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ACCELERATING THE CIRCULAR ECONOMY

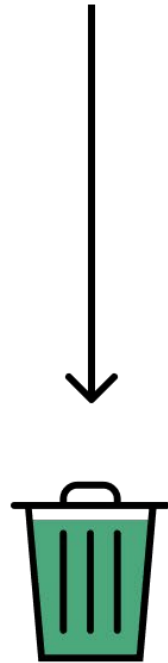
Integrating Circularity into Programs, Projects, and Policies

1–3 October 2024 | Metro Manila, Philippines



What is circular economy?

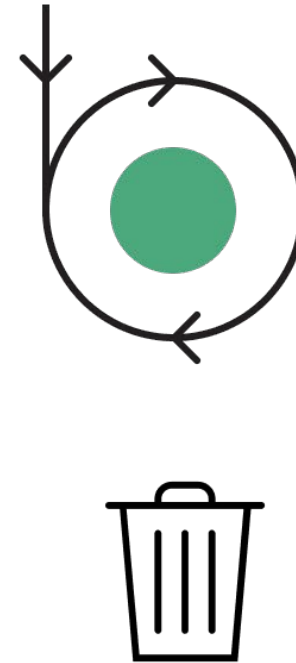
Linear economy



Recycling Economy



Circular Economy



Source: *Everyday Industries*

What is Circular Economy?

Circular Economy is anchored in sustainability providing systems approaches across the range of ADB's activities



At Micro, or project level, Circular Economy provides design approaches through which projects activities can deliver local, city, and provincial sustainability improvements.

When we consider sustainability, it is frequently only from an environmental or ecosystem health perspective however to deliver effective, long-term results projects and programs must consider social, economic, technological, and environmental perspectives

At Macro, or program level, Circular Economy provides a framework through which multiple projects and sectoral activities can be effectively linked to deliver national and regional sustainability improvements.

“The circular economy gives us the tools to tackle climate change and biodiversity loss together, while addressing important social needs.”

“It gives us the power to grow prosperity, jobs, and resilience while cutting greenhouse gas emissions, waste, and pollution.”



Principles of a Circular Economy



Eliminating waste and pollution

Circulating products and materials

The regeneration of nature



Defining the Circular Economy Principles



Eliminating Waste and Pollution

Waste is a "design flaw." Materials must be designed to allow for re-entry into the economy at the end of use.

Circulating Products and Materials

Keep materials in use as a product or as components or raw materials through a technical cycle (products are reused, repaired, remanufactured, and recycled) or biological cycle (biodegradable materials are returned to the earth through processes like composting and anaerobic digestion).

Regeneration of Nature

Shift the focus from extraction to regeneration and build natural capital.

What is “circular economy” vs. “sustainable development” and “blue/green economy”?

Circular economy:

- A system where materials never become waste and nature is regenerated
- Circular economy tackles climate change and other global challenges, like biodiversity loss, waste, and pollution, by decoupling economic activity from the consumption of finite resources

Sustainable development:

- Development that meets the needs of the present without compromising the ability of future generations to meet their own needs
- Addressing multiple aspects of sustainability such as environmental protection, social equity, and economic growth

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Green economy:

- An economic system aimed at reducing environmental risks and ecological scarcities while improving human well-being and social equity
- Promotes sustainable development by transitioning towards a low-carbon, resource-efficient, and socially inclusive system

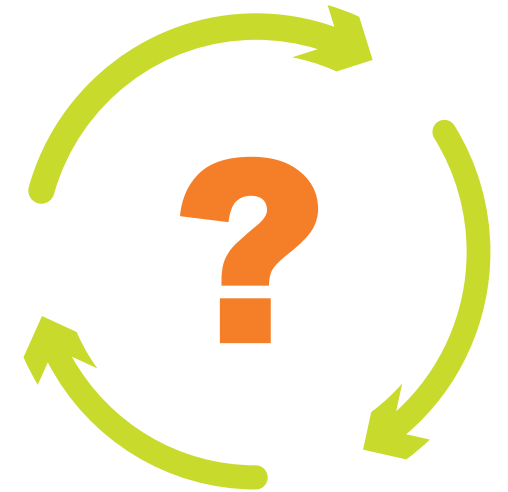
Blue economy:

- An economic system focused on the sustainable use of ocean and water resources for economic growth, improved livelihoods, and ocean ecosystem health
- Conservation and sustainable management of oceans, seas, and coastal areas

