

AUSTRALIAN INSTITUTE OF PETROLEUM

**AUSTRALIAN PACKAGING COVENANT
ACTION PLAN FOR LUBRICANT OIL BOTTLES**

July 2010 – June 2013

March 2011

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1 SCOPE AND COVERAGE OF THE ACTION PLAN

1.1 The Organisation submitting the Action Plan

This Action Plan is submitted by the Australian Institute of Petroleum (AIP). AIP is an industry association, and a key representative body of Australia's petroleum industry.

AIP's mission is to promote and assist in the development of a strong internationally competitive Australian petroleum products industry, operating efficiently, economically and safely, and in harmony with the environment and community standards.

Through the active involvement of its members, AIP provides responsible, professional and principled representation of the industry along with factual and informed discussion of petroleum issues.

AIP is a signatory of the Australian Packaging Covenant (the Covenant).

This Action Plan is submitted as a joint Action Plan on behalf of the following four AIP member companies involved in the production, blending, distribution, and sale of packaged lubricating oils. These four member companies are:

BP Australia Pty Ltd (incorporating Castrol Australia Pty Ltd);
Caltex Australia Pty Ltd;
Shell Company of Australia Ltd;
Valvoline Australia Pty Ltd.

In addition to AIP, each of these companies is an individual signatory of the Covenant. Each of these companies is submitting an individual action plan that supports the joint Action Plan, and the commitments contained therein.

Mobil Oil Australia Pty Ltd (as part of the ExxonMobil Group) is also an AIP member company with involvement in lubricating oils. The company is a participant in the AIP Oil Bottle Collection and Recycling Program (the AIP Program), and was a signatory to the previous Covenant. Mobil is restructuring its lubricants business. As a consequence, it is reconsidering its position in regard to the Covenant, and may not become a signatory. However, Mobil is remaining a participant in the AIP Program.

These five companies are estimated to account for about 85 per cent of the national sales of lubricating oil.

1.2 Scope of the Action Plan

This Action Plan covers the management of plastic oil bottles up to 10 litres in capacity, used to package lubricating oil products for the retail and light commercial markets. The plastic used for oil bottles packaging is almost exclusively High Density Polyethylene (HDPE).

The management includes the environmentally sound collection and recycling of the used plastic oil bottles, and the development of sustainable markets and end uses for the recyclate. It should be noted that kerb-side collection is not considered to be appropriate for this waste stream, and alternative collection methods have been developed.

1.3 Time period for the Action Plan

The time period selected for this Action Plan is three years, from July 2010 to June 2013.

A report on progress in the year against the Action Plan will be prepared and submitted for each year of the Action plan in accordance with time lines specified by the Covenant.

1.4 Contributions to be made under the Action Plan

Under the Covenant Funding formula, AIP expects to make contributions totaling \$5500 each year. This is based on the turnover of each of the member companies for lubricants packaged in plastic oil bottles.

1.5 Relation to Previous Action Plans.

AIP was a signatory of the previous National Packaging Covenant. Under this, AIP Action Plans were in place for each of the following periods:

- July 2002 to June 2005.
- July 2005 to June 2008.
- July 2008 to June 2010

This Action Plan represents a continuation of initiatives established in these Action Plans.

2 ENVIRONMENTAL MANAGEMENT

Certain of the information provided in this Section was contained in the previous three AIP Action Plans. This information is repeated here for completeness.

2.1 AIP Environmental Policy

AIP's Environmental Policy Statement outlines the following objective:

AIP member companies in Australia share the general community concern for conservation of the environment, and seek to protect air, water and soil from contamination through their operations. In doing so, their aim is to:

- *Treat with care all materials that may cause pollution;*
- *Achieve a zero accident rate;*
- *Maintain open communications with Governments and local communities; and*
- *Support market mechanisms for conservation and wise use of our valuable energy resources.*

AIP's policy regarding lubricating oil packaging is as follows:

AIP and its member companies will work with other stakeholders, including packaging manufacturers and waste authorities, to facilitate the development of a viable national collection and recycling system for lubricating oil containers.

