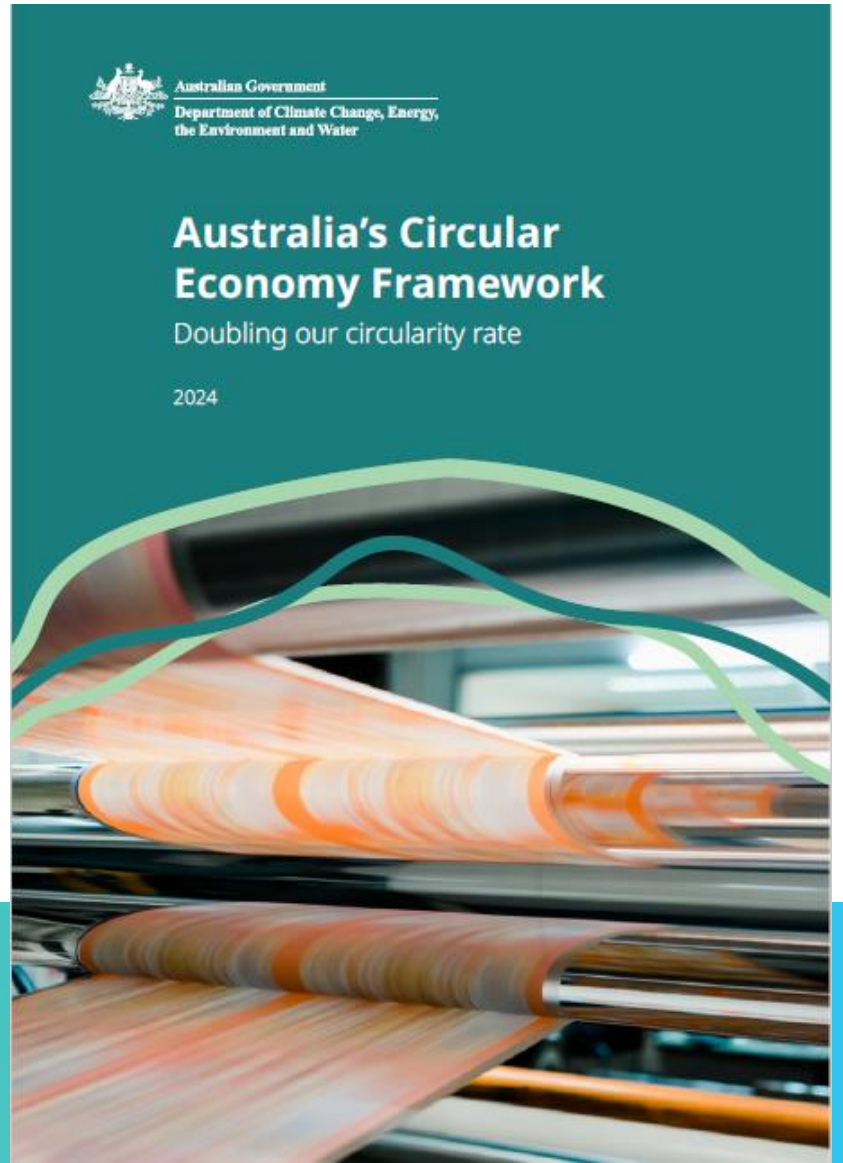
Australia's Circular Economy Framework



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Key takeaways of the National Circular Economy Policy Framework by Go Circular

