



PSP FIVE-YEAR EVALUATION

FINDINGS AND
RECOMMENDATIONS ON
THE EFFECTIVENESS OF
THE VCA'S PVC
STEWARDSHIP PROGRAM
2017 - 2021



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Executive Summary

The PSP Five-Year Evaluation Report provides an opportunity for the industry and external stakeholders to review the effectiveness of the PVC Stewardship Program (PSP) and provide direction for the program for the upcoming five years and beyond.

The 2022 evaluation was conducted by the VCA, with the input of VCA members and external stakeholders through a thorough stakeholder engagement period, in which an evaluation survey and several follow up sessions were conducted.

The evaluation is divided into four key sections – a brief overview of each section is provided below:

Ability to Meet Stated Objectives

Despite the increasing number of Signatories taking part in the program, compliance rates for most commitments have remained relatively steady in the past three years, with the Modern Slavery and Recycled PVC commitments having the lowest compliance rates.

The 2021 reporting period saw the highest number of Signatories achieve Excellence in Stewardship, which shows the continued work by Signatories to improve across a range of areas but may also be an indication that benchmarks should be increased to continue to challenge Signatories to develop.

Ability to Meet Stakeholder Expectations

Through the evaluation's stakeholder engagement period, more organised and collaborative promotion and advocacy was suggested; this would allow all industry sectors represented under the Council to address a range of opportunities and challenges in a more efficient and effective manner.

It was also requested that the VCA provide greater assistance to Signatories, both throughout the PSP reporting period, and in additional resources and communications throughout the year, including workshops/webinars on key areas of interest.

Effectiveness of Program Structure

The PSP program structure was generally well supported, with a small number of concerns around survey timing to be reviewed next year given the earlier planned release in 2022.

It was also recommended that a governance document be developed to ensure the confidentiality of information within the PSP reporting process and that the PSP Annual Progress Report include greater clarity to assist the understanding of external stakeholders and an executive summary.

Program Development

A range of key environmental, social and governance (ESG) themes were discussed through the evaluation, with energy, carbon emissions, waste, and recycling highlighted as priority challenges. However, in dealing with these challenges, Signatories noted that clear tangible objectives needed to be understood to provide the necessary direction to act.

In addition to these themes, it was noted that government accreditation of the program and the continued alignment of the Best Environmental Practice (BEP) PVC guidelines would play a key role in the program's development.

Recommendations Summary

Section	Recommendation
3.1	Develop an industry-wide promotion and advocacy plan and implementation roadmap
3.2	Provide greater clarity of evidence requirements for commitments within the PSP survey
3.2	Offer Signatories opportunity to discuss PSP results and areas of improvement
3.3	VCA to organise a 2 - 4 workshop/webinars on key areas of interest in 2023
4.1	Review survey timing in 2023 after feedback is received regarding the 2022 early release
4.2	Include executive summary as part of the PSP Annual Progress Report
4.2	Provide greater context in the annual progress report for external stakeholders
4.3	Develop a PSP governance document
5.1	Develop a roadmap for energy/carbon emissions and waste/recycling in collaboration with industry
5.2	Submit finalised proposal for government accreditation of the PSP by end of FY 2022-23
5.4	TSG to review the feasibility of including five BEP guidelines within the PSP as commitments

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1.0 Introduction

1.1 PVC Stewardship Program

The PVC Stewardship Program (PSP) is an ongoing, long-term, voluntary undertaking by the Australian PVC industry to recognise, and progressively address, all environmental, health and safety issues along the PVC product life cycle.

It is an approach that enables raw material suppliers, product manufacturers and distributors to be joint stewards of the safe and beneficial production, use and disposal of PVC products in Australia.

Since the program's commencement in 2002, the program's commitments and Signatory base has continued to expand, with more than 50 Signatories to take part in the 2022 reporting period. Signatories report on a series of commitments, relevant to their supply chain position, under four key themes – *Best Practice Manufacturing, Safe and Sustainable Use of Additives, Energy and Greenhouse Gas Management, and Resource Efficiency*.

