-exclusive figures.

- Outputs are the amount of something produced by a person, machine or industry. All outputs should be fully costed.
- Direct costings are costings that can be directly attributed to the output. Common direct costs are staff salaries and supplier costs.
- Indirect costings are costings that cannot be directly attributed to the output and are apportioned on a suitable basis. Common indirect costs include overheads such as salaries for staff in corporate (finance, human resources) and technical support roles or accommodation costs (rent, maintenance, utilities).

Working example:

In this example, the activity (or expense category) is 'consumer information' that provides the services of producing a website and marketing collateral.

Activity	Output	Direct or indirect costing	Cost per year (GST exclusive)
Consumer information	PR salary	Direct	[cost per year]
	Marketing collateral (including but not exclusive to print, digital, audio-visual collateral)	Direct	[cost per year]
	Website	Direct	[cost per year]
	PSO overheads	Indirect – based on 5% share of total costs	[cost per year]

24. Investment in circular resource use – Ministerial Guidelines 4 (1)a.iii.

New Zealand currently has a 'linear' economy. This involves taking resources, making products then discarding the products when there is no longer a use for them. We are now making the shift to a circular economy. With this approach, we do not dispose of, or discard used goods and products as waste, but return them to the system through reuse, repair, repurposing or recycling, reducing the impacts of waste and extracting greater social and economic benefit from resources.

Investment in circular resource use is important for product stewardship schemes as it provides powerful insights and leads to improvements in existing processes where efficiency can be increased, and environmental impacts and costs can be reduced. It can allow schemes to develop new products (and markets) to ensure viability.

Outline how the scheme will invest in initiatives to improve circular resource use, reusability, recyclability and new markets for the product.

Considerations:

- how to keep resources in use for as long as possible
- extracting the maximum value from resources while in use
- researching new and evolving technologies that support circular resource use
- how to gain insights from scheme users to improve scheme performance
- research and development of onshore infrastructure.

PART I: Supporting documentation

This part outlines how supporting documentation should be provided.

25. Additional information

Provide additional information you consider important to your application. Supporting information must directly relate to the product stewardship scheme. Such as:

- service agreements
- examples of compliance, monitoring and enforcement actions
- communications and marketing plan
- organisational chart including governance structure
- business plan
- scheme financial model
- maps showing distribution of pick-up/drop-off locations
- diagrams to show governance structure and/or how the scheme operates
- scheme co-design reports (if appropriate).

PART J: Declaration

Conflicts of interest

Conflicts of interest, whether actual or perceived, are important and must be managed effectively. You will be asked for information detailing any conflicts of interest that will need management.

Example: The applicant has a close association with the consultancy who may be contracted to deliver an aspect of the project. Three quotes will be obtained to ensure the successful supplier offers value for money.

Due diligence

The Ministry for the Environment needs permission from the Scheme Manager on behalf of key persons involved in the governance structure of the proposed product stewardship scheme. This is optional and not a direct requirement of the Waste Minimisation Act 2008 or associated guidelines. If permission is granted for the Ministry to undertake these checks, please respond to requests for additional information promptly. More information on how due diligence checks are conducted and why can be found [here](#).

Declaration

The Scheme Manager is the person with the organisation's signing authority (eg, the chief executive officer or equivalent delegated authority) and must complete the declaration. Provide the name, position and signature of the person with the organisation's signing authority and include the date the declaration is signed.

By signing the declaration in the form, you are agreeing that the contents of the declaration are true and accurate.

