



**Summary of the scope of the proposed conduct for which authorisation is sought**

<b>Agreement or clause of Scheme Guidelines</b>	<b>Conduct</b>	<b>Provision of Part IV of the Competition and Consumer Act 2010</b>	<b>Comment</b>
Guiding Principles of ResiLoop Membership (refer Attachment 3 of Application).	The scheme will involve agreement among competitors who are participants in the scheme in accordance with their roles (as described in section 4.7 of our Application) and the governance framework established by the organisation's Constitution. Upon joining the Scheme, Members agree to the Guiding Principles which includes collaborating and cooperating when necessary with other parties employed or participating in the Scheme (eg Contractors, Retailers, recyclers).	<ul style="list-style-type: none"> <li>• Cartel conduct (Division 1 of Part IV)</li> <li>• Contracts, arrangements or understandings that restrict dealings or affect competition (s. 45)</li> <li>• Concerted practices (s. 45)</li> </ul>	The ResiLoop scheme is voluntary and full Membership is open to any supplier/ distributor of resilient floorcoverings. The economic viability and success of the scheme requires a reasonable proportion (at a minimum 30%) of the market to be engaged in the scheme. The number and diversity of Founding Member participants (large and small players) makes it unlikely they, or a sub-group, can collectively use the levy or their position to unfairly disadvantage competitors or drive them out of the market. The additional cost imposed on them by the levy is likely to enhance, not reduce competition.
Funding of the Scheme by a product levy calculated at an agreed rate (cents per sqm) on the volume of product sold by the Member.	Full Members of the Scheme are collectively agreeing to a levy on product sales and that it be passed through transparently to customers and ultimately to the end consumer.	<ul style="list-style-type: none"> <li>• Cartel conduct (Division 1 of Part IV)</li> <li>• Contracts, arrangements or understandings that restrict dealings or affect competition (s. 45)</li> <li>• Concerted practices (s. 45)</li> </ul>	<p>The ResiLoop levy is not likely to distort competition as it constitutes a very small proportion of the installed price of the product. It does not impede supply, will have no impact on product choice, or quality, nor likely have any influence on market allocation among members. Authorisation is sought to allow scheme members to agree collectively to passing on of the levy transparently on invoices so that product/Member participation in the scheme is transparent. By making the levy explicit on invoicing, it will make it easier for customers and end consumers to identify appropriate waste recovery and recycling behaviour is being undertaken by product suppliers, reducing the risk of 'greenwash' and enabling consumers to choose freely the product offering best meeting their needs.</p> <p>The imposition of the levy will not create any barriers to entry for new competitors as the ResiLoop scheme is voluntary and open to any supplier/distributor of Relevant Products into the Australian market. It will</p>



			not disadvantage smaller players in the industry as the intended levy collected is proportional to a member's sales of the Relevant Products.
Research and Development funding under the Scheme	The Board, with input from the Advisory Panel, agrees to allocate Scheme funds in accordance with the organisation's budget to certain projects, trials or research initiatives. The purpose is to develop new end markets for the recovered waste material and increase the capacity and capability to reprocess these materials in Australia.	<ul style="list-style-type: none"> <li>• Contracts, arrangements or understandings that restrict dealings or affect competition (s. 45)</li> <li>• Concerted practices (s. 45)</li> </ul>	An Advisory Panel will be recruited consisting of independent experts and representatives of the value chain to provide expert advice to support Board decision-making. Refer section 4.1 of our Application. A policy on the allocation approach of R&D funds has been drafted and will be reviewed and ratified by the Advisory Panel once established.
Resource recovery process	Contractors, accessory suppliers and retail stores will be invited or may express interest in joining the Scheme to operate a Collection Point for waste. Scheme registered Collection Points or their sub-contracted agents will collect only ResiLoop member product waste in Stages 1 and 2 of the Scheme. Scheme registered Collectors will make in-scope recovered waste available for collection by ResiLoop or its contracted third-party logistics partner(s) and the waste will be delivered to Scheme registered recyclers/end manufacturers. Collection Points will be entitled to use a ResiLoop logo and their ID number as evidence of their participation in the scheme.	<ul style="list-style-type: none"> <li>• Cartel conduct (Division 1 of Part IV)</li> <li>• Contracts, arrangements or understandings that restrict dealings or affect competition (s. 45)</li> <li>• Concerted practices (s. 45)</li> <li>• Exclusive dealing (s.47)</li> </ul>	The number of Collection Points that are established will be driven by the end market demand for the materials, including material required for R&D projects. The intention of the Scheme is to expand progressively over time both geographically and in terms of volume collected as R&D delivers additional end market capacity. Recyclers contracted to receive the recovered materials will be Associate Members, giving them some surety of supply. There will be no membership fee. Waste will only be passed onto a scheme recognised recycler. Recyclers will need to comply with a Code of Conduct to ensure appropriate insurances, risk assessments and management plans are in place in relation to the collection, storage, handling and processing of flooring waste materials and to maintain and provide records of waste materials collected and processed under the scheme.



