



Scheme Pricing Framework

Webinar
September 2026

Agenda

TODAY'S CONVERSATION

- 01 Consultation journey and industry feedback
- 02 Why cost-reflective pricing
- 03 How the new framework is calculated
- 04 Scheme price impact by material
- 05 Next steps and questions

About the Scheme Pricing Framework

Following beverage manufacturer consultation, from 1 February 2027, scheme prices will better reflect each material's recycling cost and recovery performance.

WHAT IS CHANGING

How costs are allocated between materials

Prices now reflect direct recycling costs, shared scheme costs and the cost when containers are not recycled.

WHAT IS NOT CHANGING

The total cost to operate the scheme

This is a refinement of scheme pricing—not a new fee or an additional charge.

Consultation overview



Consultation overview

Consulted with:

Beverage manufacturers
registered with the scheme

Beverage industry associations

Cost-reflective pricing model

Transitioning from current
pricing structure to model
that reflects actual costs at a
material type level

Long-term pricing formula

Establishing predictable
pricing framework with
regular review cycles

Zero-fee container threshold

Introducing threshold to
reduce the burden on small
BMs

Revised payment terms

Extending payment
timeframes to improve cash
flow for BMs

Consultation period: June – August 2025

What we did next

Following consultation, COEX undertook further independent analysis to test, validate and model a pricing framework that better reflects each material's recycling cost and recovery performance.

1

Engaged an independent economist

COEX engaged CEG, an independent economic consultancy, to estimate the cost of not recycling (CONR) a beverage container in Queensland.

2

The engagement included an analysis of available published evidence

Seven Australian and international government cost-benefit studies (NSW, VIC, WA, ACT, NZ, UK, Scotland) show scheme benefits average around 1.4 times the costs.

3

Independently validated the modelling

The model was re-tested based on CEG's CONR analysis.

4

Modelled the impact on each manufacturer

COEX modelled the price impact for every beverage manufacturer, with the weighted average scheme price broadly unchanged.

What does it cost when a container isn't recycled?



- When containers become litter or landfill, there is a cost to the community and environment.
- An independent economist reviewed multiple Australian and international studies to determine the environmental and economic cost when containers are not recycled and instead become litter or landfill.
- The analysis indicates **the cost of not recycling is approximately 29 cents per container.**

Introducing new pricing framework



The move to cost-reflective pricing

Supports good product stewardship



Incentivising the use of highly recyclable materials by implementing cost-reflective pricing mechanisms

Reduces cross subsidisation between materials



Enhancing fairness among Beverage Manufacturers (BMs) with a reduction in material cross subsidisation.

How the new approach works



How often is the container recycled?

Beverage manufacturers that use containers that are:

- cheaper to recycle and frequently recycled **pay less**
- more expensive to recycle and less frequently recycled **pay more**
- high cost but frequently recycled sit **somewhere in the middle.**

Most materials sit somewhere in between.



How much does it cost to recycle?

The goal is to make sure each container is assigned a cost that better reflects both:

- the cost of recycling it, and
- its recycling performance.

Incorporating the cost of not recycling

Today, Beverage Manufacturers financially contribute to the scheme in a similar way, even though the materials they use cost different amounts to recycle and are recycled at different rates. That's the imbalance we're trying to fix.

What is changing?



Not changing

The cost to operate the scheme



Changing

How costs are allocated between materials



Materials impacted

■ Price Decrease ■ Price Increase ■ Neutral Impact



Aluminium



Glass



HDPE



PET



LPB / Steel /
Other

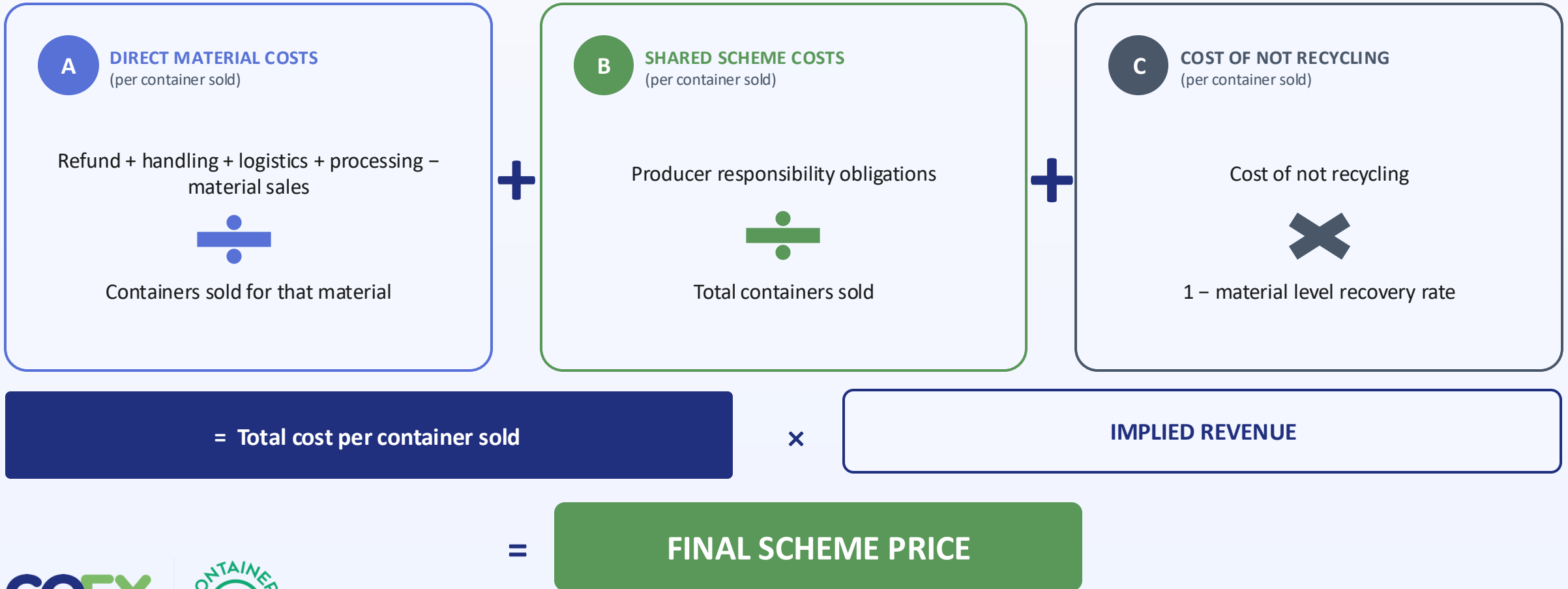
Indicative Scheme prices by material – Cost Reflective pricing in action

