

Introduction to Circular Economy

Kari Herlevi, Project Director, Sitra

5 important things

1. A gift from Parliament to the 50-year-old Finland. Still under the direct control of the Finnish Parliament.
2. An independent future house: a futurologist, visionary, developer, experimentalist, financier, partner, trainer, and networker.
3. The aim is the successful Finland of tomorrow, the vision is the next era of well-being – a fair and sustainable future.
4. Funded by returns on endowment capital and capital investments.
5. The vision is implemented by three themes and hundreds of projects.

+ the most
important of all
Building our future *together*.



How do we guarantee
a fair future for everyone
if the only thing we know for
sure is that everything will
change?

The circular economy is a tool
towards a carbon-neutral and
more equal world, but the change
does not happen by itself.

No jobs on a dead planet

Shifting to a circular economy calls for
a **fundamental change** in the way we
produce and use materials and goods.

This will inevitably bring about
social changes.

Social aspects of circular economy

Decent work

Inclusive opportunities

Income distribution

Accessibility of new services

Human impacts of healthy environment

Global equality

Lifelong learning





The circular economy is an opportunity to build a fair economy that creates prosperity and benefits a larger number of people.

A fair transition can be assessed by the social impacts of the shift:

- How are the benefits and burdens distributed among sectors, regions and professionals?
- Who's involved in planning the transition?

