11 April 2025

AMTA
Australian Mobile Telecommunications Association

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Submission to Productivity Commission on:

Australia's Circular Economy: Unlocking the Opportunities (Interim Report)

11 April 2025

Productivity Commission
Via online lodgement

Dear Review team,

The Australian Mobile Telecommunications Association Ltd (AMTA) welcomes the opportunity to provide this submission in response to *Australia's Circular Economy: Unlocking the Opportunities Interim report.*

The AMTA is the peak industry body of Australia's mobile telecommunications industry. Our purpose is to be the trusted voice of industry, promoting the adoption, monetisation and sustainability of mobile telecommunications technology for the benefit of all Australians. AMTA members include mobile network service providers, handset manufacturers, network equipment suppliers, retail outlets and other suppliers to the industry.

The Commission's interim report demonstrates a strong understanding of the diverse perspectives and valuable insights gathered from a broad range of institutions, companies, and organisations across various sectors. AMTA appreciates the PC's efforts to engage with such a wide array of stakeholders, ensuring that the consultation process reflects the complexity of the issues at hand. We look forward to contributing further to the ongoing discussions and collaborating towards the development of effective strategies for a sustainable circular economy in Australia.

MobileMuster is a strong example of what can be achieved when an industry works as a collective to make a difference. Our members support the program voluntarily, enabling us to continuously improve and innovate.

Since the program's inception, we have:

- Collected and recycled over 2,000 tonnes of mobile phone waste;
- Diverted nearly 90% of products collected from landfill;
- Ensured that more than 90% of the Australian population lives within just 10km of a MobileMuster drop-off point;
- Welcomed the participation of 96% of mobile phone manufacturers and 85% of mobile network carriers operating in Australia; and
- From May 2014, achieved accreditation under the Australian Government's *Product Stewardship Act 2011*, which was replaced in 2020 by the *Recycling and Waste Reduction Act 2020.*

We have now collected over 16 million mobile phones and their accessories. In 2022, in keeping with our continued innovation and improvement, we expanded the program to include products such as modems and routers, smart home tech, wearables, and peripherals.

If you have any queries or comments in relation to the content of our submission, please contact David Robb.

David Robb
Head of Operations: AMTA and MobileMuster

Introduction

The Australian Government has asked the Productivity Commission to undertake an inquiry into Australia's opportunities in the circular economy to improve materials productivity and efficiency in ways that benefit the economy and the environment. This interim report highlights the ways in which Australians are using materials more sustainably and efficiently and the barriers that are limiting them. It identifies priority opportunities in six sectors (the built environment, food and agriculture, textiles and clothing, mining, vehicles, and electronics), as well as cross-cutting policy issues.

AMTA's feedback to the interim report primarily addresses the information requests from the Productivity Commission, as outlined in chapters 9 and 10, which are detailed in this document.

Among the key recommendations presented in the interim report, we support the call for standards to better support the use of recycled materials and promote sustainable practices across industries. Given Australia's heavy reliance on imported consumer electronics and consequent limited influence on their design, we support the need for Australia to look to harmonise national and local policies with existing or forthcoming international standards and regulations. This could ensure that products designed outside of Australia are still in line with global best practices for circularity from the outset, particularly during the 'design phase.'

The proposed role for government in facilitating coordination and driving innovation, through enhanced funding models and strategic partnerships, aligns with AMTA's vision for a more integrated approach to the circular economy. We also acknowledge the recommendation to expand product stewardship schemes, especially to address products that are not yet covered by existing schemes, such as vapes, electric vehicle batteries and solar panels, which are critical to ensuring a sustainable future.

Feedback to chapters 9.1 and 9.2 Opportunities for greater circularity in electronics

Recommendation 9.1 Introduce a product labelling scheme for household appliances and consumer electronics.

Information request 9.1: Barriers to greater reuse and repair

As Australia's leading voluntary product stewardship program for mobile phones, MobileMuster is dedicated to promoting initiatives that foster greater circularity within the electronics sector. As highlighted in our November 2024 submission to the Productivity Commission's consultation, MobileMuster runs year-round campaigns aimed at encouraging reuse and partners with social enterprises to drive this effort.

While comprehensive data on the unmet demand for reuse and repair services across all consumer electronics remains limited, there is compelling evidence that mobile phone repair services are in high demand. As the industry increasingly embraces sustainable practices, MobileMuster supports enhancing access to repair services, particularly in regions where repair infrastructure is lacking.

