



Northern Ireland  
Assembly

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**COMMITTEE FOR THE  
ENVIRONMENT**

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**OFFICIAL REPORT  
(Hansard)**

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**Inquiry into Used Tyre Disposal**

8 December 2011

**NORTHERN IRELAND ASSEMBLY**

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**COMMITTEE FOR THE  
ENVIRONMENT**

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**Inquiry into Used Tyre Disposal**

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**Members present for all or part of the proceedings:**

Ms Anna Lo (Chairperson)  
Mr Simon Hamilton (Deputy Chairperson)  
Mr John Dallat  
Mr Danny Kinahan  
Mr Peter Weir

**Witnesses:**

Mr Pat Kierans ) Tyre Recovery Activity Compliance Scheme  
Mr Fiacra Quinn )  
  
Mr Colm Conyngham ) Bridgestone Ireland Ltd  
  
Mr Niall Murray ) Tractamotors Ltd

**The Chairperson:**

Good morning, everyone. Thank you very much for coming to the meeting. We had a very enjoyable train journey from Belfast down to Dublin.

As you are aware, we are carrying out an inquiry into the disposal of used tyres in the North. The Department is also looking into that and is producing an action plan. However, we are

conducting an independent inquiry.

Our problem is probably worse than yours. I see that the Tyre Recovery Activity Compliance Scheme (TRACS) is, at least, making some headway in trying to monitor this and has a voluntary code and membership. We have nothing like that. We are very interested to hear about the project. I have read your annual report, which sounded very good. The Bridgestone project is very interesting too.

Perhaps you could give us a briefing, for maybe 15 minutes or so, and then members will, I am sure, have questions. Thank you, gentlemen.

**Mr Fiacra Quinn (Tyre Recovery Activity Compliance Scheme):**

You have seen our report. It describes the voluntary arrangements that we have. We have mandatory legislation, which suppliers of tyres, at any particular point in the supply chain, have to comply with. However, it is voluntary, in the sense that suppliers do not have to join TRACS, they could join the local authority. It is self-compliance, equivalent to packaging or something like that. The voluntary approach and TRACS were set up to reconcile the movement of tyres from the point of import to the point of disposal and treatment. If you look at it as a single system, and follow a unit through that system, you will see that, on a one-for-one replacement on a vehicle, that is how it happens. If 1,000 tyres are imported, and if the retailer says he got only 500 and the waste collector says he collected only 200, we are able to show that a point of audit is already there. You can see that that is where the reconciliation exercise occurs. Of course, that can be backed up with local authority enforcement to ensure retailers are using proper collectors and collectors doing what they are supposed to do under the conditions of their collection or facility permit; it is either/or, or one of both. We also deal with some collectors in the North that collect in the Republic.

TRACS is a success in that 90% to 95% of units imported are accounted for. In the report, you will see that the Central Statistics Office (CSO) statistics do not show that, but we know and the CSO knows that revisions are to be carried out thereafter. CSO is very helpful with its figures and with revisions. If there are slightly too many, it knows that it has counted slightly too many, but the revisions are slow to come through. We know by looking at the number of importers in the country together with our membership — we have included that in a table — that we have captured most of those. It looks like we are capturing only 52% of the retailer movements, again

because of the CSO figures and because our baseline is too high, but we know it is not that; it is 65% to 75%. By and large, we account for over three quarters, at least, on the waste collection side, if not up to 80%. That is where the success of the system is.

We do an audit by looking at importers, retailers and waste collectors who are members of TRACS. We can see what is happening and where the movement is within those points. If our system shows that somebody is not reporting correctly, the system spits out a name and address and that leads to an automatic audit. That is what we do. We are a little bit stymied at the moment with the approval of a second scheme, which has started only very recently and probably is not up to speed or experienced enough yet to do that.

There will be a review of all waste streams that have a producer responsibility initiative (PRI) around them. That will include TRACS. We are not a full PRI, in the sense that we do everything except dictate what waste collectors do or hold money against what they do. You could contrast that with Valpak in the UK or WEEE Ireland, which subsidise the waste collectors and tell them what to do based on PRI ends on the packaging side or subsidisation on the collection side. We are not that. We left it to the free market to decide where they are at, because collection of tyres in an urban area will not be the same as collection of tyres in a rural area.

The free market was, probably, working well until we hit the brick wall of economic crisis. A number of activities stopped for waste collectors. To an extent, their outlets disappeared, and they ended up stockpiling. Stockpiling has become an all-Ireland problem. You will have seen that yourselves. Of course, stockpiling of tyres leads either to enforcement or a fire — one or the other. That is what tends to happen.

We think that stockpiles are being reduced. Nobody is doing that at present. However, we still think that for waste collectors to gain a market share, they are probably offering a price that is below what it takes to treat a tyre. At present, we cannot influence that. However, we can track them and say what happens to waste tyres and where they are sent. That is pretty much it. That is how we operate at present.

I am not here to speak on behalf of the Department of the Environment, Community and Local Government or anything like that. In the review, the Department may take the opinion that a full PRI, in which the compliance scheme handles the money and appoints waste collectors, is the

preferable way to proceed. In that instance, it would be not competitive as such, because in any model like that, there would not be a free market for, let us say, 30 or 13 waste collectors. Four would be appointed, and that would be it. The rest would go out of business. That may or may not work. It is probably the industry's view that it would not work if, at the very least, similar approaches were not taken on both sides of the border. Under full PRI, it may look as though new tyres would be cheap if they came from the North to be sold in the South. In much the same way as with farm film — if you want to put it that way — there is no tax on that. However, concomitantly, the waste goes back in that direction. You are probably finding that problem; waste flows back to the North because nobody will pay for it.

**Mr Colm Conyngham (Bridgestone Ireland Ltd):**

I would like to make a few points. With regard to economic operators, Fiacra mentioned that we have not been able to involve all retailers. Our opinion is that we want to deal with as many tyres as possible. That has been our goal. We are at a high level in dealing with tyres. There has been a problem with the Department of the Environment in Southern Ireland asking us to involve a high percentage of economic operators. What you have to realise is that an awful lot of retailers have a sign over the door saying that they deal with tyres. There may not even be a sign. For example, many motor dealers now say that they will get or fit tyres. In some cases, a car is driven to a tyre dealer to have its tyres fitted. Therefore, there are an awful lot of additional economic operators for whom tyres comprise a very small portion of their business. We have some difficulty in getting some of those people to come into the fold, so to speak. Would that be fair to say, Fiacra?

**Mr Quinn:**

Absolutely. For example, we have a list of around 1,500 economic operators that would deal with one tyre or tens of thousands of tyres. Garages account for around 360 of those operators. Half of those are in TRACS. To be honest, we have them on the list because they may deal with tyres. However, that is not their business. It comes back to the old 80:20 rule. Some economic operators deal with tyres. However, 80% say that they deal with tyres, but they do not really.

