



NEWSLETTER

THE LATEST NEWS FROM EU-GCC PROJECT

Circular Economy: Challenges and Opportunities



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EDITORIAL

The GCC countries have experienced rapid economic development as well as growing population, that is mostly concentrated in cities, which contain 85 percent of the region's population today, a proportion set to reach 90 percent by 2050. Therefore, The GCC countries have set clear goals in their national strategies to ensure sustainable development while preserving the environment, and to achieve a perfect balance between economic and social development.

The EU has been facing the same environmental challenges and has been implementing a number of programs and initiatives along the entire lifecycle of products, promoting circular economy processes, and fostering sustainable consumption.

The EU expertise and best practices in this area can be shared with the GCC countries and assist them in achieving a number of environmental and economic objectives by leveraging the circular economy opportunities. This edition of the newsletter focuses on the EU – GCC opportunities for collaboration in the circular economy.

Daniela Stratulativ - EU GCC Dialogue on Economic Diversification Project 31st of March 2021

Circular Economy developments in the GCC region and opportunities for collaboration with the European Union

The EU-GCC Dialogue on Economic Diversification launched a study to explore developments in the field of the circular economy (CE) in Cooperation Council for the Arab States of the Gulf (GCC) region and identify areas where the European Union and the GCC countries can strengthen their collaboration. This [report](#) focuses on two GCC countries where there have been recent policy developments in this area, namely Saudi Arabia and the United Arab Emirates (UAE). It first examines the current framework conditions that would shape prospects for CE and explores emerging business opportunities in the two case study countries. On the basis of this analysis, it then provides an outlook for bilateral cooperation between the EU and the GCC countries. The collection of information has been based on a literature review and online interviews with experts from the region. This report concludes that there are three main areas where the EU and GCC countries could further collaborate in the area of the CE: infrastructure development; regulatory enforcement; and funding mechanisms.

There has been a growing interest in Circular Economy (CE) in the region of the Cooperation Council for the Arab States of the Gulf (GCC). Saudi Arabia's G20 Presidency in 2020 gave a strong push for moving in this direction based on the Circular Carbon Economy (CCE) model. At the same time, the EU has included the CE model as a key pillar of its European Green Deal flagship policy and has adopted a Circular Economy Action Plan (CEAP) that establishes a comprehensive policy framework to regulate and incentivise good practices across the key sectors (electronics and ICT; batteries and vehicles; packaging; plastics; textiles; construction and buildings; food; water and nutrients), which could be of particular interest to the GCC countries.



This [report](#) concludes that even though there are ongoing CE initiatives and projects across the GCC region, potential for market opportunities has not been fully exploited yet. Although a number of policies are under development in Saudi Arabia, the study finds that in addition to the high-level strategies there is a need for more targeted regulations focusing on specific waste streams or value chains. The UAE has advanced in setting up regulatory frameworks on waste management and sustainability performance in buildings. However, in both countries lack of well-developed markets for various types of waste and lack of policies aimed at making landfill a less attractive option are two identified barriers.

CE policy in the GCC context thus remains largely limited within the scope of waste management. One of the first priorities that emerges from the study is the need to improve landfill diversion rates, with a focus on waste reduction and valorization. To tackle this problem, there are three major areas of improvement: proper infrastructure; proper regulations and their enforcement; and proper funding mechanisms. In addition, incentives for producers and measures to increase consumer awareness are required to reduce waste generation levels.

The following agenda could be tabled at the next opportunity for the EU-GCC dialogue on CE. Firstly, the EU technical assistance facility could support a range of activities such as i) training of local engineers or technicians, and ii) communication and dissemination campaigns in multiple languages for migrant labour and for education programmes targeting young population. Secondly, the EU could share experience gained from European regions and cities involving both public and private sectors in CE models. One interesting form of knowledge exchange would be matching specific EU and GCC regions or cities as partners for long-term collaboration. Thirdly, greater collaboration can be promoted for the exchange of expertise in diverse fields ranging from municipal government departments in charge of waste management, to European and GCC recycling companies jointly developing sustainable technical solutions and business model mechanisms. Lastly, the bilateral engagement in CE can be supported with efforts by commercial offices and national trade promotion organisations in the EU to create awareness and inform EU specialised companies.



Circular Economy in Europe: For a cleaner and more competitive Europe

In 2015, the European Commission adopted its first circular economy action plan. It included measures to help stimulate Europe's transition towards a circular economy, boost global competitiveness, foster sustainable On 4 March 2019, the European Commission adopted a comprehensive report on the implementation of the action plan. The report presents the main achievements and sketches out future challenges to shaping our economy and paving the way towards a climate-neutral, circular economy where pressure on natural and freshwater resources as well as ecosystems is minimised.

