Wednesday, 17 May 2017

By email: david.jones@accc.gov.au

David Jones
General Manager, Adjudication
Australian Competition and Consumer Commission

Dear Mr Jones,

Re: North East Waste and Resource Recovery Group – Revocation and substitution

The North East Waste and Resource Recovery Group (NEWRRG) is a Victorian statutory body corporate established under section 50 of the Environment Protection Act 1970 (Vic). NEWRRG is responsible for municipal solid waste planning in the north east region of Victoria and, in that capacity it works with all north east councils, the city of Albury and the alpine resorts to coordinate efficient procurement of waste and resource recovery services.

NEWRRG is applying for authorisation on behalf of itself, all of the regions councils, Albury and alpine resorts in relation to several joint procurement contracts as described in the completed Form FC and the supporting submission.

Enclosed are the following documents:
1. Form FC Revocation and substitution
2. Supporting submission
3. Letter from the ACCC granting NEWRRG a fee waiver

If you have any questions or require additional information please contact Mr Richard Paschke, NEWRRG Manager Planning & Procurement, on 0427 807 880.

Kind Regards,

Richard Paschke
Manager Planning and Procurement

www.nerwwg.vic.gov.au
Form FC
Commonwealth of Australia

Competition and Consumer Act 2010 — subsection 91C (1)

APPLICATION FOR REVOCATION OF A NON-MERGER
AUTHORISATION AND SUBSTITUTION OF A NEW
AUTHORISATION

To the Australian Competition and Consumer Commission:

Application is hereby made under subsection 91C (1) of the Competition and Consumer Act 2010 for the revocation of an authorisation and the substitution of a new authorisation for the one revoked.

PLEASE FOLLOW DIRECTIONS ON BACK OF THIS FORM

1. Applicant

(a) Name of applicant:
(Refer to direction 2)

North East Waste and Resource Recovery Group (NEWRRG)
Albury City Council
Alpine Shire Council
Benalla Rural City Council
Indigo Shire Council
Mansfield Shire Council
Towong Shire Council
Rural City of Wangaratta Council
City of Wodonga Council
Falls Creek Alpine Resort Management Board
Mt Hotham Alpine Resort Management
Mt Buller Mt Stirling Alpine Resort Management

(b) Description of business carried on by applicant:
(Refer to direction 3)

NEWRRG is one of seven Victorian waste and resource recovery groups responsible for waste and resource recovery planning. NEWRRG was established under the Environmental Protection Act 1970 (VIC). The geographical area covered by NEWRRG incorporates seven (7) municipalities and three (3) alpine resort managements. Albury is a close neighbour to Wodonga separated by the Murray river and traditionally they have a close relationship with each other. Albury is therefore included in

A91585
this application. Amongst other functions the waste and resource recovery groups purpose is legislated under section 49H b-d as follows:

(b) to facilitate the provision of waste and resource recovery infrastructure and services by councils within its waste and resource recovery region; and

(c) to facilitate the development of contracts for the joint procurement of waste management facilities and waste and resource recovery services within its waste and resource recovery region; and

(d) to manage contracts in the performance of its objectives and functions;

The municipalities are all local government bodies under the Local Government Act 1987 (VIC) or Local Government Act 2009 (NSW).

Please also refer to the supporting submission.

(c) Address in Australia for service of documents on the applicant:

North East Waste and Resource Recovery Group

Level 3 62-68 Ovens Street,

Attn: Richard Paschke

Wangaratta, Victoria, 3677

Email: richard.paschke@newrrg.vic.gov.au

2. Revocation of authorisation

(a) Description of the authorisation, for which revocation is sought, including but not limited to the registration number assigned to that authorisation:

The current authorisation A91551 is authorising NEWRRG, 7 north east Victorian councils and 3 ski resorts to jointly tender and negotiate for the supply of waste and resource materials collection, transport and processing services. This includes:

• the collection from Transfer stations, Resource Recovery Centres and landfills,

• transport of materials from the collection locations to the processing sites

• processing at the processing sites of
  o Metal recycling
  o Tyre recycling
  o Plastic recyclers
  o Electronic waste recyclers
o Mattress recyclers
  • concrete crushing and garden waste chipping on site
  • receiving and processing of organics (together, the Service Streams); and
  • purchase of waste and resource recovery infrastructure.

