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C **WORLD CIRCULAR ECONOMY FORUM 2019** **E**
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WCEF2019 IN BRIEF

#WCEF2019

The World Circular Economy Forum 2019 was organised on 3-5 June 2019 at Finlandia Hall in the centre of the Finnish capital Helsinki. Finlandia Hall is a multipurpose venue and one of the most iconic buildings designed by world-renowned Finnish architect, Alvar Aalto.

The WCEF2019 built on the events of 2017 and 2018. Where the WCEF2017 identified key elements of a circular economy and showcased solutions and learnings from around the world, the WCEF2018 presented a vision of a circular future and encouraged the world's leading economies to set out on a path towards it.

This year's forum had a strong emphasis on scaling up the circular economy transition by increasing investments into circular economy business-

es, spreading and adopting new technologies and making significant regulatory changes that enable the circular economy to flourish around the world. The event also emphasised that this monumental transition needs to be made in a way that is socially and economically fair and inclusive.

The WCEF2019 was hosted by the Finnish Innovation Fund Sitra together with its key partners the European Investment Bank, Ministry for Foreign Affairs of Finland, Ministry of Agriculture and Forestry of Finland, Ministry of Economic Affairs and Employment of Finland, Ministry of the Environment of Finland, Nordic Innovation, and partners Climate-KIC, Ellen MacArthur Foundation, the European Commission, the European Environment Agency, Helsinki Metropolitan Smart & Clean Foundation, UN Environment, and the

World Bank. Renewable Matter was this year's media partner.

Consisting of 17 plenary and parallel sessions, 12 side sessions and 33 side events spread over three days, spiced with keynote speeches, thematic discussions, and networking opportunities, the WCEF2019 was a landmark event of the year. Over 2,200 participants attended the WCEF2019 in Helsinki.

See you in Canada at the WCEF2020!

The World Circular Economy Forum brings together business leaders, policymakers and experts to present the world's best circular economy solutions. The WCEF is a global initiative of the Finnish Innovation Fund Sitra.



**FAIR AND JUST
TRANSITION**



**IMPACTFUL
INVESTMENTS**



**PROGRESSIVE
GOVERNANCE**

KEY MESSAGES

SCAPE IT UP!

Bigger, better, faster

The size of our global climate challenge is immense. We don't just need good solutions to mitigate climate change; we need solutions we can scale up to a massive size.

Innovations are an enabler

A key topic which came up repeatedly at the World Circular Economy Forum 2019 was innovation. Innovations are critical to advance circular solutions and mitigate climate change, but innovations are also necessary to make these solutions large enough to have a positive impact.

Technological innovations are new products or processes developed by companies for a specific need, such as bioplastics to replace petroleum-based plastic or a novel way to produce clothes without chemicals. There are also innovative business models, like the advent of the sharing economy where a consumer pays for access instead of ownership. This can be applied in revolutionary ways, like as-a-service models for housing or even furniture.

Yet there is more to innovations than technological improvements or business models. Participants at the WCEF2019 stressed the necessity for systemic, societal innovations. These are essential to scale up the changes needed to advance the circular economy and to mitigate climate change.

One societal innovation which was frequently discussed is a reform of our taxation regime. Taxes are an excellent way to reward good behaviour and to discourage damaging behaviour. The current tax system heavily taxes labour: the more you work, the more you pay. Yet working is not necessarily a bad activity and should not be discouraged. An alternative is to tax behaviour which is damaging to the environment, such as taxes on carbon and unsustainable consumption. Taxes on labour should be reduced. This is a method to not only encourage climate-friendly behaviour, but also to boost

economic activity. Major societal innovations such as this are to quickly scale up climate-friendly behaviour.

Private endeavours are crucial

In order to scale up good circular solutions we must have private companies onboard. The circular economy is often cited as a way to mitigate climate change, yet it is also a fantastic business opportunity. Participants at the WCEF2019 frequently pointed out how circular solutions make good business sense: for instance, reusing post-consumer materials is often much more efficient than producing virgin materials in the old linear model.

