

ECONOMIC RETURN OF CIRCULAR ECONOMY IN MARITIME SECTOR

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Introduction

Relevance – Recently implementation of Circular economy principles in businesses becomes more widely discussed because of a few reasons: appearing shortage of some raw materials in the near future, amount of trash that becomes a burden for societies and governments, governmental pressure towards businesses to implement more sustainable solutions, and new attitude of clientele carrying about their sustainable consumption.

Implementation of Circular economy principles also face some difficulties from the existing systems. Even if company is planning to use second cycle materials it might be some difficulties collecting them: high costs of collection and remanufacturing, legal obstacles which do not allow to use repaired/recovered either secondhand parts and others. In addition, an obstacle can appear shortage of knowledge and not clear economic return for the company and state economy.

Research problem – Implementation of Circular economy principles can be achieved only if there will be enough of information and companies will see clear outcomes of their changes towards circularity. Industries have individual peculiarities, that's why there is high importance to research them separately indicating possible economic return of Circular economy implementation. This research is concentrating on Maritime sector as this sector.

Aim – to identify possible potential economic return of Circular economy in Maritime sector.

Tasks:

1. To overview possible economic return for business entities.
2. To identify peculiarities of economic return of Circular economy implementation in Maritime sector.

Research methodology – theoretical analysis of various scientific resources analyzing economic return; analysis of circular economy implementation examples and identified possible economic return to business entity and state economy in general.

Theoretical assumptions

Economic return refers to the financial benefit or gain received from an investment, business activity, or economic decision.

The **economic return of the circular economy** refers to the financial benefits businesses and economies gain by shifting from a linear model to a circular system that prioritizes resource efficiency, waste reduction, and sustainable practices.

Studies suggest that while circular economy practices may require initial investment, they lead to long-term financial gains and improved business resilience.

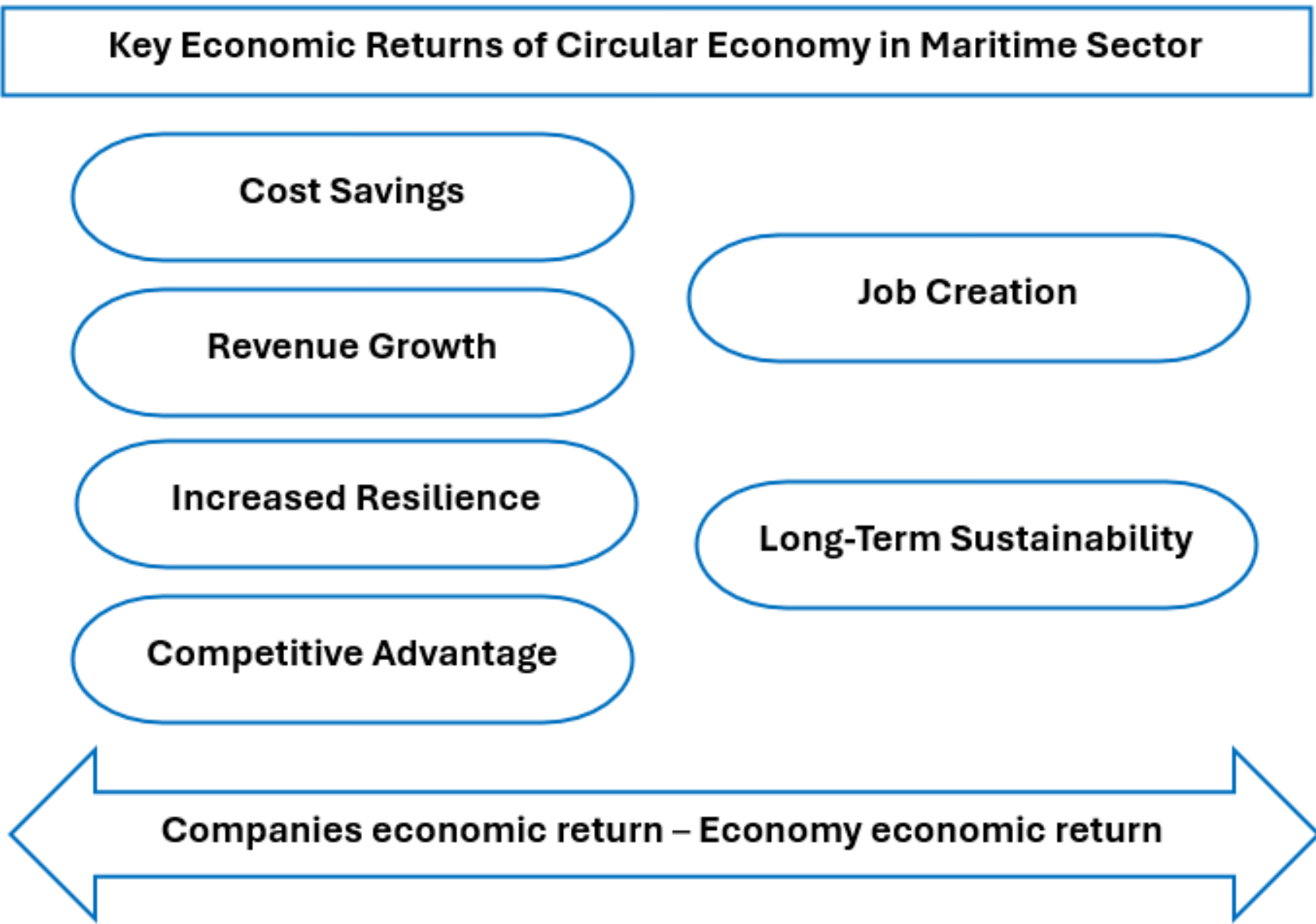
Economic return can take different forms, such as:

- **Return on Investment (ROI)** – A percentage measuring the profitability of an investment relative to its cost.
- **Net Present Value (NPV)** – The difference between the present value of cash inflows and outflows, helping determine whether a project or investment is financially viable.
- **Economic Value Added (EVA)** – A measure of a company's financial performance based on residual wealth created after deducting capital costs.
- **Social and Environmental Returns** – Non-financial benefits, such as positive societal or ecological impacts, often considered in sustainable investments.

Peculiarities of Maritime industry – high investments, strict legal regulations, dependency on big volume B2B clients.

Research results

The research of possible economic return of Circular economy in Maritime sector showed the advantages for business and overall economy. Part of economic returns might appear in long term.



CONCLUSIONS

Businesses are looking to achieve Return on Investment (ROI), Net Present Value (NPV) and Economic Value Added (EVA). Circular economy implementation in Maritime sector demands some additional investments which is making changes less attractive for businesses and might make them less competitive in short-term. On the other hand, for some companies' changes become crucial as their clientele is looking for more sustainable solutions that can be achieved exclusively by companies implementing circular economy principles.

The analysis of Circular economy implementation in Maritime sector shows possibility to bring economic returns in long-term and might affect not only the business entities but the whole economy in general.