



## EU-FUNDED PROJECT "NATIONAL STRATEGY OF THE CIRCULAR ECONOMY OF UKRAINE"

Duration of the project: 2023-2025

### KEY PARTNERS

Ministry of Economy of Ukraine, Ministry of Environmental Protection and Natural Resources of Ukraine.

Stakeholders: a wide range of businesses and government agencies.

### GLOBAL PURPOSE

Transformation of the Ukrainian economy into a resource-efficient and competitive one, with a focus on economic growth without excessive use of resources and protection of public health from environmental impacts.

### SPECIFIC OBJECTIVES

- Assessment of circular economy potential: analysis of policies, legislation, and private sector activities.
- Identification of capacities for transition to circular economy in 5 priority sectors.
- Development of a strategy and action plan for the implementation of circular principles in the economy.

### SECTOR: PROCESSING INDUSTRY

(light, woodworking, machine building, textiles)

The introduction of a circular economy in the manufacturing industry contributes to sustainable development and increased competitiveness by reducing raw material costs, optimization of processes through resource reuse and recycling, and opening up opportunities for innovation.

#### Problems of the sector:

**Textiles:** Waste generation and accumulation caused by insufficient recycling infrastructure.

**Mechanical engineering:** Generation of metal and plastic waste, outdated technologies limit their reuse.

**Chemical industry:** Problems with hazardous waste

disposal.

**Wood processing:** Inefficient use of wood waste that is often burned or inappropriately disposed.

#### Key proposed initiatives:

- Increased production in the machine-building sector and reclaim of quarries.
- Increased cement production by modernizing plants.
- Increased paper production from industrial hemp processing.
- Increased the production of processed textiles from industrial hemp.
- Development and support of industrial parks.

#### Expected results of the proposed initiatives:

The circular economy will reduce raw material costs, increase profits through efficient use of resources, and increase export opportunities, create jobs, improve the environment, while preserving resources and quality of life. It is estimated that aggregate GDP growth with sectoral transformation will bring **up to 5% GDP growth** per year by 2035.

