

A Just Transition to Circular Economy

Exploring current and potential social implications exemplary for the value chains batteries, plastics, and textiles

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Structure and aim of the report



Expanding the narrative of circular economy and adding to the emerging just sustainability transition discourse.

- Mapping the understanding of circular economy and just transition
- Conceptualizing an approach to a just circular economy by integrating both concepts
- Observing current and potential social implications of circular economy measures
- Reflecting on circular economy policies

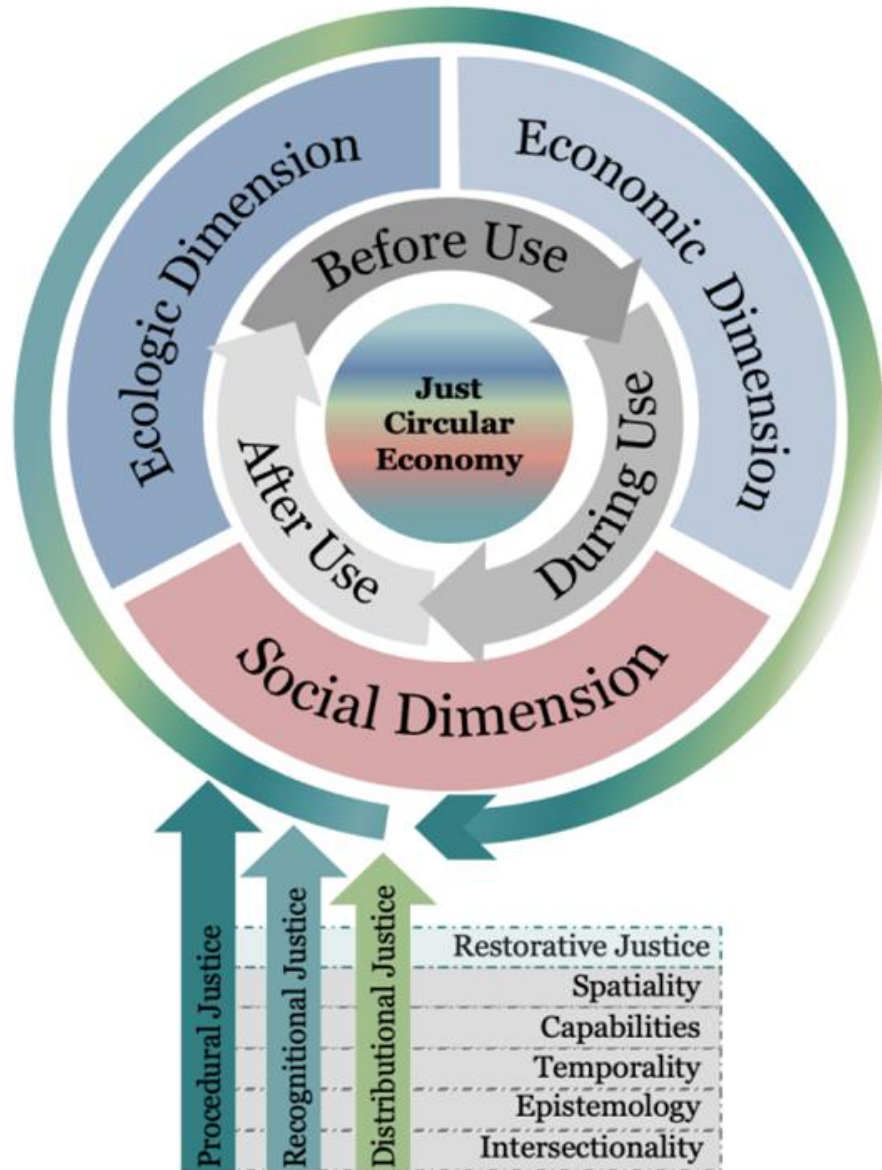


Mapping the understanding of circular economy and just transition

- Focus on **avoiding negative environmental impacts** of supply chains through changes within the economic system.
- Technological solutions are overemphasized.
- Circular economy is often portrayed as a **techno-economic approach that prioritizes industrial strategies** and economic growth alongside environmental goals but lacks sufficient democratic consultation with citizens and vulnerable groups.
- Out of 203 studies, 18% consider social dimensions, 80% environmental, 66% economic dimensions. (*Calzolari et al., 2022*)
 - ‘employment opportunities’ examined most frequently.
 - Less considered are ‘quality of jobs’, ‘social cost of waste’, ‘training and education’, ‘well-being’, or ‘gender’. (*Calzolari et al., 2022; Padilla-Rivera et al., 2020*)



A conceptual approach towards a Just Circular Economy



A circular economy that considers the economic, ecological, and social dimension equally



Social implications – the case of batteries

Distributional

The extraction of key materials for batteries (e.g. cobalt, nickel, lithium) disproportionately impacts low- and middle-income countries
→ environmental degradation, poor labour conditions, public health risks,
→ economic and technological benefits largely accrue to wealthier nations.

Procedural

Mining projects often marginalize vulnerable groups, including indigenous populations and small-scale farmers,
→ failing to include them in decision-making processes about land use and resource extraction.

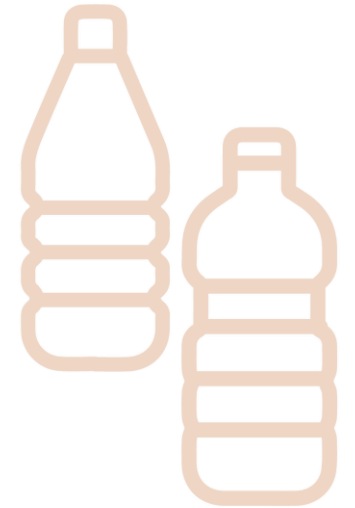
Recognitional

