# **Research on Evaluation of Circular Economy Development**

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**Abstract:** For the current evaluation methods are imperfect in circular economy development level, this paper puts forward the evaluation index system of circular economy developing level constituted by 4 categories containing resources consumption, environmental disturbance, recycling and social development and 16 indicators, they can reflect the characteristic of resources recycling specially, and AHP is used for ranking the index, and fuzzy comprehensive evaluation method is adopted for evaluating regional circular economy developing level.

Keywords: Region; Circular economy; Development level; Evaluation

## **1** Introduction

Evaluation of circular economy developing level is assessment circular economy developing level in a certain region, though weights determined and comprehensive analysis, judge the regional development level of circular economy. Foreign country emphasized on practical development of circular economy because of relatively advanced level of development, so they do little research on this content. As the relatively backward domestic development level, we need to conduct quantitative research on this issue. The current circular economy development level evaluation index has been in research in China, but on analysis of existing studies, most of evaluation index system is remain in the constructing phase, and mainly exit the following three deficiencies: First, the current index system mostly is for eco-industrial or agricultural development of circular economy development level is still rare; Second, some indicators did not set a specific value, and poor to be application in practice; Third, the index system has not proposed specific evaluation methods, the operability to measure regional circular economy development is not strong.

It could be evaluated by several methods in circular economy development level, but none of them could be generally recognized<sup>[1]</sup>. This paper argues that circular economy development level has a certain degree of ambiguity, for example in performance level classification and impact indicators, so this paper put forward to evaluate circular economy development level by fuzzy comprehensive method.

#### **2** Evaluation Index System Construction

Comprehensive analysis of other relevant research<sup>[2-5]</sup>, this article put forward the evaluation index system of circular economy development level constituted by 4 categories contains resources consumption, environmental disturbance, recycling and social development and 16 indicators(see figure 1), so that can measure circular economy development from the quantitative point of view.

Among the indexes, the C3 elasticity in water use means water using rate and the ratio of GDP growth, used to reflect the flexibility of water using impact on economy growth, is the index to determine the water saving and reusing level internal economy activity, which means the evaluation index system attention to water resources recycling and conservation. The value of other specific targets and calculation can be calculated by the Statistical Yearbook.

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Figure 1 The Structure Model of Evaluation Index System of Circular Economy Developing Level

## **3** Level Sort of Evaluation Index System

This paper mainly applies of AHP in stage of constructing the evaluation index system<sup>[6]</sup>. Advisory group composed twelve experts include the field of circular economy, agricultural economy, environmental engineering business management. After repeated consultation and induction, opinion tends to unity (Process is omitted).

## 3.1 Index single-level sorting

Using the geometric mean to calculate the relative importance coefficient  $W_{Bi}$  of matrix  $B_i$  (*i*=1,2,3,4) to A, and the process shown as Table 1.

					<u>a</u> 1	<i></i>	
А	$B_1$	B <sub>2</sub>	B <sub>3</sub>	$B_4$	$M_{Bi}$	$\overline{W_{B_i}}$	$W_{_{Bi}}$
$B_1$	1	1	1/3	1	1/3	0.7598	0.1787
$B_2$	1	1	1/3	1	1/3	0.7598	0.1787
$B_3$	3	3	1	1	9	1.7320	0.4074
$B_4$	1	1	1	1	1	1.0000	0.2352
Σ	—	—	_	—	—	4.2516	1.0000

 Table 1
 Detail Calculating Table of W<sub>Bi</sub>

Now we Use the same method to calculate the matrix  $B-C_i$ , and the result shown as Table 2-5.

	Table 2 Detail Calculating Table 01 W G										
$B_1$	C <sub>1</sub>	C <sub>2</sub>	C <sub>3</sub>	$C_4$	M <sub>Ci</sub>	$\overline{W_{C_i}}$	$W_{Ci}$				
C1	1	1	1	1/3	1/3	0.7598	0.1667				
$C_2$	1	1	1	1/3	1/3	0.7598	0.1667				
C <sub>3</sub>	1	1	1	1/3	1/3	0.7598	0.1667				
$C_4$	3	3	3	1	27	2.2795	0.4999				
Σ		_			_	4.5589	1.0000				