In particular, - NEWRRG, on behalf of the Constituted Councils, to conduct collaborative competitive tender processes for services within the Service Streams (including the sharing of information), to evaluate the responses in collaboration with the Constituted Councils and to negotiate on behalf of the Constituted Councils the contractual framework - the Constituted Councils to individually enter into separate contracts on identical or near identical terms with each Supplier/Operator (the contracts for all services within the Service Streams will be on the same general terms and conditions); and - certain decisions regarding the ongoing administration and management of the resultant contracts to be made jointly by NEWRRG and/or particular Constituted Councils.

(b) Provide details of the basis upon which revocation is sought:

A91551 is granting authorisation to a cluster of councils and resort management boards that consist of the partners in NEWRRG. One partner, Wodonga City in Victoria, is separated from Albury in New South Wales by the Murray River and they are often referred to as twin city. The two separate administrations work closely together, share a waste education campaign and a kerbside contract.

Albury City Council has confirmed that, with the new Resource Recovery Centre completed, their rate payers and the broader community (such as environmental, financial and service delivery) will be able to benefit significantly from joining the existing joint procurement arrangement.

This will grant Albury City Councils future involvement in joint procurement processes facilitated by NEWRRG and will involve revoking the current authorisation and substituting it with a new authorisation including Albury City Council.
3. **Substitution of authorisation**

   a) Provide a description of the contract, arrangement, understanding or conduct whether proposed or actual, for which substitution of authorisation is sought:  
      *(Refer to direction 4)*

      - waste and resource materials collection and transport services
      - waste and resource materials processing services
      - receiving and processing of organics
      - waste and resource recovery infrastructure

   b) Description of the goods or services to which the contract, arrangement, understanding or conduct (whether proposed or actual) relate:

      This application is seeking revocation and substitution of the approval A91551. Revocation and substitution of A91551 is sought for the sole reason to include the City of Albury as an applicant. All other aspects remain the same as in A91551.

      It is necessary for the applicants to issue the Request for tender for the provision of tyre collection, transport and reprocessing (recycling) (RFT) as soon as possible ideally by the beginning of July 2017. For these reasons:

      i) Urgent interim authorisation is sought by the applicants for:

         1. Discussions between the applicants about the procurement of tyre collection, transport and reprocessing (recycling) services;
         2. The inclusion of Albury City Council in the joint procurement
         3. The negotiation and entry into an agreement between them that will govern the procurement process, including the evaluation of tender responses;
         4. The preparation of the RFT;
         5. NEWRRG to issue the RFT to the market on behalf of the applicants;
         6. The evaluation of tender responses by the applicant; and
         7. The negotiation and entry into tyre collection, transport and reprocessing (recycling) contracts between each local government and the successful contractor (with such contracts each being subject to a condition precedent of final authorisation being granted by the ACCC).

      ii) Final authorisation is sought by the applicants for:

         1. The conduct the subject of the request for interim authorisation above; and
(2) Giving effect (including giving effect to any future extensions of term) to the tyre collection, transport and reprocessing (recycling) contractors.

The applicants submit that a grant of interim authorisation for the conduct summarised under paragraph 2 above will not have any anticompetitive impact because the market dynamics will not be affected unless and until new waste related service or infrastructure contracts other than the tyre collection, transport and reprocessing (recycling) contract will become effective. No new waste collection contracts until final authorisation is granted by the ACCC.

During any period between a grant of interim authorisation and a grant of final authorisation, the existing waste service contracts performed pursuant to their terms will remain in place.

(c) The term for which substitute authorisation of the contract, arrangement or understanding (whether proposed or actual), or conduct, is being sought and grounds supporting this period of authorisation:

The applicants seek an authorisation for a total period of 11 years, comprising of:

- a three-year period for joined procurement processes
- and operating terms of three years to eight years

4. Parties to the contract, arrangement or understanding (whether proposed or actual), or relevant conduct, for which substitution of authorisation is sought

(a) Names, addresses and description of business carried on by those other parties to the contract, arrangement or understanding (whether proposed or actual), or the relevant conduct:

Waste and resource recovery operators and suppliers will be selected as a result of the competitive tendering processes.
(b) Names, addresses and descriptions of business carried on by parties and other persons on whose behalf this application is made:

(Refer to direction 5)

Albury City Council, 553 Kiewa Street, Albury NSW 2640
Alpine Shire Council, Churchill Ave & Hawthorn Lane, Bright VIC 3741
Benalla Rural City Council, 1 Bridge St, Benalla VIC 3672
Indigo Shire Council, 101 Ford St, Beechworth VIC 3747
Mansfield Shire Council, 33 Higlett St, Mansfield VIC 3722
Towong Shire Council, 32 Towong St, Tallangatta VIC 3700
Rural City of Wangaratta Council, 62 Ovens Street, Wangaratta VIC 3677
City of Wodonga Council, 104 Hovell St, Wodonga VIC 3690

The above are all local governments under the provision of the Local Government Act 1987 (VIC) (the VIC Act) or the Local Government Act 2003 (NSW) (the NSW Act) and provide services outlined in the Act.