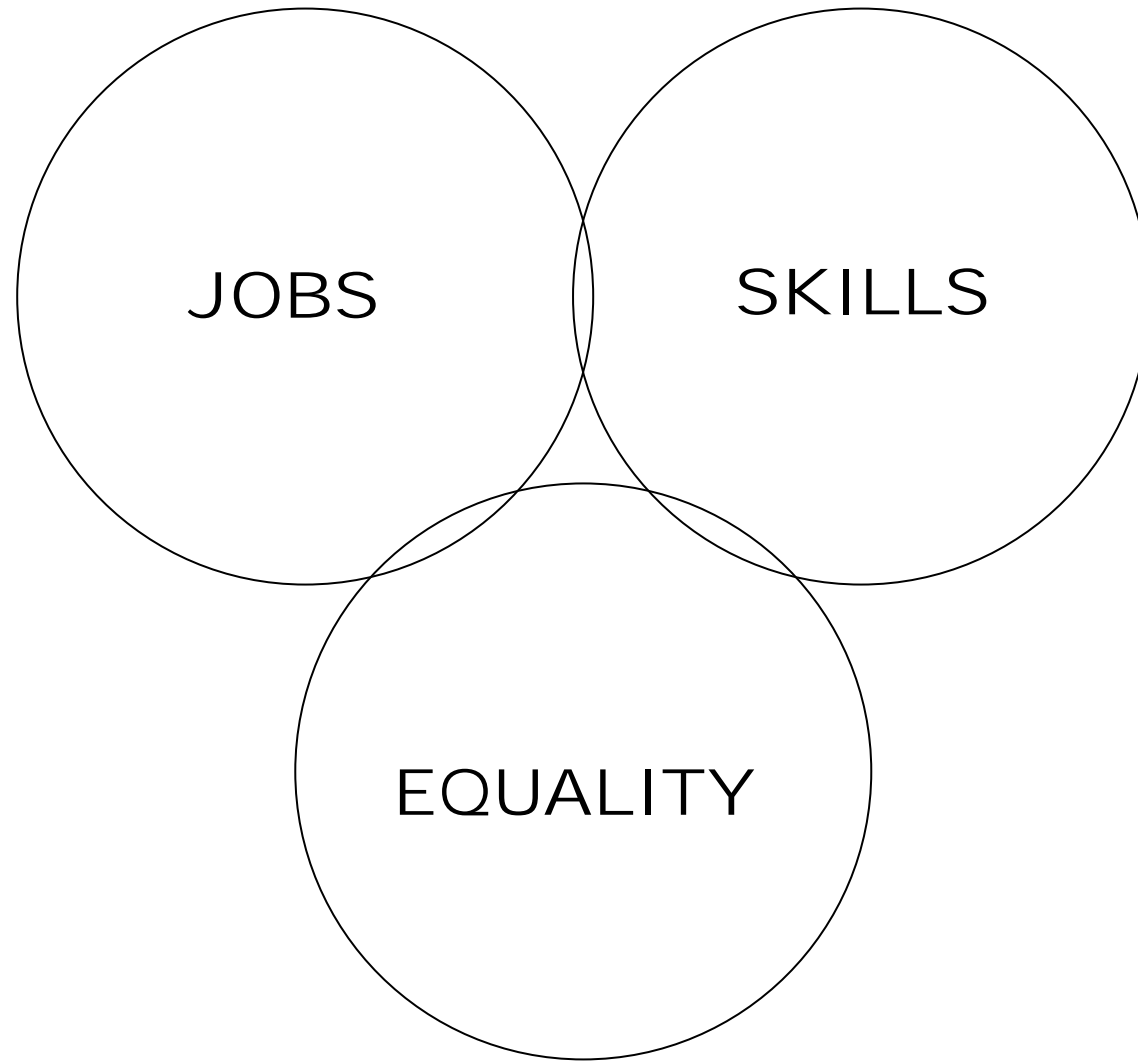




Over 70,000 children and young people are learning about the circular economy this school year.

The social impacts are still a missing piece in the
circular economy puzzle.

The topic has started to emerge in pioneer countries, but more qualitative analysis on the social impacts, next steps and success indicators remain largely unidentified.



How does the circular economy change jobs in Europe? Upskilling and reskilling for a just transition



The working paper looks into the social impacts of a circular economy in five European countries and four sectors from the perspective of quality and number of circular jobs, the required skills and the inclusiveness of the transition.

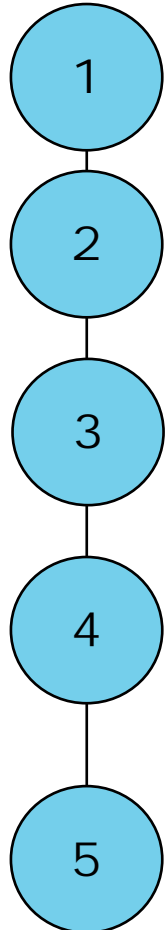
The paper examined sectors represented in the EU's Circular Economy Action Plan: plastics, textiles, construction and electronics.

The results are based on 26 expert interviews in the focus countries. In addition, research, statistics and company cases are used to support our findings.

The paper includes policy recommendations to ensure a just transition.

Download the paper: [How does the circular economy change jobs in Europe? - Sitra](#)

Key findings



1 In a shift to a circular economy it is likely that some jobs will disappear, new jobs will emerge and most of the jobs will change in content. We now have to assess the quality and quantity of the circular jobs.

2 Updating workers' skills is essential to ensure a fair transition. In the future, every professional should be able to apply circular thinking in their work, regardless of what they do. We need to invest in teaching circular economy principles in formal education and lifelong learning.

3 The design and development of sustainable, durable, repairable and recyclable materials and products were identified as key skills in all industries.

4 The positive social impacts will not happen as a "by-product", but require intentional leadership by governments.

5 The social impacts of the circular economy concern the whole society. Therefore, the goal must be an inclusive circular economy that is planned together with the groups and regions that are most affected by the change.

What skills are needed?

- Skills related to the circularity of materials, from product design to recycling and reuse
- Skills that support the circularity infrastructure, e.g. reverse logistics and material infrastructure management
- Skills on repairing and maintaining goods
- Service skills, e.g. knowledge on digital platforms in sharing economy or second-hand markets
- Creative skills, e.g. design and marketing of circular products and services



We don't need numerous general circular economy experts.

What we need is **thinkers and doers** who understand how circular economy principles can be applied in their jobs as engineers, teachers, assembly line workers or fashion designers.

