

# Department for the Economy Circular Economy consultation

### Comments by

### **Northern Ireland Environment Link**

### 20th March 2023

Northern Ireland Environment Link (NIEL) is the networking and forum body for non-statutory organisations concerned with the natural and built environment of Northern Ireland. Its 66 Full Members represent 190,000 individuals, 262 subsidiary groups, have an annual turnover of £70 million and manage over 314,000 acres of land. Members are involved in environmental issues of all types and at all levels from the local community to the global environment. NIEL brings together a wide range of knowledge, experience and expertise which can be used to help develop policy, practice, and implementation across a wide range of environmental fields.

These comments are made on behalf of Members, but some members may be providing independent comments as well. If you would like to discuss these comments further, we would be happy to do so.

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#### Q5. Is this vision the right vision?

Overall, yes, but the lack of detail, SMART targets and milestones means that it is unclear what will happen and/or what the interim targets are between now and 2050. The Climate Change Act (Northern Ireland) 2022¹ for example has interim targets for 2030 and 2040 in addition to the 2050 target. Similar interim targets for this strategy would be helpful. Setting firm targets through legislation is one way to drive the sustainability/circular economy agenda.

The aims, targets and milestones in the circular economy strategy should also integrate with and contribute to the achievement of relevant targets in other legislation and strategies, including but not limited to, the Climate Change Act (Northern Ireland) 2022, the NI Environment Strategy<sup>2</sup>, and as yet unpublished strategies including the NI Biodiversity strategy and the next Programme for Government (PfG). In particular, the circular economy strategy should ensure that it makes a positive contribution to the UN Sustainable Development Goals (SDGs). Doing so would be in line with the stated aims of the draft Environment Strategy as outlined on page 9 that

"The Environment Strategy aims to link each set of proposed actions and targets to improve our environment to the relevant SDGs"

Similarly, if the circular economy strategy did make a positive contribution to the UN SDGs that would also be in line with the approach outlined in the draft Green Growth Strategy<sup>3</sup> on page 24 that

"The Green Growth approach ensures that Northern Ireland can further deliver on the UN 2030 Agenda for Sustainable Development."

While NIEL has expressed concerns about the shortcomings of both the draft Environment strategy and the draft Green Growth strategy, mainly due to the lack of ambition and the absence of SMART targets, it seems clear that both strategies seek to further sustainable development and the protection of our environment and as such NIEL believes the circular economy strategy should also aim to contribute to achieving those strategic goals.

The circular economy strategy should also support the aim outlined on page 18 of the Environment Strategy

"to integrate a Natural Capital approach into all policy making and investment decisions, and ensure we value and protect our natural assets to make Northern Ireland more resilient and deliver sustainable economic growth and well-being".

Similarly, the circular economy strategy should also contribute to the UK wide target to halt and reverse the decline of biodiversity, through the 30 x 30 target to protect 30% of land and sea by 2030, which was endorsed by the AERA Minister in the NI Assembly on 25th May 2021<sup>4</sup>, as a means of becoming nature positive by 2030.

#### Q6. Do you agree with this target to halve our material footprint by 2050?

On the basis that the annual material footprint of 8 tonnes per person is a minimum target then NIEL would support this, while recognising that the target could and should be more ambitious. As the consultation says, the UN recommends our annual per capita footprint should be an average of 6 to 8 tonnes per person per year so 8 tonnes per person per year should be seen as a minimum target. If NI can go beyond that then it should. The target should be for NI to as sustainable as possible and to achieve the UN recommended material footprint as a minimum, rather than a maximum. Aiming to achieve only the lower end of what the UN recommended suggests a lack of ambition, especially as this target is subject to change and is likely to be revised and a more challenging target set for our per capita footprint.

## Q7. What efforts do you think government should make to promote behavioural change? Please put the following in order of priority. (Ranking scale 1 = most preferred / 4 = least preferred)

Provide greater transparency and clarity on what government is doing to show commitment and create momentum. RANK 3

Provide information and tools to increase awareness and help change attitudes. RANK 4

Use regulatory and financial incentives to increase affordability and availability of sustainable options. RANK 1

Provide or adapt physical infrastructure to help make it easier for people to change behaviours e.g., recycling centres, refill stations in supermarkets and bottle banks RANK 2

### Q8. What existing clusters and networks could be utilised to deliver transformative solutions for increased circularity?

There are a number of existing fora including: the Sustainable Development Forum, which is managed by Sustainable NI (SNI); the NI Resources Network (NIRN); the Circular Economy Innovation Network; Business in the Community NI (BITC NI) and local councils. NIEL understands the Strategic Investment Board is already working with stakeholders on the circular economy. If the network of Sustainability Champions that NIEL understands was established in the civil service still exists it could offer opportunities for more integrated action on developing a circular economy. The story of this network also illustrates how a lack of implementation often means policies fail to meet their targets and bring about the degree of change intended. NIEL would recommend that the Department for the Economy should liaise with SNI and BITC NI as well as other relevant organisations, including those mentioned above, in order to progress the development of a circular economy in NI.

