

More prosperity, new jobs:

A business perspective on the Circular Economy Package

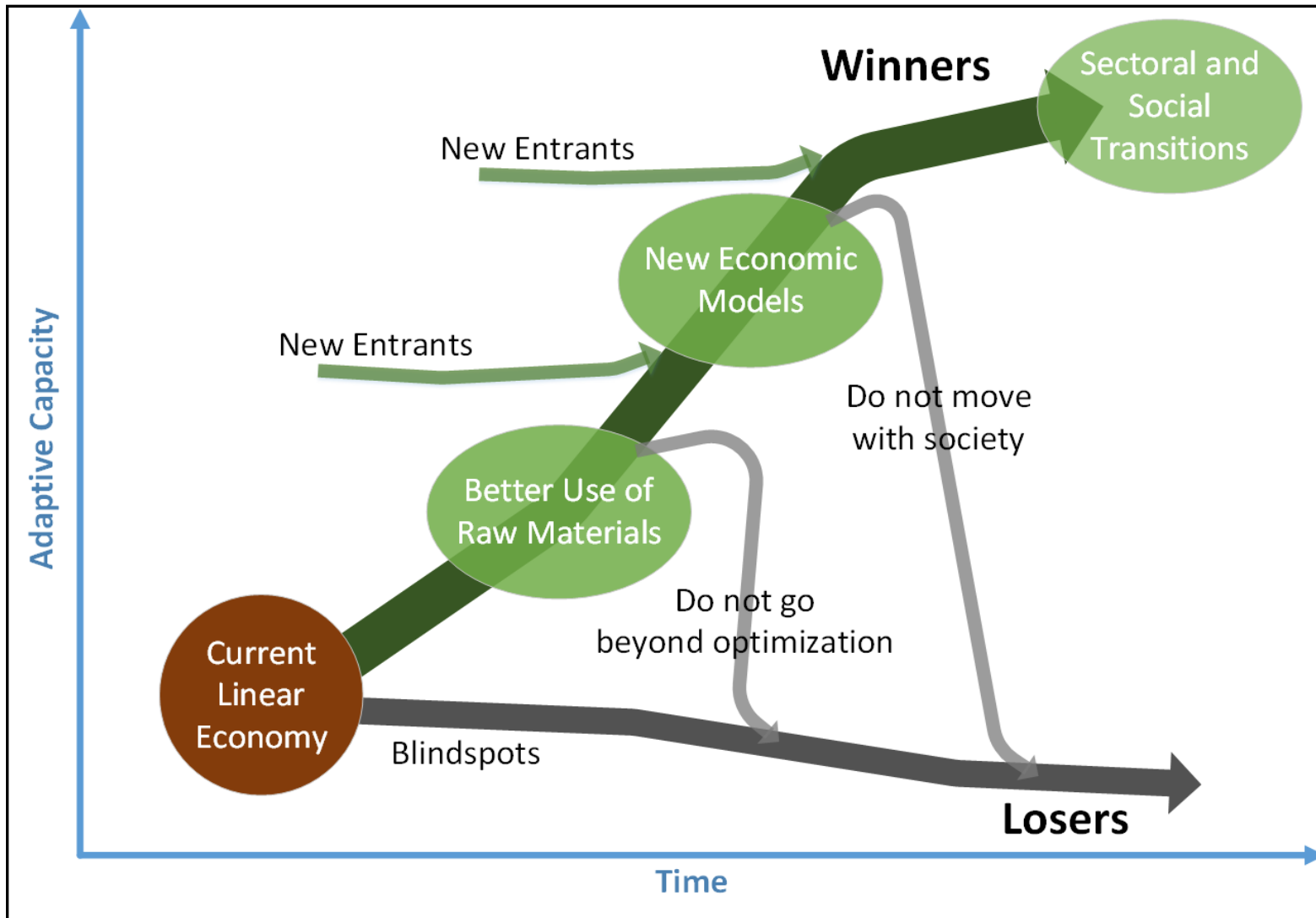


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View on Circular Economy



Translated from: OPAi and MVO Nederland, Entrepreneurship in the Circular Economy, 2014 (in Dutch)

Business Manifesto

More prosperity, new jobs

Manifesto on Circular Economy Policy in the EU

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Huge opportunities

- 3 million jobs by 2030
- Up to € 600 billion per year in the EU (€ 4 trillion globally)
- Resource resilience
- Waste reduction and reduced environmental impact (e.g. 70% cut in carbon emissions)



Circular business models



- Short cycle: Pay per use, repair, waste reduction, sharing platforms
- Long cycle: Performance based contracting, take back management, next life sales, refurbish & resell
- Recycling, cascading, upcycling, collaborative production
- Pure circles: Cradle to cradle, circular sourcing
- From physical to virtual: Digitisation
- Produce on demand: Produce on order, 3D printing

Source: K. van Renswoude, D.J. Joustra and A. ten Wolde, 2015

Just 2 examples (De Groene Zaak)



repurpose



The need for government policies

- Government policies are needed accelerate and mainstream the circular economy
- Remove existing obstacles
- Improve the 'rules of the game' of our economy in a systems approach



