

CIRCULAR ECONOMY: THE PATH TO A SUSTAINABLE LIFESTYLE

THE WORLD ECONOMIC FORUM, DAVOS

January 19, 2023
2:00 PM - 2:45 PM CET



Summary of Discussions

Parameswaran Iyer, CEO, Niti Aayog, spoke that circularity and circular economy as topics were important from an environmental perspective, and form an integral part of India's G20 presidency.

Circular economy links itself with a much broader concept of LiFE (Lifestyle for Sustainability), first announced by the Prime Minister of India at COP26 in Glasgow. And Mission LiFE talks about how individuals and communities can make a difference to the climate through their lifestyles, and seeks to promote practical, sustainable solutions.

Citing examples of how changes in lifestyle will trigger expectations and demand from the industry to supply sustainable products, which in turn can stimulate the market and lead to further policy changes on circular economy. In 2021, the Government of India launched the Circular Economy Mission, among which 13 ministries are attempting to incorporate circularity within their respective ministries not merely from an environmental perspective but also an economic livelihoods point.

Vibha Dhawan, Director General, TERI, emphasised that circularity as a concept was embedded in the DNA of every Indian. She stated that nothing can be considered "waste", as every material has a value attached to it. And when societies and businesses begin allocating a value to such "wasteful" materials, economic gains can be realised.

Dr. Dhawan cited a study which puts the global economic value to "waste" materials at \$ 3 trillion by 2030, of which India can contribute \$ 0.5 trillion.

Vaishali Nigam Sinha, Chief Sustainability Officer, ReNew Power, emphasised that public – private partnerships are a must to scale circularity in the economy. Speaking about Mission LiFE, and the need to inculcate practices of reusability and recyclability, requires civic education among the masses, especially children. Education leads to sensitisation, which in turn helps create responsible citizenry. ReNew Power in partnership with community led civil societies has implemented a 'sustainability' based curriculum in four states of India, namely Gujarat, Madhya Pradesh, Rajasthan and Karnataka.

Cyril Garcia, Global Sustainability Services and Corporate Responsibility Head and Member of the Group Executive Board, Capgemini Group spoke about the need of generating social demand for products with circularity embedded in them. From a technological perspective, there is a strong focus on the development of recycled products from left-over by products.

Criticality of resources is a key component of circularity given the rising scarcity of resources. Political will at the national level is required to accelerate circularity, and governments should create enabling frameworks

Christian Kaufholz, Head, Community Engagement & Impact – Resource Circularity at World Economic Forum highlighted that within the World Economic Forum, as well as within the investors community circularity remains a cross-cutting institutional priority. While innovation relating to circular economy was seen in pockets, there was no systems change vis – a – vis circularity, wherein there is little or no sync in the way production processes, down to the ways in which value chains exist take place. There has been a change in the way circularity is thought of, as increasingly; there is a recognition that across industries, systemically there needs to be a change ...

Speaking on plastics, Mr. Christian highlighted that the world economic forum was heavily invested in the Global Plastics treaty, and at WEF, there is the Global Plastics Action Partnership. Agreeing with Dr. Dhawan on the idea of bringing back the older traditions and value system of reuse and recycle, Mr. Christian suggested that there is a need to provide a new – spin and use technology via traceability for re-use systems.

Smriti Irani, Minister of Women and Child Development, Government of India, speaking on circular economy highlighted that Mission LiFE individualises responsibility, beyond organisations and coalitions of countries, which harnesses circular economy as a way of life. Highlighting the 2 major international coalitions headquartered in India, the International Solar Alliance (ISA) and the Coalition of Disaster Resilient Infrastructure (CDRI), Ms. Irani remarked that climate action initiatives are best reflected when countries fulfil their climate commitments.

Speaking about the lack of data highlighting climate change impacts on women, Ms. Irani suggested that computing information about the vulnerability of women and children is a foundational requirement basis which solutions can be provided. In this context, she highlighted the need to create a global framework on first responders, equipped to provide the necessary response when climate – linked disasters impact marginalised and vulnerable communities.

Climate change can be collectively resolved only when every individual and every organisation is equipped to respond to these challenges. And Mission LiFE aims to ingrain capacity and responsibility at the individual level, which can be galvanised into a collective action.

Emphasising the importance of thought leadership, Ms. Irani stated that when “political leadership and bureaucratic leadership respond with alacrity”, they help find empathetic solutions. And such thought leadership is necessary to respond to the adverse impacts of climate change.

Ms. Irani concluded by stating that there is a need to prioritise sustainable living at the community level, where personal consumption can be made more climate – friendly without disrupting the ambitions of children residing in developing countries.