Indigenous and local communities are frequently displaced due to mining activities, eroding traditional knowledge, cultural heritage, and livelihoods.



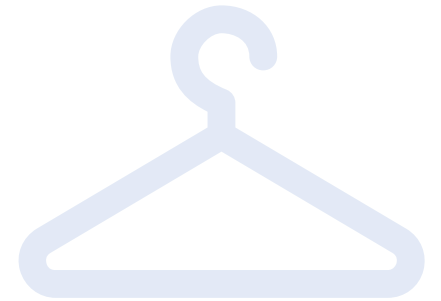
Social implications – the case of plastics

Distributional	Plastic waste handled particularly in the Global South → health problems of plastic pollution due to exposure of toxic substances and pollutants, poor working conditions and income disparities.
Procedural	Informal workers integral to the global plastic system, particularly in the Global South, but marginalized and often excluded from decision making-processes.
Recognitional	The expertise of informal workers are not sufficiently acknowledged, despite the chance of socio-economic benefits.



Social implications – the case of textiles

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|-----------------------|--|
| Distributional | Disproportionate burden on workers and communities in low- and middle-income countries
→ environmental pollution, textile waste, poor labour conditions. |
| Procedural | Fashion brands have decision-making power over the suppliers
→ communities burdened with consequences of landfills lack political influence. |
| Recognitional | Marginalized groups involve women, migrant workers and local communities in the Global South.
→ Fair wages and social stigmas need to be addressed and indigenous craftsmanship acknowledged. |



Supportive policies and further enablers

- **Mandatory policy measures** can be crucial in ensuring the contribution of all stakeholders.
- **Non-mandatory policies** (such as taxation and subsidies) can redistribute financial effects and reduce burdens on certain groups.
- **Standards** can address informational asymmetries and unfair practices.
- **Multilateral approaches and international trade regulations** can promote fairness, as long as they reflect mutual benefits for all stakeholders along the value chains, including end-of-life actors (e.g. informal waste pickers).
- **Governments** can support long-term justice through participatory processes and by developing and promoting metrics, frameworks, and global standards to monitor progress toward justice dimensions and aspects.





Thank you !

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