PRINCIPLES OF PUBLIC POLICY ON CIRCULAR ECONOMY DEVELOPMENT

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The idea of a circular economy has become a popular choice in regards to promoting sustainable development, better health and employment opportunities, while preserving the environment and its resources. It has seen a growth in prominence in international, EU and national policy formulation and in corporate and consumer practices. Most of the countries of the European Union, the USA, Canada, China, Japan, South Korea and other countries have prioritized the development of the closed cycle economy in their long-term strategies. For this purpose, governments use such principles of public policy on circular economy development (Fig.1).

Regulatory frameworks			
action plan on circular economy, related national legislation and regulation			
Economic instruments			
reductions in taxes, subsidy, financial guarantee			
Education, information and awareness			
communication and information campaign, training and demonstration projects			
Research and innovation			
projects on cirular economy			
Public procurement			

recycling collection and processing infrastructure

Figure 1. Principles of public policy on circular economy [1]

The government can stimulate demand for circular products by adopting legislation, developing strategic programs and public services. Public policy makes an influence on businesses and consumers, in particularity how to operate and how to adhere to the principles of the circular economy.

Government and municipal authorities should take a comprehensive approach to waste sorting. Four factors that underlie the success of the circular economy: economic incentives, personalized tools, motivational communication and the application of legal norms. People need incentives to start and maintain proper waste collection, as well as the availability of appropriate means to do so. At the same time, there must be communication that explains why separate collection of waste is important. People must be aware of their responsibility in supporting the circular economy, in particular understand that if they do not comply, they will be punished.

For example, 87% of Canadian consumers recognize that their behavior has a direct impact on the environment. This understanding is reflected in their purchasing habits, since the same number of people prefers to buy products from companies that implement active circular economy measures [2].

The development of circular economy in each country was proposed to asses according to two main criteria whether national circular economy policies were in place and how far the country had proceeded in implementing recycling [3].

Predevelopment	Startup	Acceleration	Stabilization
No national policies on circular economy	National policies on circular economy in development	National policies on circular economy in place	National policies on circular economy are 'the new normal'
Percentage of recycling of household waste below 40% and no attention for redesign/reuse of products	Percentage of recycling of household waste between 40% and 56% and low levels of attention for redesign/reuse of products	Percentage of recycling of household waste above 56% and medium levels of attention for redesign/reuse of products	

Figure 2. Phases of circular economy development

Governments of nations that are more advanced have a stronger government leadership in circular economy than those that are in the early stages of development. The investigation additionally reveals that a powerful government role commonly coincides with a broader engagement of industry and local government in circular economy. Startup/scale-ups, NGOs and civil society do not appear to be as reliant on a powerful leadership from the government, and can also be encouraged by other elements, like an innovative culture and a high environmental awareness of civil society. The success of the circular economy is based on the understanding and conscious attitude of people to the collection and sorting of waste. The potential options for inducing human behavior, which have to be explored, vary depending on the type of policy instrument and the level of intervention in consumer choice. For a policy initiative to be effective, it must establish a clear link between the proposed measure and the factors that shape human behavior.

References

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