

[Growth within: A circular economy vision for a competitive Europe](#) [1]

This report seeks to answer five questions:

1. Is Europe's current resource model effective?
2. Will the technology revolution solve Europe's resource issues?
3. What would a circular economy in Europe look like?
4. What economic outcomes could a circular model achieve in Europe?
5. If Europe decided to shift towards a circular model, how could policy-makers and business leaders accelerate the transition?

Three of Europe's most resource-intensive basic needs are discussed; food, mobility and the built environment, all together comprising 60% of household costs. The main nine conclusions are:

1. The European economy is surprisingly wasteful in its model of value creation and – for all practical purposes – continues to operate a take-make-dispose system.
2. A wave of disruptive technologies and business models could help the European economy to improve resource productivity and reduce total annual costs for the three sectors by €0.9 trillion in 2030. However, non-captured system benefits and rebound effects could constrain the gain (with unclear employment implications).
3. Europe could instead integrate these new technologies and business models into the economy in a way that maximizes value extracted from asset and material stocks applying the rules of the circular economy – achieving growth within.
4. Shifting towards a growth within model would deliver better outcomes for the European economy and yield annual benefits of up to €1.8 trillion by 2030.
5. Equilibrium modelling results and a comparative labour study suggest that for the total European economy at large, the circular economy could produce better welfare, GDP, and employment out-comes than the current development path.
6. A circular economy could greatly benefit the environment and boost competitiveness and resilience.
7. A transition to the circular economy would involve considerable transition costs, but if well-managed could create an opportunity for economic and industrial renewal.
8. If Europe wanted to accelerate the shift towards a circular economy, it could build a strong foundation by launching four efforts. (Europe-wide quest for learning, research and opportunity identification, development of a value-preserving materials backbone, initiatives at the European, national, and city levels to enable inherently profitable circular business opportunities to materialise at scale and the development of a new governance system to steer the economy towards greater resource productivity, employment, and competitiveness).
9. The timing is opportune.

Format:

Report

Author names:

Ellen MacArthur et al.

Length (pp):

100

Year:

2015

URL:<https://www.ellenmacarthurfoundation.org/assets/downloads/publications/EllenMacA...> [2]**Source:**

Ellen MacArthur Foundation, the McKinsey Center for Business and Environment (sponsored by Stiftungsfonds für Umweltökonomie)

Type of evidence:

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Excel ID:

i00004



The CIRCULAR IMPACTS project has received funding from the European Union's Horizon 2020 Programme for Research and Innovation under the Grant Agreement no. 730316.

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