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# CIRCULAR ECONOMY: HOW TO MEASURE WHEN WE HAVE NO MEASURE?

Gustavo Longaray Moraga

PhD researcher at Ghent University, Belgium

March, 2020



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# OUTLINE

- 1. Circular Economy Policy Research Centre
- 2. CE indicators: what do they measure? Proposal for a classification framework





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# 1. CIRCULAR ECONOMY POLICY RESEARCH CENTRE

[www.ce-centre.be](http://www.ce-centre.be)



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# WHY A POLICY RESEARCH CENTRE?



Flemish government: circular economy = transition priority (“Visie 2050”)  
-> minimal use of materials, energy and space, and minimal environmental impact

- Three policy questions:
  - How to measure the progress of the circular economy?
    - monitor
  - Which policy instruments contribute best for this transition?
    - stimulate
  - Impact of novel trends (technological, economic, societal)
    - contextualise



# RESEARCH LINES

BASED ON POLICY  
QUESTIONS:

MONITOR

STIMULATION

CONTEXTUALISA  
TION

BASED ON OUTPUT:

INDICATORS

ECON. AND SOC.  
EFFECTS

**RL1: Indicators for circularity**

**RL2: Market acceptance of CE activities**

**RL3: Dynamic and consequential modelling**

**RL4: Learning effects of CE innovations**

**RL5: Financing and revenue models for CE**

**RL6: Employment and actor analysis**

**RL7: CE as a new sustainable regime**

**RLT: Towards a circular economy index**



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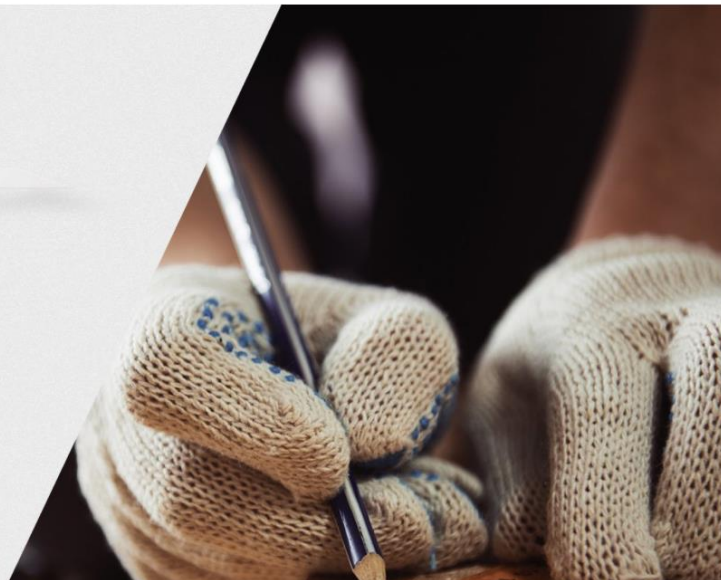
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# CE CENTER CIRCULAR ECONOMY POLICY RESEARCH CENTRE

Research and expertise for the circular economy

The Circular Economy (CE) Policy Research Center unites researchers from the KU Leuven, Ghent University, the University of Antwerp, and VITO. They will continue to build upon the research results from the previous SuMMA centre, which was active from 2012 to 2016. The CE Center is co-funded by The OVAM and the Department of Economy, Science and Innovation (EWI).



website: [www.ce-centre.be](http://www.ce-centre.be)



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## 2. CIRCULAR ECONOMY INDICATORS: WHAT DO THEY MEASURE?

**Gustavo Moraga**; Sophie Huysveld; Fabrice Mathieux; Gian Andrea Blengini; Luc Alaerts; Karel Van Acker; Steven de Meester; Jo Dewulf



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Contents lists available at ScienceDirect

## Resources, Conservation & Recycling

journal homepage: [www.elsevier.com/locate/resconrec](http://www.elsevier.com/locate/resconrec)



Full length article

### Circular economy indicators: What do they measure?

Gustavo Moraga<sup>a</sup>, Sophie Huysveld<sup>a</sup>, Fabrice Mathieux<sup>c,\*</sup>, Gian Andrea Blengini<sup>c</sup>, Luc Alaerts<sup>d</sup>, Karel Van Acker<sup>d</sup>, Steven de Meester<sup>b</sup>, Jo Dewulf<sup>a</sup>



<sup>a</sup> Department of Green Chemistry and Technology, Ghent University, Coupure Links 653, 9000, Ghent, Belgium

<sup>b</sup> Department of Green Chemistry and Technology, Ghent University, Graaf Karel de Goedelaan 5, 8500, Kortrijk, Belgium

<sup>c</sup> European Commission – Joint Research Centre, Sustainable Resources Directorate, Via E. Fermi 2749, 21027, Ispra, Italy

<sup>d</sup> Department of Materials Engineering, KU Leuven, Kasteelpark Arenberg 44, 3001, Leuven, Belgium

#### ARTICLE INFO

##### Keywords:

Circular economy  
Indicators  
Sustainability  
Life cycle thinking

#### ABSTRACT

Circular Economy (CE) is a growing topic, especially in the European Union, that promotes the responsible and cyclical use of resources possibly contributing to sustainable development. CE is an umbrella concept incorporating different meanings. Despite the unclear concept, CE is turned into defined action plans supported by specific indicators. To understand what indicators used in CE measure specifically, we propose a classification framework to categorise indicators according to reasoning on what (CE strategies) and how (measurement scope). Despite different types, CE strategies can be grouped according to their attempt to preserve functions,

# PRC COLLABORATION WITH THE JOINT RESEARCH CENTRE

Moraga, G., Huysveld, S., Mathieux, F., Blengini, G.A., Alaerts, L., Van Acker, K., de Meester, S., Dewulf, J., 2019. Circular economy indicators: What do they measure? *Resour. Conserv. Recycl.* 146, 452–461. <https://doi.org/10.1016/j.resconrec.2019.03.045>





