

12 March 2018

Excerpt from the Chairman's address to Minister of the Environment, Dr Thérèse Coffey and selected MPs at a recent Industry event:

"The members of the British Tyre Manufacturers' Association are committed to reducing the environmental consequences of mobility throughout the tyre's lifecycle. Retreading gives suitable tyres a new start in life once the original tread is worn away. A haulage fleet deploying a tyre policy based on single-life throw-away tyres uses more than four times as many tyres to cover the same mileage compared to one using premium tyres & retreading.

Truck tyre retreading is a hi-tech industry employing sophisticated plant and highly-skilled workers. Over 95% of truck retreads used in the UK are produced in the UK. The sector contains many SMEs and supports 5,500 jobs across the country, many in deprived areas.

For many years truck tyre retreading has stood up to the test of competition and provided exceptional resource efficiency. However, in recent times the market share of retreaded truck tyres in the UK has declined from almost 50% to less than 35% due to multiple market distortions.

The UK retreading industry has confronted the challenge head-on, investing over £30 million in plant improvement and in employee skills and business flexibility. Nonetheless, we must act together to address the underlying challenges facing the sector if it is to deliver its full potential contribution to increasing national resource productivity.

Market distortion and waste crime have tilted the playing field in favour of throw-away single-life products. They have become too cheap to buy and too cheap to throw away. Neither situation is sustainable. Government must urgently implement proposed regulatory changes to address waste crime and enable responsible business to support improved resource efficiency

In addition to corrective action, there are opportunities to further increase resource productivity including:

- Incentives to motivate resource efficient choices by business and consumers, transforming purchasing decisions and improving product stewardship;
- Government procurement criteria which target whole-life cost of service provision, not just the initial cost of goods purchased;
- A trade policy which reconciles Government's growth, resource productivity and supply resilience objectives.

Industry and Government together need to establish a framework in which positive behaviours are encouraged and negative behaviours, criminality, etc are stamped out. All this at least cost and burden for Government, Industry and the consumer. We look forward to taking up this challenge.

- **Well-functioning markets enabling the circular economy**
We look to Government to implement market mechanisms to motivate resource efficient choices by business and consumers,
- **Public procurement policies integrating whole life costs and impacts**
Government must urgently broaden the criteria for evaluating competing supply proposals to include all aspects of environmental impact and resource efficiency, not just initial cost and CO₂ emissions;
- **Market distortion arising from current regulations**