



Media Release

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## **Business leaders say circular economy on the cusp of a tipping point in Australia**

New research from Planet Ark's Australian Circular Economy Hub (ACE Hub) shows the Australian business community understands the importance of the circular economy.

An overwhelming 88% of business decision makers surveyed agreed the circular economy was important for the future of their business, including 34% who identified the concept as *extremely important*. This is a significant jump from the 21% who thought it extremely important in 2020, showing business leaders are increasingly recognising the need for a system-wide transition to circularity.

The research report, titled '[Circularity in Australian Business 2021: Awareness, Knowledge and Perceptions](#)' (CIAB 2021), measures how Australian businesses are progressing in their understanding and attitudes towards the circular economy. The report builds upon insights generated by the first edition of the research released in 2020, which baselined the state of circular economy thinking within the Australian business community.

"The first *Circularity in Australian Business* report clearly showed Australian businesses are motivated to transition towards a circular economy and recognise the opportunity it represents," said Planet Ark co-CEO Paul Klymenko.

"This year's research confirms that sentiment, with over a third of respondents seeing the transition to a circular economy in Australia as extremely important. The next step is translating that willingness to change into tangible action."

The most common benefit of the circular economy identified by business leaders was its ability to reduce costs, followed by increasing efficiency and aligning with public opinion. The most common barrier to circular economy uptake identified in the survey was a lack of information, something the ACE Hub aims to address through knowledge-sharing and thought leadership.

Interestingly, while recognition of the importance of a circular transition is high, knowledge and understanding of what a circular economy means remains low. Most business decision makers see the circular economy as being concerned primarily with issues of waste and recycling, with only senior executives with sustainability responsibilities able to articulate the need to redesign existing systems for the entire lifecycle of a product.

The CIAB 2021 report finds Australia risks becoming less competitive on the global market unless it increases adoption of circular economy business models. A complex system change is needed for a circular economy transition in Australia, starting with increased knowledge and understanding of both the concept and the benefits it can create for Australian businesses long term.



“We must work at improving linkages so that circular economy knowledge can be shared among business decision makers,” said Assistant Minister for Waste Reduction and Environmental Management Trevor Evans.

“The key to overcoming the barriers and embracing the benefits of a circular economy is collaboration and knowledge sharing: organisations need to work together to achieve circularity. The good news is that the ACE Hub can act as a ‘transition broker’ and provide a platform for this collaboration.”

Business leaders recognise the ACE Hub has an important role to play in filling the circular economy knowledge gap of Australian businesses, governments and communities, with those surveyed positioning it as an initiative that meets the needs of business in terms of delivering information and supporting collaboration. This will help enable the collaboration and innovation needed to transition Australia to a circular economy.

To read the research report in full, visit [acehub.org.au/knowledge-hub/research/circularity-in-australian-business-2021](https://acehub.org.au/knowledge-hub/research/circularity-in-australian-business-2021). To find out more about the Australian Circular Economy Hub, visit [acehub.org.au](https://acehub.org.au).

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### **Key Statistics**

- **92%** of business decision makers have heard of circular economy in some capacity and are aware of the concept.
- **88%** of business decision makers surveyed agreed the circular economy would be important to the future of their business. Identical results to the 2020 survey.
- The proportion of business decision makers who thought the circular economy would be ‘Extremely important’ increased significantly from **21%** in 2020 to **34%** in 2021.
- **81%** of business decision makers felt knowledgeable about the circular economy.
- However, only **27%** could correctly identify the definition of circular economy. This indicates a knowledge gap to be addressed through education and engagement.
- The most common benefit of the circular economy identified was ‘Reducing costs’ (selected by **42%** of business decision makers).
- The most common barrier of the circular economy identified was ‘Lack of information on how to implement circular economy practices’ (selected by **40%** of business decision makers). This highlights the importance of information services such as the ACE Hub.

### **Research Summary**

Planet Ark’s commissioned research [Circularity in Australian Business 2021](#) was conducted by Pollinate in 2021. This research included qualitative research using in-depth interviews with 14 senior C-level executives with responsibility over sustainability initiatives in their organisations. This was bolstered by quantitative research involving online sampling and surveying of 500 business decision decision-makers from a range of industries and business sizes.



### **About Planet Ark**

Planet Ark Environmental Foundation is an Australian not-for-profit environmental organisation that was founded in 1992. We create simple, powerful and positive actions that help people, governments and businesses reduce their impact on the environment. Our vision is to create a future where people live in balance with nature.

### **About the Australian Circular Economy Hub**

The mission of the Australian Circular Economy Hub (ACE Hub) is to facilitate the transition away from the take-make-use-dispose linear economic model to a regenerative circular economy in Australia. The ACE Hub aims to be the focal point for all things circular in Australia — a platform for sharing information and inspiration, and for celebrating the efforts of all those working towards this vital transition.

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