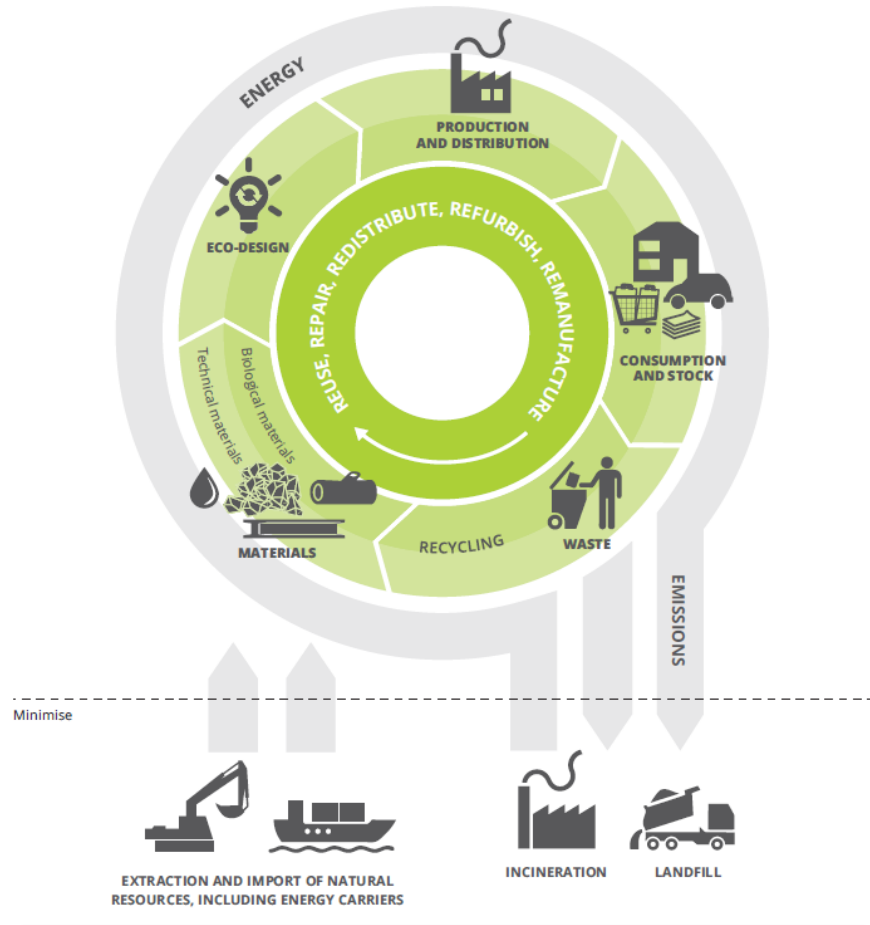
# WHAT IS CIRCULAR ECONOMY?

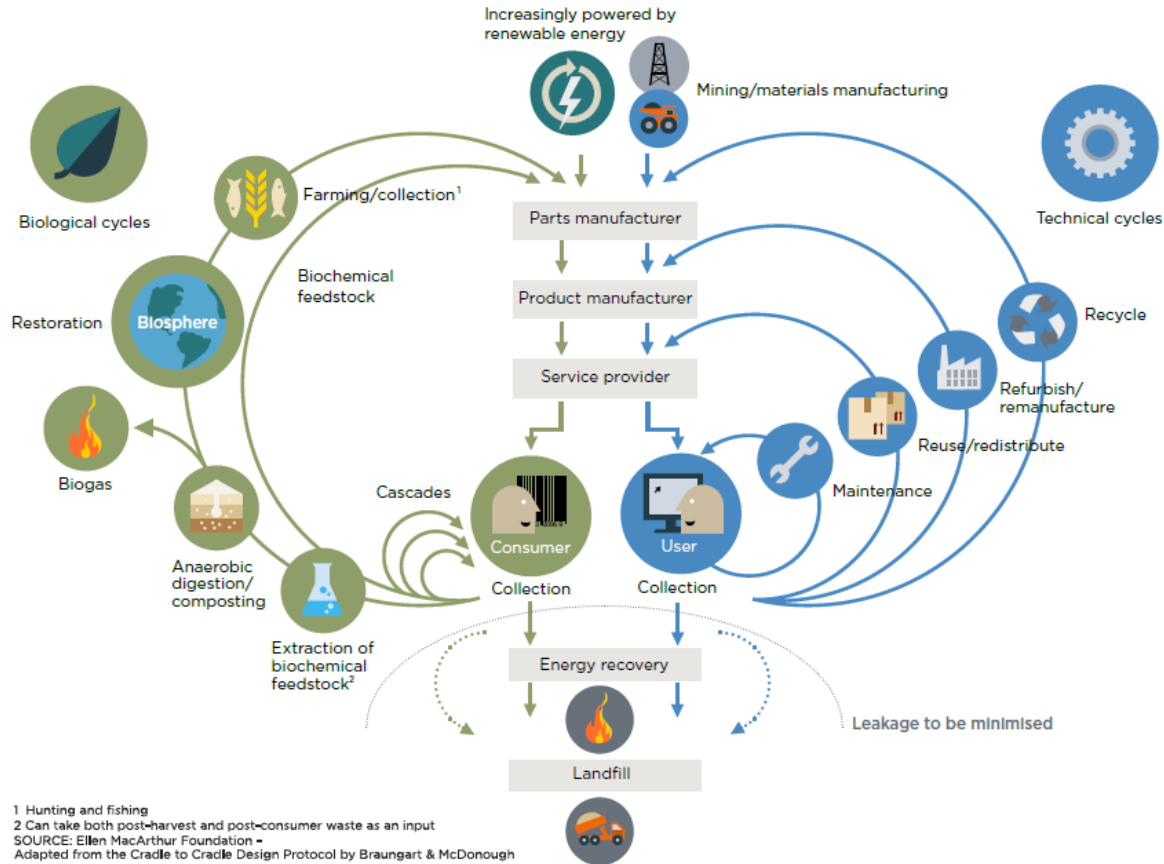


# WHAT IS CIRCULAR ECONOMY?



It is an economy where ‘(...) **the value of products, materials and resources is maintained (...)** for as long as possible, and the **generation of waste minimised**’.





