



## MobileMuster

*The official recycling program of the mobile phone industry*

2008-09

Annual Report



## Introduction

MobileMuster, the official recycling program of the mobile phone industry, is AMTA's primary commitment to an environmentally sustainable industry that minimises the use of resources through product stewardship, including the environmentally sound disposal of all mobile phones at the end of their useful life.

In November 2008 AMTA released the *Mobile Telecommunications Industry's Statement of Commitment to Mobile Phone Recycling*. This statement outlines AMTA and its participating members' commitments over the next five years (2008 to 2013) to significantly improve community awareness and participation in mobile phone recycling, including targets and key performance indicators.

AMTA has committed to report annually against its key performance indicators and to review and refine its strategies and indicators regularly in consultation with government and the community to continually improve the program.

The **primary goals** of the industry's mobile phone recycling are to

- increase collections,
- reduce disposal to landfill,
- increase awareness, and
- offer free recycling to consumers and retailers.

MobileMuster's **targets** through to June 2013 as outlined in the Mobile Telecommunications Industry Statement of Commitment to Mobile Phone Recycling, November 2008.

### *Collections KPIs*

- Increase the annual collection for discarded phones to over 65%, up from 17%
- Increase the annual collection rate of net imports to more than 20% , up from 5.5%
- Diversify collection methods to include free postage paid recycling satchels and kerbside recycling

### *Recycling KPIs*

- Maintain diversion from landfill rate greater than 90%
- Maintain the estimated recycling rate (*i.e. materials recovered*) greater than 75%

### *Consumer Behaviour KPIs*

- Decrease personal storage rate of 2 or more phones to less than 18%, down from 32%
- Decrease disposal to landfill to less than 2%, down from 4%
- Increase awareness to more than 85%, up from 75%

### *Industry Involvement KPIs*

- Maintain whole of industry participation greater than 90%

## Year in Review

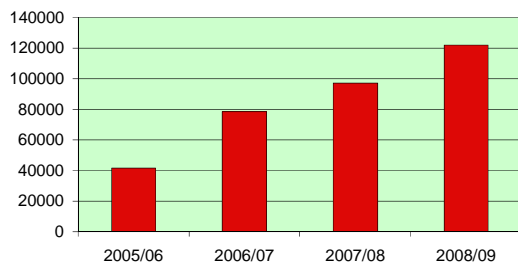
MobileMuster has continued to make good progress against its primary goals and targets for 2008-2009 as illustrated in the Summary – Key Performance Indicators Table on page 7.

## Collections

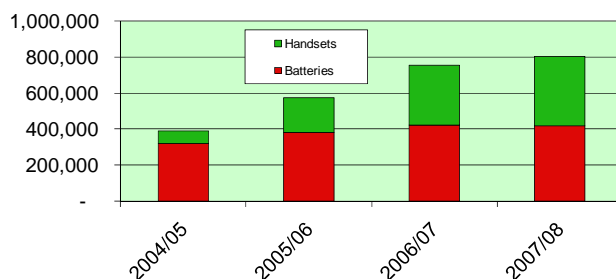
Collections have continued to maintain a strong growth rate increasing by 26% on the previous year from 97 tonnes to 122 tonnes. This represents a 190% on 2005-06 collections of 42 tonnes, when the industry rejuvenated its recycling program as MobileMuster.

As a result 38.2% of the estimated discarded phones (up from 18.9%) and 7.8% of net imports (up from 5.5%) have been recycled.

**Figure 1: Volume of mobile phone components collected**



**Figure 2: Number of Handsets and batteries collected**



## Hand 'em in

Australian's can recycle their mobiles at one of the 3,500 plus public drop off points across the country including all Telstra, Optus, Vodafone, 3 Mobile, Allphones, Fone Zone, Crazy Johns, Dick Smith stores, Nokia Care and Motorola One Service Centres as well as various independent mobile phone retailers and participating local councils, ANZ branches, Cartridge World and Battery World stores.