Falls Creek Alpine Resort, 1 Slalom Street, Falls Creek VIC 3699
Mt Buller/Mt Stirling Alpine Resort, Village Square, Mt Buller 3723
MT Hotham Alpine Resort, 40 Great Alpine Road, Hotham Heights VIC 3741

The above are all alpine resort management boards under the provision of the Alpine Resorts (Management) Act 1997 (VIC) (the ARM Act) and provide services under the ARM Act.

(c) Where those parties on whose behalf the application is made are not known - description of the class of business carried on by those possible parties to the contract or proposed contract, arrangement or understanding:

N/A
5. **Public benefit claims**

(a) Arguments in support of application for substitution of authorisation:

The proposed conduct will result in significant and sustained improvements to community welfare in the form of cost savings, efficiency improvements, environmental benefits and attraction of investment.

There will also be benefits for small rural councils and alpine resorts that would not attract waste and resource recovery industry service provision due to long distances and small quantities of materials.

Tendering processes in Victoria and NSW are onerous processes and involve considerable resources.

Joint tendering will be efficient and derive financial benefits through eliminating the duplication of work by each council and alpine resorts as well as the tenderers.

Further economic benefits are realised through the aggregation of materials. All cost savings will directly benefit the rate payers and enable councils and alpine resorts to provide other services to benefit their residents.

(b) Facts and evidence relied upon in support of these claims:

The ACCC has previously recognised a public benefit in the form of improved economies of scale realised through lower costs per tonne collected/processed in a joint tender for waste services by councils.

- A91483 Maitland City Council & Ors, Determination, 9 July 2015;
- A91489 & A91490 Metropolitan Waste and Resource Recovery Group & Ors, Determination, 9 July 2015;
- A91500 Redland City Council & Brisbane City Council, Determination, 8 October 2015

6. **Market definition**

Provide a description of the market(s) in which the goods or services described at 3 (b) are supplied or acquired and other affected markets including: significant suppliers and acquirers; substitutes available for the relevant goods or services; any restriction on the supply or acquisition of the relevant goods or services (for example geographic or legal restrictions):

The services described in the application have different characteristics. While many of the processing service providers also offer collection and transport, some may only offer processing and a separate transport supplier may be contracted. This application seeks authorisation for the collection of waste and resource materials from transfer stations, resource recovery centres and landfills, the processing or disposing of these waste and resource materials, and the purchase of infrastructure that supports these services in the north east region.
5.1 Waste and resource materials collection, transport and processing services

Collection and transport suppliers may offer specialised collection infrastructure like bunded pallets, stillages or skip bins on hire basis and service provision is normally offered by traditional waste transport providers or processing service providers with a transport fleet. Suppliers will collect the receptacles and transport the materials to processing facilities in the region most of which are located in the Melbourne Metro area. In some cases (metal and plastics) compaction occurs on site for greater transport efficiencies.

Typical service providers for waste transport are TPI, JJ Richards, Remondis, SITA and Veolia Environmental Services.

Processing of waste and resource materials requires substantial infrastructure and is usually supplied by established companies. Most of the suppliers are in metro Melbourne and offer collection and transport services as well.

5.1.1 Metal recycling

Processing of mixed metals and car batteries.

There are only a handful of large operators that have the necessary environmental and OH&S expertise to service local government contracts. Typical suppliers SIMs Metal Management, Norstar and OneSteel.

This service is unusual as it provides an income for council.

Tendering for metal reprocessing will occur in 2018/19.

5.1.2 Tyre recycling

Recycling of end of life automobile tyres.

NEWRRG only accepts offers from ATRA (Australian Tyre Recycling Association) members to ensure proper processing. There are only four providers for this service in Victoria. The service providers are TYRECYCLE, Entyre Enterprise, Tyre Crumb, Casings Australia.

Tendering for tyre recycling services will commence in July 2017.

5.1.3 Plastic recyclers

Plastics are low density, low value materials and transport over long distances is usually not viable.