### **Interim authorisation**

Activities that will be undertaken by ResiLoop to meet the delivery requirements of the foundation contract are as follows:

<b>Activity</b>	<b>Time frame</b>	<b>Status as at 25 July 2024</b>	<b>Interim authorisation required</b>
Develop the operational framework, including collection systems, transportation	9 August 2024	Underway	No
Development of digital system for waste tracking, reporting, and managing logistics activities	Ready to trial at sites from 1 September 2024.	Underway	No
Finalise Supply Agreement template	31 July 2024	Sent to manufacturer for agreement	No
Identify suitable Collection Points	Ongoing	Underway	No
On-board first 6-10 Collection Points	August 2024	Commenced preparation of documentation, including education & training material	Yes - the scheme will need to select and on-board a limited number of suitable Collection Point partners.
Invoice Members	Invoices paid by 31 August 2024	Being prepared	Yes, in as far as we seek ability to agree with Members that the levy be passed on transparently from distributors to customers from 1 September 2024.
Distribute logistics infrastructure to Collection Points	August 2024	In planning	Subject to receipt of levy funds and establishment of Collection Points.
Commence delivery of materials to Recycler	31 August 2024	Not yet started	Subject to receipt of levy funds and establishment of Collection Points.

The scope of Interim Authorisation could be narrowed to the funding of the scheme and the resource recovery process, or to only the resource recovery process. However, this presents some delivery risks as stated in our Application and above, as well as a delay in proceeding with our R&D investment strategy.



***Is it possible for ResiLoop to meet the delivery requirements of the foundation contract without interim authorisation? And if so, in what way or to what extent.***

In order to deliver sufficient materials to meet production requirements of the foundation end manufacturer, waste recovery must commence and this necessitates

- (1) engaging the contracting sector of the industry to set up the required number of Collection Points and
- (2) raising sufficient funding to finance the reverse logistics required and operational needs of the Scheme.

Any contractor (retail or commercial sector) is able to express interest in participating in the Scheme. However, the number that the Scheme can finance to participate will be limited to the total amount of material estimated to be recoverable by the contractors, to match the end manufacturer's demand. There may also be geographical limitations to participation as the Scheme seeks to optimise logistics efficiency and costs. We need to start supplying material by end August.

To maintain cashflow to fund collections, ResiLoop will raise invoices for an instalment of Membership fees due from Full Members, based on an agreed levy of 9 cents per square metre of in-scope products sold in FY2023-24. Without interim authorisation, Members will need to determine unilaterally whether to absorb this cost or to pass some or all of it on. The preference, for reasons explained in our application and supplementary information provided, is that we commence with interim authorisation in place so that Members can advise customers of the introduction of a visible product levy uniformly passed down the value chain at the same rate per square metre, enabling them to prepare, from the Scheme commencement, the necessary commercial arrangements and invoicing templates. Without interim authorisation, ResiLoop will raise invoices for its Membership fees, however it risks Members potentially deferring payment, as well as reduced transparency of ResiLoop participation and increased potential of 'greenwashing', undermining market confidence in the Scheme.

