



**UCI**

Universidad para la  
Cooperación Internacional

# Master in Project Management

Planning and Strategic Analysis of the Company

Presentation – Week 1: **Introduction to strategic planning**



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# Donut economics and regenerative development

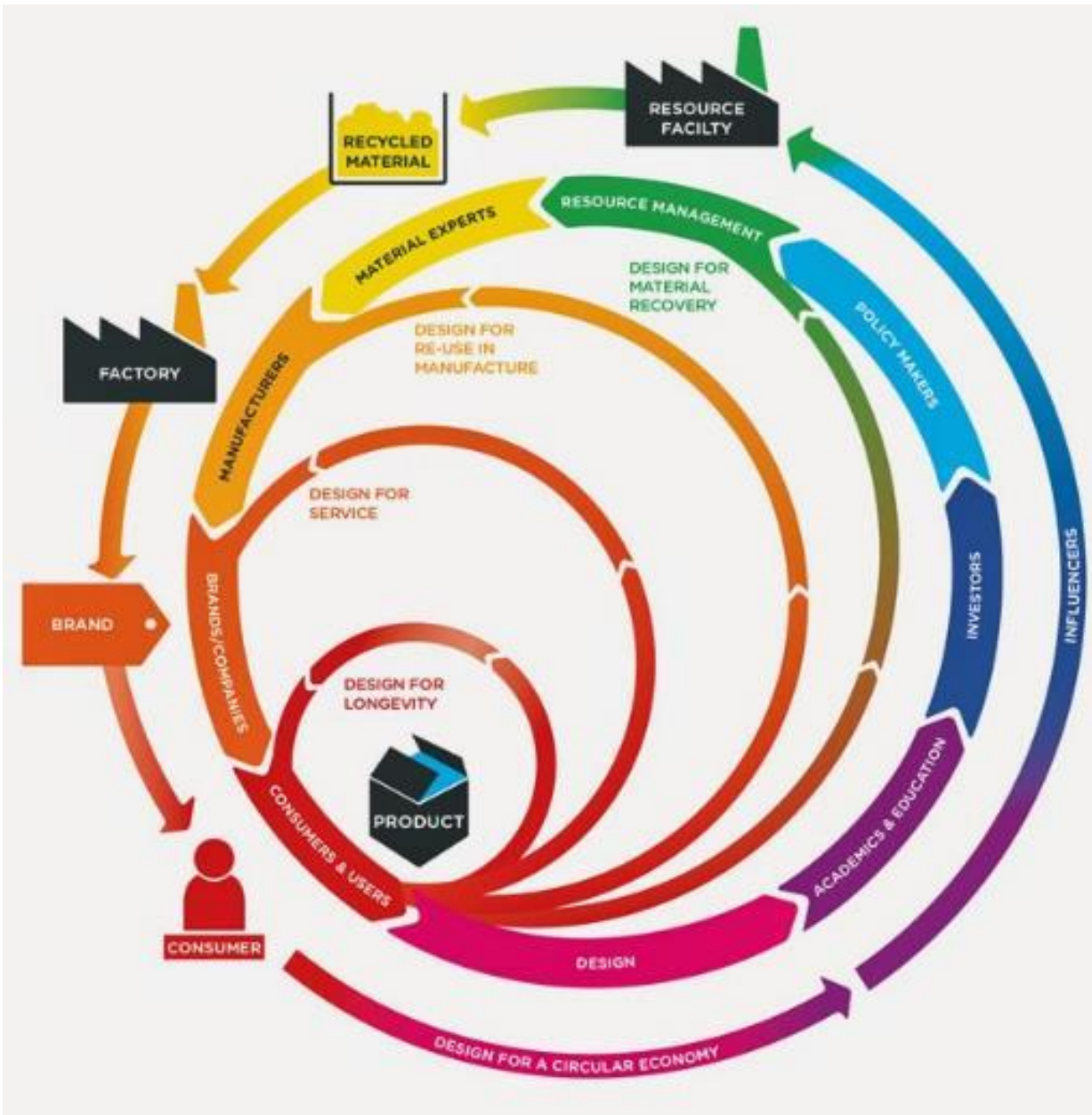
The challenge of restoring the balance of  
ecosystems



# What is the Circular Economy?

- It is a systems organization philosophy inspired by living beings, which seeks to change from a linear economy (produce, use and throw away) towards a circular model, just as it occurs in nature.
- By definition, the circular economy is restorative and regenerative, and aims to ensure that products, components and resources in general maintain their utility and value at all times.

