



2nd European Resources Forum, Berlin

Minutes from the European Resources Forum 2014

Minutes by:

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Parallel Session B: UNEP's International Resource Panel (IRP) on Decoupling & Circular Economy

- Shaoyi Li; Head, Integrated Resource Management Unit, United Nations, Environment Programme, France
- Prof. Dr. Ernst Ulrich von Weizsäcker; Co-Chair, UNEP International Resource Panel; Co-President, Club of Rome; Germany
- Prof. Dr. Paul Ekins; Professor of Resources and Environmental Policy, Director, UCL Institute for Sustainable Resources, University College London, member of UNEP International Resource Panel, United Kingdom
- Prof. Dr. Stephan Bringezu; Director, Wuppertal Institute for Climate, Environment and Energy, member of UNEP International Resource Panel, Germany
- Moderator: Shaoyi Li; Head, Integrated Resource Management Unit,

Professor von Weizsäcker focussed in his presentation on the challenges of the growth of mineral extraction and the opportunities that decoupling holds and which policy measures need to be taken in order to harvest the potentials. Population growth and prosperity growth lead to the exponential growth of mineral extraction. Decoupling, a political answer to these developments is not happening because of tumbling resource and energy prices which led to explosive growth in energy and material consumption in the past. Taking advantage of saving potentials could lead to an economic development as described in Kondratiev waves.

Professor von Weizsäcker described three phenomena of decoupling: maturation, trade and productivity increase. Of these, only productivity increase is an intentional strategy, which could be fostered by policies. Professor von Weizsäcker argued for a "Ping-pong-policy", in which the energy and resources prices rise slowly along with the rise in resource productivity. In order to not strain certain groups unfavourably by higher resources prices, he suggests life-line tariffs for the poor and supportive policies for endangered branches.

Shaoyi Li presented the International Resource Panel (IRP), its foci and function. The IRP was created in 2007 as a science policy interface, as a response to economic growth, ecologic degradation and resource depletion. The independent body has two main goals: 1) to provide scientific assessments and to 2) to contribute to the understanding of decoupling. Today the IRP is well known for its expertise; its data and analysis are frequently used by other organisations and institutions. The IRP can draw on a wealth of expertise; it identifies critical issues (one selection criteria being demand) and acts at the interface between science and policy. With assessment reports and other publications it contributes to the policy discourse. Its main areas of assessment are decoupling, a-biotic and biotic resources, environmental impacts and systems approaches. The IRP works on a holistic level as well as on low-levels approaches, such as city level decoupling.

Shaoyi Li furthermore laid out the next focus points and steps for the IRP: in the next years systemic approaches will gain in importance for the IRP (rather than looking at individual resources). The priority areas for 2015-2017 will be: circular economy and innovation; resources nexus; governance of resources and poverty eradication; marine resources ("blue and green economy").

Professor Ekins stressed in his presentation the existence of functioning policy measures, arguing that Europe (as other regions) lacks the political will to get serious on resource efficiency, despite the huge benefits for employment and economic development that a green economy holds. Professor Ekins started his presentation with a short introduction to the various conceptual terms important to the debate. According to Professor Ekins the terms (green economy, decoupling, circular economy...) are not always clearly defined, and come in and out of fashion. Any of the concepts should contribute to low-carbon levels, high resource productivity and keeping human activity within local and global limits. "Resource efficiency", is usually defined as more service per unit of resource input. However, while the input is fairly easy to measure, measuring the output (services) is less straightforward. Furthermore, the environmental impact of different resources is difficult to compare.

In the following Professor Ekins delved into policy options for resource productivity which could contribute to achieving the target suggested by the European Resources Efficiency Platform (EREP). The EREP calls for a doubling of resource productivity as compared with the pre-crisis trend until 2030. According to Professor Ekins the Circular Economy needs a total de-energetisation, increased recycling and waste reduction. As a more progressive policy option Professor Ekins suggested that producers shouldn't be allowed to sell materials, so as to close the circle regarding the responsibility for resources. Using the example of the "National Industrial Symbiosis Programme (NISP)", the UK's most successful programme to improve resource productivity, Professor Ekins presented how this led to cost savings for companies and resource productivity gains. The NISP served also as an example that programmes are sometimes needed even if the companies have a financial incentive to act: possibly due to the complexity of the matter the companies did lose focus on resource efficiency without NISP. With regard to policy Professor Ekins stressed the importance of targets and ambition, pledged for a waste/resource management as well as a consumer focus. While markets can move mountains, companies need strong policy signals to act.

Professor Bringezu elaborated in his presentation how the circular economy can help reducing the impact from mining, especially with regard to the transformation of landscapes. He argued that in a 100% recycling economy extraction could be reduced to a fraction of a mining based economy (350 vs. 2 tonnes extraction), while also avoiding further negative effects such as biodiversity loss through land use change.

In his presentation Professor Bringezu put a special focus on cropland conversion. A cautious global target would be to halt the expansion of global cropland into grasslands, savannahs and forests by 2020. Professor Bringezu presented several policy options to get into the “safe operating space” and how they contribute to the target. High savings can be achieved by a change in diets (away from meat and dietary products), reducing biofuels targets and control of biomaterials, improving land use planning, and investing in regenerating degraded soils (restore one-third of degraded and abandoned lands). As 1/3rd of global harvest is wasted, the reduction of waste in a circular economy could contribute significantly to a reduction of land use change.

The **plenary discussion** focused on several relevant issues. For one thing, as regards the potential negative connotation of the term decoupling, all presenters agreed that language plays an important role to get to the heart of an idea, but they did not agree that “decoupling” is too negative a term. Furthermore, in the discussion it was stressed that environmental tax reforms have been implemented successfully in the past, but that often prominent exceptions are made (as in the EEG for energy intensive industries) which harmed the success of the environmental tax reform. Professor Ekins elaborated on his experiences with revenue neutral tax shifts and the difficulty to communicate the logic behind these shifts. Regarding waste several challenges were raised, e.g. how to deal with the overcapacities in incineration plants; how to increase producers’ interest in extended producer responsibilities; how to stop the illegal exports of dangerous waste. Especially illegal waste exports were seen by all participants as a huge problem, which calls for better waste management. Better waste management, in turn, was also seen as critical to improve re-use and recycling of the upcoming end of life in infrastructure in many parts of Europe. Finally, it was argued that sustainable resource policy will restrict free trade, but that the described ping-pong policy (linking resources taxes with productivity gains) can be successful especially if big players such as China apply it successfully.
