Monitoring progress towards a resource efficient and circular economy

Seminario Economía Circular: Medición, monitoreo y diseño de indicadores de las políticas pública en economía circular en América Latina y el Caribe

28 August 2025

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Monitoring progress towards a resource efficient and circular economy

Key publication

OECD report on monitoring progress towards a RECE

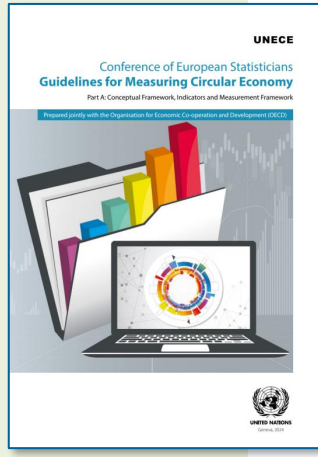
1. Introduction and policy background
2. Taking stock of good practices
3. A circular economy definition to guide the monitoring of progress
4. Conceptual monitoring framework
5. Indicators for monitoring progress: indicator set and guidance for use
6. Gap analysis and suggestions for alternative data sources
7. Areas for further measurement efforts and next steps

Joint UNECE/OECD Guidance on Measuring the CE

Combines OECD and UNECE results; more focus on statistical measurement & the SEEA; to be validated by Conference of European Statisticians

Part A: Measuring progress towards a CE – Monitoring framework and indicators

1. Introduction and policy background
2. Conceptual monitoring framework
3. Statistical framework: terms, definitions, scope
4. Statistics and indicators for measuring CE
5. Conclusions, issues for further work



Part B: Guide on measuring progress towards a CE

6. Key data sources, statistical frameworks, classifications, institutional collaboration
7. Guidance on using indicators
8. Recommendations and implementation
9. Case examples (Annex)

forthcoming

A circular economy definition is needed to guide the monitoring of progress

- **Headline working definition:**

A circular economy is an economy where:
- the value of materials in the economy is maximised and maintained for as long as possible
- the input of materials and their consumption is minimised
- the generation of waste is prevented and negative environmental impacts reduced throughout the life-cycle of materials.

  - Complemented with explanations and underlying mechanisms and strategies, as well as details to guide statistical measurement
  - Can be adapted to specific needs

Conceptual monitoring framework – Building blocks

Information / actions / results

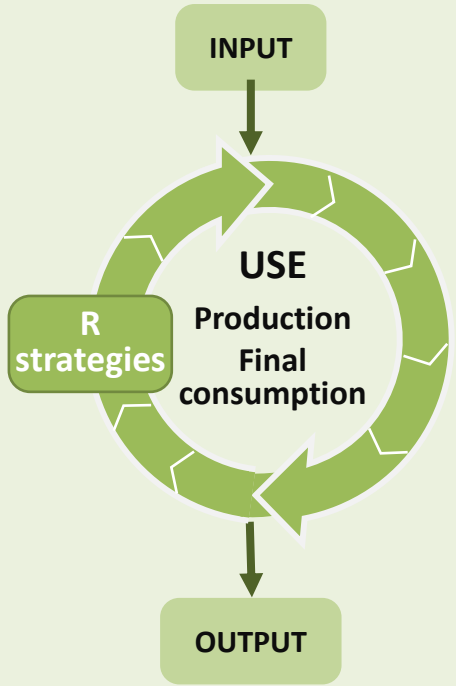
Responses and actions

Policies, measures, framework conditions

- Promote recycling & circular use
- Waste management improvements & leakage reduction
- Innovation & technology development
- Target setting & planning
- Strengthen circular economy financing
- Inform, education, train

Material life-cycle and value chain

Production and consumption



Interactions with the environment

Environmental effectiveness

Natural resource implications

- Natural asset base/ resource stocks

Environmental quality implications

- Climate, air (energy)
- Water, land & soil
- Biodiversity
- Human health

Socio-economic opportunities

Economic efficiency and social equity

Socio-economic effects

- Market developments & new business models
- Skills, awareness, behaviour
- Inclusiveness of the transition

