



Environment Protection Authority

GPO Box 2607 Adelaide SA 5001

T (08) 8204 2004

Country areas 1800 623 445



Government of South Australia

Green Industries SA

ABN 76 149 388 126

Level 4
81-95 Waymouth Street
Adelaide SA 5001

GPO Box 1047
Adelaide SA 5001

Tel +61 8 8204 2051
Fax +61 8 204 1911

www.greenindustries.sa.gov.au

Mr Gavin Jones
Director
Competition Exemptions
ACCC
GPO Box 3131
Canberra ACT 2601

Email: exemptions@acc.gov.au

Dear Mr Jones

Re: Tyre Stewardship Australia Limited application for revocation of authorisation AA1000409 and substitution of AA1000655 – interested party consultation

Thank you for your letter dated 14 December 2023 inviting comment on the application from Tyre Stewardship Australia (TSA) for re-authorisation to continue the voluntary national Tyre Stewardship Scheme (TSS) for a further 3 years.

Green Industries SA (GISA) and the South Australian Environment Protection Authority (EPA) support continuation of the TSS to improve the management and outcomes for end-of-life tyres (EOLT) generated in Australia, consistent with the principles of the waste management hierarchy and the circular economy.

Currently over half of Australia's EOLT go to an environmentally sound use, which include recycling into tyre-derived materials or use as a fuel and other means to recover energy (58% as reported by TSA's Annual Report 2022-23). However, this rate is significantly lower for off the road (OTR) tyres, with only 10% being collected for resource recovery.

South Australian Circular Economy Resource Recovery Report 2021-22¹ estimated that in South Australia (SA), 25,000 tonnes of tyres from the commercial and industrial sector were resource recovered in 2021-22. Over half of these (58%) were recycled in South Australia, with 15% recycled interstate and 27% exported overseas.

The South Australian government provides a full suite of policy and regulatory settings related to used tyre management in SA including for the reception, storage, treatment or disposal of used tyres through the *Environment Protection Act, 1993*. The disposal of whole tyres to landfill is banned in SA under the *Environment Protection (Waste to Resources) Policy 2010* and significant landfill waste levies apply to shredded tyres sent to landfill in SA. In 2019 TSA had a 26% membership participation rate across Australia. SA had the highest participation rate of all the states and territories with 61% participation.²

TSA membership encompassed approximately 140,000 tonnes of tyre imports in 2018-19. The remaining 75% or 400,000 tonnes of tyres were imported and sold without collection of the levy. GISA and the EPA acknowledge that this free-rider issue presents a significant

¹ <https://www.greenindustries.sa.gov.au/resources/circular-economy-resource-recovery-report-2021-22>

² [Used-Tyres-Supply-Chain-and-Fate-Analysis-1.pdf \(tyrestewardship.org.au\)](#)

challenge for TSA and its participants in achieving their aim to increase used tyre recovery for all tyres consumed in Australia.

There is an economic, environmental, and social cost to Australian communities where EOLT are not managed responsibly such as through illegal dumping or where the tyres are consigned to landfill, effectively wasting the resource value. It is vital that tyre recovery rates continue to increase, and tyres are sent to their highest beneficial use.

In 2022-23, EOLT were first listed on the Minister's Priority List for Product Stewardship to drive increased industry participation in the TPSS and eliminating the free riders in the passenger, bus, and truck segment of the market³. Tyres remain in the Minister's Priority List 2023-24. At Environment Ministers' Meetings⁴, Environment ministers agreed product stewardship plays a key role in holding producers accountable for managing their waste and driving circularity, and if voluntary product stewardship doesn't work, government will regulate. Western Australia is currently leading work on the development of national principles for product stewardship for tyres. This work includes undertaking an assessment of options for EOLT recovery, including regulated national product stewardship schemes, non-regulated approaches, and other options.

While GISA and the EPA support ACCC re-accreditation of the TSA, it should be acknowledged that the TSA has indicated in its application that the voluntary scheme has "plateaued", it remains limited in its current form and is seeking stronger regulation from the Australian Government specifically to assist with the issue of "free riders".

GISA and the EPA consider that it is in the public interest to continue the TPSS as administered by the TSA until such time a decision is made as to the best way forward for tyre product stewardship, and a transition plan can be implemented. We consider a 3-year reauthorisation to be a reasonable length, due to the lead times required to transition to a potential co-regulatory or mandatory scheme in accordance with the *Recycling and Waste Reduction Act 2020*. We look forward to continuing to work with federal, state and territory governments and the TSA to ensure the effective operation of the TSS to achieve the desired circularity outcomes.

For further information on this matter, please contact Ms Kerryn Suthern, Environmental Adviser, EPA on [REDACTED] [REDACTED] or Ms Serena Yang, Manager Policy and Evaluation, Green Industries SA on [REDACTED] [REDACTED] .

Yours sincerely,



Prof Ian Overton
Chief Executive
Green Industries SA

Date: 29/01/2024



Dr Jon Gorvett PSM
Chief Executive
Environment Protection Authority

Date: 25th January 2024

³ <https://www.dcceew.gov.au/environment/protection/waste/product-stewardship/ministers-priority-list-23-24#tyres>

⁴ Environment Ministers' Meeting Communiques of 9 June 2023 and 10 November 2023, <https://www.dcceew.gov.au/about/news/stay-informed/communiques#environment-ministers-meeting>