

A TENTH "R" TO HELP MOVE TOWARDS A CIRCULAR ECONOMIC MODEL.

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When we talk about the Circular Economy, practically anyone person who has inquired a little about the subject, will come to mind the nine "R"s. Like when we first learned the prepositions, these r's are the abc's of the circular economy and not just memorize them but understand and internalize them, seems to be a good starting point. starting point to get into this Circular Economy. we start with Reject, continue with Rethink etc. and we arrive at the ninth "R", the Recovery. Each action, as we get closer to Recovery, loses circularity and, therefore, its environmental impact is increasingly negative.

In parallel, as if they were few, there are more and more voices that arise from the need for **a new "R" transversal to all this framework: the R of "Regulation"**. And it is not a trivial question, precisely.

Let's see the paradigmatic case of the dreaded **obsolescence programmed** of many of the products we regularly buy. The circular economy proposes models of alternative businesses based, for example, on **servitization** or **design of more durable and modular products**. These models appear to be more solvent and profitable than the current ones on paper, but the truth is that a large number of companies continue to use the obsolescence model programmed when designing their products. And, let's not kid ourselves, if this is This is because its profitability is higher than that proposed by the models circular. At least in the short-medium term. And, furthermore, they do it because they can. No one stops you even knowing that there is an environmental impact which is not incorporated into the equation.

When we start to think about who is responsible carry out the transition towards a Circular Economy, the answer it is generally unanimous, the whole society. consumers, businesses, public institutions etc must make an effort to make it possible economic model that does not consume natural resources at a higher rate than they can be recovered.

So, if we say that the effort must be joint, Why wait until we come up with a more profitable business model than the Current for companies? Shouldn't companies also contribute to this transformation of the economic model adjusting its returns in the short term term? A possible formula for planned obsolescence to be more cost effective than the current production model is certainly the famous transverse R that no one seems to want to talk about, the Regulation. We talk about **regulations and fiscal policies that promote the process of circularity** on the design of product.

Our French neighbors are somewhat more advanced in this matter of regulating the *conception*. Already in July 2012, the [Environment and Energy Management Agency \(ADEME\)](#) defined planned obsolescence as a practice that “< It consists of intentionally shortening the useful life of a product so that the consumer has to buy a new one, limiting its period of use for reasons of the economic model”.

Furthermore, France already considers directly planned obsolescence a crime. This was stated in article 22 of the [draft Law on Energy Transition for green growth](#) where the definition of planned obsolescence is introduced into French law. For such practices, the law contemplates penalties of two years in prison and a fine of 300,000 euros.

Also on February 10, the [Law against waste and circular economy was also published](#), through which it seeks to abandon disposable plastic, fight against waste and act against planned obsolescence.

These are examples, but the truth is that circular economy strategies in some countries seem to go hand in hand with regulation. Ultimately, moving towards a circular economy should not be based on generating circular businesses parallel to linear business models, but on **transforming linear businesses into circular ones**.

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