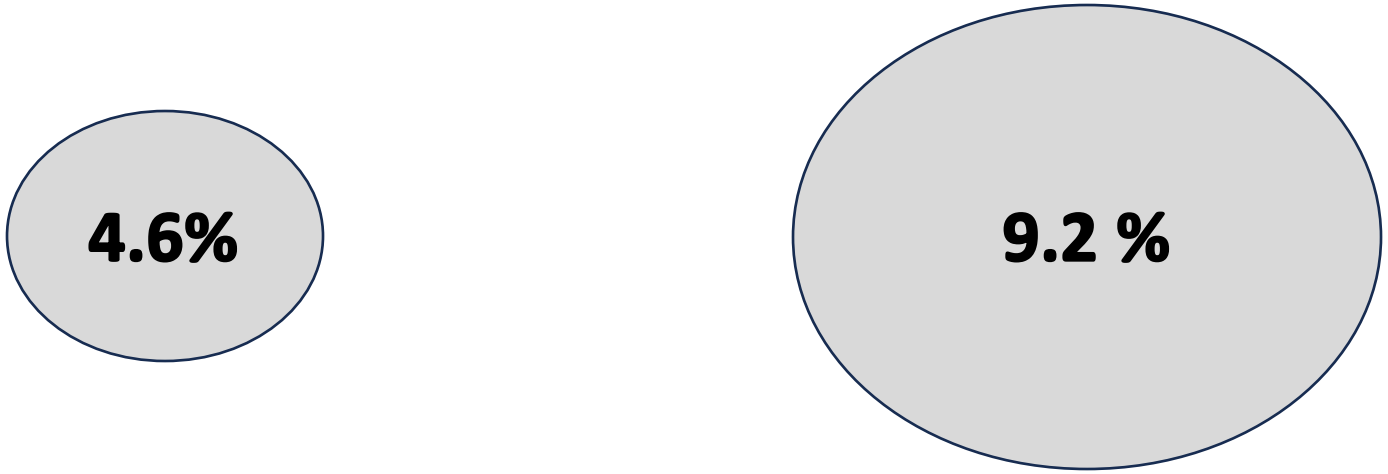
The federal government has introduced Australia's National Circular Economy Policy Framework, designed to guide the nation's transition to a circular economy, and to promote sustainability, economic growth, and innovation.

This policy framework relies on collaboration between industries and the innovation ecosystem, supported by metrics to set targets and monitor progress toward achieving these goals.

Mission

A decade of commitment for Australia’s CE transition

Almost Double Australia’s circularity by 2035



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WHY NOW

- Global demand for sustainability
- Opportunity to lead by example
- International trade
- Economics, investment and resilience
- Climate change

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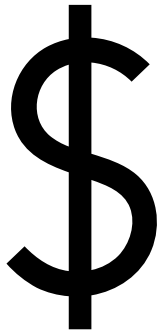
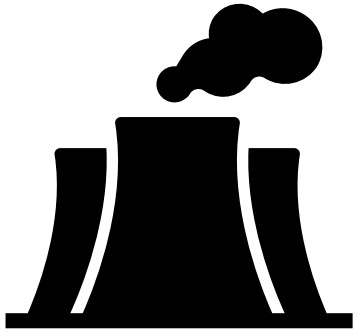
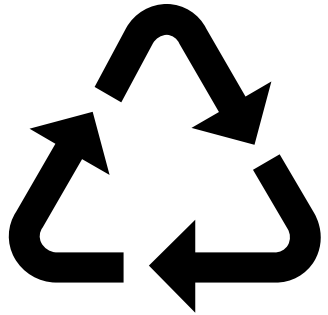
Benefits



Adds $26 billion to GDP annually



Reduces GHG emissions by 14%



Diverts 26 million tonnes of waste annually

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Framework at a glance

Goal

Double the circularity of the economy, by 2035

Targets

Shrink our per capita material footprint by 10%	*Lift our material productivity by 30%*	*Safely recover 80% of our resources*
Front-end target	Middle target	Back-end target

Priorities

Sectoral enablers

Industry	*Built environment*	*Food and Agriculture*	*Resources*
Circular packaging **Durable, re-useable and sustainable goods**	**Refurbishing and adaptive re-use** **Circular, low carbon construction materials fit outs**	**Reducing food waste** **Valorising agri-waste**	**Minerals beneficiation** **Co-extraction and resource sharing through precincts** **Second-use of mineral-containing products**
Improved product design Verifying the provenance, properties and performance of recycled materials Green chemistry and advanced technology	Embedding the circular economy in new builds Developing recycled content markets Better design	Shared infrastructure, equipment, data and resources Higher quality recycled organics Cold-chain transport	ESG frameworks and standards Pre-competitive information on re-extraction opportunities

Cross-cutting objectives

- *Innovation*
- *Systems thinking and circular economy skills*
- *Market development and investment*
- *Collaboration and place-based approaches*
- *Advanced resource recovery and recycling*
- *Behaviour change*

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Implementing the framework

Governments

Governments set the direction and provide the foundation for a successful transition to a circular economy. They create the conditions that allow circular systems to thrive by implementing supportive policies and regulations, providing financial incentives, and encouraging collaboration and behaviour change across sectors.