**Submitted 26 July 2024**

**Sophi MacMillan**  
CEO, ResiLoop Ltd



## Supplementary Information

### Proposed operation of the Scheme



Step	Supply Chain actors	Process
1.	Floor layers/installers – largely sub-contractors employed by Commercial Contractors or Retail stores  Contractors, Retail Stores operating a Collection Point.	Floor layers working for Contractors or Retail stores operating Collection Points, and willing to collect offcut materials are registered with the scheme (for free). They may be associated with one or more Collection Points. They will be issued with ResiLoop collection bags by the Contractor or Retail store related to the installation job being performed. Three types of bags provided, one for each product type (LVT, HE, HO).
2.	Floor layers/installers	Collect offcut waste by product type as they install new floorcoverings of ResiLoop Member in-scope product. Responsible for ensuring collected material complies with Acceptable Waste Criteria.
3.	Floor layers/installers Contractors	Bags are returned to the Collection Point.
4.	Floor layers/installers Contractors / Retail stores / Accessory Supplier depots	Bags of recovered waste are 'checked in' to the Collection Point's ResiLoop waste receptacle. Number of bags dropped of by product type and collector logged on ResiLoop digital platform.
5.	Contractors / Retail stores / Accessory Supplier depots	Collection Point requests collection of the full waste receptacle when required via the digital platform. ResiLoop arranges 3PL supplier to collect and transport recovered material to ResiLoop-registered end manufacturer or recycler.
6.	Recycler/End Manufacturer	Receives delivery of material, confirms weight of material received and processed, and reports any contamination or material requiring disposal.

### **Likely effect of the Scheme on current Individual Producer Responsibility (IPR) arrangements, overseas exports or other relevant schemes/practices.**

Some distributors have, or may elect to, establish IPR schemes. For several companies, this has been driven by criteria in product sustainability certification schemes requiring evidence of product stewardship or take-back initiatives.

Having a company product take-back offer does not preclude these organisations from joining ResiLoop on the same terms as existing members. Distributors can opt into the ResiLoop scheme yet maintain their own IPR program if they wish. ResiLoop's funding model includes offering a rebate of a proportion of the levy contribution to these members for waste they demonstrate is collected under their own IPR initiative and sent for recycling (refer section 10.0 of ResiLoop's Application). A company's IPR initiative might only collect one product type, in which case ResiLoop membership may complement their IPR program.

As there is only one local manufacturer of resilient floorcoverings (and no local manufacturers of the LVT and Hybrid categories), most of the small volumes of post-consumer waste materials recovered to date under IPR schemes have been sent to floorcovering manufacturers overseas. However, this practice has become more difficult and costly since the introduction of the Federal Government's 2021 Recycling and Waste Reduction (Export-Waste Plastics) Rules. These Rules



impose conditions on exports of plastic-containing wastes, including floorcoverings, such as the requirement the material must undergo some local reprocessing before shipment, and must be separated into single polymer streams. A licence, issued by the Government, is required prior to shipment. Only polymer-containing materials that have been re-processed and turned into other “value-added” materials (those ready for further use) can still be exported under the law.

In addition, since much resilient flooring material contains the polymer PVC, there are requirements to be met on any transshipments of PVC-containing waste under the Basel Convention Amendments 2021. The exporter is required to obtain Prior Informed Consent notifications from every port the material passes through as well as the final destination and an application must be lodged with the Australian Government.

To the best of ResiLoop’s knowledge, the volumes of resilient floorcovering waste collected under IPR arrangements have been very modest and are currently very low (tens of tonnes per annum). ResiLoop understands some IPR initiatives that rely on floor layers to return waste to the distributor have yet to see any material returned.

The difficulty in exporting these wastes today was a key factor in industry supporting an industry approach to develop onshore solutions.

### **Research and development undertaken into new end markets and reprocessing technologies**

#### a. The status of all successful field trials conducted by ARFA.

Initial trials were conducted by ARFA in 2023, funded by the grant from the National Product Stewardship Investment Fund. The purpose of the trials was to test, within ResiLoop’s project timelines, the reprocessing of targeted resilient flooring wastes with the highest likelihood of success in producing marketable recyclate feedstocks and diverting waste from landfill. This includes the assessment of whether recycled resilient flooring can be incorporated into flooring accessories and other high-value applications. These trials were designed to determine the make-up of products and how they might be processed, moving towards a solution of having them able to be re-processed into finished goods. The recyclate was also tested and analysed by independent laboratories to provide useful composition metrics for the materials, information of value to end manufacturers in formulating compounds for new product manufacture.

