



CRS Design Working Group - Terms of Reference

Purpose

This document describes the terms of reference for a Working Group established to design a Container Return Scheme (CRS) for New Zealand. This work is being undertaken as part of the “*Designing New Zealand’s Container Return Scheme*” (the Project). This project is funded by the Waste Minimisation Fund.

1. Background

The establishment of a Scheme Design Working Group (SDWG) will allow for the detailed consideration of what a CRS will look like for New Zealand. The SDWG will include representation from container manufacturers, beverage producers, retailers, consumers, youth, local authority, mana whenua, product stewardship groups, recyclers, the Ministry for the Environment and the CRS project team.

Specific actions for the SDWG would include:

- Agreement to read, assimilate and provide feedback on materials prior to and after SDWG meetings
- Working with other sector representatives at SDWG meetings
- Working with the Independent Facilitator at SDWG meetings
- Working with the Project Team
- Establishment of terms of reference
- Consideration of the implications of a CRS and how challenges can be mitigated through scheme design
- Areas for consideration would include: scope of ‘containers’; regulatory framework required; deposit and refund administration; the scheme administration processes; infrastructure requirements, collection methodologies, processing methodologies, communication, etc.
- Each SDWG member to take responsibility for ensuring the stakeholders they represent are kept informed and that views expressed represent the stakeholder groups interests, not just the view of the SDWG representative.

2. Function of the Working Group

The function of the working group is to work collaboratively and ensure the representative views of each group member are identified and taken into consideration when making recommendations on scheme design parameters / components.

The Working Group will be supported by the Project Team.

3. Role of the Working Group

The Role of the Working Group is to:

- Provide guidance, feedback and expertise to the Project Team and other project stakeholders, within the context of the WMF Project Plan, Project Description and background documentation.
- Provide advice to the Project Team on key project decisions, documents and issues, within the context of the WMF Project Plan, Project Description and background documentation.
- Participate in project meetings at key points.
- Develop recommendations (the scheme design) to be provided to the Ministry for the Environment.

The Group will be successful if the views of all stakeholders are genuinely considered and recorded in project documentation and communications and that any recommendations reflect the consensus of the group.

4. Roles and Responsibilities of Working Group Members

All Working Group members have the following roles and responsibilities:

- Make every effort to attend each meeting and report anticipated absences to the Project Team.
- In the event that the primary group member cannot attend a meeting it is expected that the secondary contact will attend.
- Prepare adequately prior to each meeting, review any papers provided prior to meetings and participate actively in meetings, contributing to actions when agreed.
- Bring matters of significance to the attention of the Group and use professional perspectives to undertake analysis or prepare advice as required.
- Contribute to email discussion amongst the Group about relevant technical issues.
- Approve minutes of meetings.
- Comply with the Standards of Conduct in Appendix 1
- Complete the conflict of interest declaration form in Appendix 2 and return it to the Project Team.

5. Project team (secretariat)

The working group will be supported by a Project Team consisting of:

- Project Co-Ordinator
- Project Manager
- Programme Manager
- Project Researcher
- Project Assistant/Administrator

An independent facilitator will also be used as required.

6. Decision making process

The success of the project will be reliant on the performance and output of the SDWG. A consensus-based approach to decision making will be taken to ensure all ideas are taken into account and one view does not predominate. If consensus cannot be reached, a minority report will be written to take this divergence of views into account.

The following points are the terms of reference for the group to work to and enable a consensus decision making environment to be established. The actual mechanism for decision making will be derived from the Researcher during the Request for Proposal (RFP) procurement process.

Drawing on the work from the Consensus Council Incorporated, the SDWG will adopt the following guiding principles:

Inclusiveness – To the extent possible, all necessary interests are represented or, at a minimum, approve of the decision.

Accountability - Participants usually represent stakeholder groups or interests. They are accountable both to their constituents and to the process.

Facilitation - An impartial facilitator accountable to all participants manages the process, ensures the ground rules are followed, and helps to maintain a productive climate for communication and problem solving.

Flexibility - Participants design a process and address the issues in a manner they determine most suitable to the situation.

Shared Control/Ground Rules - Participants share with the facilitator, responsibility for setting and maintaining the ground rules for a process and for creating outcomes.

Commitment to Implementation - All stakeholders commit to carrying out their agreement.

