



In-depth Review of Measuring Circular Economy

Finland (lead), Belarus, Canada, Netherlands, the European Environment Agency (EEA), Eurostat and OECD volunteered to prepare the paper providing the main basis for the review.

Colombia, UNECE, UNSD and UNEP have also contributed to the paper

Why did we need this paper?

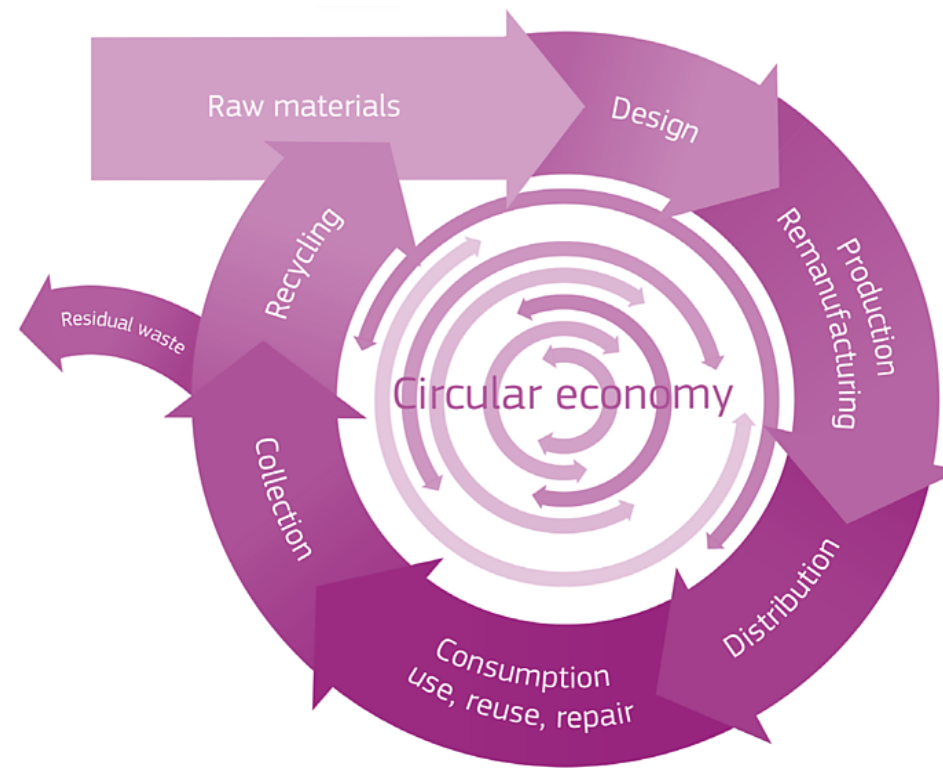
- Policy initiatives aimed at establishing a circular economy have increased as an essential contribution to the development of a sustainable, low carbon, resource efficient and competitive economy
- New business models have emerged, and could become drivers of re-industrialisation, job creation and economic growth, and create economic opportunities in sectors such as secondary material production, repair and remanufacture, and services
- A successful transition from the current linear economic models to more circular ones requires efforts on many different fronts and raises a number of questions for policy makers that differ from those associated with traditional waste and materials management → Demand for information on the life-cycle of materials and products, the underlying drivers and the associated economic and environmental implications

"If you can't measure it, you can't manage it"

Linear Economy



Circular Economy



The main issues

- **Measurement scope**
 - There needs to be a common understanding of the concept and what should be measured;
- **Definitions and classifications**
 - existing statistical classifications have been developed for the linear economy and thus require review and harmonization;
- **Data availability and fitness**
 - current knowledge of circularity largely concerns trends in energy, material flows and waste while there are important data gaps such as the effect of actions that relate to smarter product use and manufacturing, collection systems or extending the lifespan of products. Measurement and monitoring of the environmental, social and economic outcomes along the value chain requires improvements;
- **Coordination across institutions and within the NSO**
 - official statistics can not provide data for all the different aspects of the circular economy and there should be engagement with other data providers and users particularly policy makers, civil society, companies and research communities
- **Demand and expectations by users (e.g. policy makers, research etc.)**
 - the need to react quickly at times to new data needs is a challenge for a NSO, particularly if it requires launching new content on surveys or producing new accounts;
- **Dissemination**
 - new methods and tools are needed to understandably and efficiently communicate to users;
- **Other**
 - measures for the interlinkages between circularity, climate neutrality and pollution as well as the social domain.

Recommended way forward

- Strengthen **coordination and communication** of work of international organizations and their expert groups related to measuring CE;
- Draft **practical guidelines by a task force or expert group**, in close collaboration with UNSD and other international organizations being active in this area;
- Provide **platforms for exchange of experience and knowledge**, including coordination of activities of international organizations, e.g. the annual “Joint OECD/UNECE Seminar on SEEA implementation”.

Task Force on Measuring Circular Economy

- Conducted within the framework of Conference of European Statisticians (CES) and its Bureau
- The Task Force is foreseen to work for two years.
 - work is planned to finish with the approval of the *Guidelines for measuring circular economy* by CES in June 2023.
- The activities of the Task Force will be aligned with the related work of *UN Committee on Environment Economic Accounts (UNCEEA)* to ensure global relevance.
- The following countries, international organizations and research institutes have expressed interest in participating in the Task Force:
 - Belarus, Canada, Finland, Netherlands, Poland, EEA, OECD, UNEP, UNSD and United Nations University.
 - Other countries and international organizations are welcome to participate in the work.
- Statistics Finland offered to chair the Task Force.
- UNECE will act as Secretariat to the Task Force.

Task Force on Measuring Circular Economy

- Planned activities
 - Discuss and define the measurement scope
 - Draft practical guidelines for measuring circular economy
 - Contribution to strengthening coordination and collaboration of international organisations
 - Providing platforms for exchange of experience and knowledge
- Main output *Guidelines for measuring circular economy*, including:
 - Description of the measurement scope and policy context;
 - Clarification of key terms and definitions;
 - Key statistics and indicators needed from the policy point of view;
 - A description of the role of SEEA, FDES and other data sources;
 - A description of required institutional collaboration;
 - Identification of further areas of work



Thank you!

Johanna Pakarinen, Statistics Finland

johanna.pakarinen@stat.fi