**“We tried to employ 2 persons,
we wanted to talk to 5 best
candidates, but the headhunter
found only 1. We have to train
our staff ourselves.”**

(Interviewed expert)



” You need to be able to work
[on circular economy themes]
with all the people along the
value chain – from designer to
people running the plant.. “

(Interviewed expert)



ELECTRONICS

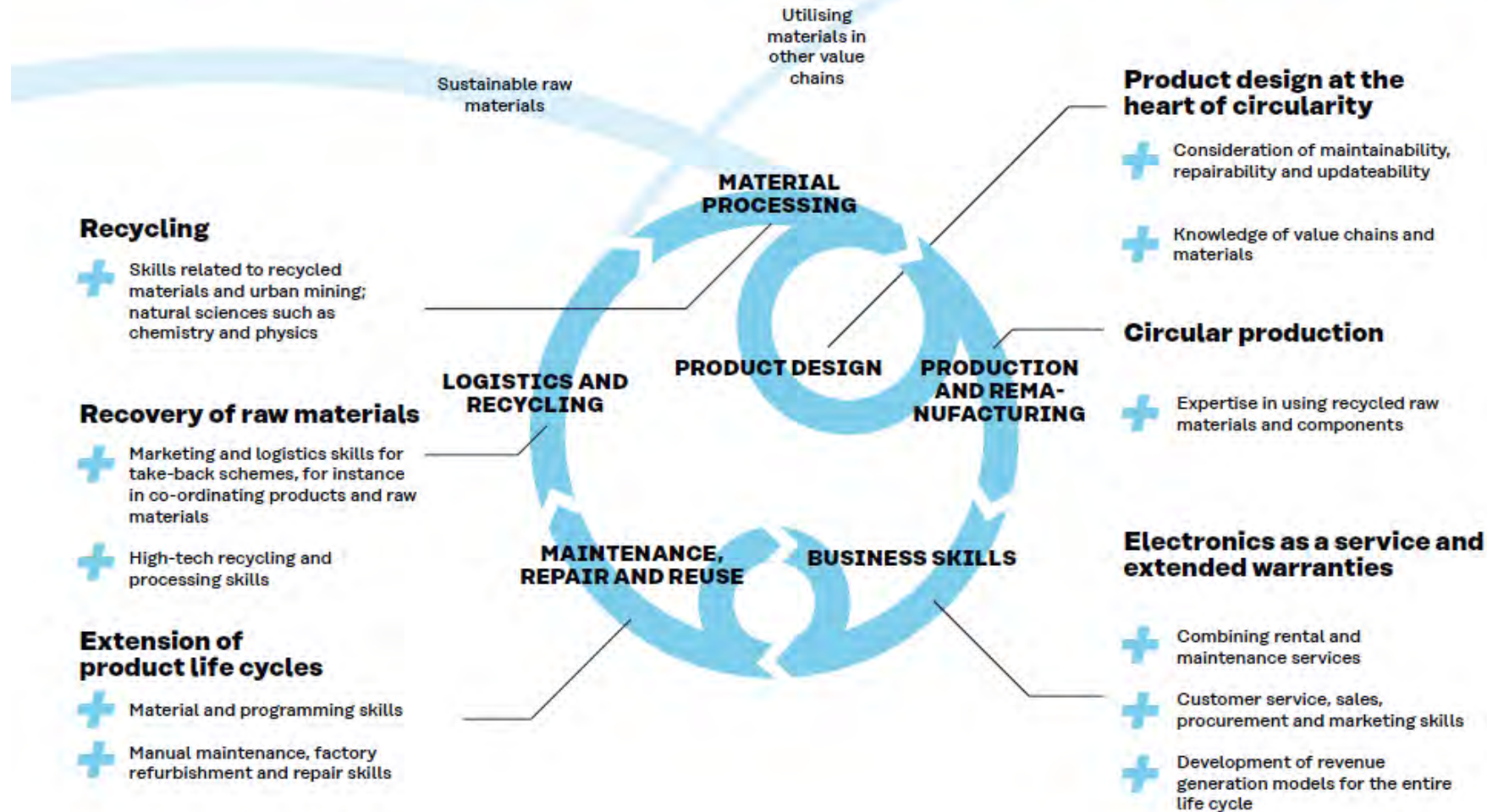
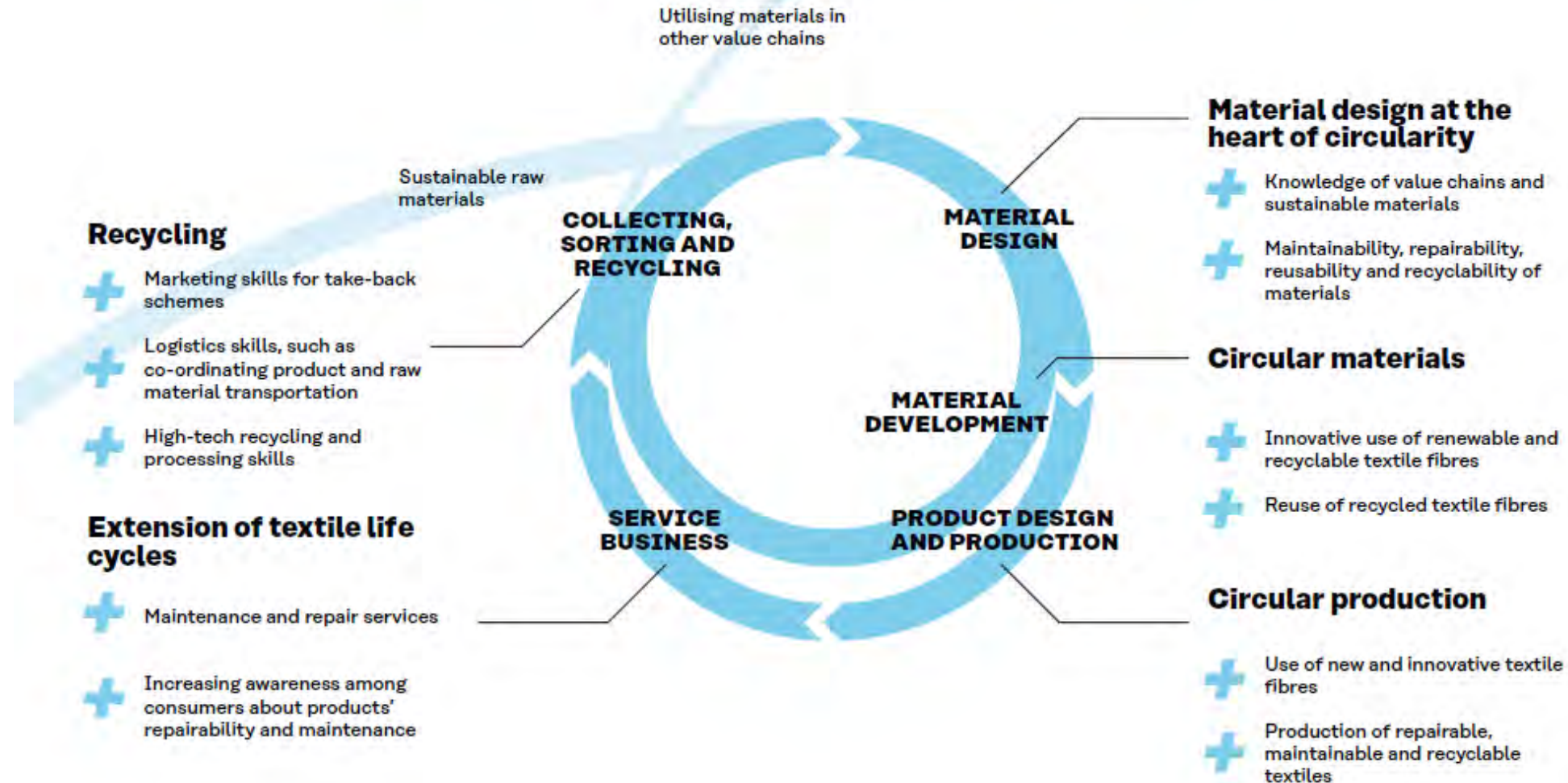


Image 4. Skills required in a circular electronics industry

TEXTILES



How to move forward?

Circular jobs are created by investing in and scaling up circular economy innovations

Foresee the change and design circular economy policies with consideration for their effects on the labour market and changing competence needs.

Circular economy know-how must be integrated into all education levels and all industries, life-long learning and career change opportunities are central

Include inclusivity to the planning of circular policies. Design the transition together with the people and groups that are most affected

Developing and applying indicators for the social impacts of a circular economy.



