

## ANNEX B

### *EPR for used tyres in Flanders (Belgium)*

by

Ovam (the Public Waste Agency of Flanders)<sup>1</sup>

SUMMARY BOX	
<b>Cost allocation</b>	Waste management operations are entirely financed through environmental fees paid by consumers and transferred to Recytyre. Municipalities are not financially liable for used tyres as these are not categorized as household waste.
<b>Cost coverage</b>	Environmental fees paid by consumers cover 100% of collection and treatment operations for used tyres.
<b>Role of government (OVAM)</b>	<ul style="list-style-type: none"> <li>● Observer in Recytyre's Board of Directors and General Assembly.</li> <li>● Advisor and evaluator of Recytyre's management plan, financial plan and communication plan.</li> <li>● Monitoring of stakeholders' activities (producers, intermediaries, vendors, Recytyre) and evaluation of the achievement of targets.</li> <li>● Conducts inspections on a regular basis and in case of non-compliance.</li> <li>● A division of OVAM can fix financial sanctions for non-compliance.</li> </ul>
<b>Environmental performance</b>	<ul style="list-style-type: none"> <li>● Amount of waste collected in Flanders: 51 375 tonnes.</li> <li>● Of amount collected: <ul style="list-style-type: none"> <li>❖ amount of material recovery (= reuse, retread and material recycling); in Belgium: 84.96%</li> <li>❖ amount of energy recovery; in Belgium: 15.04%</li> <li>❖ amount disposed of in landfills: 0.</li> </ul> </li> </ul>
<b>DfE incentive</b>	<ul style="list-style-type: none"> <li>● communication about tyre pressure</li> <li>● no production of tyres in Belgium, which makes it difficult to promote DfE.</li> </ul>
<b>Cost efficiency</b>	<ul style="list-style-type: none"> <li>● Economic efficiency: net benefit of EUR 3 976 971 in 2012.</li> </ul>

## 1. Description of EPR set-up

### a) Legal context

In Flanders, the Acceptance Duty was initiated as an EPR instrument in waste policy in 1994, ensuring that those who produce and market products bear responsibility for the collection and processing of the resulting waste. In order to implement the duty of acceptance, a first environmental policy agreement (MBO) was established between the government and the producers of tyres on 22 May 2000, which was replaced by a new one in 2003. In 2010, a new agreement – covering not only tyres from replacement, but also tyres from original equipment with the exception of bicycle tyres – entered into force. On 1 July 2012, the Flemish regulation on the sustainable management of materials and waste (the Materials Decree or VLAREMA) further developed the legal framework for the Acceptance Duty and EPR principles.

### b) Governance and Enforcement

OVAM is the Public Waste Agency of Flanders and is responsible for enforcing waste policy. OVAM is an observer in the Board of Directors and the General Assembly of Recytyre,<sup>2</sup> and gives advice and approval on the management plan, action plan, financial plan, and communication plan of Recytyre on a yearly basis. The producers, intermediaries, vendors, and waste management organization hand over all necessary data (including the total amount of used tyres and tyres for reuse that have been collected and the way they have been handled) to OVAM. OVAM then evaluates the implementation of the Acceptance Duty and whether targets are met; and reports back to the Flemish Government and the Flemish Parliament. Furthermore, OVAM conducts inspections on a regular basis in order to ensure that the Acceptance Duty is implemented (two inspectors controlled the transport sector in 2011). If a company is deemed non-compliant, it receives recommendations

to comply with the relevant legislation. An external company audits the financial situation. Finally, OVAM is responsible to report to the Flemish Government and the Flemish Parliament on the EPR scheme for used tyres.

*c) Allocation of responsibilities (distribution of roles, financial flows)*

Consumers pay an environmental fee as they buy a tyre, which will be used for the collection and treatment of used tyres. The Acceptance Duty implies that the vendor is obliged to take back for free the product returned by the consumer. The intermediaries are obliged to take back for free the returned product from the vendor in proportion to the amount of products they had delivered to vendors. The responsibilities of intermediaries and vendors of tyres also include charging the environment fee to consumers and contacting transport operators acknowledged by Recytyre.