More than 3,200 businesses, educational institutions, mobile phone repairers, state and federal government agencies, recyclers, MPs and community based organizations have also joined MobileMuster to help their staff, students and customers recycle their mobiles.

The bulk of the mobile phones recycled by MobileMuster come from these collection points, with about 40% collected by mobile phone retailers.

Post 'em in

### ***Recycling satchels / Downloadable Mailing Label***

To make recycling easier, simpler and even more convenient for mobile phone users, MobileMuster introduced reply paid recycling satchels and a downloadable mailing label in 2008/09. Initially trialled in 2008, MobileMuster in partnership with its members and Australia Post is now distributing free reply paid recycling satchels in selected mobile phone packs and via Australia Post's extensive network of nearly 4,000 outlets across the country. Mobile Phone users can also download a free post mailing label from [www.mobilemuster.com.au](http://www.mobilemuster.com.au).

Samsung, LG Electronics and Motorola now include mobile phone recycling satchels in their bill of materials for many of their new phone packs sold in Australia. Sony Ericsson, Simply Mobiles and Vodafone have also included satchels in some of their new phone packs. These companies along with Nokia and HTC are looking to permanently include co-branded recycling satchels in mobile phone packs imported into Australia.

The recycling satchels and mailing label have been a great success making up 15% of this year's collections. This clearly demonstrates the willingness of mobile phone users to adopt this recycling method and a primary source to grow collections in coming years.

However, the cost to transport mobile phones this way is 6 to 7 times that of collecting mobile phones through the drop off model.

Collecting from homes

***There are an estimate 14 to 16 million unused mobile phones stored at home in cupboards and drawers. 31% of people have at least two or more unused mobile phones at home.***

To make recycling more convenient and accessible MobileMuster has been working with a number of councils and waste organisations to bring mobile phone recycling to households by including mobile phones and associated components in kerbside recycling collections.

There are two different models being trialled. The "day after" model, by Moonee Valley City Council and Hunter Resource Recovery (including Lake Macquarie City Council, Maitland and Cessnock Councils). They collect mobile phones along with a variety of other reusable/recyclable household items using the existing kerbside recycling bin between three to four times a year.

The “*recycling bin*” model by Eurobodalla Council, which encourages residents to place their old mobile phones and associated components into a MobileMuster bag and place this bag into their kerbside recycling bin. WSN Environmental Services sorts the mobile phones from the other recyclables at their Material Recovery Facility in Moruya. The bags are provided by MobileMuster and distributed by Council to all households with their annual waste and recycling services brochure.

Although volumes are still low this channel has the potential to grow substantially over time, as it minimises the time and effort taken by people to recycle their mobiles. MobileMuster is discussing with a number of other councils and waste / recycling organisations to establish similar kerbside collection schemes.

### Integrated e-waste collections

With the growing volumes of e-waste in Australia, AMTA is advocating the development of a national systematic, regular collection of all e-waste, including mobile phones. Whether it is via kerbside pick-ups or dropping off at local collection points, consumers need a simple, seamless and regular way to dispose of all their e-waste properly. This will not only increase collections and keep e-waste out of landfill, but will improve the efficiency and effectiveness of electronic product stewardship schemes.

To this end AMTA has been in discussions with the television and computer industries to develop joint collection facilities and promotions.

AMTA in it’s submissions to the Federal Government Draft National Waste Policy and Consultation Regulatory Impact Statement for Computer and TVs called for:

- Commonwealth not State Based Regulation
- Broad Protection from Free Riders
- Industry not Government Managed & Funded Schemes
- Industry Specific not Single/Combined Producer Responsibility Organisations
- Industry Developed and Government Endorsed Targets
- Recycling Free to Consumers at point of disposal
- National, Systematic and Regular Collection of e-Waste

## *Recycling*

All recycling of mobile phone components is to the highest environmental standards, none are refurbished or sold. Currently all mobile phones are dismantled and sorted into their various components by AMTA’s recycling partner MRI in Sydney or Melbourne then they are either processed locally by third parties in Australia or in Korea. Over 90% of the materials handled by MRI are diverted from landfill and it is estimated that over 90% is recovered for reuse.

