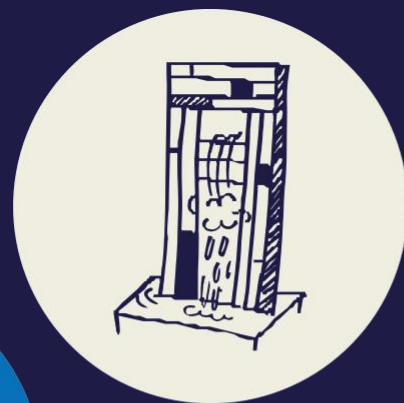


HAMILTON CITY COUNCIL SUBMISSION ON:

**Proposed Product Stewardship Regulations:
Tyres and Large Batteries (November 2021
Consultation Document)**

Ministry for the Environment



16 December 2021



**Hamilton
City Council**
Te kaunihera o Kirikiriroa

Improving the Wellbeing of Hamiltonians

Hamilton City Council is focused on improving the wellbeing of Hamiltonians through delivering to our five priorities of shaping:

- A city that's easy to live in
- A city where our people thrive
- A central city where our people love to be
- A fun city with lots to do
- A green city

The topic of this submission is aligned to our **'A green city' priority**.

The focus of this priority is to become a sustainable city by challenging the way we grow our city and how we live within our city. To achieve this, we want to continue to minimise our impact on the land by leading the country in waste minimisation practices.

Council Approval and Reference

This submission was approved (under delegated authority) by the Deputy Chair of Hamilton City Council's Infrastructure Operations Committee (as resolved at the 7 December 2021 Infrastructure Operations Committee meeting).

Hamilton City Council Reference D-4016027 - submission # 672.

Key Messages

1. Hamilton City Council supports the overall direction of the **Proposed Product Stewardship Regulations: Tyres and Large Batteries**.
2. The Ministry for the Environment's waste work programme has signalled progress towards waste minimisation and transition to a circular economy. We continue to support this work.
3. Hamilton City Council supports the development and implementation of mandatory product stewardship schemes as these schemes level the playing field for those involved. At the moment, collectors are setting the price for tyre disposal, which is very expensive. A standard rate for tyres and large batteries will enable territorial authorities who are located further from processing points to have the same cost for responsible disposal as those located close by.
4. If products are to be returned to the system through reuse, refurbishment, repair, or recycling (as one of the last options in alignment with the waste hierarchy), the design of the product needs to be the first priority. Product stewardship should work in unison with accompanying legislation to ensure better design. This means firstly establishing durability standards for tyres and requiring large batteries to be designed to be taken apart for end of use and end of life.
5. The outcome of product stewardship schemes should result in actions at the higher end of the waste hierarchy. Flexibility needs to be enshrined in the product stewardship schemes to enable the scheme to be changed if it doesn't meet circular economy, low waste and low carbon expectations. Funding must be invested at the top tiers of the waste hierarchy, rather than on solutions in the bottom third. It is important that good quality data is captured and analysed to help inform continual improvement of the scheme.
6. Hamilton City Council is concerned that the tyre lifecycle under the proposed Tyrewise product stewardship scheme explained in Figure 4 endorses landfilling after Step 5. If an effective product stewardship scheme were to be put in place, options from Stage 6 (Processing/recycling end-of-life tyres) should be that MOST are exported for recycling, SOME are processed in New Zealand and very few landfilled. Long term safe storage of tyres should be considered as an option before landfill, and where landfilling is the only option, there should be an ability to recover from the landfill for future recycling opportunities.
7. Hamilton City Council has concerns over the end-of-life processing for EV batteries. The most common recycling for EV batteries is shredding, where a battery pack is consumed in full and then burned or treated with acid to extract the materials of value. This noxious process is both environmentally damaging, presents health and safety risks for people involved in processing and does not provide a financial incentive to recycling as the process is not cheaper than mining new materials. The reason EV batteries are processed in this way is because they are not designed to be taken apart. We understand that there is an opportunity to reuse EV batteries in domestic PV applications (if safely installed). The end of life must still be considered. Batteries can be made easier for dismantling by small adjustments, such as by requiring screws rather than laser welding.
8. A recent report by the International Energy Agency has calculated that if the world is to reach its target of net-zero carbon emissions by 2050, then the demand for minerals such as lithium, copper, cobalt, nickel and the rare earth elements (all essential for electrical vehicles, solar and wind energy etc.) will increase sixfold. This means that mining could increase sixfold and the consequential effects on the environment would be significant. It is therefore critical that there is significant support given to reuse and recycling of large batteries in New Zealand in a manner that minimises the impact on the environment and minimises the need for demand on mining for raw minerals.
9. Not considered in the environmental and social impacts are the increased risk of establishing on shore recycling systems that are moderately better than landfilling, such as the recycling of EV battery in the example given above.
10. In alignment with circular economy objectives, targets for the take-back system could include percent targets for reuse, repair, refurbishment etc., before recycling.

