



UNITED STATES

Circular economy 2-pager, 20th December 2022

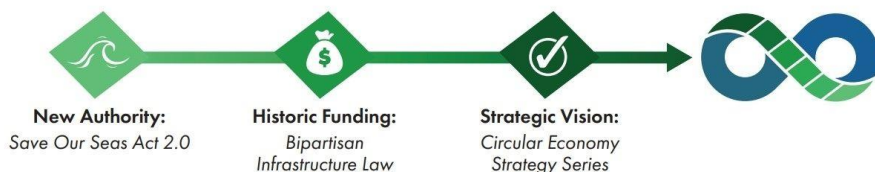
National Policy Landscape

Climate change is among the top priorities of President Joe Biden's administration, making the transition to a more sustainable economy inevitable. The federal government is aiming for the country to be **carbon neutral by 2050** and is targeting a 65% reduction in greenhouse gas emissions by 2030. By 2035, all new vehicles should be electric.

To achieve the goals, the administration has viewed the circular economy as key, as reflected in the **2021 Executive Order** on Catalyzing Clean Energy Industries and Jobs Through Federal Sustainability. Moreover, the House of Representatives passed the **Inflation Reduction Act of 2022**, which earmarks \$369 billion to address the climate crisis by providing incentives for clean energy development.

Some laws also support the transition to circular economy. For instance, under **The Bipartisan Infrastructure Law**, the Environmental Protection Agency (EPA) is developing three new waste prevention, reuse, and recycling programs: Solid Waste Infrastructure for Recycling Grant Program; Recycling Education and Outreach Grant Program; Battery Collection Best Practices and Voluntary Battery Labeling Guidelines.

In addition, the **National Recycling Strategy: Part One of a Series on Building a Circular Economy** aims to improve and advance the national recycling system for municipal solid waste (MSW), while, the **2020 Save Our Seas 2.0 Act**, mandates EPA to work with key partners to identify innovative uses for plastic waste, recommendations to overcome recycling barriers, incentives to create new end-use markets for recycled plastics, and ways to minimize new plastic waste.



FACTS & FIGURES

ECONOMIC INDICATORS

- Surface area: 9,831,510 km²
- Population (2020): 329.8 million
- Nominal GDP & Ranking (2020): \$20,893.8 billion; #1
- Imports from the NL (2021): € 35,105 million
- Economic growth (2021): 5,7%
- Purchasing Power: \$63,358
- Ease of doing business rank (2020): 6
- Corruption perception index score: 67/100
- Unemployment rate (2021): 3,7%
- Currency: U.S. dollar
- Time difference NL: 6 hours (EST)

CE INDICATORS

- The recycling rate of municipal solid waste (2021): 32.1%, 94 million tons
- Renewable energy sources (2021): 12.4% of total U.S. primary energy consumption; 19.8% of total utility-scale electricity generation.
- Global innovation index (2022): 2/ 81

Focus on waste and recycling

Although the circular economy has begun to mature as a strategy for achieving sustainability goals, U.S.-based organisations more frequently to environmental, social, and governance (ESG), CO₂ reduction, carbon neutrality, or regenerative cities in their sustainability plans. Circular Economy is mainly linked to waste management and recycling, with Calrecycle and Stopwaste among the pioneers in this area.

MoU with the Netherlands

In 2022, the State of California signed a MoU with the Netherlands, reconfirming the collaboration on sustainable mobility, circular economy, climate change and resiliency started. The PIB Circular Neighbourhoods provides follow-up by offering solutions for issues such as circular and green design, circular and sustainable building methods, digital twins, retrofitting, and reuse of materials and water.

Battery

Large-format lithium-ion (LiB) batteries are an essential component of a carbon-free energy transition in the U.S. and around the world. Under the Bipartisan Infrastructure Law, EPA is developing best practices for **battery recycling and labeling guidelines** to be completed by September 30, 2026. Currently, North Carolina and California are the only states in the U.S. with policies that directly address reuse and End of Life (EoL) management options for LiBs used in mobile and stationary Battery Energy Storage (BES) systems. To close the loop for LiB at the end of life, close collaboration is needed. Therefore, there are many opportunities for future cooperation between the Netherlands and the US. For example, in terms of knowledge transfer regarding battery collection and the provision of technologies for battery reuse, recycling and recovery.

Plastics

Currently, there is no legislation on single-use plastics at the federal level. Regardless, some states have taken significant steps to reduce plastic waste. So far, eight states have banned single-use plastic bags: California, Delaware, Connecticut, Maine, Hawaii, Oregon, New York, and Vermont. In addition to the ban, some states have also implemented extended producer responsibility (EPR), including California, Maine, Oregon, and Colorado.

Besides the policy on the government level, there is a notable initiative called **U.S. Plastic Pact**, which aims to redesign plastics to ensure plastic items are easier to recycle, reuse or compost. The pact brings together local governments from Arizona to Texas to California, NGOs, the U.S. Composting Council, and companies. In light of that, Dutch companies have the opportunity to offer solutions, especially in terms of recycling, upcycling plastic waste and offering bio-based packaging solutions.

Built Environment

There are several challenges to making circular construction and buildings a reality in the U.S. They range from costs to the existing regulations and codes that hinder the reuse of building materials, to risk aversion among stakeholders in the sector. Notwithstanding, several organisations have initiated the transition to circular buildings by providing measurable achievement and independent ratings for building design & construction and health & well-being. Some well-known examples are LEED, WELL and Green Globes.

The system has encouraged stakeholders to achieve good ratings. In Seattle, all city-owned properties are required to meet the LEED Gold Standard. In California and New York State, the number of buildings with LEED are increasing. Some cities are also making ongoing efforts to accelerate circular building. For example, the City of Los Angeles has been actively seeking to engage cities worldwide in developing smart building strategies. **Sports facilities** are also expected to focus more on circularity. What began as an effort to cut costs is now increasingly influenced by the revenue opportunities created by the environmental and social responsibility expectations of corporate partners and fans.

There are many opportunities for Dutch companies. For example, in the field of **circular design, bio-based materials** and **solutions to re-use construction or demolition waste**. There is also a strong need for technologies that contribute **energy efficiency and water conservation and re-use**.

LINKS & REPORTS

- Guide to Doing Business on the US East Coast for Dutch Companies Information for small and medium enterprises, startups, and scale-ups.
- The Circular Economy and the Built Environment in the Los Angeles Region: Opportunities for Dutch Companies.
- A Circular Economy for Lithium-Ion Batteries Used in Mobile and Stationary Energy Storage: Drivers, Barriers, Enablers, and U.S. Policy Considerations.
- Opportunity and disruption: How circular thinking could change US business models
- The U.S. Market for Sports Innovation: Enhanced Sports Performance (including Green Venues)

BUSINESS NETWORKS

- The Netherlands-American Business Council (NABC)
- The American Chamber of Commerce in the Netherlands (AmCham)
- Amsterdam American Business Club (AABC)
- American Sustainable Business Network (ASBN)
- US Business Council for Sustainable Development (USBCSD)

THINK TANK

- Ellen MacArthur Foundation US
- Rocky Mountain Institute (RMI)

EMBASSIES

- Netherlands embassy in Washington, D.C., United States
- Netherlands consulate-general in Atlanta, Chicago, Miami, New York, San Francisco

GOVERNMENT

- U.S. Environmental Protection Agency
- National Institute of Standards and Technology
- National Renewable Energy Laboratory
- U.S. Chamber of Commerce Foundation