In 2008-09 it is estimated that that more than 280 kilograms of cadmium, 7.5 tonnes of plastics, 280 kilograms of nickel and 2.3 kilograms of gold have been diverted from landfill and recovered to make new products like Plasmar fence posts, stainless steel and jewellery.

***Benefits of Recycling - Protecting our environment; Saving our natural resource; Reducing energy use; Avoiding future CO2 emissions.***

## ***Consumer Behaviour***

### Personal Storage Rate

People continue to keep their old mobiles phones. Independent market research in February 2009<sup>1</sup> showed that 79% of mobile phone users kept or passed on their previous mobile phone, 64% of people had at least one old phone and 31% had two or more phones at home. People's desire to keep their old mobile phones is a major barrier to increasing collection rates.

The primary reason people kept their previous mobile phone was to keep it as a spare or back up (61%). The next main reason was they hadn't got around to it yet (15%). Between 8 to 9% of respondents said they either didn't know where to recycle, they may need it, it still worked or it had information on it. Less than 3% of people said they kept it because they didn't know what to do with it, keeping for the kids to play with or some other reason.

### Disposal to landfill

Fewer people are throwing out their mobiles. In February 2009 only 2% of people said they threw their previous mobile phone out in the rubbish<sup>2</sup>. This is down from 4% in February 2008 and 9% in March 2005.

### Increase awareness of mobile phone recycling

Awareness of mobile phone recycling has remained steady at 79%<sup>3</sup>. Recycling mobile phones is not a top of mind issue so it is critical that people are continually reminded people to recycle their old mobile phones. MobileMuster invests over 60% of its budget on communications and marketing to educate the community on how, why and where to recycle their old mobile phones.

Campaigns such as the *Old phones, more trees* campaign in partnership with Landcare Australia are very successful in boosting collections. Each year, between 25,000 kg to 30,000 kg of mobile phones and associated components are handed in for recycling. 2008-09 was the third year of the campaign and for every kilogram of mobile phones collected during May and June 2009 a tree would be planted. As a result 25,000 trees are now being planted by Landcare groups in Victoria and NSW to enhance koala habitats in Warrnambool and restore native habitats in western Sydney.

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<sup>1</sup> Independent online survey conducted in February 2009 by IPSOS on behalf of AMTA of 650 mobile phone users, aged between 16 and 64 years old randomly selected across Sydney, Melbourne, Adelaide and Perth.

<sup>2</sup> Independent online survey conducted in February 2009 by IPSOS on behalf of AMTA of 650 mobile phone users, aged between 16 and 64 years old randomly selected across Sydney, Melbourne, Adelaide and Perth.

<sup>3</sup> Independent online survey conducted in February 2009 by IPSOS on behalf of AMTA of 650 mobile phone users, aged between 16 and 64 years old randomly selected across Sydney, Melbourne, Adelaide and Perth.

Since the *Old phones, more trees* campaign started in 2007, around 90,000 kg of mobiles have been recycled and 200,000 trees have or will be planted by Landcare groups before June 2010.

MobileMuster continues to engage and educate Australia's youth through its National Schools Recycling Challenges. Two challenges were held in 2008-09, one in November 2008, where for every 14kg of phones collected by a school they received 50 native trees to plant at school or in their local area. The second Schools Recycling Challenge - *Old phones, new fence posts* was held during May and June 2009. The plastics from mobile phones are used to make Plasmar fence posts. To help those communities devastated by the Victorian bushfires earlier this year, MobileMuster in partnership with Australian Composite Technology (ACT), which makes the fence posts agreed to donate non Plasmar fence post for every 5 kg of mobiles collected by the schools.