**Mr Pat Kierans (Tyre Recovery Activity Compliance Scheme):**

Since March 2011, we have brought many more garages into the circuit. I joined TRACS in March. My background is the retail motor trade. Therefore, I knew who to look for among those people. We have brought many people in since then. Even if a guy does mechanical work and

he sells 20 tyres, he still needs to join us. It is a matter of educating people about the fact that they have to join. It is working.

**Mr Niall Murray (Tractamotors Ltd):**

The point is that, in the South, we have the Society of the Irish Motor Industry (SIMI), which is a robust association for motor dealers. The tyre industry itself is an associate member of that organisation. It is willing to co-operate with us going forward. Alan Nolan is the chief executive. He is very much on our side in helping us to deal with SIMI members. In the first instance, the challenge for the industry was to try to paint with a broad brush and bring major operators into the net. Now that they are in there, we can start to look for the 5% and 10% that are represented by the smaller economic operators and bring them into the net.

In the next two years, I think that you will see some sort of initiative being put in place between the Irish Tyre Industry Association (ITIA), the SIMI and TRACS to bulk register members. The waste electrical and electronic equipment (WEEE) compliance scheme has already done that. Its members were bulk registered, thereby taking all of that paperwork out of the system. The smaller operators then felt that they were not being put upon by yet more bureaucracy. They were automatic members of the compliance scheme, and as such, all they had to do then was to get rid of the actual tyre through a recognised collector.

**Mr Conyngham:**

A typical motor dealership might have batteries, exhausts, tyres and even waste cars themselves, so managing that waste can be quite difficult and tricky.

**Mr Murray:**

From my experience of growing up in the industry, I know that, in the good old days, if you had an oily rag, you threw it in the general waste stream. If we did that now — we have one tyre shop, but we are generally a distributor — our waste collector would be on to us to say that there were some filters in the last skip that we sent to them. They want that taken out of the waste stream completely and properly disposed of, and they would supply us with the proper tools to do so. So, I think that you will see far more proper waste streams being provided for the waste generated by a typical garage or tyre shop.

**Mr Conyngham:**

The other point is about enforcement. We understand the difficulties that local authorities face. However, we feel that their enforcement really needs to be stronger than it is at present. We have continually made that point to the Environment Department here. Who would put money in a meter for a parking disk if there were no enforcement of it? Would anybody do so? I think that very few would. That is the reality of the world. So, at the end of the day, a self-regulating system still needs to have some enforcement. When the problem goes way down stream, Fiakra and TRACS police it as much as they can. In one county, there may be two environmental waste officers who have to police a whole raft of different areas, so the chances of their finding a small operation at the back of a farmyard or something like that are very slim. They do not have spotter planes. It is really just a guy going round in a van looking for all kinds of waste, and he has all kinds of targets to meet. So, tyres do not seem to be high on the list of priorities. However, it is encouraging that there have been some prosecutions recently, and we try to highlight those as best we can.

**Mr Quinn:**

There were some prosecutions in Kilkenny and Mayo.

**Mr Kierans:**

Small fines.

**Mr Quinn:**

There were small fines and things like that. I think that the local authorities are very put upon at this time. They have a budget and perhaps 20 regulations to enforce, but they can really only enforce the top five, depending on what the priority is for that quarter and what they are doing.

It has also been made a little bit more difficult for local authorities because of the historical use of tyres on farms.

**Mr Murray:**

For silage pits.

**Mr Quinn:**

Yes. The tyres are put on top of silage pits to weigh them down. There is an allowance for

farms, because of the historical background with farmers here.

**Mr Murray:**

There is a strong lobby as well.

**Mr Quinn:**

Yes, from the lobby interests.

**Mr Murray:**

It is a political reality.

**The Chairperson:**

It is the same up North.

**Mr Murray:**

You have to accept that that is a political reality.

**Mr Quinn:**

We think that there are good guys in the Irish Farmers' Association (IFA). They originally sat on the board of TRACS and were involved in discussions. TRACS thinks that that is really unsustainable and that farmers should move towards modern practices of using wraps, sheets and different types of mats. At a certain time of the season, farmers will not approach the waste collector, although they are entitled to, but will instead go directly to retailers and ask them to take the tyres. We can find out whether they have done so from our audits. That is the current practice, and if we are doing audits, it is fine, but we need a little more enforcement behind that. It is very difficult for local authorities. When we provide a list to them, as we do every month, we say, "These are members, and these ones are not. These guys are not really practising good waste management, but these guys are". There are a lot of people to visit, and they have a lot of other things to do. Scrapyards are a priority. You may have seen on the news that there were helicopters in the air over Cork identifying scrapyards. That is the way they do it. It is a large county, and they were quite successful in closing those places down. That is high-profile waste, whereas tyres are probably not as high profile, especially where there is some accountability in the supply chain.



**Mr Murray:**

TRACS shares an initiative with the industry in which we maintain a very robust list of economic operators. We try to review that on an annual basis. We get all the major players in the industry to tell us about the economic operators that they know are operating in each county. That list is provided to TRACS, which issues an identifier to those operators; it is like a social security number that remains with them. We can track each one of those businesses if they are remotely involved in tyres.

TRACS gives the local authority a monthly list of the economic operators and tells the authority whether those operators are in TRACS or not. At least, when the enforcement officer decides that he is going to get around to tyres, he has a list of people in his county whom he can audit if he so wishes in order to see who is compliant or not. TRACS is telling local authorities, from a starting point, who is in our scheme.

**Mr Kierans:**

It is a very difficult job to do. As Colm said, we can find the small operators. That is our job, and we are very successful at it. I know where they are because I have been in the business for 26 years. The problem for us is that, when we find the people and give the local authorities the information, the way in which they deal with that information is very poor. We are getting the information for them, but it is frustrating.

We find a lot of people. I write to them all; once we find them, they go on our system straight away and a letter goes out instantly. A lot of people think that we are connected with the Government. Some people will join the scheme, but others will wait until they get a fine or a letter or they end up in court. It is very frustrating, but we will keep going, because we are making good strides.

**The Chairperson:**

Enforcement is a big problem for Department of the Environment (DOE) in the North, be it for waste management, tyre disposal or taxis and buses. Thank you very much. The scheme was set up in 2008 or 2009?

**Mr Quinn:**

We started operations in 2008.

**The Chairperson:**

The extent of your success is remarkable, given that the scheme was set up only a few years ago. How was it first set up? You said that TRACS is a non-profit-making organisation and a limited company.

**Mr Murray:**

I can give you a little bit of insight from the industry's point of view, because I was on the NEC of the Irish Tyre Industry Association at the time. The then Department of the Environment, Heritage and Local Government pointed out to us that we had a social responsibility for the waste that we were creating. In the Department's estimation there was a very big gap between the amount of tyres that were coming into the country and the number that it could satisfy itself were being destroyed correctly.

The Department told us that it was going to develop legislation to back up its enforcement operations. We met Greenstreets, a company that Fiacra is involved with, and asked it to design a compliance scheme for the industry in consultation with the Department. As a result, the Department issued the set of regulations under which we currently operate. They are a subset of the Waste Management Act 1996. We have very defined legal obligations under those regulations that govern how we, as businesses, are responsible for dealing with waste and the recording of it.

