

Column on the Springtij 2015 Circular Economy sessions

By Arthur ten Wolde, <u>Springtij</u> Navigator for the theme of Resources Delivered as dinner speech at Terschelling, 26 September 2015

What exactly is a circular economy,? What does that mean for a city, the island of Terschelling, or Sweden? What are companies already doing and what is keeping them? What should the government do, and how will you measure whether you get more circular? These are questions that participants and speakers of the Springtij Forum 2015 have passionately discussed in five workshops on the theme of Resources at the island of Terschelling. The outcome will be presented on October 12 at the World Resources Forum in Davos.

The Netherlands is internationally in the picture with its ambition and examples in the field of circular economy. Such as Delta Development, a company working hard on creating a *Circular Economy Valley* at Schiphol. The Netherlands can come a long way as a circular hotspot using national government policies and a *North Sea Resources Roundabout*. However, it is not sufficient to market this abroad. There is also a need to look for more connections, both within the Netherlands and with other hotspots in the world. And the EU is desperately needed for acceleration and upscaling.

A growing group of companies is taking the lead. Multinationals develop circular business cases by persevering to communicate with all departments on the question "What is best for the company, the customers and society?" However, they run into many obstacles.

Time after time, the financial argument eventually determines the choice to not opt for circular. The key to upscaling into a circular economy therefore lies in *financial incentives* from governments to business and consumers. This means price incentives, set by the government. National, provincial and local authorities can give a huge boost to the circular economy by acting as launching customer for circular products and services. By adapting the tax system, introducing circular tax benefits and introducing levies based on external producer responsibility, both in the Netherlands and other EU Member States.

Besides price incentives, much more is needed, such as enforcement, awareness raising and adapting various laws and regulations. Setting targets and measuring progress is crucial. Both for green public procurement and for the economy as a whole. *Indicators* are urgently needed for this. At least 12 systems with 366 indicators have been set up... priority is working towards a simple, externally validated system. Key elements are the amount of raw materials that is available for the next circle after use, the business model used and the procurement process. To achieve circular design, it is important to involve stakeholders such waste processors as early as possible. Did you know that in 100 years there had never been a meeting in the Netherlands with the producers, users and recyclers of underground electricity cables? It proved quite easy to deliver cables that are more recyclable! Innovation often begins with market demand. Other important factors are the ambition of chain parties and transparency.

Finally, cities suffer heavily under the negative impacts of our linear economy. A growing number of cities want to become circular. Participants and islanders have also reflected enthusiastically on the idea of a circular Terschelling. To be continued, as far as I am concerned :-)