



Request for Proposal Background and Response Aluminium

Background – Container Exchange and the Queensland Container Refund Scheme

Almost three billion beverage containers are manufactured and sold 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.

Aluminium Solution

In FY21, COEX expects to collect approximately 11,000 tonnes of CRS aluminium UBCs throughout Queensland. COEX is seeking to enter long term direct sales agreement/s to supply recovered aluminium UBCs to buyer/s that will contribute to the local and regional circular economies.

As further background for respondents, a summary of COEX's forecast aluminium UBC container collections by region between FY21-FY23 is represented in Table 1 (expressed as tonnes (t) per year (p.a.)).

We anticipate the material will be available for collection from all regional processors throughout Queensland participating in the CRS, but this is subject to change.



Table 1: Forecast CRS Aluminium UBC Collection volumes (Weight, Tonnes), FY21 – FY23

CRP Region	FY21	FY22	FY23	Total
Greater Brisbane	4,345t	5,073t	5,374t	14,791t
Gold Coast	1,073t	1,252t	1,327t	3,652t
Sunshine Coast	634t	741t	785t	2,160t
South East	112t	131t	139t	382t
Darling Downs	745t	869t	921t	2,535t
South West	130t	152t	161t	443t
Wide Bay	890t	1,039t	1,101t	3,029t
Fitzroy	775t	905t	959t	2,640t
Mackay	407t	475t	503t	1,385t
Central Queensland	38t	44t	46t	128t
Townsville	731t	853t	904t	2,488t
Cairns	627t	732t	775t	2,134t
North Queensland	69t	81t	85t	235t
Far North Queensland	92t	107t	114t	313t
Total	10,667t	12,454t	13,194t	36,315t

These volumes are based on the collection of containers through the CRP network, and may change in future.

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 a summary of COEX’s strategic objectives, please visit: <https://containerexchange.com.au/wp-content/uploads/2020/07/COEX-FY21-SOAP1.pdf>

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

Key Terms & Conditions – Aluminium 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</i>	▪



		<i>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</i>	▪



		<i>'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

December 2020	
3 December	COEX issues RFP to industry participants and posts RFP on COEX website
January 2021	
8 January	Cut-off date for clarification questions from RFP participants
22 January	Cut-off date to request an extension for response submission
29 January	Closure of RFP submission period
29 January	COEX comparatively assesses responses using defined evaluation criteria
12 February	Prioritised respondents notified upon completion of comparative assessment
12 February	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