Circular economy action plan

The European Commission adopted the [new circular economy action plan \(CEAP\)](#) in March 2020. It is one of the main building blocks of the [European Green Deal](#), Europe's new agenda for sustainable growth. The EU's transition to a circular economy will reduce pressure on natural resources and will create sustainable growth and jobs. It is also a prerequisite to achieve the EU's 2050 climate neutrality target and to halt biodiversity loss.

The new action plan announces initiatives along the entire life cycle of products. It targets how products are designed, promotes circular economy processes, encourages sustainable consumption, and aims to ensure that waste is prevented and the resources used are kept in the EU economy for as long as possible.

It introduces legislative and non-legislative measures targeting areas where action at the EU level brings real added value.



Objectives

Measures that will be introduced under the new action plan aim to

- make sustainable products the norm in the EU
- empower consumers and public buyers
- focus on the sectors that use most resources and where the potential for circularity is high such as: electronics and ICT, batteries and vehicles, packaging, plastics, textiles, construction and

buildings, food, water and nutrients

- ensure less waste
- make circularity work for people, regions and cities
- lead global efforts on circular economy

Actions

The Commission will implement all 35 actions listed in the action plan. The full list of actions can be found in the [implementation tracking table](#).

FOR MORE INFORMATION: <https://cutt.ly/W6UJr5>



The UAE trend towards a circular economy

The UAE is working to accelerate the pace of implementation of circular economic standards, which ensures the achievement of the UN Sustainable Development Goals (SDGs), and adoption of sustainability across the economy.

THE UAE CIRCULAR ECONOMY COUNCIL

In January 2021, under the UAE Circular Economy Policy, the UAE Cabinet approved the establishment of the UAE Circular Economy Council, chaired by Minister of Climate Change and Environment, with members representing federal and local authorities and the private sector. Ministry of Climate Change and the Environment will be responsible for duties as the council's secretariat-general.

The council aims to:

- oversee the drafting of a mechanism to implement the strategy in coordination with relevant authorities
- approve performance indicators related to the strategy's adoption
- harmonise federal and local strategies within the policy's requirements
- suggest the general foundations of sectoral plans and project
- encourage the participation of the private sector in projects and initiatives related to the circular economy
- promote partnership between the public and private sectors, and advance scientific research in related areas.

The policy is a comprehensive framework that defines the UAE's directions in achieving sustainable management and efficient use of natural resources, by adopting methods and techniques of consumption and production.

The policy aims to minimise the natural resources consumption, reduce waste, and ensure the quality of life for current and future generations.

The policy comprises several key objectives, including:

- Promoting environmental health
- Supporting the private sector in adopting clean production methods
- Reducing natural environmental stress, to achieve the country's vision to be a global pioneer of green development.

The policy is a framework that aims to define the UAE's priorities in promoting the concept of a circular economy in several priority sectors. These sectors include green infrastructure, sustainable transport,



Photo by [Nick Fewings](#) on [Unsplash](#)

sustainable manufacturing, sustainable food production and consumption, as well as other common areas such as technology, innovation and research and development. The framework focuses also on raising awareness, building capacities, establishing partnerships and cooperation platforms, and achieving comprehensive waste management. To support the adoption and implementation of the new direction, the UAE Circular Economy Council was formed. The council aims to:

- Oversee the drafting of a mechanism to implement the strategy, in coordination with relevant authorities
- Adopting performance indicators for implementing the policy and aligning federal and local strategies with their requirements
- Proposing general foundations for public and sectoral plans and projects
- Promote partnership between the public and private sectors
- Promote and develop scientific studies and research in areas related to the circular economy
- Strengthening international cooperation and international partnerships in the implementation of the circular economy at the global level

FOR MORE INFORMATION: <https://cuttl/wbUP6cS> - <https://cuttl/obUAvsk>



Circular Carbon Economy: Global Saudi Initiative for Energy Sustainability, Environmental Protection

Saudi Arabia has used its year in the G20 presidency to promote its circular carbon economy scheme, which it says will lower carbon emissions if adopted worldwide, while maintaining abundant energy supplies.

