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# Protecting and Empowering Consumers in the Circular Economy Swedish and European perspectives

Presentation

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# United Nations Conference on Competition and Consumer Protection,

## Protecting and Empowering Consumers in the Circular Economy

Swedish and European perspectives

#### Honourable Chair, Distinguished Delegates,

Thank you for giving me the possibility to give a Swedish and European perspective on strategies for shifting consumer's behaviour to alternatives such as sharing, leasing and product-as-a- service.

The traditional **take-make-dispose** model of consumption is no longer viable. This linear system depletes resources, generates waste, and undermines both environmental and consumer well-being. In contrast, the **circular economy** offers as the best a regenerative model—one that designs out waste, keeps products and materials in use, and regenerates natural systems.

The European environment Agency recent report on *Drivers of consumption* clearly illustrated that we have a challenge, while production processes have become more efficient, rising affluence continues to drive unsustainable consumption. This challenge is echoed in OECD findings, which stress that consumers behaviour is to a large extent shaped by price and convenience and to a less extent by trust, safety and access to information. In Sweden we have seen that consumers are willing to embrace circular models – but only when these models are affordable, safe and easy to use. Consumers willingness in studies to buy sustainable does in many cases do not correspond with their actions taken in their ordinary life.

Let me share with you a few strategies that have proven effective in Sweden:

**Incentivizing Repair and Reuse**: Sweden introduced tax reductions on repair services for electronics, bicycles and clothing. This made repair more affordable and encouraged a shift away from throwaway culture.

**Public- Private Partnerships:** Initiatives like Circular Sweden bring together companies such as IKEA, H&M, and Electrolux with public agencies and civil society too codevelop circular business models. These partnerships have helped contributed to scale leasing and subscriptions services for furniture, clothing and appliances.

**Consumer Education and Transparency:** The Swedish Consumer Agency raise awareness about the importance of different types of norms, such as personal or social norms have for our consumption. The Agency produces teaching materials aiming at educating youths in

how to consume cloths more sustainably. Digital tools like eco labels aim at helping consumers make more informed choices. The coming Digital Product Passport will contribute to transparency across the product lifecycle.

**Product-as-a-Service Models:** In sectors like white goods and office furniture, leasing models are gaining traction. These models shift the responsibility for maintenance and end-of-life management of products, aligning incentives for durability and reuse.

The use of digital platforms: Swedish startups and established companies alike have embraced digital platforms to enable sharing and leasing models. Assure that the online market service provider know how to inform about their services correctly.

## The EU Perspective: Policy as a Driver

At the EU level, the Ecodesign for Sustainable Products is somewhat a game changer. This regulation extends Ecodesign requirements beyond energy-related products to include durability, reparability and recyclability. Circular products should not only be available but also safe and high performing.

EU's Right to Repair Directive further empowers consumers by mandating access to spare parts and repair information. This new Directive together with the Swedish incentive to introduce tax reduction for repair services promote building trust in circular models.

Moreover, the EU's Sustainable Consumption Pathways emphasize the need for systematic change in key sectors – housing, mobility, and food- where circular models can have substantial impact.

### The intersection of sustainability and product safety

In this context is it necessary to address the intersection between a sustainable product and a safe one. The OECD has highlighted the need for updated safety standards that account for reused, refurbished and remanufactured products. Sweden supports the development of harmonised safety regulation that ensure circular products meet the same relevant safety standards as new ones.

### The role of design in sustainable Consumption

Product design is a cornerstone to circularity. Products should be designed for durability, modularity and reparability. In Sweden we see a growing collaboration between designers, manufacturers, and recyclers to create products that can be easily disassembled and reused. The EU Ecodesign Products Regulation is a vital step in this direction.

## From Ownership to Access: Changing Consumer Behaviour

To transition from ownership-based consumption to more sustainable models—such as **sharing**, **leasing**, **and product-as-a-service**—we must address both the **protection** and **empowerment** of consumers.

Thank You