11. It is stated that the fee for large batteries will be a standard fee plus the amount per kilogram. If a shipment of cars arrives in the country, it will be difficult to estimate the weight of a battery. Batteries could be required to state the weight on the battery for ease in the supply chain.
12. The proposed consultation explains that consumers will be encouraged to return tyres. In addition to the PSO providing national education, Duty of Care could also be enacted. Duty of Care could include that where an accredited product stewardship scheme exists, consumers are required to pass the product to an accredited return point.
13. It should be required that rims should be removed from tyres before being given to an accredited provider.

Introduction

14. Hamilton City Council would like to thank the Ministry for the Environment for the opportunity to make a submission to the November 2021 Consultation Document **Proposed Product Stewardship Regulations: Tyres and Large Batteries**.
15. This submission supports and reflects the position and submission made by the Waikato and Bay of Plenty Waste Liaison Group.
16. Established in 1992, the purpose of the Waikato and Bay of Plenty Waste Liaison Group (now referred to as the TA Waste Liaison Group) was originally to provide a forum for local government from the Waikato and Bay of Plenty regions to come together. Since being established, the TA Waste Liaison Group has been expanded to include councils beyond the two regions. This includes members from Gisborne, Ruapehu, Taranaki, New Plymouth and South Taranaki. The primary focus of the group is to discuss shared waste minimisation objectives and achieve waste minimisation, recycling and better management of solid waste through the sharing of information and experiences between local government officers, and to coordinate activities between councils and external organisations where appropriate. The TA Waste Liaison group comes together in recognition that there is great opportunity between the regions of the North Island to prevent waste and minimise the environmental and social harm from waste through partnership.
17. The objective of this group is, in part, to advocate, prepare recommendations and submissions that reflect the collective agreement of the TA Waste Liaison Group regarding significant waste minimisation, management and recycling issues.
18. Councils that are signatories to the TA Waste Liaison Group include: Hamilton City Council; Waikato Regional Council; Taupō District Council; Matamata-Piako District Council; Whakatāne District Council; Waipā District Council; Tauranga City Council; Waikato District Council; Ruapehu District Council; Hauraki District Council; Ōtorohanga District Council; Waitomo District Council; Western Bay of Plenty District Council.

Response to the Consultation Questions

19. Do you agree in principle that a regulated framework should be introduced to ensure effective product stewardship for:
20. A) end-of-life tyres? Yes. We submit that smaller tyres, such as for bikes and scooters should be considered for the future as part of a circular economy.
21. Rural local authorities, for example, such as Waitomo District Council, receive a disproportionately high number of large tyres for disposal at landfill. These are from farm, forestry and logging vehicles. These are much more difficult to handle and more costly for cartage to a recycling facility. There is an added cost burden attaching to tyre type, especially large vehicle tyres, for smaller rural TAs. This has forced consideration of not accepting those types of tyres, which means the burden to process or dispose is pushed onto someone else. This raises an illegal stockpiling or dumping concern.

