

THE CIRCULAR ECONOMY

This video presents five things that businesses can do to support the development of a circular economy in Tasmania.

Hi, I'm Gen and I've been working with small to medium-sized businesses in Tasmania to help reduce their consumption of resources and minimize waste streams.

This video is part of a series from the Business Resource Efficiency Program, delivered by Business Action Learning Tasmania in partnership with the Tasmanian government.

It is a key action from Climate Action 21, the Tasmanian Government's climate change action plan.

Each video shares successful strategies and other lessons we've learnt from BREP.

From the beginning of the industrial revolution to more recent times, we have been operating in a linear economic system, sometimes referred to as take, make, use and dispose.

In recent times, we have introduced recycling to reduce the amount of waste going into landfill.

Recycling requires business models and infrastructure for collection, sorting and re-processing of materials.

Recycling also requires market demand...

...that means, people who want to buy the recycled materials and products.

We need market demand to justify the investment in infrastructure for recycling and for the development of new technology and new business models.

This is where the circular economy comes in.

The circular economy is an alternative to the traditional linear economy.

In a circular economy, we keep resources in use for as long as possible, extract the maximum value from them whilst in use, then recover and regenerate products and materials at the end of each product service life.

Resource efficiency promotes the idea of using resources efficiently at all stages of the product lifecycle.

It's easier to think about this as a system.

We try to minimize the resources, that is, labour, energy and virgin materials, that are being put into the system.

And we try to minimize the amount of resources lost as waste from the system.

And then we try to extract the maximum value from the resources already in the system by keeping them in use for as long as possible, through re-use and recycling.

The ultimate goal we are pursuing is a 'closed loop'.

We minimise or eliminate the need for virgin materials and minimise or eliminate waste from every stage in the product lifecycle.

The circular economy is a 'closed loop' economic system that supports resource efficiency.

As businesses, we can focus on each of the stages in the product life cycle, and try to reduce the inputs and outputs at each stage but we need a supporting system for closing the loop and returning resources to the system.

So what can businesses do right now to develop the circular economy in Tasmania?

Here's five things you can do to support the development of the circular economy in Tasmania.

Make the switch to recycled materials, or products with recycled content, this helps create the demand for recycled materials.

For example, if you have products that include plastic components, you could consider using a recycled polymers;

If there are no recycled options, then choose virgin materials that can be recycled and have known secondary markets.

For example, food safety standards exclude the use of recycled plastics in food production but choosing common plastics like polypropylene and high density polyethylene will increase opportunities for recycling.

For single use plastics consider compostable materials.

Introduce procedures for sorting and separating waste in-process to keep material streams as free from contaminants as possible.

Think about what happens to the materials you use in your products or services when their useful life is over.

How could they be reintroduced to the system?

Design your products so that component parts can be easily replaced, repaired or separated for recycling.

Think about your business model and pricing strategy – does it support after-sales services like spare parts replacement, repairs or servicing of products to extend their useful life?

As a customer, you can influence your supply chain to support the circular economy. For example, you could ask your suppliers to use recycled packaging, or develop re-usable packaging solutions.

Watch our video on optimizing supply chains for resource efficiency for more ideas on how to influence your suppliers.

You can also educate your customers to help them make choices that support the circular economy. This might include offering recycled alternatives and providing information about how to recycle the materials in your product at the end of its useful life.

This video has presented five things that businesses can do to support the development of a circular economy in Tasmania.

For more ideas and practical information about improving resource efficiency, watch one of our other videos or visit the Tasmanian Climate Change Office website at climatechange.tas.gov.au or the BALT website at businessactionlearningtas.com.au.

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