



# INVESTING IN THE CIRCULAR ECONOMY A BLUEPRINT FOR A GREEN RECOVERY



*'I want Next Generation EU to make our Union a leader on circular economy. For too long, global growth has been based on predatory ideas. Humanity took away resources from the environment, and in exchange, produced waste and pollution. I am convinced this can change. With the European Green Deal, we aim at an economic and recovery model that gives back to our planet more than it takes away.'*

*Ursula von der Leyen, President of the European Commission,  
2020 State of the Union address*

The European Union is facing parallel global challenges – an **economic crisis** due to the coronavirus pandemic and an environmental crisis stemming from **climate change** and the **destruction of nature**.

We need to **decouple growth** from **resource use**, for sustainable development **within planetary boundaries**.

- ▶ A shift to a **circular economy** addresses both crises and increases the **resilience** of our economy. It makes change happen by design.

The EU's **circular economy action plan** provides a clear vision for a clean and competitive economy. It proposes a plan to ensure that resources are kept in the economy for as long as possible, respecting our planet for a better quality of life for all.

**Next Generation EU**, the European Commission's proposed coronavirus recovery plan, boosts investment in the green and digital transitions. With it, the circular economy should be scaled up to move beyond niche sectors and to embed circularity across all sectors of the economy.



In a **CIRCULAR ECONOMY**, the value of products, materials and resources is maintained in the economy for as long as possible, while waste generation is minimised. Everyone can contribute to this shared agenda: public authorities, businesses, non-governmental organisations, academia, civil society and citizens.

# Protect natural resources ...



We only have **one Earth** but by **2050**, we will be consuming as if we have **three planets**.

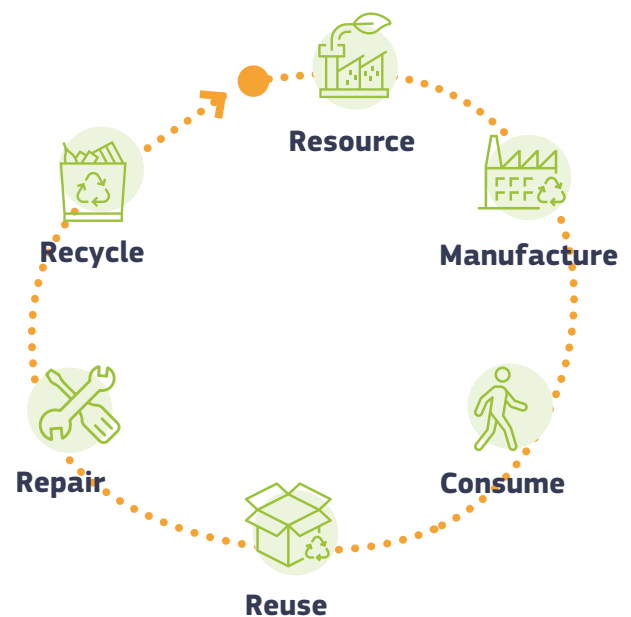
Resource extraction and processing are responsible for **50%** of greenhouse gas emissions and **90%** of biodiversity loss.

## ... for resilient growth

A more circular economy could create at least **1 million new jobs**.

It would create **local jobs at all skills levels**, opportunities for social integration and a higher gross domestic product in all EU Member States.

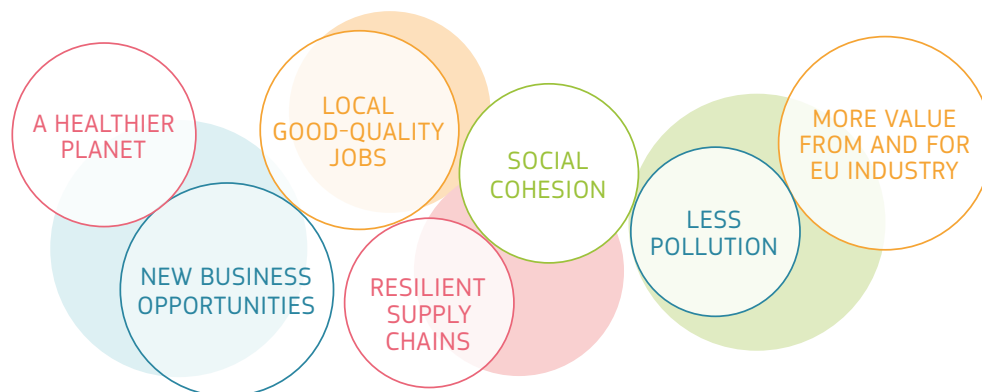
- ▶ Circular supply chains and repair and reuse of products, for example, sustain local jobs and can keep value in the EU economy.





