Reference: Enquiries:

T. COMPETITION & CONJUMER COMMISSION

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CANBERRA



Australian Competition and Consumer Commission **GPO Box 3131** CANBERRA ACT 2601

Dear Sir/Madam,

23 August 2019

Metropolitan Waste & Resource Recovery Group Application for Authorisation: Advanced Waste **Processing Services** 

I would like to make a submission to the Australian Competition & Consumer Commission (ACCC) on behalf of the City of Greater Dandenong in relation to the Metropolitan Waste & Resource Recovery Group's (MWRRG) application for authorisation for the procurement of Advanced Waste Processing Services. In making this submission I note that we have missed the 16 August 2019 submission deadline. As a result, I would like to register an apology for this and trust that the feedback we can offer is of value to the ACCC.

The City of Greater Dandenong has benefitted previously when partnering with other Melbourne Metropolitan Councils in joint procurement for services managed by MWRRG including the Metropolitan Landfill Services and Organics Processing Services (South-east Melbourne Metro) Contracts.

This approach is consistent with the State Government's "Best Value" Policy which is aimed at providing communities better financial and service related outcomes from their local council.

The joint procurement process has provided a number of benefits including:

- Making available contracts with an economy of scale which encourages the broader industry sector to consider capital investment into the waste industry to deliver:
  - (a) Sustainable business models which has attracted finance investment to support bids and the construction of waste treatment facilities
  - (b) Research for innovation in service delivery and the introduction of new technology
- Better environmental outcomes for communities as a result of innovation and new technology
- Competitive contract pricing coupled with the introduction of best practice technology that would not have otherwise been cost effective by a stand-alone council

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- The development of sound contract documentation and broader industry understanding across councils and their council officers has been achieved via the joint procurement process. This in-turn has supported better relationships and understanding between all stakeholders, including industry.
- A robust process with the input from a wide variety of specialists which generates confidence across all stakeholders

The introduction of Advanced Waste Processing Services will require significant investment from the private sector. Delivering the above same benefits via joint procurement is crucial to its success.

Procurement of Advanced Waste Processing Services for the south-east Melbourne Metropolitan region is consistent with the State Government's "Statewide Waste & Resource Recovery Infrastructure Plan" which recognises the likely closure of the only remaining landfill accepting household garbage (putrescible waste) in the region (Suez – Hallam) and the need to achieve better environmental outcomes to recover resources rather than send household garbage to landfill. It is anticipated that Suez will no longer have the capacity to accept municipal waste in the next 7-10 years. The introduction of Advanced Waste Processing Services is therefore critical to sustainable and environmentally beneficial waste management for communities into the future.

We commend the joint procurement process for Advanced Waste Processing Services with MWRRG in the belief that it will bring benefit to communities and industry, including valued employment opportunities to the region.

Should you have any questions in relation to this submission you can contact council's Service Unit Leader Parks & Waste, Mr. Phil Robertson, on

Yours Sincerely,

Charles Taveira

Manager Infrastructure Services & Planning