



Australian Competition and Consumer Commission  
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**ResiLoop Limited's response to a submission made by the Total Environment Centre regarding its application for authorisation to establish and operate a voluntary, industry-led product stewardship scheme to collect and recycle resilient flooring waste (the Scheme).**

ResiLoop Limited (ResiLoop) appreciates the opportunity to respond to the submission made by Total Environment Centre (TEC) on 19 August 2024 in the public consultation process. We have noted TEC's suggestions and comment on some of the matters raised as follows:

**1. Voluntary vs mandatory schemes**

Members of the Australian Resilient Flooring Association (ARFA) sought a solution to address resilient floorcovering waste streams within Australia, particularly after the introduction of the Waste Reduction (Export - Waste Plastic) Rules 2021 (Cth) (Plastic Rules) and the amended controls through the Hazardous Waste Act (Regulation of Exports and Imports) 1989 that implements Australia's obligations under the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal. These regulations meant that from 1 July 2022, waste plastics can only be exported that have been sorted into a single resin or polymer type and undergone some processing in Australia, such as granulation. These new and amended controls meant that some existing company take-back schemes operated by ARFA member companies found it more difficult to export waste generated from imported floorcovering products to manufacturing plants in Europe and elsewhere.

Voluntarily, ARFA members determined that working collectively to develop onshore recycling capability and capacity would deliver results sooner than if a regulated, mandatory approach were pursued. The application and awarding of the National Product Stewardship Investment Fund grant by the Commonwealth in 2022 provided ARFA with an opportunity to commence immediate design of an industry-supported scheme.

The Scheme has been developed as a voluntary approach initially, such that any supplier of resilient floorcoverings in the local market may opt-in to the Scheme. Commencing now with a voluntary scheme will expedite the ability to start delivering environmental and public benefits. Should free-riders impede its progress towards its targets as the Scheme expands in terms of membership coverage, product inclusion and material collection volumes, ResiLoop recognises that it may need to advocate for the inclusion of the Scheme on the Minister's Priority List and possibly, co-regulation. This has been included in market communication of its implementation roadmap.

**2. Claiming environmental credence**

TEC is rightly concerned about greenwash in the market, and questions that members of the Scheme will claim 'environmental credence'. It is the case that membership of the Scheme confers to members the right to use the ResiLoop membership logo under strict terms and conditions, to convey to the market their support of the Scheme and that their products are 'in-scope' for the Scheme. The Scheme has been designed such that in the early phases, only Scheme members' products will be recoverable and therefore it is important to have a mark which clearly identifies which brands and products are in-scope. Those who support investment in the Scheme – particularly given that a proportion of the funding raised is for research and development – should be distinguishable from companies that choose not to.

Likewise, those contractors and retailers that choose to support ResiLoop by establishing Collection Points and participating in the waste recovery process should also be recognisable in the market. Examples of the logos permitted to be used by full and associate members and ResiLoop partners include:



RESILIENT FLOORCOVERING RECYCLING



ResiLoop's policy for use of its trademark logo reiterates that the ResiLoop logo is a valuable asset that represents our core values of compliance, commitment to transparency, innovation, and sustainability. It is essential to protect it to maintain consistency and reinforce the Scheme's brand identity across all communications and products. Usage by members is for relevant in-scope products only and ResLoop will monitor to ensure it is used accurately to represent eligible products under



the Scheme. The logo does not overstate the Scheme's claims nor the member's participation, however it will encourage competition.

ResiLoop is bound by its governance structures to provide transparent, accessible, annual reporting on key performance metrics to minimize the risk of greenwashing. As an independently operated scheme with a focus on transparency and accountability, ResiLoop will provide a verifiable pathway for companies in the industry to make claims regarding waste recovery and recycling, reducing the potential for greenwashing.

### **3. Credible targets**

We recognise that ResiLoop's initial targets for waste recovery and recycling are modest, however ResiLoop is commencing from, effectively, zero and expectations of the environmental and public benefits any scheme can achieve in the first 5 or 6 years must be credible. ResiLoop's key objective is not only to recover increasing volumes of these largely imported materials from landfill for alternative uses within Australia, delivering both environmental and economic benefit, but also to undertake the necessary research and investment in development of local capability in reprocessing these materials and in driving a circularity mindset in its members eg through improved product design. In other words, the tonnes of waste recovered is not the only metric for the program. Such research and development requires time. A recovery rate of 50% by year 3 would be highly speculative.

As outlined in our ACCC authorisation application of 28 June 2024, ResiLoop has deliberately designed in a full independent review of the Scheme to begin no later than the fifth anniversary of the commencement of the Scheme. The review will consider not only the success of the Scheme in meeting its annual targets, including industry participation, but also provide recommendations for any material improvements to the Scheme's operation.

We trust this provides clarity about ResiLoop's purpose and approach.

Yours sincerely

**Sophi MacMillan**  
CEO

7 October 2024