

Reducing Waste through the Circular Economy

Activities and Outcomes of the Circular Economy Ministerial Advisory Group

Professor John Thwaites AM

circulareconomy@dcceew.gov.au



From 'Waste' to 'Circular Economy'

National Waste Policy

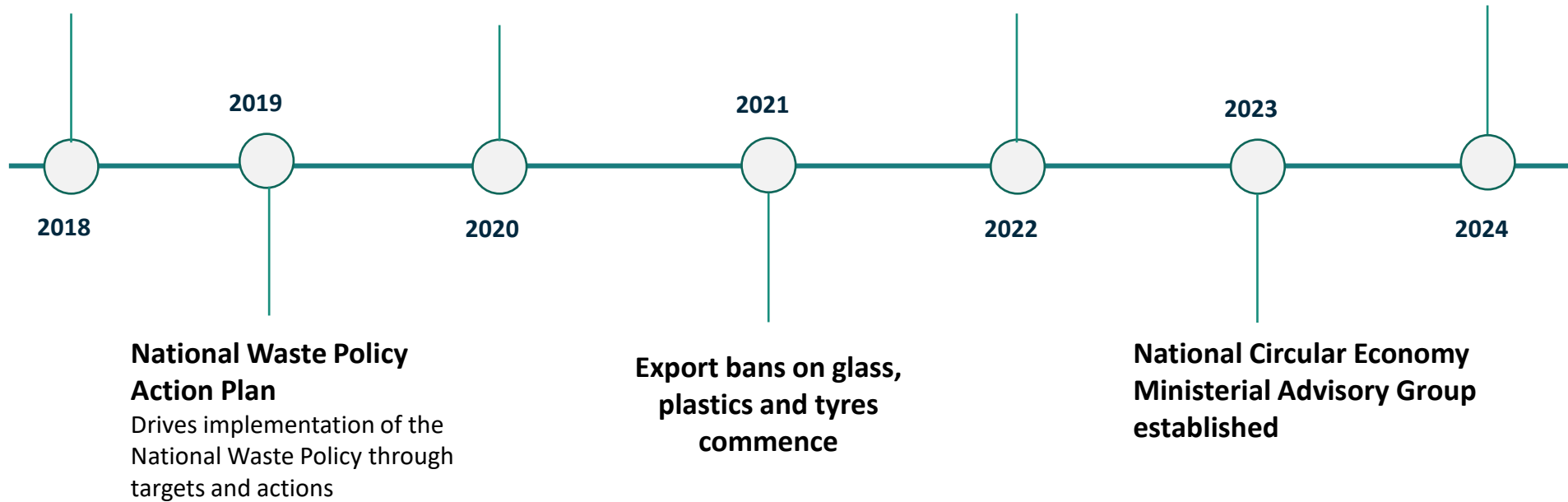
Underpinned by circular economy principles, but focussed on waste

New recycling legislation

- Establish waste export bans
- Domestic recycling infrastructure
- Product stewardship

Environment Ministers commit to a circular economy transition

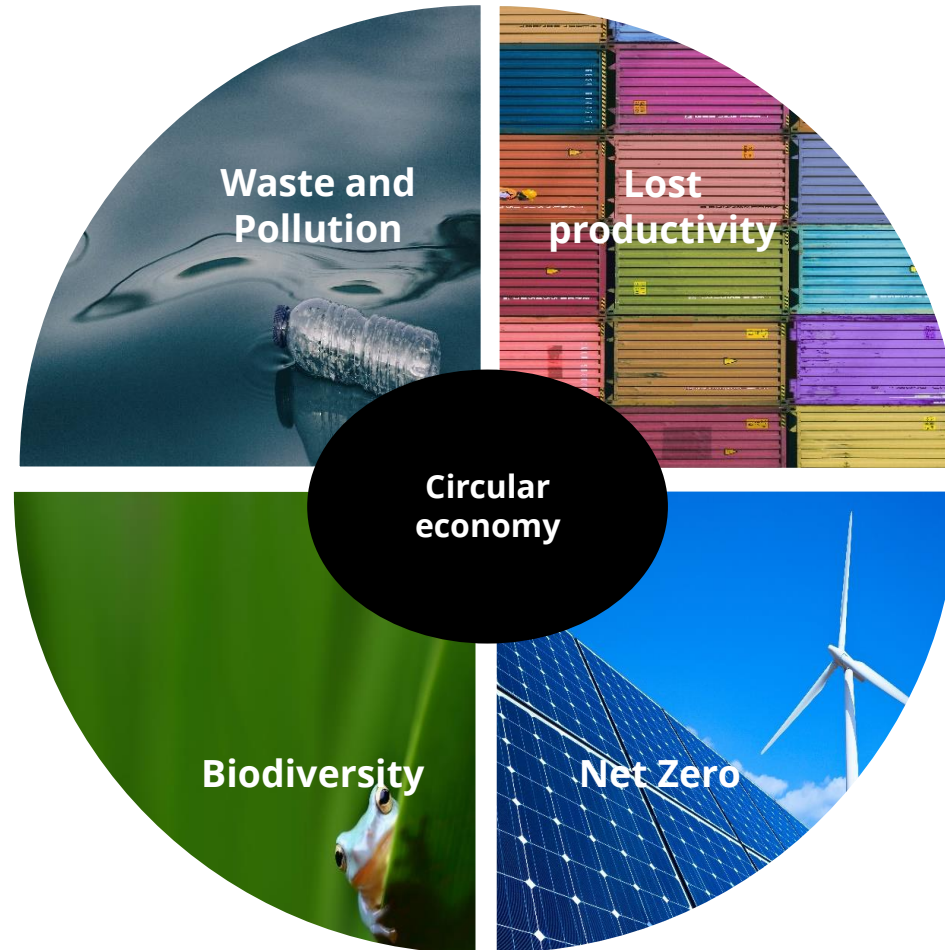
National Circular Economy Framework to be released