Appendix A: Self-assessment checklist for priority product stewardship accreditation application

Requirements for accreditation (WMA section 14)	Does the scheme meet this requirement?
(1) To qualify for accreditation, a product stewardship scheme must:	
(a) identify the Scheme Manager	
(b) provide a description of the scope of the scheme, including the product or brand of product to which it applies	
(c) set:	
(i) measurable waste minimisation, treatment or disposal objectives for the product; and	
(ii) timeframes for meeting the objectives	
(d) list the classes of person involved in the design, manufacture, sale, use, servicing, collection, recovery, recycling, treatment and disposal of the product	
(e) list the persons who have agreed to participate in the scheme and assign responsibility to them for meeting the scheme's objectives	
(f) specify the arrangements for:	
(i) making decisions under the scheme	
(ii) the control and overall operation of the scheme	
(iii) keeping records and making reports under the scheme	
(g) specify the scheme's expiry date	
(h) identify the processes for compliance and enforcement of any agreements between participants to the scheme	
(i) provide for assessing the scheme's performance and for reporting on its performance to the Minister	
(j) set out a strategy for publication of the scheme	
(k) set out how information will be provided to purchasers, users and handlers of the product to which the scheme relates	
(l) clearly outline how the scheme is to be funded.	
Accreditation (WMA section 15)	Does the scheme meet this requirement?
(1) The Minister must accredit a product stewardship scheme if he or she is satisfied that the scheme:	
(a) meets the requirements of section 14	
(b) is likely to meet the scheme's objectives within the timeframes set in the scheme	
(c) is likely to promote waste minimisation or reduce the environmental harm from disposing of the product to which the scheme relates without, in either case, causing greater environmental harm over the life cycle of the product	
(d) is consistent with New Zealand's international obligations; and	
(e) if the scheme relates to a priority product and is consistent with any guidelines published under section 12.	

Additional information for priority product applicants	
General Guidelines for Product Stewardship Schemes for Priority Products Notice 2020 (published under section 12, WMA)	Does the scheme meet this requirement?
4. Expected Product Stewardship Scheme Effects	
(1) Accreditation applications must specify how the proposed scheme will help to achieve the following:	
a. Circular resource use:	
i. Continuous improvement in minimising waste and harm and maximising benefit from the priority product at end of life.	
ii. Increasing end-of-life management of the priority product higher up the waste hierarchy to support transition to a circular economy in New Zealand.	
iii. Investment in initiatives to improve circular resource use, reusability, recyclability and new markets for the priority product.	
b. Internalised end-of-life costs	
i. Full net costs for stewardship of priority products at end of life met by product or producer fees proportional to the producer's market share and ease of reuse or recyclability of their product	
ii. Free and convenient collection of the priority product for household and business consumers at end of life, including rural populations.	
iii. Collection and management of legacy and orphaned priority products fully or substantially funded by the scheme.	
c. Public accountability	
i. Clear information to household and business consumers on how the scheme works, how it is funded and how to find the nearest collection point.	
ii. Transparent chain of custody for collected and processed materials, to both onshore and to offshore processors, and published mass balances showing rates of reuse/recycling or environmentally sound disposal of the priority products.	
iii. Publicly available annual reports that include measurement of outcomes and achievement of targets, fees collected and disbursed, and net cash reserves held as contingency.	
d. Collaboration	
i. Optimal use of existing and new collection and processing infrastructure and networks, and co-design and integration between product groups.	
General Guidelines for Product Stewardship Schemes for Priority Products Notice 2020 (published under section 12, WMA)	Does the scheme meet this requirement?
Expected Product Stewardship Scheme Contents	
(1) Accreditation applications must specify how the proposed scheme incorporates or will provide for the following:	
a. Governance	
i. The scheme will be managed by a legally registered not-for-profit entity.	
ii. Annual independent audits will be conducted on scheme performance and included in scheme's annual reports to the Ministry for the Environment. The annual reports must contain the following:	
a. financial performance and scheme cost-effectiveness;	
b. environmental performance; and	
c. agreements with scheme service providers.	

