

Media Release



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Driving change in automotive recycling: FCAI and MTAA unveil plan to progress end-of-life vehicle management

29 August – A comprehensive study conducted by the Federal Chamber of Automotive Industries (FCAI) and the Motor Trades Association of Australia (MTAA) reveals a strategic pathway for boosting automotive recycling through a product stewardship scheme that will be released at the Auto Parts Recyclers Association of Australia (APRAA) conference at the Gold Coast.

'The Outlook for End-of-Life Vehicles in Australia' report released today draws on detailed research delivered jointly by FCAI and MTAA under a \$1 million grant received from the Australian Government's Project Stewardship Innovation Fund.

One of the largest motor vehicle studies of its type undertaken in Australia, the research identified options to enhance end-of-life vehicle (ELV) material recovery rates, avoid inter-state leakage of end-of-life vehicles and importantly, reduce vehicle waste destined for landfill.

Approximately 850,000 motor vehicles reach the end of their life each year in Australia, generating around 1.36 million tonnes of waste. Currently, the industry recovers about 70% of this waste, leaving a substantial amount destined for landfill.

Australia's automotive manufacturers and retailers are committed to improving these statistics and enhancing end-of-life vehicle material recovery and reducing landfill waste.

The FCAI and MTAA propose to build on work completed to date and collaborate with all levels of government and industry to make stewardship for end-of-life motor vehicles a reality.

The study highlights several challenges facing the industry, including a fragmented recycling sector, a diverse vehicle fleet, and insufficient processing options for non-metal materials. The absence of a domestic vehicle manufacturing base further complicates material reuse efforts.

Australia's recycling and dismantling industry also lags behind leading global economies. While international schemes offer insights, no single global model fits Australia's unique context without significant adaptation.

The FCAI and MTAA will work together to explore a co-regulatory product stewardship scheme that incorporates successful elements from global models and adapts them to Australia's needs. This would include investigating initiatives such as:

- Authorised collection and treatment facilities – Establishing standardised facilities with rigorous operating and environmental standards
- Certificates of Destruction (COD) – Implementing CODs to enhance vehicle tracking and support higher recovery standards
- National consistency – Developing a nationally consistent approach to vehicle recycling that aligns with best practices while addressing local challenges

To advance this initiative, the FCAI and MTAA will collaborate with industry and government to address key issues, including standardisation, material recovery targets, funding models and a stewardship organisation.

Both organisations are committed to partnering with all stakeholders to develop and implement a product stewardship scheme that not only addresses current challenges but also paves the way for future advancements in automotive recycling.

Quote attributable to Tony Weber, CEO, FCAI

“The study presents a way forward for the sector and clearly shows the need for cooperation between the automotive, dismantling, recycling and waste management sectors and the different levels of government.

“It will take time to progress this to a point where an ELV scheme is fully operational. However, as more vehicles reach their end of life every year, we believe the time for engagement on this important issue is now.”

Quote attributable to Matt Hobbs, CEO, MTAA

“Our research reveals the necessity of modernising Australia’s vehicle dismantling and recycling processes. The proposed stewardship scheme will not only streamline operations across the industry but also address the unique challenges we face.

“This is a pivotal moment for us to enhance recovery efforts and reduce environmental impact as the industry moves towards a more sustainable future.”

Quote attributable to Geoff Gwilym, CEO, VACC

“The proposed stewardship scheme is a significant step towards upgrading our vehicle recycling infrastructure. Our industry needs to improve recovery rates and adopt more effective practices in automotive recycling, but we need support to achieve this.”

“We are eager to assist our members through this transition and assist them to capitalise on the opportunities that an end-of-life vehicle program will create for small to medium sized businesses in particular.”

The Outlook for End-Of-Life Vehicles in Australia report can be found here: [ELV Summary Report](#) and a pamphlet can be found here: [EVL Pamphlet](#)

About the FCAI, MTAA and VACC:

The Federal Chamber of Automotive Industries (FCAI) represents the automotive manufacturers and importers in Australia. The Motor Trades Association of Australia (MTAA) supports and advocates for the interests of the automotive repair and service industry nationally. The Victorian Automotive Chamber of Commerce (VACC) supports and advocates for the interests of the automotive repair and service industry in Victoria.

View the end-of-life vehicle study here:

https://www.mtaa.com.au/images//ELV_Summary_report_final_August_2024.pdf

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