

**RECYCLING FOR AUSTRALIA'S
CIRCULAR ECONOMY:
UNLOCKING PRODUCTIVITY, JOBS,
AND ENVIRONMENTAL BENEFITS**

Federal Policy Platform 2025

Introduction

Recycling is an integral gear within the circular economy, delivering significant social, economic and environmental value.

The Australian recycling industry contributes nearly \$19 billion in economic activity and supports 95,000 jobs. Our industry operates across homes, businesses, factories and construction sites—collecting, sorting and reprocessing material, and making new products with recycled content. Recycling directly contributes to a cleaner, more resilient Australia, by improving resource efficiency, reducing carbon emissions, and diverting waste from landfill, while driving economic growth and fostering innovation in sustainable manufacturing and green technologies.

The Australian Council of Recycling (ACOR) is the peak industry body for the resource recovery, recycling, and remanufacturing sector in Australia. Our membership is represented across the recycling value chain and includes leading organisations in container deposit scheme operations, kerbside recycling, recovered metals, glass, plastics, paper, tyres, textiles, oil, electronic products, batteries and organics, reprocessing and remanufacturing, road recycling, and construction and demolition recovery. We are committed to leading Australia's transition to a circular economy that benefits the environment while driving innovation and supporting local industries. With robust government backing for a circular economy, rising industry investment, and unwavering public enthusiasm for resource recovery and local manufacturing, now is the time to unlock the recycling sector's full potential through targeted policy action.

ACOR outlines the following priorities to support a thriving recycling sector while delivering jobs, advancing resource efficiency and unleashing innovation and productivity around the country:

- 1. Strong end markets for Australian recycled material**
- 2. Expedited national packaging reform**
- 3. Urgent action to address the hazard of batteries and consumer electronics**
- 4. Product stewardship that ensures genuine recycling**
- 5. Nationally harmonised resource recovery rules to boost productivity.**



Strong end markets for Australian recycled material

Recommendation 1: Prioritise procurement of Australian recycled content in Government-funded projects, underpinned by a traceability framework for recycled materials.

Recommendation 2: Streamline export licensing for processed recycled products.

The Challenge

The viability of Australia's recycling system hinges on robust markets for processed recycled materials. While a net importer of finished goods, all products ultimately enter our nation's waste streams. Furthermore, waste export regulations mandate that recovered plastic, glass, and tyres must be reprocessed domestically. Robust market demand for these materials is therefore crucial, particularly for plastic packaging, where over half is imported yet the entirety must be reprocessed domestically.

At the same time, the current administration of waste export regulations is unduly cumbersome, costly, and lacks clarity, hindering the access of Australian recycled products to global markets.

And despite procurement policies intended to prioritise recycled materials, there remain persistent and significant barriers to the uptake of domestically produced recycled content, including cost competitiveness with virgin and imported materials, and reluctance within the supply chain to embrace necessary changes.

The Solution

Export licensing rules for processed recycled products must be streamlined and clarified to:

- ensure robust international markets for Australian recycled commodities,
- maximise the value of government investment in recycling infrastructure, and
- lift recycling rates.

The Australian Government must also significantly scale up procurement of domestically produced recycled content by prioritising uptake in goods, buildings and infrastructure, with published benchmarking, measurement and reporting, and measures linking funding to procurement of domestically recycled materials. For example, Victoria's ecologiQ program has set new benchmarks in overcoming barriers to drive greater uptake of local recycled content in infrastructure projects, highlighting the benefits of a coordinated procurement channel. This model should be standard for any projects receiving more than \$100 million in Federal funding.



Expedited national packaging reform

Recommendation 3: Expedite mandatory national extended producer responsibility for packaging, prioritising recoverability, recyclability, traceability & Australian recycled content.

Recommendation 4: Ensure packaging regulation embeds mandatory minimum thresholds for traceable, verified recycled content that meets strict environmental standards.

The Challenge

ACOR strongly supports the Australian Government's commitment to national packaging laws to support a circular economy for packaging. This long-overdue shift requires a scheme backed by design standards and funding that reflects the true cost of recycling in Australia, while recognising the environmental benefits of locally produced recycled materials. For example, locally sourced recycled plastic generates lower carbon emissions than imported fossil fuel-derived virgin resin.