Where possible the collection system should be coordinated with the system of collection of used lubricating oil at normal waste collection centres, and should meet the following criteria:

- *Provision of reasonable access for households and light commercial industries to facilities for the collection of lubricating oil containers. This should be based on the assumption that these users of lubricating oil are prepared to make reasonable efforts to dispose of the containers in a sound environmental manner. Reasonable efforts include the willingness to take the containers to waste transfer centres, along with other waste; and*
- *The collection facilities should be cost-effective, environmentally sound and in accordance with health requirements. In particular, they should not allow any residual lubricating oil to leak to the environment, nor pose an undue risk of users of the facilities coming into contact with the used lubricating oil.*

AIP and its member companies will assess which recycling avenues for the collected Containers offer the optimal environmental and economic outcome. AIP

will discuss the outcome of the assessment with packaging companies and the appropriate authorities.

Any recycling avenue identified must meet the following criteria:

- The recycling process must satisfy all relevant occupational health and safety regulations and guidelines;*
- The recycling process must be environmentally sound with regard to emissions of all types;*
- The recycling process must lead to a complete and effective recycling outcome. In regard to plastics, this can include the recovery of the plastic into a viable marketable alternative product, or complete consumption of the plastic to recover the energy content.*

2.2 Potential Environmental Impacts from Used Plastic Oil Bottles

The environmental issues of the process of collection and recycling of used plastic oil bottles centre on:

- diversion of this waste stream from landfill;
- avoidance of pollution from the residual oil contained in the bottles; and
- management of difficulties in recycling caused by the adsorption of oil into the plastic.

Traditionally, used oil bottles have been disposed of through landfill. This is not regarded as sustainable, and the current AIP program is designed to divert this waste stream to more environmentally sound disposal.

Tests have shown that drained bottles can contain residual oil up to 10 per cent of the original volume. Any leakage of this oil may lead to contamination of soil or water, at landfills or elsewhere. The washing out of used oil bottles requires special attention to effluent disposal.

The adsorption of oil into the plastic of oil bottles causes difficulties in recycling in regard to:

- Adsorption of colour bodies from the oil bottles into any broader plastic recycling stream;
- A residual oily odour in the recycle;
- Weeping of oil from recycle.

These issues mean that, while small volumes of used plastic oil bottles can be fed into general HDPE recycling streams, any significant volumes need special attention and separate facilities.

3 LUBRICATING OIL PACKAGING

3.1 The Lubricating Oil Market in Australia

The consumption of lubricating oil in Australia totalled 458 megalitres (ML) in 2009/10.

The major users are industrial and mining companies, primary producers, transport companies and the automotive industry. These commercial users account for approximately 85 per cent of sales of lubricating oil. These sales are almost entirely made in bulk, or in steel drums, directly from the lubricating oil companies or their distributors.

The balance of sales, approximately 40 ML/year, is made in packaged form, predominantly to light commercial industry, motorists and home DIY oil changers. The sales channels include service stations, supermarkets, and automotive accessory retail outlets. Lubricating oil companies sell packaged lubricating oils under their own brands, and also supply packaged lubricating oil for private oil labels – such as those of supermarkets and automotive accessory chains. Packaged sales have trended down in recent years, with a trend to larger bulk packaging where possible.

This retail sales channel gives rise to a waste stream, comprised of used oil and used oil packaging – ie plastic oil bottles. This Action Plan is focused on the latter waste stream.

3.2 The Packaging of Retail Lubricating Oil

Lubricating oil bottles are almost exclusively made from coloured HDPE. The total volume of HDPE used by AIP member companies covered in the previous Action Plan in 2009/10 was 1985 tonnes. Adding in the estimated volume of non-AIP participants in the market, the total market usage of HDPE would have approximated 2335 tonnes.

The bottle sizes range from 0.2 - 20 litres. However the bulk of sales are concentrated in three sizes: 1 litre, 4 litres and 5 litres. These three sizes constitute over 80 per cent of bottle volume and HDPE usage.

The weighting of bottles is a competitive issue for lubricating oil companies, and is influenced by cost, design and proprietary factors. Typical weight of HDPE per bottle for these three sizes is as follows: 1 litre 60 grams; 4 litre 210 grams; 5 litre 260 grams. However, there are considerable differences in bottle weight (HDPE usage per bottle) between companies.