Around 700 schools across Australia participated in collecting more than 4,000 kg of mobile phones for the two challenges. As a result over 43,000 handsets and batteries as well as over 1,500 kg of accessories were recycled; 1,940 trees were given to schools for planting and 720 Plasmar fence posts donated to re-fence approximately 5km of boundary fencing burnt down during the Victorian bushfires earlier this year.

MobileMuster also works closely with local councils and community organisations to promote and collect mobile phones for recycling. Alice Springs Town Council has recently taken up MobileMuster's concept of *Old phones, more trees* and is rewarding each resident with a tree or shrub to plant at home for every handset they recycle.

#### MobileMuster Local Government Awards

To recognise the efforts of the 290 local councils who promote and collect mobile phones for recycling, each year MobileMuster presents five awards at the Australian Local Government Associations National General Assembly.

This year's winners were:

- **National Excellence** – Moonee Valley City Council - Victoria and Eurobodalla Shire Council - NSW
- **Top Collector Overall (by weight)** – Brisbane City Council - QLD
- **Top Collector per Capita** – District of Lake Grace - WA
- **Best Promoter** – Dalby Regional Council, QLD
- **Working with School** – Eastern Regional Metropolitan Council WA

### *Industry Involvement*<sup>4</sup>

As a voluntary program maximum industry participation is critical for its success. Handset manufacturers contributing financially to the program are Nokia, Motorola, Samsung Electronics, Sony Ericsson, i-Mate, LG Electronics and as of the 1 July 2009 HTC. Their shipments for 2008-09

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<sup>4</sup> Industry participation is defined as the proportion of shipments for mobile phone handset manufacturers and revenue of mobile network carriers operating in the Australian mobile telecommunications market that contribute financially to the industry's mobile phone industry recycling program.

were 81% of the total imports. This is down from 85% in 2007-08. Sharp, NEC and Panasonic are also members of MobileMuster but do not currently ship handsets into Australia.

Apple, RIM and ZTE do not participate in MobileMuster.

Mobile network carrier participation remains steady at 100% with the four network carriers Telstra, Optus, Vodafone and Hutchison (3 Mobile) contributing in 2008-09, along with Resellers Virgin Mobile and AAPT. Battery importer Force Technology also contributes to the program.

Program participants pay an advanced recycling fee for every handset shipped into the country. A total of 42c per handset is paid between the mobile phone handset manufacturers and mobile network carriers. This is the sole revenue for the program.

*Recycling information embedded within sales process*

Manufacturers, service centres and mobile phone retailers continue to include MobileMuster recycling messages in catalogues, websites, direct marketing, television advertising, in-store promotions and other customer communications.

The mobile phone retailer advocacy program initiated in 2008 educates staff about the program, encourages staff to ask customers to recycle their phones with every sale, ensures collection units are on display and rewards sales staff for their efforts. Over 3,000 retail outlets in metropolitan NSW, VIC, QLD, ACT, SA and WA were visited by a team of MobileMuster Ambassadors.

As a result of this activity there has been an obvious increase in the percentage of people who said they were advised of MobileMuster when they purchase their new phone from 3% to 7%. Likewise more people are being made aware of MobileMuster by their phone company up to 18% from 8% and 53% of people aware of MobileMuster was due to seeing the collection tubes in store.