Private corporations have the ability to significantly affect consumer behaviour. Because of this it is imperative to convince businesses and investors that circular solutions can positively impact the bottom line. Multinational corporations have the ability to scale on a massive level, thanks to their development processes, supply chains, distribution network and millions of consumers.

Additionally, private investors have the ability to help change a good local solution into a global phenomenon. Capital is essential to develop circular solutions, and although public funding is important, private investors are essential to scale these solutions up to the necessary size. This results in a win-win situation, because not only do the investors help to mitigate climate change but they can also earn themselves a return on their investment. In our present economic system circular solutions will not be adopted unless they prove to be profitable.

Governments must also encourage and promote private endeavours in circular solutions. The WCEF2019 participants stressed that this can be done through incentives such as regulation, taxation, subsidies and public-private-people partnerships. To scale up we need private participation,

and to encourage private companies we need a framework which encourages positive corporate activity.

Global trade is good for the circular economy

A key point in scaling up circular solutions is the interconnectedness of the global economy. It is almost impossible for a single country to independently develop a circular economy because it has neither the resources nor the consumer market to be self-sufficient. The attendees of the WCEF2019 emphasised that a circular economy requires international trade and the free movement of goods, capital and labour.

A contemporary consumer product such as a smartphone encompasses a global network. The design of the mobile phone, the sourcing of the materials, the production of the product and the distribution and use of the final device is the result of a multinational network. Circularity must also be integrated into the whole value chain.

Currently many consumer products are designed with planned obsolescence, forcing consumers to

“upgrade” to new products at regular intervals. There must be a revolution in the product life-cycle, so that companies can continue to earn money from “old” products. Governments can encourage this, such as through “right to repair” legislation, but to truly scale this up to a global level, entirely new business models must take into account the new value chain.

Products must be made not only to last, but to be upgraded. For example, when a mobile phone is designed with circularity, it not only continues to offer value to the end user but also to the manufacturer and service providers over time. This is slowly occurring with the shift from product to service models, and to truly scale this up it is necessary to adopt a more holistic view. ●



SCALE UP

“We’ve identified a USD 2 trillion opportunity in the United States, if we were to stop throwing away our resources. It’s critical that innovation and investment happen at every stage of the value chain.”



KATE DALY

Executive Director
of the Center for the
Circular Economy
Country, Closed Loop
Partners



AIK HOELIM

Director of the Trade
and Environment
Division,
World Trade
Organization

“Moving towards services is key to the circular economy, but international trade in services is full of restrictions. If you want to push the circular economy based on the services model you must think about what to do with services trade restrictions.”

SCALE UP

“Part of business is clearly to be one step ahead. At the same time, we need to listen carefully and follow the everyday and see what people are doing. Anticipate the changes coming.”



JAANA TUOMINEN

President and CEO,
Fiskars Group

**MAKE IT
FAIR!**

100% win!



Life is unfair, but the circular economy doesn't have to be

The circular economy can not only mitigate climate change, it can mitigate social inequities.

Fair transition

Many countries have had impressive economic growth in recent years, but a close study proves that much of this growth is uneven. Real income might be stagnant for years or even decades, while the fruits of economic gains are concentrated in tiny segments of society. A revolutionary change in our society is necessary to move to a circular economy, but such revolutions often exacerbate social inequities.

Transitions may result in social, wealth and income imbalances. They might cause unequal access to capital which limits the adoption of new

technologies. Entire regions and industries might be displaced.

Speakers and participants at the WCEF2019 said that it is possible to make a fair transition to the circular economy. To do this we need to be prepared for the changes coming. For example, we know that many people will lose their jobs in coal mining and the oil and gas industries. Regions rich in natural resources may lose their main export. These people need to learn new skills to find work in the new economy.

