



Mr Brad Archer
Chief Executive Officer
Climate Change Authority

Email: consultation@climatechangeauthority.gov.au

20 May 2024

Dear Mr Archer

Re: 2024 Issues paper: Targets, Pathways and Progress

Thank you for the opportunity to provide feedback on the authority's 2024 Issues paper: Targets, Pathways and Progress, and apologies for not lodging this submission sooner. The Waste Management and Resource Recovery Association of Australia (WMRR) is the national peak body representing Australia's \$17 billion waste and resource recovery (WARR) industry. With more than 2,200 members from over 400 entities nationwide, we represent the breadth and depth of the sector, including representation from business organisations, the three (3) tiers of government, universities, and Non-Government Organisations (NGOs), including research bodies.

The WARR sector is intertwined with all other industries, presenting a huge opportunity to assist the entire supply chain in reducing Australia's carbon footprint. In addition to mitigating WARR end-of-pipe emissions through landfill diversion, organics processing, and methane recovery, a regenerative economy that is bolstered by re-use, remanufacturing and repair will enhance the reduction of indirect emissions, e.g., through the reduced extraction of virgin materials for product manufacturing, extended product lifespan, and more. With only 5.4% of Australia's materials currently being circular, and material extraction and movement being one of the major contributors to GhG (greenhouse gas) emissions there is significant opportunity in Australia to achieve both carbon and biodiversity targets by better integrating WARR policy with broader industry policy.

The paper focuses heavily on organics diversion as the means to decarbonise the waste sector, which whilst a large contributor is not the only means to reduce carbon both in the sector and across the broader supply chain. There are many other ways that this can be done, and is being done internationally through improved resource efficiency, the use of secondary raw materials (recyclate) in Australian manufacturing and emphasis on extended lifecycle. Further, it is noted that an existing lever – landfill gas collection is not mentioned. This paper is a step towards a subsequent report on potential technology transition and emission pathways, and if waiting for the outcomes of the ACCU (Australian Carbon Credit Unit) review this must be made abundantly clear to ensure alignment.

Organics diversion puts the spotlight on the need to change our behaviour patterns in the supply chain and as consumers, to reduce organic waste in food production and manufacturing. Where waste cannot be avoided, we need to support recovery systems that create a quality product (compost) or generate power (energy from waste facilities) with the added benefit of avoiding methane production in landfills. This approach to improved management of materials flows is covered at length in the recently released paper by the CSIRO, *"Australia's comparative and competitive advantages in*

WMRR NATIONAL OFFICE
57 ST JOHNS ROAD
GLEBE NSW 2037
(02) 8746 5000
INFO@WMRR.ASN.AU

WMRR.ASN.AU

transitioning to a circular economy,” that we would recommend be incorporated into the thinking of the next stage of this work also.

While this paper focuses on upgrades, a key component of the circular economy is keeping material at highest value for longest. Abatement potential for upgrades must recognise the embodied carbon (scope 3 emissions) in the sectors, particularly the existing built environment and electricity and energy infrastructure and not hasten or replace materials before end of life. For example, retrofitting existing natural gas infrastructure to support biogas.

WMRR recognises the lack of available data on embodied emissions and strongly supports further investigation and regulation. This lack of standardisation leads to stronger greenwashing potential. While Australia is a net exporter of raw materials and net importer of products we can align with and reap the rewards of the European Union and United Kingdom’s emission reporting requirements.

Current methods for calculating National Greenhouse Gas Inventory (NGER) figures rely heavily on self-reporting from industry, often using outdated methods. This approach has raised concerns regarding the accuracy and transparency of the reported data. International carbon mapping organisations are reporting 2.5-times higher methane emissions compared to official statistics. This raises the concern that reporting methodologies may never be truly accurate, however policy and initiatives need to move forward to reduce emissions by any means and not be sidetracked by academic perfectionism. To this end the recently released *Global Resources Outlook 2024* makes sobering reading and highlights that our current unsustainable activities means that we are far more than the 1.5% target, and we need to take much bolder action than what is currently being proposed.

WMRR’s responses to the consultation questions can be found at **Annexure A**. Please contact the undersigned if you wish to further discuss WMRR’s submission.

Yours sincerely



Gayle Sloan

Chief Executive Officer

Waste Management and Resource Recovery Association of Australia

WMRR NATIONAL OFFICE
57 ST JOHNS ROAD
GLEBE NSW 2037
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Submission:

