

## Sircel Pty. Ltd. response to Productivity Commission Interim Report on Australia's Circular Economy

Friday 11th April

### Introduction

We congratulate the Productivity Commission on this excellent report and thank you for the opportunity to provide feedback.

This examination of Australia's circular economy is long overdue and effectively captures challenges we've experienced firsthand as Australia's largest e-waste recycling business. As industry leaders, innovation is in our DNA, and we have confronted most of the hurdles outlined in your report during our decade of operations.

We strongly support rapid implementation of the report's recommendations and offer our preparedness to share resources, data and insights that will advance these recommendations and lead to effective, system-wide change — change that will generate new-economy jobs, drive significant economic benefit and deliver better environmental outcomes.

### Agreement with Core Findings

We fully endorse the report's identification of key barriers limiting progress in Australia's circular economy, specifically:

- High adoption costs for new technologies and practices<sup>[^1]</sup>
- Regulatory inconsistencies that are often prescriptive and outdated<sup>[^2]</sup>
- Information gaps hampering sustainable decision-making
- Coordination challenges across the ecosystem of stakeholders

We support the federal government's proposed approach to reduce regulatory friction while maintaining appropriate safeguards and implementing policy settings that enable maximum community benefit. We also encourage work addressing underdeveloped product stewardship schemes (such as solar panel recycling) and schemes that are no longer fit for purpose (in our view) like the NTCRS.

### Critical Considerations

Australia must accelerate circularity not only to match global expectations but to drive significant local economic impact. International examples demonstrate how mature circular economy programs directly impact GDP — for example, The Netherlands has generated an additional \$7.3bn through successful implementation.

Our data shows that approximately 30 jobs are created for every 10,000 tonnes of e-waste processed using our state-of-the-art technology. Across our seven sites, we employ more than 100 people — double our workforce from a year ago. With effective support, we anticipate doubling again over the next three years.

True structural reform is needed, with clarity on responsibility: should manufacturers, consumers, government, or recyclers bear the costs of properly managing e-waste?

The Australian commercial sector needs well-structured, adequately funded and independently administered Product Stewardship or Extended Producer Responsibility (EPR) Schemes that support industry participants without conflicts of interest. This would enable businesses like Sircel to continue creating jobs, execute globally competitive circular technology that regenerates resources, including critical minerals for infinite use.

## Further Considerations

While appreciating the report's depth, we see an opportunity to address the challenge that sees state governments generate significant revenue from landfill levies. Though diversion from landfill represents better long-term practice, it may create short-term revenue losses for councils and state governments. We propose investigating public-private partnerships where companies like Sircel could collaborate with state governments to drive better outcomes with greater agility – an operational and ownership model that has achieved great success overseas, in countries like Canada.

## Our Ultimate Goal

Sircel's mission aligns with the purpose of the Productivity Commission — to make "better possible" through long-term systems reform that prioritises sustainable practices over short-term revenue generation.

The next phase of this work should develop clearer responsibility frameworks for managing e-waste and facilitate cross-industry collaboration. Current regulations are outdated and misaligned with technological advancements. Reform must anticipate these developments.

We call for additional government support for businesses actively addressing Australia's e-waste crisis with innovative solutions. Support should be outcomes-based and focused on commodities generated, not simply weight collected. We need to establish "tiers" of service providers to differentiate and incentivise businesses who invest in higher-quality solutions. We ask that these things be considered in the design of two pending schemes, namely those relating to Large Household items and PV Solar recycling.

## Ongoing Commitment

Sircel welcomes round-table discussions with policy makers responsible for regulatory development. We offer years of data and experience to help drive necessary changes and stand

ready to work with authorities to ensure Australia achieves meaningful progress toward a truly circular economy. We look forward to the next phase of activity in this area.

[^1]: As an example, Sircel invested ~AUD10M in pyrolysis plant and equipment, but regulatory and Scheme regimes didn't recognise material treated through that thermal process as "recycled" under relevant legislation. Consequently, we couldn't feasibly deploy that equipment in Australia.

[^2]: Includes product stewardship schemes with significant conflicts of interest that drive outcomes contrary to their original purpose. Some Federal, State and Standards provide non-comprehensive, outdated definitions of "recycling" that promote a linear economy instead of supporting uptake of latest circular economy technologies.