3.3 Labelling of Retail Lubricating Oil Bottles

All plastic oil bottles carrying the brands of AIP members companies carry the required statutory and health and safety information on their labels, as well as proprietary information.

3.4 Disposal of Retail Lubricating Oil Bottles

AIP and its contract partner VIP Packaging (VIP) have undertaken research to establish the current pattern of disposal of plastic retail lubricating oil bottles.

This has shown that approximately 50 per cent of the bottles are disposed of by households through waste transfer stations with oil collection units. Disposal by households through other means accounts for a further 16 per cent, as follows:

- Kerbside recycling: 6 per cent
- General household waste: 8 per cent
- Household de-tox programs: 2 per cent

The balance is considered to originate from non-household channels, particularly small and medium size enterprises (SMEs). Disposal patterns from this sector will tend to follow general waste disposal patterns.

Audits of the waste stream from kerbside recycling show that plastic HDPE bottles of all kinds are collected, extracted and usually recycled in an environmentally sound manner. AIP considers therefore that, in addition to the oil bottles collected under the AIP program, a further 5 per cent of the waste stream can be regarded as recycled and so counted towards meeting overall recycling targets for plastic HDPE oil bottles.

4 ACHIEVEMENTS TO DATE

In line with the concept of shared product stewardship responsibility, AIP and its member companies have been actively engaged in all issues regarding the environmentally sound collection and recycling/disposal of used lubricating oil packaging. The aim of AIP and its member companies is to provide a comprehensive, environmentally sound, sustainable program to divert the plastic oil bottle waste stream from landfill, and recycle the stream into value-adding products, in a manner consistent with the objectives of the Covenant.

AIP and its member companies have taken major steps to achieve these goals. The AIP member companies involved in the program in this period were:

BP Australia Pty Ltd (incorporating Castrol Australia Pty Ltd);
Caltex Australia Pty Ltd;
Mobil Oil Australia Pty Ltd (as part of the ExxonMobil Group);
Shell Company of Australia Ltd;
Valvoline Australia Pty Ltd.

The primary focus of actions to June 2010 has been the development of a national program (the AIP Program) for the collection and recycling of plastic oil bottles. This has been accompanied by associated research and development into potential recycling avenues.

The design of the lubricating oil packaging is considered to be a competitive issue. Accordingly issues of the design of the bottles are addressed by the member AIP companies on an individual basis.

4.1 The AIP Collection and Recycling Program (the AIP Program)

4.1.1 The Development of the AIP Program

Work on the program commenced in 2002. However, prior to this, AIP had been involved in research to identify options for the format of such a program. This research included

- Participation in a joint research project, with Ecorecycle Victoria and the Plastics and Chemical Industry Association, into possible avenues for the recycling of used plastic oil bottles;
- Risk analysis of the collection options for home (DIY) oil change used plastic oil bottles. Options analysed included kerbside, service stations and waste transfer centres. This analysis was included in AIP's initial Action Plan, and its findings have helped to guide subsequent initiatives.

Following the research, in 2002 AIP began working with companies in the Visy group to develop a potential format for the program. This format involved a roll-out of the program by State over a 5 year period. Each State was to have a separate collection network of at least 25 sites, covering metropolitan and rural areas, located at waste transfer centres. The collection points were to be located adjacent to waste oil collection facilities in the waste transfer centres, and were to be banded oil-tight bins set up to receive drained oil bottles. The collection points were to be serviced by a dedicated collection truck, initially on a bin exchange basis. The collected plastic oil bottles were to be aggregated in each State, and recycled into recyclate suitable for use in marketable plastic products.

In 2003, AIP commissioned Visy Industrial Plastics, now renamed VIP Packaging (VIP) to carry out a trial of the format, in metropolitan and rural Victoria in 2003. This trial was completed successfully. The findings confirmed the viability of the basic format, but suggested slight changes at the collection facilities. These were adopted in the final format of the AIP Program, which included a roll-out to other States over 5 years.

The AIP Program was costed at \$4.6 million for the 5 years, and an application was made in 2003 to the Commonwealth government for financial assistance for approximately 55 per cent of the cost of the first 5 years. Thereafter the AIP Program was to be funded by industry.