Some other ground rules that will apply to the SDWG meeting process include:

- Everyone is equal
- No relevant topic is excluded
- We agree to respect each other's opinion
- We agree to respect the use of time at the meetings
- We agree to capture the meeting outcomes accurately
- We agree that that the meeting discussions will remain confidential
- We agree that no additional re-litigation of meeting discussions will be held between members outside the context of the SDWG

Successful consensus decision-making approaches rely on participants being asked to:

- Come to the discussion with an open mind. This does not mean not thinking about the issue beforehand, but it does mean being willing to consider any other perspectives and ideas that come up in the discussion.
- Listen to other people's ideas and try to understand their reasoning.
- Describe their own reasoning briefly, so other people can understand them.

- Avoid arguing for their judgments and trying to make other people change their minds to agree with them.
- Avoid changing their mind only to reach agreement and avoid conflict. They should not "go along" with decisions until they have resolved any reservations that they consider important.
- View differences of opinion as helpful rather than harmful.
- Avoid conflict-reducing techniques such as majority vote. Stick with the process and see if they can't reach consensus after all.

7. General

7.1 Membership

The Working Group membership by sector is identified below. This multi-stakeholder representation will be reviewed at the Kick Off meeting to ensure that no sector has been inadvertently omitted.

	Stakeholder	Name	Organisation
1	Container manufacturers	Rob Langford	Packaging Forum
2	Beverage producers – non alcohol	Clarke Truscott	Beverage Council NZ
3	Beverage producers - alcohol	Jeffrey Clarke	NZ Wine
4	Beverage producers - alcohol	Dylan Firth	Brewers Association
5	Beverage producers – non alcohol (dairy)	Dr Beatrijs Van Liedekerke	Fonterra
6	Retailers (supermarkets, fast food, shopping malls)	Greg Harford	Retail NZ
7	Consumer advocacy (Consumer NZ)	Karen McDonald	Consumer NZ
8	Youth	Shannon McLean	Marlborough Youth Trust
9	Charitable organisations	Hayden Smith	Sea Cleaners
10	Local authorities	Donna Peterson	Local Government New Zealand
11	Māori perspective	Jacqui Forbes	Para Kore
12	Product stewardship groups	Dr Trisia Farrelly	NZ Product Stewardship Council
13	Recyclers (Collectors)	Peter Thorne	Reclaim
14	Recyclers (Processors)	Nick Baker	Visy Recycling
15	Recyclers (community/ social enterprise)	Marty Hoffart	Zero Waste Network
16	Ministry for the Environment	Roderick Boys	Ministry for the Environment
17	Project Co-ordinator	Alec McNeil	Marlborough District Council
18	Project Manager	George Fietje	Contracted
19	Programme Manager / Lead Researcher	Dr Lisa Hack	Contracted
20	Research Assistant	Dr Katja Rangsviek	Contracted
21	Project Assistant/Administrator	Rebecca Waldron	Marlborough District Council
22	Independent Facilitator	Denise Overend-Clarke	Contracted

7.2 Membership overall expectations

Each Working Group member:

- Is aware of their responsibilities outlined above in section 4 of these Terms of Reference.
- Is able to provide constructive input and advice to the project.
- Is committed to fairly representing stakeholder opinion rather than advancing their agenda or issues.
- Is committed to respecting all stakeholders' views and reaching a consensus.
- Is committed to the project and understands the importance of their personal contribution to the outcomes and recommendations made to the Ministry.

7.3 Meeting dates

The SDWG meetings (face-to-face) will be held at the Rydges Hotel, Wellington Airport. The project will cover appropriate travel costs. A quorum of 8 members is required for each meeting. Meetings will generally run from 10.00 am to 4.00 pm.

Meeting	Venue	Day	Date
Kick-off	Wellington	Wednesday	27/11/19
1	Wellington	Wednesday	29/1/20
2	Wellington	Wednesday	18/3/20
3	Wellington	Wednesday	6/5/20
4	Wellington	Wednesday	24/6/20
5	Wellington	Wednesday	29/7/20
6	Wellington	Wednesday	9/9/20

Should additional meetings be required these will be signalled to the Group in advance. For example, video conference catch ups related to any emerging issues associated with the project.

7.4 Remuneration and reimbursement of expenses

Travel to SDWG meetings will be arranged by the Project Team.

For university and non-central government employees or members not in paid employment, all reasonable travel costs will be paid for by the Ministry for the Environment. The Project Team will, as a general rule, book all travel for members. Where members book their own travel, that person is entitled to have to have the actual and reasonable costs of expenses for travel reimbursed by the Project, if:

- the Project Team has given prior written consent to the Supplier incurring the expense
- the expense is charged at actual and reasonable cost
- the claim for expenses is supported by GST receipts.