The trials showing potential included:

- Pelletised flooring materials were blended together and used with micronised uPVC window recyclate to extrude a profile for a new product being developed by Victorian manufacturer, Think Fencing, for the market. The pellet to uPVC blend was trialled at 10 percent, 20 percent and 30 percent additive in a trial lab and the outcomes were reported by the company to be promising. A trial of the material in a ratio of 20 resilient flooring :80% uPVC for fence post extrusion was also considered viable.
- A further trial at Think Fencing micronised the pellets in order to get a better dispersion within the blend. A larger scale trial using approximately one tonne of granulated LVT material proved to be successful at a ratio of 75% resilient flooring recyclate to 25% uPVC window recyclate. This work led to the development of the new garden edging product with the blended recyclates and the design and engineering of a suitable new extrusion line.
- A trial was conducted with an Australian developed PVC Separation process that aims to separate composite materials to improve recycling. The process involved adding solvent and a catalyst to the vinyl flooring products to separate PVC from calcium carbonate and other components. The company received samples of four brands of Hybrid or rigid core floor tile products as this category of product has a more complex structure. The task was to gauge the success of the PVC Separation process. Each brand sample was separated into components using the process and the materials sent to an external laboratory for analysis of the cross-contamination of the recyclates from one layer to another. This separation process appeared effective at producing relatively ‘clean’ recyclate streams from the layers, improving the opportunity for downstream reprocessing. Larger scales trials will be required to further explore the commercial viability of this technology.
- Another plastics manufacturer trialled the recyclate material in profile extrusion. They found at 100% recyclate, it lacked tensile strength, however a trial with 25% recyclate : 75% virgin was more successful. A specific product concept would need to be developed.
- An injection moulding manufacturer successfully moulded the recyclate into a basic shape, suggesting injection moulding may be feasible. A possible application would need to be proposed or identified.



- At the request of a local company, sample material was provided to their US manufacturing laboratory for trialling in a patented 'plastification' process for a product proof of concept trial that shreds and processes the material into plastic pallet planks. Using a blend of the (plasticised) resilient flooring recycled materials with unplasticised material, the trial suggested that, with additional material formulation and testing, the company would be capable of manufacturing a recyclable pallet using ResiLoop waste material. Commercial feasibility of the manufacturing process needs to be undertaken.
- Sample recyclate material was sent for analysis / testing at a Victorian polymer cement manufacturer, interested in the high calcium carbonate composition. However, their process would require the materials to be micronized to extremely fine powder (<20 micron), which was not considered feasible by the PVC industry due to excessive heat generated by micronisation. However, a Brisbane based recycler trialed processing the recyclate in an alternative air-jet micronisation process which doesn't generate heat and produced a powder of <50 microns which may be suitable for a number of potential applications. Further trials may be able to achieve a fine enough powder for the polymer cement, however the commercial viability of the micronisation process needs to be assessed.
- Approx 0.75 tonne of granulated resilient flooring material was sent to a new Victorian mixed plastics recycling facility that produces polymer aggregate for use in concrete building products. The material was of interest due to the high calcium carbonate content. The plant reported the trials went "quite well" when mixed with other plastic. ResiLoop will explore larger scale trials with the company.

#### b. ResiLoop's plans for future field trials under the Scheme.

The intended outcome of the investment by ResiLoop in awarding funds to a research & development project or trial is to benefit all members of ResiLoop by advancing the recovery and local recycling of resilient floorcovering waste, including enabling an increasing volume of all members' product waste to be reused or recycled. Preference will be given to projects that are collaborative, with investment commitments from the applicant and other relevant project partners such that the ResiLoop financial contribution will leverage the initiative to support or enable growth in the recovery and recycling of resilient floorcoverings.

