

# ANDREW BROWN

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Turning to Andrew Brown, that definitely raises the question of the impact of regulations. On the one hand we clearly see that first it creates momentum and when it is mandatory it incentivizes behavior. On the other hand, public policies can also incentivize the use of a particular energy and behaviors in general through subsidies. How do you look at it from the standpoint of the OECD?

### **Andrew Brown**

I think the OECD is a wonderful forum for member countries to have conversations with one another and to explore what has been working, the lessons learned from policies. I think there are three quite important angles we are taking a look at. The first is that there is not necessarily going to be one silver bullet that solves the circular economy problem, so instead we are looking at a policy mix, where you can combine several policies to create the incentive such that the sustainable or environmentally friendly choice is the most obvious one. This begins by taking a look along the lifecycle. When we talk about products, they have environmental impacts from their extraction, during their use, all the way to the end of life and if you only focus on one of these parts you will miss the larger picture. When we take a look, we also see that there are opportunities and you mentioned regulation. Regulation has a role in removing some of the most obviously hazardous elements of products, to remove them from the market to make sure they are not creating problems. That is the same with design, when we know that a particular design makes sense, this can have a particular role. Then there are price-based mechanisms such as subsidies or taxes to make that choice the obvious choice. At the OECD, we have also been looking at extended producer responsibility for over 30 years. This is taking a look at making producers responsible for the post consumer or the post-use stage of the lifecycle to incentivize better design choices.

Then another policy angle we have looked at is around geography. I think that the average citizen's first interaction with circular economy may be with the public sector in terms of their municipality, which are often doing recycling systems, so this starts at a very local stage. However, there are also policies at the national level as well as at international level that are quite important for circular economy. You mentioned that there is the biodiversity angle and the meeting happening with the Convention on Biological Diversity this week, last week it was plastics, so having an international focus is going to be critical. When we talk about plastics, we ran two different scenarios of our macroeconomic model and determined that it would require



internationally focused policies to really move us towards where we want to be with the capture of plastic waste and the recycling levels we seek.

The last bit I will mention is around justice, which I think is something that has been lacking in previous discussion around environmental policy. When we talk about this at a national level this can mean providing for previously underserved communities, making sure we are contacting them and involving them in the policy-making process. Also at an international level, you have to make sure that when we are building these new economic systems that they are just. If they are not just they are not really sustainable. When we talk about plastics, one example here we can bring is a study we did at the OECD on the cost of capturing all plastic waste to making sure it was no longer leaking into the environment. When we looked at the least developed countries, there was a cost saving in having a circular policy ambition as opposed to a linear policy approach, so there are opportunities when we look at an internationally just system as well, if this can also make sense financially.

**Lucia Sinapi-Thomas**

Interesting. That is a very comprehensive approach to the cycle and that leads me to our friends from the start-ups. Definitely when we hear how promising your solutions are, we cannot wait to have them scaled in terms of production and widely adopted.