The good thing is that, because the scheme was set up by the industry, there is a lot of co-operation between the two organisations. When we meet the Environment Department, we go together, so that the industry is represented on one side and the self-compliance scheme is represented on the other. It takes a lot of the "he said, she said" out of the discussions. When all the parties are around the table, you can get an exact read of how the scheme is operating. We started in 2006 —

**Mr Quinn:**

Yes; around 2006.

**Mr Murray:**

— and we launched the scheme in 2008.

**Mr Quinn:**

Yes; it was incorporated in 2005, so, it was out there already.

**Mr Murray:**

You put in quarterly returns to the Department of the Environment.

**Mr Quinn:**

Yes, we do quarterly returns. We ask all the suppliers to submit quarterly returns on their activities to us, which they do. We then issue an annual report to the Minister at the Department of the Environment. We issue a monthly report to the local authorities, but we do not include statistics. It is more along the lines of a list of names and addresses for them to act upon within their functional areas. All the reports that go to the Minister are in aggregate, so no one company is identified. We have an IT system in place whereby people can make secure returns, so I do not get to see the figures; Pat does not see the figures —

**Mr Murray:**

That is important from an industry point of view, as you can imagine. If I was on that list with my competitor, and I felt that he was getting my entire distribution list, I would have a problem with that being on the public record. Fiacra went to a lot of trouble with TRACS to convince the industry that he had a bullet-proof security system.

We report to him electronically on a quarterly basis, and the information that comes out of his system is aggregated so that neither the brand nor the company that give him the information can be identified. It is very secure in a small industry, where a number of players would be very interested in the economic information of any of their competitors. Its security was a great way of being able to sell it to major manufacturers, because, obviously, a company such as Bridgestone would have a significant interest in making sure that its economic information was secure. That has never been breached, and we have had somebody test it.

**Mr Quinn:**

We have an outside contractor who built it, and we have it tested yearly. The IT manager does not see the figures. If Colm sells 10,000 tyres to a retailer and that retailer lies, the system gives us the name and address, and it will indicate that it cannot verify that that is the truth because the

figures do not match. However, the system does that. We do not do it manually or anything like that. That is how it works; it points out the oddities.

**Mr Conyngham:**

There is also a UK software firm, TEAM Systems Ltd, which has around 100 point-of-sales in smaller tyre retailers. We managed to get it to develop a software module for the accounting system used by a small tyre retailer, so it makes their reports to Fiacra. I think that a few others have come in and made software, but we have had good co-operation. A lot of dealers were worried about how they would get the time to start adding up how many tyres they send, and they were afraid that that would mean more paperwork and administration. With the TEAM Systems software, it is easy for the tyre retailer to work it out.

**Mr Quinn:**

Once it is in place, it is fine. The first time, there is a little bit of work needed and a bit of hand-holding, but it automatically goes through the second time.

**Mr Murray:**

As a wholesaler, we provide smaller customers with a list of everything they buy from us. If they are buying from five or six wholesalers, they can get the information from the five or six wholesalers, aggregate it themselves and give it to Fiacra on paper, if they wish. We have agreed with TRACS that we will give the information in a timely manner to the smaller dealer any time they want it. Again, if you have a decent IT system, that is pretty easy to do.

**Mr Conyngham:**

Some of our customers said that they wanted to join TRACS and were happy to pay the money but wondered how in the name of God they could figure out how many tyres they had, because they may not be good at that part. However, in fairness, in any business, you should do that, and we help some of them —

**Mr Quinn:**

We have sent people out to help to get them set up physically on the ground as well. Most people have a financial system anyway, and it is tied into that.

**Mr Conyngham:**

So, it is just interrogation. Any help you can give them improves compliance.

**The Chairperson:**

Rather than putting barriers up.

**Mr Conyngham:**

There are those who want to comply, but, perhaps as a result of their work, they get caught up in other things. The other group that do not want to comply are a smaller group, and we should help them.

**Mr Kierans:**

They are worried about the information.

**Mr Quinn:**

Like you, we have waste collection firms and waste facilities firms. Some companies have both. They automatically report to the Environmental Protection Agency (EPA) through their commissioned data returns. There is no problem with them, because they can report by units — they can charge by units — or they can report by weight, and it makes no difference. We made it easy for everyone, including companies that had a problem with weight.

**Mr Murray:**

There is one weakness in the system in that it is too easy for waste collectors to check the box that says that they will collect waste tyres. From an industry point of view, we have asked some of the bigger collectors to allow themselves to be audited by TRACS, so that we can follow the trail. One of the things that the Department wanted to do was to make us responsible for the tyres from the cradle to the grave. In order to do that, we must be able to audit the collectors to see what they do with the tyres.

One of the frustrations is that it is quite easy for waste collectors to check the box to say that they are collecting tyres. If there are 120 companies collecting tyres in the South of Ireland, it is much more difficult to audit them. As an industry, we would like to see the number of collectors with a specific permit to collect tyres reduced. That would bring in an anti-competitive dimension. For every positive there is a negative. However, we would like the waste stream to

go to a smaller number of waste collectors.

**Mr Conyngham:**

As you move towards recycling 100% of tyres, you will be presented with a number of obstacles. To make a product from tyres — my company and other major companies are investigating that — there is a cost, as there is for any recycling. One very good example of best practice is Crumb Rubber Ireland Ltd. You may have time to look at its website or to visit it. It is based in County Louth, and it is retailing products in, I think, B&Q, but certainly in Woodie's DIY and some of the other retailers in the South and in Northern Ireland. It has, if you like, gone the full distance to recycle tyres and sell a product, but it has had to make major investments in its plant and factory to do that. It charges to collect the tyres, because it has not yet reached the stage where selling the product pays for all the costs. However, it is competing with companies that have been given waste collection licences by county councils. Those companies may be going the minimum distance, they barely comply with the law and they do not make any products. After all, tyres can be exported to —

**Mr Murray:**

South Africa.

**Mr Conyngham:**

Yes. They can also be exported to Third World countries and to anywhere else on the planet. By doing that, those companies are not doing anything wrong, but we would like to see an increase in the amount of tyres that are made into products. That is more environmentally friendly, and there is a cost to flying or shipping something to the other side of the world. Making products will also create employment if people are making them locally and exporting them, and that will add value. That would be at the top level.

We have come a long way from perhaps 15 years ago, when tyres were simply buried in the ground. The level of burials has fallen dramatically, as has the number of tyres that go on top of silage pits, although farmers would argue that that is recycling of a kind.

**Mr Murray:**

It is reusing.

**Mr Conyngham:**

Yes. There is some value in that, but it is still at a very low level. As you go up the recycling steps, cement kilns are being used to burn tyres for energy recovery, and I think that Lafarge Cement in Northern Ireland conducted an exercise in that area. At least some energy is made from the tyres in that way, and it is better than them going into the ground. However, it is not as good as those tyres being used to make products.

