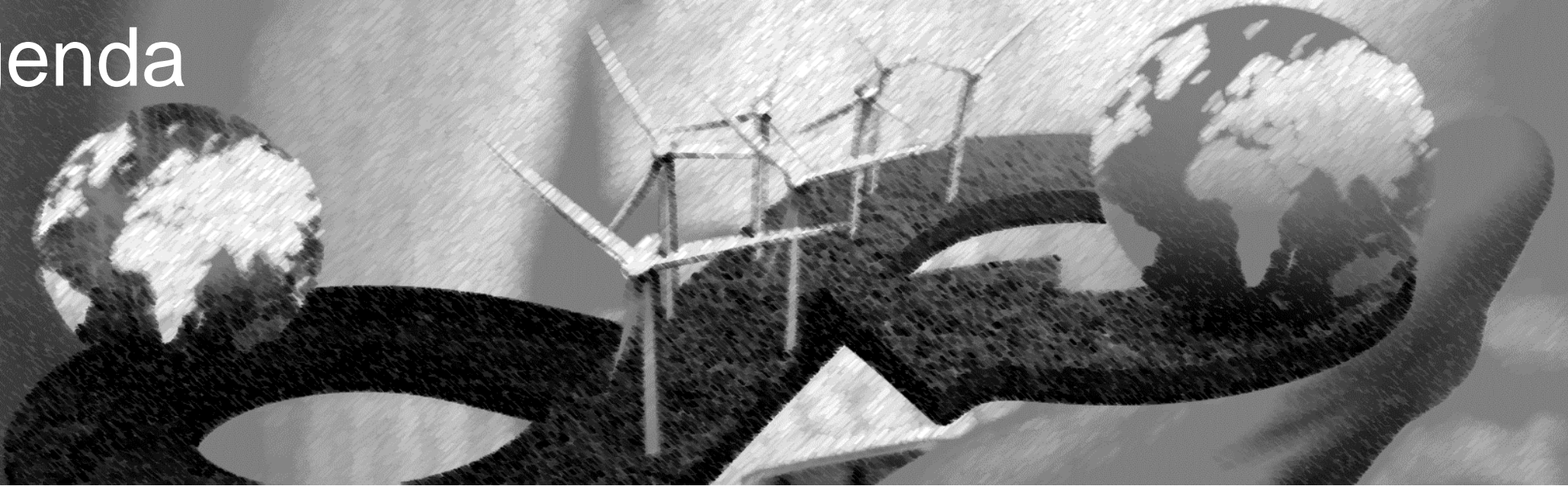


Introduction to the Circular Economy

Thibaut Portevin
INTPA F2

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
- The circular economy results chain → Q & A
- Tools and further guidance → Q & A
- Closing points

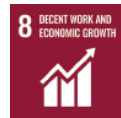
Going circular:

