

Circular economy

A paradigm for Colombia's future

Colombia is endowed with diverse geography, a variety of ecosystems, and considerable renewable and non-renewable resources. As with other countries well-endowed in natural resources, Colombia's economy is not highly diversified. It remains substantially reliant on natural resources and exposed to market fluctuations and price volatility. A growing population, extended urbanisation and increasing waste generation threaten the country's natural capital. Colombia has progressively recognised the need for a systemic shift to an economy that builds long-term resilience, generates business and economic opportunities, and provides environmental and societal benefits.

In 2019, Colombia was the first country in Latin America to adopt a [National Circular Economy Strategy](#). The strategy prioritises action in six material/resource flows: industrial materials and consumer goods, packaging materials, biomass, energy, water, and building materials. It is aligned with Colombia's [Green Growth Policy](#) and roadmap for 2030 and with the [2018-2022 National Development Plan \(NDP\) "Pact for Colombia. Pact for Equity"](#) (2018), which features the development of a circular economy model based on durability, reusability, reparability and recyclability. Foundations for a CE conducive policy framework were laid down

as early as 1997, when Colombia adopted a [Policy for Cleaner Production](#). The [National Policy on Sustainable Production and Consumption](#) followed in 2010. The [National Policy on Integrated Solid Waste Management](#), introduced in 2016, aims to extend product lifetime, maintain the value of products and materials in the production cycle, reduce waste generation, and encourage recycling and reuse. The [Green Growth Policy](#) (2018), supporting environmental sustainability and improved business competitiveness, formally prioritised the elaboration of a long-term National Circular Economy Strategy.

Colombia's path to a circular economy

Fostering commitment among stakeholders: A CE benefits from the dedication of diverse stakeholders. The signature of a National Pact and Regional Pacts for the Circular Economy endorsed the commitment of multiple actors. The Vice-President of the Republic, representatives of various ministries, regional authorities and leading professional business associations were among the signatories underlining their commitment to drive the transition to a CE.

Building ownership and support for policy decisions: A working group on the CE under the Ministry of Environment and Sustainable Development (MADS) worked intensively to refine an initial version of the National Circular Economy Strategy. The document was discussed at more than 20 events, such as regional workshops and conferences, expanding knowledge on the CE, creating acceptance of the CE strategy, and both refining and validating its provisions.

Sharing knowledge to enable the transition: In addition to dissemination campaigns and a CE training programme for government officials from various ministries and national offices, the integration of a CE into the country's competitiveness agenda facilitated the dissemination and appropriation of a CE at the sub-national (regional) level. A sustainability committee was created within the framework of the National System of Competitiveness in Innovation where public and private actors discuss where public and private actors discuss progress. More than 21 regional CE roundtables, which formulate projects for the development of the strategy in the regions, have been created through the regional competitiveness commissions.

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Building the case by taking stock of progress: The level of circularity achieved by the country's economy has been closely monitored by the National Administrative Department of Statistics and was presented in the [First Report on the Circular Economy](#) (August 2020). A broader process, involving the creation of a circular economy information roundtable with six sub-tables, each dedicated to a corresponding strategic priority and engaging relevant line actors, identified circular-economy-related statistical information and led to the creation of a Circular Economy Information System (SIEC in its Spanish acronym). Discussions in sub-tables, one for each priority line of action, identified important indicators and statistics for each line.