Equestrian centres are another big user of old tyres. They mix them with other things to make the ground springier for the horses. However, there comes a point when that must be scraped up and disposed of. Again, that is better than burying the tyres in the ground, but it is not as good as recycling them.

Bridgestone has looked at the steps that are involved in recycling. Internationally, we are looking at different products that can be made from tyres. In Ireland, we have a very good example, Crumb Rubber, which, over the past decade, has made a very strong effort to go the distance, and has succeeded in doing so but has found it difficult. Looking at your situation: if we have 120 collectors pushing prices down in order to get the tyres, get the money for the tyres, and dispose of them in the easiest way, then, if we want to see tyre recycling, that is where we can get improvements. Fiacra has been successful in tracking tyres right to the graveyard, as we say. After that, some of them go on boats. We do not follow them to the ends of the earth.

**Mr Murray:**

We are stuck at the graveyard, basically.

**Mr Conyngham:**

Tyres can head off on a boat quite legitimately. Some of the people that Fiacra has looked at have provided legitimate reasons; for instance, tyres could be heading to a cement kiln on the other side of the world.

**Mr Quinn:**

We have audited most major collectors, not just on collection, but on what they do with tyres, as Colm and Niall have said. Even if collectors crumb the tyres, we ask them what they then do and where the product goes? I presume that you will have questions for the EPA on the end-of-waste criteria for tyres; and what point it gets to and what decision is made. We also have questions, and we will work through them. When looking at someone who may crumb tyres for export, you

would still consider that as waste and wonder what happens to it. If tyres are baled, there are certain criteria for saying that a bale of tyres is an engineering product; but is it exported as a bale, and where does it go? We ask companies for the names, addresses and phone numbers, on transfer-to-shipment notes, of where the waste is going. They should have such notes on site, and that is what we see on audit. Presumably, the industry has its own points about reuse abroad in countries where that is legitimate. We do not have an opinion on that, but we do want to know where the waste is going. If tyres are being exported for use further on, we want to see the transfer-to-shipment notes.

**The Chairperson:**

We visited a recycling company in the North and were told that they ship a lot of baled tyres to South Korea, but it is not seen as a product, it is seen as waste.

**Mr Quinn:**

Yes, that is the difficulty. I know that the EPA has draft criteria for bales in certain instances, but those are hard to work through because you cannot really barcode a bale and say that it has been used within three months, or something like that.

**Mr Weir:**

Thank you for your presentation. You mentioned tyres moving from cradle to grave. I have a brief vision of tyre heaven, but maybe towards the end we could move into tyre Buddhism, and reincarnation.

These might be reasonably basic questions. However, whatever model we are looking at, either through the Department or through the Committee report, we are looking at the end game for Northern Ireland. The economic model is important. As regards the overall cost of your scheme, does funding come purely through central government?

**Mr Quinn:**

At the moment, we charge 10 cents per unit. The economics are very simple. There may be two million tyres at 10 cents each, which is paid by the importer. There is no funding from government or anything like that.



**Mr Weir:**

So, the scheme is self-funding?

**Mr Quinn:**

Yes. It is a not-for-profit business, so the entire funding has to —

**Mr Weir:**

What is the annual budget?

**Mr Quinn:**

It is about €200,000.

**Mr Weir:**

A key issue is that you could have the best scheme in the world but could damage your scheme's effectiveness if you have not copper-fastened enforcement. As you indicated, enforcement in the Republic is carried out at local authority level. The issue is therefore about prioritising and financing that work. Is it left to local authorities to finance enforcement from their own budgets, or do they get grants or support from government?

**Mr Quinn:**

There is a central grant, or fund, within government. Essentially, in that respect, public money funds enforcement. But, taking a step back; it is important for you to see that, if you decided that you did not like the current model and went for a Waste Electrical and Electronic Equipment (WEEE) Ireland or European Recycling Platform (ERP) type of model, the compliance scheme would control the money and therefore the waste collectors. You would not need enforcement because you would have done away with them.

**Mr Weir:**

I appreciate the extent of your audit trail, which at least ticks the boxes as far as the number of tyres is concerned. What about the traceability of individual tyres? Do you feel that that is just too difficult?

**Mr Quinn:**

Yes. It is too difficult. I do not think that that would work.

**Mr Murray:**

We have no way of identifying individual tyres. There is a DOT number on a tyre, but that is sometimes reused. There is no marking, such as a serial number, on a tyre.

**The Chairperson:**

Why can that not be done? Why can you not have a serial number?

**Mr Murray:**

The next time you get the opportunity to look at the side of a tyre, you will see the amount of information that is now required. One would almost need a Kindle to read it all. From the wholesale and handling point of view, we would love to come up with some way of having a barcode on a tyre that would allow us to account for it going in or out of premises. That would make accountability stronger.

**Mr Conyngham:**

There is barcoding on the label, but the label is, obviously, removed when the tyre is put into service.

**Mr Murray:**

If you visit any warehouse around the country, you will see that one of the housekeeping tasks every day involves picking up the labels that have come off tyres.

**Mr Conyngham:**

Nobody has come up with a glue that is strong enough to keep the labels on but not too strong to stop them being taken off. There is a lot of information on the side of a tyre. So, you can figure out things such as when and where it was manufactured and an awful lot about the engineering side. Manufacturers have not yet put something on a tyre for the duration of its life that would attach it to whoever is distributing it at a particular point. We do not have that at the moment.

**Mr Murray:**

It also needs to be automatic. Reading black on black is very difficult. So, there will have to be something such as a chip that will give you a radio signal that will enable you to collect the information electronically. The average cost of a 40 ft trailer of tyres is €40,000 or £32,000.

There are 1,200 tyres in a 40 ft trailer; so, you can imagine that two million tyres coming into the country would involve an awful lot of reading. Therefore, unless you can capture the information electronically, you will not have a prayer of capturing it.

**Mr Kinahan:**

I know that the trade produces a gauge that tells you about tyre wear. Is someone looking at that technology in case something can be developed from that? I think that it tells you when the tyre is worn and when you need to change it.

**Mr Conyngham:**

Our company is looking at that. At the moment, tyre-wear indicators have become the subject of European law. Funnily enough, that is coming from the fuel side of the industry, and it means that people are not driving around on half-inflated tyres, which use an awful lot of extra fuel. A lot of our technology is concerned with looking into the future. Whether something will come about will do so more through economic influence than practical application, because sometimes you cannot get anyone to pay for new technology. Motor companies will pay only a certain price for a tyre. It is not something we will see in the near future. Dashboard technology devices and tyre pressure monitoring systems will improve, but I do not think that there will be anything in the actual tyres any time soon.

**Mr Murray:**

According to current legislation in Europe, by 2012 every tyre will have a label that will tell you about wet breaking, sound and rolling resistance: rolling resistance has a direct effect on the amount of fuel that you use. So, it will be just like when you buy a refrigerator and see the A, B, C, D, E, F label. The label will have to be on the tyre. However, they have not yet figured out how we will show that label to the consumer.