### Q9. What clusters and networks do you think will need to be established to maximise resource use?

NIEL believes there is a massive and severely underutilised resource available to the department and others who might wish to progress a circular economy in the eNGO sector and the academic sector. The pool of expertise and experience in both these sectors should be utilised to a much greater extent. There is likely to be a great resource in the business sector as well, which NIEL would anticipate the department has already tapped into. The example of Interface, Inc. outlined in the annex (p30) illustrates the innovative potential of business.

The department could also learn from other administrations such as the Welsh and Scottish governments. For example, NI could learn from <u>Scotland's sustainable procurement duty</u><sup>5</sup>, outlined in the Procurement Reform (Scotland) Act 2014 which aligns with the Scottish government's purpose to create a more successful country, with opportunities for all of Scotland to flourish, through increasing sustainable economic growth. As part of its commitment to developing a circular economy, Scotland also has a Minister for Green Skills, Circular Economy and Biodiversity, Lorna Slater MSP who was appointed in August 2021<sup>6</sup>.

## Q10. How do you think public sector procurement can best influence the behaviours of industry to increase circularity of resources?

The public sector should lead by example most notably through procurement and by setting the appropriately supportive legislation and policy. The purchasing power of the government and all the statutory bodies in NI is massive and provides a huge opportunity to drive the development of a more sustainable, circular economy. Procurement expenditure accounts for some £3bn annually, representing a quarter of the NI Executive's budget. If the Department of Finance and the Executive ensured this expenditure was as sustainable as possible it could make a huge difference to reducing Northern Ireland's ecological footprint by greening the supply chain and should help support many green, low carbon industries, many of which could be local. As the former NI Finance Minister said in 2020<sup>7</sup> in relation to a reported £31 million in savings achieved under a new contract for a 100% renewable energy supply to government buildings

"procurement can be a key lever in the transition to a Green Economy."

Take the example of buying healthy local food for school meals. According to the New Economics Foundation (NEF) 2011 report "The benefits of Procuring School Meals through the Food for Life Partnership" in Nottinghamshire, spending for school meals locally within a Food For Life Partnership (FFLP) framework was calculated to generate over £5 million in value each year, returning £3.11 in social, economic and environmental value for every £1 spent. In addition, the NEF found (page 3)

"Comparing current spending and re-spending in Nottinghamshire now and prior to a focus on procuring locally and seasonally shows that the total amount of money circulating in the local economy from this source has increased substantially, from £181,418 in 2004 to £3.826.688 currently"

On page 16 of the Annex to the Circular Economy strategy the example is given of the requirement introduced by the Mayor of London for CE statements to be submitted on major planning applications to demonstrate how CE principles had been considered in the design

of the development. Greater London is also setting up Circularity Hubs, where materials from dismantled buildings can be sent for reuse or transformation and refurbishment. The annex refers to this as one example of circularity being deployed in the sector, and there are many more across Europe as a result of the Horizon 2020 Circular Construction in Regenerative Cities (CIRCuIT) project. It also illustrates how leadership and direction from administrations can pave the way for a circular economy by driving up and/or imposing certain standards.

## Q11. What sorts of platforms do you think would be the most useful in the future to enable people and business to share and reuse products and materials?

Examples include the UK National Interdisciplinary Circular Economy research hub<sup>9</sup> and in Scotland there is also the Zero Waster Scotland circular economy website<sup>10</sup> https://www.zerowastescotland.org.uk/circular-economy/circular-procurement.

## Q12. What are the most effective tools that government could use to encourage and facilitate business and society to extend the life of products and services to keep materials and resources in use for longer?

NIEL believes the right to repair law is a potentially useful tool. However, in the UK this law has excluded many appliances from the list of repairable items, but the NI administration could learn lessons from this law and use the principles while expanding the range of appliances to which the law would apply. New devices now must have repair manuals so that consumers can fix their appliances. However, only professional repair companies can access some manuals and spare parts. The NI Executive could support and implement community initiatives allowing these items to be available to repair cafes after an approved certification or basic training. The NI Executive should also support professionals and non-professionals to learn new skills by investing in vocational training and CPD. SNI promotes education and campaign initiatives for responsible consumption as essential strategic tools to sustainability, including the many-time reuse of items and the right to repair.

## Q13. Which of the following interventions should be a priority focus for government funding? Please put the following in order of priority. (1= highest priority and 9 = lowest priority)

RANK	ISSUE
3	Research and development
2	Secondary material markets
1	Circular supply chains
9	Digitisation and technology
6	Job creation
5	Waste reduction
4	Carbon emissions reductions
7	Reuse and repair
8	Environmentally focussed solutions

#### Further comments?

## Q14. What funding instruments do you consider would be most appropriate in years 1-3? Please put the following in order of priority. (Ranking scale 1 = most preferred / 3 = least preferred)

NIEL supports the position of SNI in relation to funding instruments for developing the circular economy and would rank those options as follows:

Loans RANK 3

Grants and subsidies RANK 2

Blended finance (i.e., a mix of repayable and non-repayable finance) RANK 1

### Q15. Do you have any further comments to make on funding instruments that could be used to enable Circular Economy solutions to succeed?