## SUMMARY - KEY PERFORMANCE INDICATORS

| Key Performance Indicators   | 2008/09<br>Actual | 2008/09<br>Target* | 2007/08<br>Actual | 2006/07<br>Actual | 2005/06<br>Actual |
|--|-------------------|--------------------|-------------------|-------------------|-------------------|
| <b>Collections</b>   |                   |                    |                   |                   |                   |
| Annual Collection (tonnes)   | 122 ✓✓            | 123                | 97 ✓              | 78                | 42                |
| Annual Collection Rate (Discarded Mobiles)                                 | 38.2% ✓✓          | 35%                | 18.9% ✓           | 18%               | 15%               |
| Annual Collection Rate (Net imports)                                       | 7.8% ✓✓           | 8%                 | 5.5% ✓            | 5.3%              | 3%                |
| Estimated Number Handsets & Batteries                                      | 806,812           | 1,048,000          | 755,196           | 576,640           | 391,074           |
| Reported Shipments   | 9.03 M            | 9.05 M             | 9.77 M            | 8.63 M            | 8.41 M            |
| Exports  | 1.43 M            | 1.01 M             | 1.05 M            | 1.24 M            | 1.18 M            |
| Net Imports (units)  | 7.86 M            | 8.65 M             | 8.87 M            | 7.39 M            | 7.23 M            |
| Net Imports (estimated tonnes)   | 1,572             | 1,729              | 1,775             | 1,478             | 1,446             |
|  |                   |                    |                   |                   |                   |
| <b>Recycling</b>   |                   |                    |                   |                   |                   |
| Diversion from Landfill  | > 90% ✓✓          | > 90%              | > 90% ✓           | > 90%             | > 90%             |
| Estimated Recycling Rate (materials recovered)                             | > 75%             | > 75%              | > 75%             | > 75%             | > 75%             |
|  |                   |                    |                   |                   |                   |
| <b>Consumer Behaviour</b>  |                   |                    |                   |                   |                   |
| Storage Rate of Mobiles at home and work (% users with 2 or more handsets) | 31% ✓✓            | 29%                | 32% ✓             | 36%               | 38%               |
| Disposal to Landfill Rate  | 2% ✓✓             | <2%                | 4% ✓              | 5%                | 9%                |
| Awareness Rate of Mobile Phone Recycling                                   | 79% ✓✓            | > 80%              | 75% ✓             | 69%               | 46%               |
|  |                   |                    |                   |                   |                   |
| <b>Industry Participation Rate</b>   |                   |                    |                   |                   |                   |
| Manufacturers  | 81% ✓✓            | >90%               | 85% ✓             | > 90%             | > 90%             |
| Mobile Network Carriers  | 100% ✓✓           | >95%               | > 95% ✓           | > 95%             | > 95%             |

\* As listed in the Mobile Phone Industry's National Statement of Commitment for Mobile Phone Recycling (November 2008) per National Statement of Commitment, except for Annual Collection (tonnes). This target was revised down to 123 tonne from 130 tonne in January 2009 to reflect the reduction in handset shipments due to the global financial crisis.

✓ Indicates KPMG has provided limited assurance on the figures. For more information please refer to the KPMG independent review report in the MobileMuster Annual Report 2007-08 including KPMG Assurance Report available at [http://www.mobilemuster.com.au/annual\\_collection\\_figures](http://www.mobilemuster.com.au/annual_collection_figures)

✓✓ Indicates that PricewaterhouseCoopers has provided limited assurance on the figures. The assurance report is included in page 12 of this report.

# Definitions

## Annual Collection Rate (Discarded Mobiles)

$$\text{ACRDM} = \frac{\text{Annual Collection}}{\text{Discarded Phones}} \times 100$$

Annual Collection = Weight of mobile phone components (i.e. handsets, batteries, chargers, accessories and associated plastics) received by recycler measured in kg and converted to tonnes

Discarded Phones = Manufacturer Reported Imports – Estimated Manufacturer Exports - (Kept + Given Away) + estimated phones discarded from storage

Participating Manufacturer Reported Imports = measured in units<sup>5</sup> (i.e. mobile phone unit = handset, battery, charger and accessory) and converted<sup>6</sup> to weight. .

Estimated Manufacturer Exports = measured in units and converted to weight<sup>7</sup>. The figure has been calculated to reflect the proportion of participating manufacturer shipments that have been exported and is estimated as the Total Industry Exports<sup>8</sup> / by Total Industry Imports<sup>9</sup> x Participating Manufacturer Reported Imports.