As you can imagine, when someone drives into a tyre shop, the car goes up on the lift and four tyres are put on. From the point of view of insurance, you do not want your customers standing in the garage and watching that being done, because there are lifts and trailing wires, etc. Most good tyre shops pull the label off a tyre before it is delivered to the customer. The legislation states that we must show that label to the customer, although it has yet to be decided whether there will be an electronic version of the label or whether the actual label will be stuck on to the invoice. That point is still being argued.

**Mr Conyngham:**

You must show it online and at the point of sale, but “point of sale” has to be debated.

**Mr Murray:**

When a tyre is fitted on a car, the decision about that tyre has already been made. Unless someone comes up with a way of showing the label to customers when they are making the decision to buy, they will not be making their decisions based on information: it would be a case of the label being shown to them in order to tick a box.

**Mr Conyngham:**

It is worth pointing out that, at the moment, when consumers go in to get four new tyres, they are typically charged about €1·50 for disposal. A disposal charge is set by the retailer. Some charge €50, which includes everything, and others take the Ryanair approach and charge €47, plus a charge for this and that.

**Mr Weir:**

Those tyres are likely to land in a different county. *[Laughter.]*

**Mr Conyngham:**

Yes. It is up to them. The reality is that they collect money. I have found that there is a very positive reaction from consumers when they are told where the tyre goes. Some do not need to know and are interested only in the price. However, some dealers take the trouble to say that they send their tyres to Crumb Rubber, which makes mats from them. Sometimes, we underestimate how much people care about the environment. There have been retail successes because businesses have gone to the trouble of telling people things such as: “The chicken had a good life”. People will then pay extra money for the chicken. The tyre industry is becoming more aware of this, but we need to communicate more with people. It will give retailers an incentive to make sure that they comply with Fiacra and ensure that their tyres are going somewhere. They will not want to be found to be dealers who are not doing that and are being compared to those who fire them over the back wall.

**The Chairperson:**

I changed two tyres last week, and I asked them for an audit trail. They charged me so much that

I thought that I had better ask them.

**Mr Conyngham:**

I genuinely think that it is in all our interests in the tyre business that we point that out to people and encourage them. The guy who makes the genuine effort to recycle can charge a little bit extra because the retailer can charge a little bit extra for that. All of these things are going in the right direction, but there is a small problem in that somebody who does not fully comply has a competitive advantage over someone who does.

Looking at other countries in Europe, I am of the strong belief that the island as a whole would have a better chance of sustaining perhaps two or three really good product manufacturers. They will tell you that to run one of those plants, you have to keep feeding it, you have to have a certain turnover, and you have to have a controlled supply. It is no good if people turn up on a Monday morning and there is no tyre supply to keep their plants running. So, there may be a better model for those kinds of plants on an all-Ireland basis. A second company is Crossmore Transport, which Fiacra has been to inspect. It seems to be improving its model. There is possibly an advantage to having a co-ordinated North/South approach for plants such as this.

**The Chairperson:**

In the North, there is certainly no scheme for doing this on a voluntary membership basis. It was suggested at one of the sessions a couple of weeks ago that there should be mandatory registration of all manufacturers and retailers, which would provide an audit trail. How do you think that a mandatory scheme would work?

**Mr Murray:**

One of your biggest challenges will be exactly what has happened in the South of Ireland. Five manufacturers are on the national executive committee of the Irish Tyre Industry Association. Two of them have offices in the South of Ireland, so they are obliged to obey the law. Three others have agreed to be members of TRACS voluntarily, because they are shipping the product in from England. They are doing their invoicing from England, and the logistics between the two countries are so good that it is seamless for customers because they order tyres over the telephone or on the internet, and they arrive a day or two later. If they ordered tyres from us, the process would be exactly the same, because we have a warehouse in Dublin and one in Antrim. However, if there were a mandatory obligation in the North, you would capture only the people in

your jurisdiction. Those outside, for instance the two manufacturers in the South of Ireland, would not be obliged to comply, simply because they are outside your jurisdiction. There may be a line on the map that says that there is a border, but that is really all it is; tyres can move quite freely.

Earlier, Fiacra talked about the full PRI. This would suit the industry because it would capture the cost of the recycling at the point of entry. There is no obligation on the retailer, because he simply rings whoever has been mandated to collect the tyres. The retailer will say that he has 100 tyres to be collected, and they are collected.

**The Chairperson:**

That is the end of the story for the retailer.

**Mr Murray:**

It is the end of the story for everyone. The problem is that there are two different jurisdictions, North and South, with, potentially, two different outlooks on the problem. If we were to adopt a PRI in the South of Ireland, and the North of Ireland did not do so, it would mean that, at point of entry, I would be paying €15 extra for a truck tyre to cover the cost of its ultimate disposal. That charge would not apply in Northern Ireland, so you can imagine what would happen. Every truck tyre taken into Southern Ireland would come from Northern Ireland, and the obligation would pass from the original supplier to the retailer. As things stand, it is easy to audit the 45 tyre importers in Southern Ireland, but there are 1,500 economic operators. Can you imagine what would happen if all of them were made responsible for reporting what they import? It would become unenforceable.

Therefore, as an industry, we are very concerned. On the industry council, I represent importers, and we have a huge concern that a full PRI in the South will force us to shift product from Northern Ireland, forcing our customers to be obligated for the reporting, which will never happen. It would put us in the position of becoming cowboys from a competitive point of view simply because there would be a €15 or €16 difference. We reckon that it would cost around €15 or €16 per tyre if a collector were given the contract for an area of the country. It would no longer be competitive bidding, but, if you had got the bid originally, there would be a standard cost for taking tyres away. There would be a runaway between the North and the South if that were to happen.

The other impact would be on revenue. If you ship a tyre from Northern Ireland to Southern Ireland, and to someone who has a VAT number, you do not have to collect the VAT because they are in the EU. If that person sells the tyre for cash in the South, there would be no record of it, so the Southern Government would lose the VAT on it, and you would be creating a black economy. If the position were reversed, your jurisdiction would lose the revenue.

**Mr Conyngham:**

We are a multinational company that has a base in Dublin, but I also have a line management relationship to Warwick, which has one to Brussels. Therefore, to us, territory is just a place in which we can sell tyres. Our stated way of operating is that we will co-operate and comply with any government or local authority, but I agree with Niall. In the ideal world, when tyres are sold to retailers in Dundalk and Newry, we always prefer, from the wholesale point of view, that those tyres are fitted to vehicles in those two towns. There is very little that we can do about currency fluctuations or competitive pricing in retail. However, if there are artificial factors, such as different compliance schemes North and South, and you have tyres going either way, we do not think that that is a good idea, because local economic operators becomes disadvantaged on either side of the border for various reasons. As a multinational tyre distributor selling its product, we think that co-operation and a similar scenario on both sides of the border would be positive and would not disadvantage the Newry guy or Dundalk guy and they could compete on a level playing field. We would rather not see something thrown into the mix that could be otherwise controlled.

**The Chairperson:**

The VAT increase is also creating disadvantage in the South.

**Mr Conyngham:**

Yes, as I said, those are things over which we have control.