Without Federal action, States and Territories are poised to implement measures individually, leading to further fragmentation, cost and confusion, as seen with State-based container deposit schemes and single-use plastic regulations.

The success of packaging regulation depends on prioritising markets for domestically produced recycled materials. There are insufficient incentives to use Australian recycled materials, while export restrictions also constrain international markets for these goods. Unregulated recycled imports undermine domestic recycling, jeopardising its feasibility and delaying progress toward Australia's waste reduction goals.

The Solution

The delivery of national packaging regulation must be expedited, to provide investment certainty and encourage growth in domestic recycling and packaging sectors.

The Australian Government should also play a coordinating role in harmonising and optimising the fragmented system of State-based container deposit schemes. This should include increasing the deposit rate and expanding the scope to include glass wine and spirit bottles.

Packaging regulations must establish practical, implementable, and fit-for-purpose design standards; mandatory minimum thresholds for recycled content; auditable traceability to verify recycling claims; and a mandatory extended producer responsibility scheme with eco-modulated fees. These regulations must uphold labour and environmental standards, to prevent unfair competition from rogue operators and the importation of materials that fail to meet Australia's environmental, health, and labour requirements. Further, the regulations must recognise and reward the contribution that locally produced recycled materials can make towards reducing Australia's carbon emissions.



Urgent action on batteries and consumer electronics

Recommendation 5: Implement national extended producer responsibility regulation for all consumer electronics, including batteries and battery-containing products.

Recommendation 6: Launch a national campaign, supported by Recycle Mate, to educate the community about the safe disposal of batteries and consumer electronics.

The Challenge

Loose and embedded batteries, including those in consumer electronics like electric toothbrushes and vapes, pose critical hazards in conventional waste and recycling streams. In Australia, over 10,000 fires occurred last year across the waste and recycling sectors, endangering workers, infrastructure, and the environment, while incurring costs ranging from hundreds of thousands of dollars in damage and disruption, to over \$60 million to replace a major facility. Australia's fragmented product stewardship initiatives—both mandatory and voluntary—address some battery-containing items but lack a comprehensive approach to hold producers accountable for the risks their products create, which are borne by the community, governments, the environment, and the recycling sector.

Community awareness of the dangers of improper e-waste disposal remains low, with insufficient safe collection points. Without effective regulation, the recycling sector cannot adequately protect its workforce, infrastructure and the environment from the growing dangers of battery waste.

The Solution

The Australian Government must lead the delivery of mandatory national extended producer responsibility regulation for all consumer electronic products, including batteries and items containing batteries. This regulation must be supported by a robust scheme to fully fund the safe collection, recycling, or disposal of these products.

The scheme must cover all relevant product categories, leaving no gaps, and be underpinned by ambitious targets for battery recovery, to ensure accountability for those placing these items on the market, and to deliver meaningful environmental outcomes.

Meanwhile, a national awareness and education campaign should be launched to highlight the risks of unsafe disposal of electronics and to promote battery recycling. Geolocated data harnessed by the Commonwealth-funded Recycle Mate program should be leveraged to direct the community to safe collection points.



Product stewardship that ensures genuine recycling

Recommendation 7: Strengthen the Product Stewardship Accreditation framework to ensure robust scheme governance, accountability, and genuine and scaled recycling outcomes.

Recommendation 8: Establish a transparent ‘Trigger Framework’ to determine when a product stewardship scheme is required.

The Challenge

Product stewardship and extended producer responsibility can reduce waste and lift recycling, particularly where recycling rates are low, or materials have low or negative value.

However, the product stewardship framework outlined in the *Recycling and Waste Reduction Act 2020* has failed to deliver consistent outcomes, overlooks investment in genuine recycling, and does not adequately support demand for recycled materials. This approach weakens domestic recycling, erodes community confidence, and slows progress towards a circular economy.

Uncertainty also impacts recycling infrastructure investment: greater clarity is needed on where the Government will intervene with product stewardship measures, working closely with the recycling sector to ensure investment is well supported. Strong governance is critical to sustain a competitive recycling value chain and prioritise legitimate recycling outcomes while fostering market demand for recycled materials.

