

EXECUTIVE SUMMARY

Our world economy is only 9.1% circular, leaving a massive 'Circularity Gap'. This alarming statistic is the main output of this first Circularity Gap Report, in which we launch a metric for the circular state of the planet. Taking the United Nations' *Emissions Gap Report*¹ as inspiration, the Circularity Gap Report provides a framework and fact-base to measure and monitor progress in bridging the gap, year on year. Being able to track and target performance via the Global Circularity Metric will help us engage in uniform goal-setting and guide future action in the most impactful way.

Closing the circularity gap serves the higher objective of preventing further and accelerated environmental degradation and social inequality.

The transition to circularity is therefore a means to an end. As a multi-stakeholder model, a circular economy has the ability to unite a global community behind an action agenda, engaged and empowered both collectively and individually. Its systemic approach boosts capacity and capability to serve societal needs, by embracing and endorsing the best humankind has to offer: the power of entrepreneurship, innovation and collaboration.

The circular transition thereby provides actionable ways forward to contribute to reaching the Sustainable Development Goals and the Paris Agreement. Our linear model is effectively no longer fit for purpose, failing both people and the planet. Circular economy strategies have the potential to be instrumental in the push to mitigate the associated climate impacts, given that majority (67%) of global greenhouse gas emissions are related to material management.

The report shows how key societal needs are met and the resource reality behind the delivery. For key needs like housing, mobility and nutrition, the Report reveals the global material footprint. It shows which needs consume what resources. Our global metabolism visual illustrates what happens with products and materials after their functional use in society. In particular, it uncovers the modest flow of resources cycled back into the economy and helps us estimate how much material goes wasted beyond recovery. This exposes how deeply our linear system is still ingrained in our daily lives.

Bridging the circularity gap requires intervention across the full breath of society and action in nations, sectors, supply chains and cities. Major trend corrections are needed to get the global economy on a pathway towards circularity. This Report identifies key levers at a global level and points to 'inconvenient truths' that provide systemic challenges for moving to circularity by mid-21st century.

4 STEPS TO TAKE ACTION IN BRIDGING THE CIRCULARITY GAP THROUGH LEADERSHIP AND ACTION

- 1 Build a global coalition for action,** comprised of front-running businesses, governments, NGOs and academics, that will input and convene an authoritative annual report on the circular state of the global economy and measure progress towards its implementation.
- 2 Develop a global target and action agenda** by working with all relevant stakeholders to agree clear goal-setting and alignment with the SDGs and emission-reduction targets.
- 3 Translate global targets into local pathways** for circular change, taking big-picture directions and interpreting these for nation states, individual sectors, supply chains, regions and cities to embed strategies in their specific context and align with incentives and mandates.
- 4 Improve our understanding** of how different levers for circular change affect aspects such as material saving, value retention and climate mitigation. Also consider fully the dynamics of international trade and employment, plus implications for education, training and future skills, both for young people today and the next generations of tomorrow.

JOIN THE CONVERSATION

#CircularityGapReport

www.circularity-gap.world

TO BRIDGE **THE CIRCULARITY GAP** WE NEED TO:

- ⚠ Stop extracting
- ⚠ Stop wasting
- ⚠ Optimise what we already have
- ⚠ Cycle more and better