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

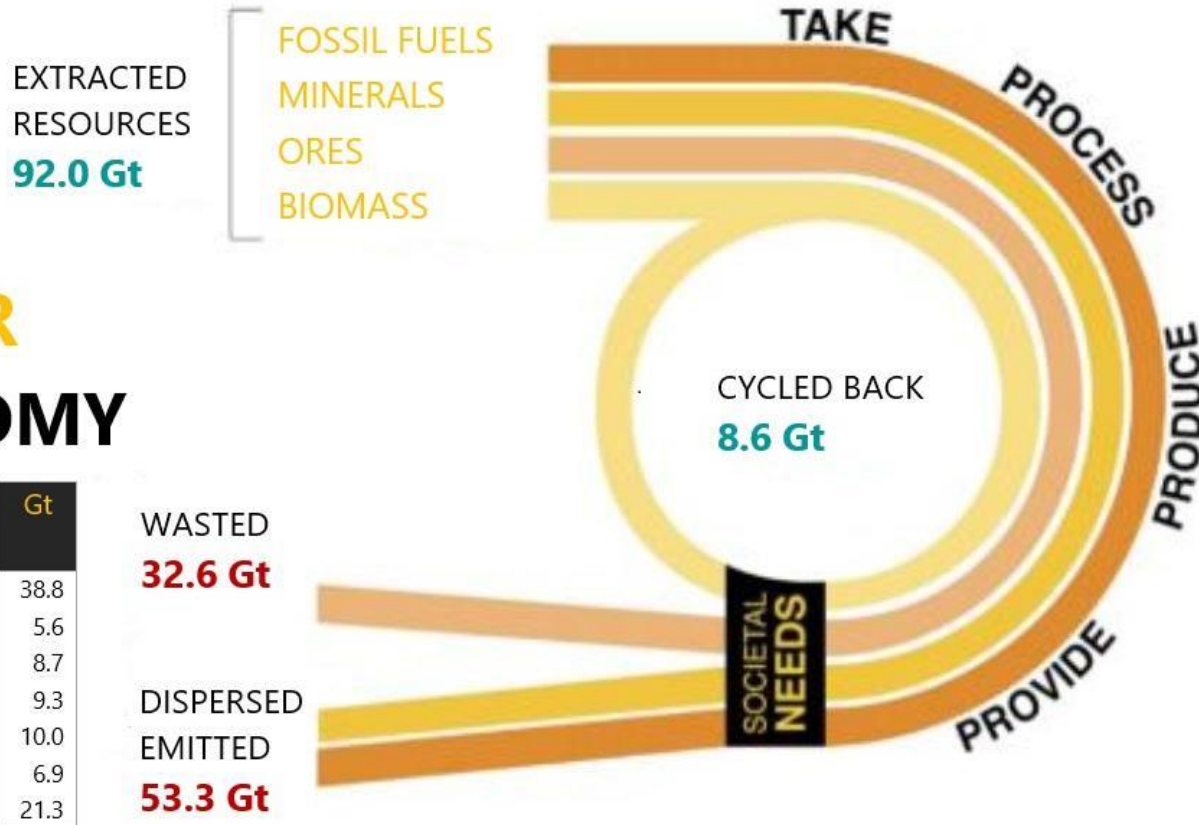


SDG 12 • Sustainable consumption & production

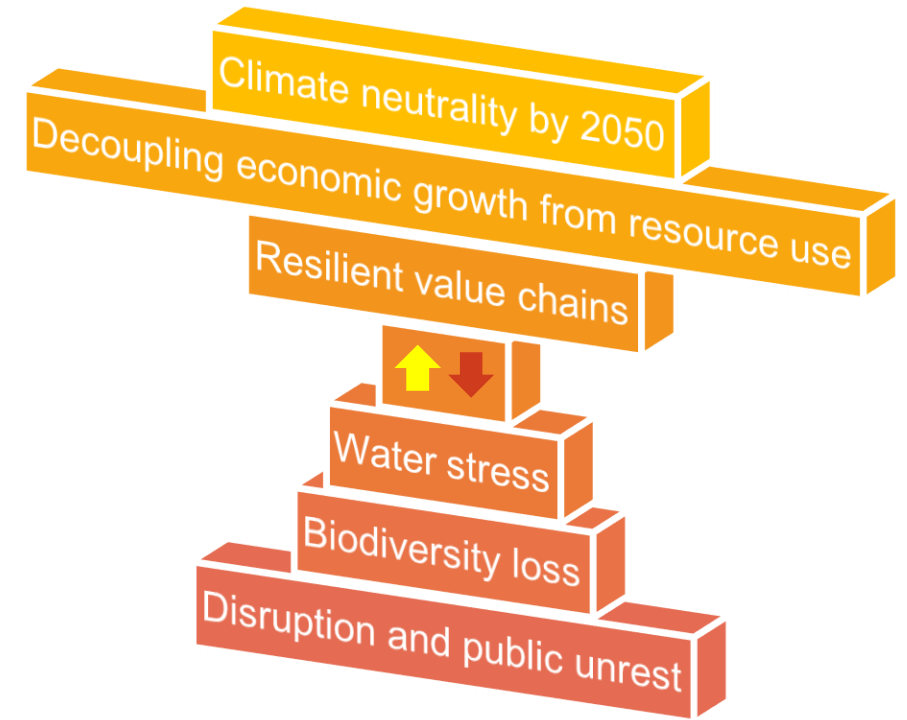
Graph adapted from European Environment Agency, 'Resource efficient green economy and EU policies', Report No. 2/2014.

Why the urgency for a circular economy?

OUR LINEAR 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 |



Circular economy transition opportunities

Fostering greener and more resilient value chains



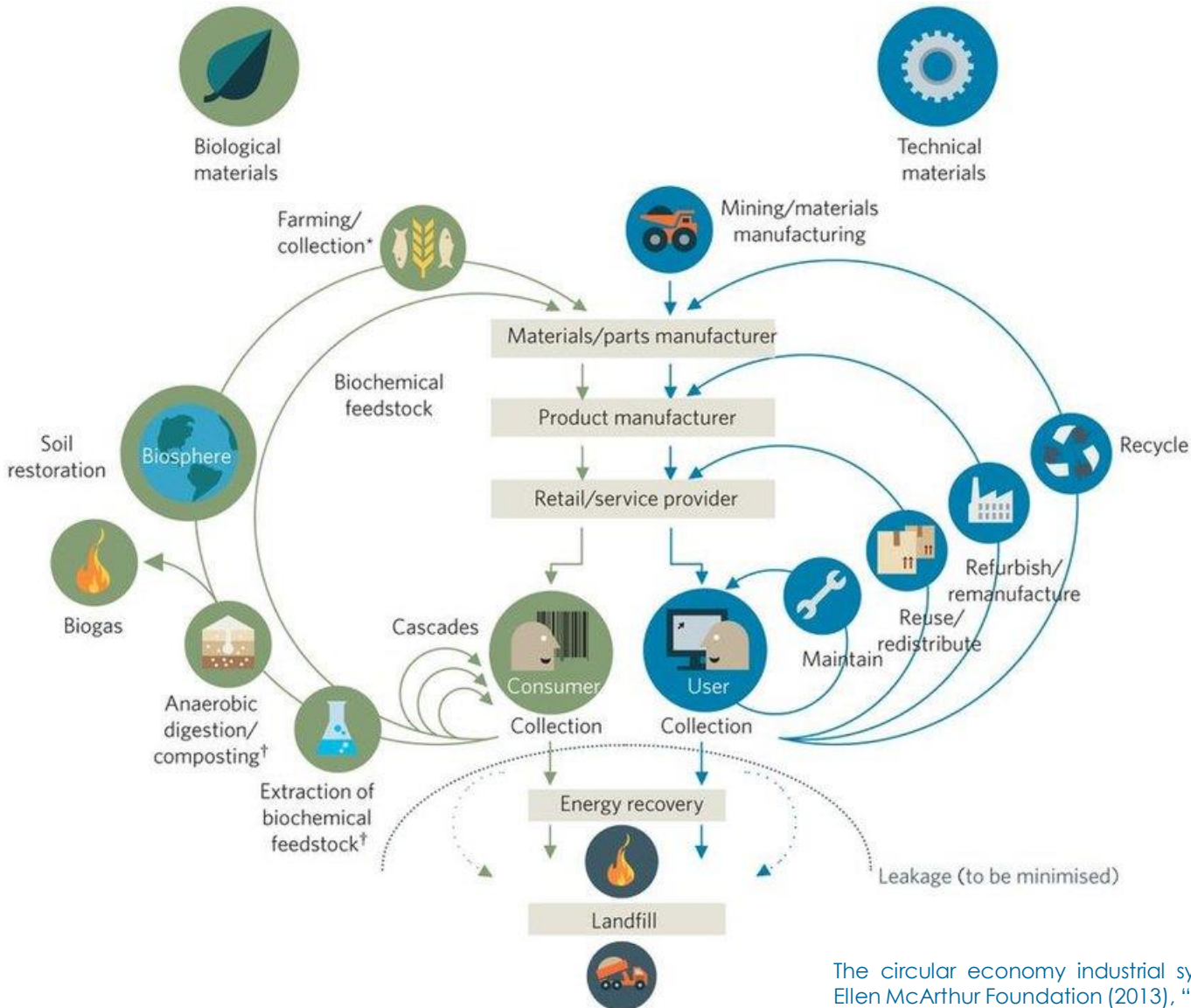
Job creation: in waste management, digitalisation, materials innovation

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



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

Understanding the circular economy:



Two **material** cycles:

- biological cycle:** residues are returned to nature after use;
- 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)



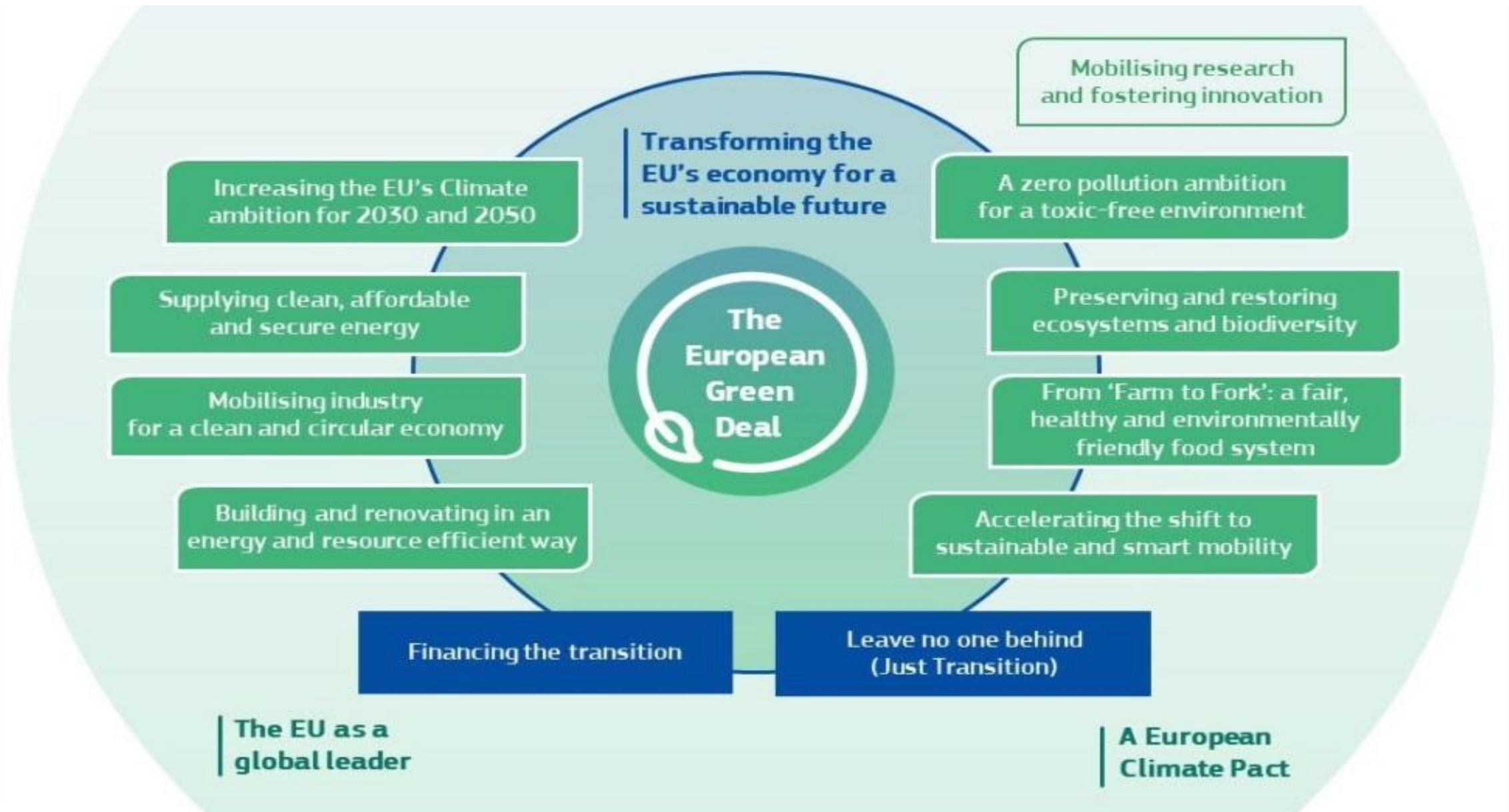
CE in practice

Recycling Buildings

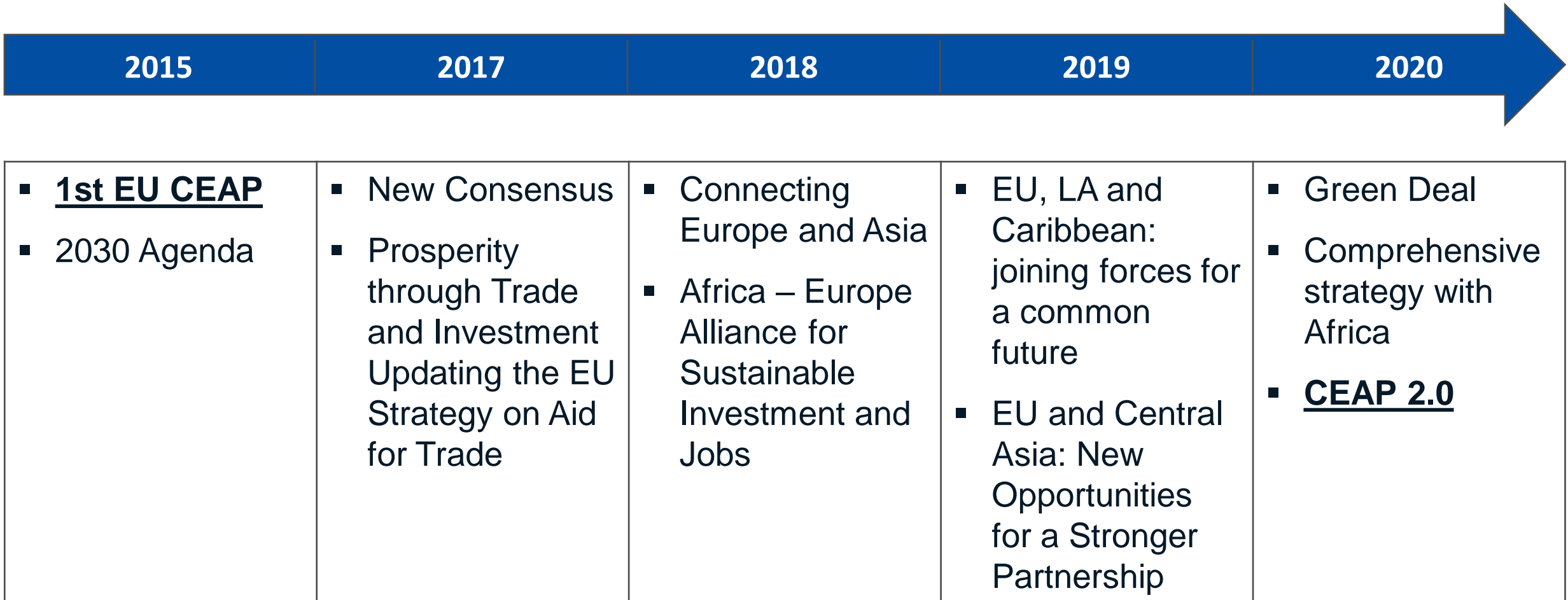
- **Technology:** Construction materials from demolition waste
- **Policy:** Construction & Demolition Waste Management Regulation
- **Economy:** profitable C&DW products
- **Society:** Sustainable Housing

