

4 Aug 2025

**Ms Jenny Wilkinson PSM**  
**Treasury Secretary**  
**Treasury**  
**Langton Cres**  
**Parkes ACT 2600**  
**via online survey**

Dear Ms Wilkinson,

**Re: National Competition Policy Reforms**

Veolia is a global leader in water, waste and energy management. The group has nearly 220,000 employees worldwide, including 7,000 employees in Australia and New Zealand across 300 locations. With more than 170 years of experience, Veolia makes a significant contribution to Australia, bringing quality investments, technology, and know-how, with over \$3.75 billion in annual revenue, circa \$300m invested as BAU every year, as well as several multi-billion-dollar projects.

Veolia welcomes the opportunity to provide input into the National Competition Policy reforms and **strongly supports the prioritisation of the *circular economy and waste sector*** in updating Australia's standard-setting practices.

Australia's transition to a circular economy is at a critical juncture. The waste and recycling sector, with its \$4 billion export industry, is a key driver of national productivity. But its full economic potential is currently constrained by fragmented regulations and inconsistent standards across jurisdictions. For example, the development of bespoke EfW regulations in NSW, rather than adopting established EU standards, has led to significant project delays and increased development costs, highlighting the real economic impact of regulatory misalignment.

Adopting international standards—particularly those developed in the European Union (EU)—represents an immediate opportunity to accelerate reform, remove regulatory fragmentation, and unlock environmental, economic and social value in the waste and recycling sector. Harmonised standards would boost productivity by reducing compliance costs for businesses operating across borders, enabling greater access to international markets for recycled materials, creating new jobs in remanufacturing and recycling logistics, and lowering waste management costs for local governments and businesses.



This standardisation is essential for Australia to fully capitalise on the economic opportunities presented by the circular economy while delivering environmental benefits.

The circular economy and waste markets stand to benefit *more than any other sector* from the consistent application of the draft **Competition Reform Guidelines** and the **Best Practice Handbook**, for the following reasons:

## 1. Regulatory fragmentation is holding back circular investment

Australia's waste markets are currently characterised by inconsistent state-based rules and regulatory duplication. For example:

- **Landfill levy rates** differ significantly between jurisdictions, encouraging interstate waste transport, stockpiling and illegal dumping.
- **Product stewardship schemes** remain fragmented and mostly voluntary.
- **The export ban regime** has created unnecessary barriers for high-quality recycled materials, without sufficient domestic reprocessing capacity.

By contrast, the EU has harmonised Extended Producer Responsibility (EPR) schemes and performance-based packaging design standards, which promote both investment and innovation. Adopting these proven international standards through these guidelines would provide Australia with a ready-made framework that delivers multiple benefits:

- **Establishes clear, consistent rules across the entire supply chain**, creating a level playing field for all market participants and providing the certainty needed for long-term investment in the sector
- **Drives innovation in packaging design and recycling technologies**, enhancing industry productivity and competitiveness
- **Reduces waste management costs throughout the supply chain**, putting downward pressure on both business production costs and consumer prices
- **Prevents regulatory drift and jurisdictional duplication**, reducing administrative costs

## 2. International alignment is essential for trade and investment

Circular economy markets are global. Recyclate exports, material recovery technologies, and EPR scheme infrastructure operate in global capital flows and supply chains. **Australia's high-quality recycled commodities export industry**



**is worth \$4 billion annually,<sup>1</sup>** and is vital to ensuring buoyant end markets for recycled materials.

Inconsistent domestic regulation undermines investor confidence. Aligning Australia's standards with those already adopted in markets like the EU would:

- Lower compliance costs for multinationals operating in Australia;
- Provide clear design signals for packaging and product manufacturers;
- Improve access to international markets for recycled content and recovered materials.

### **3. Proven international standards already exist in priority areas**

In packaging regulation, for example, the EU Packaging and Packaging Waste Directive (recently updated) mandates:

- Recyclability by design;
- Minimum recycled content in plastics;
- Labelling for consumer disposal;
- EPR with modulated fees based on environmental impact.