One point made at the forum is that current changes which we might at first applaud can actu-

ally increase inequities. For example, the sharing economy has allowed houses and flats to be more fully utilised. Less new construction is needed when dwellings are used more efficiently. However, this has also caused rents to increase, pricing some locals out of necessary housing. As we transition to a circular economy, it is necessary to take such externalities into account so the benefits are shared fairly.

Fair system

In many ways, our current economic system is not fair because it does not take externalities into ac-

count. Coal is priced by the cost it takes to get it out of the ground, prepare it, transport it and use it. Similarly, the developed world might enjoy the benefits of smart devices while old electronic waste gets sent to developing countries where toxic materials contaminate groundwater. Currently, the costs of pollution are not completely captured by the economic system.

Government action is necessary to help cleaner solutions compete. Solar panels would never have been able to compete against fossil fuel power without subsidies. Participants at the WCEF2019 stressed that a better method is to more fully account for external costs, such as through a carbon tax, and to end subsidies on things we want to discourage like petroleum.

Other techniques have already proven their worth, such as requiring a consumer to pay a deposit for plastic bottles or including the cost of recycling into the price of a new consumer durable like a refrigerator.

A fair system is not possible in isolation. With the global movement of capital, goods, people and ideas, it is critical that we have a global framework so that we have a level playing field and national governments agree to the same standards. Organisations such as the WTO, the UN and the EU play important roles in the increasingly integrated global economy.

Fair growth

A transition to the circular economy can combat climate change, resource depletion and the destruction of the biosphere. It can also spur economic growth. Additionally, participants at the WCEF2019 pointed out that the circular economy can promote fairer growth, so that living standards increase in the developing world.

The UN Sustainable Development Goals (SDGs) include topics such as no poverty, good health, gender equality, and responsible consumption and

production. All UN members states have adopted the 2030 Agenda for Sustainable Development which includes the seventeen SDGs. The circular economy can be a tool to help reach these goals.

Africa is a prime example which was continually cited at the event. Currently Africa depends heavily upon raw materials for export and nations are already working on a post-mining life. The African Development Bank has developed a ten-year strategy for inclusive, green growth which incorporates many circular economy themes. Africa can grow without pollution, and they can do it by contextualising circular solutions to the local economies and cultures.

Partnerships are important to help advance fair growth and to work towards meeting the SDGs. Global and regional actors are already working with people in Africa and around the world to increase fair economic growth. ●



MAKE IT FAIR!

"I am a mechanical engineer. A lot of the times the women's voices aren't really heard when it comes to the circular economy and so we are part of what is called Women in Tech, so that we can get more and more African women to be able to understand how they can be a part of the circular economy."



VERE SHABA

Founder and Director,
Shaba Green Building
Design & Engineering

Follow that bike!

**EU LEAD
THE WAY!**



Wanted: global leader (experience required)

The shift to the circular economy requires global leadership. With the so-called superpowers reneging on their global responsibilities, the European Union is well-placed to fill the leadership vacuum.

Young people are stepping up

The climate crisis affects everyone on the planet, yet there are few global figures willing to lead our collective response. Increasingly, young people are filling this need. With movements such as Fridays for Future and Extinction Rebellion, young people are demanding action.

The role of youth was a major topic of the WCEF2019. A group of 60 young people from countries all over the world took over the floor to explain their concerns and to demonstrate what

they are doing. They brought unique local views to how to transition to a circular economy.

Many of the participants at the forum encouraged the young, telling them to continue their activities and voice their feelings. Since young people will feel the full affects of runaway climate change, they must be taken into the participatory process now. They may not be able to vote yet, but they do hold significant power and they can engage with decision makers through new processes.

It is no surprise that some of the largest youth

movements against climate change are occurring in the member states of the European Union. Surveys have found about three-quarters of EU citizens see climate change as a very serious problem while voters in the most recent EU elections claimed climate concerns influenced their voting. This is an opportunity for real change, but for that we need global leadership.