ResiLoop's draft research and investment grant strategy (to be ratified by the Board and members) proposes that R&D funding proceeds be allocated to applications for:

- the purchase of suitable equipment to expand the capacity or improve the efficiency of recycling of these materials,
- for processing trials to develop suitable formulations or grades of recyclates,
- for proof-of-concept trials to develop recycled-content products,
- for research and development of technologies to advance the recycling of resilient floorcoverings in Australia
- to support commercialisation of products or technologies.

No decision has yet been taken on future field trials. However, based on the work completed to date, it is possible we may explore the following:

- additional product concepts such as fence posts and decking boards with PVC manufacturers
- a larger scale trial of the PVC Separation process to assess the feasibility of recycling Hybrid tiles, and potentially safety flooring.
- a more extensive trial with the polymer aggregate plant in Victoria
- a university research trial to explore the use of the material in civil engineering and mining applications
- a university research trial to explore the use of the material in concrete applications

#### c. The existing end market options available for the recyclate.

The current existing end market option in Australia is the garden edging product that is commencing production and distribution through a national retailer.

#### d. ResiLoop's plans for the recyclate if new end products are not developed quickly enough.

The challenge for the Scheme will be aligning the volume of material recovered with demand from the end market to reprocess it. The R&D component of the Scheme, funded from the levy, is therefore paramount if we are to be in a position to expand the Scheme's coverage in terms of both products and geography. Export opportunities for the recyclate to be used in manufacturing new floorcoverings may also be explored. In part, this accounts for the initial 6-year focus of the Scheme to give sufficient time to explore and develop potential end markets, with the intention of conducting a full review of the Scheme's progress after 5 years. The review will provide clear direction on the longer-term viability of the Scheme.





e. Can resilient flooring offcuts or waste be made into recycled flooring products, and if so, in what forms?

Overseas, we see some recycling of resilient floorcovering waste back into resilient floorcoverings. Uplifted, end of life material is contaminated by adhesives and sub-floor materials (eg concrete) as well as potentially, legacy additives. Some Homogeneous end of life flooring can be decontaminated and recycled back into the same type of product, or backing layers for Heterogeneous or LVT flooring. The amount of end of life material being recycled is rather low due to unresolved challenges, however higher volumes of the cleaner offcut waste are being recycled. In Asia, LVT products are being recycled into the backing for new LVT products.

As stated above, there is limited resilient sheet flooring manufacture in Australia (one plant) and no LVT production.

**Proportion of uplifted floorcoverings in total waste stream**

We estimated that about 60,000 tonnes of resilient floorcovering waste is generated annually, of which over 50,000 tonnes are uplifted floorcoverings. ResiLoop will address these materials at a later stage as technologies are currently being researched and developed overseas, particularly in Europe, to address the contamination in this waste stream. In addition, we need to have established high volume end uses for the recycle before commencing high volume, widespread collection.

**Incentives for industry participants to be part of the Scheme**

Building rating tools such as Green Star and NABERS, and product ecolabels and sustainability certifications are encouraging the building and construction sector to minimise waste generation and divert wastes from landfill. The Responsible Products Framework in Green Star has encouraged product manufacturers and distributors to seek third party certifications such as Best Environmental Practice PVC, Global GreenTag and GECA, in order to position their products for specification preference, particularly in the commercial sector.

The sustainability certifications often require evidence of producer responsibility being taken to address post-consumer waste generated by products. For example, Best Environmental Practice PVC v2.0 requires evidence of :

(A) Contractual agreements offered to Australian customers for extended supplier responsibility (product stewardship). These extended supplier responsibility contracts shall entail arrangements to take products back at the end of the product's in-use phase for some form of recycling or reuse. Producers shall demonstrate that they have established the capacity to deliver the terms of the extended supplier responsibility contract.

AND/OR

(B) Existing contractual agreements with recycling and waste transport service providers for the collection of end-of-life product and delivery of that product to a recycling service provider or the manufacturer, or another third party that will reuse or recycle the material. Agreements must service at least two or more Australian capital cities to demonstrate that adequate geographic coverage exists to recover domestically sold end-of-life product.