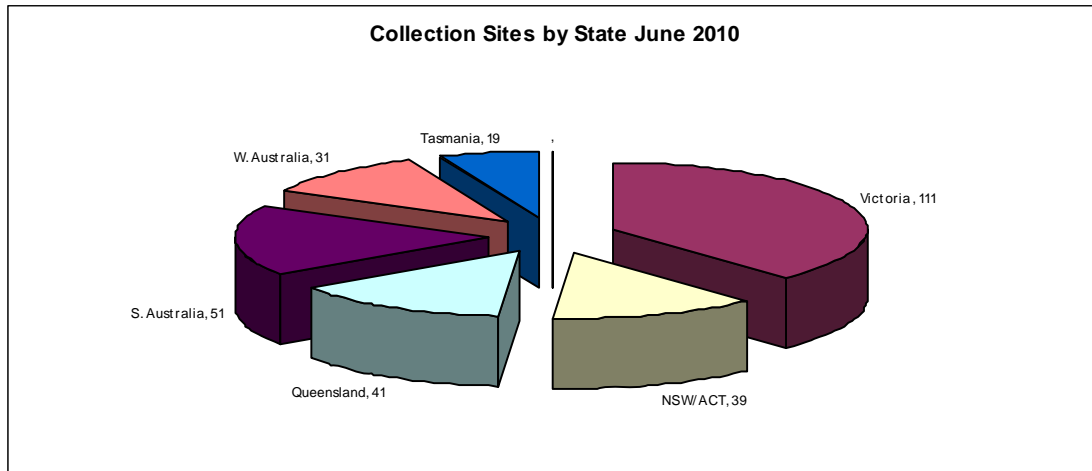
In 2004, the Commonwealth government approved the financial assistance. AIP then executed a contract with VIP to carry out the AIP Program, with a time line and service standards consistent with the milestones set by the Commonwealth government for the financial assistance.

By June 2008, the AIP Program had been rolled out to six States and the Australian Capital Territory, in line with the agreed timelines. AIP has continued to expand the AIP Program since that date.

4.1.2 The Status of the AIP program at June 2010

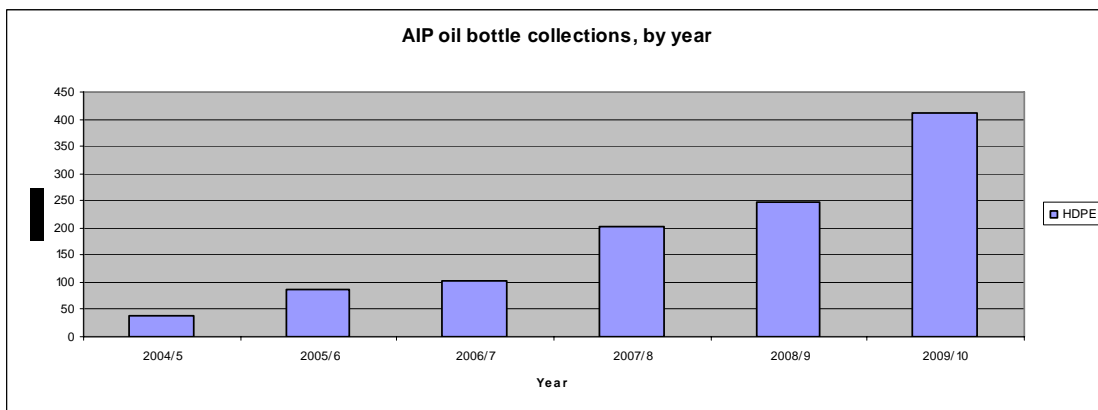
By June 2010, the collection network had been expanded to 292 sites, covering all States and Territories with the exception of the Northern Territory. There were aggregation centres in each State, with the exception of Tasmania which was serviced from the Victorian aggregation facility at Laverton.

The breakdown of the network across States is shown in the following chart.



To service the collection network, VIP has designed and introduced specialised collection trucks that incorporate on-truck crushing, compacting and baling machinery for plastic containers, and are equipped to handle plastic oil bottles in an environmentally sound manner, including the capture of any escaping oil. These trucks service all States with the exception of Western Australia; the latter uses a bin exchange process.