The industry categorises post industry and post consumer plastics. Post industry plastics are characterised through high volumes of clean and
consistent material and have a higher value than inconsistent contaminated post consumer plastics.

There are few regional plastic recyclers specialising in post consumer plastics like Plastic Forest and GT Recycling.

There are plastic recyclers in Melbourne, however most of the facilities there specialise in post industry plastics.

Tendering for plastic recycling needs to be based on a business plan showing viable solutions. It is not clear if and when tendering for plastic reprocessing services will be undertaken.

5.1.4 Electronic waste recycling

Electronic waste recycling is mostly done by a hand disassembling process which is often but not exclusively done by social enterprise. MRI PTY LTD is one of the commercial operators in Victoria.

There are some operators that crush the appliances and then use mechanical and chemical processes to separate the different materials.

Electronic waste tendering was undertaken and a new contractor appointed in November 2016 for a period of 3 years.

5.1.5 Mattress recyclers

Materials from mattresses are being recovered in three different ways and the companies involved in the processes are:

- Shredding companies
  - Mattress Gator PTY LTD
  - WM Waste Management PTY LTD
- Hand disassembling companies
  - Resource Recovery Australia
  - Several smaller social enterprises
- And by machine disassembling
  - TIC GROUP

Tendering for mattress recyclers will commence in 2018/19

5.1.6 Concrete crushing and garden waste chipping

These services are usually performed on site and the resulting product remains council property. There is a multitude of companies involved that
travel all over Australia. Typical companies are Aussredding PTY LTD, Shoalhaven recycling, J&K Tree Recycling PTY LTD.

Tendering was undertaken in May 2016 and a three year contract was awarded.

5.2 Waste infrastructure providers

There is a wide range of infrastructure providers that cover specialised suppliers of bin surrounds, litter and waste collection vessel manufacturers.

7. Public detriments

(a) Detriments to the public resulting or likely to result from the substitute authorisation, in particular the likely effect of the conduct on the prices of the goods or services described at 3 (b) above and the prices of goods or services in other affected markets:

NEWRRG submits that the Tender would result in minimal public detriment. Any possible reduction in competition will be mitigated by the following factors:

1. The Tenders will be public and conducted pursuant to the state government guidelines. The process will allow the maximum number of suppliers to compete to provide the Services.
2. Greater material quantities may allow for the establishment of a regional organics processing facility which will increase financial viability and decrease environmental risk
3. Services will likely attract a lower prices due to greater volumes
4. Small rural councils and alpine resorts may be able to offer a wider range of recycling services to their communities

(b) Facts and evidence relevant to these detriments:

In previous, similar applications, the ACCC has recognised that joint tendering between councils for waste management services is unlikely to have any significant public detriment that could outweigh the numerous public benefits that flow from such a tender.
8. **Contracts, arrangements or understandings in similar terms**

This application for substitute authorisation may also be expressed to be made in relation to other contracts, arrangements or understandings (whether proposed or actual) that are, or will be, in similar terms to the abovementioned contract, arrangement or understanding.

(a) Is this application to be so expressed?

N/A

(b) If so, the following information is to be furnished:

(i) description of any variations between the contract, arrangement or understanding for which substitute authorisation has been sought and those contracts, arrangements or understandings that are stated to be in similar terms:

N/A

*(See Direction 9 of this Form)*

(ii) Where the parties to the similar term contract, arrangement or understanding(s) are known - names, addresses and description of business carried on by those other parties:

N/A

*(See Direction 5 of this Form)*

(iii) Where the parties to the similar term contract, arrangement or understanding(s) are not known — description of the class of business carried on by those possible parties:

N/A

9. **Joint Ventures**

(a) Does this application deal with a matter relating to a joint venture (See section 4J of the *Competition and Consumer Act 2010*)?

No

(b) If so, are any other applications being made simultaneously with this application in relation to that joint venture?

N/A.

(c) If so, by whom or on whose behalf are those other applications being made?

N/A

10. **Further information**

(a) Name, postal address and telephone contact details of the person authorised by the parties seeking revocation of authorisation and substitution of a replacement authorisation to provide additional information in relation to this application:

North East Waste and Resource Recovery Group
Level 3 62-68 Ovens Street,
Attn: Richard Paschke
Wangaratta, Victoria, 3677

Email: Richard.paschke@newrrg.vic.gov.au

Dated: 11. May 2017

Signed by/on behalf of the applicant

(Signature)

Richard Paschke
(Full Name)

North East Waste and Resource Recovery Group
(Organisation)

Manager Planning and Procurement
(Position in Organisation)
DIRECTIONS

1. Where there is insufficient space on this form to furnish the required information, the information is to be shown on separate sheets, numbered consecutively and signed by or on behalf of the applicant.