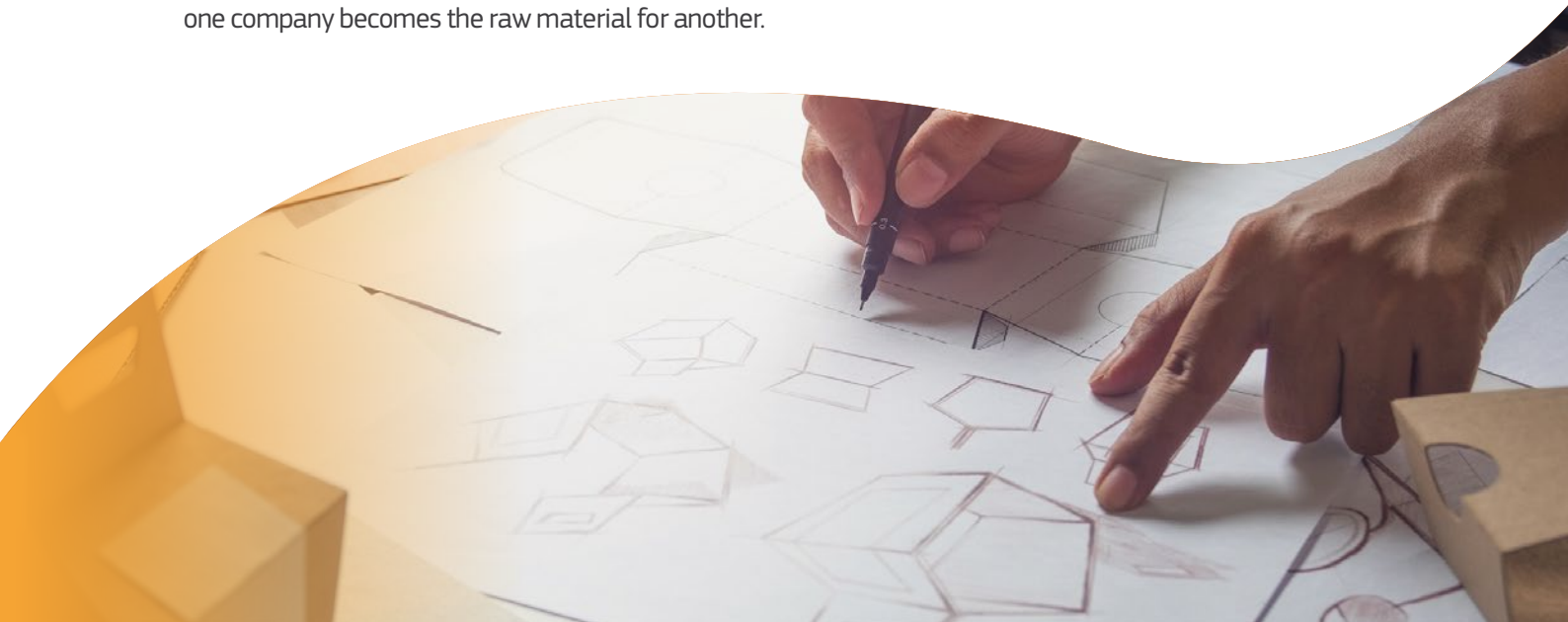
## Impacts

A green recovery from the economic crisis, boosted by a circular economy, brings benefits such as:



## Where to invest?

- ▶ Incentivise circular business models and production processes, reverse logistics, and feedback loops to **reuse, refurbish and re-manufacture products**.
- ▶ Engage **advanced manufacturing capabilities**, such as digital and other enabling technologies.
- ▶ Develop **alternatives to primary raw materials** and promote the use of **recycled materials**.
- ▶ Promote design for **products that last longer** and are easier to **repair** and **recycle**.
- ▶ Stimulate a **local circular economy**, for example with industrial symbiosis sites where waste from one company becomes the raw material for another.
- ▶ Modernise or upgrade existing **recycling** and **waste-treatment infrastructure**.
- ▶ Support the identification and **removal of hazardous substances and contaminants** from products, waste and secondary raw materials.
- ▶ Invest in **smart mobility** for more circular cities.
- ▶ Introduce economic instruments and tools that support **sustainable consumption**.
- ▶ Finance training and education for **green skills**.
- ▶ Lead the way with **green public procurement**.



# How this works?



## The EU commits to rebuilding to a more sustainable economy

EUR 750 billion in investment is available under **Next Generation EU** as part of the EU's recovery plan, proposed with a reinforced long-term EU budget for 2021-2027.

Some of the Next Generation EU funds are available through the Recovery and Resilience Facility. To access this support, Member States submit draft national recovery and resilience plans to the Commission and are encouraged to include investments and reforms for the transition to a green and digital economy, in line with the European Green Deal.

As part of the proposed investment and long-term budget, programmes such as InvestEU will support the circular economy. This is in addition to support from other Commission funding and investment programmes like Horizon Europe, LIFE, the Cohesion Funds and REACT-EU, and the Just Transition Fund.

THE **CIRCULAR ECONOMY** IS AN OPPORTUNITY TO PUT THE EUROPEAN UNION ON A PATH TOWARDS AN ECONOMY THAT PROTECTS THE ENVIRONMENT, IS MORE RESILIENT, CREATES LOCAL JOBS, AND BOOSTS FAIRER, MORE SUSTAINABLE GROWTH.

### Want to know more?

#### Recovery plan for Europe

[https://ec.europa.eu/info/live-work-travel-eu/health/coronavirus-response/recovery-plan-europe\\_en](https://ec.europa.eu/info/live-work-travel-eu/health/coronavirus-response/recovery-plan-europe_en)

#### The EU's Circular Economy Action Plan

<https://ec.europa.eu/environment/circular-economy/>

#### European Green Deal

[https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal\\_en](https://ec.europa.eu/info/strategy/priorities-2019-2024/european-green-deal_en)



@EU\_ENV



@EUEnvironment

#NextGenerationEU

#EUGreenDeal

#circulareconomy

#CEStakeholderEU

Luxembourg: Publications Office of the European Union, 2020  
© European Union, 2020  
Reuse is authorised provided the source is acknowledged.  
For any use of photos, permission must be sought directly from the copyright holders.

Cover: Getty Images/©Martin Barraud;  
Page 2: Getty Images/©Riekkinen –  
Getty Images/©monkeybusinessimages –  
Getty Images/©Jorgefontestad –  
Getty Images/©Prostock-Studio –  
Getty Images/©JackF;  
Page 3: Getty Images/©Chaosamran\_Studio;  
Back cover: Getty Images/©Bigmouse108.



Publications Office  
of the European Union

Print

ISBN 978-92-76-22555-3

doi:10.2779/562432

KH-02-20-797-EN-C

PDF

ISBN 978-92-76-22546-1

doi:10.2779/48431

KH-02-20-797-EN-N