

# WBCSD

Karl Vella

**UNFCCC TEM-M Session III**

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**#Factor10**



# Presentation Outline

1. **Session II Summary – Circular Economy and elements of Supply Chain Redesign**
  - **Challenges and Barriers**
  - **Key Messages**
  
2. **WBCSD – Our Approach on Circular Economy**
  - **Factor10**



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# Summary of TEM-M Session II

Circular Economy including elements of Supply Chain Redesign

## Challenges and Barriers

- **Policy is struggling to balance interests, and technologies are evolving fast.** How can businesses plan for much needed long-term investments in line with a circular economy and decarbonization in the context of this double constraint and perpetual change?
- **Measuring circularity is a challenge.** Industries are taking the lead to develop indicators, efforts are needed for standardization, finding a common language for circularity.
- There are **technical challenges**: recycling is still downcycling, innovation needs support but it is difficult to support innovation and private profit from public funds.



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# Summary of TEM-M Session II

Circular Economy including elements of Supply Chain Redesign

## Challenges and Barriers

- **Importance of managing the social impact** in terms of loss of jobs and livelihoods.
- **Globalization complicates implementation of circular economy** in terms of leakage of certain waste streams from developed to developing countries but also in terms of loss of competitiveness for the forerunners, as well as policy disconnects between source and supply nations.



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# Summary of TEM-M Session 2

## Circular Economy including elements of Supply Chain Redesign

### Key Messages

- **Win-win-win policies are needed:** connecting material efficiency, energy efficiency and skills development.
- **Targeting and rewarding high-mitigation impact:** understanding which interventions have the most mitigation impact based on LCA analysis of supply chain, rewarding mitigation actions through policy instruments.
- **Nature based solutions:** regeneration, better measurement of the natural capital to feed policy decisions and business models.
- **Demand side efficiency has a lot of potential:** awareness, consumer pressure, living a more circular life at home has huge potential in energy and material efficiency.





# Summary of TEM-M Session 2

## Circular Economy including elements of Supply Chain Redesign

### Key Messages

- **Transitioning from linearity to circularity in all policies:** environmental, economic, but perhaps particularly fiscal policies need to reflect the circular business models (we no longer manage assets, we provide circular economy solutions, we cannot keep taxing labour and waste, while not taxing resource use). We also need to provide guarantees to reassure investment in the circular model.
- **Collaboration is the future:** policy development, circular economy solution development and monitoring all need collaboration. Instruments for this are digital and other platforms, councils, coalition, match-making, incubators formal and informal ways to reach out and consult in order to **support social innovation.**



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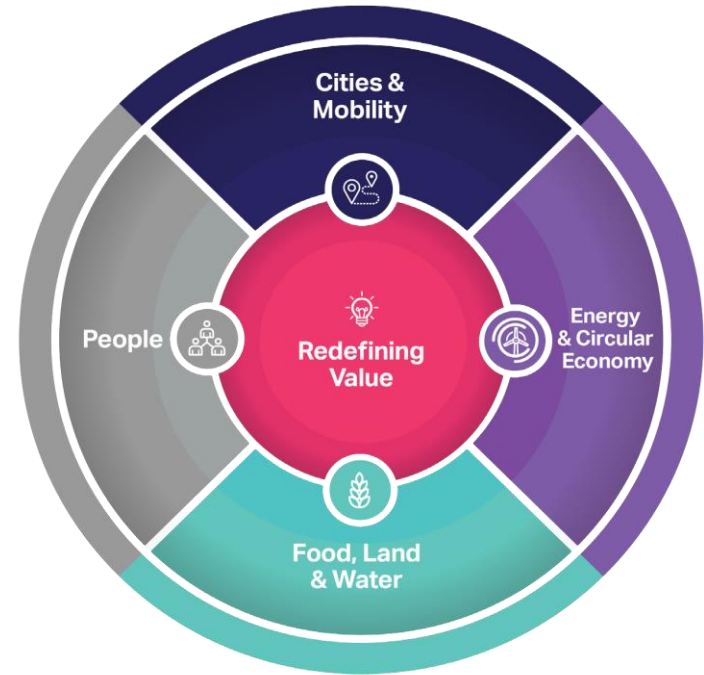
Karl Vella

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WBCSD Activities on Circular Economy

# WBCSD's Approach

We target the realization of the Sustainable Development Goals (SDGs) through five work programs to achieve systems transformation.

