



# 1. INTRODUCTION

Our current global economy is mostly linear – take, make, and dispose. Societies extract raw materials, make products, then throw them away. A circular economy (CE) is built on the principles of nature, such as regeneration and material cycles. Waste and pollution are eliminated, energy and materials are preserved, and non-toxic materials are maintained at their highest value for as long as possible.

Making the transition from a linear to a circular economy requires a profound systems change. It demands bold vision, knowledge, tools for action, and strong environmental policy. To accelerate the transition from a linear to a circular economy, the MAVA Foundation funded impactful collaborations between visionary organisations at the vanguard of a new, future-proof economy.

BUDGET ENGAGED

**CHF 21,8 mn**

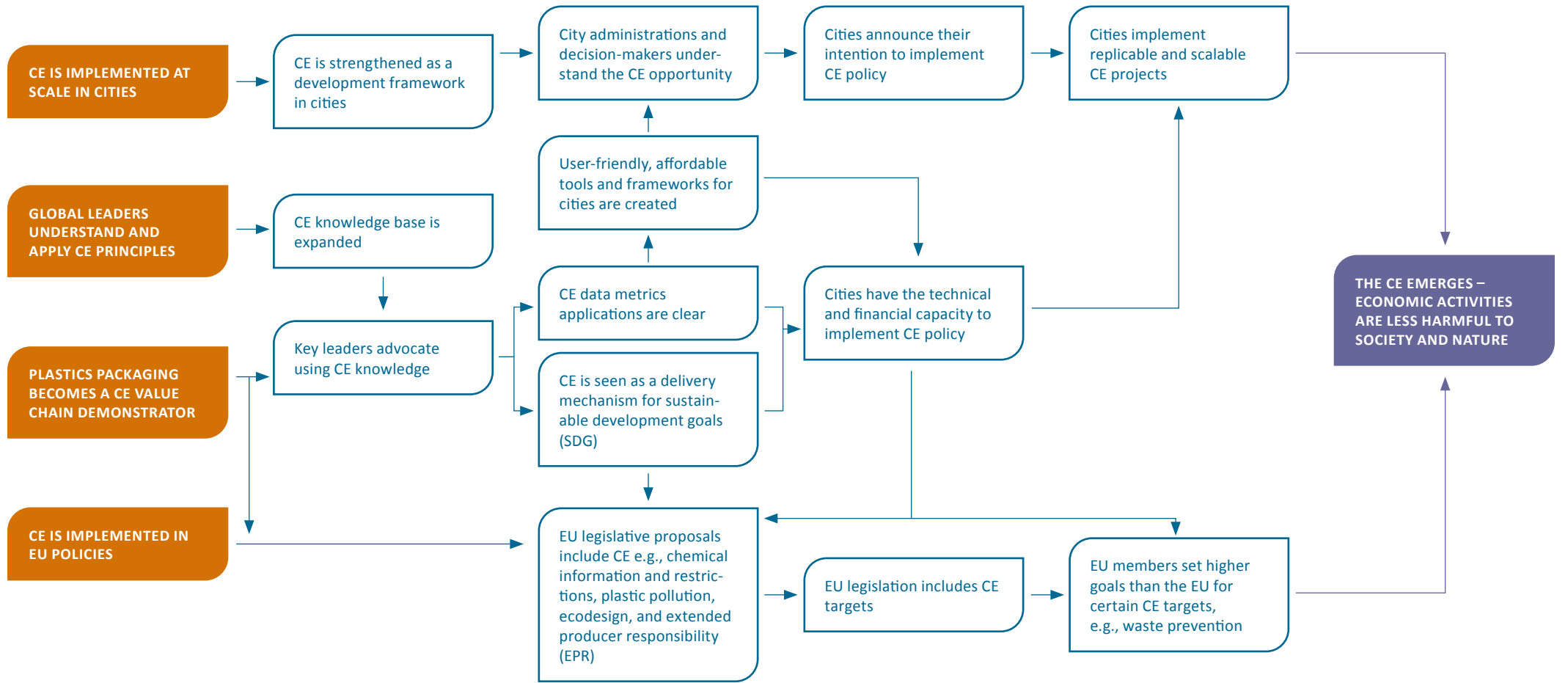
## OBJECTIVES

- influence EU policy to transition to a circular economy
- implement circular economy projects in cities
- inspire leadership and leaders to promote a circular economy
- tackle the plastics problem

## THE PARTNERSHIP







## 2. PROGRESS AND ACTIVITIES

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Over the past 6 years, our partners worked to promote a transition towards a more circular economy, with strategic projects in four focal areas : EU policy, cities, leadership, and plastics.

Many of these projects were large-scale collaborations that built and strengthened bonds between stakeholders, an approach designed to counteract the traditional model of competitive, siloed individualism. This inclusive, multi-stakeholder perspective was fundamental to our achievements.

Together, we created a Theory of Change Diagram, established a common agenda, and developed new frameworks, language, digital tools, and knowledge products. Flexibility of funding allowed us to adapt our activities as opportunities arose and contributed to our success.