1. How should the authority take account of climate science and Australia's International obligations in considering possible emissions reductions targets for 2035?	Australia for too long has had a piecemeal approach to emissions reductions. Drastic action to achieve short-term and long-term goals is required now that links policy (and action) in biodiversity, resource management and climate/ carbon. We need to have bundles policies that address consumption as well as over production and moves away from business as usual to reduce resource extraction and extends product lifecycle as a matter of urgency. A strong starting point for this is the recommendations of the <i>Global Resources Outlook 2024</i> .
2. How should the authority weigh the goals of ambition and achievability in considering possible emissions reductions targets for 2035?	This question is written as if Australia has a choice as to whether to achieve the goal of achieving a reduction in global warming. The reality is we do not, and we must be bolder in setting "bundle" policies that ensure that we can meet these targets. There are real strategies that can be employed now- for example, the use of recycle, policies that tackle consumption, repair, and reuse- all aimed at consuming less and using longer. Likewise, the shift to renewables and electrification. Further given the significant impact that the built environment has on GhG there must be mandated design standards on not only construction but also operation. There is much that Australia can do, as evidenced in the work underway in the European Union.
3. How can Australia further support other countries to decarbonise and develop sustainably?	As stated above, to align with EU (European Union) and UK emissions reporting to support exporter companies. Transition rapidly to renewables and increase the circulatory rate of the resources that we extract.
4. What technologies are important for each sector's pathway to net zero and why?	While technology is important WMRR encourages the authority to consider the paradigm shift in how our economy operates. A circular economy can act as a cross-sectoral and overarching transformation strategy, supporting raw materials production and management, as well as supply security and enable a transition towards more sustainable production and consumptions patterns fostering climate goals. For example, the focus on technology ignores the emissions reduction potential in the transport sector from greater public transport utilisation, cycling and walking. The recent report by the CSIRO on "<i>Australia's comparative and competitive advantages in transitioning to a circular economy</i>," looks at technology opportunities in plastic, food, and fibres in particular.

5. How can governments use mandates, rules, and standards to accelerate Australia's decarbonisation? Is more planning by governments needed? If so, how should this be coordinated and how can this be done while making the transition inclusive, adaptive, and innovative?	See point 1. above, we need to link all areas of material production, consumption, and management across government portfolios to be more sustainable in what we extract and how we use it, so that we use less for longer and produce less carbon. The EU has a clear demonstration on how this will operate with the passing of the Green Deal which links all aspects of the economy with reducing carbon and being more resourceful. We have also seen this in America with the <i>Inflation Reduction Act</i> – all levers at governments disposal must be pulled urgently to decouple from the use of virgin materials (e.g., plastic tax in France), incentivize moves to renewable energy and electrification- both policy and financial. We also need to hold generators responsible for what they design and place on the market, so they use less, and it lasts longer- we see this globally through Product Stewardship Schemes. There are lots of strong models that Australia can adapt to drive this change. What we should not be doing is simply asking companies to report- adds to red tape but may not drive the necessary change.
6. How can governments stimulate private finance needed for the net zero transition – are there innovative instruments that could be deployed or new business models that governments could support?	Yes, see point 4 above. There are a significant number of economic levers being pulled globally to drive this change. In addition to this, stable regulatory policy is required to provide private investors with certainty that Australia is a good place to invest. For example, gaining clarity with some urgency on ACCUs is key for investment in resource recovery in Australia- we know that it assists in decoupling reliance on virgin materials however as, yet we do not have emissions reduction recognition of this (yet we do of landfill a lower order use of materials).
7. How can governments better support markets, including carbon markets, to deliver emissions reduction outcomes?	Nationally consistent set of regulations as well as support for WARR ACCUs, specifically an extension of the crediting periods for both the Alternative Waste Treatment and Source Separated Organic Waste methodologies and development of an Energy from Waste methodology.
8. What further actions can be taken by governments (e.g., through public funding), the private sector and households to accelerate emissions reductions, including in relation to the deployment of technologies and access	See 1 and 5 above. Bolder and better policy and regulatory settings including financial, with a clear emphasis on those sectors that have greatest impact – food, built environment, transport and energy.

to new opportunities in the transition to net zero? What barriers stand in the way and how could they be overcome?	
9. How should governments decide upon the appropriate allocation of resources towards reducing emissions, removing carbon from the atmosphere, and adapting to climate change impacts?	WMRR argues that we need strategies that cover the entire industry (food, built environment, transport and energy) and we should prioritise actions based on the greatest impact upon carbon.
10. How can governments, businesses and people, including First Nations people, help ensure the benefits and burdens of the net zero transition are equitably shared?	We must ensure that there is a 'just transition' to net zero, this means policy settings that ensure safety nets for those that are often not the consumers that are driving the resource and biodiversity depletion. This is another reason why Australia needs to tackle consumption as part of a structural shift to address carbon, as it is the wealthy that in many ways causing this challenge.
11. How can governments better ensure First Nations people are empowered to play a leading role in the development and implementation of climate change policies and actions, including as they relate to the ongoing curation of the Indigenous estate?	The incorporation of First Nations practices is vital to all government policy, given that it is synonymous with caring for country and using only what is required.
12. How can Australian governments support the wellbeing of workers, communities and regions as the nation decarbonises, including in relation to cost of living, workforce and industry transition and access to low emissions technologies and services?	Australia is not alone in these challenges and in many ways is much better off than most given how resource rich we are. See points above in relation to ensuring a just transition. The reality is that we do need to ensure as we transition to a clean and green economy, that there are new skills opportunities provided, safety nets for some costs of transition and regional opportunities capitalised upon.
13. How can governments help Australians prepare for and respond to the impacts of climate change?	Ideally, we see less natural disasters. However, until we see a genuine transition in consumption and production, we need to be prepared to invest heavily in responsive disaster recovery particularly for floods and fire.