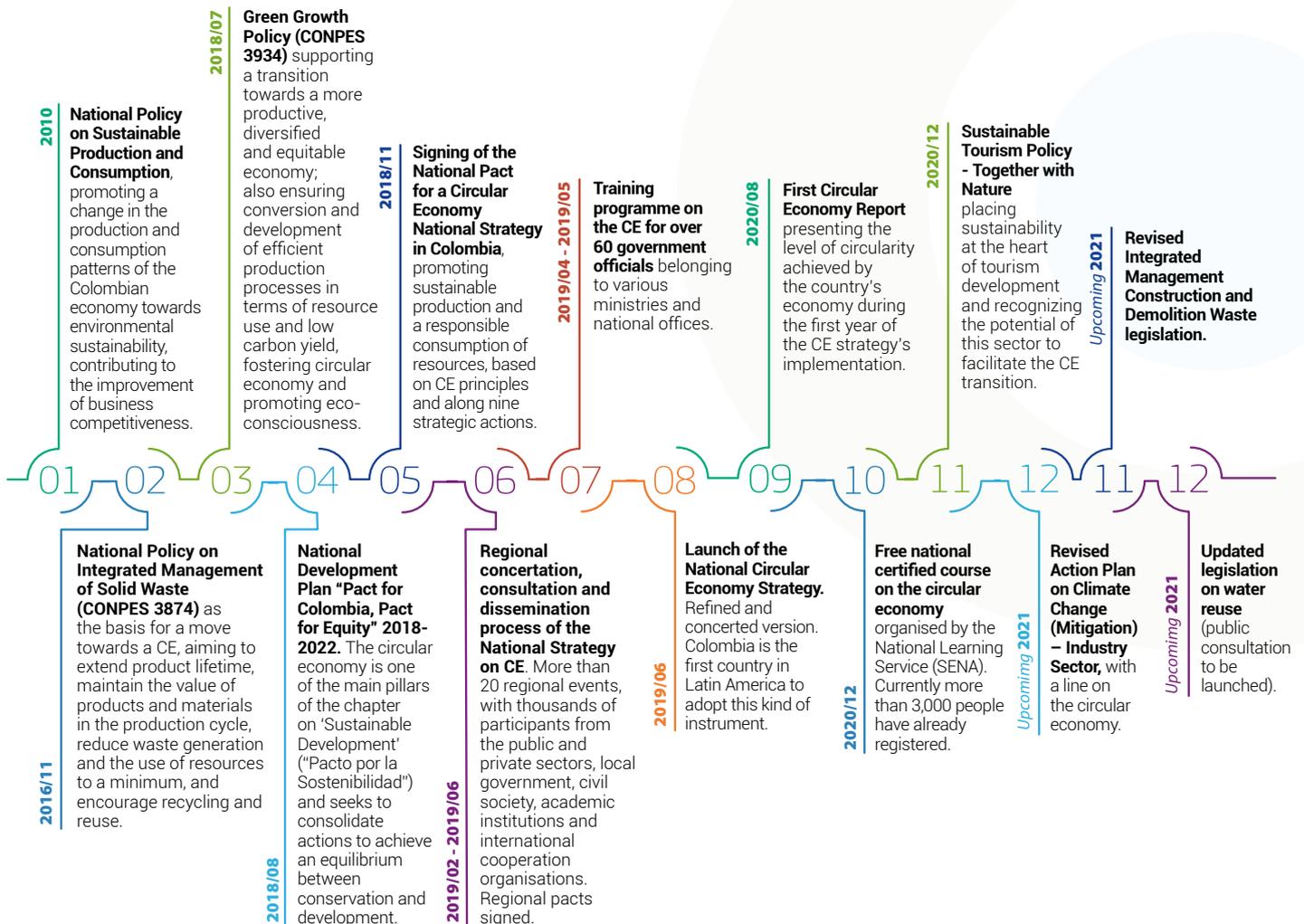
Integrating circular economy approaches into relevant policy processes: Recognising the potential of the tourism sector in facilitating the CE transition, Colombia launched the [Sustainable Tourism Policy - Together with Nature](#) in December 2020. Furthermore, the Revised Action Plan on Climate Change (Mitigation) – Industry Sector embraces circularity considerations, while both an upcoming piece of legislation (Integrated Construction and Demolition Waste Management) and a future piece of legislation on water reuse are being revised to include circular economy approaches.