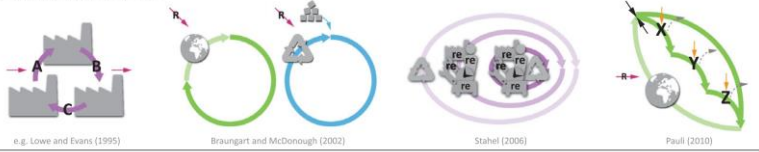


# CIRCULAR ECONOMY: MORE THAN 100 DEFINITIONS



# IT IS NOT CLEAR WHAT CIRCULARITY SHOULD MEASURE

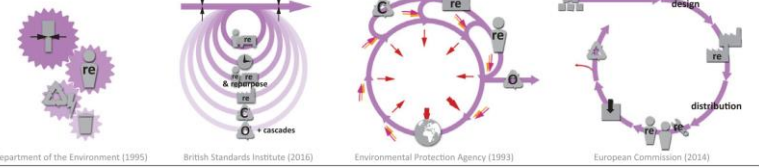
## Seminal thinkers/ frameworks



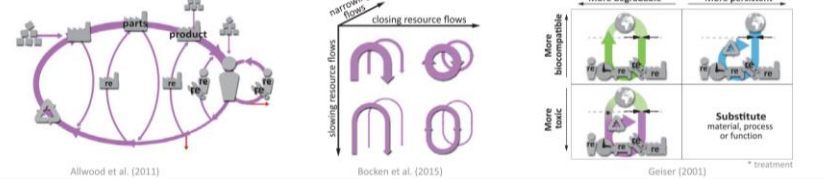
## Think tanks



## Legislative & advisory



## Academia



## Business



- technical
- biological
- biological or technical
- dematerialize/ efficiency
- losses or residuals
- additional material, or labor inputs
- energy
- knowledge
- low materials input (avoidance, recycling, reuse)
- reuse
- manufacturing (production and/or assembly)
- reconditioning (remanufacturing, refurbishment)
- consumer/ user
- redistribute
- sharing (rental, service)
- biosphere
- maintain
- repair
- product life extension
- disposal, trash, end-of-life
- recycling
- A, B, C resource exchanged
- X, Y, Z cascade through biological kingdom
- decreasing preference

Image from Blomsma F, Brennan G. The Emergence of Circular Economy: A New Framing Around Prolonging Resource Productivity. J Ind Ecol 2017



# WHAT DO CIRCULAR ECONOMY INDICATORS MEASURE?



# WHAT DO CE INDICATORS MEASURE SPECIFICALLY, AND HOW THEY DO SO?

- ▶ Proposal for a classification Framework
- ▶ Illustration with existing indicators
  - today: 10 indicators from the European Commission



