

MEETING THE
CLIMATE GOALS
REQUIRES STRONG
CIRCULAR ECONOMY
POLICIES



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EUROPEAN SUSTAINABLE BUSINESS FEDERATION

About 50% of the CO₂ emissions is related to materials and products

ECOPRENEUR.EU, the European Sustainable Business Federation, welcomes the high priority given to climate by both the new Parliament and the European Commission. President-elect Ursula von der Leyen said: "I want the European Green Deal to become Europe's hallmark. At the heart of it is our commitment to becoming the world's first climate-neutral continent. It is also a long-term economic imperative: those who act first and fastest will be the ones who grasp the opportunities from the ecological transition. I want Europe to be the front-runner."¹

The support reflects the growing concern of European citizens for the impacts of climate change.^{2,3} Ecopreneur.eu advocates rapid introduction of strong EU climate policies. Adopting the 2050 carbon neutrality goal, as advocated by many organisations including the Climate Leadership Group (CLG), is a crucial first step.⁴ In addition, to actually achieve the climate goals, the introduction of strong circular economy policies is urgently needed - as backed up by various reports (for references see page 4).

Climate change is closely linked to materials use. Apart from emissions from land use and forestry, about half of global greenhouse gas emissions are released during the extraction and processing of



materials and the manufacturing of goods.^{5,6} Only 9% of materials are currently reused.⁶ Making better use of the materials that already exist in the economy can thus take EU industry about halfway towards net-zero emissions. Ambitious circular economy policies are needed to tackle these emissions. Comprehensive eco-design for product longevity, maintenance, repair and sharing is key to increase the product life-time and reduce materials consumption. Importantly, circular economy practices include moving from waste incineration to recycling, substituting virgin materials with high embedded emissions by recycled materials.^{5,6,7,8,9,10,11,12}

Ambitious circular economy measures are needed for net-zero emissions by 2050

Moreover, doing so is economically attractive: the circular economy can generate € 600 billion per year and two million net new jobs in the EU^{13,14} while the introduction of sustainable practices can bring and 18 million new jobs worldwide by 2030.¹⁵

Measures to accelerate and mainstream the circular economy therefore deserve a central place in EU climate and industrial policy. Ecopreneur.eu has published clear proposals for introducing circular economy policies at the EU level, the national level, for plastics, and recently also for fashion, as the first example of how to make a sector circular.^{16,17} The measures proposed are financial incentives (extended producer responsibility, low VAT and a tax shift from labour to resources), procurement, innovation, regulation, trade policies and voluntary actions. Implementing these measures during the next policy cycle requires rapid political action by all EU- and member states institutions. Few concrete measures have been implemented so far. It's time to get all hands on deck!



The circular economy can bring two million net new million EU jobs by 2030

Ecopreneur.eu recommends strong measures using financial incentives, procurement, innovation, regulation, trade policies and voluntary actions

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ABOUT ECOPRENEUR.EU

Ecopreneur.eu sets a course toward sustainable economic policies on the European level to support the economic and societal transformation across Europe and beyond. Ecopreneur.eu aims at opening solidified structures and brings sustainable matters to European policy makers.

ECOPRENEUR.EU is a non-profit non-governmental organisation that now holds six associations from different countries of the European Union. Together they represent over 3000 green businesses, mostly SMEs.

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