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# Policy output and impacts of the European Green Deal: Measuring progress on the circular economy transition

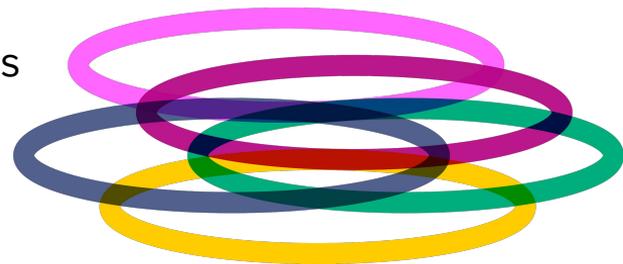
**Goal 1** Design it right, from the start

**Goal 2** Move from waste policy to systems for managing resources

**Goal 3** Make the economics work

**Goal 4** Invest in skills, innovation, and infrastructure

**Goal 5** Breakdown barriers, work in systems, measure progress



1. **Alignment around the systemic nature of the change across sectors so that measures do not become locked within a wider linear economic system of incentives and regulations**

2. **Focus on key sectors based on ‘role in the European economy’ and ‘circularity potential’, as opportunities, barriers, stakeholders and policy options typically differ significantly by sector**



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# Why defining an overarching reduction target on natural resources consumption is challenging...

*Limit use of virgin versus recycled materials?*

*Substitute depletable with renewable resources?*

*Reduce material consumption or environmental footprint?*

*Focus on scarce or on critical raw materials?*

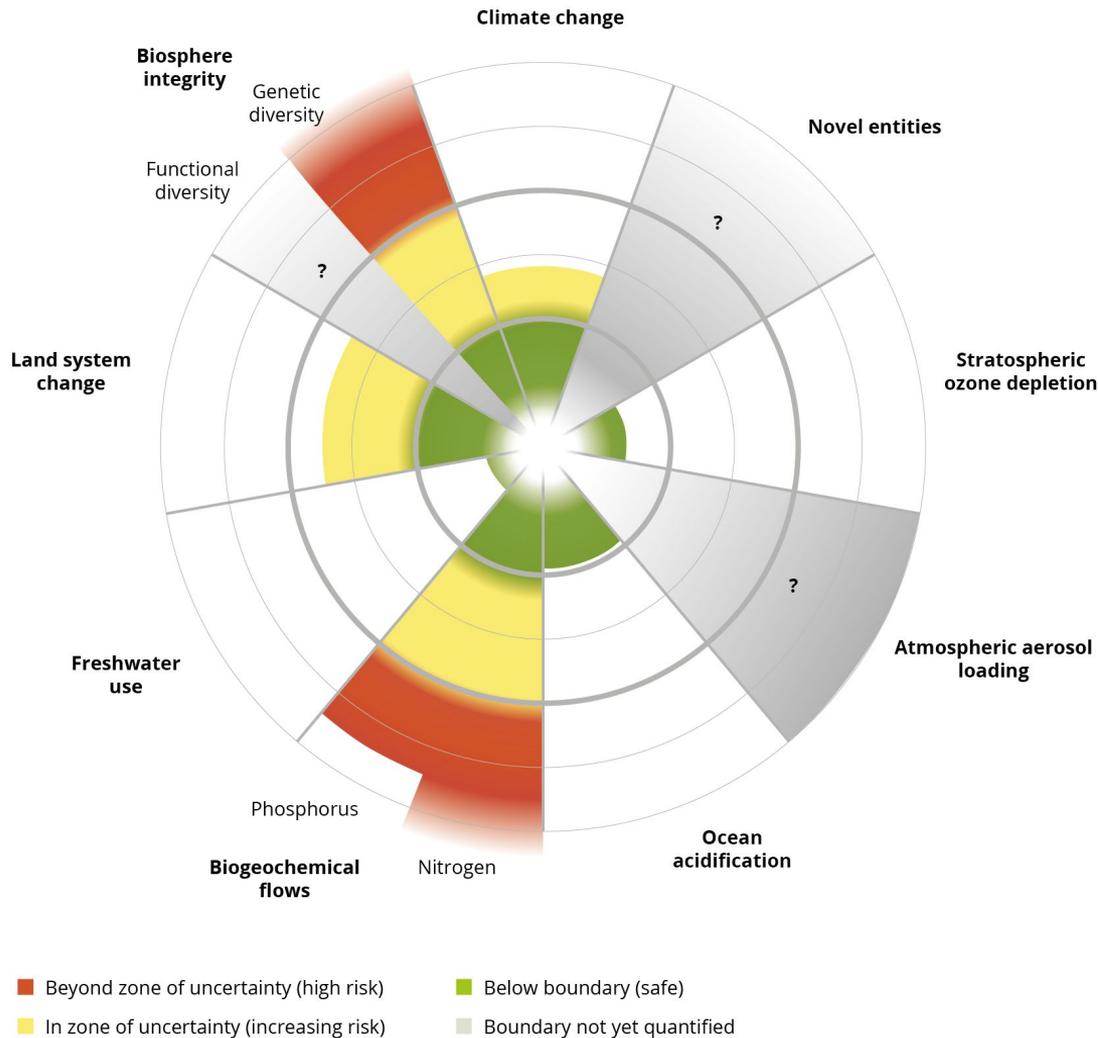
*Decrease domestic mineral extraction versus imported materials and products?*



