

# Guide for users <u>Material Recovery Score</u>

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## Material Recovery Score

#### 1.1

1.2

#### What is the Material Recovery Score?

The NABERS Material Recovery Score (MRS) is part of the Waste Rating. It rewards buildings that find better end of life solutions for their operational waste.

It forms part of your Circular Economy strategy as a simple and practical method to analyse the degree of circularity of materials collected through operational waste. A higher score for your building means you are achieving better Circular Economy outcomes.

#### How it works

Each waste stream in a building is allocated a score out of six, based on how clean the materials are, and how they are treated once they leave your building(s).

#### Table 1.1: MRS Points Reward

| Material in a bin:      | Material is converted to:                      | MRS<br>points |
|-------------------------|--|---------------|
| Paper or cardboard      | New paper product (for that grade)             | 4 points      |
| Paper or cardboard      | New mixed paper grade product                  | 4 points      |
| Paper or cardboard      | Used in compost or other organics process      | 4 points      |
| Paper or cardboard      | Used as fuel                                   | 0 points      |
| Plastic – HDPE (Code 2) | Made into a new HDPE product                   | 3 points      |
| Plastic – HDPE (Code 2) | Downcycled product (mixed with other plastics) | 2 points      |
| Plastic – HDPE (Code 2) | Used as fuel                                   | 0 points      |

The table below demonstrates how the score is created. Points are allocated to each of the following categories:

| lean Material Stream<br>oes the bin/ material stream<br>eed to be further separated? | A clean material stream has more value and is more<br>likely to support a circular economy and the recycling<br>industry.        |
|--|--|
| Or can it go directly from your  | Incentivises:  |
| building to a re-processor?  | <ul><li>Clean material streams</li><li>Upcycling vs downcycling.</li></ul>   |
|  | Disincentivises:   |
|  | <ul> <li>Low quality recovery (e.g. using office paper for<br/>fuel)</li> </ul>  |
| High quality recovery  | The goal of a circular economy is to keep materials in use, at their highest value, for as long as possible.                     |
| Does the material in the bin go<br>to best recovery option that is                   | Incentivises:  |
| available to, in line with the waste hierarchy and circular economy principles?      | <ul> <li>Clean material streams</li> <li>Re-use, refurbishment</li> <li>Upcycling vs downcycling</li> </ul>                      |
|  | Disincentivises:   |
|  | <ul> <li>Low quality recovery (e.g. using office paper for<br/>fuel)</li> </ul>  |
| Pollution potential  | The materials we use and consume have varying effects on our environment.  |
| What is the risk of pollution if the item is not captured properly?                  | Incentivises:  |
|  | <ul> <li>Proper management of materials to reduce<br/>overall pollution, including CO2e and plastics in<br/>waterways</li> </ul> |
|  | Disincentivises:   |
|  | <ul> <li>Activities that have a risk of polluting air, land or water</li> </ul>  |

#### Table 1.2: MRS Categories

If you are making choices that are better than industry standard practices, then it will improve your Waste Rating.

You will obtain a higher score if you:

- Separate your waste streams for better recovery of materials
- Investigate your downstream supply chain
- Validate your downstream supply chain on an ongoing basis
- Make procurement decisions that prioritise the best possible resource recovery option

#### 1.3 Why is it important?

The Material Recovery Score shifts the thinking on building operational waste from 'waste' to materials. Everything we use and consume has value – resources that can be used again, embodied energy and water in the manufacture of the item. Recovering these materials improves the sustainability of our production and consumption, in line with Sustainable Development Goal 12.

This is the first step for the whole sector to address downstream impacts.

#### 1.4 How does it affect your NABERS Waste rating?

The Material Recovery score can change your waste rating by up to half a star. NABERS will reward you for investigating and validating your waste supply chain and using verified data specific to your building(s).

The case studies below show how it can affect a 3 star NABERS Waste building that collects general waste, mixed recycling, paper and cardboard.

| <b>3.5</b><br>NABERS<br>WASTE | <ul> <li>Case study 1:</li> <li>This building owner paid an assessor to investigate its mixed/yellow /comingled bin contents through a composition audit that is in alignment with the NABERS waste rules</li> <li>They also worked with their supplier to obtain a statement of end markets for materials</li> </ul>                             |
|-------------------------------|---|
| 5.5<br>NABERS<br>WASTE        | <ul> <li>Case study 2:</li> <li>This building added an organics collection, which is not common in 3 star buildings. The organics is processed through an anaerobic digestor</li> <li>They validated their supply chain with robust chain of custody level evidence for all material streams</li> <li>All other streams are per case 1</li> </ul> |

1.5



#### What can it tell you?

The Material Recovery Score amplifies your efforts to improve waste management. Nonetheless, it is still important to improve your recycling rate and reduce your contamination.

The MRS is an easily understood method to benchmark a company's supply chain responsibility. When your building is rated, ask your assessor for the score for each waste type and then create a plan to improve the score over time. You can work with your existing waste contractor or build it into future waste tenders.

#### 1.6 Steps to the MRS

Your NABERS assessor will need to do the following to get a score for your building:

- · Identify any bins/ material streams that will need a composition audit
- Find evidence from the waste contractor(s) of what happens to your waste in your downstream supply chain on an ongoing basis
- Calculate the score for each stream using the NABERS calculation spreadsheet
- Input these results into the rating calculator. This will then be applied to your rating

#### 1.7 Improving your MRS results

- Do the work to get the right MRS score for your building. Using NABERS default values will not boost your rating.
- Target the heaviest streams first. Your results will be affected by the weight of a waste stream. Getting data on organics or paper is more important than data on soft plastics.
- Work with your waste contractor to identify a better outcome for your waste and improve your supply chain evidence.
- Work with your procurement team to include waste performance targets, waste processing outcomes in tender decisions and include supply validation reports in the contract terms.

| Improve your current practices   | Improve future practices  |
|--|---|
| Investigate the destination of your materials leaving the building.  | Pre-contract: what's the best option for material leaving the building?   |
| Ask your waste contractor for:   | Contract:   |
| <ul> <li>Evidence of collection destinations per material stream on an ongoing basis</li> <li>What type of facility this is and what happens to materials sent to there, it is also good to ask what are the diversion rates at these facilities?</li> </ul> | <ul> <li>Consider the best option that allows<br/>for the highest recovery for each<br/>waste type in the contract decision<br/>making process and allow flexibility<br/>in these terms and conditions to<br/>change to better outcome locations<br/>when they become available</li> <li>Include clauses and KPIs on<br/>assurance of materials headed to<br/>destination(s), working towards<br/>higher recovery outcomes and<br/>access to evidence to verify this</li> </ul> |

#### Table 1.4: Improvement Tactics

### **Contact us**

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