The final theme, *Transparency and Engagement*, outlines commitments relevant to the program more broadly, including the commitment of the program to undertake an evaluation of the program at least every five years.

1.2 Purpose of the Five-Year Evaluation

The PSP Five-Year Evaluation provides the VCA, Signatories and broader stakeholders, an opportunity to review the progress made under the PVC Stewardship Program in the previous five years, analyse what elements are working effectively and what can be improved, and to set out some recommendations that will shape the way in which the PSP will move forward in the next five years and beyond.

The PSP Five-Year Evaluation Report will act as a core strategic document in the development of the PSP and will act as a key reference point for the VCA and PSP Technical Steering Group.

While the evaluation is primarily concerned with the PSP, broader feedback and recommendations have been included that are relevant to the VCA's more general advocacy and communications about the use of PVC in Australia and internationally.

1.3 Evaluation Process

The process to develop the PSP Five-Year Evaluation Report was conducted through five key stages:

1. Review of Documentation – Focusing on the statistical progress shown in previous Annual Progress Reports and VCA survey scoring summaries.
2. Signatory and External Stakeholder Survey – Conducted through SurveyMonkey focusing on a wide range of questions relating to the program and the VCA.
3. Five-Year Evaluation Steering Group Feedback – Review of survey data by the steering group to highlight areas of significance and areas to follow-up.

4. Survey Follow-Up – Conducted with a range of Signatories to clarify and expand on answers provided within the survey.
5. Drafting and Finalisation – Review by the VCA and steering group to draft and finalise the findings and recommendations to be presented within the report.

The Five-Year Evaluation Steering Group was made up of 14 Signatory representatives, 1 external stakeholder and 2 VCA representatives. The group included manufacturers, importers, and fabricators from the pipe, flooring, windows, permanent formwork, medical, resin, and additives sectors.

The final report was drafted by the Vinyl Council of Australia, before being reviewed and signed off by the Five-Year Evaluation Steering Group.

2.0 Ability to Meet Stated Objectives

2.1 Overall Progress

2.1.1 Signatories

The past five years have seen the continued growth of the PSP Signatory base with a net-increase of 6 Signatories between 2017 and 2021. There has also been a notable increase in the ratio of reporting Signatories in the past two reporting periods, which improves the credibility of the program.

Table 1: Total/Reporting Signatories

2017		2018		2019		2020		2021	
Total	Reporting	Total	Reporting	Total	Reporting	Total	Reporting	Total	Reporting
44	41	49	45	47	42	47	46	50	49

Between 2017 and 2021, there was not one individual sector or Signatory type that saw a significant increase. However, there is significant scope for continued growth of the program, particularly in areas that are not currently well represented.

The VCA are looking at opportunities to encourage companies from differing sectors to join the Vinyl Council and become Signatories within the program.

Table 2: Signatory Distribution Change 2017-21 (*continued next page*)

Signatory Type	2017	2021
Resin Producer (RP)	2	2
Resin Trader (RT)	6	5
Additive Manufacturer (AM)	2	3
Additive Supplier (AS)	4	5
Compound Manufacturer (CM)	5	5
Local Converter (LC)	11	15
Fabricator (FAB)	2	2
Importer of Semi/Finished Goods (IFG)	16	17

Sector	2017	2021
Resin	8	7
Additives	6	8
Compound	4	5
Flooring	9	10
Pipe	5	6
Windows	5	5
Profiles/Formwork	4	5
Packaging	2	2
Coated Fabrics	2	2
Medical	1	1
Wire and Cable	1	1
Fencing	-	1

* 4 Signatories covered multiple business types and 3 Signatories covered multiple sectors in both 2017 and 2021

2.1.2 Program Milestones

As recommended within the previous five-year evaluation, the Vinyl Council introduced two milestones to measure overall Signatory compliance year-to-year. The milestones are:

1. *All Signatories are to achieve at least 50% compliance by the end of the reporting year (excluding first time reporters)*
2. *80% of Signatories are to achieve at least 80% compliance by the end of the reporting year*

These milestones allow for more accurate year-to-year comparison as the introduction and/or removal of Signatories does not impact the benchmark data as significantly as a compliance average statistic.

