Bulletin Industry Divisions



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Environment Protection Authority Victoria (EPA) permissions

Dear Members

If your business receives, stores, or reprocesses any statutory write-off (SWO) vehicles or repairable write-off (RWO) vehicles (also known as industrial waste) then please continue to read below. You must be authorised to do so – that is, your business premises must be a 'lawful place'.

Further to our previous <u>Bulletin</u>, the Victorian Automotive Chamber of Commerce (VACC) wishes to remind members of the new EPA permission requirements.

What is a permission?

Under the new Environmental laws, which commenced in July 2021, if you perform certain activities at your site that may cause harm to human health and the environment, you must have permission from the EPA to do so, such as a **licence** (high risk), **permit** (medium risk) or **registration** (lower risk). The majority of member sites that store a number of End-of-Life Vehicles (ELVs) at their premises are likely to sit in the 'Registration' category.

The current situation within the industry

The Environment Protection Authority Victoria (EPA Vic) has reaffirmed their intention of the new laws. Whilst VACC and industry is clear on the classification of an SWO and RWO as both being classified as industrial waste, there has been an alternate approach promoted by the motor vehicle insurers and salvage auction houses regarding how an RWO is classified and how they are handled once they are at a business premises (for example a body repairer) and have been assessed as an RWO.

To ensure undue pressure is not placed upon body repairers or towing operators by insurers dictating to a business where to take or release an RWO (which may not be a 'lawful place' with permission from the EPA) and to guarantee that insurers are following the correct practice with both SWO and RWO vehicles, the EPA has reaffirmed previous advice to both industry and insurers.

SWO's and RWO's both meet the statutory waste definition as prescribed by the new Victorian environmental laws and therefore satisfy the definition of an ELV. Insurers have been incorrectly interpreting the EPA law to determine that an RWO is *not* an ELV and does not meet the requirements of the new EPA law. VACC can confirm this is incorrect and that the EPA verifies and expects that the waste duties would apply at the point that a vehicle is declared (assessed) written off.

VACC will be writing to the Insurance Council of Australia (ICA) to ensure the ICA, as the representative body of the general insurance industry in Australia, is unambiguous with information on the new law to its members of how to treat both an SWO and RWO, given the alternate classification by insurers on RWO's specifically. The decision to declare the vehicle a write-off is normally taken by an insurance company which at some point will be in management and control of the vehicle. It is then expected that the waste duties apply at that point.

VACC is mindful that many members still need to apply for their permissions, however, this critical interpretation of the law must be addressed with the ICA and its motor vehicle insurer members. This is to ensure the new law is being properly adhered to by all stakeholders so that it meets its intended purpose and does not cause unnecessary issues to VACC member businesses.

for yours, please apply for one as soon as possible.

How do I prepare and apply for a permission?

- 1. Check if you need a permission.
- 2. Sign up to the <u>new EPA Portal</u> to apply for permission.
- 3. Review key guidance on how to apply and what to include in your application for a <u>licence</u>, <u>permit</u>, or <u>registration</u>.
- 4. There is also <u>additional guidance</u> for A13 permits for A13a large and A13b medium waste and resource recovery facilities.

Members can contact EPA Victoria for information on the permissions application process at <u>contact@epa.vic.gov.au</u> or on 1300 372 842.

If you require additional information, please contact me on 03 9829 1142 or the VACC OHSE Unit on 03 9829 1265.

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