Collection volumes have increased in line with targets specified in the previous Action Plan. In 2009/10, collections totaled 411 tonnes of plastic net of oil waste, which represented a collection rate of 17 per cent of estimated industry tonnage (and 20 per cent of the tonnage of participating AIP companies), compared to the target of 15 per cent. The Table below illustrates the development of collections.

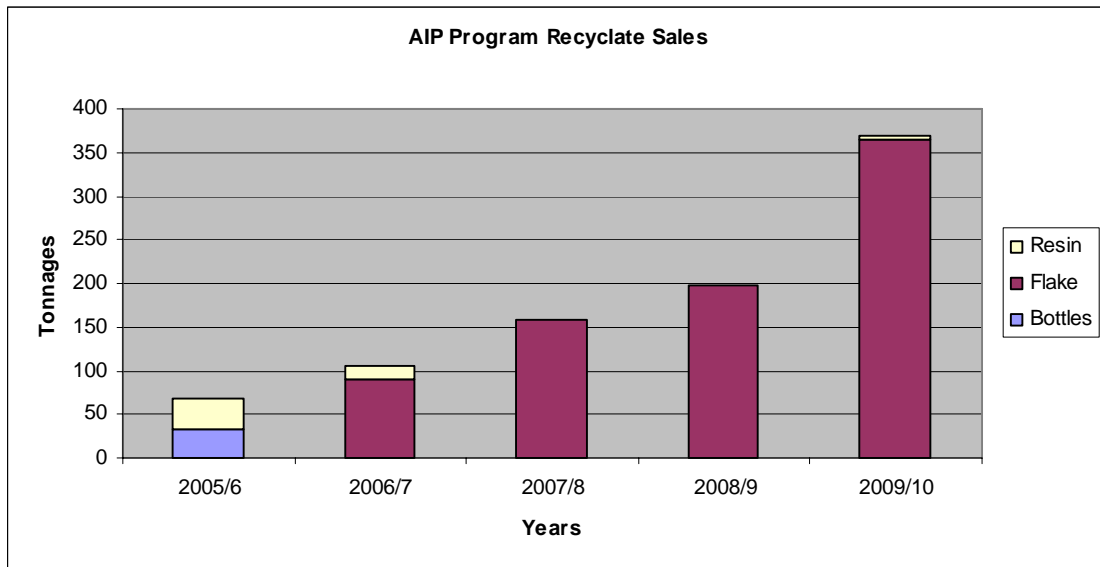


To complement the development of collection facilities, recycling facilities have been established and environmentally sound value-adding options for the recycle put in place.

The collected bottles are de-oiled and shredded to flake at a dedicated VIP Packaging site at Laverton North in outer Melbourne. Almost all the flake is then exported to be recycled into products for the general industrial plastics market, including air conditioning ducts, cable cover, low-grade industrial piping and builders' film. In addition, a small amount of the flake is recycled to produce resin for the trial manufacture of oil bottles by VIP, and for collection bins for AIP program;

Options for conversion of the plastic into liquid fuels have been evaluated. These trials showed that the flake is an ideal feed for a pyrolysis plant, should one be established in Australia.

The following Table shows the development of recyclate sales.



The initial contract with VIP for the operation of the program concluded at the end of 2006. At that point, the contract was renegotiated for a further 3 years, on terms agreed with the Commonwealth government, till end calendar year 2009. A key provision of the contract was the inclusion of collection tonnage targets, increasing each quarter to the end of the contract. At the end of 2009, a new contract was negotiated with VIP, running until the end of 2012. This included targets for collection tonnages and the expansion of the network.

4.2 Liaison with Authorities

The AIP collection program is based at waste transfer centres of councils and waste authorities, and requires the cooperation and support of those bodies. AIP, and its partner VIP, have worked closely with these bodies in the development and operation of the program.

The input of waste authorities was sought in the development of the AIP Program format. Councils and waste authorities were approached to seek their support in taking the AIP Program, as the AIP Program was rolled out by State. Once the facilities were established at waste transfer centres, AIP and VIP have worked to coordinate their services with the requirements of the relevant authorities.

