



**SPREP**  
Secretariat of the Pacific Regional  
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# Sustainable Financing for Waste Management: Overview of the Cook Islands Advanced Recovery and Disposal Fee

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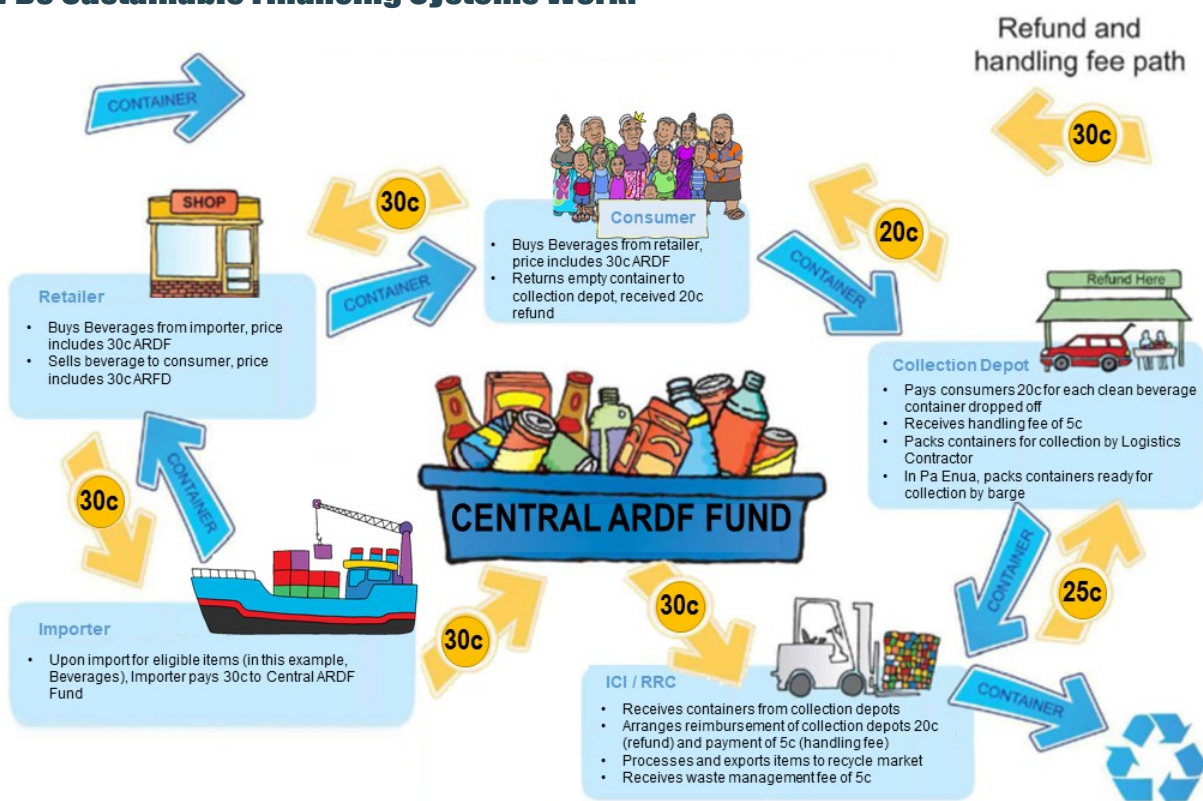
## What Are Sustainable Financing Systems?

Sustainable Financing systems, such as the Cook Islands Advanced Recovery and Disposal Fee, are legislative instruments designed to create a way to sustainably fund waste management and recycling.

These systems are used successfully around the world to encourage recovery of end-of-life products, and to ensure governments have access to enough funds to divert recoverable items from landfill and into reuse or recycling.

Five schemes are currently in operation in the Pacific, with many other countries actively designing systems for implementation.