The Solution

Now is the time to align Australian Government accreditation of product stewardship initiatives to ensure proper investment in recycling, deliver better environmental outcomes, and support community confidence.

Key priorities for product stewardship schemes include clear and consistent metrics and targets, transparent and accountable governance with meaningful recycler involvement, designing for recycling and reuse, and creating market demand for processed recycled materials. A comprehensive assessment of recovery, recycling and remanufacturing costs is essential to ensure any initiative delivers legitimate outcomes.

A product stewardship scheme ‘Trigger Framework’ should define clear parameters for when a scheme should be initiated, or a product added to an existing scheme to improve efficiency and minimise duplication. Ensuring all parties in the supply chain know the conditions under which a scheme will be triggered will foster market and investment confidence.



Nationally harmonised resource recovery rules

Recommendation 9: Establish a Government-led body to deliver a nationally harmonised regulatory framework for resource recovery and recycling, underpinned by defined end-of-waste criteria, to boost productivity and support circular economy goals.

Recommendation 10: Support the implementation of an Australian Recyclers Accreditation Program.

The Challenge

A fundamental lack of alignment between environmental policies and circular economy principles is hindering resource recovery. This is compounded by the fragmented, variable and duplicative regulations across Australia's States and Territories, which categorise recovered materials as 'waste' and undermine investment confidence in recycling infrastructure. A circular economy cannot advance if processed recycled products are enduringly defined and managed as waste.

Waste and recycling laws, while implemented at a State level, must be nationally harmonised to prioritise circular economy outcomes and investment confidence.

Meanwhile, challenges in distinguishing waste operations from recycling activities, and good from poor practices, are driving unproductive, expensive and duplicative regulatory processes, including third-party verification and testing.

The Solution

A necessary step in national reform is the establishment of a Government-led body, comprised of Government and industry representatives, to modernise and harmonise regulations related to recycling and resource recovery, as proposed by the Circular Economy Ministerial Advisory Group. This body should have a clear, time-bound mandate to define end-of-waste criteria—distinguishing between waste and recovered resources—and to align resource recovery and recycling standards across jurisdictions, creating a nationally harmonised framework. Additionally, it should oversee a consistent approach to product stewardship, including container deposit schemes, with a focus on advancing circular economy outcomes.

The Australian Government should also support the delivery of an independently governed Australian Recyclers Accreditation Program, to enhance industry credibility and ensure operational legitimacy. This program will provide objective assessments and promote accountability and quality within the recycling sector.



Summary of recommendations

Recommendation 1: Prioritise procurement of Australian recycled content in Government-funded projects, underpinned by a traceability framework for recycled materials.

Recommendation 2: Streamline export licensing for processed recycled products.

Recommendation 3: Expedite mandatory national extended producer responsibility for packaging, prioritising recoverability, recyclability, traceability & Australian recycled content.

Recommendation 4: Ensure packaging regulation embeds mandatory minimum thresholds for traceable, verified recycled content that meets strict environmental standards.

Recommendation 5: Implement national extended producer responsibility regulation for all consumer electronics, including batteries and battery-containing products.

Recommendation 6: Launch a national campaign, supported by Recycle Mate, to educate the community about the safe disposal of batteries and consumer electronics.

Recommendation 7: Strengthen the Product Stewardship Accreditation framework to ensure robust scheme governance, accountability, and genuine and scaled recycling outcomes.

Recommendation 8: Establish a transparent 'Trigger Framework' to determine when a product stewardship scheme is required.

Recommendation 9: Establish a Government-led body to deliver a nationally harmonised regulatory framework for resource recovery and recycling, underpinned by defined end-of-waste criteria, to boost productivity and support circular economy goals.

Recommendation 10: Support the implementation of an Australian Recyclers Accreditation Program.





RECYCLING FOR AUSTRALIA'S CIRCULAR ECONOMY

Australian Council of Recycling

Level 23, 520 Oxford Street, Bondi Junction NSW 2022

Ph 02 8074 7007

ABN 60 574 301 921

www.acor.org.au