These standards are mature, enforceable, and already driving change in global supply chains. Australia's current reliance on voluntary schemes and fragmented labelling systems means we risk becoming a dumping ground for non-recyclable, non-compliant packaging.

The application of the guidelines and handbook would enable policymakers to adopt such standards directly, avoiding a 3–5 year lag in implementation and building domestic compliance in line with global markets.

### **4. Energy-from-waste (EfW) and organics recycling need clear national frameworks**

Circular economy benefits are also evident in residual waste solutions. EfW facilities play a crucial role in decarbonising the economy by diverting waste from methane-producing landfills while generating renewable energy and heat for industry. Modelling by Veolia shows that to close the national gap in reaching an 80% resource recovery rate, Australia will need:

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<sup>1</sup> DCCEEW: [Australian exports of waste and recovered materials in 2021-22](#)



- **12 new energy-from-waste (EfW) facilities** by 2030;
- **17 new organics recovery facilities** (e.g. anaerobic digestion) to meet food waste targets.

However, planning and regulatory barriers—such as inconsistent national social licence frameworks and environmental standards, unclear approvals pathways, and low investment certainty—are major impediments. The lack of harmonised social licence frameworks particularly impacts competitiveness, as it leads to costly delays and increased financial and non-financial impacts, including community stress and project uncertainty.

International frameworks (e.g. EU Waste Framework Directive, IED permitting standards) offer mature tools to:

- Align emissions and energy recovery expectations;
- Guide approval processes;
- Ensure community protections.

Applying the reform guidelines would support Australian governments to adopt these proven frameworks, rather than reinvent them domestically.

## **5. Social and environmental outcomes improve with harmonised standards**

Waste and recycling reform affects every Australian household and business. Applying international standards through these guidelines can:

- Reduce consumer confusion (e.g. through harmonised labelling);
- Lower waste collection costs for local governments;
- Reduce environmental harm from problematic packaging, battery fires, and persistent pollutants (e.g. PFAS);
- Create new jobs in remanufacturing, energy recovery, and recycling logistics.

The EU has demonstrated that circular economy reforms, when underpinned by clear, harmonised standards, lead to measurable improvements in employment, emissions reduction, and economic productivity.

## **Summary**



Circular economy and waste markets in Australia face clear, well-documented challenges: regulatory inconsistency, underinvestment, and lack of accountability for product design and end-of-life outcomes. This is a barrier to a competitive circular economy in Australia - one that supports decarbonisation and greater productivity. The **Competition Reform Guidelines** and **Best Practice Handbook** offer a powerful mechanism to change this trajectory—if *they are applied with intent*. By explicitly supporting the adoption of proven international standards in packaging, batteries, EPR, and waste recovery, the government can:

- Avoid years of duplication and delay
- Send the right investment signals
- Build a more consistent, cost-effective and environmentally responsible circular economy driving greater productivity.

Australia's communities, industries, and ecosystems cannot afford to wait.

Thank you again for the opportunity to provide feedback. We would be glad to meet with the department to share further our insights. Should you have any questions or require clarification on our submission, please be in touch with Monica Tan, Veolia's Policy Advisor on [monica.tan@veolia.com](mailto:monica.tan@veolia.com).

Yours faithfully,

RICHARD KIRKMAN  
Chief Executive Officer & Managing Director



### **Answers to online survey**

#### **Do the guidelines help policymakers adopt suitable international, regional and overseas standards that meet their objectives?**

**Yes.** The draft guidelines provide a sound foundation for aligning Australian regulations with international standards, particularly by promoting early and proactive adoption. This is essential in sectors like packaging, waste from electrical and electronic equipment (WEEE), battery recycling, and energy-from-waste (EfW), where Australia has lagged behind global best practice. For example, aligning with EU directives on Extended Producer Responsibility (EPR) and packaging design could rapidly reduce landfill volumes and unlock investment in domestic reprocessing infrastructure. Veolia's global experience shows that simple, clear regulatory levers aligned with proven international standards can drive behaviour change and system-wide circularity.

