

Northern Ireland Resources Network (NIRN) Position Paper Climate Change and the Circular Economy February 2021

Northern Ireland Resources Network (NIRN) is a pilot project to establish a network to promote sustainable reuse and repair as a practical and effective way of tackling Northern Ireland's waste generation and supporting the development of the Circular Economy (CE). A CE is based on the principles of designing out waste and pollution, keeping products and materials in use, and regenerating natural systems [1]. A 2020 report by Circularity Gap Reporting Initiative highlights that switching to a CE could reduce greenhouse gas emissions by 39% [2].

Climate change is viewed as the key defining issue of our time and the need for global action to mitigate some of the impacts it brings including rising sea levels, threatened food production, catastrophic flooding and increased drought and fires to vulnerable regions. The link between greenhouse emissions is well established and 197 countries signed the Paris Agreement in 2015 focusing on reducing global emissions.

To fulfil its commitments under the Paris Agreement, in June 2019, the UK parliament passed legislation requiring the government to reduce net emissions of greenhouse gases by 100% relative to 1990 levels by 2050 whilst NI will target a 82% reduction. [3] Building on this, the UK government, in November 2020, released its 10 Point Plan for an Industrial Green Revolution which sets out the approach to building back better, supporting green jobs and accelerating the path to net zero carbon. [4] More locally, the Department of Agriculture, Environment and Rural Affairs (DAERA's) discussion document in December 2020 on NI's Climate Change Bill sought feedback on policy options to help shape its future policy on reducing emissions. [5] The 10 Point Plan did not embrace the CE or highlighted its role to tackle climate change by delivering significant reductions in emissions.

However, a report released February 2021 by the House of Commons Environmental Audit Committee did recommend that the Government should front-load investment in areas including the circular economy and climate adaptation, providing a green jobs boost and delivering economic recovery. [5] This highlights that prioritising action to further reduce greenhouse emissions, the UK governments now need to focus on development of the CE.

The effort and investment for the development of CE activities should reflect the scale of effort made so far to develop the renewables sector, which has been highly successful. Supported by policy and funding, the UK has prioritised the move of energy sources from fossil fuels to alternative renewable energy. In 2020, renewable energy accounted for over 40% of electricity generated in the UK [6] and in 2018, there were around 130,000 people employed in the sector, accounting for over 6,600 companies and £18.8 billion in investment. [7]

A pathway to developing a more CE is set out in the European Union (EU) Circular Economy Action Plan 2.0, adopted as one of the main blocks of the European Green Deal in Europe's new agenda for sustainable growth. The UK and Northern Ireland made a policy statement in July 2020 setting out the approach to transposing the EU 2020 Circular Economy Package [8]. The Waste (Circular Economy) (Amendment) Regulations NI was introduced in December 2020. As yet, no policy has been implemented to increase reporting and requirements for reuse and preparation for reuse, which occupy the top tiers of the waste hierarchy and supports the development of the CE.

There are many local benefits to directing policy and funding to build a CE. It will deliver on the UK emissions reduction target and also unlock billions of pounds worth of value from materials used in key sectors in the UK. Supply risks, as experienced during the current pandemic, highlight the increasingly competitive global economy and the need for NI to better use its existing resources more effectively. In a CE, greater economic stability can be achieved through the resulting increased resource security, new business and employment opportunities. Finally, it is estimated that more than 13,000 jobs could be created if NI moved to a CE. [9]

Key Recommendations

NIRN and its members propose the following recommendations to support the development and growth of reuse, repair and the CE:

- Weighted target for reuse/preparation for reuse. Currently, there are no separate
 targets for reuse. Reuse is known to have a positive impact on the environment and new
 specific targets need to be applied for reuse activity. Greater recognition is also required
 for preparation for reuse as it sits within the overall target set for recycling. This could be
 achieved through preferential weighting over recycling.
- Councils prioritise reusable items. Partnerships created with charities and social
 enterprises to capture stock for reuse which can benefit local authorities as it reduces
 waste handling cost. This could include referencing on websites and service
 communications promoting alternatives available to council collection.
- Specific food waste prevention target. Approximately one third of all food produced globally for human consumption is lost or wasted. Food waste contributes to climate change and represents a waste of scarce resources such as land, energy and water. It is estimated that approximately 8% of all global greenhouse gas emissions is related to food waste.[10]
- Funding for reuse and repair Social Enterprises and Community Groups. These
 groups have experience, expertise and deliver innovation in this area. A recent study
 undertaken by CRNI in Ireland found that around 50% of organisations operating in this
 space were Social Enterprises, charities or community groups. To support the growth of
 reuse and repair, funding streams need to be made available specifically to these
 sectors in order for the resulting positive social, environmental and economic benefits to
 be realised.