As can be seen in Table 3, since 2017 the program has successfully achieved one of the two milestones each year but has failed to meet both benchmarks. It is important to note that the margins of failure have been narrow each year, with an additional one or two Signatories required to meet/exceed the milestone benchmark.

Given that at least one Signatory (excluding first year reporters) has failed to reach 50% in the previous four years, there is an opportunity to provide greater assistance to Signatories that are having difficulties in complying with the program’s commitments; this topic is discussed further under 3.2 Signatory Assistance.

Table 3: Program Milestones

2017		2018		2019		2020		2021	
MS #1	MS #2	MS #1	MS #2	MS #1	MS #2	MS #1	MS #2	MS #1	MS #2
100%	78%	98%	80%	98%	88%	98%	83%	98%	80%

Like the consistency seen regarding milestone compliance, the distribution of award level between Signatories has remained relatively consistent since 2019, in which the program saw a significant jump in Signatories achieving Excellence in Stewardship.

While the number of Signatories achieving at least Silver reached 88% in 2019, this has lessened in the two years following, suggesting that stronger development could be sought from lesser progressed Signatories in the future.

It was also noted during the evaluation process that the number of Signatories achieving Excellence in Stewardship may be an indication that benchmarks may need to be lifted to continue to challenge Signatories to progress.

Table 4: Benchmark Status as a Proportion of Overall Signatory Achievement

Award Level	Reporting Year				
	2017	2018	2019	2020	2021
Excellence in Stewardship (Gold)	42%	44%	55%	52%	53%
Silver Commendation and Silver	34%	36%	33%	31%	27%
Bronze	24%	18%	7%	15%	18%
Less than 50%	0%	2%	5%	2%	2%
Average Compliance					
	93%	92%	95%	93%	91%

2.2 Best Practice Manufacturing

Despite several amendments being made across the program, the core manufacturing commitments remain best practice and did not require update. Significant improvement has been shown with the *Mercury Avoidance* commitment, with greater emphasis being put on ensuring that PVC resin is not being sourced from acetylene carbide processes.

Table 5: Best Practice Manufacturing Average Compliance

Commitment	2017	2018	2019	2020	2021
1.1 Acknowledging the PSP	66%*	82%	86%	87%*	87%
1.2 Environmental Management Systems	88%*	87%	90%	90%	90%
1.3 Mercury Avoidance	78%	88%	92%	98%	98%
1.4.1 VCM Emissions (S-PVC)	91%	92%	88%	93%	98%
1.4.2 VCM Emissions (E-PVC)	90%	82%	80%	100%	86%
1.5 Residual VCM	91%	92%	91%	95%	97%
1.6 Life Cycle Thinking	100%	90%	100%	95%	82%
1.7 Modern Slavery	N/A	N/A	86%*	67%*	70%

*First reporting period after amendment to commitment and/or evidence requirements

The major change under *Best Practice Manufacturing* since the previous five-year evaluation was the inclusion of the *Modern Slavery* commitment, where Signatories are required to conduct reasonable efforts to investigate the risks of modern slavery within their supply chain and produce a compliant modern slavery statement, in line with the Australian legislation as outlined in the Modern Slavery Act

2018. The Australian legislation is being updated through the 2022-23 period and may result in greater responsibilities for companies currently meeting the \$100m yearly revenue reporting threshold, and those below it. The VCA will continue to assist Signatories to ensure that they understand the risks their company may face, and to ensure they can meet the expectations of government, their clients/customers, and external stakeholders.

As reported by the current PSP third-party verifier Ernst and Young, Signatories are continuing to have difficulties in sourcing information on VCM emissions from the suppliers and sourcing documentation on Environmental Management Systems when the supplier does not have ISO14001 certification.