“The motto ‘Produce conserving and Preserve producing’ is in the DNA of Colombia’s Development Plan. A pillar for the future of our country and its vision and strategy toward a circular economy”

Carlos Andres Arévalo Pérez
 Director of the Productivity and Competitiveness Directorate of the Ministry of Commerce, Tourism and Industry

CE transition milestones in Colombia



Drivers for transformation

Strong political leadership:

has been fundamental to Colombia's transition to a CE; a clear vision has been set by both the President and the Vice-President and has been shared across a number of ministries and departments. Thanks to the Minister of Environment, significant focus was put on the CE and its potential to generate new jobs, and on identifying new investments. This was achieved by establishing a team of professionals dedicated to the CE at government level and by bringing CE matters to high-level national agendas.

Mobilising resources and investments:

After the peace process and OECD membership accession in 2020, Colombia has mobilised investments resulting in rapid economic growth and contributing to a shift towards more sustainable models. Commitment to international agreements (e.g. the Paris Agreement, where the Colombian Government announced ambitious reduction targets of 51% by 2030 compared to the projected baseline) and close cooperation with international partners, notably the EU (see below), have positioned the country as a front runner on sustainable development and the CE in high-level global and regional dialogues. Increased financing lines and technical assistance are currently supporting the design of economic instruments with an environmental perspective.

Regional leadership:

Colombia plays a significant role at the regional level in Latin America and the Caribbean (LAC), ensuring that the CE concept will continue gaining significant traction. The government's **clear vision for a sustainable way of production** and a common view of 'Produce conserving and Preserve producing' has set an example in the region.

Awareness and dissemination:

Strong awareness campaigns targeting the public, the private sector and academia engaged a significant number of key actors, who created and exchanged ideas on the integration of circular economy approaches across different sectors. In a relatively short period of time, a critical number of businesses had been persuaded of the competitive advantages of adopting circular economy approaches.

Protection of ecosystems and natural resources:

The depletion of natural resources, changes in land use, and the saturation of sanitary landfills required a rapid shift in the production and consumption paradigm and in territorial planning. Facing these challenges, the CE was promoted as a means to avoid conflicts between land uses.

EU support for the circular economy transition in Colombia

A key step in EU's cooperation with Colombia on the CE was the 2017 Circular Economy Mission. The EU mission to the country was complemented by more than 50 EU companies that shared experiences with the Colombian Administration and business sector. After the mission, the EU started a high-level policy dialogue on the CE addressing the government and ministries. The EU supported the development of the country's CE strategy and action plan(s). The EU Ambassador highlighted the CE transition with multiple public appearances and by supporting the signing of the National Pact (2018). In addition, the EU promoted a massive communication campaign across different media channels.

Since 2019, the EU has provided technical assistance via the SWITCH to Green Facility for the implementation of the "National Circular Economy Strategy 2018-2022" including specific priority strategies for composting and for the reuse of water in agriculture, the identification of appropriate economic instruments and the facilitation of access to finance.

Furthermore, the formulation of the national plan for the sustainable management of single-use plastic, the elaboration

of policies and measures related to packaging and containers, and the development of actions and of a policy framework for waste management and reuse were delivered with EU support. Technical assistance is also available for the inter-ministerial agenda between the MADS and the Ministry of Agriculture, considering the high potential that the CE can have on sustainable agriculture and its link with the green recovery.

Budgetary support (equal to €9 million for the MADS in 2020-22) is provided by the EU for the second phase of the "Sector Reform Contract for Sustainable Local Development in Colombia". An action line on the circular economy aims at implementing the CE strategy and promoting CE investments. EU budgetary support is managed by the Ministry of Trade, Industry and Tourism to scale existing programmes, such as the *Fábrica de Productividad* and InnovaCluster, promoting the CE transition in business and sustainable production in the private sector. Additionally, the EU funds a number of projects including "Sustainable production and trade" and the regional programme "[Low Carbon and Circular Economy Business Action in the Americas](#)". Further bilateral cooperation focused on the CE is under discussion.

