



Position Paper

2020

Circular Economy

In today's linear economy, valuable resources are lost and gigantic amounts of waste are produced due to the short use of products and materials. This way of doing business is inefficient in terms of resource use and has significant negative impacts on global ecosystems. The extraction of raw materials alone is responsible for more than 50% of global greenhouse gas emissions – in addition to the considerable water footprint and loss of biodiversity in the mining areas.

A circular economy aims to increase productivity, efficiency and traceability of products, components and materials, to maintain their value and keep them within the economy. With it comes the revival of sharing, leasing, remanufacturing, repairing and recycling practices. The idea of circularity, which first surfaced in the 1970s, is neither new nor ground-breaking. But it is an idea whose time has come.

Benefits of a circular economy

From a conservation perspective, potential opportunities of a circular economy are manifold and support WWF's mission to build a future where people live in harmony with nature. A circular economy can enable:

- An economy functioning within Planetary Boundaries and contributing to the Sustainable Development Goals (SDGs).
- A transition to a net zero greenhouse gas emission economy.
- A major reduction in the need for extracting new resources.
- A healthier environment by eliminating pollution and waste.
- A narrative to engage and work with society, politics and industry for a sustainable transformation.

In addition, a circular transition can create many new jobs and empower people in sustainable consumption. These benefits will only be realised if specific principles and design aspects are applied. Many players are today interpreting and acting on the idea of a circular economy primarily with a focus on recycling and resource efficiency in production processes, making decisions based purely on economic indicators. This has the potential to lead to further, unsustainable growth and largely ignores ecological and human dimensions.

Short definition

"WWF defines a sustainable Circular Economy as a regenerative system, driven by renewable energy that replaces the current linear 'take-make-dispose' industrial model. Materials are instead maintained in the economy, resources are shared, while waste and negative impacts are designed out. A sustainable Circular Economy creates positive environmental and society-wide benefits and functions within planetary boundaries, supported by an alternative growth and consumption narrative."

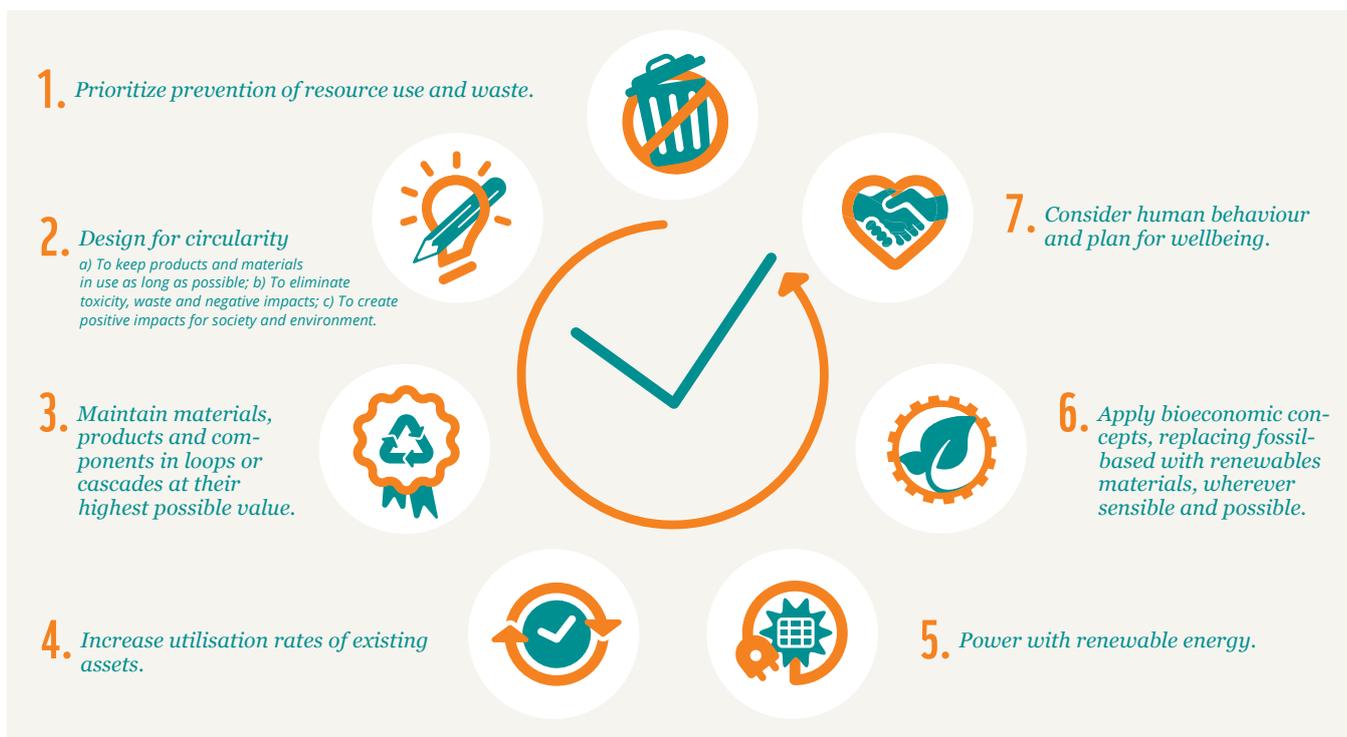
Principles of a transformative circular economy

If a sustainable circular transformation is to enable humanity to remain within planetary boundaries, its definition and activities need to adhere to the following principles:

1. Societal benefits beyond business growth & innovation must be delivered.
2. Economic growth needs to be redefined; a dialogue around alternative forms of growth, increased sufficiency and lifestyle shifts has to be initiated and designed into circular frameworks.
3. Valuation of resources, materials and products must be transformed, taking into account the ecological and social costs.
4. Systems thinking and collaboration must form the basis – all stakeholders in society, including business, civil society, government and consumers must play a role in design and implementation.

Success criteria

Specifically, the design of a circular economy should follow these specific criteria:



Our objective: A circular economy that protects and regenerates nature and climate.

To achieve this, a systemic change must take place with all actors:

1. Businesses build up circular business models and implement them with partners.
2. Politics establishes a congruent regulatory landscape, which enables the circular economy and acts as a role model.
3. Consumers understand, demand and use circular products.

That's what we stand and work for.

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