The VCA have discussed plans to update the PSP Supplier Questionnaire with the Technical Steering Group (TSG) to ensure that suppliers will only need to respond to one all-inclusive document, as opposed to dealing with several pieces of documentation. The VCA believes this should increase the ease and efficiency of supplier communications within the reporting process and lessen the risk of receiving partial or non-compliance results for a lack of required documentation.

2.3 Safe and Sustainable Use of Additives

Since 2017, lead, cadmium and hexavalent chromium stabilisers and pigments have been phased out by Signatories. The commitment shall remain within the PSP despite the phase out, with the predominant risks of lower compliance coming from new Signatories.

Compliance with the *Plasticisers* commitment has remained strong over the past five years, with the latest 2021 result due to a failure to receive the necessary supplier confirmation. However, due to the low molecular weight (LMW) phthalate plasticiser phase out set for the end of 2023, there is a strong likelihood that multiple companies will be unable to comply by the due date due to a range of technical issues. The VCA are working with these Signatories and other stakeholders to work through the current challenges to find a suitable alternative as soon as possible.

The Open Disclosure commitment is to be updated prior to the 2022 reporting period to address ‘chemicals of concern’ more formally; a more detailed overview of this update is provided in section 5.3 *Update to Open Disclosure*.

Table 6: Safe & Sustainable Use of Additives Average Compliance

Commitment	2017	2018	2019	2020	2021
2.1 Stabilisers & Pigments	80%	67%	100%	100%*	100%
2.2 Recycling PVC Containing Legacy Additives	100%*	83%	100%	90%	100%
2.3 Plasticisers	100%*	100%*	100%	100%*	98%
2.4 Open Disclosure	96%	83%	86%*	90%*	94%

*First reporting period after amendment to commitment and/or evidence requirements

2.4 Energy and Greenhouse Gas Management

Overall compliance with the *Energy and Greenhouse Gas Management* commitment dropped in 2021 after relatively consistent results in the previous four years due to an update to the evidence requirements. Given the rapidly evolving expectations around energy use, carbon emissions, renewables and net-zero, this commitment is planned to update in the lead up to the 2023 reporting period to ensure Signatories are meeting/exceeding current societal expectations in this area.

Table 7: Energy & Greenhouse Gas Management Average Compliance

Commitment	2017	2018	2019	2020	2021
3.1 Energy & Greenhouse Gas Management	93%	91%	98%	91%	86%*

*First reporting period after amendment to commitment and/or evidence requirements

2.5 Resource Efficiency

Compliance has been varied within *Resource Efficiency*, including some varied compliance rates under *Recycled PVC*. The inclusion of recycled PVC with products remains a challenge for some Signatories who believe it may not be technically feasible, despite many standards currently not restricting the use. However, innovation around the use of recyclate is being increasingly seen which may influence the broader industry to follow suit.

Encouraging Consumer Responsible Care saw a significant improvement in compliance in 2021 after a targeted push by the VCA to improve scores in this area, reaffirming the effectiveness of increased VCA assistance.

Both *Post-Industrial PVC Waste* and *Packaging Waste* have remained steady in the last three years, potentially highlighting the need to assist the small group of Signatories currently not achieving full compliance in these areas.

Table 8: Resource Efficiency Average Compliance

Commitment	2017	2018	2019	2020	2021
4.1 Post-Industrial PVC Waste	93%	93%	92%	94%	87%
4.2 Recycled PVC	46%	61%	63%	81%	68%
4.3 Encouraging Consumer Responsible Care	88%	76%	70%	73%	88%
4.4 Packaging Waste	81%	62%	94%	91%*	90%

*First reporting period after amendment to commitment and/or evidence requirements

2.6 Transparency and Engagement

2.6.1 PSP Annual Progress Report Release

The PSP Annual Progress Report outlines yearly compliance data, Signatory benchmarking and gives a broad overview of general industry development. As can be seen in Table 9, prior to 2021, the report had

been released in the second half of the following year, reducing its overall relevance given that the actual reporting period occurred up to nine months prior.

The VCA wishes to release the report by the end of each financial year (June 30), as was done for 2021, with the general aim of releasing the report as efficiently as possible once the survey reporting and audit period has been completed.