Table 2Detail Calculating Table of  $W^{1}_{C}$ 

### Table 3Detail Calculating Table of $W^2_{Ci}$

$B_2$	$C_4$	C <sub>5</sub>	C <sub>6</sub>	C <sub>7</sub>	C <sub>11</sub>	$M_{Ci}$	$\overline{W_{C_i}}$	W <sub>Ci</sub>
C <sub>4</sub>	1	1/3	1/3	1/3	1	1/27	0.5173	0.0887
$C_5$	3	1	1	3	3	27	1.9332	0.3316
$C_6$	3	1	1	3	3	27	1.9332	0.3316
$C_7$	3	1/3	1/3	1	1	1/3	0.8027	0.1376
C <sub>11</sub>	1	1/3	1/3	1	1	1/9	0.6444	0.1105
Σ	—	—	_	—	—	—	5.8308	1.0000

Table 4Detail Calculating Table of $W_{Cl}$									
<b>B</b> <sub>3</sub>	C <sub>3</sub>	C <sub>8</sub>	C9	C <sub>10</sub>	C <sub>11</sub>	$M_{Ci}$	$\overline{W_{C_i}}$	$W_{Ci}$	
C <sub>3</sub>	1	3	1	1/3	1/3	1/3	0.8027	0.1496	
$C_8$	1/3	1	1/3	1/3	1	1/27	0.5173	0.0965	
$C_9$	1	3	1	1	1	3	1.2457	0.2323	
$C_{10}$	3	3	1	1	1/3	3	1.2457	0.2323	
C <sub>11</sub>	3	1	1	3	1	9	1.5519	0.2893	
Σ	_	_	—	_	_	—	5.3633	1.0000	

#### Table 5 Detail Calculating Table of $W_{Ci}^4$

$B_4$	C <sub>11</sub>	C <sub>12</sub>	C <sub>13</sub>	C <sub>14</sub>	C <sub>15</sub>	C <sub>16</sub>	M <sub>Ci</sub>	$\overline{W_{C_i}}$	W <sub>Ci</sub>
C <sub>11</sub>	1	1	3	3	1	1	9	1.4423	0.2243
C <sub>12</sub>	1	1	3	3	1	1	9	1.4423	0.2243
C <sub>13</sub>	1/3	1/3	1	1	3	1/3	1/9	0.6934	0.1078
C <sub>14</sub>	1/3	1/3	1	1	1/3	1	1/27	0.5774	0.0898
C <sub>15</sub>	1	1	1/3	3	1	1/3	1/3	0.8327	0.1295
C <sub>16</sub>	1	1	3	1	3	1	9	1.4423	0.2243
Σ		_	_		_			6.4305	1.0000

### 3.2 Index overall-level sorting

Overall sorting shown as Table 6.

Table of Detail Calculating Table of Incratelinear Jotal Sequencing											
	$B_1$	B <sub>2</sub>	B <sub>3</sub>	$\mathrm{B}_4$	overall corting						
	W <sub>B1</sub> =0.1787	W <sub>B2</sub> =0.1787	W <sub>B3</sub> =0.4074	W <sub>B4</sub> =0.2352	overall sorting						
C <sub>1</sub>	$W_{C1}^{1}=0.1667$	0	0	0	0.02979						
$C_2$	$W^{1}_{C2}=0.1667$	0	0	0	0.02979						
$\overline{C_3}$	$W_{C3}^{1}=0.1667$	0	$W_{C3}^3 = 0.1496$	0	0.09074						
$C_4$	$W_{C4}^{1}=0.4999$	$W_{C4}^2 = 0.0887$	0	0	0.10518						
$C_5$	0	$W^{2}_{C5} = 0.3316$	0	0	0.05926						
$C_6$	0	$W_{C6}^2 = 0.3316$	0	0	0.05926						
$C_7$	0	$W^{2}_{C7}=0.1376$	0	0	0.02459						
$C_8$	0	0	$W^{3}_{C8} = 0.0965$	0	0.03931						
$C_9$	0	0	$W^{3}_{C9} = 0.2323$	0	0.09464						
C <sub>10</sub>	0	0	$W_{C10}^{3} = 0.2323$	0	0.09464						
C <sub>11</sub>	0	$W_{C11}^2 = 0.1105$	$W_{C11}^3 = 0.2893$	$W_{C11}^4 = 0.2243$	0.19029						
C <sub>12</sub>	0	0	0	$W^4_{C12} = 0.2243$	0.05278						
C <sub>13</sub>	0	0	0	$W_{C13}^4=0.1078$	0.02537						
C <sub>14</sub>	0	0	0	$W^{4}_{C14} = 0.0898$	0.02112						
C <sub>15</sub>	0	0	0	W <sup>4</sup> <sub>C15</sub> =0.1295	0.03046						
C <sub>16</sub>	0	0	0	$W_{C16}^4 = 0.2243$	0.05278						
Σ	1.0000	1.0000	1.0000	1.0000	1.0000						