The producers are obliged to take back for free the waste collected by the vendors and intermediaries and have to make sure that collection and recovery of used tyres is undertaken for an amount of products proportional to the amount initially delivered to the market. In 1998, the major tyre producers operating on the Belgian market founded the non-profit organization Recytyre (no accreditation is required under the legislation) in order to organize waste management operations (collection, sorting and processing of used tyres) as well as reporting, prevention and awareness raising activities on their behalf. In 2012, Recytyre represented 663 active members, 51 partners (collectors), 5 357 active collection points and 234 treatment facilities. Recytyre has an agreement with the collectors to collect and process used tyres and remunerates them for the collection and recycling activities. Private recyclers chosen at the discretion of collectors are in charge of the reuse and retreatment operations of used tyres.

Municipalities do not have an obligation to organize the collection of used tyres as these are not categorized as household waste. However, most municipalities have signed an agreement with Recytyre for the free collection of used tyres.

## 2. Environmental effectiveness

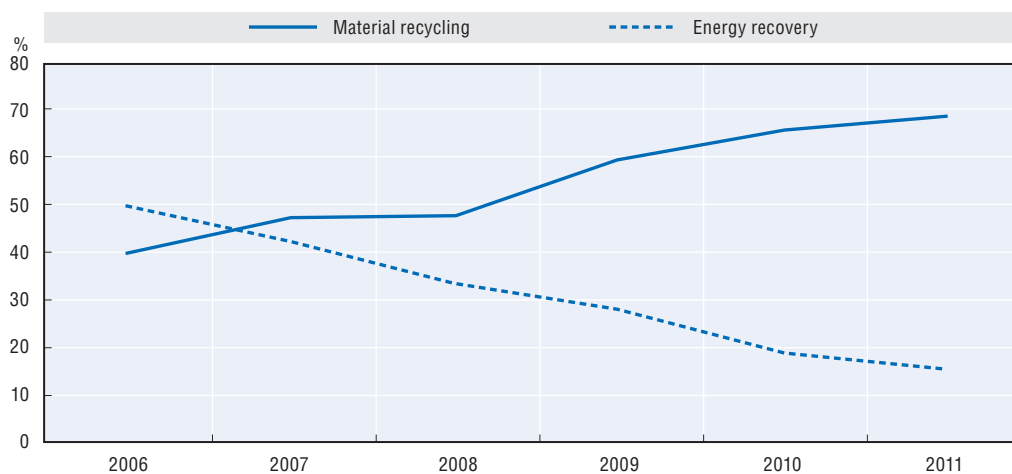
*a) Collection and recycling rates*

All used tyres that are offered for take-back are collected with a rate of maximum 100% of the amount of new tyres placed on the market in the same year. The percentage of reuse, retread and recycling of the collected used tyres should be at least 55% and the remaining part would be incinerated with energy recovery at a maximum rate of 45%. The existence of a tax on incineration and the legislation enabling the use of rubber granulate as infill material in synthetic sport fields further encourages reuse and recycling. Landfilling of used tyres is not allowed.

The EPR for used tyres has significantly contributed to decreasing the amount of used tyres that are dumped to almost zero. As the consumer pays an environmental fee when buying the tyres and does not have to pay an extra fee to have them collected, almost no used tyres are now dumped in Flanders. The 2011 evaluation report<sup>3</sup> states that an average of 88% of all waste tyres is collected, meaning that the target for collection is met. When considering only the replacement market, a collection rate of 99% was achieved. This indicates that tyres of original equipment are less widely collected, which can be explained because these vehicles are typically exported and are not processed in Belgium as end-of-life vehicles (except from trucks, tractors and construction machines). Regarding recycling, targets are usually met. Used tyres are often recycled abroad however as Flanders has little

recycling treatment capacity and because there is a high demand for Belgian used tyres that are considered to be of high quality, availability and quantity, which is reflected in the increasing amount of used tyres being reused and re-treaded. As illustrated in Figure B.1, when Recytyre initially started to finance and collect more types of tyres including agriculture, civil engineering, industry and moto tyre in 2006, used tyres were mostly sent to energy recovery, and material recycling progressively increased over the years and now is now the most used option.

