

02. THE WEIGHT OF ECONOMY IN RESOURCES CONSUMPTION

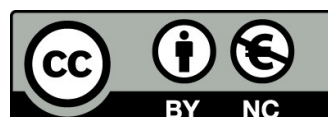
Area	<i>Use of Resources</i>										
Level	<i>BASIC</i>										
Topic	<table border="1"> <tr><td></td><td></td></tr> <tr><td>x</td><td>2. Economic implications of RC production and consumption</td></tr> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> </table>			x	2. Economic implications of RC production and consumption						
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Module	<table border="1"> <tr><td></td><td></td></tr> <tr><td></td><td>The weight of the economy in the resources consumption</td></tr> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> <tr><td></td><td></td></tr> </table>				The weight of the economy in the resources consumption						
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Keywords	circular economy; corporate social responsibility; responsible business models; limited resources; sharing; renting; reusing; repairing; renewing; recycling										
Introduction (500-1000 characters including spaces)	<p>According to experts, every day we receive around 3,000 advertising messages trying to convince us - and often succeeding-, that consuming will make us happier. Shopping has turned into a pleasant activity that seems to be able to relieve our frustrations and grieves.</p> <p>Is it possible to escape from this enormous pressure? It is not easy. But we know that all this</p>										

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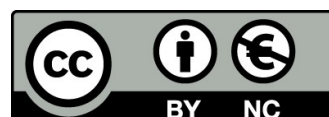
	<p>consumption is depleting our resources, that the planet we inhabit is finite, and that if we continue on this path, we will seriously compromise the chances of survival of future generations.</p> <p>The economic response to this challenge lies in the circular economy, which consists of a production and consumption model that involves reusing, repairing and recycling materials and products as long as possible, extending their life cycle, and reducing waste to a minimum.</p> <p>When a product ends its life, its materials are kept for being productively used again and again, trying to reach zero waste production. It contrasts with the traditional linear economic model, based primarily on the "use and throw away" concept. This model has become obsolete and we need to create sustainable, resilient businesses that provide value from both an environmental and social point of view.</p>
Economic Impacts/Benefits (2000-2500 characters including spaces)	<p>Responsible consumption by citizens is one of the drivers of the circular economy. The circular economy involves creating responsible business models based on the creation of real value, i.e., economic viability and profitability are combined with providing a utility to society and service to the community. This is what is called Corporate Social Responsibility.</p> <p>The application of the circular economy has a direct impact on the fight against climate change and waste prevention. Driven by design and underpinned by the use of renewable energy and materials, the circular economy revolutionises the way we design, produce and consume.</p> <p>The Circular Economy focuses on savings on the shares of material, labour, energy, and capital embedded in the product. It is intended to “design out waste”, trying to turn consumables (one or few time usage) into durables (years of usage) products. Material savings can be achieved by already</p>

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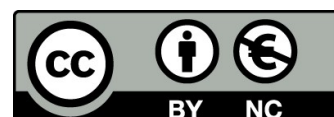
	<p>established recycling and remanufacturing activities finally aiming at a “zero waste economy”. Likewise, the application of circularity principles to industry and construction could lead to a reduction in materials (and costs), the optimization of energy use, the reuse or recycling of high-value materials, the reduction of plastic production and consequently the global generation of plastic waste, that will be a crucial concern.</p> <p>By addressing structural inefficiencies along supply chains, the circular economy offers abundant opportunities for value creation at the industry level, in fields such as the development of returnable packaging logistics, the second-hand market, the refurbishing services, the production, use and maintenance of low-impact vehicles for distribution, etc.</p> <p>According to Accenture, circular economy (CE) practices would contribute 4.5 trillion dollars until 2030 by closing the circularity gap.</p> <p>Circular economy brings enormous opportunities for creating so called green jobs, both directly and indirectly. According to the WEF, the circular economy will represent a market value of 4.1 billion euros until 2030, and an employment creation of 6 million of jobs.</p>
<p>Good practices (1000 -1500 characters including spaces)</p>	<p>Transition to a circular economy concerns all the actors of the economic system. Companies, as the main protagonists of the change towards a more sustainable production model, must incorporate good practices, such as the following:</p> <ul style="list-style-type: none"> - <i>Too Good To Go</i> is a service with a mobile application that connects customers to restaurants and stores that have surplus unsold food. The service covers major European cities, and has also started operations in North America.

