

What is the circular economy?

The circular economy: everything you need to know

by Dr Tony Wilkins

Waste and recycling issues have hit the headlines world over in recent years, fuelled by increased media attention, grassroots action and shifts in the political environment. Bans on imported waste and recyclables into China and much of Asia have forced once-nonchalant Australians to reconsider our approach to rubbish. There is a growing realisation that rubbish must go *somewhere*; there is no “away”.

Enter the circular economy, a transition towards the reuse and redirection of waste where final disposal choices (such as landfill or incineration) are delayed or designed out of a product’s lifecycle. Consumers are increasingly buying goods that are designed to be reused or recycled, allowing resources to move around our economy in a cycle.

Put simply, a circular economy is an alternative to a traditional linear economy (make, use, dispose) in which we keep resources in use for as long as possible, extract the maximum value from them while in use, then recover and regenerate products and materials at the end of each service life.

A truly circular economy would have no waste, hence the strong link to the “zero waste” goal of many households and businesses.

Where did the idea come from?



In some ways, there's nothing new about the circular economy. Think back to times when there were fewer resources and greater value placed on the things we had. Wartime thrift and austerity was a natural breeding ground for waste reduction, but as our society prospered economically, we opted for novelty and convenience over longevity and efficiency.

Now that our landfills are filling up and new ones are difficult

to approve, we're having to rethink our use and abuse of resources. Added to this are the visible damage to our environment from waste and a recognition that plastics are a major problem.

Circular economy principles

Those who grew up reciting "Reduce, reuse, recycle" will find common themes underpinning circular economy thinking. The Ellen MacArthur Foundation defines the model's central principles:

1. Design out waste and pollution
2. Keep products and materials in use
3. Regenerate natural systems

Huge strides are being made in the area of packaging with problematic materials such as styrofoam being replaced by natural compostable options. For example,

plant-based materials such as [mushrooms and seaweed](#) have been trialled as an alternative to some plastics, the advantage being that they are compostable at the end of their lifecycle.

A Circular Economy Business Model

Thinking of adding circular principles to your business? Here are the [key steps](#) to consider:

1. Circular supplies: Where the things we use to make our products are fully renewable, recyclable, or biodegradable
2. Resource recovery: eliminate waste and maximise value of returned products
3. Product life extension: extend the life of a product by allowing repair, upgrading or reselling options. Several companies such as Apple are already locking customers into loyalty cycles with the promise of long-term relationships handling upgrades and repairs.
4. Sharing platforms: Promote reuse among and between product users. Social media provides a great opportunity for users to share experiences in reuse, recycling of your products.
5. Products as a service: Sell the service and take responsibility for the manufactured goods. A great example is carpets.

Saying 'no' to single-use



A circular economy has no place for single-use items that cannot be effectively reused or recycled. Consumers, encouraged by government and public opinion, are now starting to say no to single-use items.

Legislation in Europe and Canada is already focused on banning goods that fail the circular economy test: plastic straws, plastic cotton buds, plastic stirrers are already banned. Australia, too, is heading down this path with plastic shopping bags banned in most states and territories. In July 2019 South Australia announced it will be banning some single use plastics. Over the next year SA will implement phase-outs of disposable coffee cups, polystyrene trays and thick plastic bags.

Benefits of a circular economy

Circular economy practices encourage the development of a more sustainable society that uses and reuses the resources it has.

Those that a quick to embrace the change will see the benefits. Newspapers make a great case study: the paper manufactured for newspapers in Australia is made using [sustainably-grown plantation pine and recycle fibre](#). Decisions were made decades ago to not use inks with heavy metals or hazardous materials in them, so newspapers can safely be made into egg cartons, kitty litter, home insulation, fruit packing and even coffins.

[You can read more about the story of the circular economy and newspapers](#)

[here.](#)

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