

# Introduction to the Circular Economy

*Alexander Charalambous*

*SWITCH to Green Facility*

# Agenda



- Going circular: a new economic model explained
- EU's ambition to lead a global transition to the circular economy
- National level processes towards circular economy
- .....→ Q & A (10')
- The circular economy results chain
- Tools and further guidance
- .....→ Q & A (10')
- Closing points

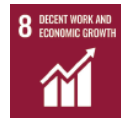
# Going circular:

a new economic model explained

# Why a circular economy?



A pathway to **sustainable development**:



**SDG 8 • Decent work and economic growth**



**SDG 9 • Industry, Innovation & Infrastructure**



**SDG 12 • Sustainable consumption & production**

Graph adapted from European Environment Agency, 'Resource efficient green economy and EU policies', Report No. 2/2014.

# Why the urgency for a circular economy?

SOCIETAL NEEDS	Gt
HOUSING	38.8
COMMUNICATION	5.6
MOBILITY	8.7
HEALTHCARE	9.3
SERVICES	10.0
CONSUMABLES	6.9
NUTRITION	21.3

- ✓ Climate neutrality by 2050
- ✓ Decoupling economic growth from resource use
- ✓ Resilient value chains



# Circular economy transition opportunities

**Fostering greener  
and more resilient  
value chains**



**Protecting nature:  
addressing resource  
scarcity, biodiversity  
loss, climate change**

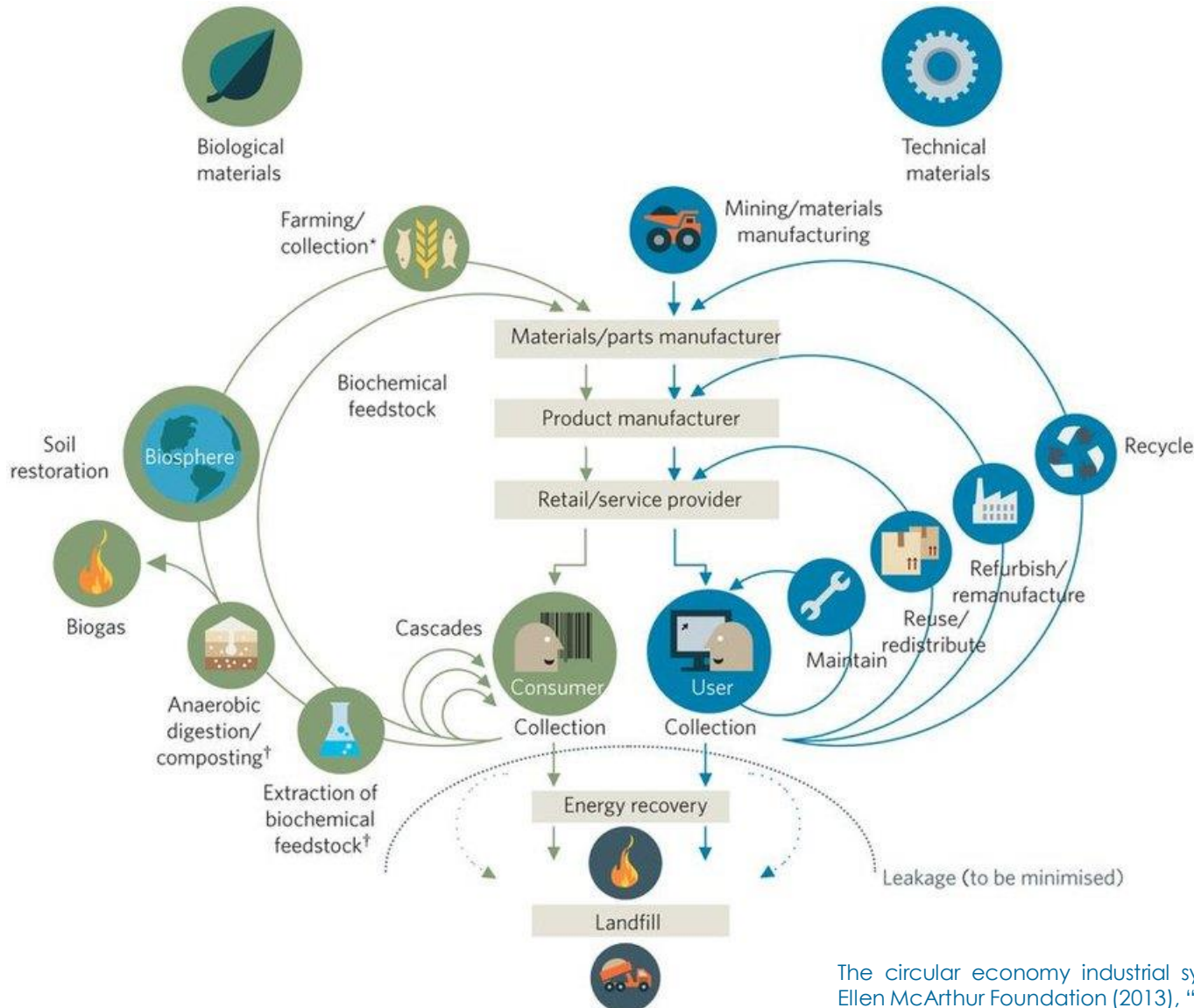


**Job creation:** in  
waste management,  
digitalisation,  
materials innovation



**Eliminating Pollution  
/ Waste to avoid  
costs and create new  
revenue streams**

# Understanding the circular economy:



Two **material** cycles:

- a. *biological cycle*:** residues are returned to nature after use;
- b. *technical cycle*:** products, components or materials are designed and marketed to minimise wastage

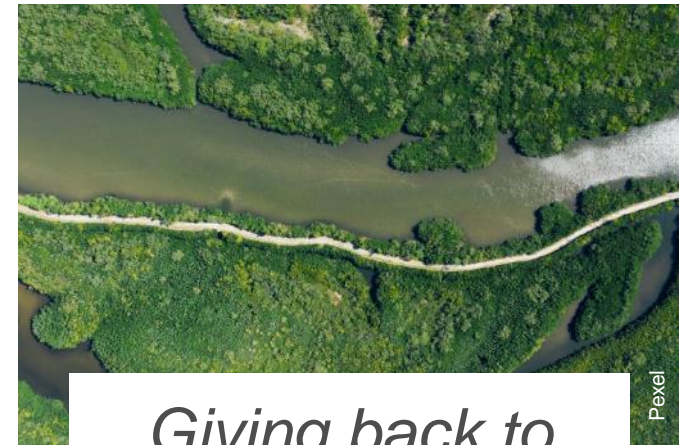
# How to achieve circularity: The principles



*Less Waste:*  
Design out waste  
and pollution



*Products and  
materials in use:*  
Design long-  
lasting, easy-to-  
reuse products,  
change attitudes



*Giving back to  
Nature:*  
Regenerate  
natural systems



# CE in practice

## Hello Tractor

- Farmers share the use of tractors
- App or Booking agents enable farmers access tractor services
- Improves **productivity**
- Reduces **investment costs**
- Offers **security** (asset tracking & virtual monitoring)