No remuneration is payable to members, and where members are employees of central government their employer is responsible for meeting all cost associated with their membership on the Group. Consideration has been given to members who are unable to participate in the group without the support of an employer, for example, the not-for-profit sector. Separate arrangements will be made to support these not-for-profit groups through remuneration to ensure their participation.

7.5 Term of the Working Group

The Working Group will be effective from 1 November 2019 through 30 October 2020.

8. Project description

The following information provides an overview of the project.

8.1 Key Outcomes

- Change the way New Zealand values beverage containers that will see increased recycling and new opportunities for refilling.
- Reduce the volume of plastics and other container litter currently ending up in our streams, marine environment, public spaces and landfills.
- Give effect circular economy outcomes and any priority product guidelines.

8.2 Key guiding principles

- Make it easier and convenient to return containers across New Zealand.
- Design a solution that is cost effective and efficient.
- Improve quality and marketability of recyclables and assess impact of design on current kerbside and other collection and processing systems.
- Create new opportunities for employment, community and iwi participation and fund-raising for charities and social enterprises.

In addition, the CRS design should consider opportunities to:

- use technology and innovations to optimise performance of the CRS;
- support greater investment in remanufacturing and regional development;
- align objectives with the Treaty of Waitangi and Te Ao Māori; and
- mitigate climate change.

8.3 Scope and Coverage

The CRS design should provide for the collection of a range of beverage and container types and have a broad national coverage (recognising the potential need for a tailored regional approach).

8.4 Deliverables and timeframes

The CRS design proposal will be submitted to the Associate Minister for the Environment on or before 17 August 2020. The proposal will recommend key design elements comprising (but not limited to):

- Scope of the CRS, including material types, container sizes, extent of national coverage, and conditions of acceptance.
- The institutional arrangements including governance structures, organisational roles and responsibilities, reporting requirements, financial accountability and risk (fraud) management controls.
- The financial system necessary to support a scheme. As appropriate this could include the level and mechanism of the deposit-refund; materials ownership, handling, transport and administration fees and processes for review.

- The container material flows and logistics necessary to enable a scheme. As appropriate this could include transport, collection points, take back requirements, processors, manufacturers, integration with existing infrastructure and any other logistical or capacity aspect of the scheme.
- The establishment and infrastructure investment requirements to support the scheme.
- The overall costs and benefits of the scheme design as well as for the key stakeholder groups.
- Potential scheme targets and incentives necessary to drive and achieve key outcomes (eg, recovery rate, accessibility targets).
- The proposed regulatory/legislative requirements necessary to establish a scheme.
- Next steps required to implement the proposed design.

Interim updates on design progress and key design recommendations will be provided to the Minister.

8.5 Co-design

This is a collaborative process. Arrangements will be put in place to ensure opportunity for input from a wide range of key stakeholders including key industry groups, businesses, community and iwi organisations, government agencies and Māori.

In addition, a Technical Advisory Group with an Independent Chair will be appointed to provide expert input and guidance to the Ministry for the Environment.

Full implementation of a CRS could take 2-3 years and involve several stages. Stage one is design and cost benefit analysis (this project). Pending future decisions, subsequent stages could include but are not limited to: establishing regulations, institutional set up and implementation.

9. Confidentiality

Members are expected to maintain confidentiality of matters discussed at meetings, where specified by the Project Team. After Ministers have made and announced decisions on issues considered by the Group, then members may comment as they see fit.

10. Conflict of Interest

The Scheme Design Working Group members will be asked to formally declare real or possible conflicts of interest with the development of a container return scheme design (see Appendix 2). These will be noted in the members' records and will be reviewed and accepted by the Project Manager responsible for the Group.

Disclosure of interest can be:

- self-initiated,
- raised by the SDWG,
- raised by other members.

Members should operate on the understanding that "if in doubt, disclose the interest". The appearance and perception of a conflict is just as important to manage as an actual conflict. The Project Manager responsible for the Group will decide if there is a relevant interest and determine appropriate action.

11. Agreement

I agree to participate in the SDWG and abide by the Terms of Reference provided to me.

Signed: _____

Dated: _____

Organisation: _____

I can confirm that the following individual will be available as a secondary contact including back up cover for meetings during the course of the project.

Name: _____

Email: _____

Contact Number: _____

Appendix 1 to CRS Design Working Group - Terms of Reference: Standards of Conduct

All working group members are expected to adhere to the following principles:

Conflicts of interest

A conflict of interest will occur when a member's private interest interferes, or appears to interfere, with an issue that faces the Group. A conflict of interest will also occur when there is a possibility that a benefit may apply to a sector, industry or organisation that they represent. A conflict of interest may be real or perceived.