EU support at a glance

- **Technical assistance for:**
 - › the implementation of the country's CE strategy, including the identification of appropriate economic instruments and the facilitation of access to finance
 - › the formulation of the national plan for the sustainable management of single-use plastic
 - › the elaboration of policies and measures related to packaging and containers, waste management and reuse
- **Financial assistance:**
 - › budgetary support for the "Sector Reform Contract for Sustainable Local Development in Colombia"
 - › budgetary support to scale existing programmes, such as *Fábrica de Productividad* and *InnovaCluster*
 - › funding of the "Sustainable production and trade" project and of the "Low Carbon and Circular Economy Business Action in the Americas" regional programme
- **Further assistance:**
 - › collaboration in a massive communication campaign to spread the CE concept

Lessons learnt

EU cooperation with Colombia over the past few years has led to the following lessons learnt:



Jointly commit to support the transition: The EU reinforced the Colombian Government's vision related to the CE, recognizing the relevance of their strategic and priority actions. At the same time, the EU has been actively engaging with the government and has mobilised cooperation instruments in a flexible way. The EU highlighted the potential that a shift towards the green and circular economy may have in generating both jobs and consensus. This has created more confidence among key stakeholders in the process and in the EU as a partner in this transition.



Involve the highest national political level: In Colombia, the buy-in and leadership of the President and the Vice-President in the CE transition process have facilitated EU ambition to take and discuss the CE at the highest political level, and boost the transition process.



Analyse the context conditions: Political economy analysis made it possible to identify champions/key players from different contexts who can spearhead the transition to a circular economy. Furthermore, understanding key actors, their interests and their roles facilitated communication.



Establish multiple entry points: In Colombia, the EU established direct communication channels at three different levels: at a high policy level between the EU Ambassador and the President, Vice-President and key ministers; at a strategic level between the EUD Head of Cooperation and the relevant sector deputy ministers; and at a technical level with the directorates of key ministries.



Design an inclusive process: The inclusive process involved ministries other than the Ministry of Environment, the private sector, academia, waste pickers' organisations and thousands of citizens who contributed ideas to transform the country towards a more productive economy that cares for its ecosystems. Informed stakeholders have been able to increasingly engage and formulate coherent strategies and actions within their sectors, participate in constructive dialogues and experience interchanges, demonstrating ownership of the topic.

Lessons learnt



Create a common understanding of the CE and a culture towards

CE: The EU and the government invested in raising mass awareness by promoting inclusive political processes, such as participatory road mapping approaches, working groups, conferences, trainings, roundtables or media campaigns. A simplification of the term and massive information and education campaigns can facilitate citizens' understanding and adaption of circular practices.



Building productive partnerships and transformative alliances

between countries in the region and with the EU is crucial for a successful transition. The EU could also play a role in facilitating these long-term partnerships across the region. Cooperation at the regional level can create a multiplier effect in the transition towards a CE.



Highlight the CE as an opportunity for green

recovery: Within the framework of a post-COVID green recovery, the EU envisages to support green business development both directly and in collaboration with the government, and to organise and participate in green recovery related events. The approved recovery framework includes specific actions on the Circular Economy such as the study for the inclusion of recovered materials in infrastructure projects.

Future steps

In spite of progress made, more efforts are needed to fully realise a CE transition. A more committed participation and representation of all relevant ministries is key to completing the vision of the National Circular Economy Strategy. Decentralisation of decisions, engagement and the active participation of the sub-national level into specific action plans is fundamental to achieving the objectives of the National Strategy. Further extensive and coordinated interventions are necessary to boost changes in the production model at scale, especially among SMEs and micro enterprises. A change in the culture and mindset of entrepreneurs towards circularity can be fostered with the support of local authorities. Working with sector clusters, as well as with consumers, can promote circular practices and a sustainable consumption model. To amplify the CE, it is important to demonstrate the scalability of circular economy models. More investment in innovation and technology transfer can foster technological development in the SMEs involved. Additional financial support is crucial, as it provides a stable investment environment and functioning markets for business, in addition to addressing inequality.

