



# Pathway to Introduce Sustainable Financing Legislation



This initiative is supported by PacWastePlus-a 64-month project funded by the European Union (EU) and implemented by the Secretariat of the Pacific Regional Environment Programme (SPREP) to sustainably and cost effectively improve regional management of waste and pollution.



## 1. Identify the need for the legislation

Confirm there is waste management funding problem.



## 2. Pre-feasibility

Identify what overarching purpose/outcome is sought from the introduction of sustainable financing, identify products to target, identify stakeholders, identify "parent" legislation (or need to develop), who will be "owner" of system.



## 3. Political Support

Undertake internal processes to ensure there is political support to investigate the introduction of sustainable financing legislation further.



## 4. Establish a Working Group

Bring together key stakeholders to assist in the design of the sustainable financing system. Consider including people from:

- Attorney General's Office / Crown Law
- Department of Customs
- Department of Finance
- Department of Community / Women's Affairs
- Department of Local Government
- Local Government
- Waste management industry



## 5. Feasibility Study

Review current situation for recycling, and "true cost" for recycling each product; consider items to include and phases of implementation; identify current/possible infrastructure, equipment, systems, contracts, etc, understand legacy waste and seed funding requirements; understand fees/deposits; identify required



## 6. Legislative Assessment

Determine how the sustainable financing system will fit into the existing legislative environment



## 7. Consultation

Develop and implement a consultation process designed to engage with stakeholders to inform them of the initial system design, and the current understanding of how the system will operate. Seek feedback and issues to improve the design and operations. Consultation is recommended with the following sectors:

- Government / stakeholders
- Community
- Private sector – importers



## 8. Confirm Sustainable Finance System Design

Utilising consultation feedback, complete system design.



## 9. Sustainable Financing Policy

Develop the Policy that will drive the introductions of the sustainable financing system, and be the basis for cabinet submissions, and drafting guidance.



## 10. Legal Drafting

Utilise the Policy Note to develop Drafting notes, and undertake initial drafting of the legislative instruments. If needed develop parent legislation to enable to creation of the sustainable financing system. Where needed also complete necessary amendments for existing legislation that will interact with the sustainable financing legislation (e.g. customs, finance, criminal, etc.).



## 11. Consultation

Develop and implement consultation activities to test the policy and draft legislative instruments.



## 12. Political Support

Following the outcomes of the consultation on the Policy and Legislative Draft, confirm continued political support to introduce the system.



## 13. Confirm System Needs and Expenses

Utilising the design of the system, and the outcomes of the feasibility study, confirm the infrastructure and equipment needed to implement the system. If the system is to be government implemented, commence procurement, if to be delivered through a Public Private Partnership, or service contract, draft documents and seek approval to release to the market.



#### 14. Legislative Adoption Process

Once the sustainable financing system is designed and confirmed through stakeholder consultation, the Policy is developed, the initial legislation drafted, and a clear understanding of the various infrastructure and contracts needed. Seek the formal government adoption of the legislative instruments and the approval to implement the system. Approval is needed at this point, as past here, funding is required to engage contracts, build infrastructure, purchase equipment, implement training, and commence widespread community and industry engagement and awareness of the soon to be implemented system.



#### 15. Customs and Finance System Creation

Develop and implement any system design needs to enable customs officials to impose the system on imports; environmental compliance staff to undertake necessary industry compliance inspections; and the national finance system to ensure the sustainable financing system fund is operational, the funds are protected, and able to be accessed as needed to collect fees, pay for services, and return consumer deposits.



#### 16. Training

Provide necessary training to government officials to implement the system (e.g. customs officials, finance officers, compliance officers, etc.).



#### 17. Seed Funding and Legacy Waste Management

If possible secure seed funding from international donors, otherwise seed funding to manage legacy waste items will need to be generated from government investment or early commencement of charges to industry, but no provision of the consumer deposit until system funds are sufficient to manage the collection and processing of legacy waste (redeemable items that have had no deposit paid on them).



#### 18. Community & Industry Awareness

Implement a widespread targeted awareness campaign so that consumers know about the new fee & deposit system, and how they can ensure they 'redeem' the deposits they are paying when they purchase an eligible product. Awareness campaigns should focus on the behaviour of the consumer to ensure they understand where and how to redeem their deposits.



#### 19. System Implementation

Implement the system as designed. Ensure open and transparent processes and continue to actively engage with the general public, and waste industry on the operation and use of the system.



#### 20. Monitoring, Evaluation & Auditing

Implement the monitoring, evaluation and auditing system to ensure the sustainable financing system is operating as expected, and that the required funding is available to ensure the waste products are diverted from landfill.



#### 21. System Expansion & Improvement

Once the system has been operating successfully, review the system to see if improvements can be made, and determine if the system can be extended to outer island communities, or if additional problematic waste items should be added to the system.



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