# CE in practice

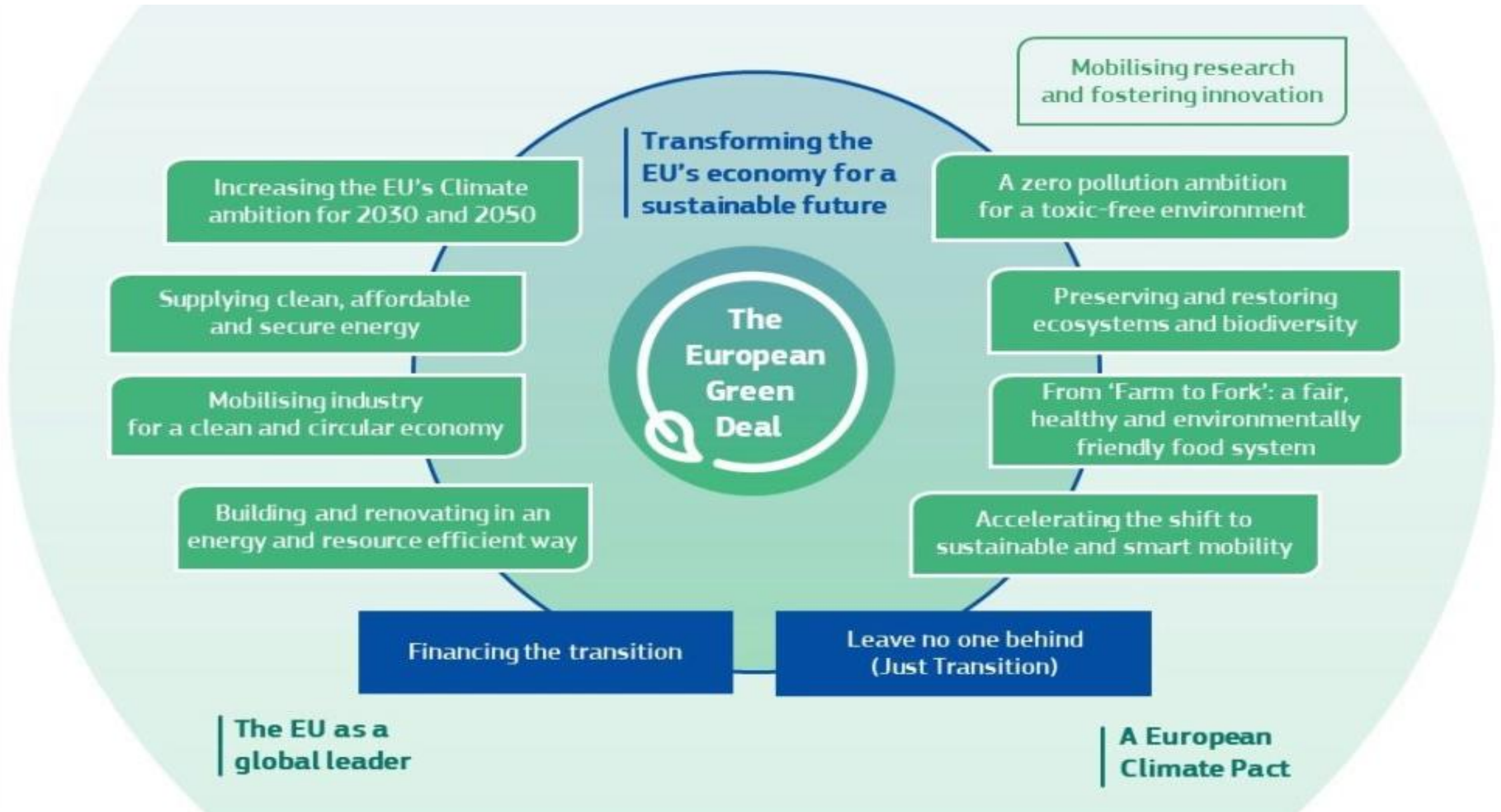
## CE in Building Insulation

- **Sustainably sourced / renewable**
- **Biodegradable** at the end of its lifecycle
- **Low energy requirements** at production
- Sheep wool insulation production is **labour intensive**

# EU's ambition to lead a global transition to the circular economy

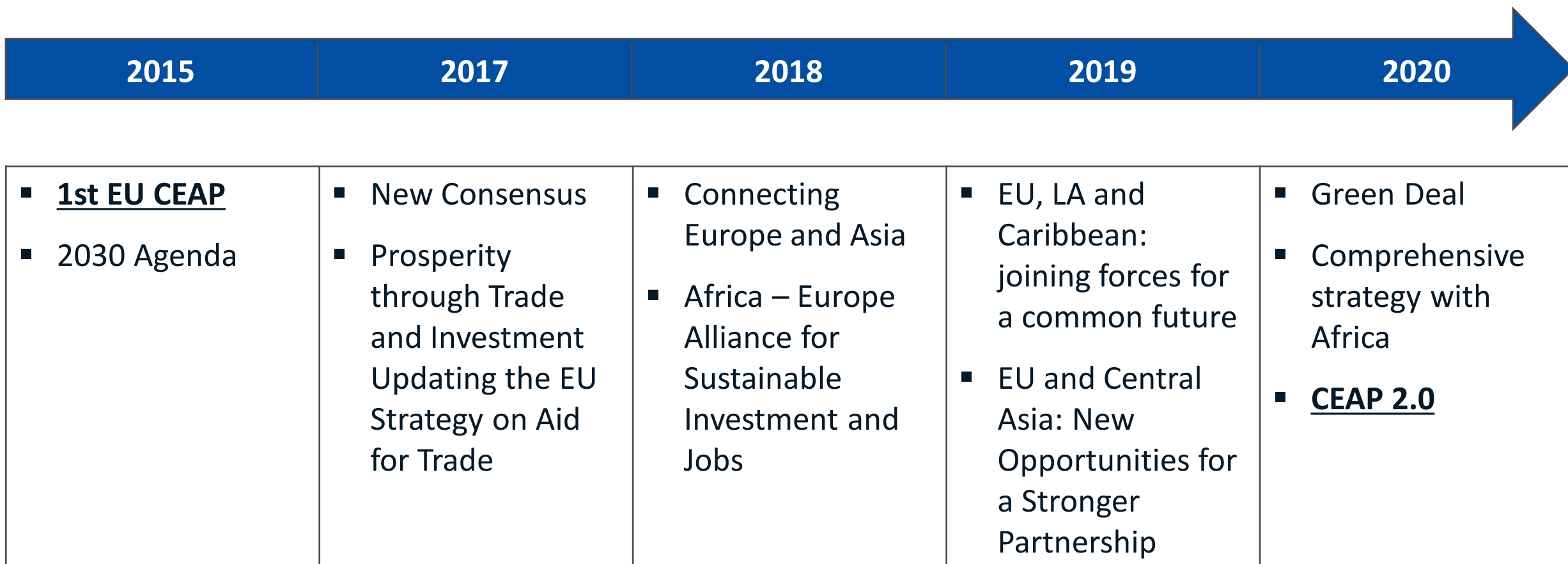


# A cross-cutting priority of the Green Deal





# A comprehensive framework



The graphic features a large green leaf in the upper left, a blue leaf in the lower left, and a pink leaf on the right. The text is overlaid on these leaves.