No. NIEL supports the position of SNI in relation to the use of blended finance (BF) where public commitment to funding the transition is set and regulated by legislation. This can attract commercial capital for projects that contribute to sustainable development while providing financial returns to investors. There is also the option of bonds to finance activity linked to climate and ecological transition.

## Q16. Considering the EU right to repair regulation, what other regulatory rules do you consider government can use to stimulate greater circulation of materials?

NIEL believes that any regulatory rules to stimulate greater circulation of materials should be based on the three principles of a circular economy, namely (1) designing out waste and pollution (2) keeping products and materials in use and (3) regenerating natural systems.

Along with the right to repair, there should be the right to reuse where the government safeguards and regulates activities that preserve value in the form of energy, labour, and materials. This means encouraging and financially supporting designing for durability, reuse, remanufacturing, and recycling to keep products, components, and materials circulating in the economy. NIEL would recommend the department(s) liaise with SNI in relation to reducing the waste levels and the prioritisation of the need for products to have a minimal environmental impact.

## Q17. What three skills do you consider will be most critical to support the Circular Economy?

The skills	listed I	below	are	based	on	input	from	SNI
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Skill 1

Digital, green, and supply chain management skills.

Skill 2

Engineering, environmental and agronomy skills to improve resource management.

Material handling and labouring with upskilled capacity and knowledge.

Any other comments from NIEL members would be welcome.

## Q18. Do you consider that government should play a role in assisting the transition to greater circularity through a dedicated Circular Economy delivery body?

Yes. In fact, NIEL would argue that government has to play a role, and a central role, in shaping and driving the development of a circular economy, for example by procurement choices and setting standards which will shape and 'green' the supply chain.

### Q19. What do you think a Circular Economy deliver body should look like? e.g. government led or a public-private partnership.

The approach taken in Scotland is that 'establishing a public body would be accountable to Ministers and/or the Parliament and have to meet public sector accountability requirements'.

However, there is also the risk that such a body is seen as something outside of government and therefore not for the Department/s to get behind and implement.

The Welsh government has proposed establishing a network of delivery partners, from both the private and voluntary sector and this is a good approach that Ni could follow.

#### Please provide a rationale for your answer.

The Scottish and Welsh examples mentioned are good examples and we should learn from the experience of others, especially where that has worked well.

The Scottish CE strategy<sup>11</sup> says

"The introduction of a Circular Economy Strategy should help establish a public body to help realise the NI Circular Economy ambitions and to perform relevant statutory functions like 1. Provision of expert advice to ministers and guidance in the development of Circular Economy priorities and strategies. 2. Pro-active support in the form of funding and advice to stakeholders in meeting national Circular Economy targets and ambitions, particularly cross-sector stakeholders. 3. Overseeing the delivery of key Government initiatives and programmes to progress Circular Economy ambitions nationally in collaboration with delivery partners. 4. Commissioning and/or production of progressive and leading research that will support and inform the strategic direction of Circular Economy policy in Northern Ireland."

-ENDS-

<sup>&</sup>lt;sup>1</sup> https://www.legislation.gov.uk/nia/2022/31/contents/enacted

<sup>&</sup>lt;sup>2</sup> https://www.daera-ni.gov.uk/consultations/environment-strategy-consultation

<sup>&</sup>lt;sup>3</sup> https://www.daera-ni.gov.uk/consultations/consultation-draft-green-growth-strategy-northern-ireland

<sup>&</sup>lt;sup>4</sup> http://aims.niassembly.gov.uk/officialreport/report.aspx?&eveDate=2021/05/25&docID=338424

<sup>&</sup>lt;sup>5</sup> https://www.gov.scot/policies/public-sector-procurement/sustainable-procurement-duty/

<sup>&</sup>lt;sup>6</sup> <u>https://www.gov.scot/about/who-runs-government/cabinet-and-ministers/minister-for-green-skills-circular-economy-and-biodiversity/</u>

<sup>&</sup>lt;sup>7</sup> https://www.finance-ni.gov.uk/news/murphy-and-dodds-welcome-renewable-energy-contract-deliveringps31m-savings

<sup>8</sup> https://www.foodforlife.org.uk/~/media/files/evaluation reports/fflp-nef----benefits-of-localprocurement.pdf

<sup>9</sup> https://ce-hub.org/

<sup>10</sup> https://www.zerowastescotland.org.uk/circular-economy/circular-procurement 11 https://www.zerowastescotland.org.uk/circular-economy/circular-procurement