The planned movement forward of the survey release to December 1st for the 2022 reporting period should assist in bringing the annual progress report release forward, as would any further changes to release the survey earlier, as discussed in section 4.1 *Survey Timing and Structure*.

Table 9: PSP Annual Progress Report Release

2017	2018	2019	2020	2021
July	August	August	September	June 30

2.6.2 Technical Steering Group (TSG)

Regarding the internal engagement of Signatories, the average quarterly TSG meeting attendance has remained between 10 - 12 attendees, with 2020 being the only outlier. This increase may have been due to the new, increased opportunity due to COVID-19 to attend TSG meetings virtually, given previous meetings had been held in-person. However, in the following years, attendance returned to pre-COVID levels.

The current TSG includes over twenty participants, although the Five-Year Evaluation Survey offered other Signatories the opportunity to express interest in joining the TSG, which may result in an expansion of the group in 2023.

Table 10: TSG Average Attendance (exc. VCA and external presenters)

2018	2019	2020	2021	2022*
10 TSG members	11 TSG members	16 TSG members	12 TSG members	11 TSG members

*Does not include the final TSG meeting of 2022

2.6.3 Online Engagement

Since the employment of a Communications Officer, the VCA's online external engagement has grown strongly. As shown in Table 11, the VCA's LinkedIn follower count has grown almost 150% since April 2021 and continues to increase.

Table 11: Vinyl Council of Australia LinkedIn Followers

April '21*	July '21	November '21	February '22	July '22	October '22
338	390	540	590	754	834

* VCA Communications Officer employed April 2021

Impressions (post views) on the VCA's LinkedIn account typically range from 200 - 750 people through 2022, with some high-performing posts reaching as many as 1,500 - 2,000 impressions. This has increased

from a typical range of 100 - 500 impressions through 2021. In total there have been over 60,000 impressions on posts in the last 12 months.

There have been consistently over 100 unique page visits per month in 2022, which has increased from between 60-80 per month through the second half of 2021.

The VCA continues to explore opportunities to grow its online communications and advocacy, with greater detail discussed in section *3.1 Advocacy, Promotion and Communications*.

3.0 Ability to Meet Stakeholder Expectations

3.1 Advocacy, Promotion and Communications

Engagement with Signatories and broader industry remains one of the VCA's most important responsibilities and can provide significant value to VCA members, both in advocating for the use of PVC in a wide array of applications, and in informing the members of any opportunities or challenges that may impact their business. Given this importance, it was unsurprising that the most significant amount of stakeholder feedback from the evaluation survey and follow-up engagements concerned the VCA's advocacy, promotion, and communications.

The feedback can be split into three sections:

- Internal Engagement: Communications with VCA members
- Promotional Engagement: Promotion of PVC to potential customers/users
- Advocacy: Communications with government, building councils, standards boards, non-government organisations etc.

Firstly, internal engagement largely received positive feedback, although some survey respondents noted that they would welcome further information on industry developments, regulatory updates, and the distribution of relevant reports, particularly from overseas. The distribution of information through workshops and webinars is a viable pathway to communicate some of this information but is discussed separately in section *3.3 Workshops/Webinars*.

Secondly, Signatories noted that the overall promotion of PVC and PVC products could be improved, with a lack of collaboration between the industry restricting the ability to promote to a broader group of potential customers efficiently and cost-effectively. It was noted that general advertising of PVC had been successful in Europe, but it was also important to target specific key external stakeholders with sector-specific information. Any formal advertising campaign would require significant planning and possible additional funding from VCA members; however, it remains a possible avenue to promote PVC in the coming years.

Lastly, the advocacy of PVC remained a priority issue for Signatories, with several survey respondents in support of a formalised advocacy plan to target key stakeholders. This plan, like the Signatory feedback on promotional collaboration, will provide the industry a platform work from to ensure that industry can work toward shared goals both within the environmental space, and in encouraging the growth of PVC usage generally.