4.3 Communications

A communications campaign to promote awareness of the AIP Program has been developed and implemented. This is based on the development of a program logo, and provision of brochures and posters to councils and waste authorities for distribution as they see fit, and on stickers on collection bins.

There is periodical contact with the councils and waste authorities to check if fresh material is required. In particular, all participating councils and waste authorities were contacted in October 2010, and revised materials supplied.

The collection bins are checked at each collection to assess whether the bin stickers need replacing, and if so the bins are replaced and renewed.

4.4 Research and Development

AIP and VIP have been active in researching avenues to optimize the AIP Program. These initiatives include:

- Extensive analysis of national and international options for processing facilities for crushing and shredding of the oil bottles, and subsequent baling of the shredded material. This resulted in the choice of a German Herbold unit;
- Analysis by VIP of optimal methods to make collections from the bins at waste transfer centres, recognizing the need to optimize transport costs to allow a wider geographical coverage. This resulted in the development by VIP of a specialist truck with an on-truck crushing/baling mechanism, for the collection of this and other similar plastic waste streams.
- Research by VIP and AIP member companies into the incorporation of the recycled plastic resin into oil bottles, while ensuring the bottles meet all health and safety requirements. To date, trial production has not met robustness criteria, which is a critical requirement before member companies could commit to using the recycled resin in their bottles. This research is still continuing with the aim of producing bottles of sufficient quality for use by AIP member companies.

- Research into pyrolysis as waste-to-energy option for the recycling.
- Development of alternative markets for resin and, in particular, flake from the program. This has led to the availability of sufficient environmentally sustainable markets for the recyclate from the program.

4.5 Bottle Design

Bottle design is a company and brand specific area, and so subject to substantial competitive pressures.

During 2006, AIP and its member companies reviewed whether there was benefit in developing industry guidelines for companies on the recyclability of plastics used, lightweighting, and the use of recycled materials, closures and handles. It was decided that the competitive pressures were such that there was no material benefit in trying to develop common industry guidelines in the area.

Accordingly, adoption of the Sustainable Packaging Guidelines will be addressed by the participating AIP companies on an individual basis.

Most AIP member companies report continuing individual initiatives in some or all of these areas. These include significant improvements in:

- Lightweighting. Some companies have reported achieving reductions in weight of plastic of approximately 10 per cent on certain bottle sizes.
- Drainability of the bottles, which will help to reduce the volumes of residual left in the bottles.
- New caps designed to aid pourability.
- Increased removability of labels.
- Reductions in material usage, in the area of capture and reuse of plastic waste at the point of manufacture.

4.6 Achievement against Previous Action Plans

There were three central components of the past Action Plans, which have all been achieved.

- The development of a format for a program to collect and recycle plastic oil bottles;
- The establishment of the AIP Program on a rolling basis in all States. This has been essentially achieved, with the program now established in all States and Territories with the exception of the Northern Territory. With regard to the Northern Territory, to date the combination of low volumes for collection and high collection / transport costs makes the extension of the AIP Program to the Territory impractical, and that the resources can be employed more efficiently in other States. This situation is being kept under review.

- A build-up of collection tonnages, with a target of 15 per cent of total industry tonnages by 2009/10. In 2009/10, 17 per cent of industry tonnages was collected, well above the target for that year.

In general, all targets in the Actions Plans were met. The only significant departures were:

- The targets of 2007/8 relating to the review and publication of a new AIP Code of Practice CP30. These were rendered inapplicable by the AIP decision to discontinue support for its general industry codes of practice.
- The targets relating to bottle weights and design, which are now to be addressed by individual companies.

5 ACTION PLAN

5.1 Objective

AIP and its member companies support the objective of the Covenant to reduce the overall environmental impacts of packaging by pursuing the following performance goals:

1. Design: packaging optimized to achieve resource efficiency and reduced environmental impact without compromising product quality and safety.
2. Recycling: the efficient collection and recycling of packaging.
3. Product Stewardship: a demonstrated commitment to product stewardship by organizations in the supply chain and other signatories.

AIP and its member companies recognize that the plastic bottles used to package lubricating oil can give rise to environmental impact, and have already taken major steps to introduce effective management of this waste stream.

The objective of this Action Plan is to further reduce the environmental impact of this waste stream. This will be achieved by building on and enlarging the AIP Program already established.

