

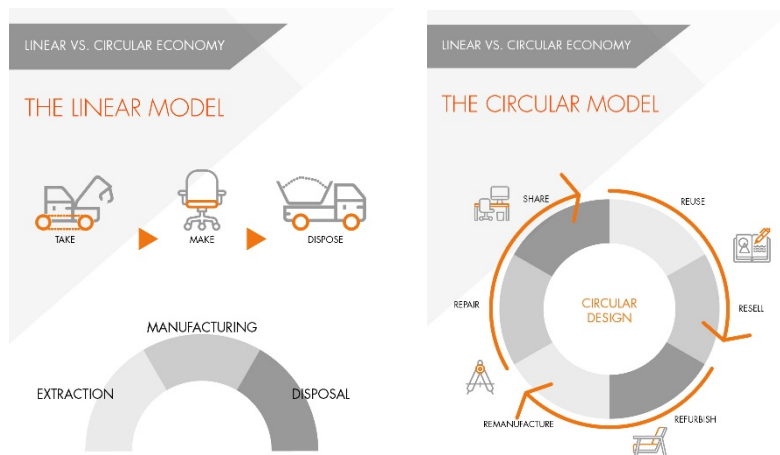


Factsheet: The circular economy

Definition

According to the Ellen MacArthur Foundation: 'A circular economy aims to redefine growth, focusing on positive society-wide benefits. It entails gradually decoupling economic activity from the consumption of finite resources, and designing waste out of the system. Underpinned by a transition to renewable energy sources, the circular model builds economic, natural, and social capital. It is based on three principles:

- design out waste and pollution
- keep products and materials in use
- regenerate natural systems.



Why is it important?

The circular economy is a strategic and practical approach that transforms the way we design, make and consume products, resulting in the considerable reduction of carbon extracted and emitted through wasteful behaviour. It is an essential strategy to help address the climate emergency alongside considerations around energy reduction and renewable resources.

How does it affect our profession?

The circular economy is centred around designing out waste and pollution, keeping resources in use for as long as possible, and regenerating our natural systems. For the workplace, the

message is to use less, share more, and make sure that what you do use has been sourced sustainably and has the potential to be reused, repurposed, or recycled, rather than simply becoming waste.

The FM role is influential in many areas of business operation and by engaging in circular economy thinking, FM can help contribute to an organisation's sustainability or net zero ambitions. Organisations seeking a net zero target and measuring their Scope 3 emissions will need to consider the impacts of their supply chain. By engaging in circular business models focused on reuse, repair, refurbishment, redistribution, sharing and servitisation, FMs can help reduce the carbon impacts of an organisation.

