

1 November 2024

Productivity Commission  
Locked Bag 2, Collins St East  
Melbourne Vic 8003  
[circular.economy@pc.gov.au](mailto:circular.economy@pc.gov.au)

Dear Commissioner(s)

RE: Opportunities in the circular economy

CHP Australia is the leading voice and industry body for manufacturers and distributors of consumer healthcare products, which includes non-prescription medicines. We strive to advance consumer health through responsible Self Care. Our key priorities for the industry include improving health literacy, growing the consumer healthcare products industry and increasing access to medicines where appropriate.

CHP Australia welcomes the opportunity to provide a brief submission to this inquiry. As a healthcare industry, we recognise that climate change is a major threat to human health, so it is part of our obligation to consumer healthcare that we engage in activities that improve the environment and support the health of the Australian and global population. We are supportive of circular economy initiatives; however, we note there are certain challenges and barriers to circular economy for the supply of therapeutic goods that warrant consideration by the commission.

The primary opportunity for circularity for consumer healthcare products relates to packaging, in both business to business and business to consumer contexts. While there are a number of specific challenges and opportunities, these are under consideration by the Department of Climate Change, Energy, the Environment and Water in their consultation on the reforms to packaging regulation, however for this brief submission we wanted to focus on the bigger picture of the Australian economy. Specifically, the need for greater investment from the recycling industry and government to deliver on much needed advanced recycling to enable remanufacture of recovered plastics into high quality polymers. In the absence of commercial scale advanced recycling, it is unlikely there will be suitable quality packaging for use in therapeutic goods that are dependent on packaging integrity to maintain the stability and safety of goods for supply to Australian consumers.

Therapeutic goods are regulated in Australia by the Therapeutic Goods Administration, which demands that certain standards for safety, quality and efficacy be complied with. At present, for products packaged in plastics, these products rely on almost exclusively virgin plastics. There are a number of reasons for this, such as inconsistent supply of



recyclate, concerns about consistency of quality specifications, insufficient data on the interaction between medicines and packaging, and the high cost of materials when they are available. The lack of local processors who can produce high quality recyclate using advanced recycling processes for plastics is a major barrier for consumer healthcare products moving to more circular packaging.

CHP Australia looks forward to the publication of the interim report and remains available to contribute to the further development of circular economy policy in Australia.