## How Do Sustainable Financing Systems Work?



## Purpose

Systems are designed to improve rates of recycling, through:



“**refund**” provides an incentive for consumers to recycle, providing an immediate financial reward when they drop items at a depot, changing behaviour away from littering, burning, or disposing to landfill



“**fee**” provides for the collection, processing, and export/recycling of items, providing an economically viable and self-sustainable way to undertake these activities long term, not reliant on government funds

## Schemes in the Pacific

Country	Items included (\$)
<b>FSM</b>	
• <b>Yap</b>	Aluminum cans/PET (beverage and oil)/glass (USD 6c)
• <b>Kosrae</b>	Aluminum cans/PET (beverage and oil)/glass (USD 6c), lead-acid battery (USD \$4)
• <b>Pohnpei</b>	Aluminum cans (USD 6c)
<b>Kiribati</b>	Aluminum cans/PET (AUD 4c)/car batteries (AUD \$5)
<b>Palau</b>	All beverage containers (USD 10c)
<b>RMI</b>	Aluminum cans/PET/glass (USD 6c)
<b>Tuvalu</b>	Aluminum cans/PET/glass (AUD 10c), lube oil (AUD 40c/L), nappy (AUD 5c), whiteware (AUD \$100/\$60/\$30), heavy equipment (AUD \$2000/\$1000/\$500), vehicle (AUD \$300), motorbike (AUD \$200), lead-acid battery (AUD \$60/\$30/\$10)

## Environmental and Social Benefits from Sustainable Financing Systems:



**Increased Recycling** - in over 10 years of operation, Palau has experienced an **87% recovery rate of recyclable items**, the FSM state of Yap experiences a **99% recovery of aluminum cans**



**Less Litter** – an immediate benefit of all schemes was found to be the **reduction of litter in the environment and public places**



**Job and Income Opportunities** – all schemes experienced an **increase in employment in the recycling industry**, schemes also provide for **income generation to unemployed or marginalised groups** (through collection and redemption of discarded items)



**Long-term Benefits** – the schemes **provide a long-term solution for waste management**, most schemes in the Pacific have been operating over 10 years (Kiribati operating since 2004, states of FSM since 2005, Palau since 2011, RMI since 2016, and Tuvalu since 2019)



**Regular Revenue** – schemes generally **operate non-reliant on regular government funding**. The scheme in Palau is providing funding for all waste management outcomes (collection, recycling, staff, equipment procurement and maintenance, facility operation, etc)



**Scope for Extension** – schemes can provide for **financing to manage problematic waste items** in excess of beverage containers and car batteries. The scheme in Tuvalu includes lube oil, whiteware, heavy equipment, vehicles, motorbikes, and lead-acid batteries.



**Outer Islands** – schemes can provide for **long-term financing collection and export of recyclable items** from Outer Islands



## Benefits to the Cook Islands

### Environmental



- Reduced litter and dumping of waste and packaging will reduce risk of soil and water contamination and danger to marine and terrestrial wildlife
- Reduced burning will reduce air pollution and emissions release
- Divert approximately 65%+ of waste from landfill

### Economy



- User-pays system, less reliant on taxes to fund waste management
- Reduce the cost of roadside collection and landfill operation
- Reduced litter and dumping contribute to improved aesthetics of public places, increasing tourist satisfaction
- Supports “environmental destination” message to assist promotion of Cook Islands tourism

### Social



- Provides opportunities for participation of vulnerable groups and individuals to collect ARDF items and use deposits as a way to supplement their income
- Socially inclusive, and will provide for recyclables collection from the Pa Enua which are often overlooked in recycling initiatives
- Provides for increased employment in recovery industry
- Reduced litter and burning may have positive effects on community health

## Donor Project Assistance for Implementing ARDF

PacWastePlus and GEF ISLANDS investment into:



**Customs upgrade** – to enable the indentation of ARDF items upon import



**Stakeholder and Community Awareness and Communications** – to ensure all households are aware of the scheme and how to participate



**Establishment of collections depots in Rarotonga and Pa Enua** – to provide equal opportunity for all Cook Islanders to access the scheme and claim their refund



**Clearance of “legacy” waste** – to clean the Cook Islands of certain existing material

To learn more about the Cook Islands PacWastePlus project please visit:

<https://pacwasteplus.org/country-project/cook-islands/>

For more information please contact:



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Or visit - <https://www.pacwasteplus.org>

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