Businesses

Must lead by example, adopting circular practices to meet growing stakeholder expectations, ensuring compliance, and capitalising on new market opportunities.

Investors

By directing capital toward circular solutions, investors can help scale innovative business models, technologies, and infrastructure that support resource efficiency and waste reduction.

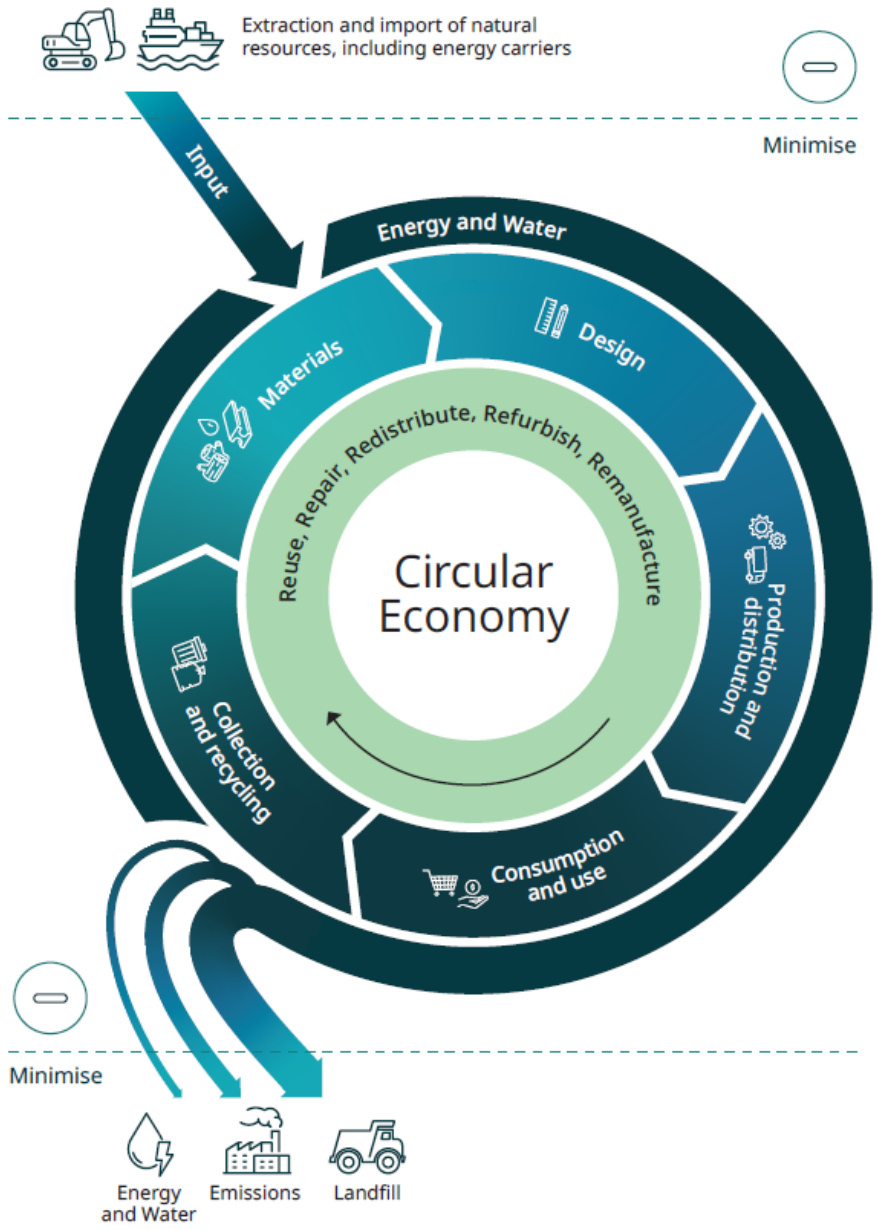
Researchers and NGOs

Research institutions, universities, and non-governmental organisations (NGOs) provide the necessary research, education, and advocacy to drive the circular economy forward.