Governments are going circular

wbcsd Regional Network Partner

Home Why Contribute



Developed by De Groene Zaak in cooperation with



Governments Going Circular – Global Scan Best Practices

Home

Keyword:



Policy area



Waste



Resources



Spatial
planning

Governmental instrument



Fiscal
measures



Laws &
Regulation



Partnerships

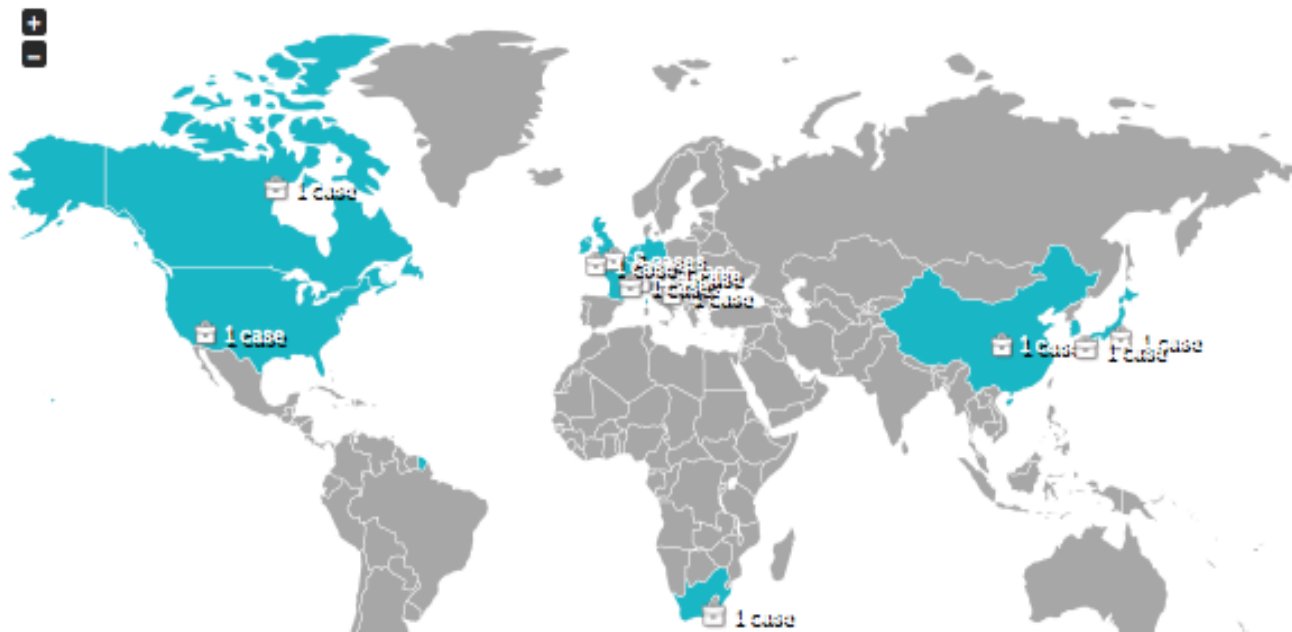


Public
Procurement



Subsidies

Business Model



What we ask: (1)

Strong government policies

- Extend binding targets to cover the full chain (reuse, repair etc.)
- Use EU-wide legislation, harmonisation, national action plans, Green Deals and guidelines for member states



What we ask: (2)

Financial incentives

Introduce financial incentives for companies and consumers to favour circular business models:

- Implement Circular Public Procurement
- Taxation:
 - Allow for VAT differentiation
 - Tax shift from labour to resources (Green Deal)
- Extended Producer Responsibility 2.0



What we ask: (3) Adapt and exploit existing measures, including:

- Extend Ecodesign Directive to Circular Design
- Horizon 2020 and the Eco-Innovation Programme, including calls for change of the system (economic mechanism design), an EU Institute for Circular Economy and programmes for frontrunners, sectors and cross sectoral



Response to leaked draft Package: Overall impression

- Positive: Procurement, Extended Producer Responsibility, Ecodesign directive, Quality standards for secondary resource materials, European Resource Efficiency Excellence Centre, link with GAP for SMEs, developing Monitoring KPIs 😊
- Concerns: All depends on implementation of concrete measures. Risk of being ineffective like the EU-ETS 😞



Response to leaked draft Package: Main comments

- No targets, no milestones, little enforcement: risk of being ineffective
- Serious flaw: No economic incentives for consumers. No VAT directive amendment, no Ex'Tax Tax shift; and we consider “Eco” labels ineffective
- Research: fundamental lack of access and attractiveness for SMEs, lack of systemic policy research
- Still EU funding for incineration plants



Response to leaked draft Package: Specific comments (1)

- Create an overall strong policy, with clear price signals to consumers and producers, and enforcement of regulations, and solving these shortcomings
- Ecodesign: Differentiation down to product and company level is needed to incentivise companies to become frontrunners. Beware of red tape



Response to leaked draft Package: Specific comments (2)

- Also quality criteria for other secondary raw materials besides plastics
- Extend European Resource Efficiency Centre to cover research on circular economy, system change, business models, policy and “precycling¹”
- Keep monitoring the resource efficiency as an overarching Key Performance Indicator



¹ See www.govsgocircular.com