RECOMMENDATION: Develop an industry-wide promotion and advocacy plan and implementation roadmap.

3.2 Signatory Assistance

Through the stakeholder engagement period and from feedback provided by Ernst and Young at the conclusion of the 2021 reporting period, it has been made clear that better guidance and resources are required to give Signatories a better understanding of the evidence requirements requested as part of each commitment, particularly regarding Signatories taking part in independent audits.

Ernst and Young noted that several Signatories were not prepared to provide evidence as part of their audit due to a lack of understanding, which delayed both the audit process and overall progression of the reporting period.

While this information is provided within the annually updated PSP Commitment and Verification Guide, evidence requirements are not as clearly outlined within the PSP survey. It has therefore been suggested that greater clarity is included in the survey to allow Signatories to prepare the required documentation as they complete the survey.

RECOMMENDATION: Provide greater clarity of evidence requirements for each commitment within the relevant sections of the PSP survey.

It was also noted that additional tailored guidance would be welcomed by Signatories throughout the year, with particular emphasis on detailed feedback directly after the reporting period and the opportunity to receive guidance in the lead up to a reporting period.

While brief feedback on commitments Signatories did not fully comply with is provided within a benchmark letter sent to Signatories at the close of each reporting period, this feedback is brief and may not provide sufficient detail for Signatories to take actions to address any non or partial compliances. An offer to meet with the VCA was also offered alongside the benchmark letters, however several Signatories noted that this was missed and may be better suited in a separate communication.

RECOMMENDATION: Offer a clear opportunity for Signatories to meet with the VCA to discuss PSP results and potential areas of improvement.

3.3 Workshops/Webinars

As highlighted in the evaluation survey, there is significant interest in more regular workshops and/or webinars on a variety of topics, including additive developments, recycling, energy and carbon emissions, and modern slavery. Given the geographical spread of Signatories, future sessions would require a virtual attendance capacity, however the opportunity to attend in-person was strongly sought by some respondents.

Signatory interest was shown in both VCA and expert run sessions, with follow up engagement with the Five-Year Evaluation Steering Group suggesting that 2 – 4 expert sessions a year would suit the current level of interest. For most Signatories, the price they were willing to pay for a workshop/webinar was dependent on the quality/expertise of the speaker. These sessions may address a specific commitment within the PSP or may regard a broader issue of interest within the PVC industry.

RECOMMENDATION: VCA to organise a 2 - 4 workshop/webinars on key areas of interest in 2023.

4.0 Effectiveness of Program Structure

4.1 Survey Timing and Structure

55.55% of Signatories strongly or somewhat agreed that the current survey timing met their needs, with around a quarter of respondents stating they neither agree nor disagree. The remaining 20% noted a variety of issues including sourcing information in the Chinese New Year period, the survey release's proximity to the end-of-year holiday break, and the unavailability of yearly data until further into the new year.

It is a slight cause for concern that the survey timing is not meeting one in five Signatory's needs, however, the planned earlier release of the survey for the 2022 reporting period on December 1 may assist Signatories to complete the survey more easily within the allotted timeframe.

Given the already planned minor change to survey timing, it would be better suited to review any further timing changes after the completion of the 2022 reporting period.

RECOMMENDATION: Review survey timing in 2023 after feedback is received regarding the 2022 early December survey release.

4.2 Annual Progress Report Content

The PSP Annual Progress Report plays a significant role in communicating the program's progress year-to-year, as well as highlighting industry developments, emerging issues, and individual Signatory results. However, survey data showed that more than 50% of respondents either skimmed the report or did not read it at all.

It was noted by numerous Signatories that did not usually read the report in full, that the report's content was not the prohibiting factor in them reading it more thoroughly, but that their interest was focused on their own score relative to other Signatories.

It was suggested that as a solution for those not reading the whole report, that an executive summary be developed with each report to allow all Signatories to consume the report's key information in a suitable format.

RECOMMENDATION: Include executive summary as part of the PSP Annual Progress Report.