AND/OR

(C) Proposals for other innovative end of life initiatives may be considered on a case-by-case basis. Clear justification, including quantification of the amount of waste that will be diverted from landfill as a result of implementation, must be provided.

(Reference: Best Environmental Practice PVC v2.0 Guidelines, criteria and verification evidence requirements for best practice manufacturing of PVC products, May 2023, Vinyl Council of Australia)

Green Star is developing further tools to improve the environmental outcomes from fit-outs which are a major contributor to construction and demolition waste, and to advance the transition to a circular economy.

In July 2024, the Australian Government released its Environmentally Sustainable Procurement Policy to support Australia's transition to a circular economy by encouraging procurement of products that are either recycled, remanufactured, or re-used after they have served their initial purpose. It supports delivery of Target 3 of the National Waste Policy Action Plan 2019: an 80% average resource recovery rate from all waste streams. The Policy includes a principle that "goods are returned for resource recovery through a take-back or end of life scheme". Implementation of the Policy will commence with Construction Services which includes new building works, major refurbishments and fit-outs of owned or leased buildings. This activity is relevant for floorcovering installation. One of the metrics for the Policy is the proportion of products and/or material recycled or recovered from total waste generated during the life of the project.

**Coordination and discussion between members are limited to what is necessary to implement the Scheme**

ResiLoop has a procedure for compliance with the ACCA including pre-meeting preparation, conduct during meetings and post meeting requirements. Both ARFA's and ResiLoop's Board meetings and member meetings commence with the noting of





a short form reminder to members and staff present at the meeting to pay consistent attention to complying with the Australian Competition and Consumer Act (ACCA). Meeting chairs emphasise the commitment to ACCA adherence and remind participants of the prohibition on discussing sensitive or competitive information such as, but not limited to, prices, contracts, geographic coverage, market shares, production limits etc.

As outlined in ResiLoop's Application (section 10.0), the Scheme does not involve, nor does it increase the likelihood of, co-ordination between Scheme participants in other aspects of their competitive behaviour or decision-making. In particular, there will be no broader agreement between Scheme participants as to their wholesale or retail prices for resilient flooring. Those prices will continue to be set independently by Scheme participants.

### **Formal government accreditation**

It is intended that the Scheme seek government accreditation as a voluntary stewardship program. As indicated in the ResiLoop Scheme Proposal document (published May 2023), a key success factor of the scheme will be "Good governance with clearly defined roles and responsibilities, accountability and transparency through public reporting, supported by government voluntary product stewardship scheme accreditation and/or scheme authorisation by the Australian Competition & Consumer Commission."

### **Improvements in social costs eg additional health costs from improper disposal in addition to environmental damage.**

In addition to keeping resources in productive use, reducing resources sent to landfill, increasing employment opportunities and reducing the embodied carbon of newly manufactured products in Australia, diverting this material from landfill reduces the risk of microplastic pollution generated from landfills. While well-maintained landfill sites have containment measures in place to prevent leakage, over time these measures may degrade and may release microplastic particles to the environment.

Older floorcovering materials may contain legacy additives such as phthalate plasticisers and heavy metal stabilisers that are restricted from use today but were once widely used. These substances may leach from landfilled material although the environment is protected where adequate containment measures are in place. Illegal dumping of waste is likely a more significant cause of environmental damage. Construction and demolition waste is one of the common sources of illegally dumped material in Australia by both households and businesses, usually to avoid disposal fees at tip sites.

While the early stage of ResiLoop is focused on waste generated by installation of today's products (that do not contain restricted substances), ultimately the scheme intends to recover aged, end-of-life material that is still currently in use.

### **Governance/Composition of the Board**

According to ResiLoop Ltd's constitution, the Board of ResiLoop shall consist of up to 10 directors. At least one half of the Directors must have been nominated by a Founding Member. The Board currently has 5 Directors, including the CEO and representatives of 4 Founding Members. The proposed composition is to fill 3-4 additional board seats with representatives of new members (additional distributors, contractors, retail stores etc) and potentially an independent Director with relevant expertise of benefit to the organisation.