Kept – Estimated based on market research<sup>10</sup> on the proportion of people who keep their previous phones for further use including “kept it just in case”, “not working but kept it anyway” and “still using it” multiplied by Participating Manufacturer Reported Imports. Measured as units and converted to weight<sup>11</sup>.

Given Away – Estimated based on market research<sup>12</sup> on the proportion of people who pass on their previous phones for further use including “gave it to someone else”, “traded it” and “donated to charity” multiplied by Participating Manufacturer Reported Imports. Measured as units and converted to weight<sup>13</sup>.

Estimated phones discarded from storage – calculated by subtracting the *estimated number of phones in storage in current year* from the *estimated number of phones in storage in the previous year*. Where the *estimated number of phones in storage* in any year is calculated from the percentage of people in the market research who say they have one or more phones in storage multiplied by the number of phones they say they have in storage (i.e. 2,

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<sup>5</sup> Data sourced from Informark - Manufacturer Shipments.

<sup>6</sup> It is assumed a mobile phone unit weighs 0.2kg

<sup>7</sup> It is assumed a mobile phone unit weighs 0.2kg

<sup>8</sup> Data sourced from Informark – Industry Exports.

<sup>9</sup> Data sourced from Informark – Industry Imports.

<sup>10</sup> Independent online survey conducted annually by IPSOS on behalf of AMTA of 665 mobile phone users, aged between 16 and 64 years old randomly selected across Sydney, Melbourne, Adelaide and Perth.

<sup>11</sup> It is assumed a mobile phone unit weighs 0.2kg

<sup>12</sup> Independent online survey conducted annually by IPSOS on behalf of AMTA of 665 mobile phone users, aged between 16 and 64 years old randomly selected across Sydney, Melbourne, Adelaide and Perth.

<sup>13</sup> It is assumed a mobile phone unit weighs 0.2kg

3, 4 or more)<sup>14</sup>. Where a person has indicated they have 4 or more mobile phones an estimate of 5 phones has been used.

### Annual Collection Rate (Net Imports)

$$\text{ACRNI} = \frac{\text{Annual Collection}}{\text{Net Imports}} \times 100$$

Annual Collection = Weight received by recycler measured in kilograms and converted to tonnes

Net Imports = Manufacturer Reported Imports – Estimated Manufacturer Exports

See previous indicator for definitions of Manufacturer Reported Imports and Estimated Manufacturer Exports.

### Diversion from Landfill

This indicator measures the weight of mobile phone components (i.e. handsets, batteries, plastics and accessories) received by the recycler that have not gone to landfill through the initial recycling process at MRI. It will be expressed as a percentage which is calculated by dividing the *total weight of mobile phone components diverted from landfill* by the *annual collection*.

### Estimated Recycling Rate (materials recovered)

Due to lack of specific data on the processing of mobile phone components from third party recyclers this KPI can only be an estimate of the proportion of materials recovered for reuse from mobile phone components recycled based on industry reported recovery rates for particular materials or components where data is available.

$$\text{Estimated Recycling Rate} = \frac{\text{Estimated Weight of Materials Recovered for Reuse}}{\text{AMTA Annual Collection Wt}} \times 100$$

Estimated Weight of Materials Recovered for Reuse = Estimated weight of all materials recovered from mobile phone components accepted for recycling by all recyclers involved in the processing of mobile phone components for further productive use. This estimate is based on industry reported recovery rates for particular materials or components where data is available.

### Storage Rate of Mobile Phones at home and work

Derived from annual market research<sup>15</sup> that measures the percentage of mobile phone users having two or more mobiles in storage.

### Disposal to Landfill Rate

This is currently measured through market research<sup>16</sup> that measures the percentage of mobile phone users that dispose of their mobile phones to landfill.

<sup>14</sup>Data sourced from ABS population statistics and independent online survey conducted annually by IPSOS on behalf of AMTA of 665 mobile phone users, aged between 16 and 64 years old randomly selected across Sydney, Melbourne, Adelaide and Perth.