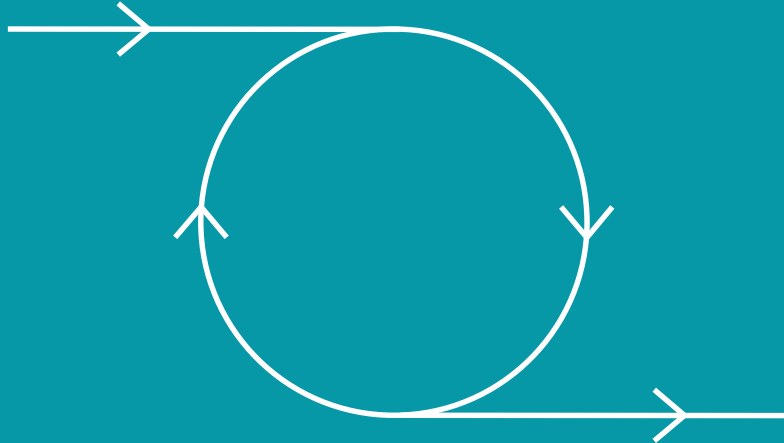


# ESTABLISHING THE CLASSIFICATION FRAMEWORK



# WHAT IS THE MINIMUM MEASURE?

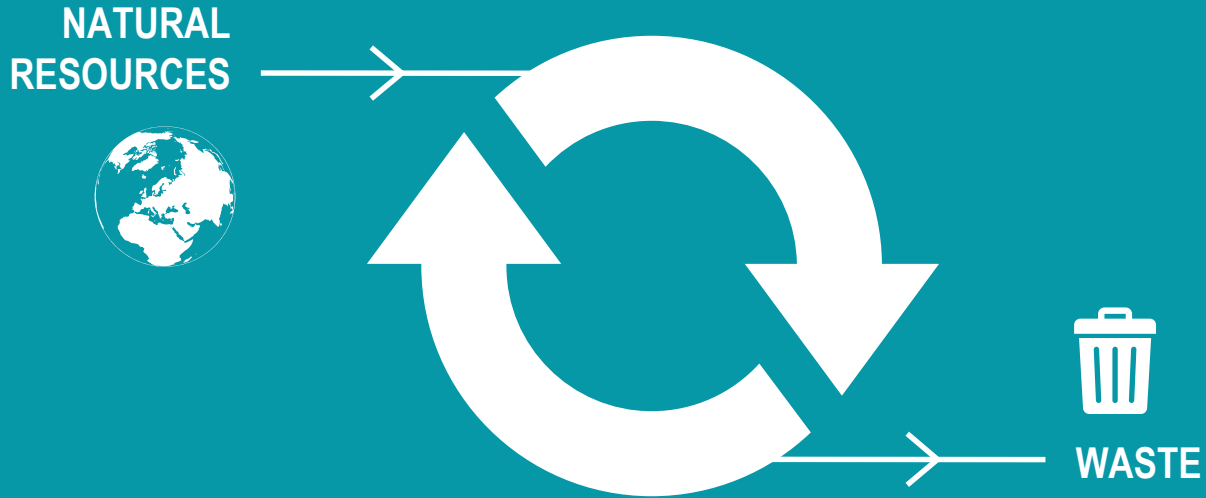
NATURAL  
RESOURCES



WASTE

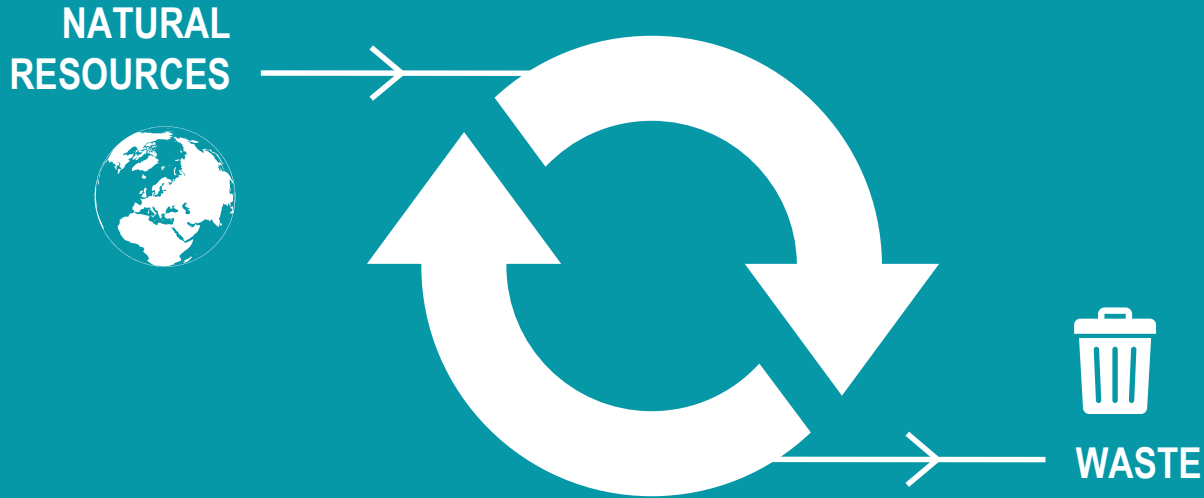


# WHAT IS THE MINIMUM MEASURE?





# WHAT IS THE MINIMUM MEASURE?



## CE STRATEGY



# WHAT ARE CE STRATEGIES?

Wasteminimisation  
Remine  
Remanufacture  
Unicycle  
Refurbish  
Reuse  
Recycle  
Redesign  
Reduce  
Repair  
Rethink  
Reverse  
Resell  
Reverselogistics  
Cascading  
Openloop



