

Cabinet Secretary confirms £6.5m 'Circular Economy' fund

The [Circular Economy Capital Investment Fund](#) will help SMEs make the transformation towards a 'Circular Economy'; an approach that encourages keeping resources in circulation instead of being burned or ending their life in a landfill.

The £6.5m Fund, which will begin in 2019, builds on the highly successful £14m Accelerating Reprocessing Infrastructure Development (ARID) project which helped businesses create 178 new jobs, reduce, reuse or recycle 399,000 tonnes of waste and avoid 79.5 KT carbon emissions.

In a world where resource prices are rising fast, the circular economy model has the potential to provide significant cost benefits for Welsh businesses. Recent studies have found the adoption of a Circular Economy could save the Welsh economy up to £2billion and has the potential to create up to 30,000 jobs.

Wales already leads the way in the UK on recycling rates. The fund announced today will help Wales towards the milestones of 70% recycling by 2025 and 100% recycling by 2050, as set out in the Welsh Government's waste strategy [Towards Zero Waste](#).

Wales' commitment to a Circular Economy is further demonstrated by our membership of CESME (Circular Economy for SMEs), an EU project, comprising ten partners from six European countries, that supports knowledge sharing and learning. Wales hosted the first ever CESME meeting last year and has played a full role in subsequent events in Aalborg, Denmark and Bologna, Italy.

During the Bologna meeting it was agreed businesses are developing circular economy solutions when there are incentives to do so. Wales' £6.5m Circular Economy Capital Investment Fund will demonstrate to Welsh manufacturing companies the many and varied benefits of the Circular Economy model.

The Cabinet Secretary said:

"The £6.5m fund I am announcing today underlines our commitment to moving towards a Circular Economy. This will help businesses save money by becoming more resource efficient and resilient, an approach that will deliver numerous environmental benefits including less waste and reduced CO2 emissions.

"We are proud if Wales were an EU member state, we would be fourth in terms of the amount we recycle. We will continue to advocate the widespread adoption of a Circular Economy among businesses and our European partners as we aim towards the ambitious targets we have set ourselves in Towards Zero Waste."