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

A cross-cutting priority of the Green Deal



A comprehensive framework



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 Policy Framework

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

Key Product Value Chains

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

Less Waste, More Value

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

Circular Economy 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



- Lead by example
- Use diplomacy, trade, development cooperation and other external policies
- Set standards for sustainable growth across global value chains



Integrate CE to our dialogues

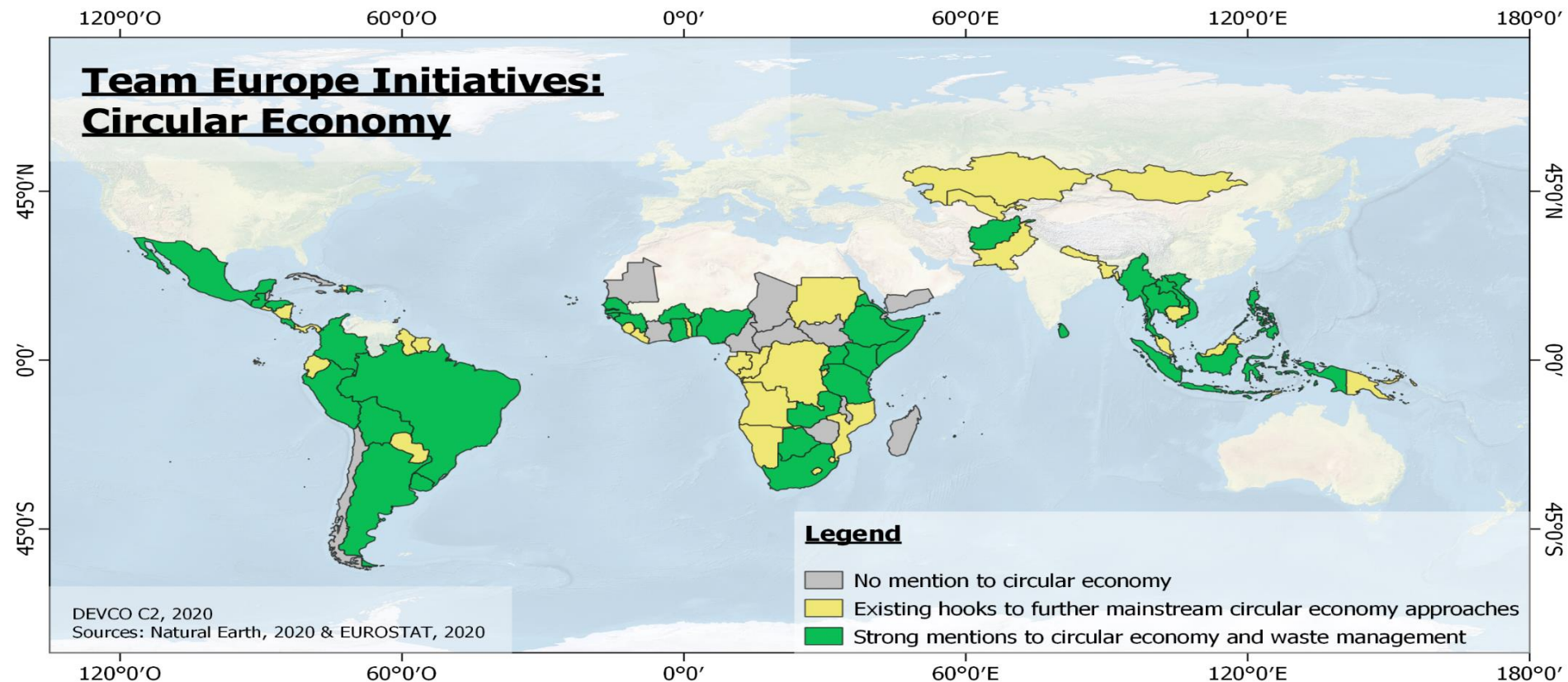
Integrate CE
to EU
dialogues /
programmes

- CE Missions to countries relevant to INTPA: Nigeria, Ghana, Kenya?
- Participation in CE fora, e.g. World CE Forum, Africa CE Alliance, Latin America CE Coalition...
- Better integration to other ENV / Climate Change, economic and business fora, e.g. EU-Africa Business Forum

Integrate CE to our programmes

- Current contributions mainly through green business development (e.g. SWITCH to Green) and cities (e.g. EIP sustainable cities guarantees)
- Encouraging attention to CE in the initial stages of TEI development

Integrate CE
to EU
dialogues /
programmes



Integrate CE to our programmes

A Geopolitical Commission: a Stronger Europe in the World

INTERNATIONAL PARTNERSHIPS

Objective: SDGs, Poverty Eradication, Addressing Inequalities by Building Inclusive and Sustainable Societies

Integrate CE
to EU
dialogues /
programmes

Green Deal Alliances

- Circular economy
- **Biodiversity and Forests**
- Green and smart cities
- **Sustainable energy**
- Food systems: from farms to forks
- **Sustainable agriculture and nutrition**
- Water and Oceans
- Pollution

Alliances for Science, Technology and Innovation, and Digital

- **Responsible Digitalisation:** regulatory frameworks and 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 finance**
- 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 Development

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

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 and on Cap4Development



Kenya case study

Circular Economy

EU Delegation in Kenya, January 2021

Proposed areas for Kenya MIP



1. Green Transition

Environmental sustainability and Resilience



Team Europe Initiatives:

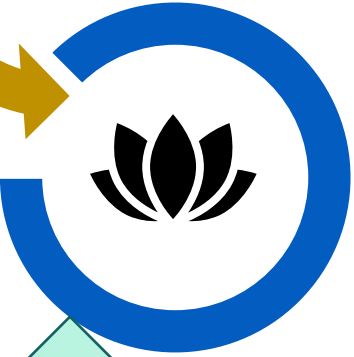
- 1.Green Deal
- 2.Human-centred digitalisation

2. Leave no one behind

Human Development & Inclusive growth



3. Democratic governance, peace & stability



Cross-cutting issues: gender, youth, inclusive growth, skills, digitalisation, human-rights, culture etc.