# WHAT ARE CE STRATEGIES?

PRODUCTS

COMPONENTS  
OR PARTS

MATERIALS

EMBODIED  
ENERGY



# WHAT ARE CE STRATEGIES?

FUNCTIONS

PRODUCTS

COMPONENTS  
OR PARTS

MATERIALS

EMBODIED  
ENERGY



# WHAT ARE CE STRATEGIES?

FUNCTIONS

PRODUCTS

COMPONENTS  
OR PARTS

MATERIALS

EMBODIED  
ENERGY

REFERENCE





# WHAT ARE CE STRATEGIES?

UP TO 5 PRESERVATION CAPABILITIES AND 1 REFERENCE STATE

FUNCTIONS

1

Rethink  
Sharing economy  
PSS

PRODUCTS

2

Reuse  
Remanufacture  
Refurbish

COMPONENTS  
OR PARTS

3

Reuse  
Repurpose

MATERIALS

4

Recycle  
Downcycle

EMBODIED  
ENERGY

5

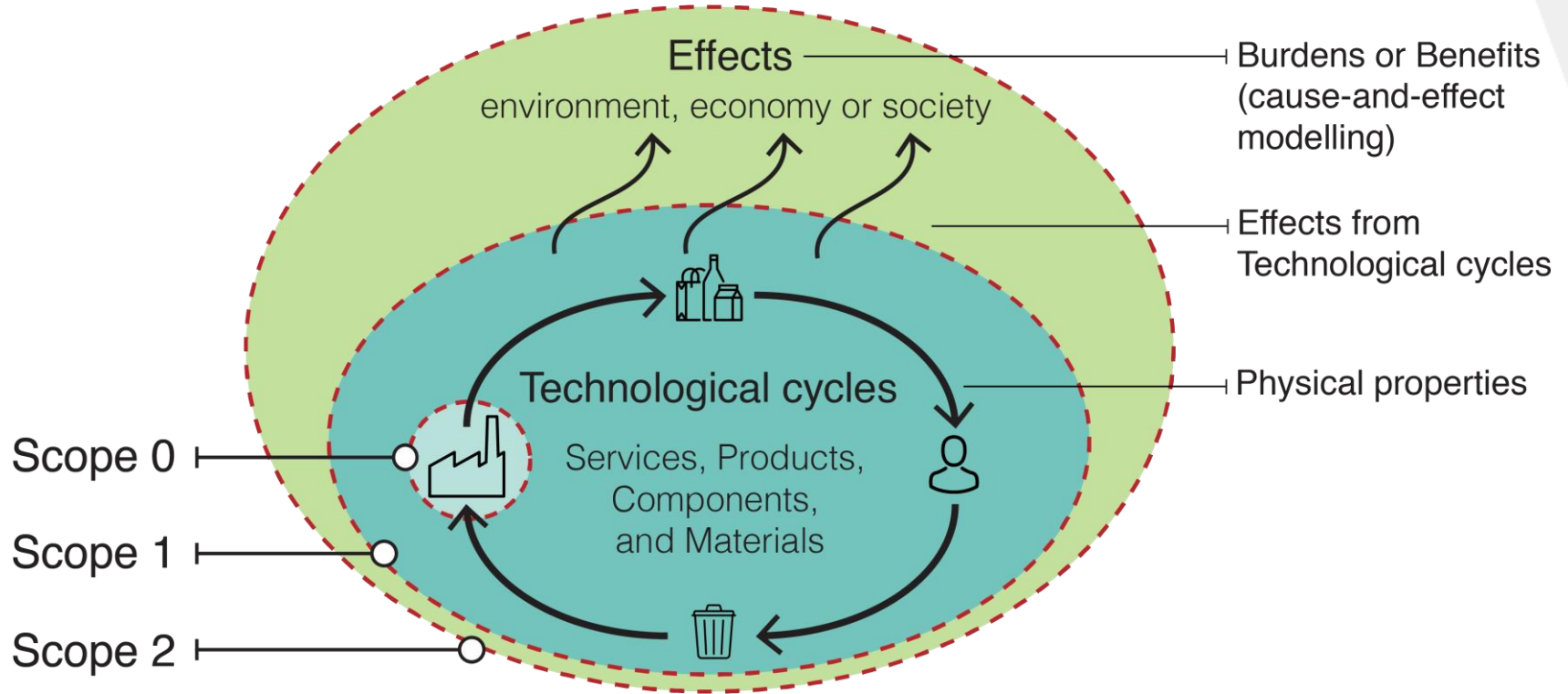
Energy recovery

REFERENCE

Waste generation



# HOW DO INDICATORS MEASURE?



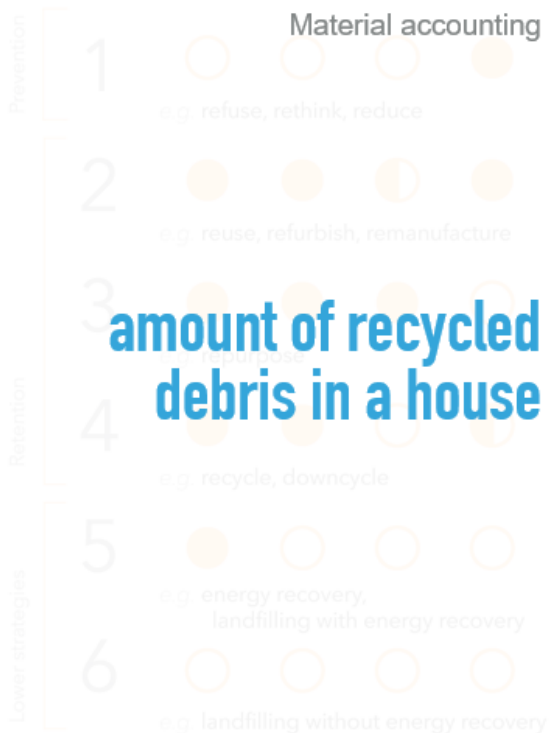
A close-up photograph of a hand wearing a white, textured work glove. The hand is holding a dark pencil, poised to write on a yellow ruler. The ruler has black markings and numbers. The background is blurred, showing more of the gloved hand and some blue fabric. The overall lighting is soft, with a slight blue tint in the background.

# QUIZ CE INDICATORS

# Strategies

**FOR EXAMPLE:**

environmental energy | material | component | function | end-use product



**amount of recycled debris in a house**

\* component

## Level 0

physical properties  
without aspects of  
supply chain

## Level 1

physical properties  
with aspects of  
supply chain

## Level 2

impacts  
with aspects of  
supply chain

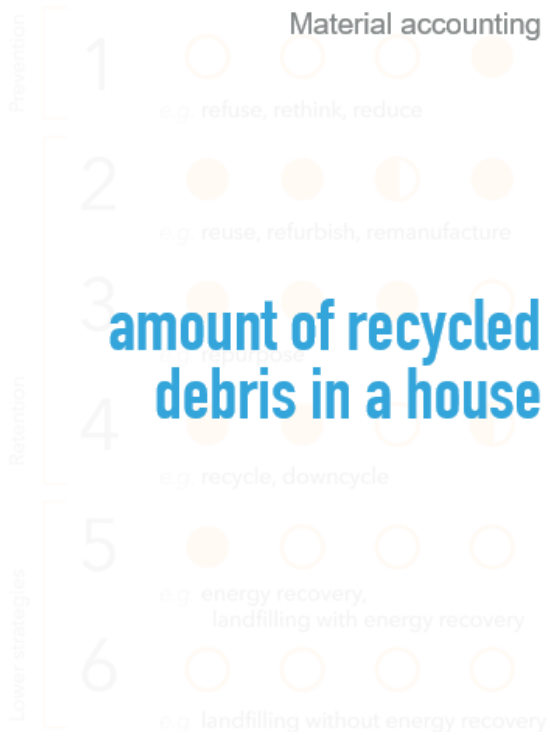


# Strategies

**FOR EXAMPLE:**

environmental energy | material | component | function | end-use product

Material accounting



**amount of recycled debris in a house**

\* component

Level 0

physical properties  
without aspects of  
supply chain

Level 1

physical properties  
with aspects of  
supply chain

Level 2

impacts  
with aspects of  
supply chain



# Strategies

## FOR EXAMPLE:

Recycled content benefits  
from Ardenre; Mathieux, 2014

e.g. refuse, rethink, reduce

e.g. reuse, refurbish, remanufacture

**net avoided impacts  
by recycling in  
overall impacts of  
product**

e.g. recycle, downcycle

e.g. energy recovery,  
landfilling with energy recovery

e.g. landfilling without energy recovery

Prevention

1

2

3

Retention

4

5

Lower strategies

6

\*component

### Level 0

physical properties  
without aspects of  
supply chain

### Level 1

physical properties  
with aspects of  
supply chain

### Level 2

impacts  
with aspects of  
supply chain



# Strategies

## FOR EXAMPLE:

Recycled content benefits from Ardenre; Mathieux, 2014

e.g. refuse, rethink, reduce

e.g. reuse, refurbish, remanufacture

**net avoided impacts by recycling in overall impacts of product**

e.g. recycle, downcycle

e.g. energy recovery, landfilling with energy recovery

e.g. landfilling without energy recovery

Prevention

Retention

Lower strategies

1

2

3

4

5

6

### Level 0

physical properties without aspects of supply chain

### Level 1

physical properties with aspects of supply chain

### Level 2

impacts with aspects of supply chain



# Strategies FOR EXAMPLE:

Linear Flow Index  
from Ellen MacArthur Foundation, 2015



\* component

## Level 0

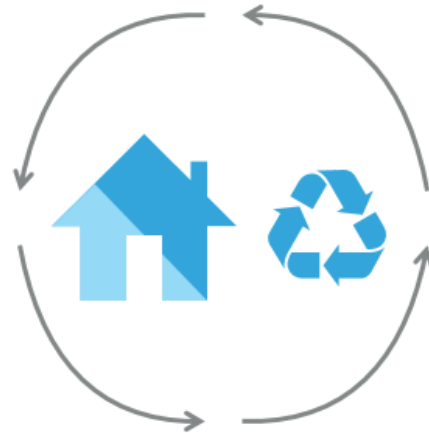
physical properties  
without aspects of  
supply chain