It was also noted by respondents that the annual report can act as an important communication tool with external stakeholders, including government, and therefore it is important to understand what information is most pertinent to these groups.

Discussions with a small group of external stakeholders revealed that data on recycling rates and waste are key points of interest, as well as overall compliance of Signatories, however it was noted that at times this information may not have the necessary context to be easily understood by non-Signatories.

RECOMMENDATION: Provide greater clarity/context around numerical data in the annual progress report for external stakeholders.

4.3 Governance

In response to a concern raised within the TSG regarding the potential confidentiality of information provided to the VCA within the PSP reporting process, it was suggested that the VCA develop a PSP governance document to clearly outline the necessary protocols put in the place by the VCA to ensure the safety of this information.

In addition to protocols around confidentiality, the document would cover all other necessary aspects of governance including conflict resolution, assessment, and development of the program.

While the VCA has not encountered any clear governance concerns, the development of a governance document shall provide greater clarity if any future issues arise.

RECOMMENDATION: Develop a PSP governance document.

5.0 Program Development

5.1 ESG Challenges and Voluntary Targets

As part of the PSP Five-Year Evaluation Survey, respondents were asked to rank twelve ESG (environmental, social, and governance) themes in order of their significance. The twelve themes covered several key areas of the manufacturing business. Of the twelve, the survey responses show six key ESG challenges that were prioritised by most respondents.

Table 12 shows Climate Change, Carbon Emissions Reduction, Raw Material Sustainability, Chemicals of Concern, Recycling, and Waste all received at least 25% of all top three votes and at least 50% of all top six votes.

Table 12: ESG Theme Voting

Theme	Top 3 Votes	4 – 6 Votes
Recycling	52%	21%
Raw Material Sustainability	43%	12%
Chemicals of Concern	29%	24%
Climate Change	26%	32%
Waste	26%	31%
Carbon Emissions Reduction	26%	28%

It has been shown through the stakeholder engagement process that Signatories are at varying stages of development regarding these ESG challenges, with business size and strategic priorities playing a significant role in the current level of action.

External stakeholder input clearly indicated the need for companies to develop plans and address their current carbon emissions in the short term, given the rapidly evolving nature of community expectations in this area. It was also noted that increasing the use of recyclate is a high priority, and while there are a

range of regulatory restrictions for some product types, greater innovation needs to be seen for the wide range of products that are not restricted.

It was also regularly noted that to understand how to best address these challenges, Signatories need to understand what tangible, measurable outcomes can be focused on. While 'waste' may be more clearly understood in terms of measuring company impact, 'climate change' and 'raw material sustainability' may be more difficult.

It was, therefore, suggested that the VCA and PSP Signatories develop a roadmap for the next 5 – 10 years covering both energy and carbon emissions, as well as waste and recycling. These roadmaps will allow the program to set tangible goals/targets for incremental change in these areas over the short to medium term. This will provide a clear strategic foundation for the program to continue to encourage the development of the Australian PVC industry, and to meet/exceed external stakeholder expectations.

RECOMMENDATION: Develop a roadmap for energy/carbon emissions and waste/recycling in collaboration with industry.

5.2 Accreditation of the PSP

The VCA, after receiving sign off from the Technical Steering Group, will apply for accreditation of the PVC Stewardship Program as an 'Australian Government Accredited Product Stewardship Scheme' under the Recycling and Waste Reduction Act 2020.

The VCA believes that accreditation of the program will encourage greater recognition of both the program's ability to promote sustainable development within the Australian PVC industry, as well as to the companies that are part of the program.

The VCA has presented a draft application to the Department of Climate Change, Energy, the Environment and Water (DCCEE), with government representatives providing a range of positive feedback. The most major suggestion was to require more significant reporting on 'chemicals of concern', as the federal government moves toward greater regulation on chemical use with the development of the Industrial Chemicals Environmental Management Standard (IChEMS).

The VCA has taken this feedback and made an amendment to the Open Disclosure commitment within the PSP, described in detail in section 5.3 *Update to Open Disclosure* below.

