



Victorian
Competition & Efficiency
Commission

23 February 2009

Adam Spivakovsky
Senior Economist – Regulatory Innovation
EPA Victoria
HWT Tower, Podium Level, 40 City Road
Southbank, Victoria 3000

Level 14, 55 Collins Street
Melbourne Victoria 3000
GPO Box 4379
Melbourne Victoria 3001
telephone (03) 9092 5800
facsimile (03) 9092 5845
email contact@vcec.vic.gov.au
web www.vcec.vic.gov.au

Dear Mr Spivakovsky

ASSESSMENT OF REGULATORY IMPACT STATEMENT

Thank you for seeking an assessment of the Regulatory Impact Statement (RIS) on the proposed: *Environment Protection (Industrial Waste Resource) Regulations 2009*. The Victorian Competition and Efficiency Commission (VCEC) received the final version of the above RIS and draft regulations on 20 February 2009.

The VCEC assesses the adequacy of the RIS prior to the public consultation process as required under section 11 of the *Subordinate Legislation Act 1994*.

I advise that the RIS meets the requirements of section 10(3) of the *Subordinate Legislation Act 1994*.

The VCEC notes that the RIS assumes the proposed regulations will lead to an increase in the amount of industrial waste reused / recycled from an estimated 24 per cent currently to 40 per cent over a two year period. The VCEC notes that this assumption is contingent upon there being sufficient market opportunities and facilities available for reuse and recycling.

The VCEC also notes that the EPA will commission an independent assessment of the implementation of the regulations after three years. The VCEC commends the EPA on its decision to undertake an evaluation of the effectiveness of these regulations and acknowledges that ex-post evaluation of regulation is integral to regulatory best practice. The VCEC would welcome the opportunity to learn about the results of the evaluation when they become available.

The VCEC's assessment is based on the adequacy of the evidence presented in the RIS and is focused on the quality of the analysis rather than the merits of the proposal itself. Further evidence on the nature and size of the costs and benefits may emerge during the consultation stage and consequently change the conclusions reached.

In the interests of transparency, the VCEC recommends that you publish this assessment letter alongside the RIS when it is released for consultation.

The VCEC is building a database of Victorian Government RISs and statements of reasons for change, and will be putting your material on our website when it is released. Please inform us when you have placed this RIS on your website. Please also provide us with an electronic copy of your statement of reasons for changes to the final regulations when they are provided to the Scrutiny of Acts and Regulations Committee (refer 5.53 Subordinate Legislation Act 1994 Guidelines, 17 January 2005).

If you have any questions, please contact the VCEC on (03) 9092 5800.

Yours sincerely



Sam Abusah

Assistant Director

Victorian Competition and Efficiency Commission