## Level 1

physical properties  
with aspects of  
supply chain

## Level 2

impacts  
with aspects of  
supply chain





# Strategies FOR EXAMPLE:

Linear Flow Index  
from Ellen MacArthur Foundation, 2015



\* component

Level 0

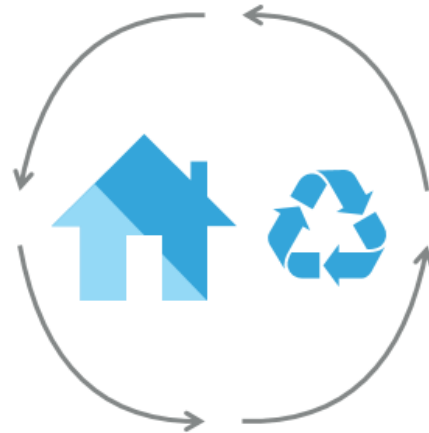
physical properties  
without aspects of  
supply chain

Level 1

physical properties  
with aspects of  
supply chain

Level 2

impacts  
with aspects of  
supply chain





**QUESTIONS?**

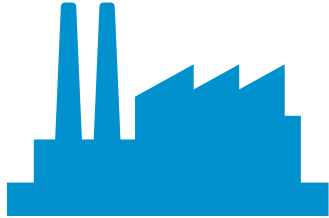


# EUROPEAN COMMISSION'S CIRCULAR ECONOMY MONITORING FRAMEWORK

EC - European Commission, 2018. Measuring Progress Towards Circular Economy in the European Union – Key Indicators for a Monitoring Framework - SWD(2018) 17 Final. Strasbourg.