- Investment in infrastructure to make reuse more accessible. Reuse and repair infrastructure retains the value of used goods locally and enables the country to withstand supply chain shocks. Examples of reuse and repair infrastructure are sorting centres, storage hubs, state of the art reuse parks, refill systems, reverse logistics systems, exchange platforms, redistribution centres, repair / upcycling workshops, surplus food transformation centres and retail spaces. Such infrastructure is currently underdeveloped, or where it does exist, is under-resourced.
- 0% VAT rate on reused goods. Incentives to make buying reused more attractive than
 purchasing new are required. The House of Commons Environmental Audit Committee
 is recommending a cut on VAT on recycled materials to encourage the use of recycled
 materials and repair services to support the 'grow back better'.[5] This should be
 extended to include reused & refurbished goods.
- **Funding in skills and training**. According to a recent report *Zero Waste and Economic Recovery*, **reuse** creates 200 times as many jobs than landfill and incinerators (whilst recycling creates 70 times more jobs than landfill and incinerators). [11] To ensure these opportunities are realised, skills and training need to be developed.
- Green Public Procurement. Procurement expenditure accounts for £3bn annually of the NI Executive's budget. The Finance Minister restructured the procurement board in 2020 and stated, "Among the first items I will be asking the new Board to explore are Security of Supply and Social Value. A stronger focus on security of supply will benefit local businesses and help increase employment levels while factoring social value into contracts can contribute to social good." [12] Focusing on social and green public procurement, through reuse and repair can support all of these aims, as outlined below:
 - a. The items are already in the local market and the ability to repair and reuse for longer supports security of supply.
 - b. As detailed above, reuse organisations create 200 times as many local jobs than employment in landfill and incineration organisations.
 - c. It contributes to social value as many of the operators working in the field of reuse and repair are Social Enterprises, community and charitable organisations with one of their key purposes being to deliver social good.
 - d. Council social services and housing departments including reused furniture in property fit out as it will extend budgets and increase occupancy of properties.
- National promotion and awareness campaigns. Campaigns are required to highlight the issues of resource depletion, waste management, impact on NI emissions and climate change and in turn communicate the benefits in embracing the CE and reuse and repair as a means of addressing these issues.
- Attributing Emissions to New Products. Although reuse and repair can have a
 considerable impact on greenhouse gas mitigation, there is no way to account for this in
 the context of local emissions targets. There needs to be a mechanism to account for the
 global carbon footprint of our goods, the majority of which are imported into Northern
 Ireland.

The circular and low-carbon agendas are complementary and mutually supportive. By developing the CE, Northern Ireland can take positive action on reducing its emissions, whilst also supporting waste reduction, economic growth, job creation and social good. With the increasing focus on environmental issues including climate change, limited and scarce virgin raw materials and disposal of waste, NIRN and its members are driving awareness and action to combat these challenges in Northern Ireland.

- 1. https://www.ellenmacarthurfoundation.org/circular-economy/what-is-the-circular-economy/
- 2. https://www.circularity-gap.world/2020
- 3. https://www.legislation.gov.uk/uksi/2019/1056/made
- 4. https://www.gov.uk/government/publications/the-ten-point-plan-for-a-green-industrial-revolution
- 5. https://committees.parliament.uk/committee/62/environmental-audit-committee/news/139275/eac-calls-for-climate-and-nature-investment-to-be-prioritised-in-the-economic-recovery/
- 6. https://www.r-e-a.net/resources/review-2018/
- 7. https://www.gov.uk/government/statistics/energy-trends-section-6-renewables
- 8. https://www.daera-ni.gov.uk/articles/circular-economy-package-policy-statement
- 9. https://www.researchgate.net/publication/284187066 Job Creation in the Circular Economy Increasing Resource Efficiency in Northern Ireland
- 10. https://wrap.org.uk/sites/default/files/2020-10/WWF%26WRAP_HalvingFoodLossAndWasteInTheEU_June2 020.pdf
- 11. https://zerowasteworld.org/wp-content/uploads/Jobs-Report-ENGLISH-2.pdf
- 12. https://www.finance-ni.gov.uk/news/murphy-restructures-procurement-board

NIRN members









Repair Cafe Belfast











