

New Zealand Tyre Industry Summit June 2015

Tyre Stewardship Australia

- Changing market perspectives



TyreStewardship
AUSTRALIA

The Australian Problem

Increasing pressure to reduce tyres going to landfill, stockpiles, illegal dumping, and export of whole baled tyres to countries for inappropriate disposal (low temp burning)

Data estimates from Hyder study into fate of end-of-life tyres:

51 million tyre equivalent passenger units (EPU) tyres entering the waste stream in 2013-14.

68% EOL passenger & 32% truck tyres exported energy and reuse
OTR 84% landfill and stockpiling

5% domestically recycled (in 2015) down from 16% in 2010

Wasted resource, health and environmental risks

Inconsistent with company CSR and/or environmental policies

Inconsistent with community expectations reflected in government policies

The Australian Challenge

Sustainability of domestic recycling industry: currently uneconomic

Need to eliminate tyres going to landfill and inappropriate exports
-Supply of tyres for recycling is undermined

Lack of level playing field for tyre supply chain participants

No recognition of higher cost of sustainable use of tyres

Capturing the value of a tyre

Lack of viable end-markets

Lack of Data

Lack of Standards and uniform legislation

The Role of TSA

Aims to turn waste into a valuable resource

TSA will undertake:

- Industry and community education on end-of-life tyre management
- Research and development of new uses for tyre-derived raw materials
- Independent accreditation and auditing to eradicate dirty, unsafe and unethical practices
- Data collection and reporting

The Members of TSA

Not for profit industry body

Major manufacturers/importers representing the majority of the Australian tyre market:-

Bridgestone, Continental, Goodyear-Dunlop, Michelin, Pirelli, Toyo, Yokohama, Tyrepower, Australian Motor Industry Federation

Tyre retailer; Tyre recyclers

Federal and State Government Support

Recognition and encouragement

Federal Environment Minister The Hon. Greg Hunt MP launched the TSA on January 20, 2014.

Government support for an industry solution rather than further regulation



The Basis for a Stewardship Scheme

Series of commitments (or code of conduct) by tyre importers, retailers, collectors, recyclers, governments, fleet operators, miners and other large users.

A tyre **stewardship fund** used to support the activities of the scheme

An **organisation** called Tyre Stewardship Australia (TSA) responsible for administering the scheme

Objectives and Principles of the Scheme

Objectives

To increase resource recovery and recycling and minimise the environmental, health and safety impacts of end-of-life tyres generated in Australia, and

To develop Australia's tyre recycling industry and markets for tyre derived products.

Principles

Industry-led and operated

Acknowledges the inherent value of end-of-life tyres

Committed to market-based solutions for sound end-of-life tyre management

Complements relevant policies and legislation and supports compliance with relevant laws and practices

Appropriately resourced and empowered to deliver its objectives

General Commitments

All participants in the scheme **commit to:**

- Support the objectives of the scheme
- Deal transparently and ethically with others involved in the tyre supply chain, including consumers
- Promote the scheme to the community, other businesses and organisations
- Use the scheme's branding and logo
- Abide by relevant policies and legislation
- Co-operate with surveys and with random or risk-based audits

Commit to contribute to:

- Environmentally sound use of end-of-life tyres
- Elimination of the export of whole baled tyres from Australia
- Elimination of the illegal dumping of end-of-life tyres, and
- Elimination of end-of-life tyres going to landfill except where no viable alternative is available

Addressing the challenge – market barriers

Domestic

High processing and transport costs

Constrained Demand for TDP

Competition for collection fees

Landfill pricing

International

Impact of commodity prices

Impact of oil price

Market conditions (eg Malaysian pyrolysis plant closures)

Addressing the challenge - levers

Regulatory interventions

- storage and collection regime
- harmonisation

Adoption and enforcement of standards

Sustainable procurement policies

Investment opportunities – brokering

Lack of viable end-markets

- capturing the value of a tyre

Lack of data – existing and new entrants to market need better information

Addressing the challenge – technical

Asphalt

- specifications
- product performance (impact of other waste streams)

Pyrolysis - Value for end products

- access to clean energy market mechanisms
- oil and steel known markets
- carbon black market -

Moulded products, mulch, soft surfacing

Bonding in plastics – autoparts, sewerage pipes etc

Diesel replacement in explosives - economics and reliability

TSA Website

www.tyrestewardship.org.au

Full details on the TSA, members, supporters, how it works, what it does and what accreditation entails

The screenshot shows the homepage of the TyreStewardship Australia website. At the top, there is a navigation bar with links for 'Login', 'Register your Expression of Interest', 'Resources', and 'Media Room'. Below this is a search bar and the TyreStewardship Australia logo. A main navigation menu includes 'Home', 'About Us', 'Members', 'Accreditation', 'Knowledge', 'Latest News', and 'Contact Us'. The central banner features a photograph of hands holding a pile of black tyre granules, with the text 'Growing the domestic recycling industry and its market for tyre derived products' and a 'LEARN MORE >>' link. Below the banner are five icons with corresponding text: 'About TSA' (TyreStewardship logo), 'TSA Scheme' (three horizontal lines), 'Accreditation' (a green checkmark), 'Recycled Tyre Uses' (a recycling symbol), and 'Apply Online' (a laptop icon). The 'Latest News' section contains two articles: 'Tyrepower joins tyre clean-up scheme' dated 13 Aug, 2014, and 'Industry acts on escalating tyre disposal problem' dated 3 Jun, 2014.

Contacts

Gerry Morvell Chairman

Matt Genever Chief Executive Officer

www.tyrestewardship.org.au