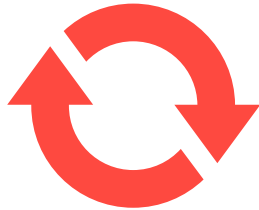
# INDICATORS DIVIDED IN 4 THEMES



**PRODUCTION AND  
CONSUMPTION**



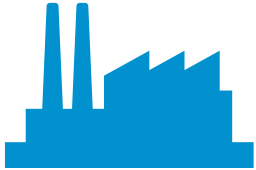
**WASTE  
MANAGEMENT**



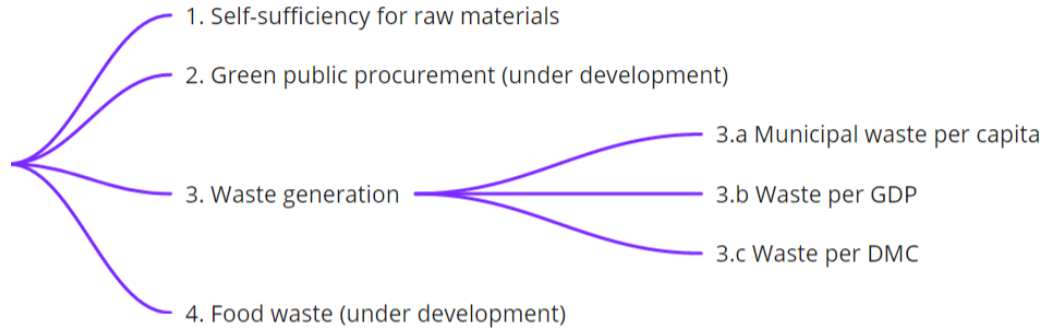
**SECONDARY  
RAW MATERIALS**



**COMPETITIVENESS  
AND INNOVATION**



## PRODUCTION AND CONSUMPTION





## WASTE MANAGEMENT

5. Recycling rates (RR)

5.a RR municipal waste

5.b RR all waste

6. Recycling/recovery for  
specific waste streams

6.a RR overall packaging waste

6.b RR plastic packaging waste

6.c RR wooden packaging waste

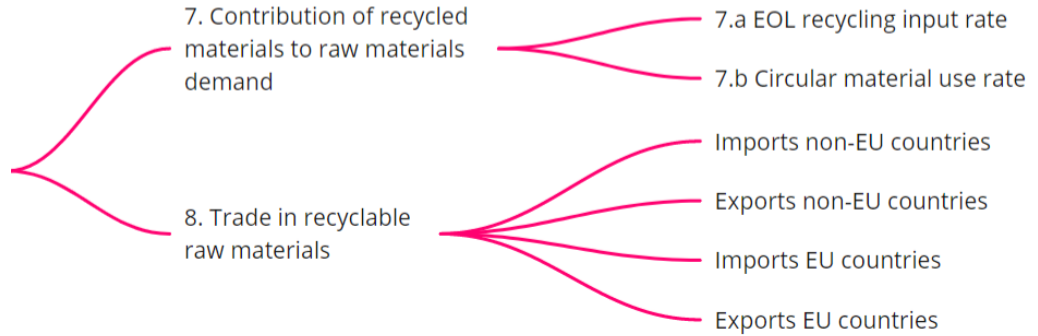
6.d RR e-waste

6.e Recycling of biowaste

6.f RR C&D waste



## SECONDARY RAW MATERIALS





## COMPETITIVENESS AND INNOVATION

9. Private investments, jobs  
and gross value added related  
to circular economy sectors

10. Number of patents related to recycling  
and secondary raw materials

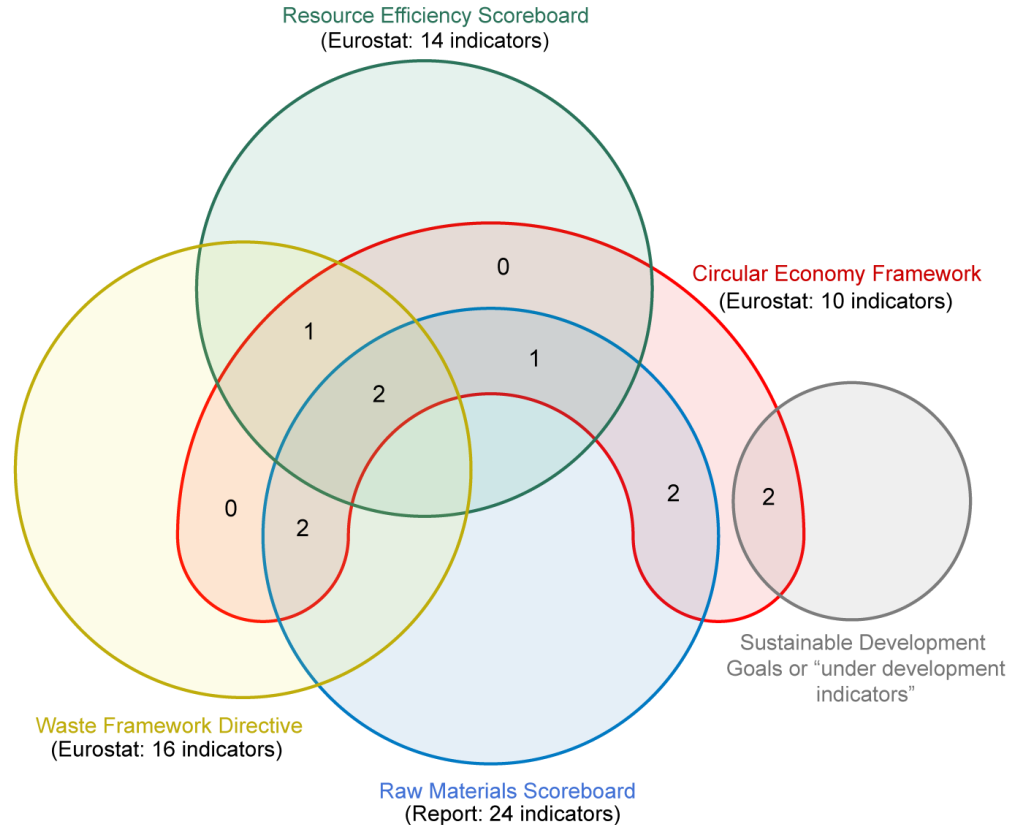
9.a Gross investment in tangible goods

9.b Number of persons employed

9.c Value added at factor cost



# CE INDICATORS REFER TO EXISTING EUROPEAN FRAMEWORKS





**QUESTIONS?**



# CLASSIFICATION FRAMEWORK ILLUSTRATION



# EU indicators: Strategy 4 groups the majority of the indicators



WHAT DO INDICATORS MEASURE? <b>CE Strategies</b>		HOW DO INDICATORS MEASURE? <b>Measurement scopes</b>		
		Technological cycles with physical properties	Technological cycles with physical properties	Cause-and-effect modelling from Technological cycles
		<b>Scope 0</b> Technological cycles without aspects of Life Cycle Thinking	<b>Scope 1</b> Technological cycles with aspects of Life Cycle Thinking	<b>Scope 2</b> Cause-and-effect modelling with/without aspects of Life Cycle Thinking
Preservation strategies	<b>1 Function</b> e.g. refuse, rethink, reduce			
	<b>2 Product</b> e.g. reuse, refurbish, remanufacture			Investments, jobs, add value (3)
	<b>3 Component</b> e.g. reuse, repurpose	Recycling Rate - WEEE (1)		Investments, jobs, add value (3)
	<b>4 Material</b> e.g. recycle, downcycle	Self-Sufficiency (1) Recycling Rates (8)	Contribution to raw materials demand (2)	Investments, jobs, add value (3) Trade (4) Patents (1)
Linear	<b>5 Embodied Energy</b> e.g. energy recovery, landfilling with energy recovery			
	<b>6 Reference</b> e.g. waste generation, landfilling without energy recovery	Waste Generation (3) Recycling Rates (8)		Investments, jobs, add value (3)

# EU indicators: Functions and products not assessed by direct indicators



WHAT DO INDICATORS MEASURE? <b>CE Strategies</b>		HOW DO INDICATORS MEASURE? <b>Measurement scopes</b>		
		Technological cycles without aspects of Life Cycle Thinking	Technological cycles with physical properties	Cause-and-effect modelling from Technological cycles
		<b>Scope 0</b>	<b>Scope 1</b>	<b>Scope 2</b>
		Technological cycles without aspects of Life Cycle Thinking	Technological cycles with aspects of Life Cycle Thinking	Cause-and-effect modelling with/without aspects of Life Cycle Thinking
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	<b>3 Component</b> e.g. reuse, repurpose	Recycling Rate - WEEE (1)		Investments, jobs, add value (3)
	<b>4 Material</b> e.g. recycle, downcycle	Self-Sufficiency (1) Recycling Rates (8)	Contribution to raw materials demand (2)	Investments, jobs, add value (3) Trade (4) Patents (1)
	<b>5 Embodied Energy</b> e.g. energy recovery, landfilling with energy recovery			
Linear	<b>6 Reference</b> e.g. waste generation, landfilling without energy recovery	Waste Generation (3) Recycling Rates (8)		Investments, jobs, add value (3)

# EU indicators: most of the direct indicators in Scope 0



WHAT DO INDICATORS MEASURE? <b>CE Strategies</b>		HOW DO INDICATORS MEASURE? <b>Measurement scopes</b>		
		Technological cycles without aspects of Life Cycle Thinking	Technological cycles with physical properties	Cause-and-effect modelling from Technological cycles
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Preservation strategies	<b>1 Function</b> e.g. refuse, rethink, reduce			
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	<b>3 Component</b> e.g. reuse, repurpose	Recycling Rate - WEEE (1)		Investments, jobs, add value (3)
	<b>4 Material</b> e.g. recycle, downcycle	Self-Sufficiency (1) Recycling Rates (8)	Contribution to raw materials demand (2)	Investments, jobs, add value (3) Trade (4) Patents (1)
	<b>5 Embodied Energy</b> e.g. energy recovery, landfilling with energy recovery			
Linear	<b>6 Reference</b> e.g. waste generation, landfilling without energy recovery	Waste Generation (3) Recycling Rates (8)		Investments, jobs, add value (3)