### STRATEGY 1: INFLUENCE EU POLICY TO INCORPORATE CIRCULAR ECONOMY

We advocated for circular economy, developing documents to inform policy and seeking connections to align national and subnational policymaking. Our activities included:

- engaging with policymakers on new developments in policy and science, and collaborating on improving the EU Sustainable Products Policy and the EU Chemicals Strategy for Sustainability.
- advocating for a Digital Product Passport for circularity performance and ecological footprint transparency;
- creating a Systems Change Compass, endorsed by leading EU institutions, to reduce resource use;
- developing a CE policy database and trade flow data explorer to inform policy with organisations like the World Trade Organisation (WTO), Organisation for Economic Cooperation and Development (OECD) and World Bank.

### STRATEGY 2: IMPLEMENT CIRCULAR ECONOMY PROJECTS IN CITIES

We developed and implemented city-wide CE strategies and policies based on the 'five Rs' - rethink, regenerate, reduce, reuse, and recover. We developed metrics and digital tools and more systemic support for circular innovation. Our actions included:

- assessing existing CE financing to develop blended finance;
- creating CE strategies for over 550 cities;
- building ganbatte.world, an online platform that helps cities initiate their CE journey;
- developing targeted knowledge products and digital tools like the Circular City Action Framework and the Zero Waste Cities programme.

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### STRATEGY 3: INSPIRE LEADERSHIP AND LEADERS TO PROMOTE A CIRCULAR ECONOMY

We produced and distributed thought leadership materials, designed campaigns, and hosted events to establish shared narratives around the CE. Our activities included:

- developing thought knowledge materials to highlight the connections between CE and the Sustainable Development Goals (SDGs), focusing on climate, biodiversity, social justice, and finance and trade flows;
- launching campaigns with Youth Europe and with intellectual and economic thought leaders (e.g., in the run-up to German national elections);
- engaging with CEOs of large corporations and start-ups to improve understanding of the CE and create solutions for efficient implementation.

### STRATEGY 4: TACKLE THE PLASTICS PROBLEM

We focused on plastic as a critical material in the transition towards circular systems. We highlighted the scale of the problem, making the case for an alternative reuse system, and rallied stakeholders to the cause. Our actions included:

- launching the New Plastics Economy and creating the Global Commitment;
  - creating the Rethink Plastic Alliance coalition;
  - advocating for global commitments and treaties on plastic pollution;
  - compiling an inventory of plastic packaging chemicals;
  - collaborating with funding organisations help solve the plastics problem.
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## KEY LESSONS

Implementing the action plan has offered us insights on all our focal points:

1. An evidence-based, unified approach representing diverse stakeholders working together was a powerful tool and key condition for success.
2. One policy change is not enough to make a difference. Only policy harmonisation and a combination of different regulatory, economic, and informational instruments will drive a broader transition.
3. Embedding CE into existing policy agendas, such as climate, chemicals and SDGs, is an effective way to drive change.
4. CE uptake in cities accelerated over the last five years but widespread understanding and implementation was hindered by gaps in technical expertise, regulations, funding, and implementation capacity.
5. Broad CE approaches paired with local knowledge and advocacy groups yielded better results and provided more evidence for replication and scaling.
6. CE leadership increased as the evidence base deepened. Leaders increasingly included CE in sustainable development plans as an effective tool against climate change and biodiversity loss.
7. Local changemakers, especially diverse and historically marginalised leaders, are critical to supporting a contextualised, inclusive transition to CE.
8. Plastic is the poster child for a case study in the need for global, systemic change.
9. A coalition-building approach to systemic change is time-consuming but powerful.
10. Gaps in understanding and vision persist and CE integration remains insufficient, hampered by resistance to change.

### 3. ACHIEVEMENTS AND IMPACTS

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The CE has matured from a little-known, primarily European concept to a multi-faceted framework used by global and regional alliances to address environmental, climatic, economic, and societal issues. CE has taken centre stage in key forums held by the Group of Seven (G7), Group of Twenty (G20), OECD, and World Trade Organization (WTO). Advocacy by leading CE organisations has generated a wealth of relevant data, circular solutions, and case studies accessible online by governments and changemakers in 6,000 cities world-wide.

Raised awareness and political leadership support of CE created an upswing in new policy schemes like Single-Use Plastic and the EU CE Action Plan, and its broad, foundational policies like the Extended Producer Responsibility (EPR) policy, the Ecodesign Policy, and digital product passports.

Cities have led the charge at the vanguard of transition, forming alliances like Local Governments for Sustainability and the Europe Circular Cities Declaration. City governments throughout Europe began implementing cross-value chain pilot projects, large infrastructure projects, and policy programmes.

Mobilising world leaders led to the establishment of national CE roadmaps, and governments began including the CE in their policy agendas. 79 countries committed to the CE through their Nationally Determined Contributions (NDCs). CE implementation also rose among large multinationals with more than two hundred major companies (annual revenues in excess of 1 BN USD) now measuring their operational circularity.