What the EU can do

The European Union is extremely well-placed to exert international leadership to combat the cli-

mate crisis. The EU knows that circular economy solutions can be the keystone to this action and have already begun to implement circular thinking in many action plans.

Companies and individuals need to have a predictable policy framework so they can adopt circular solutions into their activities. The EU has a strong track-record in cross-border collaboration and relevant regulations, such as through consumer protection and health and safety rules. This experience can also be applied to circular solutions, for instance with financing, standards, progressive taxation and fairer subsidies.

Participants at the WCEF2019 pointed out that the EU has 500 million consumers and enormous global clout. It has the ability to influence global trading partners to adopt circular economy activities and to move towards carbon neutrality. For instance, sustainable food regulations will force other countries to use sustainable agriculture if they want to sell to European consumers.

What the EU must do

Recent years have given us cause for concern. The UK decided to pull out of the EU, the US an-

nounced their attention to withdraw from the Paris Agreement and resurgent nationalism has thrown up trade barriers around the world. This backsliding into a dirtier and fragmented world is not irreversible.

The European Commission adopted a Circular Economy Package as early as 2015, realising this can boost competitiveness and growth. The European Investment Bank supports financing for circular solutions while the EU has begun ambitious internal and international programmes, such as a memorandum on circular co-operation with China. There is already a firm foundation to grow the circular economy.

Finland, who takes the presidency of the EU Council on 1 July 2019, is well-placed to help push a circular agenda. The Finnish Innovation Fund Sitra is the initiator of the World Circular Economy Forum and hosted it also in 2019. Finland is also the first country in the world with a road map to a circular economy, and the new Government has placed circular solutions at the core of their economic and competitiveness policy.

Now it is time for circular solutions to be more comprehensively integrated into the European

agenda. Citizens are demanding action and the so-called Green Wave saw more people elected to the European Parliament who acknowledge that climate change is the most pressing issue of our time. Participants at the WCEF2019 stressed that the need is acute but finally we have a tailwind to get things accomplished. The European Union is the global leader for this opportunity. ●



EU LEAD THE WAY!

“One of the real challenges that we face right now is that for most countries there are economies that are a little too small to be entirely self-sufficient in circularity. In order to have full circularity there’s a need to co-operate across borders.”



ELLIOT HARRIS

Assistant Secretary-
General for Economic
Development and
Chief Economist,
United Nations