Information / actions / results

Indicator list – a 3-tier structure

Core indicators
- address main policy questions; provide big picture;
- point at developments that require further analysis & possible action
- limited number

Complementary indicators
- complement the message conveyed by core indicators
- provide additional detail (sectoral, products/materials)
- cover additional aspects, incl. country-specific

Contextual indicators
- inform about “drivers”, socio-economic & environmental background variables
- facilitate interpretation in context

- **Characteristics**
  - Indicator set of manageable size
  - Balanced coverage of main CE features
  - Reflect major trends and structural changes related to the transition towards a CE
  - To lend themselves to being interconnected to inform assessments of policy outcomes
- **Selection criteria**
  - Policy relevance; analytical soundness; measurability

Proposed core indicators per framework theme

Framework	Themes	Proposed core indicators
Material life-cycle and value chain	The material basis of the economy	**Material consumption & productivity** (DMC, RMC): trends and mix
	The circularity of material flows and the management efficiency of materials & waste	**Total waste generation:** trends, intensity per GDP and per capita
		Circular material use rate
		National recycling rate
		Waste going to final disposal
	Interactions with trade	none
Interactions with the environment	Natural resource implications	**Natural resource index**: energy & mineral resources
		Intensity of use of renewable freshwater resources
	Environmental quality implications	**GHG emissions from production activities**
		Pollutant discharges from production activities to water bodies and proportion safely treated
		Placeholder: Impacts on human health
Responses and actions	Support circular use of materials, promote recycling markets and optimise design	**Taxes and government support for circular business models**
	Improve the efficiency of waste management and close leakage pathways	**Investment in waste management infrastructure, waste collection and sorting** (government, businesses)
	Boost innovation and orient technological change for more circular material lifecycles	**R&D expenditure on CE technologies** (government, businesses)
	Target setting and planning	none
	Strengthen financial flows for a circular economy and reduced leakage	**Business investment in CE activities**
	Inform, educate, train	**Placeholder: Education and training**
Socio-economic opportunities for a just transition	Market developments and new business models	**Gross value added of CE sectors**
		Jobs in CE sectors
	Trade developments	none
	Skills, awareness, behaviour	**Placeholder: Behaviour**
	Inclusiveness of the transition	**Placeholder:** **Distributional aspects & socio-economic inequality of CE policies**

Thank you!

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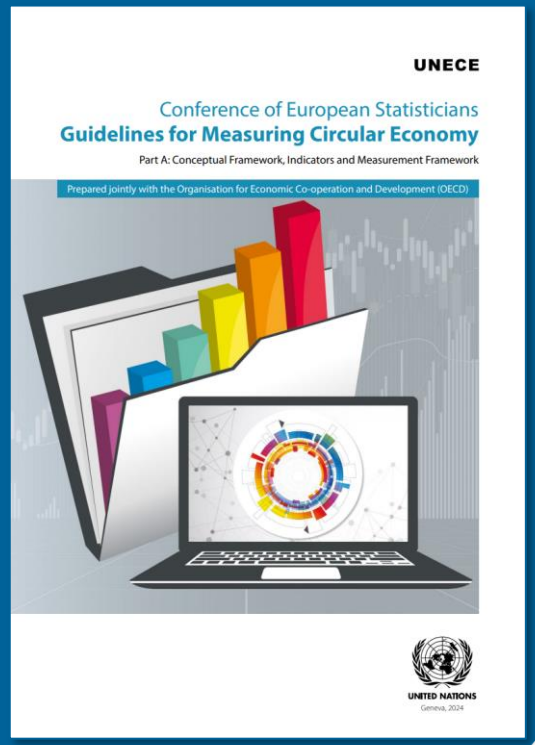

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