**Mr Quinn:**

On the waste side of things, if you are running a full PRI, accounting for tyres, and appointing a waste collector, you will have records to show that, for example, a tyre has come from the North and has no disposal fee associated with it. In such instances, the holder of that waste would have to get rid of it, and it would move back up North, unpaid for, because the appointed collector

would not pick it up.

**Mr Dallat:**

Maybe I am ahead of the agenda, but I want to ask a question about retreads.

**Mr Conyngham:**

I had that down as something to mention.

**Mr Dallat:**

We visited a retreading place in Craigavon, and I was very impressed by the process. According to the report, up to 40% of truck tyres will be retreaded. How does that fit into the whole bookkeeping exercise?

**Mr Conyngham:**

For many years, truck tyre casings have been manufactured to have a life beyond the tread; the tread is the vulnerable bit. So, after 100,000 km or miles, the casing might be totally intact and undamaged but the tread will have gone below the legal limit. In the States, they have straight roads and no curbing, so casings last an incredible length of time. They can be given up to three and four lives.

That practice has been going on in places such as Australia and America for many years. In Ireland, North and South, and to a lesser extent in the UK, it has not been as popular. One reason for that might be that bad roads here are damaging the casings. However, with the hard times we are in, our retreading of truck tyre casings has gone up by about 20% in the past year. I am sure that Niall has had a similar experience. We are forecasting the level to grow further.

Retreading is very environmentally friendly, and we are actively promoting and encouraging it. We can go to fleet owners who cannot afford our premium brand tyres any longer because they are being paid less by their customers and offer them a solution. We can say that we can sell them some new tyres and that we can inspect their tyre casings. It is very important that we have a quality control system for that. There is a place in Craigavon, and we have a number of licensed companies that will inspect casings. You have to have an engineer to do that; we train people in the retail depot to inspect casings and report on and approve the casings that are safe to be retreaded.



Retreading is something that we are actively promoting. Most major manufactures are promoting it, and you will see more of that. Our company bought Bandag, the biggest global retreader. It is now conjoined with Bridgestone and is promoting retreads. We are not the only people who are doing this: all manufacturers are retreading. Over the past six months, we worked with a waste disposal company — nothing to do with tyres, just domestic waste — in Dublin, in conjunction with whom we have just won an environmental award for reducing their carbon footprint by something like 150 carbon tons. I do not know the exact figure, but we reduced their carbon footprint in addition to saving money on their fleet. Therefore, it is certainly a part of the solution.

At some point, you will end up with a carcass. However, in the interim you can reduce the number of carcasses manufactured, which does not seem like good business for us, but sometimes you have to do these things. Ultimately, it has a much longer life than normal.

**Mr Murray:**

Legislators have a part to play as well. If you truly believe in recycling, then the pyramid becomes, reduce, reuse, recycle. It would be of huge help to the industry if local authorities were obliged to use retreaded tyres on low-speed vehicles, such as bin lorries, that are not going to be travelling on a motorway at 100 kilometres — or 60 miles — an hour. The industry would then be forced to come up with a product that would perform under stringent conditions set by local councils. At the moment, it is difficult for sellers, because most tyres that are retreaded are fitted on trailers. That is their big use.

As a company, we import some car tyre remoulds from Spain, which are becoming desirable products because there is a difference between the lowest price of a budget tyre and a remould. They used to be similar in price, with the result that if you were offered the choice of a remould or a new tyre at retail, the new tyre would always win, even if it had been made in a really bad plant in China. There is about 50% natural rubber in a truck tyre and 35% in a car tyre, but the cost of the raw material has risen from about \$2,500 a ton to \$6,500 a ton. It fluctuates a bit, but it means that the price of new tyres is rising. There is now a difference between the price of a remould and that of the lowest budget tyre. There is now an area in the market for the retread, but it would be a greatly enhanced market if local authorities were to fly the flag for a designated part of their fleet having to use retreads.

**Mr Dallat:**

Historically, is there an image problem because remoulds were always considered to be a blowout risk?

**Mr Murray:**

Of course.

**Mr Conyngham:**

Sure.

**Mr Murray:**

The car side really has not caught on too much, because, generally speaking, motorists are not as technically-minded as the people who run transport fleets.

**Mr Murray:**

A transport manager knows, down to the penny, what it costs him to run a vehicle for a kilometre; the motorist does not.

**Mr Conyngham:**

And typically, the carcass of a car tyre has a finite life. The truck tyre carcass is deliberately made to be much more robust. So, there are economic forces at work. You can literally make a bulletproof car tyre that will last and can be remoulded. However, at point of sale, would that work economically? The fact that such tyres are not that prevalent probably means that the answer is no. Who knows? As we go forward, the world changes and it is possible that we may see more robust carcasses for car tyres, similar to truck tyres, that can be retreaded. At the moment, the market is more niche than general. I believe that the commercial truck tyre area will grow globally. In places such as America and Australia, there are significant sales. Up to 40% of their truck tyres are retreads.

**Mr Murray:**

The tyre is designed to be used again and again. The typical truck tyre has about 23 mls of rubber when it starts out. It is regrooveable when it wears down to about 11 mls because, obviously, 23 mls of rubber would be very wallowy. Therefore, bridges in the tread pattern are needed to keep

it stable.

You will see the word “regrooveable” written on the side of the tyre. So, when the tread gets down to about 11 mm or 12 mm, the tyre is regrooveable, and is still under warranty if it is regrooved to the manufacturer’s specification. All good companies will show you how to do that. The tyre comes back after it has been used down to the legal limit and can be retreaded. As the tyre carcass has been designed for multiple lives, it can stand up to the abuse.

A car tyre is generally designed to have one life, but the company in Spain that we buy some of the remoulds from uses only premium company carcasses. This means that they will not take a Chinese tyre carcass. The carcass has to come from Bridgestone, Michelin or Hankook — some of the major manufacturers, because that is all that they will accept for the remould.

**Mr Dallat:**

So, there is an education exercise to be done.

I have one other question to ask. In the North, we are very fond of commemorations, whether it is 12 July, internment, 15 August or whatever. A huge number of tyres are burned at those commemorations. Do you have similar problems in the South? How do you deal with those, or is it a local authority issue?

**Mr Conyngham:**

Due to TRACS and what we have done, it is occurring much less now than in the past. I remember my childhood, when there were literally mountains of tyres coming left, right and centre to bonfires, unlike now. On Halloween, which is our biggest night, I would ring the police myself, just because I am in the tyre industry, and this year, I made three phone calls to the police, because I drove past children with shopping trolleys filled with tyres. I rang the police to say that I had seen somebody with tyres, because it is illegal, as I am sure it is in Northern Ireland, to burn tyres. I do not know; is it illegal?

**The Chairperson:**

It is.

**Mr Dallat:**

It is not so easy for the police to do anything about it. *[Laughter.]*

**Mr Conyngham:**

I understand that. How they deal with it is not for me to say, but I report it nonetheless. We feel that it is not good for our industry to see children moving tyres around. We try to tell people that what comes out of tyres when they are burned is poisonous and that they really do not want to be standing near them.