KEY FIGURES

KEY FIGURES

2+1

DAYS

120

SPEAKERS

2207

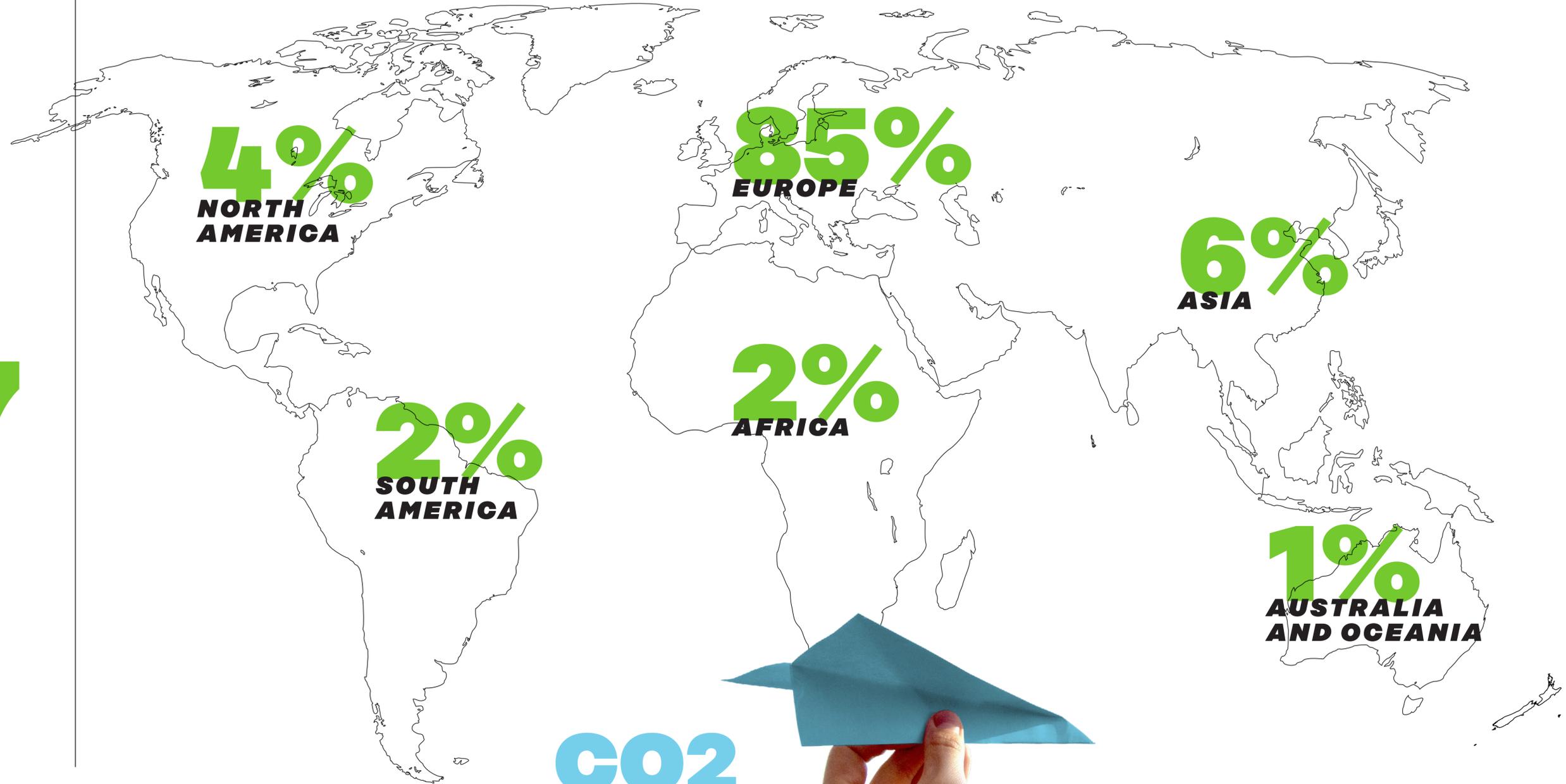
PARTICIPANTS FROM...

98

COUNTRIES

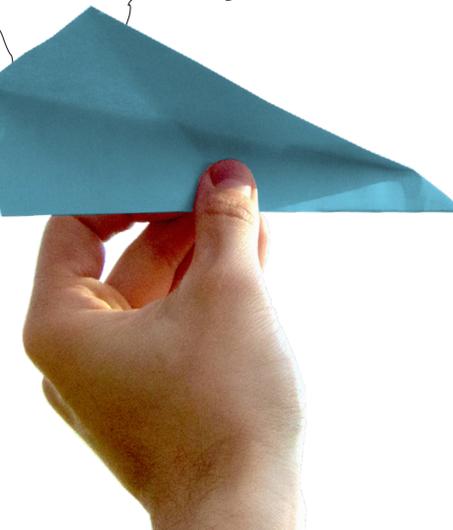
47% of participants came from Finland.

PARTICIPATION BY CONTINENT



CO2

WCEF compensated the emissions from the flights of all its speakers.



