

2020 CIRCULAR ECONOMY ACTION PLAN

International aspects

The EU's **Circular Economy Action Plan** 'For a cleaner and more competitive Europe', adopted in March 2020, will play a key role in delivering the **European Green Deal's** ambitious vision of a just, climate-neutral, resource-efficient and competitive economy. The Action Plan will ensure the EU continues to lead the way towards a global circular economy. European companies are part of international supply chains, often starting in developing countries. The circular economy approach is key for global sustainable consumption and production.

The international dimension of the circular economy will help:



**Achieve
EU climate
neutrality
by 2050**



**Decouple
economic growth
from
resource use**



**Keep resource
use within
planetary
boundaries**



**Set global
standards in
product
sustainability**



**Promote
job creation
within and outside
of the EU**

To this end, the international initiatives in the Action Plan will mobilise EU influence, expertise and finance to help achieve the Sustainable Development Goals, international climate change and biodiversity targets, and to support the global post-pandemic recovery.



Global trends

Unsustainable natural resource use is having a huge impact on the environment. Projected increases in global population and the number of affluent people living in cities is expected to further deplete natural resources beyond sustainable limits.



Global population and resource use trends:



Population up from 7.5 billion in 2017 to **10.2 billion** in 2060



Middle class increases by **1.8 billion** from 2010 to 2025



Extraction rates for raw materials increase from 89 Gt in 2017 to **167 Gt** in 2060

Source: UN, IRP and OECD.

Global impacts split by material resource type:

Large increases are projected for the global use of biomass (for fuel, food and feed), fossil fuels, metals and minerals – unless current patterns of production and consumption are made more sustainable. These trends would have enormous **global impacts**, for example, in terms of climate change, health, water stress, and biodiversity loss. By promoting the global circular economy, consumption footprints can be reduced due to the decoupling of economic growth and resource use. This will enable our own and future generations to live more sustainably, within planetary boundaries.



Fossil fuels



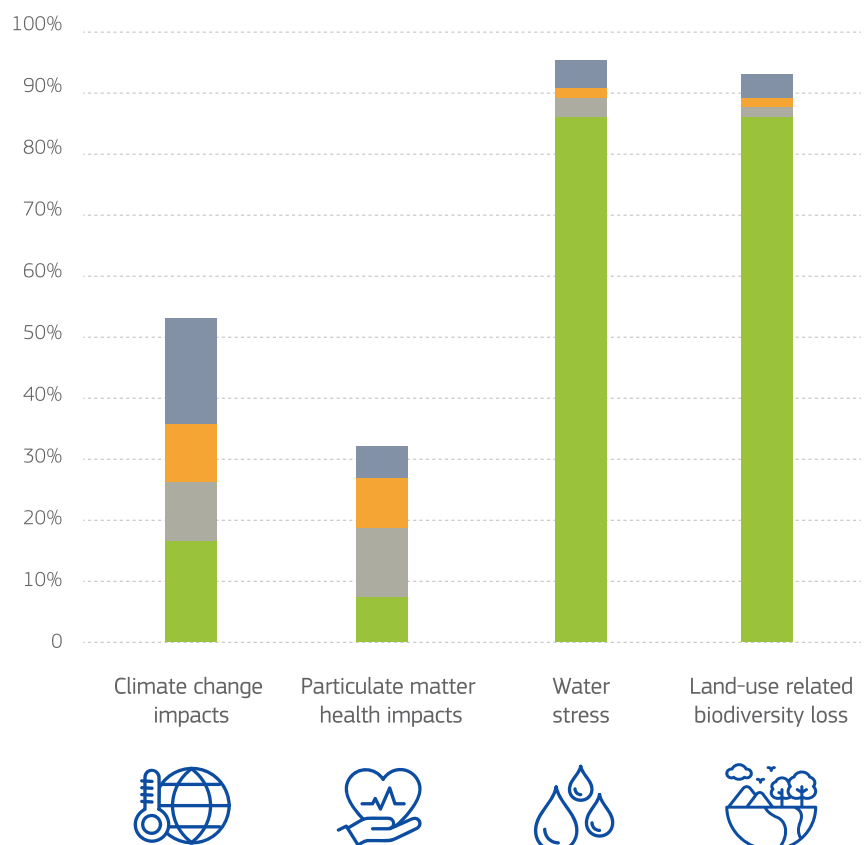
Non-metallic minerals



Metals



Biomass





Global opportunities

The EU can benefit from ensuring all countries in the world manage their natural resources sustainably. This would contribute to global sustainable development and environment objectives, facilitates market access, and creates business opportunities.