# Circular Economy Action Plan

The European  
Green Deal

#EUGreenDeal

## A strong global dimension

- High ambition to drive the global transition through measures at global level
- Focus on value chains important to many partner countries
- Policy Coherence for Development

# CEAP 2.0: Main actions

## Sustainable Product Framework

- Design sustainable products
- Empower consumers
- Circularity in production processes

## Priority Sectors

- Electronics / ICT
- Batteries and Vehicles
- Packaging
- Plastics
- Textiles
- Construction and Buildings
- Food, water

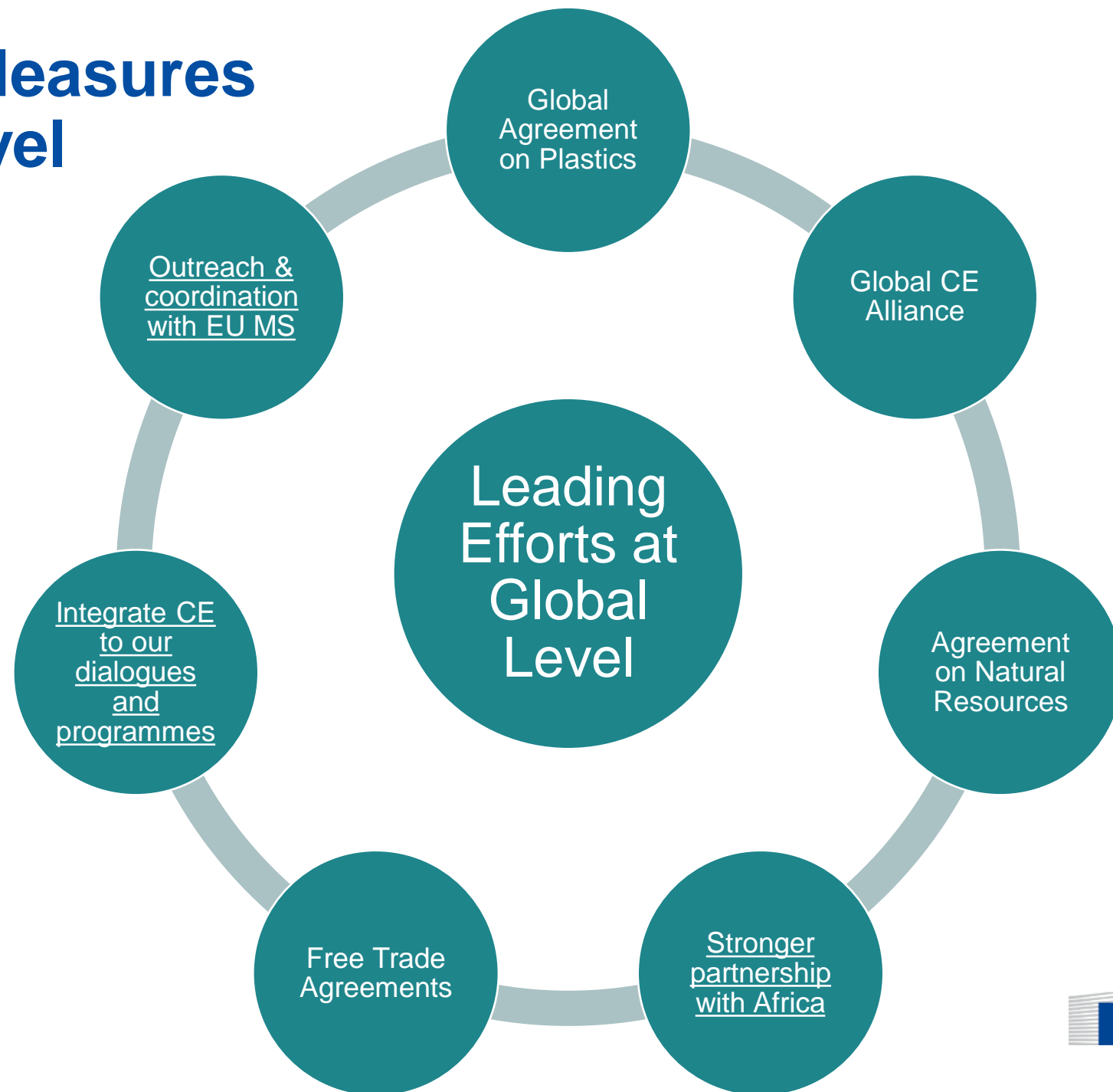
## Less Waste

- Waste reduction and circularity
- Reduce the use of hazardous substances
- Market for secondary raw materials
- Addressing waste exports

## Circularity for People, Regions, Cities

- Support skills development
- Supporting CE through cohesion policy funds, the Just Transition Mechanism and urban initiatives

# CEAP 2.0: Measures at Global level





# Key considerations for DEVCO

- Towards a systematic integration of CE in relevant environment and economic/business fora, e.g. AMCEN, EU-Africa Business Forum, World CE Forum, UNEA5
- Circular Economy missions in DEVCO-relevant countries?
- Current programme contributions mainly through support to green business development (SWITCH to Green) and cities (e.g. EIP sustainable cities guarantees)
- Further integration into Alliances for Sustainable Growth and Jobs?
- High attention to CE in the initial stages of TEI development

# Key considerations for DEVCO

## A Geopolitical Commission: a Stronger Europe in the World

### Green Deals

- Circular economy
- Biodiversity
- Green and smart cities
- Sustainable energy
- Food systems: from farms to forks
- Water and Oceans

### Digital and Data Technologies

- Governance (regulatory frameworks)
- Digital connectivity, including key enabling infrastructure such as power, broadband
- Digital skills and entrepreneurship
- E-services, including e-governance
- Data protection

