



# Key International Aspects of the Transition to a Global Circular Economy

**On behalf of the European Commission, within the Green Growth and Circular Economy Framework, AEIDL produced a factsheet highlighting the importance of the international aspects of the EU Circular Economy Action Plan.**

Over the last year the EU has mapped out a path to creating a better environment while strengthening the EU's economy, as the European Commission adopted the [Circular Economy Action Plan](#) "[For a cleaner and more competitive Europe](#)".

The Action Plan marks out key steps towards fulfilling the policy objectives of the European Green Deal. Importantly, it provides opportunities for the EU to become an international leader on the transition to a global circular economy, enhancing its competitiveness in sustainable consumption and production.

However, the EU cannot achieve these goals independently. A central aspect of the Action Plan is that it sets out to build a *global* circular economy. The Covid-19 pandemic has highlighted the importance of this approach in terms of the ever-increasing globalisation of our economies. Moreover, as many EU supply chains operate on an international level, an internationally coordinated approach is required.

So, what are the international aspects of the Action Plan, and why are they so important?

The international aspects of the Action Plan are essential to achieving several goals of the EU Green Deal and the Sustainable Development Goals such as:

- achieving climate neutrality by 2050,
- decoupling economic growth from resource use,
- keeping resource use within planetary boundaries, setting global standards in product sustainability,
- promoting job creation outside of the EU.

In order to accomplish this, there are significant global trends that must be factored into the process - unsustainable consumption, population increase, and patterns and behaviours around production and consumption.

**Unsustainable consumption** of natural resources, for example, is having a serious impact on the environment and, if not addressed, could dampen efforts of the Action Plan down the line. **Projected increases in global population** is going to further deplete these resources, emphasising the importance of the Action Plan in the implementation of the 2030 Agenda for

Sustainable Development in the EU and beyond.

**Current patterns of and behaviours around production and consumption** must be made more sustainable. Accordingly, monitoring these global trends is a crucial aspect of the global circular economy transition. For instance, consumption footprints can be monitored and decreased in decoupling economic growth from resource use.

There are a number of EU initiatives within the Action Plan that address these aspects:

- Reaching a **global agreement on plastics** - within the Action Plan the EU's policy on plastics provides a model for global agreement as it addresses both land and sea-based sources of pollution, including microplastics, and takes onboard the whole life cycle of plastics.
- **Global Alliance on Circular Economy and Resource Efficiency (GACERE)**, was launched in February 2021. This Alliance will map policies and regulatory frameworks in third countries. It will identify barriers and bottlenecks holding back the global circular economy transition and advise on ways to overcome them.
- The European Commission is looking into the feasibility of a '**Safe Operating Space**' for natural resource use that would establish local, regional and global thresholds that cannot be exceeded. Based on this concept, the European Commission will consider initiating discussions towards an international agreement for the management of natural resources which would establish international rules.

Learning to manage our natural resources as part of an international approach will not only help the EU reach climate neutrality by 2050, but this also provides opportunity for the creation of jobs, business opportunities and the facilitation of market access. The EU is the world's largest single market, which means it is strategically positioned to lead the way on global standard setting for product sustainability along all international supply chains.

**Developing countries** will profit from a transition to a circular economy in terms of skills development and jobs, in addition to economic diversification. With regards to concerns for raw materials exporting countries, the world will continue to require these resources, however the global circular economy approach rather lowers the rate of increase by utilising secondary raw materials.

The Action Plan calls for a systematic approach to promoting global circular economy initiatives. This approach involves **multi-lateral, bi-lateral and regional policy dialogues**, as well as environmental free trade agreements. Key actors such as the UN, the G7 and G20 will be involved. The logic behind this approach is that as many players and voices should be involved in order for widespread action on and promotion of the transition to a global circular economy. Ultimately, it comes down to managing our natural resources sustainably and strategically.

AEIDL will continue to promote this message, and the importance of accounting for the international aspects of the transition to a global circular economy.

[Factsheet](#)