Kenya #TeamEurope Initiative on the Green Deal



TEI Areas of intervention:

1. Circular economy
2. Climate-smart and sustainable agricultural value chains
3. Renewable and accessible energy
4. Natural capital and biodiversity
5. Sustainable urbanisation and infrastructure

1. Circular economy: Development and implementation of evidence-based strategies and business cases to link value chains; unlock investments in circular businesses; ensure sustainable manufacturing and resource efficiency. The ongoing study by the European Commission on Circular Economy opportunities in Africa, as well as the upcoming Circular Economy Mission to Kenya will provide further insight and guidance. Interventions will build on experience and upscale successes from the EU-funded Switch Africa Green programme.

EU and Circular Economy in Kenya

- EU Circular Economy Study completed in 2020, highlighting possible intervention areas in
 - ❑ The Agri-food sector: use of organic waste, facilitation of small-scale farming
 - ❑ Packaging: including plastic and paper packaging [see next slide for possible project]
 - ❑ Construction: capacity building, legislation,
 - ❑ The Waste sector: informal, national,
- Kenya is a country case study under the “Investments in the Natural Capital and Circular Economy” report undertaken by Frankfurt School of Finance and Management for DEVCO/C2.
- An EU Circular Economy mission with Commissioner ENV was planned for 2020 but delayed due to Covid. Will likely be held in 2022.
- ACEN pan-African conference on Circular Economy to be held in Spring-Summer 2022 potentially in Nairobi with earlier regional virtual workshops to be held throughout 2021.
- Kenya prospective Member of GACERE: *Global Alliance on Circular Economy and Resource Efficiency (GACERE)*, to be launched at margins of UNEA 2021 (EU, UNEP, UNIDO).

Possibly support to EPR in plastic packaging

- Background EUMS support in this area:
 - Confederation of Danish Industries have supported the elaboration of a Kenya Plastic Action Plan, together with KAM (Kenya Association of Manufacturers), and now working on Extended Producer Responsibility for packaging (EPR)
 - NL Supported the KAM extended Producer Responsibility Organisation (KEPRO) Business Plan and is currently advising the Ministry of Environment on EPR (extended producer responsibility). NL is committed to a circular economy by 2050
 - Review of EPR regulations was supported by DE consultants
- Exploring potential EU support from:
 - TAIEX: possible support to KAM/GoK for dialogue around Sustainable Waste Management Bill
 - ICR Facility (DEVCO/C4): possible support to KAM (KEPRO) on EPR business plan and implementation especially for plastics packaging

Asante
Thank you!



ZAMBIA - Team Europe Initiative

Climate Action for Inclusive Green Recovery & Growth in Zambia

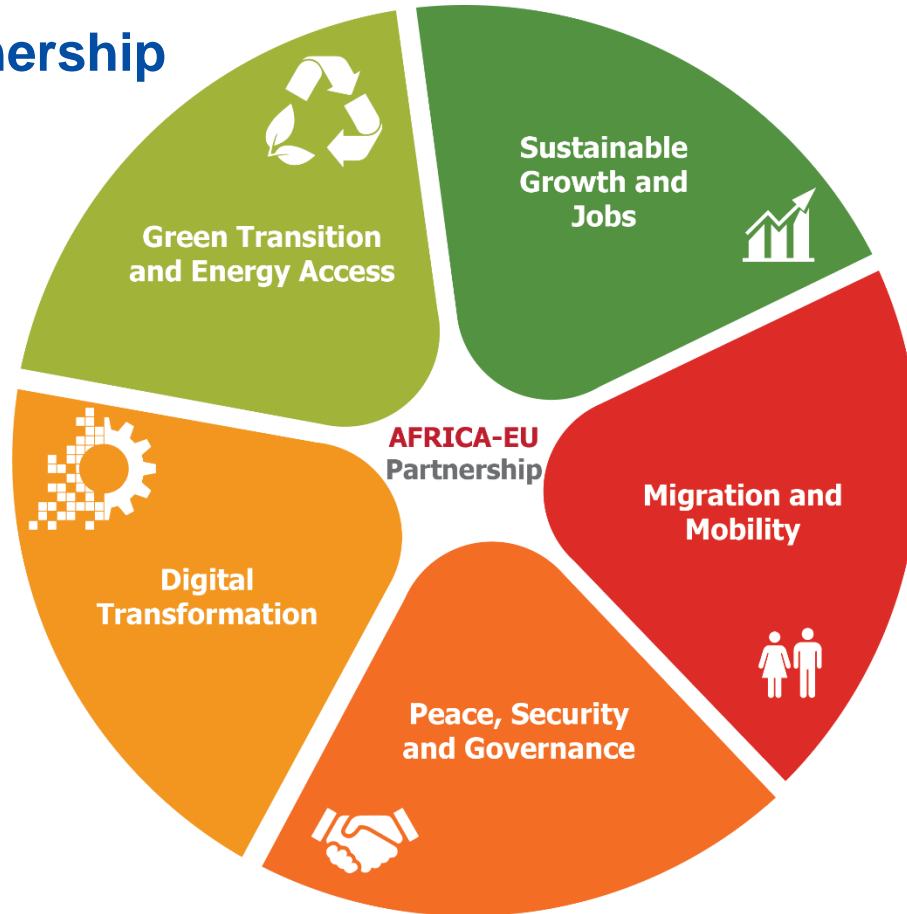
*Matthias REUSING, Head of Section – Economic,
Rural Development, Regional*