### Alliances for Sustainable Growth and Jobs

- Sustainable investment and de-risking, including key enabling infrastructure
- Creation of decent jobs
- Education and skills
- Business environment and investment climate
- Regional economic integration, trade and connectivity

### Migration Partnerships

- Root causes of irregular migration and forced displacement, including development benefits of migration
- Migration management, including border management, return, readmission and sustainable reintegration, and legal pathways
- Durable solutions for refugees

### Governance, Peace and Security

- Human rights and democracy
- Rule of law and accountability
- Conflict prevention, sustaining peace and building resilience
- Fight against terrorism and organised crime

Involving Civil Society, Public and Private Sector, Financial Institutions

Safeguarding Fundamental Rights, Gender Equality and Women's Empowerment

Increasing Human Capital such as Health, Education, Skills

Multilateralism and Regional Integration

# National level processes towards circular economy

How to get partner countries engaged in CE processes



# Partner countries go circular: the stories behind...

- Over 65 countries globally are currently pursuing green growth or green economy strategies
- A Circular Economy transition is being actively supported in an increasing number of partner countries

To be available soon at:

[www.switchtogreen.eu](http://www.switchtogreen.eu) and on Cap4Development





## Ecuador's recipe

- Integrating Circular Economy approaches into different policy processes
- Endorsing multi-stakeholder commitment
- Enabling policy and leadership
- Disseminating information and sharing knowledge

