



Request for Proposal Background and Response

Regional Container Refund Scheme (CRS) glass recycling

Background – Container Exchange and the Queensland Container Refund Scheme

Almost three billion beverage containers are manufactured in Queensland each year. These containers are the second most littered item in the state even though they can be easily recycled. In September 2017, the Queensland Government passed the Waste Reduction and Recycling Amendment Bill with bipartisan support, which allowed the establishment of a Product Responsibility Organisation (PRO) to administer the Container Refund Scheme (CRS) to reduce container waste and littering.

Container Exchange (QLD) Limited (COEX) was established as a not-for-profit organisation and appointed as the PRO for the CRS in November 2017. Operation of the CRS began on 1 November 2018 and now includes over 300 container refund points (CRPs) collecting approved beverage containers. Once collected, COEX oversees the movement of these materials through to the point of being sold to approved recyclers via an online auction platform or direct sale agreements.

COEX is seeking to better understand how Australian organisations, or organisations with an interest in operating in Australia, can play a role to maximise the benefits from recycling in a local circular economy by leveraging the Queensland CRS.

Regional CRS Glass Solution

In FY21, COEX expects to collect approximately 22kt of CRS glass in central and northern Queensland. COEX is seeking a solution to the glass generated in these regions, which will contribute to the local and regional circular economies, as well as lower the total cost of the CRS for Queenslanders.

For the purposes of this RFP document, the regions in question comprise the following:

- Fitzroy;
- Mackay;
- Central Queensland;
- Townsville;
- Cairns;
- North Queensland (Mount Isa and surrounding areas); and
- Far North Queensland.

As further background for respondents, COEX's forecast FY21-FY23 quantities of CRS glass from central and northern Queensland are represented in Table 1 (expressed as thousands of tonnes (kt) per year (p.a.)). We anticipate the material will be available for collection from regional processors participating in the CRS, but this is subject to change.



Table 1: Forecast CRS Glass Volumes (Weight), FY21 – FY23

CRP Region	FY21	FY22	FY23	Total
Fitzroy	6kt	7kt	8kt	21kt
Mackay	3kt	4kt	4kt	11kt
Central Queensland	0.3kt	0.4kt	0.4kt	1kt
Townsville	6kt	7kt	7kt	20kt
Cairns	5kt	6kt	6kt	17kt
North Queensland	1kt	1kt	1kt	2kt
Far North Queensland	1kt	1kt	1kt	3kt
Total	22kt	26kt	27kt	75kt

These volumes are based on the collection of containers through the CRP network, with additional volumes of glass redeemed through the Material Recovery Facility (MRF) network, and are subject to change.

For further details on eligible containers and the Queensland CRS, please visit:

1. <https://www.containersforchange.com.au/qld/how-it-works>
2. <https://environment.des.qld.gov.au/waste/pdf/qld-container-refund-scheme-eligible-beverage-containers.pdf>



Appendix 2: Container Exchange (QLD) Limited (COEX)

Preface

The following terms and conditions have been formulated to support COEX's strategic objectives, as well as assist COEX to assess responses in a manner that is as robust and transparent as possible.

For clarification on any of the items or requirements listed below, please contact David Down (david.down@containerexchange.com.au).

Key Terms & Conditions – Regional Glass Solution

No.	Item	Key principle	Response
1.	Parties	<i>Party (or parties) to the agreement(s). including proposed corporate structure</i>	▪
2.	Transaction Summary	<i>Proposed contractual model, instruments, broad deal structure etc</i>	▪
3.	Commencement Date	<i>Effective date noting lead time requirements</i>	▪
4.	Term	<i>Proposed contract term including options or other considerations</i>	▪
5.	Minimum Volume Commitment	<i>Volume requirements, including minimum tonnage, ramp-up expectations, volume flexibility, consideration of volumes in excess of the minimum level</i>	▪



6.	Pricing	<i>Fixed, variable, combination, proposed mechanisms, review structure, links to indices etc</i>	▪
7.	Delivery & site arrangements	<i>Delivery profile and flexibility, specific site considerations, other logistics considerations, mechanism to agree delivered weights etc</i>	▪
8.	Quality and contamination	<i>Expectations, tolerances, process for managing contamination etc</i>	▪
9.	Other operational terms	<i>Other operational considerations not otherwise captured above</i>	▪
10.	Recycling & recovery obligations	<i>Process over recycling material, expected effectivity, waste management etc</i>	▪
11.	Audit & reporting requirements	<i>Reporting and audit requirements will be a key facet for COEX in order to meet statutory and other requirements</i>	▪





12.	Conditions Precedent / Subsequent	<i>If applicable</i>	▪
13.	Exclusivity	<i>If applicable</i>	▪
14.	COEX's opportunity for involvement	<i>How will COEX participate, where are the opportunities to value-add, other considerations etc</i>	▪
15.	Additional terms	<i>Any additional terms not otherwise explicitly included (COEX notes the inclusion of 'boilerplate' clauses will occur in due course) or of particular importance</i>	▪
16.	Confidentiality	<i>The terms of this document, associated documents and discussion are confidential. The parties may not disclose such confidential information except to their financial and legal advisors, and in the case of COEX, to the minister or other government agencies as required (including where required by law)</i>	▪
17.	Costs	<i>Each party are to bear their own costs</i>	▪





18.	Termination	<i>Specific termination provision (if any)</i> <i>*Note: this process can be terminated at any stage by written notice between the parties</i>	▪
19.	Other	<i>Any other key term, matter or consideration not already considered including, review mechanisms, specifications, origin of materials, dispute mechanisms etc</i>	▪





Appendix 3: Anticipated Timeframes

October 2020	
30 October	COEX issues RFP to industry participants and posts RFP on COEX website
30 October –	COEX comparatively assesses responses using defined evaluation criteria



November 2020	
13 November	Cut-off date for clarification questions from RFP participants
20 November	Closure of RFP submission period
25 November	Cut-off date for late RFP submissions to be considered
27 November	Prioritised respondents notified upon completion of comparative assessment
27 November –	Ongoing discussions with prioritised respondents
TBC	COEX advises successful respondent(s) of next steps

Auction portal and existing Recycler Panel Agreements to continue to operate as usual





Appendix 4: Summary of Evaluation Criteria