Challenges & Opportunities in Zambia

- **Agriculture** provides livelihoods and employment for the rural population / Zambia has a potential to get smallholder farmers (SHF) out of subsistence level;
- Unsustainable management of natural resources / preservation and recovery of natural capital and ecosystem services;
- Abundance of unique biodiversity and ecosystems / **agriculture-forestry-biodiversity-climate and water nexus** offers new development pathways;
- **Energy poverty** is a widespread phenomenon / Investments in clean cooking technologies, improved household energy and in on-grid and off-grid renewable energy
- Lack of **decent jobs**, particularly for women and the rapidly growing youth

Context

Africa-EU Partnership



COVID-19 pandemic

Build Back Better / One Health Approach /
Green Recovery from COVID-19



MIP 2021-2027

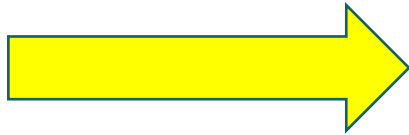
Priority Area 1:
Green and inclusive
transition, jobs and growth

The European Green Deal



The European Green Deal

What's in there for Zambia (and the COMESA region)?



- **Agriculture:** Farm-to-Fork Strategy
- **Biodiversity:** EU 2030 Biodiversity Strategy
- **Circular Economy:** Circular Economy Action Plan
- **Climate Change:** EU's new Climate Law
- **Plus:** Energy & Water Strategies...

Priority Area 1 - Green and inclusive transition, jobs and growth

(follows and integrated & comprehensive approach)

1) Sustainable Agriculture, integrated rural development & biodiversity

- Expand support to **sustainable commercialization of smallholder farmers**, especially women, and the diversification of agricultural production;
- Focus on **climate resilient/smart and environment-friendly agricultural practices**;
- Follow **integrated approaches to rural development**, in line with the **agriculture-forestry-biodiversity-climate and water nexus** (landscape approach);
- Support **sustainable management of natural resources and natural capital** to sustain and re-establish **ecosystem services**, which are the backbone of life on Earth;

Priority Area 1 - Green and inclusive transition, jobs and growth

(follows and integrated & comprehensive approach)

2) Circular Economy & Inclusive Green Growth

- Diversify the economy and promote **Inclusive, Green and Circular Economy**, e.g. through expanding “Switch2Green” programme, take the next step from piloting to investment (link to EIP); refer to study of DG ENV on Circular Economy in Africa;
- Improve **investment climate, business environment and economic governance**;
- Continue to promote **free, fair and sustainable trade** and investment in Zambia and the COMESA region; underline importance of regional value chain development under RIP;
- For Zambia particularly important: Re-establish **macroeconomic stability, debt sustainability and good governance principles**.

Priority Area 1 - Green and inclusive transition, jobs and growth

(follows and integrated & comprehensive approach)

2) Circular Economy & Inclusive Green Growth

Key question: Circular Economy in regional versus national programming?

- **Lessons learned from COVID-19:** Disruption of global value chains. Could this be an opportunity to promote regional and local value chain development in Africa?
- Link to EU's objective to promote more **free, fair and more sustainable trade**.
- Build on experiences made and lessons learned from **SWITCH-2-GREEN**. Need to assess scaling-up potential, which could be funded through the RIP (with sub-regional/national windows).
- Link switch SWITCH-2-GREEN with **European Investment Plan (EIP)** and European Fund for Sustainable Development (EFSD). There is a real opportunity for rolling out / scaling up to promote circular economy in Africa and to attract PSD and FDI (e.g. technology transfer of European Companies). Need to coordinate with DG GROW.
- Potential to promote **South-South Cooperation** (learn from experiences in Rwanda, Kenya, Tanzania, South Africa). Need to coordinate with DG ENV (conducts Africa study on Circular Economy).



Thank You

*Matthias REUSING, Head of Section – Economic,
Rural Development, Regional*

Ecuador goes Circular

The strategy behind

Ecuador is a country of great natural riches and a growing economy, facing the challenges that come with the intensification of industrial activity and changing consumption patterns. For instance, only 6% of the produced waste is recycled nationwide (National Institute of Statistics and Census, 2018). Despite a number of initiatives aiming at improving resource extraction and use, sustainable consumption, reuse of waste materials to manufacture new products, and energy efficiency over the last decade, the concept of circular economy (CE), as such, has until recently been very rarely known in the country.

Important foundations for a circular policy framework were laid down between 2014 and 2018, as circular economy related concepts were integrated in key national legislation. Ecuador's turn towards a circular economy future is manifested in strategic policy initiatives like the National Strategy and Action Plan for the Circular Economy Transition (due mid 2021), the Law for the Circular Economy (under approval by the National Assembly), and the endorsed National Development Plan 2017-2021 ("Toda una Vida") which embraces principles of the circular and the bio economy, encouraging recycling and extending product lifetime. Ongoing policy processes include the Law for Extended Producer Responsibility, a specific normative for electronic waste (expected to be adopted in 2021), and updates to the legislation on non-recyclable plastics.

The Roadmap – how Ecuador is turning circular

- Integrating circular economy approaches into different policy processes:** With the establishment of the National Solid Waste Management Working Group (2014), circular economy considerations were duly integrated into Ecuador's debates on the Agenda 2030 and on the Action Plan of the National Biodiversity Strategy (2015-2030). In 2015, Ecuador adopted a National Strategy for the Change of the Productive Matrix that aims at a more responsible management of resources, and the adoption of regulations and incentives for higher environmental standards, eco-efficiency and environmentally friendly practices. These processes led to the development of more comprehensive policy approaches directly focusing on the CE, such as the Law on CE and the National CE Action plan.
- Endorsing multi-stakeholder commitment:** Next to leadership of the Vice President's Office shifting to a CE in Ecuador benefited from multi sector participation, engaging both local and national actors from the policy arena, the private sector, the academia and the civil society. Commitment to the Circular Economy was endorsed with the [National Pact for a Circular Economy](#) (2019), signed by over 330 supporting parties who drive the country's transition to a circular economy, along nine strategic axes, including (among others) industrialisation and use of waste, sustainable and resilient infrastructure, eco design, sustainable business, progressive substitution of plastics and development of CE indicators.