Figure B.1. **Belgian percentage of material recycling and energy recovery of used tyres 2006-11**



Source: OVAM (2014), Extended producer responsibility. The case of used tyres in Flanders (Belgium), Case study prepared for the OECD, [www.oecd.org/env/waste/gfenv-extendedproducerresponsibility-june2014.htm](http://www.oecd.org/env/waste/gfenv-extendedproducerresponsibility-june2014.htm).

#### b) Design for Environment (DfE)

The strategic aim of the EPR for used tyres is reducing the environmental impact of tyres in the waste stage as much as possible by Eco design and waste prevention and by separate collection and processing, prioritizing reuse, retreating and recycling wherever possible. Recytyre communicates about the importance of tyre pressure to extend the lifecycle of the tyre. It is difficult to weigh on eco-design itself because there is no production of tyres situated in Belgium.

### 3. Economic efficiency

#### a) Cost efficiency

When buying tyres, consumers pay a fee that is transferred by producers to Recytyre and that fully covers collection and treatment operations for used tyres. The fee depends on the type of tyre and ranges from EUR 1.32 including 21% VAT (e.g. motorcycle tyres) to EUR 794.37 including VAT (e.g. tyres from some vehicles for public works and construction services).<sup>4</sup> The fee is mentioned separately on the consumer's receipt.

In 2012, Recytyre had a net benefit of EUR 3 976 971, which is rather stable compared to the profit and loss account in the last years (Table B.1). Both revenues and expenses have decreased by about 15% between 2011 and 2012. The decrease in revenues can be largely attributed to the decrease in tyres sold on the replacement market due to the economic crisis, which at the same time decreased the costs for collection and treatment as fewer

**Table B.1. Financial situation of Recytyre 2010-12**

	2010	2011	2012	
<b>BALANCE SHEET</b>	Fixed assets	357 638	464 463	466 989
	Accounts receivable	5 476 725	4 695 648	4 870 402
	Cash and cash equivalents	5 492 845	11 622 078	15 063 611
	<b>Total assets</b>	<b>11 327 208</b>	<b>16 782 190</b>	<b>20 401 002</b>
	Equity	284 055	4 913 089	8 890 060
	Provisions	0	6 888 000	7 499 000
	Liabilities	11 043 153	4 981 101	4 011 941
	<b>Total liabilities and equity</b>	<b>11 237 208</b>	<b>16 782 190</b>	<b>20 401 002</b>
<b>PROFIT AND LOSS ACCOUNT</b>	<b>Revenues</b>	<b>24 247 611</b>	27 058 201	22 627 668
	Operational costs	19 823 214	14 837 540	17 098 614
	Provisions	0	6 888 000	611 000
	Other company costs	514 234	734 292	1 060 671
	<b>Total expenses</b>	<b>20 337 448</b>	<b>22 459 832</b>	<b>18 770 285</b>
	<b>Financial result</b>	<b>-60 719</b>	30 665	119 588
	<b>Profit</b>	<b>3 849 444</b>	<b>4 629 033</b>	<b>3 976 971</b>

Source: OVAM (2014), Extended producer responsibility. The case of used tyres in Flanders (Belgium), Case study prepared for the OECD, [www.oecd.org/env/waste/gfenv-extendedproducerresponsibility-june2014.htm](http://www.oecd.org/env/waste/gfenv-extendedproducerresponsibility-june2014.htm).

products were collected. Company costs increased slightly however due to the increase in personnel as Recytyre is investing in tighter monitoring of the operators' activities. Regarding the balance sheet, a remarkable increase was achieved in the last years as the equity had become negative following considerable losses in the years 2006, 2008 and 2009. The turnaround was achieved thanks to a number of measures including an increase in the environmental fee and some cost savings. Recytyre now has a solid financial buffer that can ensure the continuation of its activities in the coming years. The organization is currently undergoing an operational and financial restructuring, which implies that current numbers as outlined in the table may not be a reference for the financial results for the coming years.