Any situation that involves or may be expected to involve any real or potential conflict of interest must be declared immediately to the Project Manager responsible for the Group, as soon as the conflict arises, using the form in Appendix 2.

At the discretion of the Project Manager, members may participate in discussions about issues in which they have declared a conflict of interest.

Guidelines for completing the Conflict of Interest Declaration Form:

Members of the Group may have direct or indirect dealing with organisations or persons, both commercial and other, which could lead to a perceived or actual conflict of interest. By disclosing interests, members ensure that they are accountable and that the integrity and public confidence in the Group is maintained.

Members should be pragmatic about disclosing interests and are not required to include an interest that is remote or insignificant so that it cannot reasonably be regarded as likely to influence the member from carrying out his or her responsibilities. In deciding whether a member is interested he or she should consider whether it would be reasonable to see the interest as likely to influence decision-making.

As a guide, an interest may be financial, professional, personal, direct or indirect and may include:

- you or your spouse, de facto partner, child, or parent may derive a financial benefit from the matter,
- you may have a financial interest in a person to whom the matter relates,
- you are a partner, director, officer, council member, or trustee of a person who may have a financial interest in a person to whom the matter relates,
- you are otherwise directly or indirectly interested in the matter.

For example, the following types of interest might be relevant:

- employment/directorship within an institution applying to MfE for funding,
- interests in business enterprises or professional practices,
- sharing ownership/beneficial interests in a trust,
- existing professional or personal associations with MfE,
- professional and personal associations with organizations in the environmental sector,
- a family relationship (including member with shares/ benefits in trusts etc).

Members may be concerned about the privacy of such information. Information held by the Project Team is subject to the Official Information Act. Officials from the Project Team will consult with the person who provided the information before making a final decision on release. If that person cannot be located, the Project Team will consult with the Project Manager on behalf of that person. Other members of the Group

will be aware of disclosed interests and have a duty to notify the Project Team of any failure of any member to comply with obligations to disclose interests.

Confidentiality and media

In order for the Group to operate effectively, members must maintain the confidence of the group, including maintaining confidentiality of matters discussed at meetings, and any information or documents provided to the group. The Project Team will identify whether information provided to the Group is confidential. With the agreement of the Project Manager, members and observers may share information about the business of the Group.

Where information is already in the public domain (through no fault of a member or observer), the confidentiality requirements do not apply to that information.

Members and observers must refrain from representing the Group, or commenting on the business of the Group, to the media.

Where information is not already public;

1. The Project Manager may seek agreement from the Group to release a media statement.
2. A Member may only participate in a media interview or public statement about the business of the Group if they have obtained the prior written approval of the Project Manager.

Privacy Act 1993

Members must at all times comply with the requirements of the Privacy Act 1993 and keep information about identifiable individuals confidential.

Official Information Act 1982

All information provided to the Group or by the Group to the Project Team will be treated as official information under the Official Information Act 1982 and, subject to the requirements of that Act, may be released to the public if there are no grounds for withholding it.

If the Project Team is considering releasing information about Group meetings or Group-authored documents under the Official Information Act 1982, the Project Team will consult with the person who provided the information before making a final decision on release. If that person cannot be located, the Project Team will consult with the nominated secondary contact on behalf of that person.

Corporate opportunities

Members must not exploit any opportunity that is discovered through access to information within the Group for their own personal gain or that of any industry, sector or organisation that they represent.

Respect for others

Members and observers will treat each other and the opinions of others with respect at all times. Members will not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts or any other unfair dealing practices.

State Services Standards of Integrity and Conduct

State servants have statutory demands under the State Services Standards of Integrity and Conduct. In the case of any conflict between the obligations outlined there and the ones in this document, those of the Standards and Integrity of Conduct shall preside.

Appendix 2 to CRS Design Working Group - Terms of Reference: Conflict of Interest Declaration Form

An actual conflict of interest arises in a situation where a working group member’s private interest interferes or appears to interfere with an issue that faces the Scheme Design Working Group (the Group). Perceived or potential conflicts of interest exist in situations where a member of the Group, a family member or a close personal relation has private interests that interfere or appear to interfere with an issue that faces the Group (see Appendix 1 for further information).

Name: _____	
<input type="checkbox"/> I declare that there are no conflicts of interest could compromise my objectivity, judgement, integrity or ability to perform the responsibilities of the Group.	
Please describe how this conflict of interest will be managed:	
<input type="checkbox"/> I declare the following situation(s) that may be perceived as a conflict of interest	
Please describe how this conflict of interest will be managed:	
<input type="checkbox"/> I declare the following situation(s) that would cause a conflict of interest to exist	

Date: _____

Signed: _____