Australians

Can contribute by making sustainable product choices and supporting local circular initiatives such as repair café's libraries, and second-hand marketplaces.

THREE KEY TARGETS



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Key Target 1

➢ Reduce Material Footprint by 10%

Australia has the highest material footprint in the G20, at 31 tonnes per person as of 2023

Material footprint drives greenhouse gas emissions, making it essential to retain materials for longer and use them smarter.

Strategies to achieve this target include:

- improving design and
- material choices in construction and manufacturing,
- and increasing the use of durable, recycled materials, focus on 10 Rs, ie: reuse, repair, remanufacturing

Key Target 2

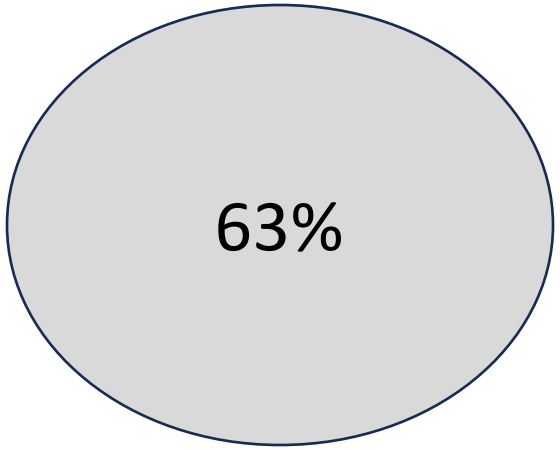
➢ Increase Material Productivity by 30%

- Generate more economic value per resource.
- Promote resource-efficient industries.

> Lifting materials productivity requires circular economy strategies that **scale Australian innovation**, **advanced manufacturing on shore**, and **more collaborations across supply chains** to maximise material value – including internationally. **Domestic reuse** of Australian recycled materials can also support materials productivity.

Key Target 3

➢ **Safely recover 80% of Resources**



Australia's resource recovery rate

Upstream actions are needed:

- Design products in use as long as possible
- Design for circularity
- Enhance market systems for recovered materials
- Improve recycling and reuse rates

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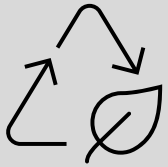
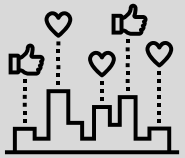
Govt priorities to support decarbonisation



Remanufacturing and recycling



Industrial symbiosis

Design for durability, reuse and light weighting

Product as a service

Reuse of building

Reducing food waste

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Sectoral Priorities

Australia's most significant short-to medium-term opportunities to drive a competitive and sustainable circular economy are in:

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Priorities

Industry:

Priorities: Circular packaging and durable products.

Enablers:

- Circular product design to improve reusability and recyclability.
- Traceability standards for recycled materials
- Innovation in green chemistry and advanced manufacturing technologies.

Built Environment:

Priorities: Refurbishment, adaptive reuse, and use of circular, low-carbon materials.

Enablers:

- Embedding circular principles into new builds (e.g., modular construction).
- Developing markets for recycled construction materials like steel and concrete.
- Incentivising better building design for durability and disassembly.

Cont.

Food & Agriculture:

Priorities: Reducing food waste and valorising by-products.

Enablers:

- Shared infrastructure for small producers (e.g., equipment, processing facilities).
- Enhancing quality and use of recycled organic materials.
- Improving cold-chain logistics to minimize food spoilage and waste.

Resources:

Priorities: Co-extraction, reuse of mineral-containing products, and efficient resource sharing.