# Circular economy in Ecuador: Key milestones



# Ecuador goes circular: Key lessons-learnt

EU commitment to co-lead the Process

➤ impetus to reach milestones

A champion / key player / influencer

➤ drives the CE transition forward

Shared understanding of CE

➤ informed dialogue

➤ coherent strategy formulation

A deep country and actor analysis

➤ multiple entry points to the CE

Topics that drive the debate within each sector

➤ actors engage in CE related actions



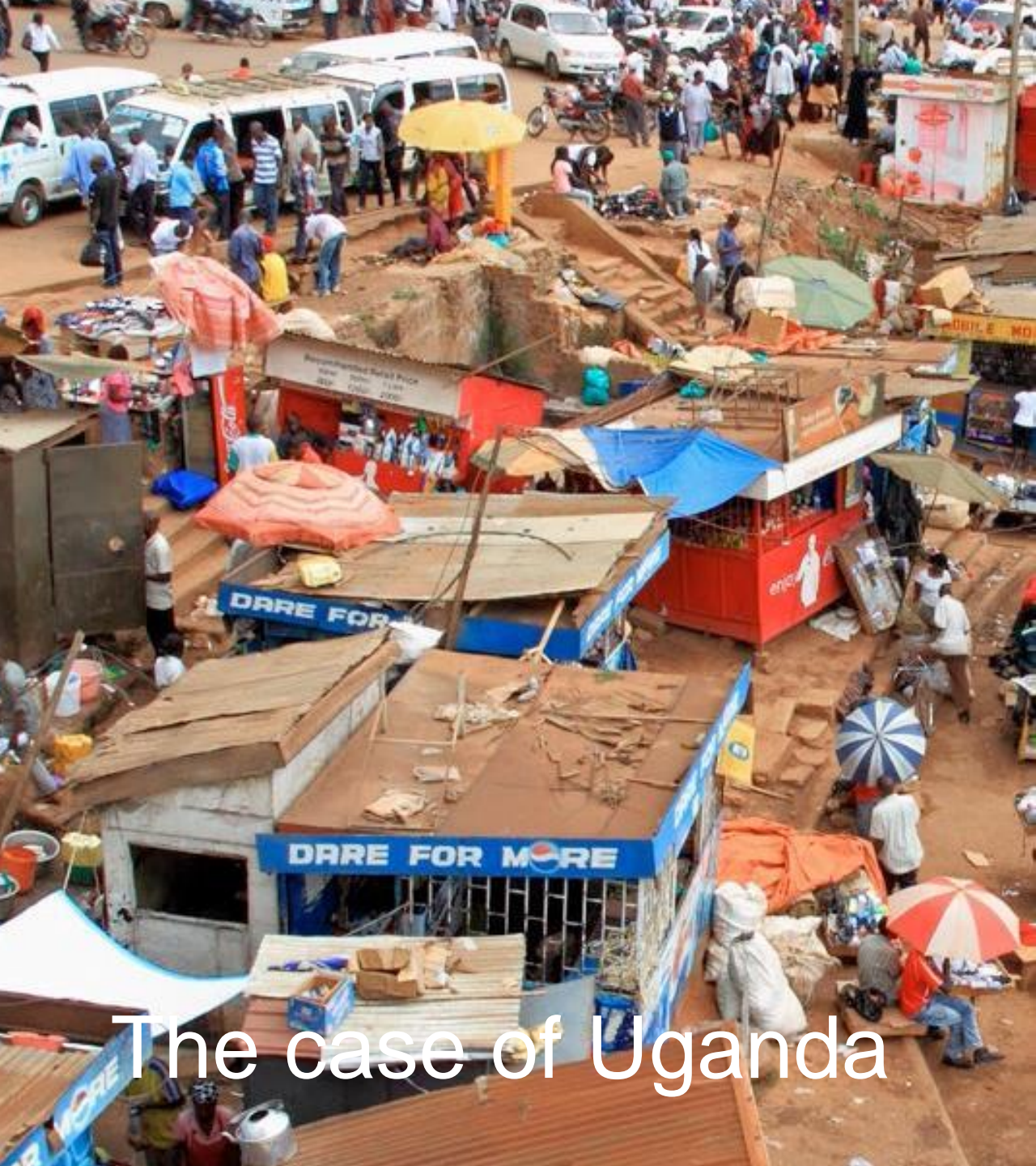
# Circular economy in Ecuador “

## Recommendations on EU support

*“Even with little or no dedicated resources, with the right mix of conviction in the importance of a transition to CE, dedication to the process, expertise, open dialogue spaces with key counterparts, a solid communication strategy and a pinch of creativity you can give important impulses to the process and achieve a large impact”*

*Andrea Ferrari Bravo, Head of Cooperation, EU Delegation to Ecuador*





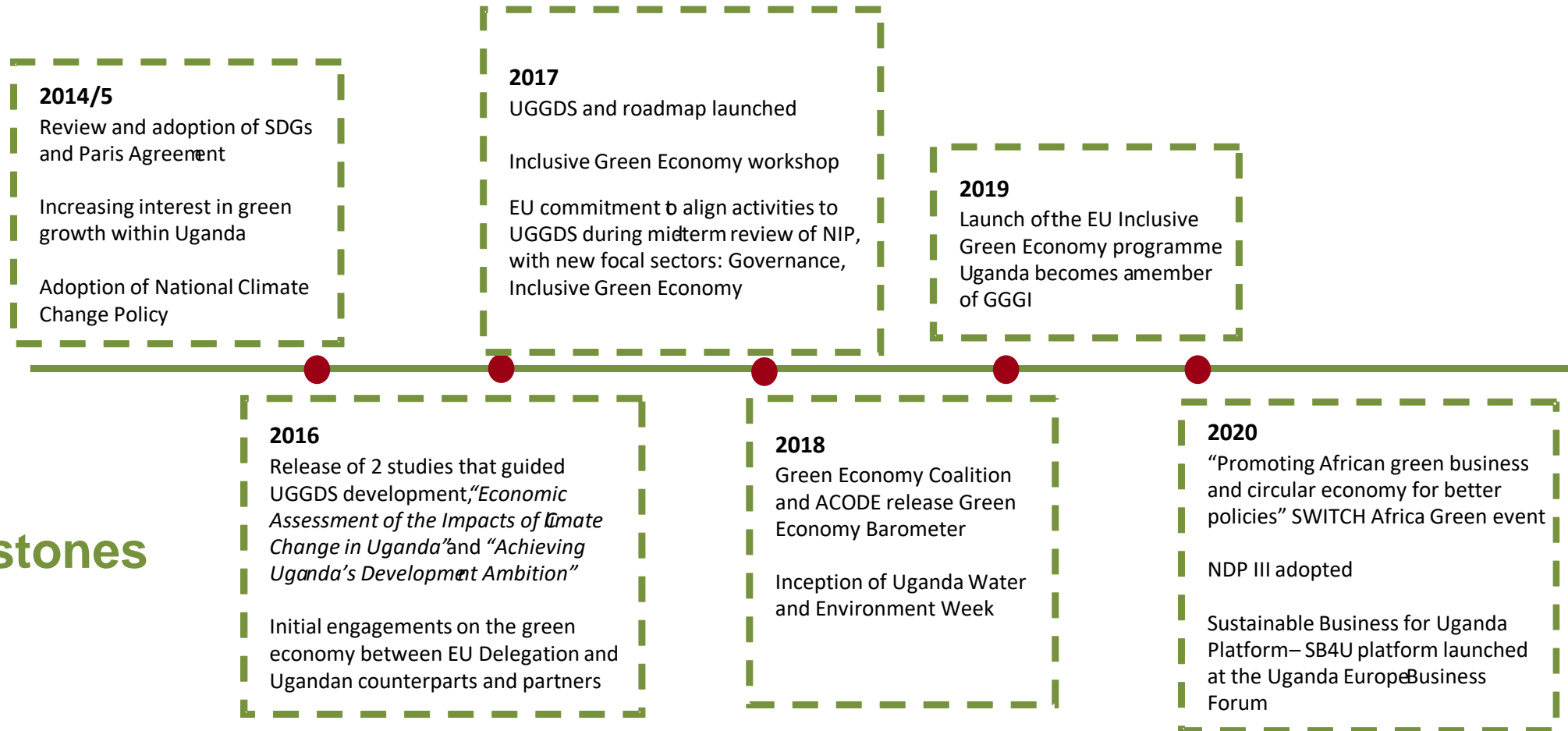
# Uganda's recipe

- Translating international targets into national development plans
- Evidence-based decisions / Informing policy decision-making
- Formulating Strategy and Roadmap
- Mainstreaming the GG & CE Agenda
- Harnessing opportunities for cooperation