- 22.** Many territorial authorities currently are collection sites and are likely going to be collection sites under this scheme. We support legacy tyres to be covered under the scheme. Early product stewardship fees can contribute toward legacy tyre clean up. To complement this, local government should have access to funding through the WMF to get rid of legacy tyres that go beyond what the product stewardship scheme can cope with.
- 23.** B) end-of-life large batteries? Yes. Electric or mobility scooters and golf carts should be included in the scheme, or if these types of batteries are not included, they must be included in the mandatory e-waste scheme instead.
- 24.** Do you agree with the proposal to make it mandatory to sell a product only in accordance with an accredited scheme for tyres and large batteries?
- 25.** Yes. This is the only fair way to operate a scheme, otherwise ‘free riders’ would take advantage of and derail the system.
- 26.** If you had to take part in a proposed scheme, how would this affect your business?
- A)** For tyres - Tyrewise scheme (Appendix 1).
- B)** For batteries.
- 27.** Where TAs own transfer stations or resource recovery centres, they want to facilitate the easy drop off of batteries and tyres. Therefore, it is important that there be appropriate handling charges built into the scheme and timely collections at no further costs to those locations.
- 28.** As mentioned, rural local authorities, for example, such as Waitomo District Council, receive a disproportionately high number of large tyres for disposal at landfill. These are from farm, forestry and logging vehicles. These are much more difficult to handle and more costly for cartage to a recycling facility. There is an added cost burden attaching to tyre type, especially large vehicle tyres, for smaller rural TAs. This has forced consideration of not accepting those types of tyres, which means the burden to process or dispose is pushed onto someone else. This raises an illegal stockpiling or dumping concern.
- 29.** Do you agree with the proposal to set a product stewardship fee on imported or domestic manufactured products to cover the end-of-life management for:
- C)** Tyres?
- D)** Large batteries?
- 30.** Yes.
- 31.** The Government is considering three entities to collect the tyre fee (see Figure 3 and Table 5). Do you agree with the proposed fee collection entities at different points of entry to the market?
- A)** New Zealand Customs Service at the point of import for loose tyres.
- B)** New Zealand Customs Service or the product stewardship organisation (PSO) for tyres attached to imported off-road vehicles.
- C)** Waka Kotahi New Zealand Transport Agency or the PSO for tyres attached to vehicles at point of first vehicle registration.
- D)** the PSO for tyres made in New Zealand.
- 32.** Yes. We are in support.
- 33.** The Government is considering two entities to collect the large battery fee (see Figure 3 and Table 5). Do you agree with the proposed fee collection entities at different points of entry to the market?
- A)** The product stewardship organisation (PSO) for large batteries imported loose, imported attached to off-road vehicles, or made in New Zealand.
- B)** Waka Kotahi New Zealand Transport Agency or the PSO for large batteries attached to vehicles at point of first vehicle registration.

34. Yes. These are the most appropriate.
35. Do you agree with the proposal that the Ministry will recover the costs of monitoring the performance of the accredited scheme from the scheme manager? If not, why not?
36. Yes. This should not be covered by the taxpayer.
37. The Government proposes to set minimum expectations for the product stewardship organisation to provide an effective product collection service, including targets for recovery, reuse and recycling, and to report on these targets. Do you agree with this for:
- A) Tyres?
 - B) Large batteries? If not, why not?
38. Yes, with the caveats we have covered in the summary of this submission regarding focus, alignment and investment at the top of the waste hierarchy and with circular economy principles. It is important that good quality data is captured and analysed to help inform continual improvement to the scheme.
39. Do you agree with the proposal to set quality standards for:
- A) Transporting, storing and processing large batteries?
 - B) Eligibility for tyre stewardship incentive payments? If not, why not?
40. Yes.

Further Information and Opportunity to Discuss Our Submission

41. Should the Ministry for the Environment require clarification of the submission from Hamilton City Council, or additional information, please contact **Kirsty Quickfall** (Resource Recovery Advisor), phone 027 686 4446 or email kirsty.quickfall@hcc.govt.nz in the first instance.
42. Hamilton City Council would welcome the opportunity to meet with representatives from the Ministry for the Environment to discuss the content of our submission in more detail.

Yours faithfully



Lance Vervoort
CHIEF EXECUTIVE

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