



Inquiry into Opportunities in the Circular Economy
Productivity Commission
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BARTON ACT 2600

By email: circular.economy@pc.gov.au

Dear Productivity Commission

Thank you for the opportunity to provide feedback to the Productivity Commission's interim report on the inquiry into Opportunities in the circular economy. The NSW Environment Protection Authority (EPA), in collaboration with the NSW Department of Primary Industries and Regional Development (DPIRD) would like to update the inquiry on further action being taken in 2025 to tackle the growing risk of battery-related fires, including passing legislation for mandatory battery regulation, as well as updates on mining and minerals circularity and circular economy special activation precincts. The NSW Government's broader suite of actions to promote a circular economy were set out in our earlier submission to the inquiry.

Progress towards batteries product stewardship legislation in 2025

At the December 2024 Environment Minister's Meeting (EMM), Australian Environment Ministers discussed the ongoing threats posed by battery fires and the need for urgent action on product stewardship to reduce these fires. Ministers considered the findings of a draft Regulatory Impact Statement that was jointly prepared by NSW and Victoria, which demonstrated the potential benefits of mandatory product stewardship for batteries.

Following that meeting, the Hon Penny Sharpe MLC, NSW Minister for the Environment introduced the Product Lifecycle Responsibility Bill 2025 (the Bill) in March 2025 to allow NSW to legislate mandatory product stewardship for batteries in 2025. The Bill was passed by both Houses on 28 March 2025. The Bill will strengthen NSW's legislative framework, overhaul existing product stewardship provisions and provide stronger and more fit-for-purpose powers to require product suppliers to manage their products across their lifecycle, including disposal. This is nation-leading reform, and it is expected that other states and territories will adopt similar legislative changes. The NSW Government is also collaborating with other states and territories to align product stewardship architecture as much as possible to enhance its overall efficiency and effectiveness across Australia. Industry and other stakeholders are being consulted as part of the legislative changes.

The changes will mean battery suppliers have to meet minimum standards and participate in a product stewardship scheme. This includes contributing to safer and more accessible battery disposal to prevent batteries from ending up in household bins and at waste facilities. It is imperative that these products are kept out of the waste system, and to ensure they are designed properly by the manufacturers who supply them.

NSW Environment Protection Authority
As the environmental steward and regulator of our State we are committed to a sustainable future. Join us on our mission to protect tomorrow together.

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Poor quality batteries are entering the market, with limited safety systems and waste infrastructure available to prevent them overheating or igniting. Research estimates the waste sector deals with between 10,000-12,000 fires a year caused by improperly disposed of lithium-ion batteries. Unfortunately, there have been four deaths in NSW since 2024, over 30 injuries in 2024 and over 1000 evacuations from lithium-ion battery fires.

In addition to the new legislation, a range of complementary measures will also be required to ensure a comprehensive response to this challenge, including:

- community awareness and behaviour change to drive safer battery disposal
- strengthening existing voluntary product stewardship arrangements
- setting design standards to prevent unsafe batteries coming onto the market
- improved guidance on the safe handling of end-of-life batteries
- supporting infrastructure investment in battery processing and recycling
- trialling the expansion of some NSW Community Recycling Centres to accept products with batteries embedded inside them.

The NSW Government is also addressing battery related risks through additional regulatory actions, including:

- Safety Standards for E-micromobility vehicles and associated Lithium-ion batteries, which designates e-micromobility vehicles as declared electrical articles under the Gas and Electricity (Consumer Safety) Act 2017 (G&E Act). This will ensure high quality and durable e-micromobility vehicles are sold in NSW, removing poor quality, cheap products from the NSW market.
- Information Standard for E-micromobility vehicles, which mandates information that suppliers must give to consumers when purchasing an e-micromobility vehicle including warnings against disposing of e-micromobility batteries in kerbside bins.

Progress on mining and minerals circularity

The NSW Government has released its updated Critical Minerals and High-Tech Metals Strategy, which outlines several actions to embed circularity in the critical minerals sector. This includes actions to promote circular economy approaches for mine waste, support industry to access opportunities to capture and recycle metals and minerals from e-waste and invest in research and develop of opportunities for metals processing and recycling.

The NSW Government is committed to supporting post mining land use and is actively reviewing opportunities to facilitate economic uses of former mining land. The NSW Government will establish Future Jobs and Investment Authorities, which will also work to support post mining land use as part of the Government's approach to supporting the future for coal-reliant economies. Opportunities and challenges to achieving post mining land uses at mine sites have also been considered in depth through the Upper House Inquiry into beneficial and productive post-mining land use.

Special Activation Precincts – circular economy program

The Regional Growth and Development Corporation (RGDC) has commenced the circular economy program in the Special Activation Precincts. This has included:

- developing precinct circular economy strategies in close consultation with precinct businesses and key delivery partners
- future proofing precinct design and delivery for circularity

- using investor on-boarding to identify precinct opportunities and brokering connections with relevant businesses and partners
- using precinct planning process to influence sustainable design outcomes

RGDC has a range of insights and lessons learnt that can be shared in a dedicated session if that is of benefit to the Productivity Commission.

In addition to these updates, NSW Government representatives will be meeting with the Commission in the coming weeks. We look forward to continuing this conversation and expanding on any specific items or questions then.

Thank you for the opportunity to write to the commission and provide an update following our earlier submission. If you require further information on batteries, please contact Asela Atapattu, A/Executive Director, Strategy and Policy, EPA. If you require further information on mining or special activation precincts, please contact Alex King, Director, Policy and Cabinet Coordination, DPIRD.

Kind regards

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NSW Environment Protection Authority (EPA)

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