



Draft Tyres Product Stewardship Agreement

General Comments

The Agreement is a good starting point for negotiation. However, for the Scheme to achieve its objectives modifications will be needed. The suggested modifications will be explored in more detail in the body of the submission; in brief, these areas are:

- Targets – need measures and targets for reduction of illegal dumping;
- Governance of the Scheme – need for greater transparency;
- National coverage – need methods to ensure this occurs; and
- Clear identification of objectives – both increasing resource recovery and avoidance of environmental and health impacts are valid objectives. However, achieving the first will not necessarily lead to the latter.

For local government in Western Australia, tyres are an economic, social and environmental cost. This cost has not been considered in the Agreement. Communities currently pay for clean up of illegally dumped tyres; if the tyres are collected at a local government facility, local government pays the recycling cost. For non-metropolitan areas this cost can be substantial.

The Agreement

Parties to the Agreement

Local government is not a party to the agreement, and has not been overly consulted in its development. The reference in this section to appendix 5 is incorrect; it should reference appendix 4.

Introduction

The *drivers for improving the management of end-of-life tyres* should also include the cost of cleaning associated with the illegal disposal of tyres. The data in this section is from 2004 and does not differentiate between landfilled, illegally dumped or exported tyres. The use of more recent data would have given a better indication of what the tyre problem actually is, especially with regard to the export market and the extent of illegal dumping.

WALGA Recommendation 1: That current data be used to ascertain the extent of illegal dumping and the export market.

There also seems to be an assumption that export does not count as a legitimate end market. Currently in WA approximately 90% of the Tyres recovered in the Perth Metro area are exported (per comm. DEC controlled waste tracking officer). While local reprocessing and recycling is supported, it should be recognised that, for some

jurisdictions, export may be the only viable recycling option and, if appropriate controls are in place, a legitimate method of recycling.

Vision

The vision given in the Agreement does not address the major issue of illegal disposal of tyres. This is the primary source for environmental, social and economic impacts for local government. Although a sustainable tyre recycling market is a fantastic objective for the Scheme, it does not necessarily mean that illegal dumping and the associated impacts will be addressed.

WALGA Recommendation 2: The vision incorporate an end to illegal dumping of end of life tyres.

Objective

The objectives are broadly supported and cover the range of impacts the scheme would hopefully address. As mentioned previously, the key issue for local government is the environmental, social and economic impacts of illegal disposal of tyres. Given the vision previously stated and the targets given in the document it seems highly likely that this issue will not be addressed by the scheme and that it will come in second to market development. This is not an acceptable outcome given that one of the prime reasons for action (as outlined in the RIS) is to ensure the environmental and health impacts of illegal disposal be addressed.

Performance Targets

In the various documents provided in this consultation, current recycling figures of in excess of 20% are given. Based on those figures the Scheme has already achieved its target for year 1. It would seem pointless to have a target which has already been achieved.

The target of 90% recycling is also questioned, given that in other countries the highest level of recycling achieved is 80%. This target, though admirable, may not be achievable.

The agreement does not indicate if any consideration has been given as to how the stockpile (monofil) issue would be dealt with. In Western Australia, one of the end points for tyres was/is monofil. These tyres are bailed to enable later recovery. It is possible the entry of these tyres into the market would skew achievement of targets. There also appears to be no consideration of post year 11 of the Scheme. Some ongoing monitoring will be required to ensure the high level of recycling is continued.

WALGA Recommendation 3: That the targets include:

- ***Specific targets for each state/territory to ensure equitable coverage of the nation; and***
- ***Targets for illegal dumping reduction.***

Responsibilities of Signatories

Only signatories have responsibility for achieving the vision and objectives. As Local Government is not a signatory currently, there should therefore be no responsibility allocated to Local Government. Ultimately, State Government and tyre producers may have difficulty achieving the set objectives without the assistance of Local Government.

It is strongly supported that the tyre producer signatories remunerate government for the cost of implementing the Scheme.

Governance Arrangements

The duties of the Tyres Stakeholder Forum appear to be extremely inadequate for the purpose outlined in the Agreement. Further comment is included in the Appendix section of this Submission. The appendix references in this section are also incorrect.

Data Collection and Reporting

This area relies on the tyre producers/recyclers having sufficient data capture methods in place to give a true indication of total tyres received, recycled and sold in all jurisdictions. This may ultimately lead to reporting timeframes being unmet if data is unavailable.

Evaluation and Review

There is a need to determine exactly what the measures of success will be. The targets relate to recycling/reuse of tyres, which once again only reflects one of the set objectives, with the other two being left unattended to.

Termination

It is unclear how the EPHC will measure the vision and objectives achievement as the targets, which the reporting will focus on, do not include two of the three objectives. The remaining two objectives need to have direct measures associated with them, or they will be considered subsidiary to the resource recovery objective.

Appendices

Appendix 2 selection criteria do not specifically say how the scheme will assist in meeting the objectives of the Agreement. This needs to be an explicit part of the assessment of any future potential scheme.

Appendix 5 Tyres Product Stewardship Council (TPSC)

The governance arrangements of the TPSC are inadequate. The following modifications are suggested to ensure the process of the Council is open and accountable:

- minutes of the meetings be made public;
- all state and territory governments are represented;
- local government, through ALGA (or nominated representatives), has at least two representatives;
- there is a community representative;
- an independent chair be appointed;

- government should be responsible for the appointment of any independent facilitator;
- costs for attending meetings are covered by the Scheme; and
- all decisions and advice should be made using a consensus decision making process.

Appendix 6 Tyre Stakeholder Forum

There is some inconsistency between the definition of the TSF in the document and the actual attachment. All levels of government are included in the definition in the attachment. However, in the definition in the Agreement no reference is made to Government. The TSF is considered to be an inadequate stakeholder involvement method, as it doesn't have any legitimate method for input into decision making.

WALGA Recommendation 4: The TSF not be included and that other methods be put in place for Stakeholder engagement (such as enhancing the representational structure on the TPSC).

Attachment A Proposed Scheme

The Association strongly supports transport equalisation measures, as for Western Australia one of the barriers for local governments to recycle any tyres they collect is the cost of transporting these tyres to market.

WALGA Recommendation 5: That a transport equalisation measure be developed and made available to local government to ensure equitable access to recycling.

Some of the terms that are used in this document are not clearly defined, for example highest value product. There needs to be clear criteria for establishing what is 'highest value'.

WALGA Recommendation 6: That:

- ***Clear criteria for determining 'highest value' be determined; and***
- ***A process be put in place for assessing future Tyre Derived Products against this criteria.***

The other process which needs more clarification is how end users will be accredited. While the Association supports an accreditation process, it needs to be one which does not inhibit new players into the market. Therefore the Association strongly questions whether the Tyre Product Stewardship Ltd is the most appropriate body to undertake this accreditation process.

WALGA Recommendation 7: That the accreditation process:

- ***Be conducted by an independent body;***
- ***The criteria for accreditation be established and made publically available for comment; and***
- ***Full public reporting of applicants to the accreditation (and the outcome of the process) be provided.***