

EU

European Union

Promoting a Circular Economy in the EU/Eurozone Challenge

Overview

The European Union (EU), formed by the Maastricht Treaty in 1993, is a distinctive alliance of 27 European countries. Its origins can be traced back to post-World War II treaties, which aimed at promoting economic collaboration; they are grounded in the belief that nations engaged in trade become mutually reliant, and thus reduce the likelihood of conflicts. The Maastricht Treaty enhanced European integration by introducing a single currency, the Euro, creating a unified foreign and security policy, and advancing cooperation in immigration, asylum, and judicial affairs. Recently, the EU has urged its members to implement a ‘circular economy’, an economic model that prioritizes sustainability by aiming to minimize waste and resource consumption by hitting their 2050 climate neutrality goal under the Green Deal.

Circular Economy vs Traditional Economy

In a ‘traditional economy’, the predominant focus within a country’s economy is on linear production and consumption patterns; this means that a country will extract and use its resources based on consumption needs, without much consideration for sustainability. This model often leads to environmental degradation and resource depletion, but it is still the most utilized economic model in the world today.¹

On the other hand, a ‘circular economy’ emphasizes minimizing waste and maximizing resource efficiency. A nation would strategically streamline its resource allocation to meet the essential needs for fostering economic development; subsequently, any utilized resources undergo a recycling process to ensure their reutilization once their initial purpose has been fulfilled. Hence why it is characterized as a circle/loop, the products, materials, and resources are designed to be reused, repaired, remanufactured, and recycled, thereby reducing the overall environmental impact. This approach aligns with principles of sustainability and aims to create a regenerative and environmentally friendly system as well.

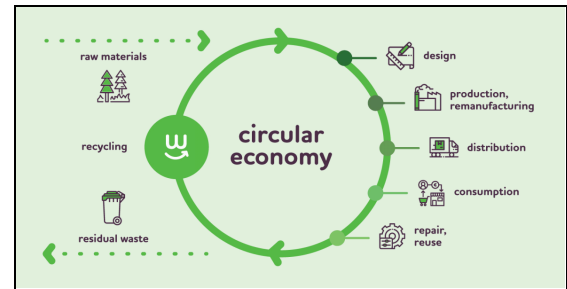
¹ Carlos Davidson, “Economic Growth and the Environment: Alternatives to the Limits Paradigm,” *BioScience* 50, no. 5 (May 2000): 433–440, [https://doi.org/10.1641/0006-3568\(2000\)050\[0433:EGATEA\]2.0.CO;2](https://doi.org/10.1641/0006-3568(2000)050[0433:EGATEA]2.0.CO;2).

Why Is the EU Considering a Circular Economy?²

There are several reasons why now, more than ever, the EU is pushing its member nations to implement ‘circular economies’. One of the primary reasons is that many of the EU’s countries’ natural resources are dwindling due to overconsumption, such as Spain and Italy for example.³ Many other countries

are also facing a loss of biodiversity and are not projected to meet their climate 2030 goals.⁴ The EU, by encouraging its members to move to ‘circular economies’, can help maximize resource efficiency. This, along with environmental conservation and climate change mitigation goals, help solve numerous environmental problems impacting the EU’s member nations.

Simultaneously, the concept of a ‘circular economy’ is seen not only as a driver for job creation but also as a catalyst for economic growth, fostering a technologically advanced economy as its implementation progresses. Additionally, efficient waste management is a product of ‘circular economies’ as they emphasize the use of reusing, and recycling of waste products, thus decreasing the need for landfills and decreasing overall pollution as well. These strategies are all outlined in the circular economy action plan of 2020 reflecting the EU’s commitment to a resilient and environmentally reasonable future by allocating country resources towards a sustainable circular economy.⁵



Challenges in Achieving Country/EU Self-Sustainability within ‘Circular Economies’

Achieving strides in economic self-sustainability while transitioning to a circular economy poses several challenges for countries within the European Union (EU). First and foremost, the existing linear traditional economic model is deeply embedded in many countries’

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<https://lh3.googleusercontent.com/E36e83fdLjWpsHdzGXpSYPoovCkWB4vfX01c4PvpVT87FaaKWOKet30QSZUC54vHw5gZSqikgT3fVO9WUWk9ee5ep1tERh57NdcOxDazp5gZwoYW2C9y3SnNkohXjeKeODwHyX9>

³ European Court of Auditors. “Addressing Desertification in the EU: How the Common Agricultural Policy Addresses Soil Protection.” Publications Office of the European Union, 2018, <https://op.europa.eu/webpub/eca/special-reports/desertification-33-2018/en/>. Accessed December 24, 2023.

⁴ “Europe’s State of the Environment 2020: Change of Direction Urgently Needed to Face Climate Change Challenges, Reverse Degradation and Ensure Future Prosperity.” *European Environment Agency*, www.eea.europa.eu/highlights/soer2020-europes-environment-state-and-outlook-report.

⁵ European Commission. (2020). “A New Circular Economy Action Plan for a Cleaner and More Competitive Europe.” https://ec.europa.eu/environment/circular-economy/pdf/new_circular_economy_action_plan.pdf

production and consumption patterns. The transition to a ‘circular economy’ demands significant changes in industrial processes, consumer behaviour, and policy frameworks. As such, coordination among EU member states is vital for consistent and effective implementation of circular economy principles, which can be challenging since all EU countries must vote on policies that primarily affect their own economy. If this transition is done half-heartedly or not effectively it may lead to economic repercussions. These repercussions include rising unemployment, economic inefficiency, higher production costs, increased dependence on scarce resources, and missed opportunities for job creation and innovation in sustainable industries. Certain countries exhibit reluctance towards EU initiatives, influenced by varying levels of public distrust. Poland stands out as an example where skepticism poses challenges for implementation.⁶ As a delegate, your responsibility is to assess and shape your country's relationship with the EU, gauging its level of cooperation.

