



## **Opportunities in the Circular Economy – Submission**

Date: 1 November 2024

To the Productivity Commission,

We write on behalf of the Swedish Australian Chamber of Commerce (SACC) Sustainability Committee to make a submission to Opportunities for a circular economy – call for Submissions. We welcome the opportunity to contribute to the opportunities in the circular economy to improve materials productivity and efficiency in ways that benefit the economy and the environment.

The SACC is actively supporting and advocating for sustainable business practices. Its Sustainability Committee, launched in 2022, has grown to more than 16 companies, Government and not for profit organisations with a shared commitment and leadership in sustainability and circular economy. Refer to Appendix 1, page 1-4, introduction to the SACC Sustainability Committee.

On behalf of the SACC Sustainability Committee member organisations (listed below), we strongly support the Commission's objective to examine priority circular economy opportunities and provide practical advice on how best to measure progress and address barriers, so that policymaking about Australia's circular economy transition is practical and evidence base.

### **SACC Sustainability Committee's position**

In response to the identified areas for information request, the SACC would like to offer the following insights and recommendations on behalf of its members.

#### **1. Circular economy success stories and measures of success**

Members of the SACC Sustainability Committee are driving innovation in sustainability and circularity across a wide section of the economy. Please refer to the attached booklet *Appendix 1 page 5-19*, with inspiring success stories, opportunities & challenges and contact details for these Swedish companies in Australia.

#### **2. Priority opportunities to progress the circular economy**

- Circularity as holistic concept that requires upstream thinking and embeds sustainability in design stages. Materials are a major unaddressed climate challenge. Considering that demand for primary raw materials is expected to double by 2060, the decarbonisation of materials as a part of a transition to a low-carbon circular economy should become a priority.
- Innovative technologies to reduce environmental impact, water consumption, energy consumption, product losses including food waste and carbon footprint in production & manufacturing.



- New business models that move away from linear consumption (such as rentals, re-use/re-manufacture).
- Connect circular economy with Net Zero targets and decarbonisation.

### **3. Hurdles and barriers to a circular economy**

- Circularity limited to an end-of-life management, i.e. waste management issue. This results in lack of cross functional approach system-wide thinking and unintended consequences
- Lack of infrastructure and technical innovation for a fully circular economy and robust value chain.
- Lack of legislation that enforces compliance and targets in introducing and driving Circular Economy actions.
- Inconsistencies in Federal vs State regulations and policies, encouraging free riders.
- Lack of industry collaboration in developing solutions that benefit all players in the value chain – current policies only support an upstream view.
- Lack of credible data collection, reporting and measurement.
- Unfamiliar costs and cost (business) models, leads to uncertainty on how to calculate. Return on Investment.
- Financial efforts are mostly targeting reprocessing and not assisting community in providing a clean feedstock through separated collections and reuse systems.

### **4. Governments' role in the circular economy**

- Broaden the climate dimension of the circular economy by not looking at climate change and waste in isolation. A dual approach in public policy and regulation is needed, combining more stringent recycling policy with the decarbonisation of materials/packaging.
- Acceptance of recycled content, remanufactured or refurbished goods (without compromising product safety requirements), foster and encourage circular consumer behaviour and attitudes.
- Create certainty with regulatory framework and harmonise Australian regulation with international circular economy developments.
- Guide and incentivise private sector priorities and investment to overcome structural and system challenges specific to Australia.
- Facilitate awareness, innovation and cross sector cooperation.

Additionally, we refer to *Appendix 1, page 5-19*, SACC Sustainability Committee Examples Circular Economy Initiatives and Challenges.

### **Fossil Free Sweden and learnings from Sweden**

The SACC also believes in best practice sharing from Sweden where a near circular economy is already a reality. Due to its supportive policy environment and successful private-public sector collaboration, Sweden is recognised as one of the most sustainable countries in the world.



Country specific success is only as good as its foundation. In Sweden, the regulatory framework has fostered a culture of positive thinking and a can-do culture for years, in which Swedish industry is using circular economy as a tool to gain a competitive advantage both nationally and internationally.

We refer to *Appendix 2* for an overview of the Swedish legislation and framework that has driven, or is currently driving, the industry's transition from a linear to a circular economy as a best practice.

As part of its sustainability focus, the SACC has forged a connection with Fossil Free Sweden, a national initiative supported by the Swedish Government that promotes sustainable business practices with roadmaps for 23 industry sectors refer to *Appendix 2*.

The SACC would be able to facilitate access to thought leaders from different industries and government organisations in Sweden for knowledge and best practice sharing, to drive the Australian circular economy transformation forward.

Yours Sincerely,

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Flavia Vaz  
SACC Sustainability Committee  
Chair and Head of Public Affairs &  
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Appendices:

1. SACC Sustainability Committee Introduction and Examples Circular Economy Initiatives and Challenges
2. Global Best Practice Sharing: Swedish Legislation and Framework – How to Foster Circularity

**For further information, contact:**

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Business Sweden
Business Council for Sustainable Development Australia (BCSD Australia)
Circular Economy Specialist Consultants
Swedish Australian Chamber of Commerce

### **About the Swedish Australian Chamber of Commerce**

The Swedish Australian Chamber of Commerce (SACC), founded in 1911, actively support and promote bilateral trade and cultural exchange between Sweden and Australia. The SACC provides a platform and a network for corporations and individuals to meet, share ideas and to drive close collaboration between the two countries. SACC cooperate with organisations, companies and professionals with Swedish-Australian business interests, stay informed, make connections, exchange ideas and find synergies, business partners and like-minded business professionals.