The fact is that we are now dealing with more of the waste properly. We are by no means there yet, but, I think that, because we have moved down that road, it has naturally taken tyres out of that situation. We see much fewer tyres being used for bonfires. There is more enforcement on Halloween night, for fires in general. That has improved too. So, all those things help.

In Northern Ireland, there are cultural sensitivities, etc, so the situation would have to be handled in the right way. I represent Bridgestone in Northern Ireland as well, and perhaps the way forward there would be to have more of an educational programme. People, particularly parents, could be told about what comes out of burning tyres and that burning wood, such as a nice pile of pallets, is much more environmentally friendly.

**Mr Murray:**

You are giving the pallet industry a problem. *[Laughter.]*

**Mr Conyngham:**

There is an educational way to tell people. Policing this is probably a very difficult thing. However, I know that a system such as ours means that responsible retailers will not now give tyres to children.

**Mr Murray:**

We have to account for the tyres, because we now have to report to TRACS. If we buy 100 tyres, we have to be able to report 100 carcasses going somewhere.

**Mr Dallat:**

I think that your response is very good. We are probably a decade behind, and, eventually, education will overcome the problem. Our local council officers negotiate with the organisers of bonfires. On some occasions, they will exchange wood for tyres; a sort of barter. By and large, that works. I think that we will eventually get to the point in which the wider community will say, "You are not doing that in our neighbourhood; that is poisonous".

**Mr Conyngham:**

Yes, exactly. We have video footage of bonfires burning, and we can show that tyres do not add greatly to a lovely fire, whereas wood does. It gives a big flame.

**Mr Dallat:**

What about the rainforests? *[Laughter.]*

**Mr Conyngham:**

Tyres give loads more black smoke, because carbon is produced initially, and nobody wants that.

**Mr Quinn:**

As regards remoulds and retreads; statistically, those are still within the supply system. So, you are not counting the tyre four times.

**Mr Dallat:**

That is useful to know.

**Mr Quinn:**

It comes in and then leaves as waste, when it has finally reached the end of its life.

**The Chairperson:**

Does that mean that it is still counted as one tyre?

**Mr Quinn:**

Exactly, that is it.

Even on an ad hoc basis, local authorities are far more aware of tyre burning. People ring us and say that someone is stockpiling tyres. A retailer may be getting rid of them before Christmas, for example. He might be putting them outside the gate or doing that sort of old thing. A lot of that has stopped because the local authorities and the fire officers are going around. They are really hammering them, particularly at that time of year, to make sure that they do not burn tyres. Local authorities also let them build up the fire, wherever they have it, and they come out at 3.00 am and remove the whole lot.

**Mr Kierans:**

One incident was reported a few days before Halloween. It was reported that someone was supplying children with tyres. The guards found it. We made the decision then to revoke that individual's membership.

**The Chairperson:**

That is the penalty, then.

**Mr Kierans:**

We do not want to be associated with members such as that. We do not want or need that, as it is not compliant.

**Mr Hamilton:**

I have a couple of very quick questions to ask about producers. It seems that they have very much bought in to this now. When the idea of legislation was first mooted, how resistant was the industry? From what you are saying, I get the sense that you realised that something was coming and you felt that it was probably better to get in there and shape it and to make sure that there was a system in place. We see that quite a lot in different types of legislation.

**Mr Murray:**

In the beginning, the Environment Department came to us and said that we had a choice. We quickly engaged an expert in the field of compliance schemes, Fiacra, and were able to convince the Department early in the negotiations that a self-compliance scheme was a runner. Obviously, the Department's wish was for a full PRI, because that allows you to close the book on the whole problem very quickly. However, we were able to convince the Department that the Irish Tyre Industry Association represented most of the key players in the marketplace and that, when we were negotiating with them, we were doing so on behalf of the industry. Therefore, we were able to convince them that a self-compliance scheme was a runner. As you can imagine, there are some sceptics in the Department, but I think that we have proved over the past three years that their trust in us was not misplaced and that the responsible part of the industry is very much compliant and wants to be so, as that is its ethos.

In fact, the Irish Tyre Industry Association has changed its membership criteria. We hope to get to the point at which we will all have these criteria. In the first instance, you have to make a

declaration that you are compliant with various legal responsibilities, not least of which is your company's recycling ethos. To be a member of the association, you must declare that you are a member of TRACS or another compliance scheme, or that you are reporting your waste stream to your local authority. We decided that, even if we lose some members, which we are going to as a result, we will set a standard.

In Northern Ireland, you have a similar organisation, the National Tyre Distributors' Association (NTDA). Given that we operate in Northern Ireland, we are members of that body, as are most of the major players in Northern Ireland. So you will be able to talk to the industry, as there is one body up there that you can speak to and engage with. It has the backing of the UK organisation.

**Mr Conyngham:**

It is the regional body.

**Mr Murray:**

It is the regional part of the NTDA in the UK. The NTDA has huge resources, and all manufacturers buy in and apply their resources to help with any sort of research or information that is required. It is readily available through the manufacturers.

**Mr Conyngham:**

Also, just to answer your question; although I cannot tell you the exact date but it pre-dates all this, all major manufacturers at European level committed themselves to producer responsibility. I think that some directive goes along with that. However, they did not go so far as to say how it should be applied in each country. If you take the Bridgestone example; we were pretty much told from head office that we should make every effort to deal and assist with it as the best solution for tyre waste in our country. That remains the directive. However, if you go round Europe, you will see that some countries have a PRI scheme or a self-compliance scheme, which is the case in Ireland. So, there are different approaches. However, it is certain that there is no major tyre manufacturer who does not realise that they must work within whatever framework they have.

**Mr Hamilton:**

I was about to say that my concern is that if our Department likes a model such as this and if, as a

Committee, we decide to look at it, there could be resistance to introducing it. I know that a lot of tyre brands are available now, but, at the end of the day, you are saying that there is not a tyre manufacturer who is not familiar with such a system and that, in fact, they are used to a much stricter system.

**Mr Conyngham:**

Yes.

**Mr Hamilton:**

It is not as though, if the Northern Ireland Assembly were to pass legislation to do this or encourage it —

**Mr Conyngham:**

I can pretty much tell you that you would get the full support of all major European and international tyre manufacturers. The only area where we have ever had negativity or resistance is from a local importer of a small international brand. I cannot guarantee that every person will support it, but the household names in the tyre industry have all signed up. They all signed up to the BLIC principles, which relate to producer responsibility, at European level and are committed to it in all European markets.

**Mr Hamilton:**

That is interesting, because it gets us over a potential hurdle. You sometimes deal with an industry that is not necessarily creating the problem but is contributing to it through what it is producing, and there is sometimes a lot of resistance, and the industry says: “It is not our problem; we are just doing our job. The other people at the end of the line are causing the problem.”