Why Circularity?

Traditional “Linear Economy” – “take, make, waste” produces waste and pollution

The production and consumption of goods is a root cause of climate change and biodiversity loss (World Economic Forum)



Circular Economy Advisory Group

Functions

- **Identifies barriers and opportunities**
- **Recommends Commonwealth interventions**
- **Engages widely**

Workplan



February
Identify
priorities



May
Circular design
and consumption
of products



August
Built
environment
and net zero



October
Economics and
indicators



February 2024
Innovation
and skills



March 2024
Food,
resources
and trade



May 2024
Place-based,
regeneration
and biodiversity

Members

- [Chair] **Professor John Thwaites AM**, Monash SDI
- **Dr Larry Marshall**, CSIRO
- **Professor John Spoehr**, Flinders University
- **Romilly Madew AO**, Engineers Australia
- **Samantha Read**, Chemistry Australia
- **Dr Cathy Foley AO PSM**, Chief Scientist
- **John Gertsakis**, Product Stewardship CoE
- **Dr Dominique Hes**, Greenfleet
- **Michael Jackson**, Downer
- **Paul Klymenko**, Planet Ark
- **Claire Kneller**, WRAP Asia Pacific
- **Vaughan Levitzke PSM**, Circular 360
- **Lisa McLean**, Circular Australia
- **Professor Robynne Quiggin**, UTS
- **Mark Rawson**, WMRR

Participating Ministers

- **Minister for the Environment and Water**
- **Minister for Industry & Science**
- **Minister for Trade, Tourism and Investment**
- **Minister for Climate Change and Energy**
- **Minister for Infrastructure**
- **Treasurer**
- **Minister for Education**

Advisory Group Approach

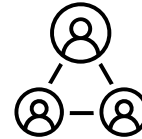
Invite submissions



Consult industry



Open discussion



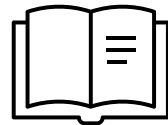
Hear from experts



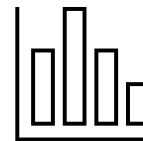
Engage portfolio and
Ministers



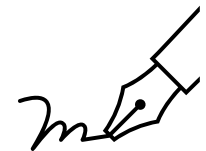
Review literature



Develop and test
recommendations



Minister actions early
where appropriate



Design and consumption

Waste reduction potential

- 80% of a product's environmental impacts are locked-in at the design stage
- Targeting design for products to be reusable, repairable, recyclable extends life of products and keeps them out of landfill
- With the right information, consumers can purchase better designed products and use them for longer



Design and consumption

Recommendations

Create a **National Circular Economy Framework**

Revise and strengthen **Commonwealth regulations** to support a circular economy

- national circular economy standards for products and materials
- create relevant directives that drive circularity and lower waste
- Focus initially on fast moving consumer goods such as packaging, electronics and textiles

Use the **National Reconstruction Fund (NRF)** to incubate markets for key areas/enablers of circular economy

Driving waste reduction

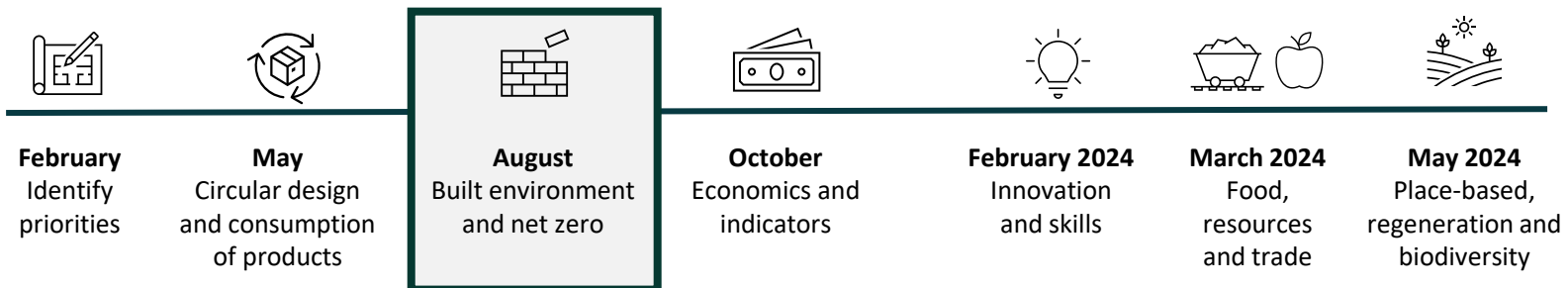
Recommendations enable stronger, faster standard-setting – including regulating problematic products or practices (e.g. disposal of unsold goods), and supporting waste avoidance practices (e.g. repair, re-use)