# EU indicators: only indirect indicators in Scope 2



WHAT DO INDICATORS MEASURE? <b>CE Strategies</b>		HOW DO INDICATORS MEASURE? <b>Measurement scopes</b>		
		Technological cycles with physical properties	Technological cycles with physical properties	Cause-and-effect modelling from Technological cycles
Preservation strategies	<b>1 Function</b> e.g. refuse, rethink, reduce	<b>Scope 0</b> Technological cycles without aspects of Life Cycle Thinking	<b>Scope 1</b> Technological cycles with aspects of Life Cycle Thinking	<b>Scope 2</b> Cause-and-effect modelling with/without aspects of Life Cycle Thinking
	<b>2 Product</b> e.g. reuse, refurbish, remanufacture			Investments, jobs, add value (3)
	<b>3 Component</b> e.g. reuse, repurpose	Recycling Rate - WEEE (1)		Investments, jobs, add value (3)
	<b>4 Material</b> e.g. recycle, downcycle	Self-Sufficiency (1) Recycling Rates (8)	Contribution to raw materials demand (2)	Investments, jobs, add value (3) Trade (4) Patents (1)
	<b>5 Embodied Energy</b> e.g. energy recovery, landfilling with energy recovery			
Linear	<b>6 Reference</b> e.g. waste generation, landfilling without energy recovery	Waste Generation (3) Recycling Rates (8)		Investments, jobs, add value (3)





# EU-CE INDICATORS:

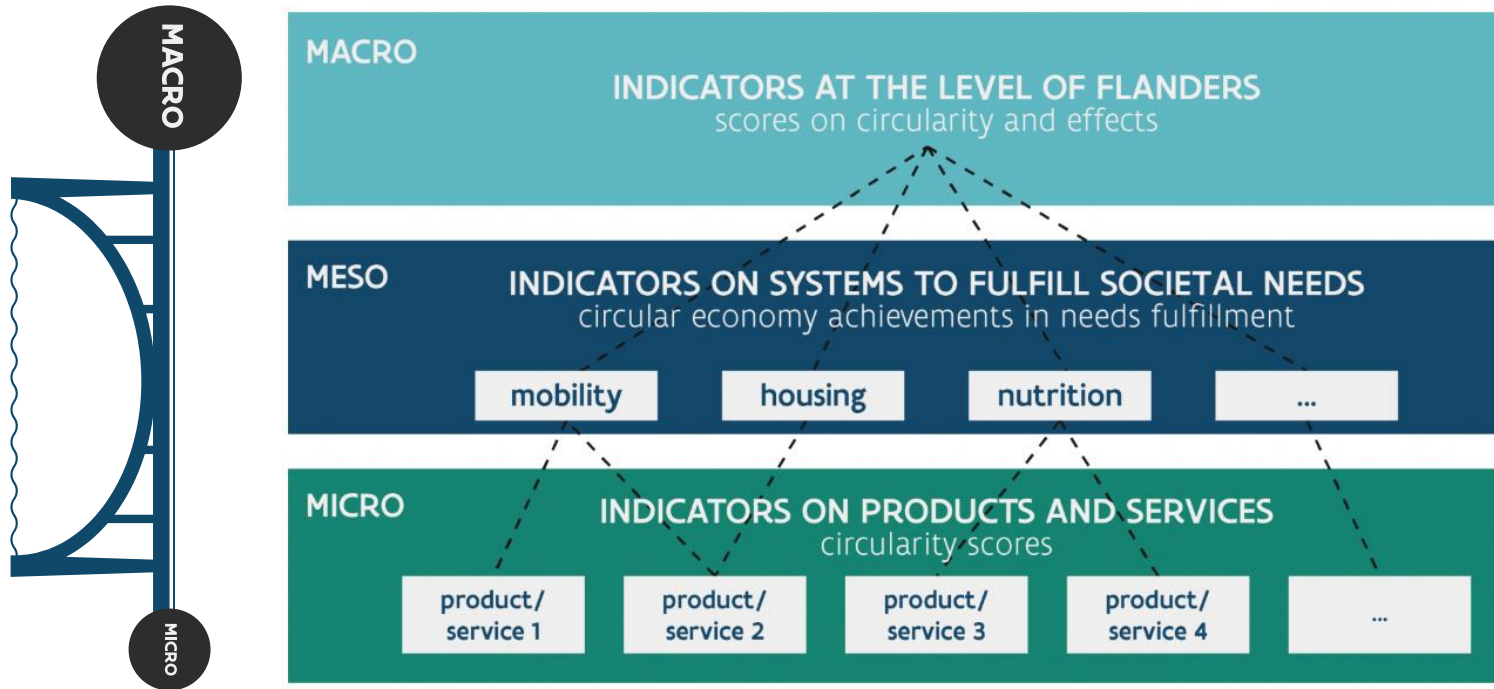
- ▶ Indicators build in from existing knowledge;
- ▶ Strong focus on materials, but promise for products/functions with indicators in development;
- ▶ Energy recovery is not relevant;
- ▶ Narrow life cycle perspective (scope 0).

# CONCLUSION

- ▶ framework to classify output/outcome indicators;
- ▶ a single indicator might not be sufficient for CE.



# OTHER PERSPECTIVES?



Alaerts, L., Van Acker, K., Rousseau, S., De Jaeger, S., Moraga, G., Dewulf, J., De Meester, S., Van Passel, S., Compennolle, T., Bachus, K., Vrancken, K., Eyckmans, J., 2019. **Towards a more direct policy feedback in circular economy monitoring via a societal needs perspective.** Resour. Conserv. Recycl. 149, 363–371. <https://doi.org/10.1016/j.resconrec.2019.06.004>



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THANK YOU

Gustavo.Moraga@UGent.be

QUESTIONS?



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