<sup>15</sup>Independent online survey conducted annually by IPSOS on behalf of AMTA of 665 mobile phone users, aged between 16 and 64 years old randomly selected across Sydney, Melbourne, Adelaide and Perth.

<sup>16</sup>Independent online survey conducted annually by IPSOS on behalf of AMTA of 665 mobile phone users, aged between 16 and 64 years old randomly selected across Sydney, Melbourne, Adelaide and Perth.

**Awareness Rate of Mobile Phone Recycling**

This is currently measured through market research<sup>17</sup> that measures the percentage of mobile phone users that are aware of mobile phone recycling.

**Industry Participation Rate**

Industry participation is defined as the proportion of shipments of mobile phone handset manufacturers and revenue of mobile network carriers operating in the Australian mobile telecommunications market that contribute financially to the industry’s mobile phone industry recycling program.

This is measured in two parts.

$$\text{Manufacturers}^{18} = \frac{\text{Participating Manufacturer Shipments}}{\text{Industry Imports}}$$

&

$$\text{Mobile Network Carriers}^{19} = \frac{\text{Total Market Share (by revenue) of each Mobile Network Carrier contributing financially to MobileMuster}}{\text{Total Market Share (by revenue) of each Mobile Network Carrier contributing financially to MobileMuster}}$$

Participating members as at 30 June 2009

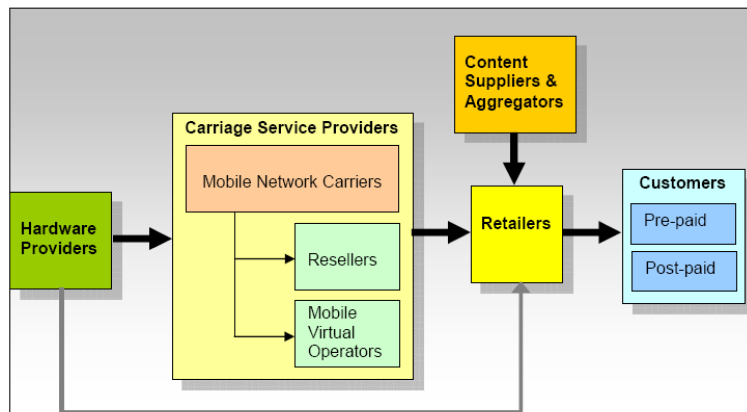
*Handset Manufacturers*- i-Mate, LG Electronics, Motorola, Nokia, NEC, Samsung Electronics Australia, Sharp, Sony Ericsson

*Battery importers* - Force Technology

*Carriage Service Providers – Mobile Network Carriers*- Telstra, Optus, Vodafone, Hutchison (“3”)

*Resellers/Mobile Virtual Network Operators* - Virgin Mobile, AAPT

**FIGURE 2-1: THE MOBILE TELECOMMUNICATIONS INDUSTRY**



Source – Access Economics 2008 Australian Mobile Telecommunications Industry, Economic Significance and contribution

<sup>17</sup> Independent online survey conducted annually by IPSOS on behalf of AMTA of 665 mobile phone users, aged between 16 and 64 years old randomly selected across Sydney, Melbourne, Adelaide and Perth.

<sup>18</sup> Data sourced from Informark

<sup>19</sup> Data quoted is for 2007/08 and sourced from IBISWorld Report, Mobile Telecommunications Carriers in Australia, J7122, September 2009.

## Independent assurance practitioner's limited assurance report to the Directors of Australian Mobile Telecommunications Association on selected Key Performance Indicators

You have engaged us to provide limited assurance on selected key performance indicators for the MobileMuster national mobile phone recycling program (included on page 8 "Summary – Key Performance Indicators", column "2008/09 Actual" of the Australian Mobile Telecommunications Association (AMTA) MobileMuster Annual Report (Annual Report) for the financial year ended 30 June 2009 (the selected KPIs). The selected KPIs provided to us were chosen by AMTA.