*It divides product components into two general groups: biological and technical nutrients.*



# Circular Economy

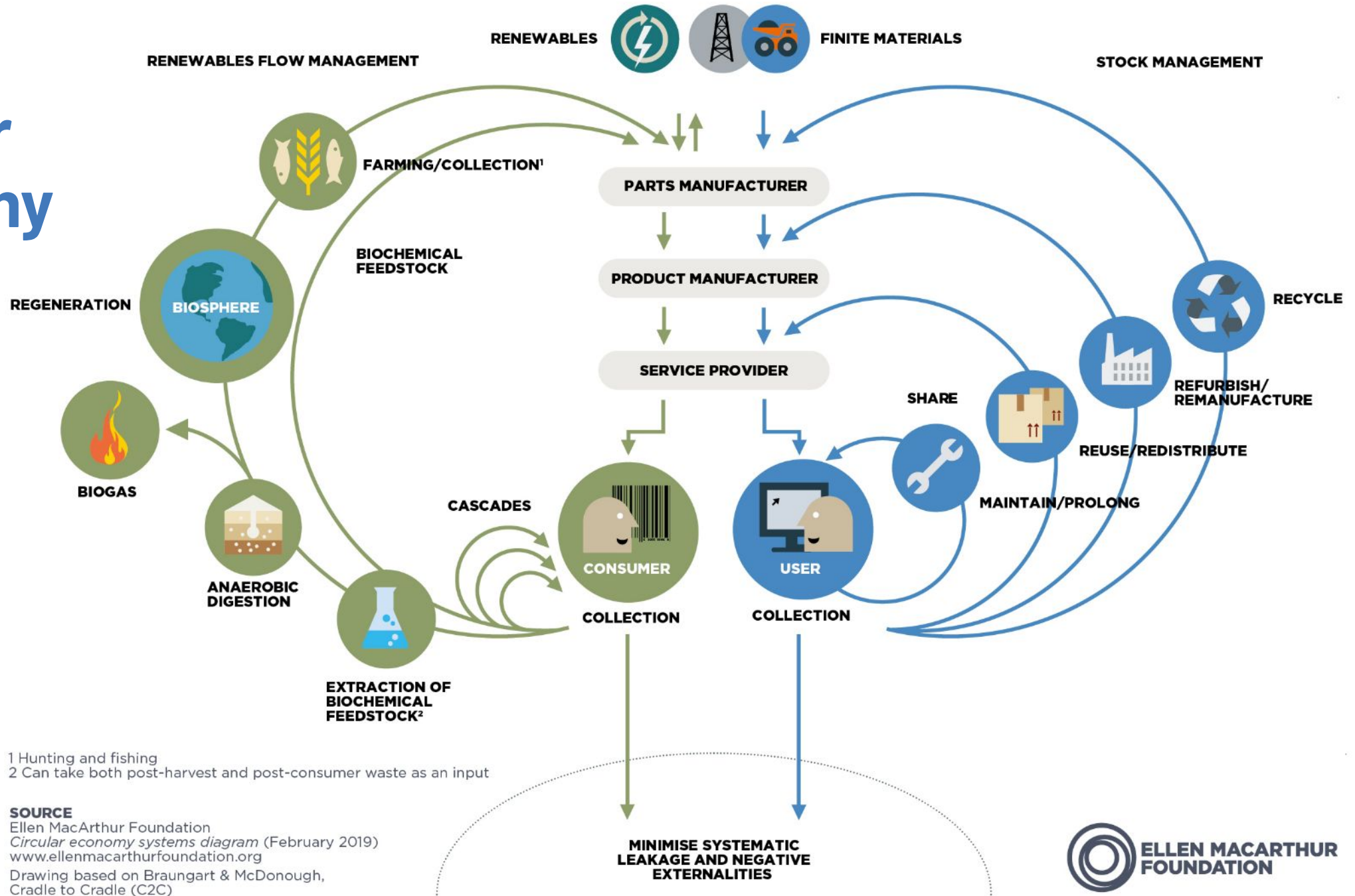
- It is a continuous cycle of positive development that conserves and enhances natural capital, optimizes resource use, and minimizes system risk by managing a finite amount of inventory and renewable flows.