## CASE STUDY 1: REVISING A CORE EU POLICY - THE ECODESIGN DIRECTIVE - TO UNLEASH THE TRANSFORMATIVE POWER OF CIRCULAR ECONOMY IN PRODUCT DESIGN

Established in 2006 to regulate the environmental impacts of products and impose legal requirements on products entering Europe, the EU Ecodesign Directive successfully fulfilled 50% of the EU's 2020 energy efficiency goal. The first version only fell short of a more transformative change because the policy did not adequately consider durability, reparability, recyclability, or resource use.

To ensure product circularity by design and transform the market beyond energy efficiency, beginning in 2018 we persistently defended resource-saving provisions in product regulations, including repair and recycling requirements for extending product lifetime and enhanced value retention of materials. We also worked to expand the Directive's 2022 revision to include a variety of products and requiring systematic information on circularity, materials, and chemical composition through a digital product passport.



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## CASE STUDY 2: DECREASING WASTE AND BUILDING RESILIENCE – ONE COMMUNITY AT A TIME

Capannori, Italy, lowered waste generation by 39% over a ten-year period, after adopting a zero waste strategy spearheaded by local activists. This success story was then scaled to other European cities. The [One community at a time](#) project encouraged collaboration between civil society groups to assimilate CE principles and transform European municipalities into Zero Waste Cities (ZWC). This entailed creating food programmes, reuse businesses, and repair centres to incentivise waste prevention, rethinking separation and collection to keep valuable materials in the system, and reducing waste incineration and exports. Today, nearly 13 million Europeans live in 450 zero waste cities, with larger cities like Munich and Barcelona joining the movement. The commitment-based model has evolved into a more robust certification system, run by Zero Waste Europe's spin-off, Mission Zero Academy.



Reuse & refill systems for household liquids

## KEY IMPACTS

Knowledge and awareness of CE grew substantially, and new tools and frameworks to support more circular activities were created. As governments in both developed and developing economies began using circular strategies to achieve their development agendas, also EU sustainability policy was reinforced with CE aspect.

1. EU policy change has been confirmed, with more than 20 countries setting waste prevention targets and the EU Commission considering food waste and packaging waste reduction targets. The creation of the EU Chemicals Strategy and Restriction Roadmap will prohibit hazardous substances in consumer products. Existing EU policies like the Ecodesign Directive and EPR were extended significantly.
2. Cities have proved to be important in integrating CE. More than 550 cities implemented specific CE projects and 1,200 cities worldwide now use a public database with trade flow data from over 6,000 cities to support evidence-based decision making. In 2020, on average, citizens in Zero Waste Cities generated 160 kgs less (>30%) household waste than their average European counterparts.
3. Global leadership has increasingly integrated CE, with platforms like the Global Alliance for Circular Economy and Resource Efficiency (GACERE), African Circular Economy Alliance, and the Latin American and Caribbean Coalition. CE was included in discussions at the G7, G20, OECD, WTO and at the United Nations Climate Conference (COP).
4. Awareness-raising on plastics was an effective lever for addressing a CE transition and led to policy changes in the EU and worldwide. For example, the EU Directive on Single-Use Plastics will phase out many problematic SUPs, require recycled content in production, and impose EPR and recycling obligations. In March 2022, the United Nations Environmental Assembly adopted a resolution, backed by 175 countries, to work towards a legally binding global agreement to end plastic pollution.

## 4. WHAT WILL HAPPEN NEXT

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Despite the progress of the past years, prevailing economic policies are still overwhelmingly linear. CE implementation lags, in part due to a piecemeal and siloed, rather than systemic, approach. Systemic change requires strong collaboration on strategic actions.

These actions should include more, and broader, CE solutions implemented to significantly reduce material consumption and detoxify material flows. Incidentally, the results-based evidence of better implementation will also help combat greenwashing and commitments that aren't backed up by actions.

We must also make the financial logic work. Creating economic incentives and setting regulatory requirements that enable CE solutions will unlock benefits at scale and make CE the default option for cities and citizens.

Finally, we must advocate for more governmental alignment and build capacities to implant CE approaches into climate, biodiversity, and zero pollution agendas. Raising awareness around social dynamics and economic opportunities can also increase political support for CE as a tool for a more just and inclusive economic model.

Strategic collaboration is key to creating these systemic changes and should be cultivated wherever possible. Core funding, for example, in contrast to the outcome-directed funding that is currently the norm, offers agility and flexibility in setting and correcting directions. This facilitates synergies and collaborative efforts, providing a framework from which stakeholders on every level can be committed to working individually while maintaining a common vision.

*“A circular economy should be a different economic model that does not propagate limitless economic growth that relies on finite resources.”*

Magash Naidoo, ICLEI

*“The cycling of materials containing hazardous chemicals is a barrier to achieving a future-proof circular economy.”*

Jane Muncke, Food Packaging Forum