2. Where the application is made by or on behalf of a corporation, the name of the corporation is to be inserted in item 1 (a), not the name of the person signing the application and the application is to be signed by a person authorised by the corporation to do so.

3. In item 1 (b), describe that part of the applicant’s business relating to the subject matter of the contract, arrangement or understanding, or the relevant conduct, in respect of which substitute authorisation is sought.

4. In completing this form, provide details of the contract, arrangement or understanding (whether proposed or actual), or the relevant conduct, in respect of which substitute authorisation is sought.
   
   (a) to the extent that the contract, arrangement or understanding, or the relevant conduct, has been reduced to writing — provide a true copy of the writing; and

   (b) to the extent that the contract, arrangement or understanding, or the relevant conduct, has not been reduced to writing — provide a full and correct description of the particulars that have not been reduced to writing; and

   (c) If substitute authorisation is sought for a contract, arrangement or understanding (whether proposed or actual) which may contain an exclusionary provision — provide details of that provision.

5. Where substitute authorisation is sought on behalf of other parties provide details of each of those parties including names, addresses, descriptions of the business activities engaged in relating to the subject matter of the authorisation, and evidence of the party’s consent to authorisation being sought on their behalf.

6. Provide details of those public benefits claimed to result or to be likely to result from the contract, arrangement or understanding (whether proposed or actual), or the relevant conduct, including quantification of those benefits where possible.

7. Provide details of the market(s) likely to be affected by the contract, arrangement or understanding (whether proposed or actual), in particular having regard to goods or services that may be substitutes for the good or service that is the subject matter of the application for substitute authorisation.

8. Provide details of the detriments to the public, including those resulting from the lessening of competition, which may result from the contract, arrangement or understanding (whether proposed or actual). Provide quantification of those detriments where possible.

9. Where the application is made also in respect of other contracts, arrangements or understandings, which are or will be in similar terms to the contract, arrangement or understanding referred to in item 2, furnish with the application details of the manner in which those contracts, arrangements or understandings vary in their terms from the contract, arrangements or understanding referred to in item 2.
Dear Mr Paschke

Fee waiver request

Thank you for your letter of 5 May 2017 to the Australian Competition and Consumer Commission (ACCC) asking that we waive the fee wholly or in part for the expected application for revocation and substitution of a new authorisation by the North East Waste and Resource Recovery Group (NEWRRG).

In support of your request, you submitted that:

(a) The councils as well as NEWRRG are government organisations and are not operating for profit.

(b) The fee would be paid from local and state government budgets and could be used for other public functions benefitting rate payers.

I have considered the information provided. As a person authorised to assess fee waiver requests for and on behalf of the ACCC, I have decided that the related application fee to be paid by NEWRRG will be waived in whole. No application fee will apply for the application for revocation and substitution of a new authorisation to be lodged by NEWRRG.

This decision will remain in force for a period of three months. The three month period will expire on 9 August 2017.

A copy of this letter should accompany the application for revocation and substitution of a new authorisation to be lodged by NEWRRG. The cover letter to the application should mention that a letter from the ACCC regarding a fee waiver is enclosed with the application. The application together with this letter will be placed on the public register at that time.

If the application for revocation and substitution of a new authorisation is lodged by NEWRRG after 9 August 2017, a full application fee of $2500 will apply, unless a subsequent request for a fee waiver is made and approved by the ACCC.
If you have any queries in relation to this matter, please contact Matthew Oakeshott on 02 6243 1184.

Yours sincerely

David Jones
General Manager
Adjudication
1 The North East Waste and Resource Recovery Group

The North East Waste and Resource Recovery Group (NEWRRG) is one of seven statutory Waste and Resource Recovery Groups in Victoria constituted under the EP Act. The north east region consists of the municipal districts of the following local governments:

- Albury City Council
- Alpine Shire Council
- Benalla Rural City Council
- Indigo Shire Council
- Mansfield Shire Council
- Towong Shire Council
- Wangaratta Rural City Council
- Wodonga City Council,

as well as areas managed by the following alpine resort management boards:

- Falls Creek Alpine Resort Management Board
- Mount Hotham Alpine Resort Management Board
- Mount Buller and Mount Stirling Alpine Resort Management Board.

