

16 December 2021

Ministry for the Environment  
PO Box 10362  
WELLINGTON 6143

Email: [rps@mfe.govt.nz](mailto:rps@mfe.govt.nz)

Submitted via Citizen Space

Dear Sir/Madam

**Kapiti Coast District Council: Submission on “Taking responsibility for our waste”**

Kāpiti Coast District Council (Council) appreciates the opportunity to submit on *Ngā taea me ngā pūhiko kaitā Proposed product stewardship regulations: Tyres and large batteries*. The Kāpiti Coast District Council fully supports the submission made by the Territorial Authorities Officers from WasteMinz as this submission reflects the need for mandatory product stewardship. Please find attached the WasteMinz TAO Forum's submission regarding this.

The community benefits as all consumers will be able to participate in the scheme to have tyres and batteries responsibly managed at the end of their life without the cost of disposal being a barrier. This will reduce illegal dumping and associated costs for council. Both schemes cover the development of information for the consumer. This is important to ensure the customer gets the right information about end-of-life disposal to maximise recovery and behaviour change.

Council has a fleet of cars and other vehicles, and the tyre and battery product stewardship schemes will ensure the right environmental outcomes for these, as well as for the downstream vehicles used by contractors e.g for roading. These larger vehicles will incur a significant cost for tyre recycling and so the Council strongly supports the TAO submission position that design for durability could be incentivised with an eco-modulation factor. These design considerations should be considered in future to move towards a circular economy, where resources are designed for maximum life expectancy and recovery costs are reduced.

Should you have any queries regarding the content of this document please contact Ruth Clarke, Waste Projects Manager, Sustainability and Resilience Team directly on (027) 5555 741 or by email [ruth.clarke@kapiticoast.govt.nz](mailto:ruth.clarke@kapiticoast.govt.nz).

Yours sincerely



Sean Mallon  
**ACTING CHIEF EXECUTIVE**  
**Te Tumuaki Rangatira**



**Territorial Authorities' Officers Forum submission on *the regulated product stewardship schemes for tyres and large batteries***

Company name	WasteMINZ Territorial Authorities' Officers Forum
Contact person	Sophie Mander (Chair)
Address	c/- WasteMINZ
Region	All
Country	New Zealand
Phone	09 476 7167
Email	sarahp@wasteminz.org.nz
Submitter type	Industry Organisation

WasteMINZ is the largest representative body for the waste, resource recovery and contaminated land management sectors within Aotearoa New Zealand. The TAO forum was established to create consistency and efficiency of service amongst territorial authorities through sharing knowledge and best practice around waste minimisation, recycling and resource recovery.

**TAO Forum Committee Members**

- Andre Erasmus (Kawerau District Council)
- Angela Atkins (Hastings District Council)
- Eilidh Hilson (Christchurch City Council)
- Jennifer Elliot (Wellington City Council)
- Kimberley Hope (New Plymouth District Council)
- Kirsty Quickfall (Hamilton City Council)
- Parul Sood (Auckland Council) - Board Champion
- Sophie Mander (Queenstown Lakes District Council) - Chair

**1. Do you agree in principle that a regulated framework should be introduced to ensure effective stewardship for:**

**a. End-of-life tyres: If not, why not? Please explain your response here.**

Yes. A regulated scheme will establish and regulate all parties' responsibilities. A regulated scheme is more equitable and will have greater environmental outcomes than a voluntary approach.

**b. End-of-life large batteries: If not, why not? Please explain your response here.**

Yes. A regulated scheme will establish and regulate all parties' responsibilities. A regulated scheme is more equitable and will have greater environmental outcomes than a voluntary approach.

**2. Do you agree with the proposal to make it mandatory to sell a product only in accordance with an accredited scheme for:**

**a. Tyres: If not, why not? Please explain your response here.**

Yes. This will ensure all producers take responsibility and pay for the end-of-life disposal of their product. It also means all consumers will be able to participate in the scheme without the cost of disposal being a barrier.