#### **Do the guidelines help governments harmonise mandatory standards across Australia?**

**Yes.** The emphasis on harmonisation supports long-overdue national consistency in areas such as kerbside collection, PFAS controls, and landfill levies. This is especially relevant for industry participants like Veolia, who operate across multiple jurisdictions and face the inefficiencies of fragmented regulation.

#### **What other principles or considerations should the guidelines include?**

The guidelines should explicitly support enabling frameworks for voluntary and mandatory standards in recovered materials markets—such as for compost, recyclates, and residual-derived fuel. This would bolster investment certainty and market uptake. Additionally, guidance on the phased adoption of international standards—tailored to Australia's infrastructure readiness—would support smoother implementation.

#### **What risks, challenges or unintended effects may come up when applying the guidelines?**

Risks include regulatory lag, where voluntary uptake delays needed reforms; and poorly tailored adoption of overseas models that don't account for Australia's geographic and market scale. Clear implementation pathways and stakeholder co-design can mitigate this.

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#### **Does the handbook encourage policymakers to use suitable international, regional and overseas standards?**

**Yes.** The handbook clearly outlines pathways for integrating international standards into Australian regulation. It encourages policymakers to consider existing standards where they meet domestic policy goals, reducing duplication and accelerating reform. This is particularly valuable in the waste sector, where delays in adopting proven frameworks—such as EU rules on packaging, EPR, WEEE, and battery recycling—have hindered progress toward circular economy outcomes. For example, aligning with international recyclability grading standards would support better packaging design and reduce contamination rates.

**Does the handbook help policymakers harmonise mandatory standards across Australia?**

**Yes.** The handbook reinforces the need for consistency across jurisdictions and offers a practical mechanism to achieve it. This is essential in areas like recovered materials standards, EfW emissions thresholds, and producer responsibility schemes. National harmonisation is critical to de-risking investment and enabling innovation—Veolia’s operations regularly confront the cost and inefficiency of divergent state-based rules.

**What other regulatory design questions or tools should we include in the handbook?**

The handbook would benefit from tools that help assess the maturity and readiness of international standards for adoption. It should also include decision trees for selecting between voluntary vs. mandatory uptake, guidance on phasing reforms, and incentives for early adopters.

**What risks, challenges or unintended effects may come up when using the handbook?**

There is a risk of mechanical adoption of standards without local adaptation. Policymakers may also face capability gaps in assessing technical conformity or in managing transitions. Embedding co-design with industry and local government will help manage these risks.

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**Which sectors benefit most from applying the guidelines and handbook across Australia?**

- **Circular economy and waste markets**

**What are the benefits and costs of applying them in each selected sector?**

The circular economy and waste sector stands to gain significantly from applying the guidelines and handbook. Aligning with international standards—particularly



those from the EU—on packaging design, EPR, WEEE, and battery recycling would deliver faster regulatory clarity, enable investment in local infrastructure, and unlock markets for secondary materials. For example, adopting established recyclability grading frameworks could immediately improve packaging design and material recovery.

The benefits include:

- Increased access to global secondary commodity markets through harmonised standards
- Reduced compliance costs for businesses operating across borders
- Acceleration of product stewardship schemes, especially for high-impact streams like batteries and e-waste
- Better emissions management in energy-from-waste (EfW) through alignment with EU BAT (Best Available Techniques) guidance

Costs are relatively low compared to the benefits. Most arise from the transitional effort to map and adapt international standards to local conditions. However, delaying adoption carries greater opportunity costs in lost investment, environmental harm, and public dissatisfaction with fragmented systems.

#### **What other sectors should the government consider for reform?**

Data and digital standards could complement circular economy reforms, especially for tracking waste flows and enabling digital product passports. Batteries, EV charging, and electrical goods are also highly relevant due to overlaps in stewardship and critical minerals recovery.

#### **What can the government learn from overseas approaches to adopting and making mandatory standards?**

The EU's progressive but enforceable model of standard-setting, especially via the Ecodesign and Waste Framework Directives, shows how timely legislative alignment can drive investment, innovation, and political confidence. Australia can adapt these frameworks, using them to reduce lag times and establish credible national pathways toward circularity.