According to the GSMA report *Rethinking Mobile Phones: The Business Case for Circularity* (February 2025), over 70% of consumers worldwide are willing to pay a premium for environmentally friendly

phones. This finding underscores a significant market opportunity for manufacturers to design devices that are both durable and repairable. The report also highlights that governments globally are introducing policies to encourage circularity. For instance, new European Union regulations on eco-design requirements—including repair, reuse, durability, and recycling—are set to take effect later this year. Similarly, emerging policies and strategies in the United States, Canada, Brazil, and India are advancing repair and reuse, reinforcing a long-term vision of sustainability centred on circularity.

The Australian Government has a crucial role to play in addressing barriers and promoting greater reuse and repair. Several key actions can help facilitate these efforts:

- **Policy Harmonisation:** Australia must not only focus on achieving local (national and state) policy harmonisation but should also consider aligning with international standards and regulations. Given the limited influence on the design of mass-market electronic products, Australia should look to harmonise its policies with existing or emerging international legislation. This could ensure that products designed outside of Australia are still in line with global best practices for circularity from the outset, particularly during the 'design phase.' From a compliance perspective, alignment with international regulatory standards will ensure minimisation of any potential "flow on" impacts to customers (such as any cost implications as a result of complying with the new standards).

- **Product Labelling:** Eco-design and eco-labelling go hand in hand when enabling circularity. Therefore, Australia should align its product labelling schemes with internationally adopted principles and standards. By drawing on global eco-design frameworks and labelling systems, Australia can ensure that its national product labelling policies are effective in promoting sustainable design and enhancing the circular economy, even when products are primarily developed overseas.

- **Skills and Accreditation:** Government support for skills training and the development of a formal accreditation process for repair technicians would ensure that repair services are delivered to a high standard and are accessible nationwide. This could be achieved through partnerships with educational institutions and industry stakeholders, helping to build a well-trained repair workforce.

- **Coordination and Information Provision:** Government-led initiatives to coordinate and provide accessible information about repair services can increase consumer awareness and accessibility. For instance, establishing a centralised online platform listing accredited repair providers and their services would help connect consumers with local repair options, particularly in underserved regions, thereby improving access to repair services.

- **Government Support:** The government could encourage manufacturers to make spare parts, repair manuals, and software tools available to third-party professional repair providers. This would foster the growth of the independent repair sector, making repairs more cost-effective and accessible, and aligning with the broader goal of reducing electronic waste.

Information request 9.2 Product stewardship for small electronics, including embedded lithium-ion batteries.

Based on MobileMuster's operational experience, the following are barriers limiting collection and recycling which could be of relevance for other schemes as well:

- **Public Awareness:** Many consumers are unaware of the proper disposal methods for electronics, particularly those containing lithium-ion (Li-ion) batteries. This lack of awareness often leads to improper disposal, increasing the risk of environmental harm and safety issues. Ongoing education campaigns are crucial to ensure consumers understand the risks associated with improper disposal and the benefits of recycling. These campaigns should be sustained over time to continually increase awareness and encourage responsible disposal behaviours.
- **Manufacturer Information Sharing:** Sometimes recyclers may not realise that certain products contain lithium-ion batteries, or how to safely and efficiently remove the batteries. To address this, manufacturers can play a key role in communicating with recyclers. Clear instructions on battery removal and recycling could greatly enhance disposal safety and recycling effectiveness.
- **Logistical Challenges:** Small electronics and embedded lithium-ion batteries are classified as hazardous waste, posing significant fire and safety risks during collection, transport, and recycling. Although the National Transport Commission (NTC) has conducted consultations to improve the handling and transportation of lithium-ion batteries, inconsistencies in regulations across states and territories still create confusion. These inconsistencies drive up costs and increase the complexity of recycling processes. Harmonising these regulations at a national level would streamline operations, enhance safety standards, and improve the efficiency of battery recycling and recovery.
- **Disposal of Damaged Batteries:** As highlighted in CSIRO's 2023 Report Li-ion Battery Safety, there is a significant gap in accessible methods and information for safely managing damaged batteries. Addressing this issue should be a priority, as damaged batteries present significant risks to public safety and the environment.

Feedback to Chapter 10: System-wide arrangements

Harmonisation and consistency across jurisdictions at a state/territory and local level is a critical element to building robust and sustainable markets and promoting uptake. Compliance costs associated with inconsistent and duplicative regulation are significant. Appropriate signalling of reform direction and associated timeframes are important across all levels of government and associated jurisdictions. Opportunities to remove barriers include better alignment at a local level and consistency with recycling and reuse practices across local councils to align waste management practices and to streamline recovery and enhance market reliability.

A single body responsible for overseeing harmonisation and streamlining efforts would deliver a single source of truth around policy and regulatory arrangements across different jurisdictions and would be beneficial in removing barriers to circularity.

AMTA

Australian Mobile Telecommunications Association

Australian Government Accredited Product Stewardship Scheme