NEWRRG is responsible for planning and facilitating the development of waste and resource recovery facilities and services across the north east region. Its legislative functions are to plan for future infrastructure needs; facilitate infrastructure development, services and joint procurement contracts; work with and advise Sustainability Victoria, councils, businesses and communities; support collaborative forums; and undertake projects funded by government or industry.

1.1 Overview of the region

1.1.1 Population

The north east region (Figure 1) comprises seven local governments and three alpine resort areas (Table 1). The region is situated around the Hume Freeway in north east Victoria, making it a hub for industry and logistical companies. It also borders NSW at the Murray River and, with its snowy mountains and vineyards, is a tourist destination. The north of the region is marked by the twin city Albury-Wodonga.

Figure 1 Map of the north east region
The current population for the region including Albury is 167,695\(^1\), with visitors to the alpine resorts alone totalling around 576,000\(^2\) per year.

Table 1 Councils and alpine resorts in the region and Albury

<table>
<thead>
<tr>
<th>Council/resort</th>
<th>Abbreviation</th>
<th>Main centre(s)</th>
<th>Permanent population(^3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alpine Shire Council</td>
<td>Alpine</td>
<td>Mt Beauty, Bright, Myrtleford</td>
<td>11,881</td>
</tr>
<tr>
<td>Albury City Council</td>
<td>Albury</td>
<td>Albury</td>
<td>50,243</td>
</tr>
<tr>
<td>Benalla Rural City Council</td>
<td>Benalla</td>
<td>Benalla</td>
<td>13,647</td>
</tr>
<tr>
<td>Indigo Shire Council</td>
<td>Indigo</td>
<td>Beechworth, Chiltern, Rutherglen, Yackandandah</td>
<td>15,178</td>
</tr>
<tr>
<td>Mansfield Shire</td>
<td>Mansfield</td>
<td>Mansfield</td>
<td>7,893</td>
</tr>
</tbody>
</table>

\(^1\) ABS, Census Data by Local Government Area 2014
\(^3\) ABS, Census Data by Local Government Area 2014
There are four rural cities, Albury, Wodonga, Wangaratta and Benalla situated on the Hume highway. Benalla and Wangaratta have large rural areas surrounding them. Albury is the biggest city of the procurement cluster just outside the region and is located at the southern border of NSW across the Murray river from Wodonga. Albury – Wodonga is often referred to as twin city due to the proximity. Albury Wodonga has a predominantly urban population.

Alpine Shire, Mansfield, Indigo Shire and Towong are rural locations with one or more main centres. They are located off the Hume highway and have traditionally found it difficult finding viable waste service solutions.

NEWRRG (formerly known as NevRwaste) have for this reason been facilitating joint procurement for the councils in the north east since 2000.

1.2 Collaborative procurement

These procurement activities have in the past been undertaken without the authorisation of the ACCC and it has recently come to our attention that this activity can cause a risk to the councils in the region as well as to the regional group.

The aggregation of resource materials through collaborative procurement enabled the region to gain economies of scale that attract the resource recovery industry and increased the viability of resource recovery. Subsequently the region achieved a significant increase in resource recovery and a reduction in disposal to landfill.

In case the region would not get an authorisation from the ACCC to jointly procure, the north east group and the councils would possibly seize the activity and viable recovery of some of the resources currently diverted from the waste stream would no longer be possible.

1.3 Statutory Functions of the waste and resource recovery groups

The Victorian Minister for the Environment has recognised the need for accumulation of waste quantities and has legislated the functions of the waste and resource recovery groups under section 49H b-d of the Environment Protection Act (1970) (The Act) as follows:

- (b) to facilitate the provision of waste and resource recovery infrastructure and services by councils within its waste and resource recovery region; and
- (c) to facilitate the development of contracts for the joint procurement of waste management facilities and waste and resource recovery services within its waste and resource recovery region; and
- (d) to manage contracts in the performance of its objectives and functions;

1.4 Potential impact if collaborative procurement ends

Without the ACCC authorisation for joint procurement:
• the waste and resource recovery groups could not fulfil their legislative functions under the Act to procure infrastructure and services and to manage contracts on behalf of the councils,
• there would be negative environmental impacts through a reduction in resource recovery especially in the smaller more remote councils.
• There would be a financial impact on the councils and therefore rate payers due to rising cost of resource recovery.