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#### **Circular Economy ‘Elephant in the Room’ at COP**

The circular economy currently does not have enough representation at COP meetings. A lot of those deliberations are focused on a very narrow prism, mostly focusing on the net zero approach. We are still mostly talking about Scope 1 and 2 emissions, but what about Scope 3? We cannot address greenhouse gas emissions in isolation. More emphasis must be given to the entire aspect of our consumption - the whole economic model. We can see this now as it has reached the point where it is causing serious issues. It is not just about climate change – we are also reaching planetary materials boundaries and when we reach the end point, do we have a substitute? These are some of fundamental discussions that need to be addressed - the elephant in the room - we cannot ignore it.

#### **The ‘Why’ Part is Clear - We Need to Focus on the ‘How’**

While circular economy is a relatively new term, there have been many efforts from the past that capture some aspects of it, such as cleaner production, pollution prevention, eco-efficiency, and resource efficiency. From all accounts, circular economy can contribute up to 50% reduction in our emissions by looking at how we can minimize them across the supply chain. In the 90s, we spent \$2.2 million for a cleaner production program in Southern Australia with 48 companies from 18 different industrial sectors. We provided technical and financial assistance with a focus on the prevention and minimization of waste. After three years of the program, our economic evaluation showed that for every dollar invested, the return on investment for the participating industries was about \$30. The cumulative economic and environmental benefits reached close to \$80 million. There are significant benefits, and industry understands that. The ‘how’ is where we now need more focus and effort. ■

*\*Paraphrased Comments*



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