[www.ellenmacarthurfoundation.org/en/circular-economy](http://www.ellenmacarthurfoundation.org/en/circular-economy)



# Circular Economy



1 Hunting and fishing  
2 Can take both post-harvest and post-consumer waste as an input

**SOURCE**  
Ellen MacArthur Foundation  
*Circular economy systems diagram* (February 2019)  
[www.ellenmacarthurfoundation.org](http://www.ellenmacarthurfoundation.org)  
Drawing based on Braungart & McDonough,  
Cradle to Cradle (C2C)

# Principles of the Circular Economy

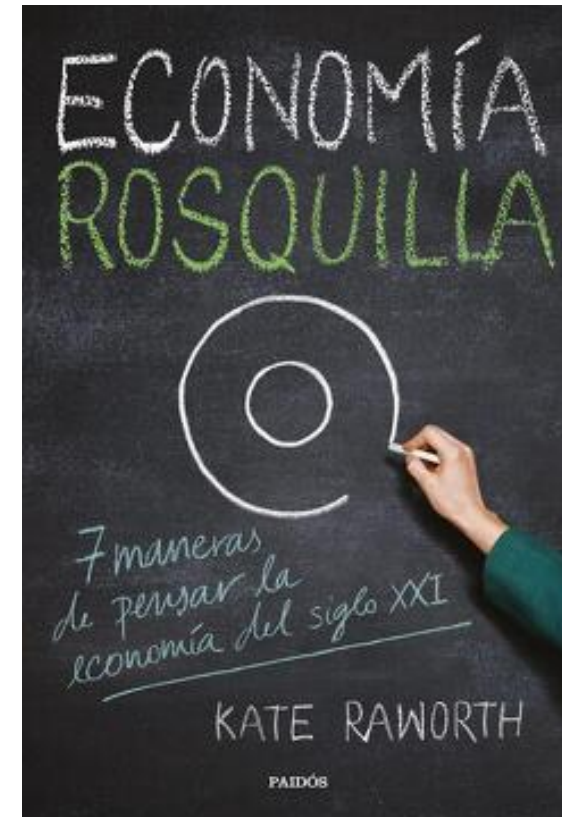
- Controlling finite stocks and balancing the flows of renewable resources.

- Rotating products, components and materials with maximum utility at all times, both in technical and biological cycles.

- Revealing and eliminating negative externalities.