 Table 6
 Detail Calculating Table of Hierarchical Total Sequencing

The next step is consistency test. The weight is reasonable and effective because of  $C \cdot R < 0.1$  so that meet the consistency test requirements and could be the evaluation criterion of circular economy development level.

#### 4 Fuzzy Comprehensive Evaluation of Circular Economy Development Level 4.1 Defined evaluation set of circular economy development level

Circular economy development level should be divided into four stages from strong to weak: highly advanced stage, moderately advanced stage, initial development stage, not development stage. That is:

Evaluation set  $V = (V_1, V_2, V_3, V_4) =$  (highly advanced stage, moderately advanced stage, initial development stage, not development stage)

 $V_1 \in [0.75,1], V_2 \in [0.5,0.75), V_3 \in [0.25,0.5), V_4 \in [0,0.25)$ 

#### 4.2 Determine membership

This paper adopts lower semi-trapezoidal membership function and rising semi-trapezoidal membership function. Cost-based indicators adopt lower semi-trapezoidal membership function, and the index concludes  $C_1$ ,  $C_2$ ,  $C_3$ ,  $C_4$ ,  $C_7$ ,  $C_{14}$ ,  $C_{15}$ , membership function is:

$$\mu_{ij}(x_i) = \begin{cases} 1 & x_i \le \min a_i \\ \frac{\max a_i - x_i}{\max a_i - \min a_i} & \min a_i < x_i \le \max a_i & i = 1, 2, L, n \\ 0 & \max a_i < x_i \end{cases}$$

Benefit-based indicators adopts rising semi-trapezoidal membership function, and the index conclude  $C_5, C_6, C_8, C_9, C_{10}, C_{11}, C_{12}, C_{13}, C_{16}$ , membership function is:

$$\mu_{ij}(x_i) = \begin{cases} 0 & x_i \le \min a_i \\ \frac{x_i - \min a_i}{\max a_i - \min a_i} & \min a_i < x_i \le \max a_i & i = 1, 2, \cdots, n \\ 1 & \max a_i < x_i \end{cases}$$

In the function formula,  $x_i$  indicate the status of *i*-values, and max *a* and min *a* are upper and lower limits of *I*, and they should be given in advance based on refer to the developed country and backward areas. Individual qualitative indicators could value by expertise assessment

4.3 First-class comprehensive evaluation of fuzzy evaluation matrix

First-class comprehensive evaluation of fuzzy evaluation matrix is

$$S_i = W_i \circ R_i,$$
$$R = \{S_1, S_2, \dots, S_n\}^T$$

#### 4.4 Second-class comprehensive evaluation of fuzzy evaluation matrix

 $S = W \circ R$ 

We has known specific weight W, based on earlier results, we can get:

$$S = W \circ R = (W_1, W_2, W_3, W_4) \circ \begin{cases} R_{11} & R_{12} & R_{13} & R_{14} \\ R_{21} & R_{22} & R_{23} & R_{24} \\ R_{31} & R_{32} & R_{33} & R_{34} \\ R_{41} & R_{42} & R_{43} & R_{44} \end{cases} = (S_A, S_B, S_C, S_D)$$

After the results  $(S_A, S_B, S_C, S_D)$  normalized, we can get

$$S = (S_a, S_b, S_c, S_d)$$

Corresponding  $(S_a, S_b, S_c, S_d)$  with reviews rating  $(V_1, V_2, V_3, V_4)$ , we can evaluate the circular economy development level in certain region, judging the level of circular economy development.

#### **5** Conclusion

For the status quo of evaluation methods imperfect in circular economy development level, this article put forward the evaluation index system of circular economy developing level constituted by 4 categories contains resources consumption, environmental disturbance, recycling and social development and 16 indicators, reflected the characteristic of resources recycling specially, and to evaluate regional circular economy developing level by the fuzzy comprehensive evaluation method, so that enhance the evaluate ability in evaluation model and evaluation method of circular economy development level.

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