Investing in circular business innovators lifts adoption of circular economy practices, including waste avoidance

Built Environment and Net Zero

Waste reduction potential

- The built environment consumes 1/3 of the world's global resources and represents about 40% of landfill
- 10-15% of building materials are wasted during construction
- Circular economy practices can support more efficient use of materials and better end-of-life management



Built Environment and Net Zero

Recommendations

The **Built Environment Net Zero Sector Plan** should prioritise refurbishment, designing for modularity and disassembly, inclusion of recycled content and waste diversion from landfill as key strategies

Circular Economy principles and requirements should be embedded in **Commonwealth building and infrastructure procurements:**

Consider how the **National Construction Code** can be used to support end-of-life practices such as disassembly, reuse and recycling

- Identifying a mechanism to support record keeping across the life of buildings, especially on materials used to support disassembly and reuse

Driving waste reduction

Recommendations support creation of recycled content markets and better management at end-of-life

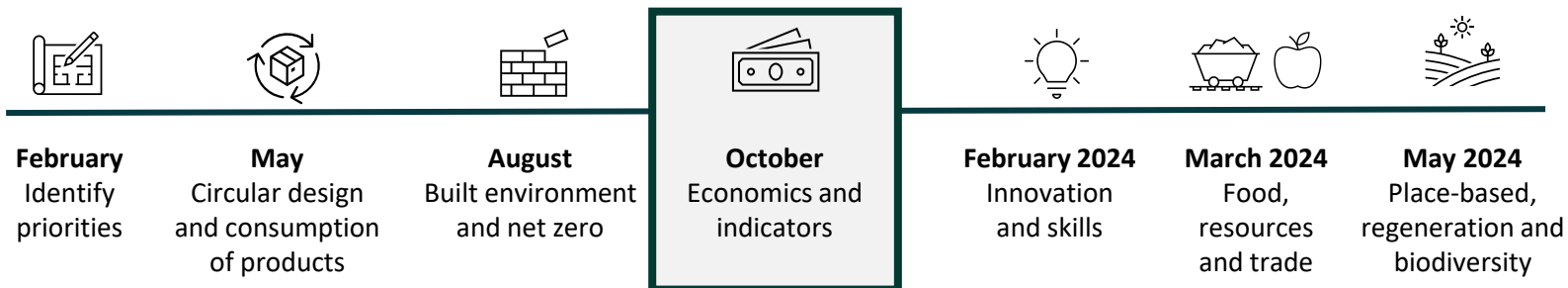
Whole of life cycle considerations mean more waste avoided through actions like refurbishment and modularity



Economics and Indicators

Waste reduction potential

- Measuring Australia's circular economy progress provides impetus to support waste-reduction activities
- Existing waste targets do not provide enough certainty to investors
- Inclusion of circular economy in disclosure frameworks, taxonomies and green bonds can drive investment in waste reducing activities and circular business models



Economics and Indicators

Recommendations

Set **national and sector-based targets**, complemented by circular economy indicators:

- National extent of circularity
- Material footprint
- Domestic Material Consumption
- Resource Productivity

Ask the **Productivity Commission** to investigate how resource efficiency supports economic growth and productivity in Australia, including barriers

Expand the scope of the Commonwealth's **Sustainable Finance Taxonomy** and **Green Bonds Framework** to explicitly consider circular economy strategies, in line with international best practice

Adopt **mandatory disclosure of sustainability-related risks and opportunities**, aligned with the International Sustainability Standards Board's *General Requirements for Disclosure of Sustainability-related Financial Information*

Driving waste reduction

Industry needs a strong business case for engagement with the circular economy

Upstream indicators of circularity are sensitive to waste reduction and material efficiency improvements

Targets provide businesses and investors with certainty about Government policy

Finance instruments and disclosure regulations direct capital towards circular economy practices like waste reduction

Wrap Up



The Advisory Group is prioritising waste reduction through its recommendations



An upstream focus designs out waste



The waste sector is an important part of a circular economy



Many of the tools to reduce waste are in industry, infrastructure and economic portfolios



The next Advisory Group meeting is on 'Innovation and Skills'