

SUMMARY

The circular economy white paper sets the vision and developmental goals for circular economy in Estonia. The white paper is designed to support different stakeholders – the state, local municipalities, entrepreneurs, and individuals – in mainstreaming the principles of circularity in production, consumption, policies, lifestyle, culture, and values.

The development of circular economy in Estonia is strongly tied to and influenced by global trends. Climate change, increasing demand and competition for resources and raw materials, increasing consumption and waste production, exceeding of the planetary boundaries, as well as the global nature of supply chains, and the emerging demand for sustainable production and services set the framework for developing circular economy. Today, Estonia's main challenges in promoting circular economy are:

- lack of cooperation between stakeholders and dilution of responsibilities
- low level of environmental awareness and knowledge on circular economy in the society
- circular economy is not mainstreamed
- lack of experts
- lack of innovative sustainable solutions

The vision for Estonian circular economy is:

Estonia has a functioning circular system of production and consumption, and we are a smart country leading the transition to circular economy.

Estonia uses sustainably sourced and local resources that are consumed wisely and in and sustainably. Products have long lifespan and material circulate safely for a long time. Due to circular economy, the use of natural resources is replaced by using the resources that are already available and the raw materials' supply is secured. Implementing the circular economy reduces the burden on the environment and increase competitiveness of Estonia. The circular economy is enhanced using digital solutions.

To achieve this vision, it is necessary to create a favourable environment and apply certain principles that guide actions and choices. The necessary conditions are environmental awareness, cooperation and involvement, smart solutions, systemic and coordinated approach, and up-to-date legal environment. All stakeholders must apply the following principles:

- needs-based production and consumption
- applying the principles of circular design
- employing the best possible approach
- following the principles of materials' hierarchy
- promoting sustainable choices

Table 1 (next page) summarizes the development priorities and strategic actions that are needed for achieving the vision, as well as the roles of different stakeholders.

Development priorities	Strategic actions	Stakeholders			
		State	Municipality	Entrepreneur	Individual
1.Resources are used responsibly and based on demand, resource use is well-considered and waste production is minimized	Preference for sustainable products and services	✓	✓	✓	✓
	Promoting the sharing economy	✓	✓	✓	✓
	Ensuring safe material circulation			✓	
	Using the best possible approach			✓	
2.The business models of Estonian companies are forward-looking and circular	Increasing the interoperability of supply chains			✓	
	Involving science in creating circular economic solutions	✓			
	Encouraging businesses and partnerships between businesses and research institutions	✓		✓	
	Encouraging cooperation between businesses and the state	✓		✓	
3.The necessary know-how and expertise for implementing circular economy is ensured and the cooperation between stakeholders and sectors is well-functioning	Ensuring expertise, know-how and succession	✓			
	Ensuring access to skilled labour, including foreign labour	✓		✓	
	Promoting cross-sectoral cooperation, including participation in international cooperation networks	✓			
4.Functional digital solutions have been created to support the circular economy and high-quality data for monitoring the situation has been ensured	Creating sharing and collaboration platforms			✓	
	Ensuring interoperability between databases and collaboration platforms	✓		✓	
	Implementing innovative digital solutions, including those using artificial intelligence	✓		✓	
5.The circular economy is well coordinated and there is a supportive legal and economic environment	Updating legislation and regulations	✓			
	Defining roles, functions, and responsibilities of stakeholders	✓			
	Developing and applying principles and standards for gathering information	✓			
	Creating digital platforms for collecting, analyzing and exchanging information	✓		✓	
6.Environmentally conscious thinking and environmentally friendly behavior are mainstreamed in the society	Awareness raising	✓	✓	✓	✓
	Guiding consumer behaviour	✓		✓	✓
	Implementing environmental management measures	✓	✓	✓	