This Action Plan is a three-year Action Plan. It is the intention to update the Action Plan over the period, and to extend it to cover the full five year period, as envisaged by the Covenant.

5.2 Goal 1: Design

AIP and its member companies support the principle of package optimization to achieve resource efficiency and reduced environmental impact without compromising product safety and quality. AIP and its member companies accept the review process and the principles outlined in the Sustainable Packaging Guideline (SPG), including:

- Efficient use of input resources (water, energy and materials);
- Use of recycled and renewable materials;
- Minimization of risks associated with toxic and hazardous materials;
- Use of responsible suppliers;
- Design for transport / reuse / recovery / litter reduction / consumer accessibility; and
- Provision of consumer information on sustainability.

AIP member companies have already been actively adopting strategies to make progress on these principles. These strategies have been outlined in past AIP Annual Reports to the National Packaging Covenant. Examples include:

- Use of recyclable plastics;
- Incorporation of recycled materials in packaging and AIP Program bins where possible;
- Manufacturing efficiencies, and capture of plastic manufacturing waste;
- Rigorous packaging quality standards to minimize any environmental risks caused by faulty packaging;
- Bottle design to maximize pourability;
- Bottle lightweighting;
- Labelling to provide information on recycling and health and safety issues.

AIP and its member companies have carefully considered whether there was any merit or possibility to cooperate on such design issues. It has been concluded that these are competitive issues, and cannot be usefully addressed on an industry basis, but will be handled at the individual company level, in their individual Action Plans.

Therefore the AIP Action Plan will not contain any specific commitments on design, other than the general statement of support for the principles noted above.

5.3 Goal 2: Recycling

AIP and its member companies support the principle of the efficient collection and recycling of packaging. In regard to this Action Plan, the packaging in question is plastic lubricating oil bottles up to 10 litres in capacity. As outlined in Section 4, AIP and its member companies have put in place the AIP Program to collect and recycle this packaging.

5.3.1 Recovery

The focus of this Action Plan is to expand the AIP Program to increase the collection rate. This will be achieved through an expansion in the number of collection facilities, and through promotional activities to improve the collection rate and existing facilities. The goal is an increase in collection rates to 30 per cent of the tonnage supplied to the market by AIP members companies; this is expected to equate to 25 per cent of total industry tonnage. These rates are in addition to the 5 per cent of volume estimated to be recycled through the household kerbside collection program (see Section 3.4); when this volume is included, the collection rate target will equate to 35 per cent and 30 per cent respectively.

The underlying AIP Program performance targets are collection tonnages in each year, the collection rate in each year as a percentage of the tonnage supplied to the market by AIP member companies participating in the AIP Program, and the number of collection sites, as follows:

	Collection tonnage Tonnes	Collection rate Percentage	Collection sites (at end of year)
<u>Baseline</u> 2009/2010	411	20%	292
<u>Targets</u> 2010/2011	500	25%	339
2011/2012	570	28%	369
2012/2013	610	30%	380

5.3.2 Recycling

There will be a continuation of the current recycling processes in place, both the sale of flake for the manufacture of environmentally sound products, and the on-processing of the flake to resin. Where possible, new collection bins for the AIP program will incorporate recycled HDPE, either from resin made from AIP Program recyclate or other recycled HDPE. In this regard, the Action Plan will include a performance goal that new AIP program collection bins will incorporate at least 50 per cent recycled HDPE in Years 2 and 3 of the Action Plan.

In the last Action Plan period, none of the oil bottles collected under the AIP Program were sent to landfill. In the new Action Plan, AIP will include a performance goal to maintain that record.

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5.4 **Goal 3: Product Stewardship**

AIP and its member companies accept the concept of shared product stewardship for the packaging of lubricating oil in plastic bottles.

The Covenant calls for signatories in the supply chain working with others to improve packaging design and recovery, and for reduction in litter.

5.4.1 Cooperation with Suppliers of Plastic Oil Bottles

As noted above, design issues per se are addressed by individual AIP members in the Action Plans. However, it should be noted that AIP's partner in the AIP program is VIP, which is in turn a major supplier of plastic lubricating oil bottles to the industry, including many of the AIP members. There are therefore two avenues through AIP and its member companies engage with participants in the supply chain for plastic oil bottles:

- AIP member companies directly with their bottle supplier. This engagement includes developments in lightweighting and bottle design, as well as recovery of manufacturing waste.

