

Policy Brief: SDG Knowledge Weekly: Transitioning to a Circular Economy, Sustainable Consumption and Production | SDG Knowledge Hub | IISD

IISD's SDG Knowledge Hub

The [2019 World Resources Forum](#) took place from 24-27 February, in Antwerp, Belgium, on the theme 'Closing Loops: Transitions at Work.' This brief focuses on topics discussed at the Forum, including the transition to a circular economy through the lenses of cities and regions, food and bio-based materials, 'industry 4.0,' soils and land use, finance, climate policy, and waste and materials management, among other topics.

Launched at the World Economic Forum (WEF) in January 2019 by Circle Economy, this year's [Circularity Gap Report](#) notes that, of the 92.8 billion tonnes of biomass, fossil fuels, metals and minerals that enter the global economy annually, only nine percent are re-used. The report identifies four actions to bridge the gap: 1) translating global trends to national, regional and commercial pathways; 2) developing decision metrics and a measurement framework; 3) facilitating peer-to-peer learning; and 4) building a global coalition for action. A more detailed [write-up](#) is available on the SDG Knowledge Hub.

Complementing a transition to circularity is the absolute reduction of materials use. Tom Dowdall [writes](#) in an article on GreenBiz that "solving the plastic pollution crises requires focus on... responsibility." He argues that, "by emphasizing recyclability and recycling over reduction and elimination of plastic waste, major companies are still ducking their responsibility to tackle plastic pollution." The solution, Dowdall notes, starts with transparency, builds to clear goals for absolute reduction, and must include regular progress reports.

Until such reductions are achieved, issues such as product packaging remain. In a GreenBiz [article](#), Scott Cassel outlines several steps on ways to "repackage packaging" including through extended producer responsibility (EPR). Cassel flags trade association pushback on recycling policies, and a need to shift the onus of packaging waste from taxpayers and governments to manufacturers, in order to incentivize the transition to a more circular system.

In a third [article](#) posted to GreenBiz, Joel Makower describes how "reuse" is making a comeback. He notes that "the rise of the circular economy... has jumpstarted a nearly moribund culture of reuse." Leading the way, Makower explains, are services that seek to bring back the "milkman model" whereby products are delivered and picked up in refillable containers. The article closes by flagging key players to watch, such as [Loop](#) and [Walmart](#).

Cutting across the themes discussed in the three GreenBiz pieces is a recent initiative by furniture manufacturers exploring recycling and leasing models. A Sustainable

Brands [piece](#) describes Ikea's piloting of several initiatives, including the sale of used and rental furniture, as well as Loll Designs' work towards Cradle to Cradle certification, which scores products based on five categories of criteria: material health, material reutilization, renewable energy and carbon management, water stewardship and social fairness. A fourth GreenBiz [article](#) describes Ikea's product-as-a-service (PaaS) model, noting that "when companies capitalize on a product's performance rather than the volume of sales, they are incentivized to invest in durability instead of planning for obsolescence."

A joint venture led by BNP Paribas Leasing Solutions and 3 Step IT is seeking to bring the PaaS model to the technology sector. The two companies [announced](#) that they will offer complete management service for their technology equipment. The initiative comes four years after an [analysis](#) by Trucost identified a multi-billion dollar opportunity for advancing circular economy best practices in the electronics sector.

Also focusing on technology, a WEF [paper](#) co-published with the Platform for Accelerating the Circular Economy (PACE) sets out a new vision for the electronics industry. The report focuses primarily on electronic waste (e-waste), noting that nearly 50 million tonnes are produced each year, and less than 20% is formally recycled. The monetary value of this waste, the report notes, exceeds USD62.5 billion. To increase the amount of e-waste recycled and capture the value of the materials, WEF and PACE call for electronics to be designed with reuse and recycling in mind, as well as expanding e-waste recovery systems to formally and safely employ people.

Linking technology and finance, a [post](#) by Simon Zadek, UN Development Programme (UNDP), on the Brookings Institution's Future Development blog asks whether fintech is "the solution, problem, or irrelevant?" Emphasizing that digitalization is already changing today's economy—from the way we purchase goods and services, to the goods and services themselves—Zadek describes the promise and pitfalls of digital finance, as well as its uses and limitations. For example, while digital finance platforms can crowdsource funding for distributed solar technologies, they risk excluding poor or high-risk borrowers.

On food systems, Nick Jeffries, Ellen MacArthur Foundation, [outlines](#) five case studies in applying circular economy principles. He notes that the industrial system produces only 30% of food (with the rest supplied by the smallholder farmer system), but it uses 70% of resources. Jeffries identifies four levers towards a circular food economy: closing nutrient loops, recovering value from by-products such as chemicals or energy potential; diversifying production and shorting supply chains; and leveraging the power of digital technology to better manage and allocate resources. The case studies themselves demonstrate the successful application of technology to: recover nutrients from wastewater; alternative sources of livestock feed; urban farming; waste processing; and data systems.

Additional issues of the SDG Knowledge Weekly can be found [here](#).