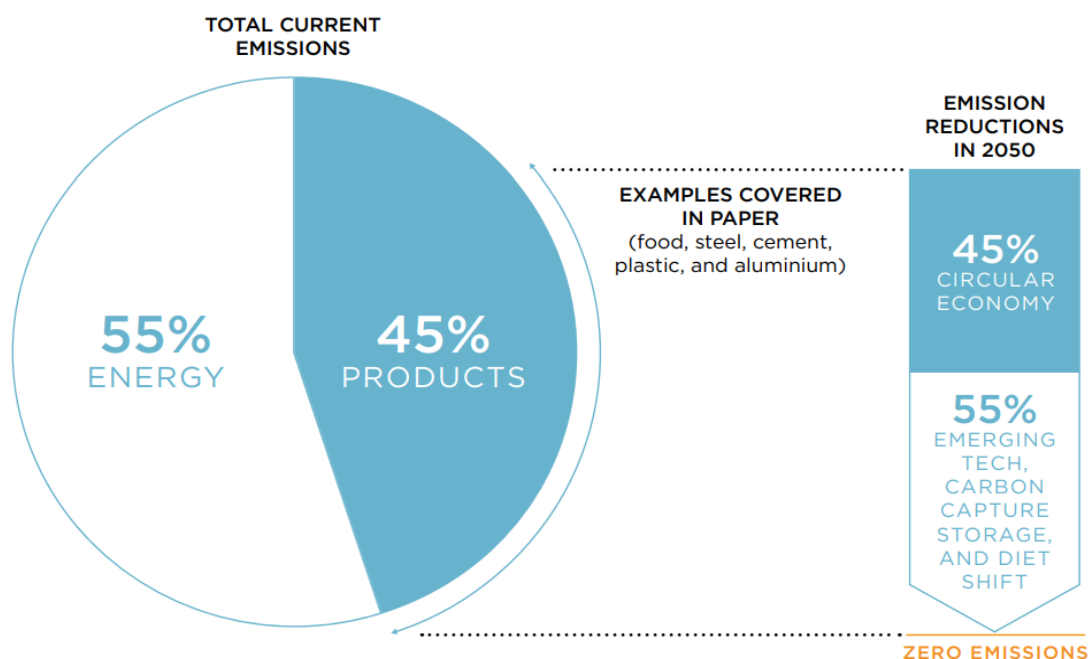
Background and context

We have a climate emergency with global evidence on the impact of climate change being seen readily with increasing environmental crises globally. It is estimated that climate change caused 15 events in 2019 that each cost more than \$1bn in damage, with the majority costing more than \$10bn each. Floods, storms, droughts and wildfires struck every inhabited continent in 2019.

To date, much of the effort to tackle the climate crisis has focused on a transition to renewable energy and the implementation of energy efficiency measures. Whilst these are both crucial if we are to meet net zero targets, they only address an estimated 55% of our global emissions. The remaining estimated 45% comes from the embodied carbon in the products we use every day.

The Ellen MacArthur Foundation's 2019 report *Completing the Picture, How the Circular Economy Tackles Climate Change* noted: 'A circular economy offers a positive way forward by redefining value creation to focus on society-wide benefits. It addresses the shortcomings of the current system, while creating new opportunities for businesses and society. But above all, circular economy principles present unique opportunities to help tackle the climate crisis through significantly reducing emissions by designing out waste; preserving the embodied energy of products and materials; and increasing carbon sequestration through the regeneration of natural systems.'

COMPLETING THE PICTURE: TACKLING THE OVERLOOKED EMISSIONS



Source: Ellen MacArthur - [Completing the Picture, How the Circular Economy Tackles Climate Change](#)

Legislation, policy and standards (UK and global)

The European Commission adopted the new circular economy action plan (CEAP) in March 2020. From this action plan a global alliance has been developed to identify knowledge and governance gaps in advancing a global circular economy.

The UK Government has transposed this legislation and produced a Circular Economy Package Policy Statement in July 2020 showing a commitment to the principles of CEAP and how it is addressed in existing UK environmental directives and what future action will be taken.

DEFRA has recently produced a [Waste Prevention Programme for England: towards a resource efficient economy](#). This is out for consultation until 10 June 2021 and engages with circular economy themes.

Wales unveiled their Circular Economy strategy in March 2021 and Scotland launched their strategy “Making Things Last” in 2016.

Best practice, insight, guidance and resources

Examples of relevant circular economy guidance and insights include:

UKGBC – Circular economy implementation guidance - <https://www.ukgbc.org/ukgbc-work/circular-economy-implementation-packs/>

Zero Waste Scotland – What is circular economy - <https://www.zerowastescotland.org.uk/circular-economy/about>

Whitepaper – Adopting circular economy in the workplace Crown Workspace - <https://crownworkspace.com/uk/knowledge-base/whitepaper-revolution-versus-evolution/>

WRAP – circular economy toolkits - <https://wrap.org.uk/about-us/our-vision/wrap-and-circular-economy>

Ellen MacArthur circular economy case studies - <https://www.ellenmacarthurfoundation.org/case-studies>

The Circular Office Guide – Business in the Community (members only) <https://www.bitc.org.uk/report/the-circular-office-guide/>

UN Sustainable Development Goals

The circular economy is directly related to the UN's Responsible Production and Consumption Goal and also Sustainable Cities and Communities, Climate Action and Life on Land – it indirectly feeds into many of the other targets.

Governance, metrics and KPIs

There are emerging metrics on the circular economy, with some measurements on greenhouse gas emissions available through [DEFRA](#) and [WRAP](#). There are also waste savings, and supply chain savings.

IWFM contacts

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