**b. Large batteries: If not, why not? Please explain your response here.**

Yes. This will ensure all producers take responsibility and pay for the end-of-life disposal of their product. It also means all consumers will be able to participate in the scheme without the cost of disposal being a barrier.

**3. If you had to take part in a proposed scheme, how would this affect your business?**

**Please give details or anticipated costs, benefits and other impacts.**

**a. For tyres – Tyrewise scheme (appendix 1)**

Depending on an individual council's responsibilities and remits, the impact of the scheme may include:

- Increased costs of service provision for physical works, kerbside collection services, contracting works etc.
- Increased operational costs for fleet maintenance
- Increased costs for public transport

The scheme should ensure that costs for councils to receive, store and transport used tyres to a recovery facility is less than sending them to landfill. The scheme should also ensure that impacts and costs associated with illegal dumping of tyres are reduced. Additional information is required to understand how the scheme will deal with orphaned and legacy tyres.

**b. For the large battery scheme (appendix 2)**

Depending on an individual council's responsibilities and remits, the impact of the scheme may include:

- Increased costs of service provision for public transport (bus, train, ferry)

Councils with EV fleets will benefit by access to end-of-life management of batteries free of recycling fees.

**4. 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:**

**a. Tyres: If not, why not? Please explain your response here.**

Yes. It is fair to include all tyres and will mean all tyres have the potential for a better disposal outcome. Currently the scheme is focused on end-of-life management, which is very important as end-of-life management has been poor and damaging to the environment. This issue needs to be addressed urgently in the short term. However, it does not address the issue of having too many tyres due to our high private vehicle ownership and lack of retreading or other repair options for private vehicle tyres. In addition the current solution of incineration is linear rather than circular. It

would be preferable to introduce a fee (such as eco modulation) in the medium to long term to incentivise manufacturers to design for durability and repairability of tyres.

In the interim, measures could be adopted so the fee is not passed solely to the consumer which removes the incentive to improve tyre design. Another measure could be a labelling requirement, similar to the European Union (EU) for all tyres under the scheme.<sup>1</sup> The EU requirement is intended to inform consumers about safety and lower environmental impacts (specifically tyres that improve fuel efficiency). Labelling could also include information about durability and other innovations that reduce their impact on the environment e.g. reduced creation of microplastics.

**b. Large batteries: If not, why not? Please explain your response here.**

Yes. It is fair to include all large batteries sold in Aotearoa NZ in this scheme.

Due to the current regulations, meaning a review of the fee only takes place every three years, the fee needs to be set at a conservative rate to ensure the scheme is fully funded for three years. Without good data on current transport, processing, refurbishment and export of batteries, the fee should be set at a higher level and reviewed after the three-year period when more data and scheme costs are available

It would be good to see the fee modulated to provide an incentive for battery manufacturers to design in a way that enables easier repair and refurbishment and ensures the cost increase is not solely borne by the consumer. If the fee is passed onto the consumer, battery manufacturers are not incentivised to design batteries to be more easily repaired, more durable and designed to be repurposed after they are not able to be used for their original purpose.

**5. 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.**

**If not, why not? Please explain your response here.**

Yes. Data sharing across all parties is critical to this being an effective arrangement

**6. 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.**

---

<sup>1</sup> [https://www.etrma.org/wp-content/uploads/2021/05/ETRMA-Tyre-Label-Infographic-2021\\_V1-1.pdf](https://www.etrma.org/wp-content/uploads/2021/05/ETRMA-Tyre-Label-Infographic-2021_V1-1.pdf)

**If not, why not? Please explain your response here.**

The Battery Industry Group (B.I.G) recommended to the MfE that the PSO is best placed to collect the fee. The current proposal, with the fee being collected by Waka Kotahi and the PSO, means two systems will need to be in place to cover vehicle battery fees (collected by Waka Kotahi) and all other large battery fees (i.e. used for planes, ferries, trains, stationary energy) collected by the PSO. It is more efficient for one entity to collect all fees. Under the proposed model the fee would be applied at the point of registration (for vehicles) which would then be passed onto the consumer as an onroad cost. This disincentivises improved battery design as it does not impact on the battery manufacturer.