- AIP through its contractual relationship with VIP for the latter to operate the AIP Program for the recovery of used plastic oil bottles.

Any further comments on the first avenue will come from the individual AIP member companies in their Action Plans.

With regard to the second avenue, AIP confirms that the contractual relationship with VIP is in place for almost the entire period of this Action Plan. Thus AIP will continue to work, through its contract with VIP, with a major participant in the supply chain to improve the recovery processes for this waste packaging stream for this period.

5.4.2 Cooperation with Government, Local Councils and Waste Authorities

AIP and its member companies, working through VIP, liaise with councils and waste authorities that are participating in the AIP Program on a routine basis.

In addition, AIP and VIP have developed a communications program to promote the AIP Program. This communication program is designed to assist participating councils and waste authorities to promote the use of the AIP Program facilities. Under the Action Plan, this communications program will be 'refreshed' as appropriate, in consultation with local councils and waste authorities.

To support this, AIP will maintain information on the AIP program on its website. AIP will also maintain contact with the Commonwealth and state environment and waste authorities as appropriate on developments in the AIP Program developments and on possibilities for joint promotions of the program, linked to the information on the collection facilities for used lubricating oil. This will be an on-going process.

In addition, AIP and its contract partner will continually evaluate other avenues to promote the program.

6 COMMITMENT TO IMPLEMENT THE ACTION PLAN

As Executive Director of the Australian Institute of Petroleum, I hereby confirm our commitment to the Action Plan outlined in Section 5.

Signed



Dr John Tilley
Executive Director, Australian Institute of Petroleum

7 CONTACT DETAILS

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Action Plan Summary Table

Covenant performance goals and KPIs	Actions	Responsibility	Baseline Data	Target or Performance Goal	Timeline or Milestones	Evidence
1. Design – optimise packaging to achieve resource efficiency and reduce environmental impact without compromising product quality and safety KPI 1: Implementation of SPG for design and procurement of packaging	Individual AIP member companies to detail	Individual AIP member companies	N/A to AIP	N/A to AIP	N/A to AIP	
2. Recycling – the efficient collection and recycling of packaging KPI 3: On-site recovery systems for recycling used packaging	Operation and extension of AIP Program	AIP	1 Collection tonnage: 411 2 Collection rate: 20% 3 Collection sites: 292 Proportion of collected tonnage to landfill: 0%	Collection tonnage: 500 570 610 Collection rate: 25% 28% 30% Collection sites: 339 369 380 Collected tonnage to landfill: 0%	2010/2011 2011/2012 2012/2013 2010/2011 2011/2012 2012/2013 2010/2011 2011/2012 2012/2013 Each year of Action Plan	Operator collection reports Collection Reports / Company data Operator Reports Operator reports
KPI 4: Policy to buy products made from recycled plastic	Bins for AIP Program to incorporate recycled HDPE	AIP	No previous data	All new collection bins to incorporate at least 50% recycled HDPE	2011/2012 2012/2013	Operator reports

<p>3. Product Stewardship – a demonstrated commitment to product stewardship by the supply chain and other signatories</p> <p>KPI 6: formal processes for working with others to improve design and recycling of packages</p> <p>KPI 7: Demonstration of other product stewardship outcomes</p>	<p>Bottle design:</p> <p>Recycling: work with VIP Packaging on optimisation of AIP Program</p> <p>Promotion of the AIP Program, to encourage use and so reduce litter</p>	<p>AIP member companies</p> <p>AIP</p> <p>AIP</p>		<p>N/A to AIP</p> <p>Achievement of collection /recycling targets.</p> <p>1 Contact participating councils / waste authorities to refresh AIP Program promotional materials 2. Maintain and update Program details on AIP web site</p>	<p>Each Action Plan Year</p> <p>Each Action Plan Year</p> <p>Each Action Plan Year</p>	<p>Collection / recycling targets</p> <p>List of contacted councils / authorities</p> <p>Updates in place</p>
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