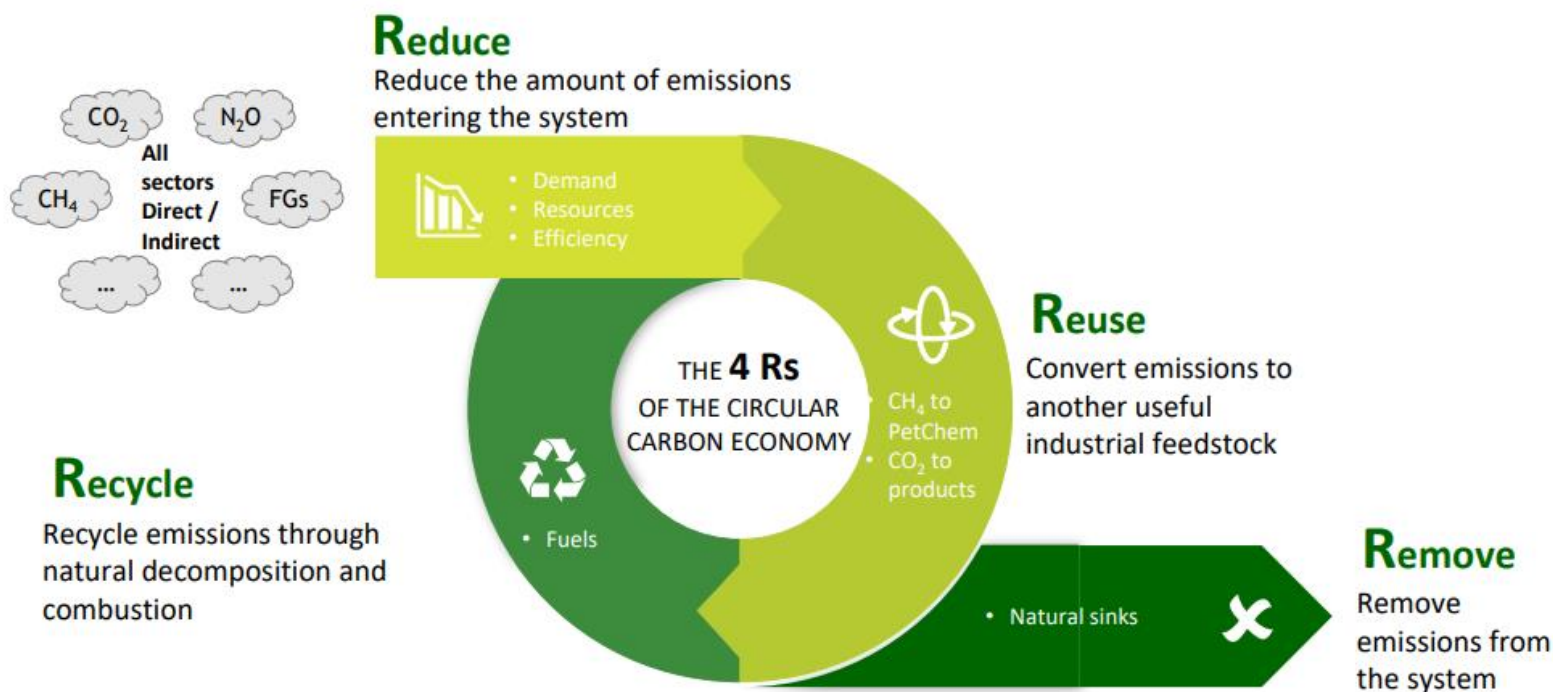
The Saudi climate change mitigation scheme is based on "four R's" -- reduction, reuse, removal and recycling of carbon -- aimed at lowering the amount of carbon emissions being released into the atmosphere. Under this umbrella, initiatives such planting trees as natural carbon sinks, and increasing the capacity of carbon capture storage, sequestration and utilization projects, have been proposed by Saudi Arabia.

More practically, the circular carbon economy project will convert the greenhouse gases that are one of the main contributors to global warming into a fully-fledged economy, based on a high-precision technical treatment of carbon emissions from all industrial sectors through the mentioned four strategies.

The circular carbon economy system would help restore the balance of the carbon cycle in the same way that it occurs in nature, which would make this industrial innovation mitigate the accumulations of carbon in the atmosphere and limit its negative effects on public health.

The idea of a circular carbon economy, which includes the 'reuse' component that is proposed by Saudi Arabia, would mean that carbon emissions are captured and stored underground, and then converted into useful products, such as fertilizers and methanol.

MANAGING GHG EMISSIONS THROUGH THE CCE



FOR MORE INFORMATION : <https://cutt.ly/QbULOSR> <https://cutt.ly/BbUZxVo>

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<https://www.gulf-times.com/>

<https://www.thepeninsulaqatar.com/>



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As always, we welcome your feedback on the topics and sectors that interest you most and you would like to see covered in future editions of the newsletter.

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