KEY FIGURES

PARTICIPATION BY SECTOR (TOTAL 2 207)

32%
BUSINESS

25%
PUBLIC SECTOR

13%
NGO OR ASSOCIATION

12%
RESEARCH INSTITUTE

10%
OTHER

4%
INVESTOR AND FINANCE

2%
THINK TANK

2%
MEDIA

24
EXPO HOSTS

MINUTES OF ONE-TO-ONE DISCUSSIONS*

13 560

*Booked through the WCEF2019 app



KEY FIGURES

17
SESSIONS



12
SIDE SESSIONS



33
SIDE EVENTS

14
PARTNERS



SITRA
HOST

1 695
STREAM VIEWS

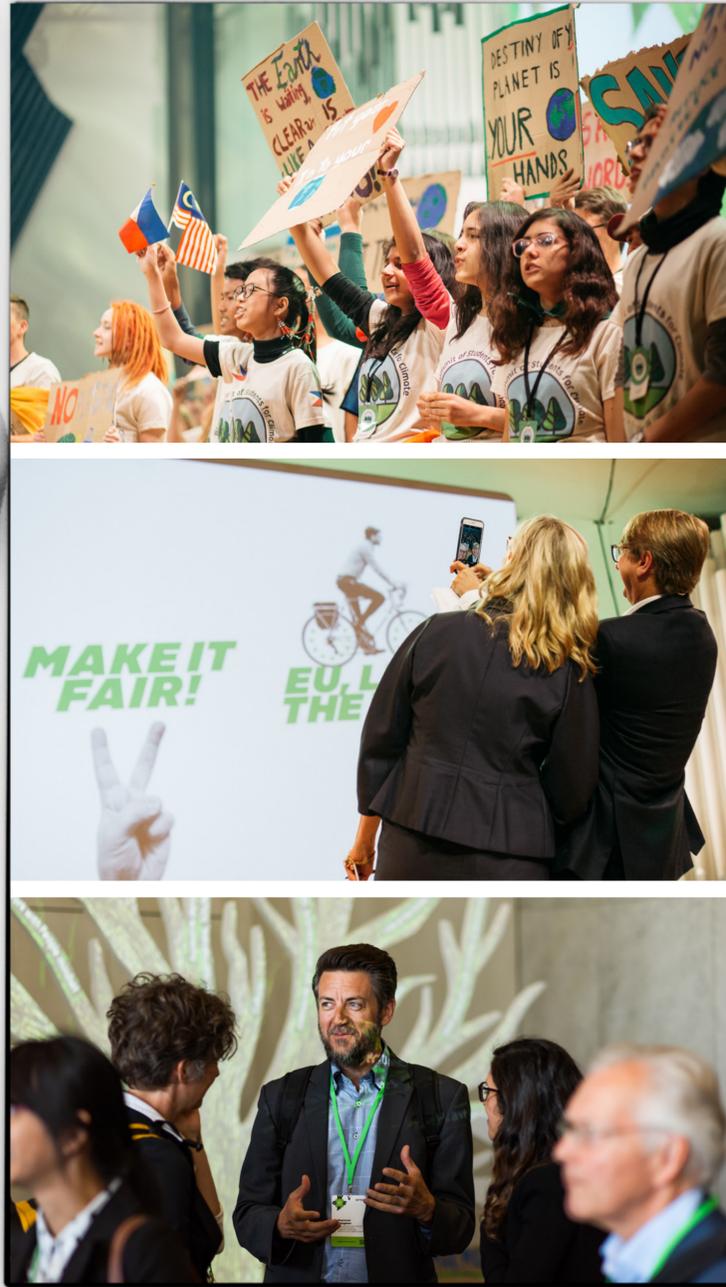
2 166
APP DOWNLOADS

52M
OVERALL SOCIAL
MEDIA REACH

Reach doubled
compared to 2018!



GALLERY



Check out the [full gallery on Flickr!](#)





2017
HELSINKI,
FINLAND



2018
YOKOHAMA,
JAPAN



2019
HELSINKI,
FINLAND

Coming soon!



2020
CANADA