#### b) Leakages and free riders

Free-riders (producers who do not comply with the acceptance duty for used tyres) receive an inspection visit from OVAM, and receive a written reminder listing their legal obligations. If the producer is still not in compliance, the inspectors make a written statement about the non-compliance. The division Environment Preservation, Environmental Damage and Crisis Management (Afdeling Milieuhandhaving, Milieuschade en Crisisbeheer or AMMC) then fixes a penalty that is case-specific, the lowest being around EUR 200 and up to about EUR 5 000.

#### c) Trade and competition

Recytyre is the only coordinating waste management organization for used tyres in Flanders<sup>5</sup> so that it does not face competition. The collection and treatment markets for used tyres are subject to the free market. Every collection operator can participate in the system and will be financed by Recytyre if it works according to the Recytyre guidelines. Used tyres collected in Flanders are often recycled abroad as Flanders has little recycling capacity for this waste stream. This has not been a problem so far however as all collected used tyres end up being treated especially as there is a high demand for used tyres from Belgium due to the availability and quality of the product.

#### 4. Key issues and possible reforms

Further improvement is still possible when it comes to setting the right fee for truck tyres. However, due to the fees applicable in surrounding countries, Recytyre is reluctant to increase these fees as this might stimulate the purchase of tyres in countries where the fees are lower or where there are no fees for truck tyres. Also, so far, there is no market for re-treaded tyres for passenger cars.

The revision of the MBO takes place every five years and allows for further improvements in line with technological advances.

#### Notes

1. Full source available at: OVAM (2014), *Extended producer responsibility. The case of used tyres in Flanders (Belgium)*, Case study prepared for the OECD, [www.oecd.org/env/waste/gfenv-extendedproducerresponsibility-june2014.htm](http://www.oecd.org/env/waste/gfenv-extendedproducerresponsibility-june2014.htm).
2. Non-profit waste management organization for used tyres that fulfils the tasks for the representative organizations in the Flemish region, as well as in the Brussels Capital and the Walloon regions.
3. See "Evaluatierapport 2011" at the line "banden" under [www.ovam.be/stand-van-zaken-aanvaardingsplicht](http://www.ovam.be/stand-van-zaken-aanvaardingsplicht).
4. A detailed list of the most recent fees for 2009 per tyre type and size can be found on the website of Recytyre, [www.recytyre.be/fr](http://www.recytyre.be/fr).
5. With the exception of the EPR system for used tyres of end-of-life vehicles where Febelauto is the waste management organization.



**From:**  
**Extended Producer Responsibility**  
Updated Guidance for Efficient Waste Management

**Access the complete publication at:**  
<https://doi.org/10.1787/9789264256385-en>

**Please cite this chapter as:**

OECD (2016), “EPR for used tyres in Flanders (Belgium)”, in *Extended Producer Responsibility: Updated Guidance for Efficient Waste Management*, OECD Publishing, Paris.

DOI: <https://doi.org/10.1787/9789264256385-11-en>

This work is published under the responsibility of the Secretary-General of the OECD. The opinions expressed and arguments employed herein do not necessarily reflect the official views of OECD member countries.

This document and any map included herein are without prejudice to the status of or sovereignty over any territory, to the delimitation of international frontiers and boundaries and to the name of any territory, city or area.

You can copy, download or print OECD content for your own use, and you can include excerpts from OECD publications, databases and multimedia products in your own documents, presentations, blogs, websites and teaching materials, provided that suitable acknowledgment of OECD as source and copyright owner is given. All requests for public or commercial use and translation rights should be submitted to [rights@oecd.org](mailto:rights@oecd.org). Requests for permission to photocopy portions of this material for public or commercial use shall be addressed directly to the Copyright Clearance Center (CCC) at [info@copyright.com](mailto:info@copyright.com) or the Centre français d'exploitation du droit de copie (CFC) at [contact@cfcopies.com](mailto:contact@cfcopies.com).