Enablers:

- ESG frameworks to guide sustainable resource use.
- Pre-competitive data to identify and unlock opportunities in resource recovery.
- Innovation in reclaiming valuable minerals from waste (e.g., mining tailings).

Cross-cutting objectives

- Innovation: *Focus on design and technology*
- Market Development: *Demand for circular goods*
- Advanced resource recovery and recycling: *Invest in tech to improve recover and recycling rate*
- Collaboration and placed based approaches
- Behavior Change: *Promote sustainable consumption*
- Systems Thinking and circular economy skills: First Nations approach and Lifecycle integration in planning

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Implementation roles

- Government: the enablers, policy and financial incentives
- Businesses: Innovators and adopters of circular practices.
- Investors: Catalysts for scaling circular innovations.
- Researchers and NGOs: the thought leaders, R&D, raising awareness
- Communities: Advocates and changemakers, driving demand for circular products and services *(collective procurement powers)*

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SWOT Analysis

Strengths:

Sector-Specific Priorities: Identifies key areas—industry, built environment, food and agriculture, and resources—with clear strategies for improvement.

Clear Targets: Defined goals to reduce material footprint, increase productivity, and recover resources.

Holistic Approach: Addresses the entire lifecycle of resources, including First Nations' knowledge, system thinking, design, use, and recovery.

Weaknesses:

Low Ambition: Doubling circularity from 4.6% to 9% by 2035 is modest compared to global leaders.

Implementation gap: Insufficient emphasis on how federal, state, and local governments will implement or drive its objectives. *Will each state establish its own circular economy (CE) targets aligned with the framework's guidance, or will there be a unified national approach?*

Overemphasis on recovery: focuses more on recycling and recovery than on upstream innovation

Opportunities:

Sector specific opportunities: Industry, built environment, food and agriculture and resources

EES: Economic, environment and social opportunities

Metrics and incentives for businesses: create stronger financial incentivise for businesses to measure circularity progress, and adopt circular practices, ie: using recycled materials

Leadership: Position Australia as a global leader in CE innovation

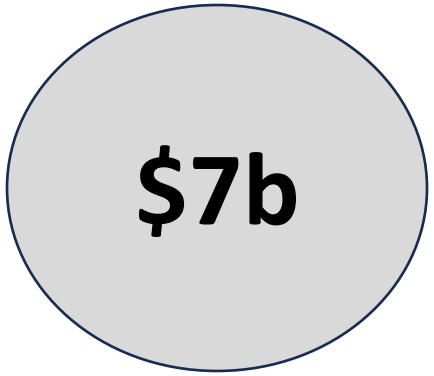
Threats:

Funding Gaps: Inadequate resources to support infrastructure, innovation, and implementation.

Policy: the framework places insufficient emphasis on how federal, state, and local governments will implement or drive its objectives. *Will each state establish its own circular economy (CE) targets aligned with the framework's guidance, or will there be a unified national approach?*

Relevant CE funding in Australia

National Reconstruction Fund



Northern Australia Infrastructure Facility

- Australia's Ending Plastic Waste Mission $50m
- National Waste Policy
- Each state has its own circular economy (CE)-related policies, which are linked to dedicated funding mechanisms to support their implementation

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Relevant CE policies in Australia

National Circular Economy Framework

Sustainable Procurement Policy and Guide

Circular Economy Ministerial Advisory Group

Waste and recycling

Remade in Australia

Design for Circular Economy

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What is a Circular Economy

"An economic system that uses a systemic approach to maintain a circular flow of resources, by recovering, retaining or adding to their value, while contributing to sustainable development"

ISO: The International Organisation for Standardisation: ISO 59004

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6 Principles – ISO Standards

Systems Thinking

Resource Stewardship

Ecosystem resilience

Resource Traceability

Value Sharing

Value Creation

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Are you ready to learn more about the circular economy?

Sign up for our next live online training program in the ISO Circular Economy Standards in Feb 2025. Or contact Go Circular: info@gocircular.org.au

https://training.circularfutures.co/courses/feb-circular-economy-iso-59000-series-workshop?ref=7db38d

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