Scenario	LPB	Steel	PET	Aluminium	HDPE	Glass	Wtd Avg
Est. Recovery Rate	26.40%	32.10%	64.30%	72.90%	71.30%	85.50%	
Current (cents)	13.90	13.90	13.50	12.80	13.50	13.90	13.30
Revised (cents) With Cost of not recycling included	16.94	16.32	14.36	12.68	12.43	12.8	13.30
Change vs current (cents)	3.04	2.42	0.86	-0.12	-1.07	-1.1	0.00

*Indicative numbers

Three building blocks set each material's price

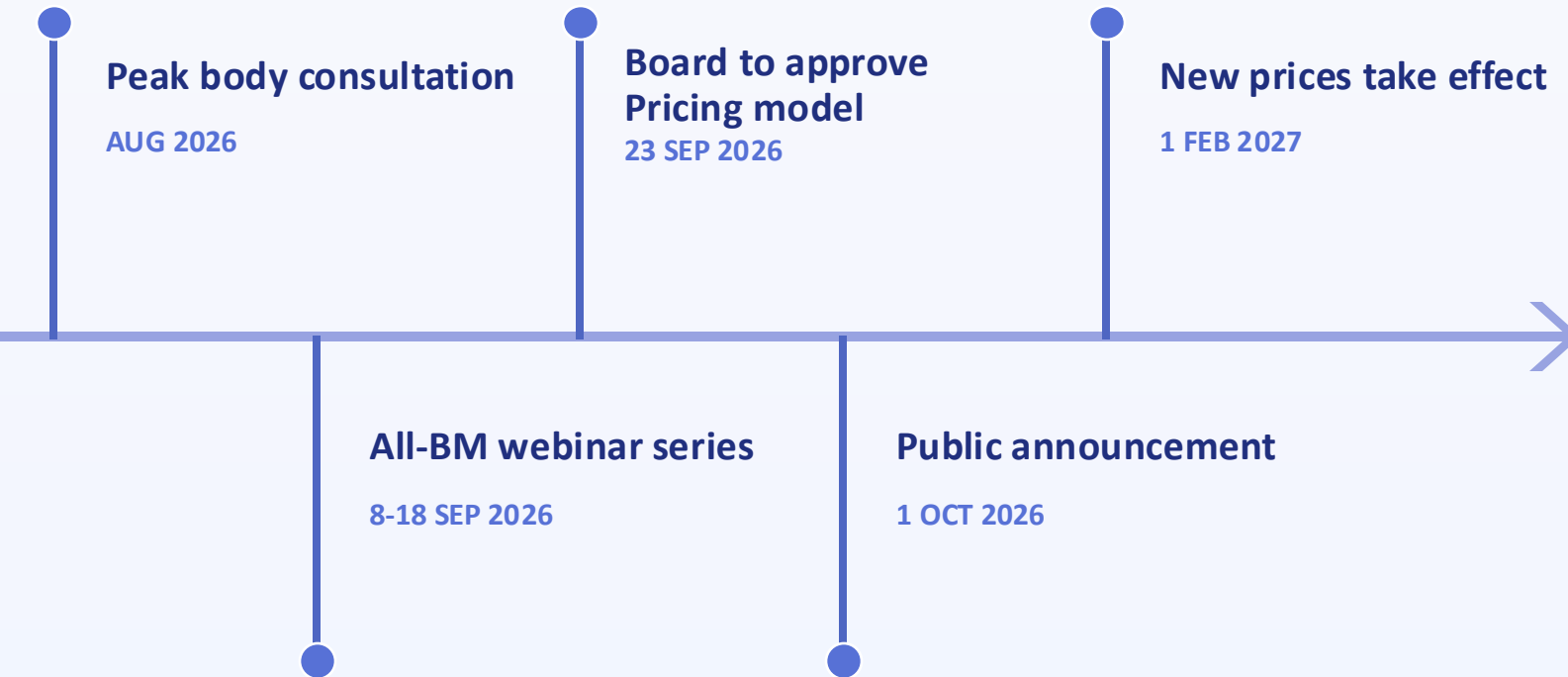
Each component is calculated consistently, with material-specific inputs where they matter.



Where to from here



What happens next



PREPARE NOW

- Review your material mix
 - Update budgets
 - Share the webinar and review FAQs
- Send questions directly to
- Jessica.Shannon@containerexchange.com.au



Questions

Thank you

Keep in touch



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We value your feedback



No container
goes to waste