### **Advisory Panel**

The objective of the Advisory Panel is to enhance the overall effectiveness and efficiency of ResiLoop by offering valuable insights, recommendations, and expert perspectives on scheme operations. The intended establishment of the Panel reflects the ResiLoop Board's commitment to continuous improvement and transparency. The panel will focus on providing strategic input to the Board, ensuring the organisation's alignment with best practices in product stewardship. As a separate committee, it has no binding decision-making authority, however it provides potential to include specialist expertise.

The Advisory Panel will consist of up to 10 experts with diverse backgrounds and experiences relevant to the industry and the operations of product stewardship schemes. The members will be appointed and removed by ResiLoop's Board by resolution in its absolute discretion. Panel members will be selected based on their expertise in areas such as the resilient floorcovering value chain and/or with specific expertise in waste recovery, logistics, recycling, local manufacturing, the circular economy, environmental law, material science/chemistry, stakeholder engagement, or consumer behaviour change. Appointees do not need to be members of nor participants in the ResiLoop scheme.

The key skills ResiLoop seeks for members of the Advisory Panel are:

- Understanding of product stewardship schemes/EPR
- Scheme operational experience
- Recycling market development
- Environmental/Material Science / Chemical Engineering expertise



- Knowledge of floorcovering supply chain practices
- Logistics expertise
- Risk identification & management strategies
- Communications & stakeholder engagement
- Operationalising start-ups

The Panel's input may include providing advice, feedback and/or recommendations on:

- Roles and responsibilities of Scheme members and stakeholders
- Operational policies and procedures
- Scheme performance metrics, data collection and reporting
- Material recovery technologies
- Logistics
- Research and development priorities
- Stakeholder consultation, engagement, communications and relationship management

### **Measurement and reporting**

As outlined in our Application (section 4.5), ResiLoop in consultation with participating members, will collect data and develop specific targets to measure progress towards the Scheme's goals.

Key performance targets will be established particularly in relation to

- expanding the estimated market share of distributors and manufacturers that are participants in the Scheme (currently approximately 30%) to a medium-term target of 50%
- financial sustainability
- expanding the volume of end market demand for recyclate (currently 350-400 tonnes), driven by the development of new end markets as a result of R&D investment
- expanding the number and geographic coverage of collection points in line with end market demand for materials
- growth in the volume of recovered, recyclable material. The target for the first 6 years of ResiLoop is to divert at least 3,000 tonnes of resilient floorcoverings from landfill
- average cost per tonne of material recovery

**Data collection** – refer to Measurement and Reporting in section 4.5 of the Application for detail.

Annual reporting of progress against agreed performance metrics will be published in a statement by ResiLoop on its website, and promoted through trade and social media channels.

Due to the levy invoicing procedure, ResiLoop will have access to the annual aggregated sales volume (square metres) of in-scope products distributed by its Full Members and can assess the Scheme's market coverage by analysing ABS data for the total market.

A system will be developed to collect and collate other relevant data at a sufficiently granular level to implement relevant performance metrics including a digital platform that will record collections and movements of materials from Collection Points to Recyclers. Participants in the Scheme such as floor layers collecting materials and contractors or retail stores operating a Collection Point, will need to be registered with the Scheme so that movements of materials can be tracked.

ResiLoop will maintain a register of Members, they will be listed on ResiLoop's website and ResiLoop will regularly promote the member companies participating in the Scheme.

### **Independent review of the Scheme**

As outlined in section 4.5 of the Application, the Board of ResiLoop will appoint an independent, external consultant to conduct a full review of the operation of the Scheme, to commence no later than the fifth anniversary of the commencement of the Scheme. The reviewer will have full access to relevant operations and performance data. Given the likely 1-3 year duration of research, commercial feasibility and capacity investment projects, less than 5 years as a review period would not provide sufficient time to evaluate the effectiveness of the Scheme, particularly in development of end markets for recyclate. The five-year timeframe is considered an appropriate length of time for a start-up operation to consolidate early learnings into its longer-term strategy.

The outcomes of the 5-year evaluation would provide valuable insight for preparation of the future strategic plan for the Scheme beyond 2030 and identify any adjustments required to Scheme design and operations to maintain its future viability.