The selected KPIs consist of the following:

- Annual Collections (tonnes);
- Annual Collection Rate (Discarded Mobiles);
- Annual Collection Rate (Net Imports);
- Diversion from landfill;
- Storage rate of mobiles at home and work (% users with 2 or more handsets).
- Disposal to landfill rate;
- Awareness rate of mobile phone recycling;
- Industry participation rate – manufacturers; and
- Industry participation rate – mobile network carriers.

### AMTA management's responsibility

Management of AMTA (Management) are responsible for preparing the selected KPIs based on AMTA's "Definitions" included on pages 9 – 11 of the Annual Report. Management are responsible for determining the adequacy of the Definitions to meet the requirements of the MobileMuster national mobile phone recycling program.

### Our responsibility

Our responsibility is to form an independent conclusion on whether, based on our limited assurance procedures, anything has come to our attention to indicate the selected KPIs in the Annual Report have not been prepared and presented in all material respects in accordance with the Definitions. Our responsibilities do not extend to any other information presented in the Annual Report. Historic data has not been subject to assurance by us.

### Assurance work performed

We conducted our limited assurance engagement in accordance with the *Australian Standard on Assurance Engagements 3000 – Assurance Engagements other than Audits and Reviews of Historical Financial Information (ASAE 3000)* issued by the Australian Auditing and Assurance Standards Board. A limited assurance engagement involves making enquiries, primarily of persons responsible for the selected KPIs and applying analytical and other limited assurance procedures to the selected KPIs. The procedures selected, in order to form our conclusion, depend on judgment, including an assessment of the risks of material misstatement of the selected KPIs .

Our procedures applied to the selected KPIs primarily comprised:

- making enquiries of relevant AMTA management and of third parties who have supplied information to AMTA;
- evaluating the design of the key processes and controls for managing and reporting the selected KPIs;
- testing, on a selective basis, the preparation and collation of the selected KPIs prepared by the AMTA; and
- undertaking analytical procedures over certain data provided to us.

A limited assurance engagement in accordance with ASAE 3000 is restricted primarily to enquiries and analytical procedures and the work is substantially less detailed than undertaken for a reasonable assurance engagement under ASAE3000.

**Use of our Report**

This Report, including the conclusion set out below, has been prepared solely for the use and benefit of AMTA to assist the Directors in reporting on the performance of the MobileMuster national mobile phone recycling program.

We assume no responsibility and accept no liability arising out of, or in connection with, any use of, or reliance on this Report by any party other than the Directors AMTA, or for any purpose other than that for which this Report was prepared.

We consent to this Report being included in the Annual Report and understand that a copy of the Annual Report will be made available on the MobileMuster website. We accept no responsibility for the integrity and security of the MobileMuster website and this Report is not intended to relate to, or to be read in conjunction with, any other information that may appear on the MobileMuster website. Readers of this Report on the MobileMuster website (who may read it for their information only) should bear in mind the inherent risks arising from the electronic communication of data.

**Inherent Limitations**

Because of the inherent limitations of any internal control framework and underlying data, it is possible that fraud, error or non-compliance may occur and not be detected. A limited assurance engagement generally comprises of making enquiries, primarily of Management, and applying analytical and other review procedures. The conclusion expressed in this Report has been formed on the above basis.

Additionally, non-financial performance data may be subject to more inherent limitations than financial data, given both its nature and the methods used for determining, calculating and sampling or estimating such data. There are no generally accepted reporting standards applicable for non-financial performance data. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgements. It is important to read the selected KPIs in the context of AMTA's Definitions.

**Conclusion**

Based on our procedures, nothing has come to our attention, which causes us to conclude that the selected KPIs included in the Annual Report for the year ended 30 June 2009 have not been prepared, in all material respects, in accordance with the Definitions.



PricewaterhouseCoopers



Liza Maimone  
Partner

Melbourne  
2 December 2009