

The Compost Industry in NSW

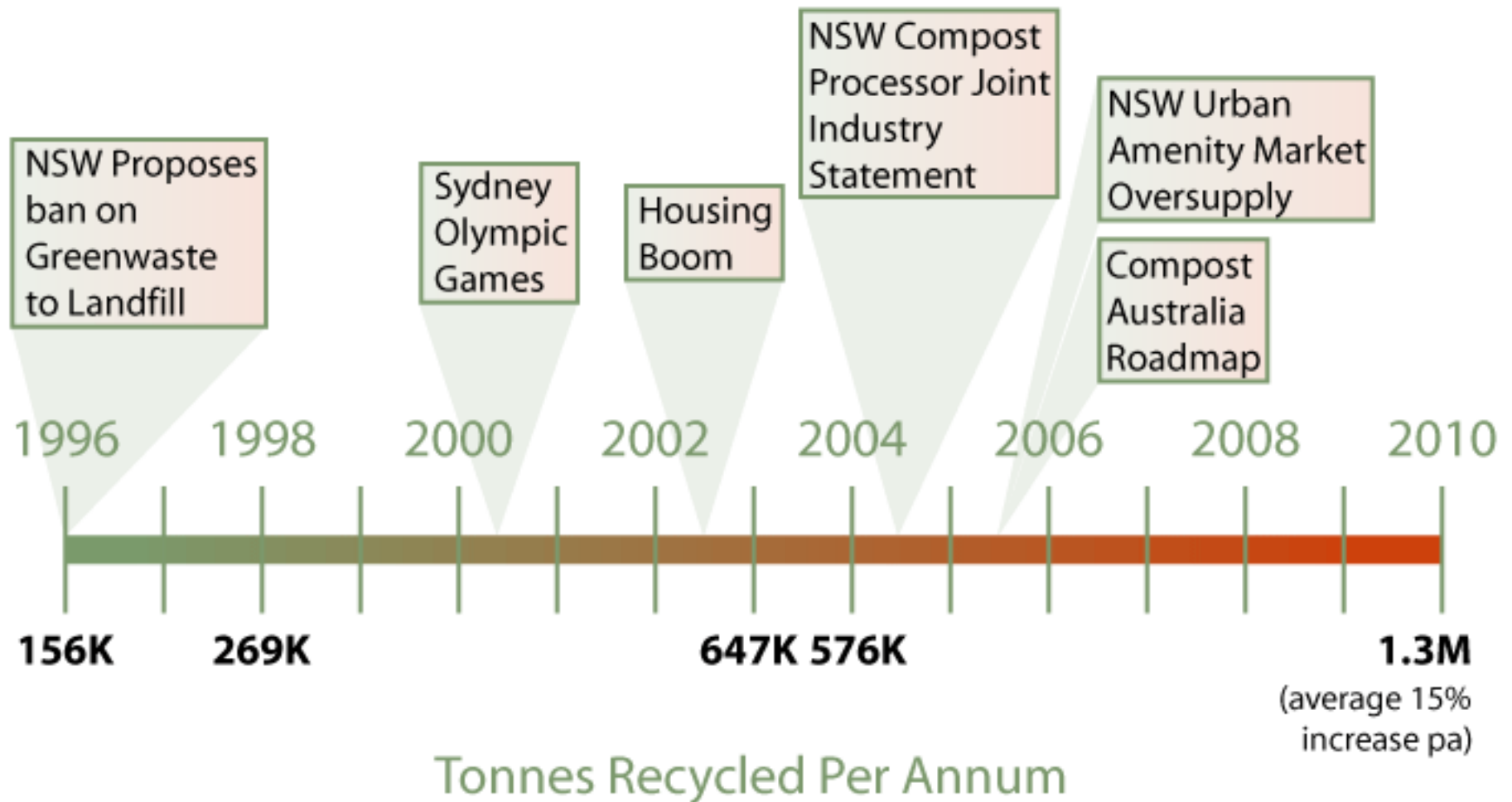
Compost NSW is a Working
Group of the Waste Management
Association of Australia (WMAA)

NSW Compost Industry



- 650 Compost Facility Employees
- NSW = 35% of National Compost Industry
- 1.25 million tonnes of organic residues processed per annum
- 61 licensed composting facilities