**Mr Murray:**

Retailers want to sell tyres, and the waste stream that they are creating is a by-product of those sales. By having legislation in place, you would create a level playing field for all legitimate businesses. If I collect €2 for recycling a tyre by throwing it into a field, I have a €2 advantage on the person who pays that €2 to a recycler. So, if legislation is in place, and I have to account for my tyres, that provides a level playing field, and the cowboys will have to find some other way of getting an advantage on legitimate traders. I think that you will find that the retailers in Northern



Ireland will be quite helpful.

**The Chairperson:**

The association of retailers suggested that there should be mandatory registration for everybody.

**Mr Murray:**

They will want a level playing field, because the biggest problem with being compliant is that you are always in competition with somebody who, potentially, is not compliant.

**Mr Quinn:**

From a TRACS point of view, you will probably find that it is quite price sensitive, even when we say 10 cents a unit. That means that every 10 tyres is €1, so it starts to mount up. The issue for your retailers and importers might be economies of scale, and we suggest that you let TRACS do it from an office in Newry or Belfast and use the one system, because it is already built, and we already have members. It would mean that you would keep the same price, so you would not have a 20p difference in the North or a petrol differential or anything like that to deal with. It should be exactly the same.

**Mr Kinahan:**

I have one or two questions. You mentioned at the beginning that councils are using fines. Roughly, what sort of scale of money is involved?

**Mr Quinn:**

It is not so much about the fines as about the cost of going to court. That is a real deterrent. You might come out of the court with a fine. If you get one summons at €1,900 — £1,500-odd — for each summons, you might not get the whole book thrown at you, so you might have to pay only €500 on that summons. However, you will have four other summonses relating to the same thing, and you will end up paying maybe €3,000. However, taking into consideration the legal team and the time taken to get there, the fact that waste issues nearly always feature in the local press is worse.

**The Chairperson:**

Reputation is important.

**Mr Quinn:**

Yes, very much so.

**Mr Kierans:**

In one incident in Kilkenny, a man was fined €3,500. Recently, in the UK, two people got prison sentences of two years each. One guy had rented land and was dumping all the tyres on it. In every case, you are given the option to clean it up and the chance to put it right. In both cases, they did not. The UK is stronger on such matters.

**Mr Murray:**

In our waste management legislation in the South, the upper limit is €3 million. In my mind, the problem with that is that, the smaller the fine, the more realistic it is. If retailers have to pay €3,000, €4,000 or €5,000 for an infringement, that is real money to them. If you say €3 million, the retailer will just lock the door and walk away, because he is never going to pay you €3 million. No local authority will bring you to court unless they have a cast-iron case or you are a criminal. A €3 million fine is just ridiculous. One thing we suggested to the Department is that there should be a lower fine for non-compliance simply because it is far more real. If it costs you €50 to park your car illegally, that will hurt you. However, if the fine for dumping tyres is €3 million, it will never be enforced.

**The Chairperson:**

Again, we do not want the fine to be so low that people can take it for granted and just pay it.

**Mr Murray:**

No; €4,000 or €5,000 is a significant amount of money to a tyre shop. It probably means that they will have worked for a full two weeks for nothing.

**Mr Conyngham:**

It must be something that a judge feels he can reasonably apply.

**Mr Murray:**

It must get your attention. You will not want to appear in front of the judge again.

**The Chairperson:**

It is a deterrent.

**Mr Kierans:**

It is the publicity that you do not want.

**Mr Quinn:**

Smaller fines are easier to administer.

**Mr Murray:**

It has to be an affordable deterrent but something that hurts you at the same time.

**Mr Quinn:**

As Niall said, a fine of €3 million will not be administered unless someone is caught out in a cast-iron case. We have also seen how long the repatriation of waste takes. You want something that is quick and easy to administer.

**Mr Murray:**

If you think about it, a good depot with four or five guys working in it would have a turnover of about €1 million. If turnover is €1 million, you must have fines that are relative to that so that it does not become —

**Mr Kinahan:**

Niall, you mentioned at the beginning that farmers ought to come on board at some stage. You have to be careful how you bring in rules so that all your tyres do not come north for bonfires.

**Mr Murray:**

At the moment, our farmers can get tyres only from a licensed recycler. Under legislation, it is now illegal for a tyre shop to give tyres to a farmer. He must get them from a recycler. The idea is that, when the farmer is finished with the tyres, he is responsible for disposing of them with the recycler.

**Mr Kierans:**

Unfortunately, they do not all do that; that is the problem.

**Mr Kinahan:**

What about the ones who got them ages ago?

**Mr Conyngham:**

The herd number also has to be given to the tyre retailer, so a record is made and a system is in place to track it. Unfortunately, given the nature of the wide-open countryside, that is the lowest level that we want tyre recycling and tyre reuse to go to. We are not saying that it will all be over tomorrow morning, because they will probably disappear into the worst places imaginable. We are saying that we would like to move away from that over time. Crumb Rubber and other companies are making new systems that, apparently, are technically better for silage pits. That system has sheeting and a plastic wrap. Therefore, there are other systems that are technically better, so we hope that that in itself will take away some of the tyre use.

**Mr Quinn:**

There is a system in place that is free for the farmer. It is recorded by herd number, category and units so that we know exactly who has what. Last year, there were about 73,500 tyres, which is 11% of what we recorded as collected. We think that it is twice that figure, to be honest. In some local areas, the farmer goes directly to the local retailer. As I said, we think that that is an uncontrollable and unsustainable practice. It will never be counted as correct if you have a local arrangement.

**Mr Murray:**

The Irish Tyre Industry Association has engaged with the Irish Farmers' Association. We convinced it to put a member on the board of TRACS. They also want this to go away in the long term. In the South of Ireland, we have a scheme that concerns waste on the farm. One requirement of that scheme is that waste tyres are not kept above a certain level. I think that the legislation allows for 500 tyres; no, you are allowed —

**Mr Quinn:**

They got a generous limit of 5,000 tyres; eight tyres a square metre of silage pit. Who needs that amount? Nobody needs that amount. To be honest, our records show that nobody is in receipt of that amount or anywhere near it. The records show that genuine guys are getting them, but, still and all, there is an impression that it is a legitimate reusable. Perhaps we would like TRACS to get the message out that you may as well put a washing machine on your silage pit, if that is the way that you think about it.

**Mr Kierans:**

It does not have to be a tyre.

**The Chairperson:**

Thank you all very much for coming to brief us. It has been very informative. You have a very good system.

**Mr Murray:**

Thank you; it was a privilege to be invited.

**Mr Quinn:**

Just keep an eye out for the review and what it might say. It will influence your reports or any decisions that you have to take.

**The Chairperson:**

We will keep an eye out for it. When is it coming out?

**Mr Quinn:**

I do not know. It was supposed to be last year, so — *[Laughter.]*

**Mr Murray:**

There was a change of government in the meantime.

**The Chairperson:**

It was very strange that a second system of certification throws everything up in the air.

**Mr Murray:**

Unfortunately, there was a political situation. A disaffected person who had political clout forced the issue with some local politicians. It was a bad decision.

**The Chairperson:**

OK. Thank you.

