

ACE Hub Metrics Working Group Quarterly Communique

August – November 2021

The ACE Hub Metrics Working Group has been established to facilitate the exchange of information between the policy and science community to create a shared knowledge base of how to measure Australia's progress towards sustainable materials management and circular economy. Since March 2nd, 2021, the working group has met seven times and has provided a platform for progressing Australia's approach to circular economy metrics.

The Working Group notes several efforts of state and federal governments to establish metrics and data sets that can guide decision making to support waste management and resource recovery and to facilitate a transition to a circular economy. Many of these important data initiatives occur in parallel and will benefit from coordination between different jurisdictions. To aid this process of harmonising measurement of circular economy progress in Australia, the Working Group has agreed on a set of high-level principles for circular economy metrics.

A draft of the general and scientific principles for circular economy metrics in Australia has been developed from previous meeting discussions. The principles set out important criteria that can be adhered to when progressing metrics approaches, they are:

- Metrics are based on a sound conceptual framework.
- Metrics are aligned with accepted data standards.
- Metrics cover the whole lifecycle.
- Metrics cover all aspects of a circular economy.
- Metrics and data follow a nested structure.
- Metrics cover production and consumption perspective.
- Metrics provide a service to data providers and data users.
- Metrics allow to establish indicators.
- Metrics allow to measure change.
- Metrics rely on digital and computing capability.

The group agreed to provide feedback on these principles, to suggest any additional principles, and to link existing case studies that demonstrate each principle in action.

The group is also seeking to create a common definition for circular economy activities in Australia and to link the definitions to the system of national accounting. This will further assist the harmonisation of reporting across the country.

The group has commenced mapping circular activities against industry codes, including:

- ANZSIC codes (4-digit) — ANZSIC codes are used by the ABS/others when reporting economic activity like GSP and the number of jobs.
- Input-Output Product Classification (IOPC) — these codes are used in Input-Output tables to provide detailed information about the supply and use of products in the Australian economy.

These activities will inform how much and which parts of the Australian economy are circular, which can be tracked over time. The group is also exploring how to define circular economy activities taking a 'bottom up' lens, which will inform metrics to track these activities. High-level considerations for measuring the circular economy will be distilled in a thought piece.

Working Group members also provided updates on their current work and research activities, which included:

- State-based circularity benchmarking and circular metrics measurement frameworks.
- The objectives and activities of a national government research hub.
- The role of Input-Output Analysis and footprints in measuring and modelling the circular economy.

Three new members were welcomed to the working group and help achieve a more holistic group of professionals by including representatives from Western Australia and an additional federal government department:

- Marcus Geisler – Eastern Metropolitan Regional Council, Chief Executive Officer
- Dr. David Alexander – ACT Government, Director Waste Policy (replacing MWG member Jordan Pye of ACT Government)
- Alyse Thompson – Federal Department of Agriculture, Water, and Environment, Director, Data Analysis Division.

Further additions are planned to ensure all states and territories are represented.

Four members of the group were interviewed for their perspectives on measurement of the circular economy in Australia as input for the newly released report by the ACE Hub and Edge Environment — Measuring the Circular Economy: An Australian Perspective.

More information on the ACE Hub Metrics Working Group members and meeting summaries [can be found here.](#)