Dematerializing consumption and production is a key to a circular economy

- Extraction of materials grew from 22 billion tons per year in 1970 to 70 billion tons per year in 2010
- Projected to reach 100 billion tons per year by 2030 (OECD)
- Factors include:
  - Growing global resource consumption
  - Large shift of economic activity to less material-efficient economies
  - Asia-Pacific has increased its global share of material use from around 25% in 1970 to above 50% in 2010, while becoming a net exporter of materials through large exports of manufactured goods which are mostly consumed in Europe and North America
Hidden material flows (i.e., wastes) account for up to 75% of the total materials moved, but are not accounted for in the gross domestic product.
There is a 4-dimensional view on waste along the value chain in a Circular Economy

**Wasted resources**
- Material and energy that cannot be continually regenerated
  - Introduce renewable and bio-based materials, chemicals and energy
  - $1.7 trillion

**Wasted embedded values**
- Components, material and energy not recovered at disposal
  - Increase recycling, upcycling, component harvesting and energy recovery
  - $1.3 trillion

**Wasted capacity**
- Underutilized or unused products and assets
  - Increase sharing, co-owning, co-using, resource pooling, etc.
  - $0.6 trillion

**Wasted lifecycles**
- Premature end of working life of products
  - Lifecycle services for resell, maintain, repair, remanufacture, etc.
  - $0.9 trillion

PACE operates on two levels, a global and a regional level, that complement and support each other.

**Global Leaders Network**
- # 60 Key global influencers critical to advancing the Circular Economy transformation: funders, business, governments, thought leaders and key international initiatives.

**Regional Hubs**
- # 4 hubs Africa, Latin America, Asia (China), Europe

### Activities
- **Surface, lead and collaborate in regional projects that require scaling or enhancing to advance the circular economy.**
- **Annually identify 2-3 key challenges to advancing the Circular Economy based on what has surfaced within projects and through network experience and convene focused high-level public-private dialogues to address these.**
- **Link the outcomes of these dialogues to existing structures to take outcomes forward.**
- **Link regional public and private actors to advance the Circular Economy at the regional/national levels.**
- **Blend finance and broker partnerships to scale existing and kick-start new Circular Economy projects between private, public and regional funding organizations.**
- **Blueprint, replicate and scale solutions.**

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**INFORMS THE SELECTION OF ISSUES**

**INFLUENCES PROJECT SELECTION**
PACE is currently building a strong foundation of partners from public and private sector to collaborate on driving action.

Global Leaders Network
Preliminary discussions have taken place with these organizations. Formal invitations to be issued following co-chair sign-off.

ORGANIZATIONS
- UN Environment
- UNIDO
- UNDP
- OECD
- GGGI
- GEF
- GIZ
- EMF
- WBCSD
- IISD
- ISEAL
- ITC
- Circle Economy
- World Resources Institute
- WWF
- China Council for International Cooperation on Environmenta & Development
- SEBRAE (Brazil)
- Conservation International

GOVERNMENTS
- Argentina
- Barbados
- Brazil
- Canada
- China
- Chile
- Colombia
- Costa Rica
- Croatia
- Egypt and/or Jordan
- France
- Finland
- Germany
- Ghana
- Indonesia
- Japan
- Italy
- Malaysia
- Mauritius

GOVERNMENTS CONT’
- Mexico
- Netherlands
- Peru
- Philippines
- Romania
- Rwanda
- South Africa
- Slovenia
- Sri Lanka
- Sweden
- UK
- European Commission

DEVELOPMENT BANKS
- Inter-American Development Bank / Multilateral Investment Fund
- CAF
- European Bank for Reconstruction & Development
- European Investment Bank
- African Development Bank
- Asian Development Bank
- World Bank and IFC

COMPANIES
- Adidas
- Alibaba Group
- Airbnb
- Alstom
- Amcor
- Arup
- Averda
- BASF
- Cargill
- Carlsberg
- Cisco
- Coca-Cola
- Dell
- Didi Chuxing
- DSM
- Ebay
- EcoLab
- FEMSA
- Heineken
- Henkel
- Hennes & Mauritz
- HP
- ING
- Ikea

COMPANIES CONT’
- Intesa san Paolo
- Indorama
- Johnson Controls
- Lego
- Lenzing
- Nestle
- Nike
- MiniWiz
- Pepsi
- P&G
- Philips
- Repsol
- Suez
- Tarkett
- Terracycle
- Triciclos
- Trina Solar
- Triodos Bank
- Unilever
- Veolia
- Walmart
- Yara

Confirmed expression of interest to co-chair the regional hubs:
- Africa
- China
- Europe
- Latin America
Consultations with leaders from public and private sector, identified the need for a public-private collaboration platform to scale the circular economy.

**Bringing the private and public sector into public-private collaborations to scale impact around Circular Economy initiatives**

Stakeholder consultations revealed that there are many activities on Circular Economy under way by private, public and institutional actors. All parties expressed a lack of deliberative public-private engagement of either the private, or the public sector in different efforts. This was identified as a barrier to achieving scale or to addressing specific barriers that impede progress.

The Platform will provide a public-private collaboration space to advance concrete scaling of Circular Economy solutions by linking the interests of private and public sectors.

**Develop blended financing models for Circular Economy projects in developing economies**

MDB’s and other funding partners are keen to invest in Circular Economy innovators or explore how to reorient their larger-scale investments to integrate Circular Economy design/principles, apply mixed funding approaches to de-risk private investments, and identify strategies for national governments to scale private sector Circular Economy activities such as secondary materials recovery systems.

The Platform will help scale existing activities by brokering partnerships and test collaborative funding approaches through the network of private, public sector and institutional partners.

**Help to create and adjust enabling frameworks to address specific barriers to advancing the circular economy**

Policies and regulation surfaced as both key barrier but also enabler for scaling up Circular Economy efforts – including trade policies, waste regulations, public procurement policies, resource pricing etc. Identifying and resolving policy barriers have not been based on solutions designed collaboratively between government, business and the civil society. These cross-cutting systemic policy issues need to be addressed from both global and national perspectives.

The Platform will bring key stakeholders to the table to collaboratively design public policy reforms from both a global perspective through the leaders network, and a local view through the projects.