## Finding our way to circularity

## By Phoebe Cochrane

The need to focus on overall consumption reduction, improve our metrics, be mindful of the importance of biodiversity, and introduce a circular economy bill to drive radical and systemic change, were some of the findings of a recent seminar.

An OECD <u>report</u> published last year finds that the world's consumption of raw materials is set to double by 2060 and we know that in Scotland we consume more than our fair share. Much of the environmental and social impact of our consumption falls beyond our borders and there is a massive moral imperative to reduce our consumption of raw materials. Scottish Environment LINK's project, *A Circular Economy for a Fairer Footprint,* aims to garner support for legislation and policies to increase circularity of the Scottish economy.

LINK recently held a <u>seminar</u> to discuss pathways to a more resource efficient and circular economy in Scotland. Participants came from the public, private and third sectors and we heard about progress to date, experience from other parts of the UK, and areas of policy development. It was a thoroughly stimulating morning and there were a number of points which struck me.

First, there was widespread support amongst participants for our emphasis on a fairer footprint and agreement that we should be pushing for a circular economy which goes beyond increased efficiencies to one with an overall reduction in consumption of raw materials.

Second, that radical change is needed. Scotland has rightly been commended for the leadership shown in taking forward a number of projects and areas of work to support increased circularity. However, much of what has been done has involved working with the 'interested and willing' and to really make a difference we need more radical and systemic change. The seminar heard about a recently completed study in Finland which looked at how fiscal reform could incentivise the shift to circularity. In the UK the proposed tax on plastic bottles which contain less than 30% recyclate is a start.

Third, although the circular economy is often presented in terms of economic opportunities, the shift required represents a real challenge to business. Often the changes needed can not be achieved by tweaks to existing models. Clear policy horizons and level playing fields are good for business and the lack of the former is one of the reasons that private investment in the circular economy is low.

Fourth, for many Scottish Environment LINK members, the absence of biodiversity in the discourse about a more circular economy is a concern. We know that biodiversity provides us with many life support functions, and we need to co-exist with biodiversity, allowing it to flourish alongside us. Biodiversity not only suffers at the hand of our current economic activities, it also offers some of the solutions; in particular playing an integral part of more circular land-use practices where natural recycling and predator systems can replace the need for artificial inputs.

Fifth, the development of metrics to enable us to assess the quantities of materials being consumed and the impact that is having on our planet is very important. Work is under way which will provide basic data for Scotland soon and this is a hugely important step which will inform policy development and allow us to monitor progress. However, material flow and consumption data is based on weight and, although this can be complimented with information on carbon, it still falls short of giving us the full picture in terms of environmental impact.

Sixth, extended producer responsibility (EPR), currently applied narrowly and widely felt ineffectively, theoretically has enormous scope. It could be applied, for example, to the production of white goods or furniture. Westminster are soon to consult on reform of EPR and we need to think about its potential.

Finally, the seminar discussed a circular economy bill for Scotland. This was promised in the 2016 SNP manifesto but has not yet been brought forward. Such a bill could demonstrate intent and provide the clear policy signal that we need. The next step for the *Circular Economy for a Fairer Footprint* project will be to develop a call for a circular economy bill, drawing on the expertise of others and bringing together a coalition of organisations.

Phoebe Cochrane is Scottish Environment LINK's Sustainable Economics Policy Officer and leads the *Circular Economy for a Fairer Footprint project* which is funded by Friends Provident Foundation.