Consumer behaviour and awareness are also significant factors to consider when researching your country's economy and position on/or within the EU. Shifting societal attitudes towards sustainable consumption and encouraging the reuse and repair of products are crucial for circular economy success. Another challenge is the need for significant investments in research, innovation, and infrastructure. Developing and adopting new technologies and sustainable practices, such as eco-design, remanufacturing, and waste-to-energy processes, require substantial financial funding from both public and private sectors.

Examples of Circular Economies

There are many examples of day-to-day products that can be used to promote a circular economy. In regards to plastics, circular economies prioritize the production of reusable packaging by designing durable and reusable plastic containers for various products (ex: recycling plastic products like PET bottles which can then be turned into clothing or accessories.)⁷ Eco-friendly textiles and clothing can be crafted through the use of sustainable

⁶ Far right urges Poland to be ready to quit EU - AFP

https://news.yahoo.com/far-urges-poland-ready-quit-175856656.html?guccounter=1&guce_referrer=aHR0cHM6Ly9kdWNrZHVja2dvLmNvbS8&guce_referrer_sig=AQAAAM6_ugW4Bj4xIOUFs3Tlyf5WF1bDsYpIGm0idydLL59EKzVwlvV5mmTcITZQmoJKuCKJjMMGx1OW4JIQLMfH4v4of1hjprhOI09XxuT8Lrv0ruynSkJl5xxLV-wrjTIRlF-XSR5FAIyNG8sc6w7RUs6oGnqzo1UF5dbyXkFoZGsv

⁷ Ellen MacArthur Foundation. (2017). “The New Plastics Economy: Rethinking the future of plastics.”

<https://www.ellenmacarthurfoundation.org/publications/the-new-plastics-economy-rethinking-the-future-of-plastics>

materials and manufacturing processes. Additionally, the promotion of a closed-loop system involves creating new textiles from recycled fibres.⁸ The same applies to electronics with E-Waste Recycling, one can efficiently recycle most electronic waste to recover valuable materials and we can also impose regulations on companies to create modular electronics, devices with modular (removable) parts for quick and easy repairs and upgrades, rather than buying a new product all together.⁹ Food can also be positively impacted by Circular Agriculture, a practice of a circular economy where regenerative agricultural practices are promoted to enhance soil health and reduce environmental impact.¹⁰

Solutions to Reducing Carbon Footprints

Delegates must proactively research and explore effective solutions to address carbon footprints related to ‘circular economies’, as well as nations resistant to adopting ‘circular economies’. This entails investigating strategies like implementing an Emissions Trading System for industrial sectors, introducing carbon taxes to mitigate transportation emissions in Europe, increasing reliance on renewable energy sources, and championing a comprehensive reduction in overall energy consumption.¹¹ A thorough understanding of these options empowers delegates from these member nations to make meaningful contributions to the global dialogue on sustainable practices and environmental responsibility, whether they are willing to implement a ‘circular economy’ within their respective countries or not.

Conclusion

In essence, the European Union’s pursuit of a circular economy emerges as a pivotal strategy with the potential for both positive and challenging outcomes for member countries. The shift from a linear to a circular economic model is prompted by concerns over resource depletion, environmental degradation, and the pressing need to address climate goals. However, the success of this transition is contingent on overcoming inherent challenges. The entrenched

⁸ Ellen MacArthur Foundation. (2017). “A new textiles economy: Redesigning fashion’s future.”

<https://www.ellenmacarthurfoundation.org/publications/a-new-textiles-economy-redesigning-fashion-future>

⁹ World Economic Forum. (2019). “A New Circular Vision for Electronics: Time for a Global Reboot.”

http://www3.weforum.org/docs/WEF_A_New_Circular_Vision_for_Electronics.pdf

¹⁰ Ellen MacArthur Foundation. (2019). “Cities and Circular Economy for Food.”

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¹¹ “Closing the loop - An EU action plan for the Circular Economy.” COM(2015)614, Brussels, December 12, 2015.

<https://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:52015DC0614&from=ES>

linear economic model, diverse national interests, and the task of reshaping consumer behavior pose formidable obstacles. The extent to which individual countries within the EU can harness the benefits of job creation, economic growth, and environmental sustainability depends on their commitment, adaptability, and collaboration. The Circular Economy Action Plan of 2020 outlines a comprehensive framework, but its impact relies on effective implementation at both the EU and national levels.

Committee Goal

As a delegate, the decision your country makes regarding the adoption of a circular economy will play a crucial role in shaping its economic resilience, environmental stewardship, and potential for innovation. It is on you to carefully assess your country's unique circumstances, balancing the challenges you may face with the opportunities presented by adopting a circular economy; you must draw your own conclusions on whether such a shift is beneficial for your nation or not. If you find it advantageous, strategic investments and planning, facilitated through well-crafted resolutions, are imperative. This ensures a successful transition towards a circular and sustainable future, tailored to meet the specific needs and goals of your country. The responsibility lies with you to steer your nation towards a path that maximizes the benefits of embracing a circular economy.

Questions to Consider

1. How do the green policies/laws set in place by your country affect its economy?
2. What main form of energy does your country rely on? Are they sustainable or not?
3. Does your country have a large carbon footprint? If so, do they partake in any initiatives to reduce their footprint?
4. What are your country's main imports and exports with regards to the economy? Are they sustainable in a green or circular economy?
5. Does your country import more or export more? Can they be self-sustainable if they were to rely solely on EU goods?

Useful Delegate Resources

[The European Environment Agency \(EEA\)](#)

[The Council of the EU and the European Council.](#)

[The European Commission's new circular economy action plan \(CEAP\)](#)

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