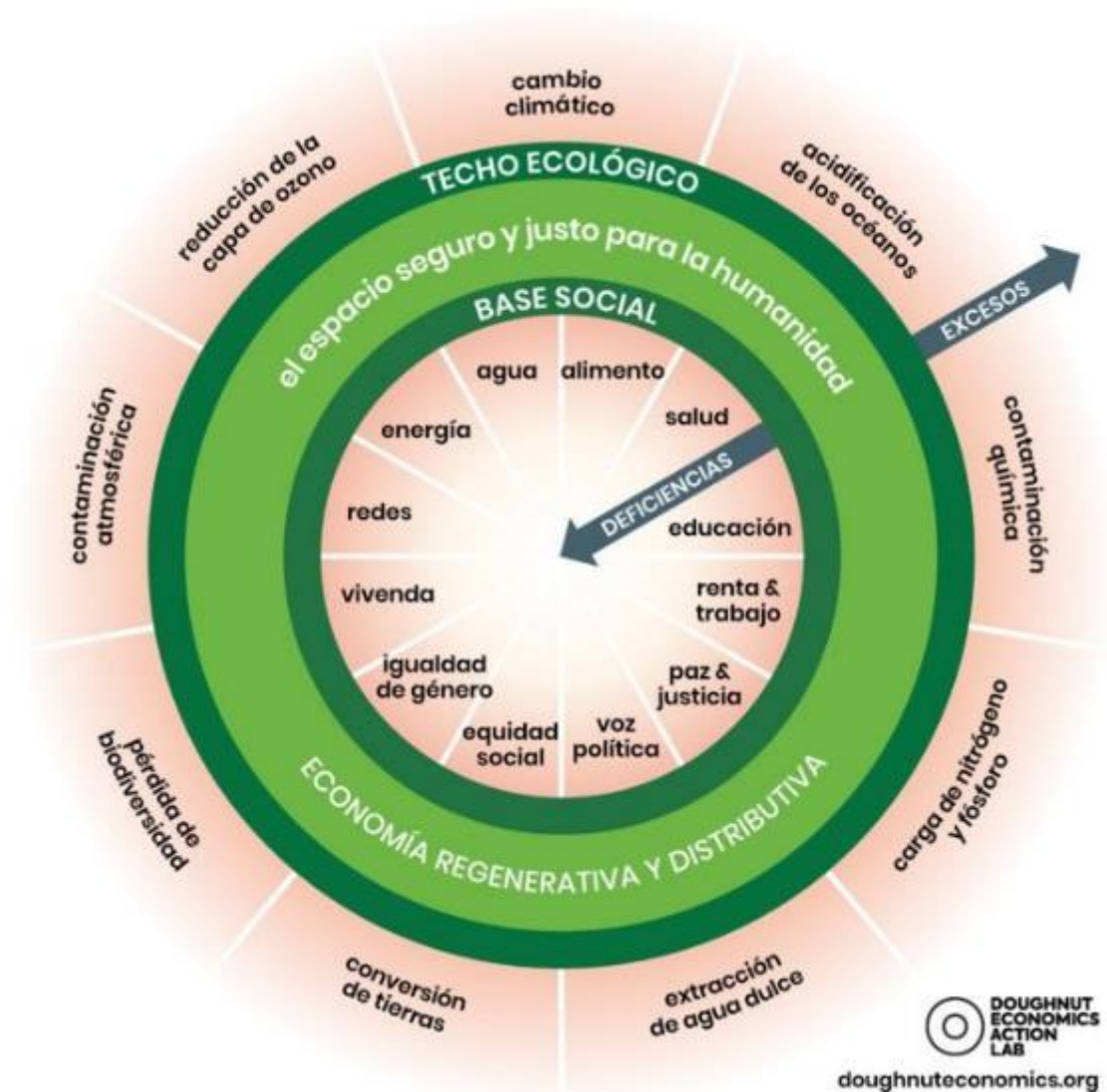
# The Donut Economy

- The proposal, devised by the economist Kate Raworth (London, 1970), published for the first time in 2012 and later turned into a successful book ( *Doughnut Economics : Seven Ways to think Like a 21st-Century Economist* )
- It offers a vision of what it means for humanity to prosper today and the steps necessary to achieve it.



# The Donut Economy

- The “Donut Economy”, also known as the Donut Economy, is circular, like the popular confectionery.
- Inside are the basic needs while outside the limits of the planet. The one in the middle is the safe space where humanity can thrive.





# The Donut Economy



- The central premise is simple: the objective of economic activity must be to satisfy the basic needs of all and to do so in balance with the planet.
- Ideas expanded beyond the pages of a book to bring *Donut to life Economics action Lab*, a project that is in charge of providing tools and equipping anyone who wants to put this economic model into practice, be it a neighborhood, a village or an entire city.

# The Donut Economy

- The municipality of Amsterdam was the first public institution that aligned itself with the donut model.
- Its leaders have approved a strategy to achieve a fully donut economy by 2030. "A good life for all within the natural limits of the Earth" is the goal of the capital of the Netherlands.



*How? With a smart approach that reuses raw materials and other components and products over and over again.*

# What is degenerative industry?

- The production system in general can be considered degenerative.
- We use plastics, metals, glass, we produce things and then we throw them away.
- That has an impact on oceans and lakes around the world. And we see electronic waste in the landfills of the poorest neighborhoods in the world.
- The consequences of all this range from climate change to catastrophic levels of biodiversity loss, or levels of land conversion that are excessive.
- We have also inherited, through this system, divisive dynamics that centralize the value that is generated in an economy in the hands of a few.
- The way in which we have structured companies, the way in which the law has been developed, the technologies, have caused the centralization of power and wealth to be concentrated.



# What is the regenerative economy?

- The regenerative economy is based on restoring the health and vitality of ecosystems and not using any resource that cannot be regenerated.
- The "Donut Economy" suggests that it will be necessary to change the design of the traditional economy towards a **regenerative and distributive one**.
- This means that the income and wealth generated by third parties is distributed much more equitably.





# What is the regenerative economy?



- The regenerative economy seeks not only to reduce waste, but also to eliminate the very concept of waste.
- In it, the production systems are closed-loop, modeled after natural designs, where each residue is either returned to the ecosystem as a nutrient, or becomes an input to manufacture another product.