As global business faces new and complex challenges and opportunities, our science-based approach and targeted business solutions aim to scale up business impact.





# Factor10

Value

Implement a program that penetrates into the heart of business leadership and practice

Impact

Build a critical mass of engagement within and across businesses to move the circular economy from the early adopters to the early majority

Voice

Become 'the' global business voice for circular economy through partnerships, platforms and policy recommendations to accelerate action

# Factor10 Members



# Contact

## Karl Vella

Manager, Climate Policy

Maison de la Paix | Chemin Eugène-Rigot 2B  
CP 2075 1211 Geneva 1

[vella@wbcasd.org](mailto:vella@wbcasd.org)

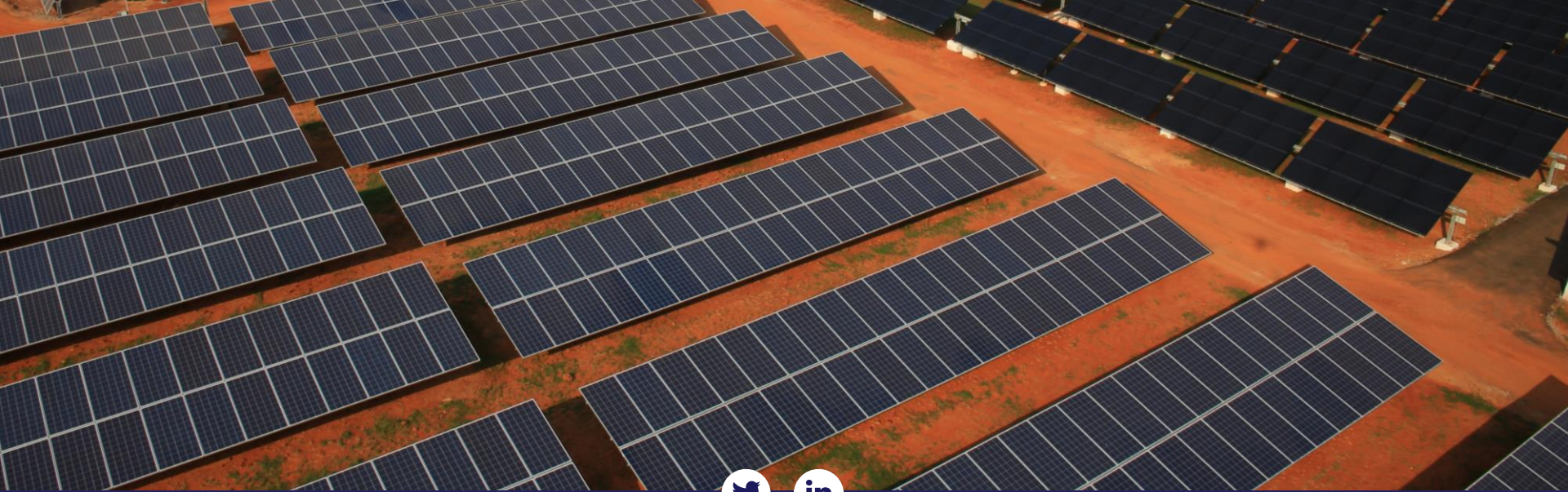
Phone: +41 (0) 79 839 2116

Main: +41 (0) 22 839 3188

<https://www.wbcasd.org/Programs/Energy-Circular-Economy/Factor-10>







wbcscd

**WBCSD (Geneva)**

Maison de la Paix | Chemin  
Eugène-Rigot 2B  
CP 2075 1211 Geneva 1

**WBCSD (New York)**

29 East 19th Street, 4th Floor  
New York, NY 10003  
USA

**WBCSD (Delhi)**

WBCSD India, 4th Floor,  
Worldmark 2,  
Aerocity New Delhi 110 037  
India

**WBCSD (London)**

WeWork Mansion House  
33 Queen Street  
London EC4R 1BR  
UK