History

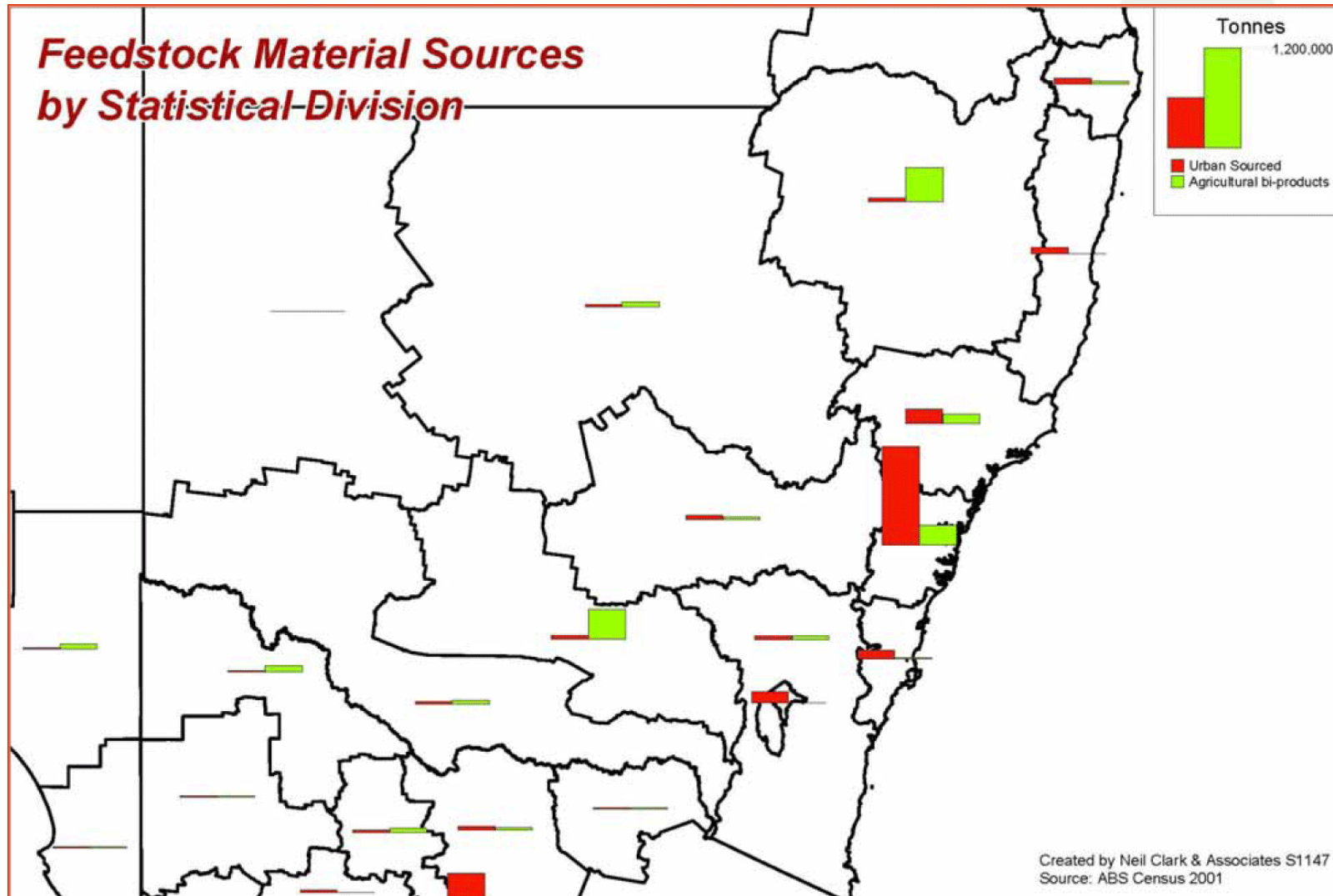


Sources of Raw Materials

COMPOST
NEW SOUTH WALES



A Working Group of the WASTE MANAGEMENT ASSOCIATION OF AUSTRALIA

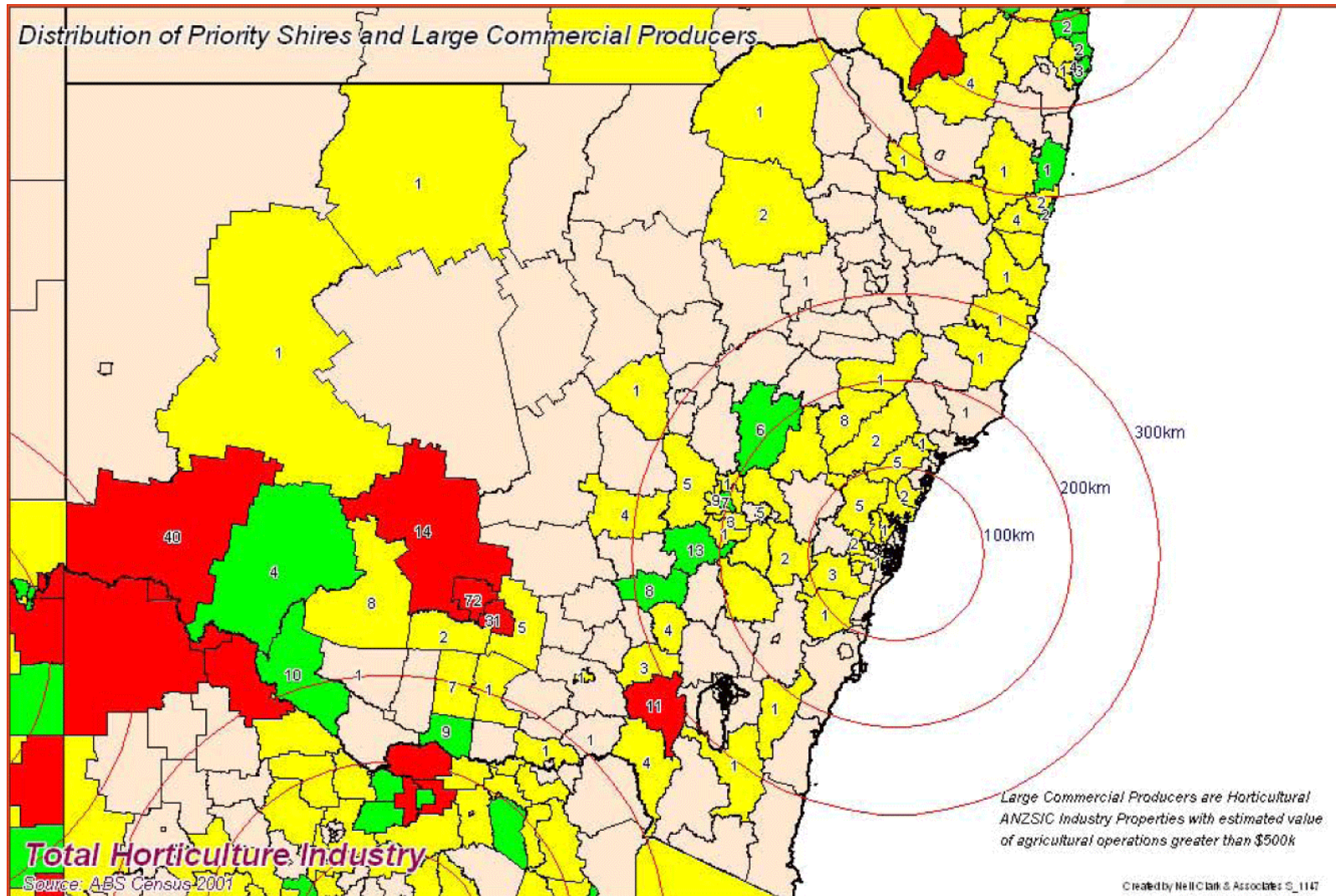


Major Potential Markets in NSW

COMPOST
NEW SOUTH WALES



A Working Group of the WASTE MANAGEMENT ASSOCIATION OF AUSTRALIA



Market Barriers

- Supply/Demand

- Urban market saturation
- Transport
- Affordability
 - Rural & regional markets
- Carbon credit value not tradeable

Market Barriers

- Structural

- Level regulatory playing-field with other organic residues
- Fuel levy
- No repatriation of NSW Landfill Levy
- High government support for increased recovery
- Low support for market development
- Government's (all levels) driving resource recovery **BUT** no clear policy or strategy post-diversion!

Market Barriers

- Environmental Services Unrecognised



- Composting → net environmental benefit over landfill
- Net greenhouse gas reduction
- Reduction in landfill leachate
- Soil carbon loop
 - Water/salinity management
 - Improves fertiliser efficiency
- Triple bottom line

Current Position



- National industry at a crossroad
- NSW industry at a crisis point
- Market growth – 14% per annum
- Landfill diversion growth – 19% per annum
- Inventories increased 50% - 2004/5

Key Issues

EPR

- Industry training package
- National industry survey
- Triple bottom line
- Life cycle assessment
 - Windrow composting
 - Net environmental benefit
- Risk assessment – herbicides/pesticides

Market Confidence

- CA Roadmap
- Viticulture industry phylloxera compliance agreement
- National Seal of Approval
- National research
- Research trials

Government

- Diesel fuel rebate
- Extended **generator** responsibility
- National input into carbon loop
 - Water benefits
 - Salinity abatement
 - Carbon sequestration
- Landfill levy repatriation

Industry Strategy

Economic Incentives

- Transport and Farm rebates
- Minimum \$8 m (or 1% of waste levy)
- Recommended \$25 (or 3% of waste levy)
- Carbon trading scheme

Agricultural Extension Services

- Promote the use of composts in Farming systems
- Monitor and document on farm cost/benefit
- Monitor and document environmental benefits



Government

- Diesel fuel rebate
- Apply the waste levy funds directly to agricultural market development
- Provide level playing field for all materials applied to land