The case of Uganda

# Circular economy in Uganda: Key milestones

## Milestones



# Uganda goes circular: Key lessons-learnt

**Experience of partners active in IGE/CE**

- Navigate the complexity of the green/circular economy environment

**A2F / Leverage private sector financing**

- Promote synergies across programme components and value chains

**Early start / broad understanding of the process**

- More detailed agenda as a clear definition is more broadly accepted

**Shifting to green & circular takes time**

- Implementation arrangements and conditions for engagement of actors



# Circular economy in Uganda “

## Recommendations on EU support

*“The green economy focus is topical. There is money to be mobilised. It is the future”*

*Jean-Baptiste Fauvel, Programme Manager,  
EU Delegation to Uganda*



# Questions & Answers



# The circular economy results chain

Key intervention areas

# Circular economy intervention areas

Inspiring and  
learning



Enabling



Financing



Implementing



# Building the case for the circular economy

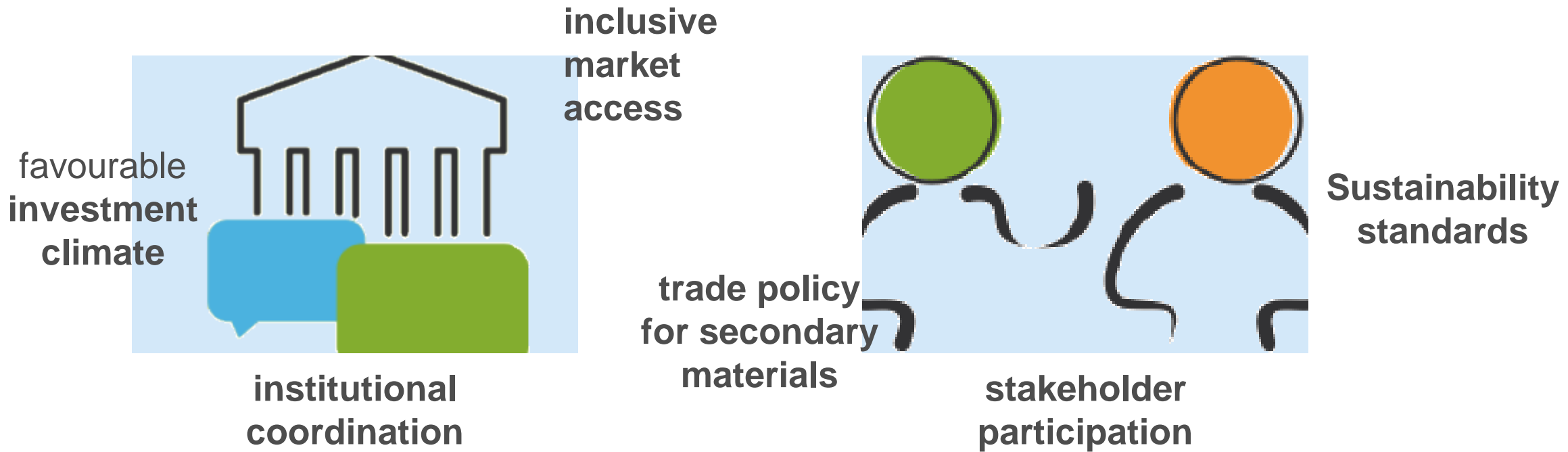


Improve **awareness** of **businesses** and **policy makers** on the circular economy



Improve **understanding** of circularity by **businesses** and **policy makers**

# Becoming fit for CE business & investment





# Financing circular economy investments



financial  
assessment of  
circular economy  
projects



availability of **CE-**  
**related financial**  
**products and**  
**services** for MSMEs /  
City administrations



quality of bankable  
CE projects

# Implementing circular economy investments and practices



**availability of circular economy business models and plans for MSMEs / city administrations**



**improved business performance of MSMEs / city administration**

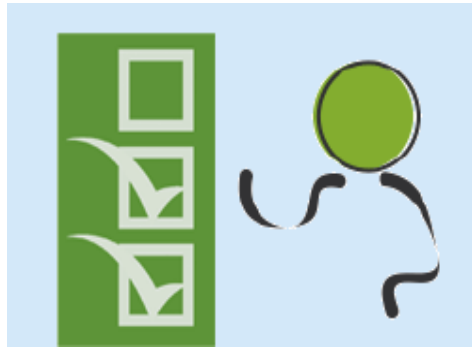


**Market demand for green and fair goods and services**

# Circular economy outcome and impact

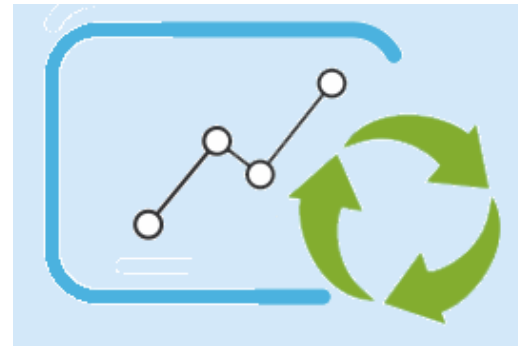
a just transition to a cleaner and more competitive economy

evidence-based  
policy and  
business  
decisions



Enabling  
frameworks

Increased CE  
investments



Increased uptake  
of CE business  
models and market  
demand for CE  
solutions

