

TRANSITION TO CIRCULAR ECONOMY IN OIL-EXPORTING COUNTRIES: MAIN CHALLENGES AND THE WAYS TO RESPOND THEM

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ABSTRACT

Important points

- Countries are different. For some of them this transition is easier than for the others.
- Potential negative consequences of transition to circular economy paired with energy transition will affect not the OECs only.
- However, the overall trend towards the circular economy is clear.
- The shift to circular economy does not necessarily mean decreased revenues and lower living standards for oil-exporting countries.
- Proper adaptation strategies aimed at reducing potential negative consequences and the way forward are required for these countries.

Even though the importance of transition to circular economy cannot be overestimated, this topic has not been a focus of researchers studying oil-exporting countries (OECs). Transition to circular economy paired with energy transition have been and will be creating challenges for the OECs. The biggest challenge is certainly the expected decline of oil-export revenues caused by the decline of oil and gas consumption worldwide. The authors attempted to explore this topic and came to the conclusion that the shift to circular economy does not necessarily mean decreased revenues and lower living standards for these countries. They also attempted to suggest adaptation strategies aimed at reducing potential negative consequences and the way forward.

This topic is of serious economic, social and political significance because the consequences of transition to circular economy paired with energy transition will affect hundreds of millions of people living in the OECs. Apart from that, a significant flow of migrants from these countries to other parts of the world can be expected if the OECs under consideration will not adapt to the new reality properly.