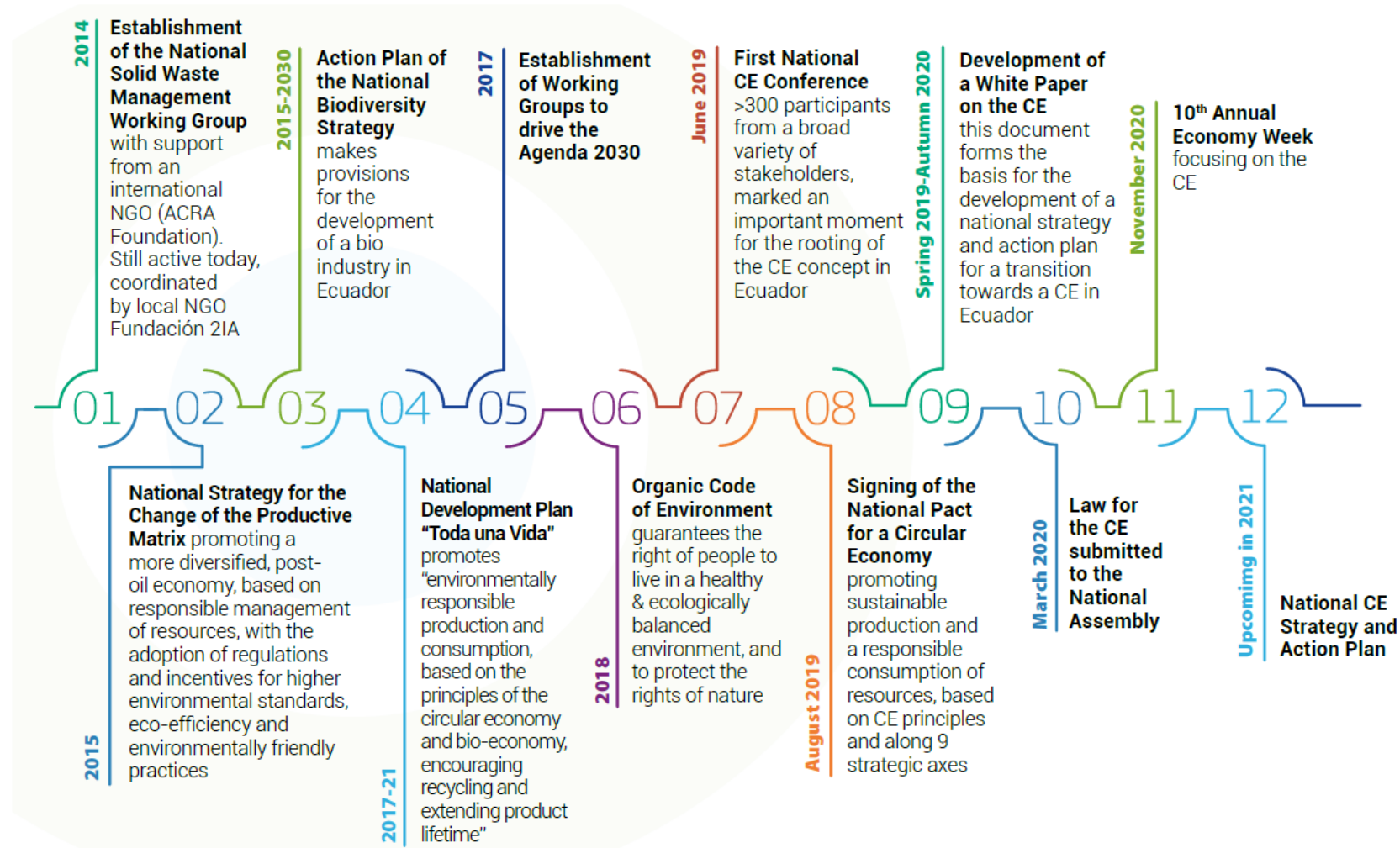
switch2green

Ecuador's recipe

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

The case of Ecuador

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



CE 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

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

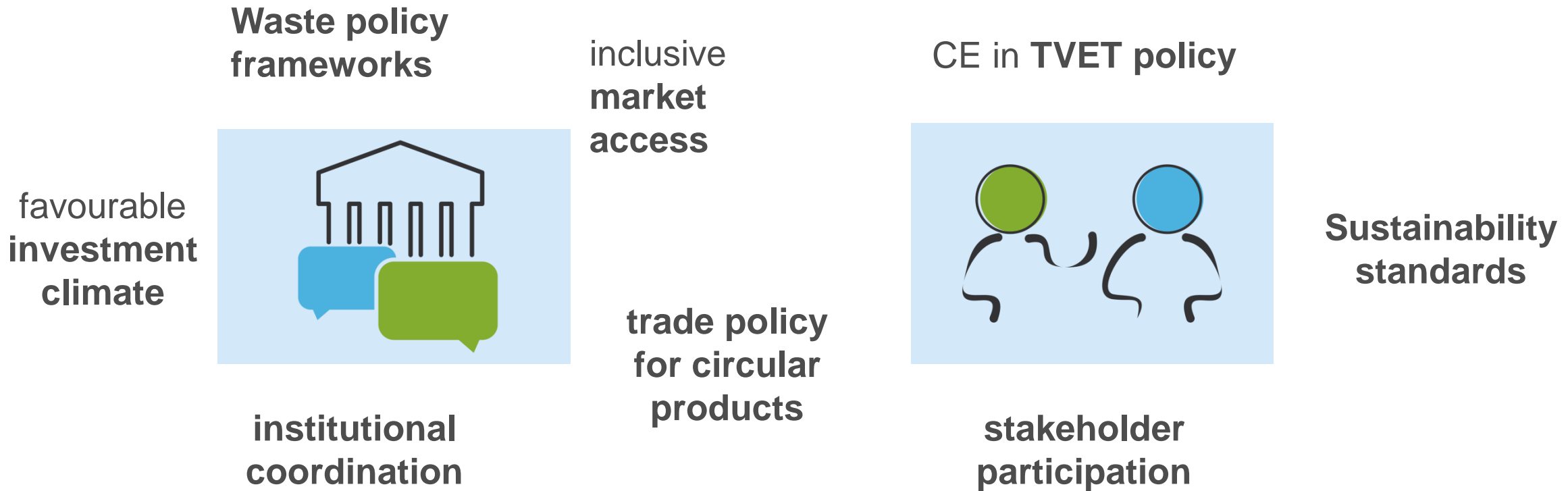


Improve **awareness** of **businesses** and **policy makers** on the **CE potential**