RECOMMENDATION: Submit finalised proposal for government accreditation of the PSP by end of financial year 2022-23.

5.3 Update to Open Disclosure

The Open Disclosure commitment was updated in September 2022 to include confirmation of the use/non-use of any chemicals listed by DCCEEW as 'chemicals of concern'. This addition was in response to both the growing demands from external stakeholders for greater transparency around potentially hazardous chemicals in plastics, and in response to government feedback as part of the accreditation application described in section 5.2 *Accreditation of the PSP*.

This update will provide more detailed information around chemical use in the Australian PVC industry and allow the VCA to promote the current sustainable use of additives and provide support to companies in the process of transitioning to alternatives.

As provided in the commitment summaries, Open Disclosure compliance was 94% in 2021, and while the amendment to the commitment does require Signatories to gather additional information, the VCA does not foresee any significant challenges for Signatories during the 2022 reporting period.

5.4 Alignment of Best Environmental Practice

As part of the update to the Best Environmental Practice PVC (BEP) Guidelines, several commitments currently within the PVC Stewardship Program were introduced into Best Environmental Practice PVC 2.0. This comes after significant consultation with VCA members and external stakeholders where it was agreed to align BEP and PSP.

To further align the two programs/certifications, it has been suggested by the VCA that guidelines currently within BEP but not reflected in the PSP be reviewed as potential additional commitments within the program.

A review would cover the following commitments:

- Supply Chain Mapping
- Responsible Sourcing Policy
- Quality Management Systems
- Wastes and Effluent
- Managing End of Product Use

While careful consideration would need to be taken regarding the implementation of any new guidelines and who they would apply to, the expansion of the current program may provide positive incentives for Signatories as they continue their sustainable development journey.

RECOMMENDATION: TSG to review the feasibility of the five commitments to be included within the PSP.

6.0 Conclusion

The PSP Five-Year Evaluation aims to analyse the effectiveness of the PVC Stewardship Program and provide a clear foundation to progress the program’s development – both in its content and delivery.

This evaluation has reviewed the period of 2018 – 2022, in which the program saw growth in its participation and general improvements in compliance across a range of commitments. These improvements continue to assist the program in being able to effectively recognise, and progressively address, all environmental, health and safety issues along the PVC product life cycle.

However, as has been noted throughout the report, there are a range of program components that have been highlighted as areas for improvement for the PSP moving forward. These recommendations will play a vital role in determining the program’s strategy and future direction as the program continues to evolve. A summary of these recommendations is provided in Table 13 below.

Table 13: Summary of Recommendations

Section	Recommendation
3.1	Develop an industry-wide promotion and advocacy plan and implementation roadmap
3.2	Provide greater clarity of evidence requirements for commitments within the PSP survey
3.2	Offer Signatories opportunity to discuss PSP results and areas of improvement
3.3	VCA to organise a 2 - 4 workshop/webinars on key areas of interest in 2023
4.1	Review survey timing in 2023 after feedback is received regarding the 2022 early release
4.2	Include executive summary as part of the PSP Annual Progress Report
4.2	Provide greater context in the annual progress report for external stakeholders
4.3	Develop a PSP governance document
5.1	Develop a roadmap for energy/carbon emissions and waste/recycling in collaboration with industry
5.2	Submit finalised proposal for government accreditation of the PSP by end of FY 2022-23
5.4	TSG to review the feasibility of including five BEP guidelines within the PSP as commitments

The PVC Stewardship Program’s Technical Steering Group will have the responsibility to review the recommendations presented within the report and implement the changes they believe are necessary to ensure the program continues to remain at the forefront of industry and address all significant stakeholder concerns. In addition, these changes should ensure that Signatories can continue to improve the sustainability of their businesses, from their upstream suppliers to end-of-life and be supported along this developmental journey.

The VCA would like to thank the Five-Year Evaluation Steering Group for their input throughout the evaluation and acknowledge all Signatories, VCA members and external stakeholders that provided feedback.

The next PVC Stewardship Program Five-Year Evaluation is due by the end of 2027.