# Tools and Further Guidance



# Circular Economy Action Plan

The European  
Green Deal

COMMISSION STAFF WORKING DOCUMENT

Leading the way to a global circular economy: state of play and outlook

#EUGreenDeal

## CE Vademecum

- CE trends and patterns
- CE policy areas and related tools
- CE priority sector analysis
- Key actors in the CE transition
- CE programmes and projects
- EU funding instruments

# DEVCO Publications on the circular economy

## CE links to global trends

- Inequalities
- Rising Natural Resource Use
- Urbanisation
- Digitalisation
- PSD, Trade & GVCs
- Climate Change

## National level CE processes

- Latin America: Ecuador, Colombia
- Africa: Uganda, Senegal
- Asia & Central Asia: Mongolia, Kyrgyzstan

To be available soon at:

[www.switchtogreen.eu](http://www.switchtogreen.eu) and on Cap4Development

# Results and Indicators for Development



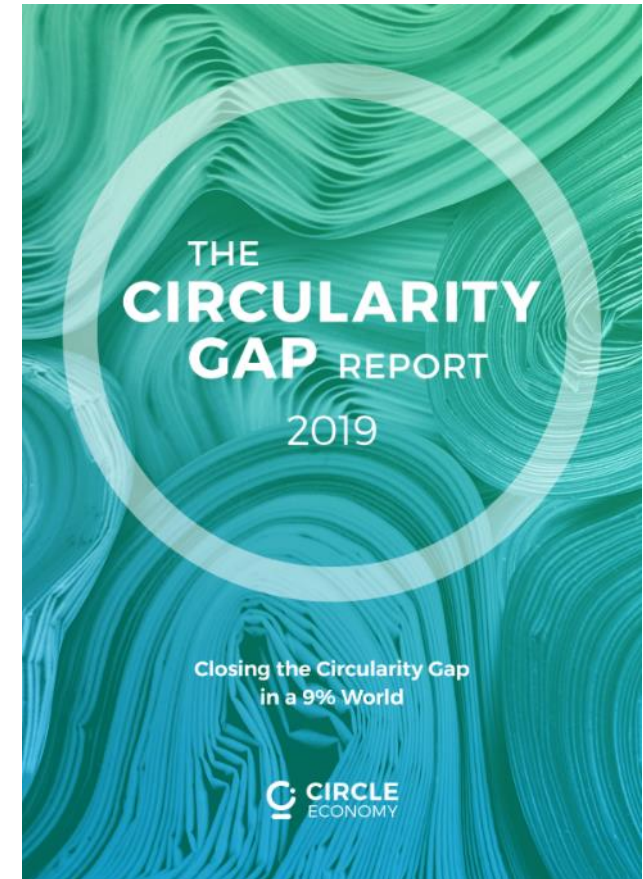
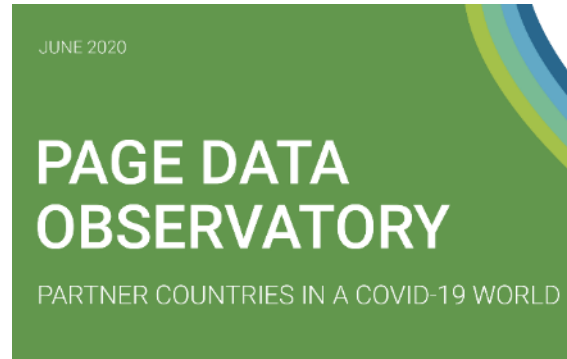
## CE Results chain and indicators guidance

- Inspiring and Learning
- Enabling
- Financing
- Implementing

## Other tools available



# The Green Economy tracker



<https://www.circularity-gap.world/>



Promoting  
a global  
transition  
to a green  
and circular  
economy

the  
**switch<sup>2</sup>  
green** Facility



# Technical Assistance



Short-term technical assistance,  
including through country missions



Awareness raising and  
information sharing



Quality support, technical  
backstopping and quality reviews



Support to policy dialogue and  
programme coordination



Capacity building and know-how  
development and sharing



Development of tools and  
methodological support

**switch<sup>2</sup>  
green**

[www.switchtogreen.eu](http://www.switchtogreen.eu)

# Questions & Answers





[www.switchtogreen.eu](http://www.switchtogreen.eu)

Guidance documents also available in:

[capacity4dev.eu](http://capacity4dev.eu) (public group on Environment, Climate Change and Green Economy)

Further  
information

**switch**<sup>2</sup>  
green



A tiger with orange and black stripes is standing in a snowy, rocky environment. The tiger is looking towards the camera with its mouth slightly open. The background consists of large, mossy rocks and some bare, thin branches.

# Save the date! – upcoming webinars

- Greening EU Development Cooperation: Crash course for top management – 13 Oct 2020

# Thank you



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