



OFFICE OF THE COMMISSIONER
FOR SUSTAINABILITY AND
THE ENVIRONMENT

ACT NoWaste
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To whom it may concern

Re: Draft Circular Economy Strategy

The Commissioner for Sustainability and the Environment is an independent statutory position established by the *Commissioner for Sustainability and the Environment Act 1993*. My Office advocates for an environmentally sustainable future for the Territory and supports reforms that work to protect the many values of the ACT's unique environment.

I would like to commend ACT Government for pursuing the Draft ACT Circular Economy Strategy and prospective plans to develop a Circular Economy Action Plan and new Circular Economy Legislation for the ACT. OCSE acknowledges the key role that ACT Government will play in creating the conditions to facilitate circular consumption behaviours and practices in the ACT.

However, there are several issues that ACT Government should address to strengthen the strategy and enable a successful transition to a circular economy in the ACT. This includes:

- i. developing a comprehensive set of circular economy indicators and metrics to measure progress towards circularity in a holistic approach;
- ii. engaging in cross-departmental dialogue with business areas responsible for developing policies – namely the *Capital Food and Fibre Strategy* and the *Caring for Dhawura Ngunnawal: A Natural Resource Plan for the ACT 2022-25* – to ensure strategic alignment of ACT Government objectives; and
- iii. and placing greater emphasis on the role of public procurement in stimulating new circular economy markets in the ACT.

This submission will focus specifically on the role and responsibilities of the ACT Government in supporting a circular economy within the ACT.

Develop comprehensive measurement framework

OCSE supports the ACT Government to develop a circular economy indicator under the ACT Wellbeing Framework and associated metrics to complement existing economic indicators used within the ACT. Measuring the ACT's progress towards circularity is critical to identify priority areas to amend policy and implement targeted interventions. Currently, the ACT

Wellbeing Framework webpage indicates that a circular economy measure is under development for the 'climate resilient environment and community' indicator. The measure is set to measure the ratio of total waste produced in the ACT to gross territory product.

It is critical that ACT Government advance beyond measuring waste streams and develop a comprehensive set of circular economy indicators and metrics that encompass all aspects of the circular economy. The circular economy and its measurement are still widely centred within a waste management narrative, which fails to account for the myriad of social, economic, and environmental benefits produced by circularity. ACT Government should select a suite of metrics and indicators to reflect the variety of circular themes and actions including redesign, reducing consumption, reuse, repair, and remanufacture.

Extensive research has already been undertaken to identify circular economy indicators and metrics to track progress towards circularity. Recent research from the Platform for Accelerating Circular Economy (PACE)¹, Australian Circular Economy Hub in partnership with Edge Environment², the OECD³, and Circular Australia and the Institute for Sustainable Futures (ISF)⁴ could inform the development of indicators for the ACT context.

Notably, the recent research from ISF in partnership with Circular Australia reviewed international best practice in circular economy metrics to identify potential metrics for application in the NSW context. The report shortlisted 31 metrics – a mixture of already established and widely used alongside new and emerging metrics – to address the key themes for circular economy. These metrics included the share of green public procurement by governments, product longevity of electrical equipment, repair and maintenance industry sales, number of items sold for reuse and the amount of land to support resource consumption and waste assimilation.

Recommendation 1: ACT Government should build upon existing research to develop and implement a comprehensive set of circular economy indicators and metrics that will holistically measure the ACT's transition to a circular economy.

Strategic alignment with developing environmental policies

The ACT Government is developing several environmentally-relevant policies that could complement and be integrated with the ACT's Circular Economy Strategy such as the *Capital Food and Fibre Strategy* (CFFS) and the *Caring for Dhawura Ngunnawal: A Natural Resource Plan for the ACT 2022-25* (NRM Plan). OCSE encourages the various business areas to engage in dialogue to ensure policy concurrence and identify areas of strategic alignment.

¹ Platform for Accelerating the Circular Economy, 2021. *Circular Indicators for Governments*, https://pacecircular.org/sites/default/files/2021-04/CircularIndicatorsForGovernments_FINAL.pdf

² Australian Circular Economy Hub, 2022. *Measuring the Circular Economy: An Australian Perspective*, <https://acehub.org.au/documents/measuring-the-circular-economy-an-australian-perspective>

³ OECD, 2020. *OECD Inventory for Circular Economy Indicators*, <https://www.oecd.org/cfe/cities/InventoryCircularEconomyIndicators.pdf>

⁴ Circular Australia, 2022. *Circular Economy Metrics: A Review*, <https://circularaustralia.com.au/wp-content/uploads/2022/11/Circular-Economy-Metrics-A-Review-Nov-22.pdf>

For example, compost produced by the FOGO processing facility could supply emerging local food growers as facilitated by the CFFS. This would work to achieve both goals of circularity and fostering a sustainable and resilient food system within the ACT.

Additionally, the location of the circular economy innovation precinct should be subject to consultation with the aforementioned policies' business areas. The strategy proposes the Eastern Broadacre corridor as the potential site for the future precinct due to no further land available in the Hume Resource Recovery Precinct and limited land release in Hume for industrial uses.

The CFFS and NRM Plan have both identified limited land availability as a major barrier to meeting their objectives of growing and processing food and identify the urban and peri-urban expansion as a major pressure. Both policies have mentioned the need to secure land for long-term food and fibre production against potential development.

The Eastern Broadacre corridor has been earmarked as a potential location for Canberra's future industrial and employment uses with Majura Valley identified as one of the 10 potential areas for future development. However, there are a number of farmers holding rural leases within the Majura Valley who are concerned that their leases will be replaced with light industrial use. It is important that the prospective plans of the strategy do not inadvertently hinder the outcomes of the CFFS and NRM Plan.

Recommendation 2: ACTNoWaste should proactively engage with business areas responsible for developing environmental policies to enable complementarity and strategic alignment.

Role of public procurement

The strategy successfully identifies ACT Government's ability to propel change through its purchasing power as a large investor in public infrastructure, primarily through requiring the use of recycled materials in civil infrastructure and built environment projects. While OCSE supports ACT Government pursuing avenues to dematerialise, avoid resource consumption and stimulate recycled material markets, there is room in the strategy for greater emphasis on the role of public procurement in the transition to a circular economy.

With its high purchasing power, ACT Government has the opportunity to incentivise the adoption of circular business models in a variety of sectors through public procurement. ACT Government should undertake a review of what products, services and departments could integrate circular principles into procurement processes through the required technical specifications, award criteria and/or contractual elements. Expenditure areas such as office furniture, uniforms, food and catering, transport and ICT equipment are viable candidates to apply circularity.

Additionally, ACT Government should engage in market dialogue with suppliers to identify the potential and feasibility of new models of provision for government purposes such as supplier take-back systems, pay-per-use, rental or leasing options or product-service systems.

Training, support, and communication strategies could be established across the ACTPS to support the integration of circular economy principles in procurement processes. Lessons and best practices could be shared across business areas and departments to ensure efficacious processes are replicated.

Recommendation 3: ACT Government should prioritise opportunities to apply circular principle to public procurement in expenditure areas such as furniture, ICT equipment, and food and catering.

Recommendation 4: ACT Government should establish a circular procurement hub to enable information sharing of lessons and best practices across government.

Thank you for your consideration and please do not hesitate to contact me if you have any queries.

Yours sincerely

A handwritten signature in black ink, appearing to read 'S Lewis', with a stylized, cursive script.

Dr Sophie Lewis
Commissioner for Sustainability
and the Environment

12 December 2022