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	<ul style="list-style-type: none"> - <i>Renault</i>, the main French car producer, has created a refractory plant, the first European circular economy plant dedicated to mobility, which is expected to generate a turnover of 200 million euros by 2025. Eleven million cars end their useful life every year in Europe and the car industry dumps vast amounts of waste, toxic chemicals and metals into landfills. However, 85% of the car materials can be recycled. Part of the project is a new workshop capable of reconditioning 150 used cars a day, that are refurbished, photographed and sold again. The refractory also reconditions more than 1,600 different car parts. - <i>Nestlé</i> is committed to waste reduction: 'Our ambition is to make 100% of our packaging recyclable or reusable by 2025. We want to make sure that none of our packaging, including plastics, ends up in landfill or as litter, including in oceans, lakes and rivers, reaching 95% of our packaging recycled by 2025. We are also reducing the use of newly made plastic - or virgin plastic - by one third by 2025'.
Current and future challenges (1000 -1500 characters including spaces)	<p>The economy was just 8.6% circular in 2021, which implies we could only reallocate 8.6% of non-virgin materials. Our economic system is founded on recklessly exploiting the planet's resources, resulting in environmental, ecological, social, and health issues. Employing virgin resources for 91.4% of our economic activities also suggests a significant "circularity gap" that is linked to inefficient business practices.</p> <p>Thus, we have to talk about concepts such as sustainable value chains that generate trusting relationships that seek a win-win approach for all the actors involved, the promotion of sustainable entrepreneurship and social innovation as responsible business models.</p>

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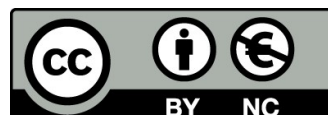
	<p>Sustainability means cost savings by reducing the use of resources and waste, and by promoting a local, local economy.</p> <p>Transparency on the part of companies and education and information on the part of consumers are also important for the further development of sustainable markets, economic indicators of sustainability (stock market indexes of ethical businesses), financing, etc.</p> <p>Sustainability is economically profitable and is a long-lasting strategic commitment for the future: we are facing a new paradigm.</p> <p>The Next Generation programme is a huge opportunity to advance to a more circular economy. The EU's long-term budget, coupled with <i>NextGenerationEU</i> (NGEU), the temporary instrument designed to boost the recovery, form the largest stimulus package ever financed in Europe. A total of €2.018 trillion in current prices* are helping rebuild a post-COVID-19 Europe. It will be a greener, more digital and more resilient Europe.</p>
Language	<i>English</i>
Partner	UA / UMA / ...
Further references	<p>CE: a question of design (UNIDO, 2021) https://www-admin.unido.org/lm_auth_proxy?DoLMLogin?curl=L2fstoriesL2fcircularL2deconomyL2dquestionL2ddesignL3f_gaL3d2L2e40738859L2e820119244L2e1673807092L2d970145265L2e1673807092&curlid=834566825-2158909443&curlmode=0</p> <p>Launch of the Global Alliance on Circular Economy and Resource Efficiency (UNIDO, Feb 2021) https://www.unido.org/news/launch-global-alliance-circular-economy-and-resource-efficiency-0</p> <p>Why innovative manufacturing and circularity are key for a resilient manufacturing industry post-COVID-19 (UNIDO, May 2020)</p>

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Accenture (2021). Winning consumers with a circular economy: <https://www.accenture.com/us-en/insights/consumer-goods-services/circular-economy>

EC: Recovery Plan for Europe: https://commission.europa.eu/strategy-and-policy/recovery-plan-europe_en

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