Improve **understanding** of the **CE potential** by **businesses** and **policy makers**

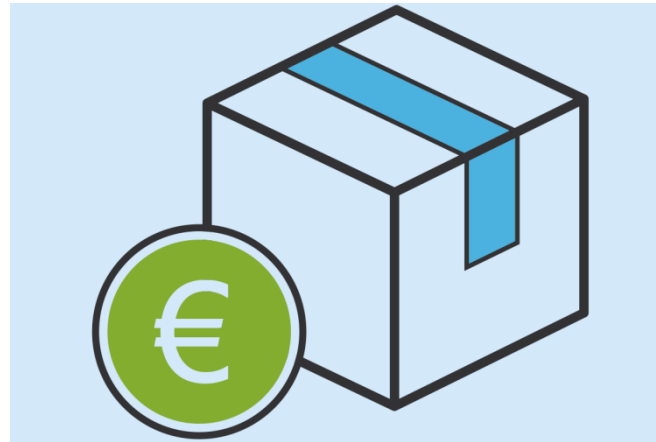
Circular Economy policy frameworks



Financing circular economy investments



**financial
assessment of CE
projects**



**availability of CE-
related financial
products and
services for MSMEs /
regions and cities**



**quality of bankable
CE projects**

Circular economy in key value chains and in regions & cities

IMPLEMENTING



Uptake of **CE** business models by the private sector in key value chains



Improved competitiveness and sustainability of companies adopting CE business models



Uptake of **CE** practices in regions & cities

Circular economy outcome and impact

a just transition to a climate neutral and circular economy

Awareness and understanding of the CE potential



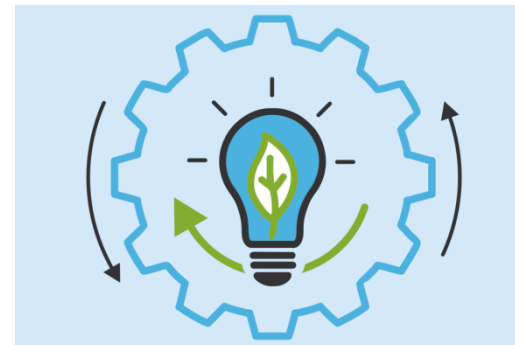
Enabling policy frameworks



CE investment financing



Uptake of CE business models and practices



in key value chains, regions & cities

Tools and Further Guidance



COMMISSION STAFF WORKING DOCUMENT

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

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

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 and on Cap4Development

Results and Indicators for Development



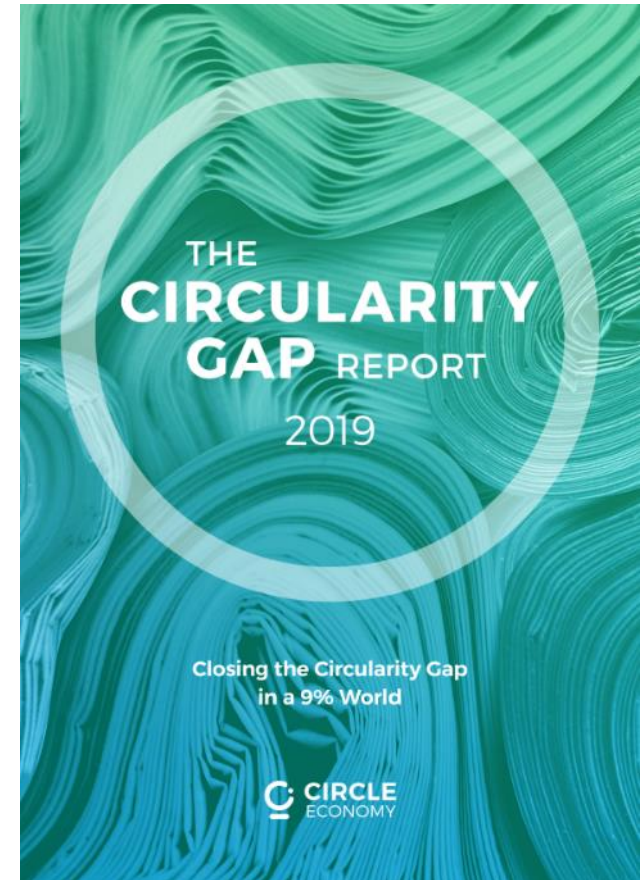
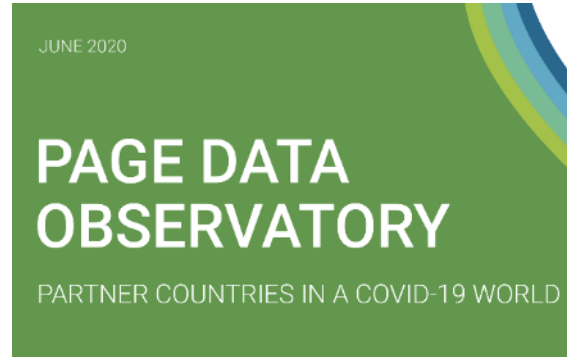
CE Results chain and indicators guidance

- 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 **switch2green** Facility



Technical Assistance



Short-term technical assistance, including through country missions



Quality support, technical backstopping and quality reviews



Capacity building and know-how development and sharing



Awareness raising and information sharing



Support to policy dialogue and programme coordination



Development of tools and methodological support

switch2green

www.switchtogreen.eu



Questions & Answers



www.switchtogreen.eu

Guidance documents also available in:

capacity4dev.eu (public group on Environment, Climate Change and Green Economy)

Further
information

switch2
green



Thank you



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Slide 10-11:[SWITCH-Asia](#) Slides 25, source: EU Del Ecuador; Slide 26: Photo, source: Uganda Planning Authority, Slide 29: Photo, source: SWITCH Africa Green / Plan International. Unless otherwise stated, all other images are from [Shutterstock](#)