While there is some overlap with the tyre product stewardship scheme and the proposal makes sense from an alignment with the tyre scheme perspective, there is more synergy with the proposed electronic products product stewardship scheme as they share e-waste repairers and recyclers. Therefore, any alignment should be with the e-waste scheme not the tyre scheme in terms of fee collectors.

**7. 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? Please explain your response here.**

Yes. There definitely needs to be government oversight of the schemes and this should be paid for by the scheme.

However, we share B.I.G's concerns with the level of costs identified for compliance activity in relation to large batteries by the Ministry for the Environment. The consultation document does not make clear what enforcement actions will be undertaken as part of this fee. We note that the level of fee for MfE to monitor the scheme and the fee for NZTA to simply collect the fee are both higher than the fee for the PSO to operate the entire scheme. These costs seem out of proportion and require greater transparency. If the fee is collected by Waka Kotahi, then the level of compliance activity required could be expected to be minimal. Including higher costs than necessary will add to the fee paid by importers and could disincentivise adoption of EVs.

**8. 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: If not, why not? Please explain your response here.**

Yes. More detail on the reuse for tyres would be beneficial. This should be a prominent target and include retreads which are currently possible for bus tyres but not cars.

**b. Large batteries: If not, why not? Please explain your response here.**

In principle B.I.G. believes targets should be set, but only once when improved data on battery volumes and end-of-life management is available. For example, currently it is possible to determine the number of scrapped Nissan Leafs, but this doesn't include the number of batteries that have been sold on the second-hand market or stockpiled for reuse eg. very little is known about hybrid batteries or where they end up at the end of their useful life.

**9. Do you agree with the proposal to set quality standards for:**

**a. Transporting, storing and processing large batteries? If not, why not? Please explain your response here.**

Yes., The transportation and storage of large batteries made of lithium ion have hazardous risks, so there need to be expectations set as to how to manage these risks and providers need to be monitored to ensure compliance.

For the processing standards, B.I.G. agrees in principle but there are no standards yet and it is not clear how these would be implemented. B.I.G agrees that the standards would need to be in place for a recycler to be accredited and paid for by the scheme. Mandating a standard would ensure that even if not part of the scheme a recycler would have to conform to standards. However, the wording needs to be generic to account for the fact we have no standards yet.

A suggested approach could be that all MTA-approved garages, or all AA garages have an EV and hybrid battery recovery module added for approval, so the monitoring is carried out by those organisations who already carry out their own monitoring, rather than the PSO being responsible for the monitoring, with a central government entity auditing this process.

For stationary energy systems, registered electricians may also need to adhere to any standard regarding large batteries.

**b. Eligibility for tyre stewardship incentive payments? If not, why not? Please explain your response here.**

Yes.

**10. Additional feedback**

Regulated product stewardship schemes should be providing better end-of-life management systems in the short term while moving towards scheme designs where activity at the top of the waste hierarchy is incentivised. We urge the MfE to fund research on how an eco-modulation fee model may be applied to all regulated product stewardship schemes currently in design and for future schemes. We also support the use of tracing systems such as the B.I.G.'s Battery Innovation Hub's battery traceability platform.

As per other recent submissions on the Waste Strategy, WMA and Litter Act, a need for a dedicated entity not subject to political cycles to fast track progress is required. Regulated product stewardship is one of the most powerful tools we have to move us towards a circular economy and we urge its prioritisation and application across many more products via a dedicated entity. This entity would be well placed to instigate new regulated product stewardship schemes, oversee the co-design process and monitor the schemes once implemented.