As the world's largest single market, the EU can help realise the opportunities of the global circular economy, for example, by setting standards for product sustainability all along international value chains.



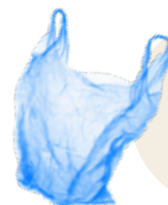
- ▶ **Developing countries** stand to profit from a transition to the circular economy, through economic diversification, value creation, skills development and jobs. Circular economy activities have the potential to increase resource efficiency, leading to reduced resource depletion, climate change impacts and pollution. With enough investment, developing countries could match developed countries in digital and materials innovation aimed at achieving sustainable production and consumption patterns.
- ▶ A circular economy that reduces the use of material resources may seem to threaten the economic interests of **raw materials exporting countries**. The fact is – the world will continue to require raw materials. Infrastructure, buildings, and feeding a growing population, to name a few, rely on a supply of material resources. The circular economy approach lowers the rate of increase, promotes the use of secondary raw materials, and minimises environmental impacts associated with extraction.



International initiatives

A number of international initiatives are proposed by the Commission in the 2020 Circular Economy Action Plan to promote the global circular economy transition.

- ▶ The EU will lead efforts to reach a **global agreement on plastics**. No dedicated international instrument currently exists that focuses on ensuring that the production and consumption of plastic becomes sustainable. EU policy on plastics in the circular economy provides a model for the global agreement, as it addresses both land and sea-based sources of pollution, including microplastics, and takes onboard the whole life cycle of plastics.



- ▶ A key proposed international initiative is the **Global Alliance on Circular Economy and Resource Efficiency**. The Alliance will map policies and regulatory frameworks in third countries. It will identify barriers and bottlenecks holding back the global circular economy transition and advise on ways to overcome them. It will also promote the exchange of best practices and knowledge.



- ▶ Through the Action Plan, the Commission has committed to exploring the feasibility of defining a **'Safe Operating Space'** for natural resource use. This refers to the use of natural resources, such as water, biomass, metals and minerals, without exceeding certain local, regional or global thresholds. Staying within these thresholds prevents the breakdown of life-sustaining functions. For example, the Paris Agreement sets an international threshold of 1.5°C for global temperature rise.



- ▶ Based on the 'Safe Operating Space' concept, the Commission will consider initiating discussions towards an **international agreement for the management of natural resources**. This agreement could, for example, establish international rules on waste prevention and management, extended producer responsibility, product design and consumer information. It may even consider the establishment of national circular economy action plans, contributing to decoupling environmental degradation from economic growth.



- Waste management plays an important role in the circular economy. For many countries, particularly developing countries, this is the first problem that needs to be addressed to start the transition. At the same time, millions of tonnes of European waste has been exported to non-EU countries, often without sufficient consideration of proper waste treatment. The European Commission will take action with the aim to **ensure that the EU does not export its waste challenges to third countries**. The EU will continue advocating for strong and ambitious international rules for waste shipments, notably in the context of the Basel Convention on the control of transboundary movements of hazardous wastes and their disposal.



The Circular Economy Action Plan calls for the **systematic promotion of the global circular economy transition** through multilateral, bilateral and regional policy dialogues, and environmental and free trade agreements:

- **Multilateral fora**, such as the United Nations, G7 and G20
- **UN conventions** on climate change, biological diversity and desertification and other multilateral environmental agreements
- **Cooperative programmes**, for example, the Ten-Year Framework Programme on Sustainable Consumption and Production
- The EU **Free Trade Agreements** will seek to reflect the enhanced objectives of the 2020 Circular Economy Action Plan, in particular, in the context of Trade and Sustainable Development agenda.



Bilateral policy dialogues provide opportunities for promoting the EU's circular economy approach, especially with developing countries, as well as international standards development, and opening new markets for European businesses.



Support to **regional initiatives** in e.g. **Africa** and the **Western Balkans** offers opportunities to maximise the benefits of the circular economy.



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