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# EEA SOER 2020: Status of the nine planetary boundaries

*Circular economy  
is not a goal in  
itself but serves as  
a key delivery  
mechanism for  
other policy goals*



# How does a circular economy approach help reduce greenhouse gas emissions?

Design out waste and pollution



To reduce end-of-life GHG emissions embedded in materials and food

Keep assets, products and materials in use / optimise their use over time



To retain or increase utilisation of embedded GHG emissions = Helps reduce material demand

Regenerate natural systems

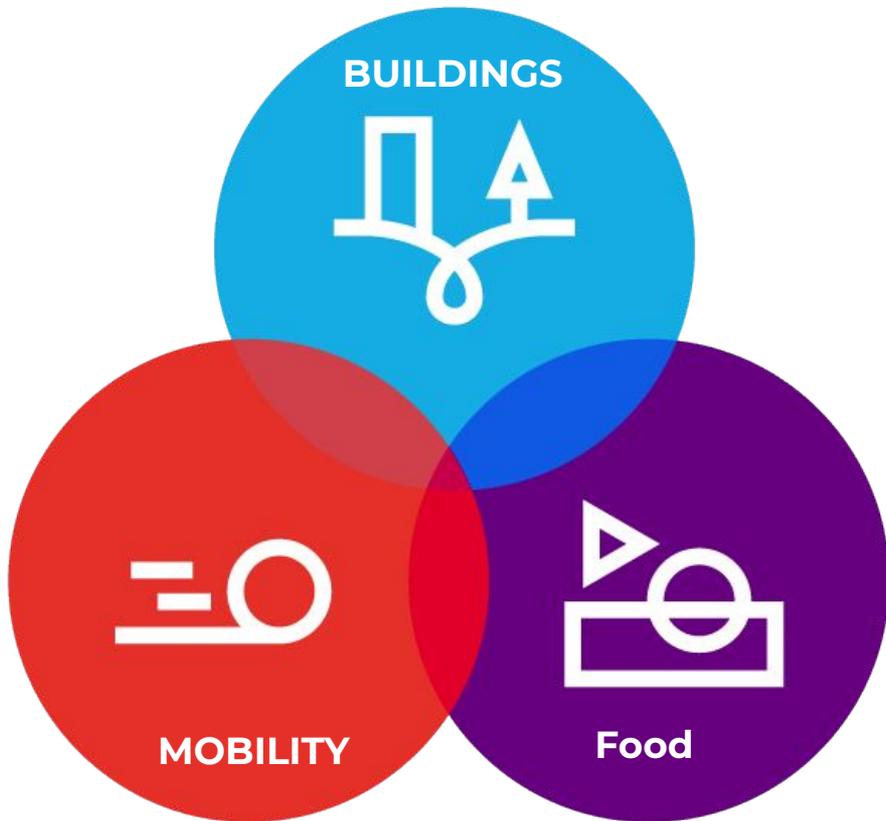


To sequester carbon



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# Where do we need to focus beyond the CEAP?



## Five transversal policy levers

- Exploiting the circular economy potential in EU climate policies
- Mainstreaming a circular economy approach in the updated EU Industrial Strategy
- Strengthening the European Semester process on national economic and fiscal reforms
- Financing the transition through the EU budget and recovery fund
- Fostering global cooperation inter alia via EU trade policy