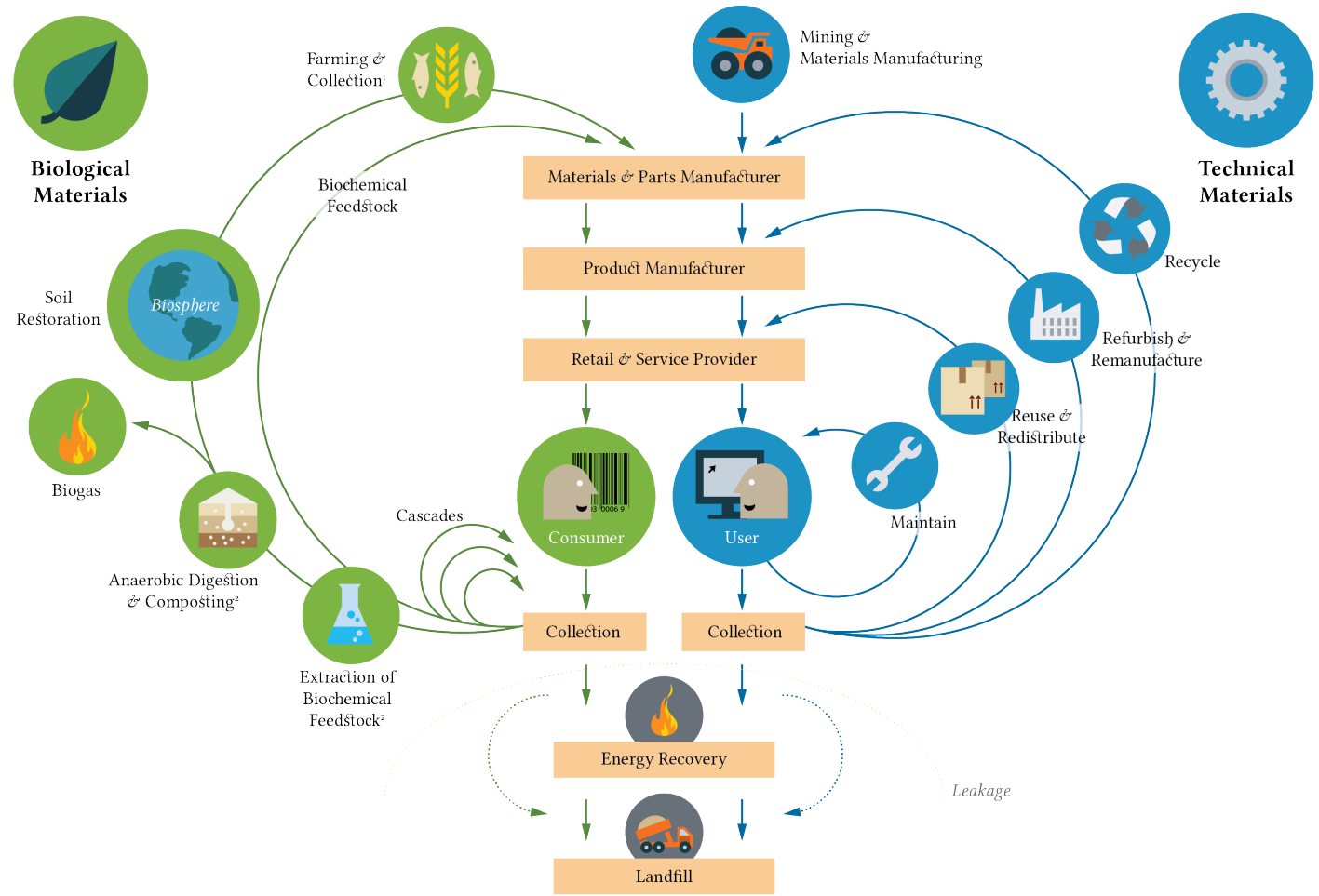
Circular is not necessarily "sustainable."

- Sectors like the steel industry where recycling steel is circular, but the energy required to recycle that steel is huge and can only really be provided by fossil fuel-based systems
- Using bamboo straws in Europe and North America: Technically circular as **it avoids plastic waste** but the environmental cost of shipping it around the world negates any benefit

This is where life cycle analysis and systems understanding comes into play.



Sustainable is not necessarily circular.



Examples of ADB projects that apply circular economy principles



- **ADB Project Example: Indorama Ventures Regional Blue Loan Project (India, Indonesia, Philippines, Thailand):** Bottle-to-bottle recycling keeps products and materials in use
- **Yangtze River Economic Belt Jiangxi Ecological Civilization and Circular Economy Project (People’s Republic of China):** Wastewater recycling - low-carbon circular economy and sustainable local product value chains - circular agribusiness, construction waste recycling and reuse plant, landfill remediation
- **ADB Project Example: Healthy Oceans Technology Innovation Challenge to Prevent Plastic Waste – Alner (Indonesia):** Reusable packaging and refilling for consumer goods

