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Industry welcomes Minister's priority listing of end-of-life tyres to propel sustainable outcomes and new business opportunities for Australia

Today's Environment Minister's Meeting announced end-of-life tyres will be included on the Minister's product stewardship priority list.

The product stewardship priority list identifies products and materials considered to be most in need of a product stewardship approach, including post-consumer use and disposal. With 80% of Australia's used tyre derived material currently being shipped overseas and often to developing countries, the addition of end-of-life tyres sends a clear message that the Australian tyre industry needs to take greater responsibility for its product.

The national Tyre Product Stewardship Scheme (the Scheme) is currently financed by the voluntary contribution of 49% of tyre importers and has almost 1,700 accredited participants, which include tyre retailers, collectors/recyclers, local government, mining and fleet organisations.

"Current Scheme contributors and participants are the pioneers and innovators in the sustainable management, recycling and productive use of recovered end-of-life tyres," says Lina Goodman, CEO of Tyre Stewardship Australia (TSA) which administers the Scheme.

"They do this voluntarily with their investment yielding significant outcomes and benefits for Australia so far.

"But the recent independent review conducted by Arcoona Consulting, shows that, as a voluntary initiative the Scheme has reached its peak in its ability to effectively recover and reuse end-of-life tyres. That it is still far from leveraging the full environmental, social and economic benefits this recovered resource can deliver. That without timely regulatory intervention, the Scheme will be unable to shift the dial on these critical indicators or meet community expectations to maximise waste reduction, reuse and recycling outcomes within Australia.

"These critical indicators include some sobering numbers for Australia.

"Australia still exports 80% of its recovered end-of-life tyre derived material. This means we are effectively exporting opportunities for local manufacturing and job creation.

"Currently, less than 15% of used off-the-road tyres from mining, agriculture and construction are recovered. Because of the high rubber content in these large tyres, an exceptionally valuable resource, this is a missed opportunity to deliver substantial environmental, social and economic benefits for regional, rural and remote communities.

"Over 50% of tyre importers are not currently contributing financially to the Scheme, but instead unfairly free-riding on the work that the Scheme is attempting to achieve.

"By being included on the Minister's Priority List today, the door has now been opened for Australia to shift these numbers in the right direction. To bring Australia's circular tyre economy in line with the 'cradle to cradle' approach taken by other tyre schemes around the world. To support local manufacturing and create jobs in the economy that do not exist today. To prevent future harm to our environment and human health from inappropriate disposal of end-of-life tyres here and overseas.





"We applaud the Minister for the Environment and Water, the Hon. Tanya Plibersek, and all state and territory Environment ministers for listening to stakeholders and the community and recognising that these missed opportunities are no longer acceptable.

We also look forward to a timely outcome through co-regulation under the *Recycling and Waste Reduction Act 2020.*"

Read the full results of the Independent Review here

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Background on Tyre Stewardship Australia

- TSA was established in 2014 to implement the national Tyre Product Stewardship Scheme (TPSS), an ACCC-authorised industry framework to reduce the environmental, health and safety impacts of the 56 million Equivalent Passenger Units (EPUs) which reach their end of life in Australia each year.
- TSA's vision is of a circular economy for end-of-life (EOL) tyres which contributes to a sustainable society.
- It works to drive sustainable outcomes for EOL tyres in Australia, by:
 - accrediting participants now 1,700 tyre manufacturers, retailers, collectors and recyclers who are committed to sustainable practices
 - o working with voluntary levy contributors to invest in market development initiatives including
 - research and development
 - commercialisation of new productive uses for EOL tyres driving the transformation of a
 waste product into a useful commodity, creating new industries and jobs while reducing
 the environmental harm caused by the illegal dumping of old tyres
 - TSA Foreign End Market verification platform the only global platform aimed at verifying that Australian-generated end-of-life-tyres are not causing environmental or social harm at their final destination.
 - TSA Circular Collaborator platform which supports products manufactured in Australia using tyre derived material.
- As of 2022, we have committed over \$8 million to 56 projects creating real-world outcomes and solutions for Australia's end-of-life tyres including roads, research, civil engineering, manufacturing, mining and rail.
- Revenue generated from the tyre retail industry in Australia is approximately \$5.1 billion annually.¹
- Tyre and automotive importers that pay a voluntary levy to TSA include:
 - Ascenso Tyres
 - Bearcat
 - Bridgestone
 - Bridgestone Mining Solutions
 - Continental
 - Goodyear-Dunlop
 - Hankook
 - Kal Tire
 - Kumho Tyres
 - Mercedes-Benz
 - Michelin
 - Pirelli

- Porsche
- Toyo Tyres
- TyreConnect
- Volkswagen
- Yokohama

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¹ IBISWorld "Tyre Retailing in Australia: Market Size 2007–2028" (last updated 31 May 2022), https://www.ibisworld.com/au/market-size/tyre-retailing/



For more information: <u>www.tyrestewardship.org.au</u>