iii.	Governance arrangements will be established for the initial set-up and ongoing development and operation of the scheme that are appropriate to the size and scale of the scheme.	
iv.	All governance activities will adhere to the Commerce Commission guidelines on collaborative activities between competitors, including but not limited to considering the option of applying for collaborative activity clearance from the Commission for the scheme.	
v.	The scheme will be the only accredited scheme for that product, or <ul style="list-style-type: none"> a. have agreements in place with other Scheme Managers to enable cooperation and cost-effective materials handling and to prevent confusion for household and business consumers; and b. demonstrate how net community and environmental benefit (including cost-effectiveness and nonmonetary impacts) will result from multiple schemes for that priority product. 	
vi.	Directors or governance boards will: <ul style="list-style-type: none"> a. be appointed through an open and transparent process; b. represent the interests of producers and consumers of the priority product and the wider community as informed by stakeholder advisory groups; and c. follow governance best-practice guidelines, for example the Institute of Directors of New Zealand Code of Practice for Directors, including for the identification and management of conflicts of interest. 	
b.	Scheme operations	
i.	Services (eg, collection, sorting, material recovery and disposal) will be procured using transparent, non-discriminatory and competitive processes open to all competent entities whether existing, new entrant or social enterprise.	
ii.	Clear, regular and open reporting and communication will be given to scheme participants and stakeholders.	
iii.	Processes exist to manage commercially confidential or sensitive information appropriately.	
iv.	All people involved in the scheme will have completed suitable training to complete their roles, including in best practice in prevention and reduction of harm to people and the environment.	
v.	Ability to obtain new or existing permits held, for all necessary activities in New Zealand in relation to processing and potential export of priority products or their constituent components.	
c.	Targets	
i.	All schemes will set and report annually to the Ministry for the Environment on targets that include as a minimum: <ul style="list-style-type: none"> a. significant, timely and continuous improvement in scheme performance; b. performance against best-practice collection and recycling or treatment rates for the same product type in high-performing jurisdictions; c. a clear time-bound and measurable path to attain best practice; d. implementation phase-in to reflect availability of markets and infrastructure; e. new product and market development to accommodate collected materials; and f. measures for public awareness of scheme participant satisfaction and a record of response by the scheme to concerns raised. 	

<p>ii. Targets will be reviewed and adjusted no less than every three years from the date of accreditation, taking into account changes in the market, natural events and technology.</p>	
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Other matters to consider	Does the scheme meet this requirement?
<p>WMA section 13(2)(e) – the application must identify whether regulations under section 22 or 23 will be required to implement the scheme.</p>	
<p>Risk Management (optional) – This is not a specified requirement of the WMA, however, it is highly recommended that you advise the Minister through your application and/or as soon as practicable of any foreseen risks for the scheme and how your scheme plans to resolve or manage these risks. You may choose to provide this information as a risk assessment, risk-management plan or risk register to support your application.</p>	

Appendix B: Other helpful information

Organisational entities that may be of interest to your application (not conclusive):

- Incorporated society Certificate of Registration with the Companies Office under the Incorporated Societies Act 1908
- Charitable trust Certificate of Registration with the Companies Office under the Charitable Trusts Act 1957
- Limited partnership Certificate of Registration with the Companies Office under the Limited Partnerships Act 2008
- Māori trust board declared by any enactment to be a Māori trust board within the meaning of the Māori Trust Boards Act 1955
- Limited liability company Certificate of Registration with the Companies Office under the Companies Act 1993
- Co-operative company Certificate of Registration with the Companies Office under the Co-operative Companies Act 1996

Online resources

The following online resources will help you prepare your application and provide further support.

Resource	Website address
Ministry for the Environment	environment.govt.nz Get funding International action Ministry for the Environment
Health and Safety at Work	Health and Safety at Work Act 2015
Ministry of Business, Innovation and Employment	Home — business.govt.nz How to write a business plan — business.govt.nz Financial models: Step-by-step guide — business.govt.nz
Statistics New Zealand	Home Stats NZ
Commerce Commission New Zealand	Commerce Commission - Home (comcom.govt.nz)
Legislation Design and Advisory Committee	Legislation guidelines: 2021 edition
Environmental Protection Authority	Shipping hazardous waste
Ministry for Primary Industries	Animal welfare
Ministry of Foreign Affairs and Trade (MFAT)	Treaties
New Zealand Treaties Online	Treaties online
Worksafe	Laws and regulations