

# WGID meeting

On CRM Regional Industrial and Innovation Area  
Green and Circular Economy Value Chains

Tirana, Albania

15 November 2022, 09.30 - 13.00

Good.  
Better.  
Regional.

# Agenda

Time	Thematic areas to be covered
09:30 - 09:40	RCC introductory remarks
09:40 - 09:50	Short introduction by participants
09:50 - 10:05	Project background & activities
10:05 - 10:30	Presentation of survey results
10:30 - 10:45	Q&A and discussion
10:45 - 11:15	EU best practices - Case studies
11:15 - 11:30	Further review of best practice
11:30 - 12:00	Q&A and discussion
12:00 - 13:00	Lunch break

# 1. RCC introductory remarks

## 2. Short introduction by participants

# 3. Project background & activities

# Main aim and objectives

*Support the RCC Secretariat in its overall implementation and coordination of activities related to the green and circular economy value chain measures of the Common Regional Market (CRM) 2021-2024 Action Plan.*

Stakeholder  
mapping and  
initial  
engagement

01

Western Balkans  
Green and Circular  
Economy  
Stakeholders  
Platform

02

Enabling long-  
term, active  
implementation of  
green and circular  
value chains

04

Regional Green  
Start-up Network

03

# Scope and activities














# Scope and activities



# STEP 1: Criteria for classifying green and circular economy stakeholders

# Circular economy - Main criteria

## Circular components in business model

What is a circular business model?	A way of designing, making, distributing, taking back and reusing or recycling materials within your business				
Types of circular business models	Circular supply	Resource recovery	Product life extension	Sharing	Product service system
Definitions	Replacing virgin resources with bio-based, renewable, recycled, and/ or recovered materials	Recycling or recovering waste into secondary raw materials	Extending the life of products and assets	Facilitating the sharing of under-utilised products, goods, and assets	Services rather than products are marketed
Associated value chain stage (upstream)	 Raw materials extraction  Supply		 Manufacture/ remanufacture  Retail	 Retail	 Retail
Associated value chain stage (downstream)		 Reverse logistics  Waste management	 Reverse logistics	 Waste management	 Reverse logistics

# Green co-benefit - Main criteria

The Green Agenda for the Western Balkans, as well as the EU Green Deal, place large emphasis on the transition to circular economy. However, they also emphasise a number of other environmental objectives that are critical for timely green transition across Europe.



# STEP 2 & STEP 3: Stakeholder mapping & Survey and report on findings

# Defining eligible stakeholders

## Location

### Established in any of the Western Balkan economies:

- Albania
- Bosnia and Herzegovina
- Kosovo\*
- Montenegro
- North Macedonia
- Serbia

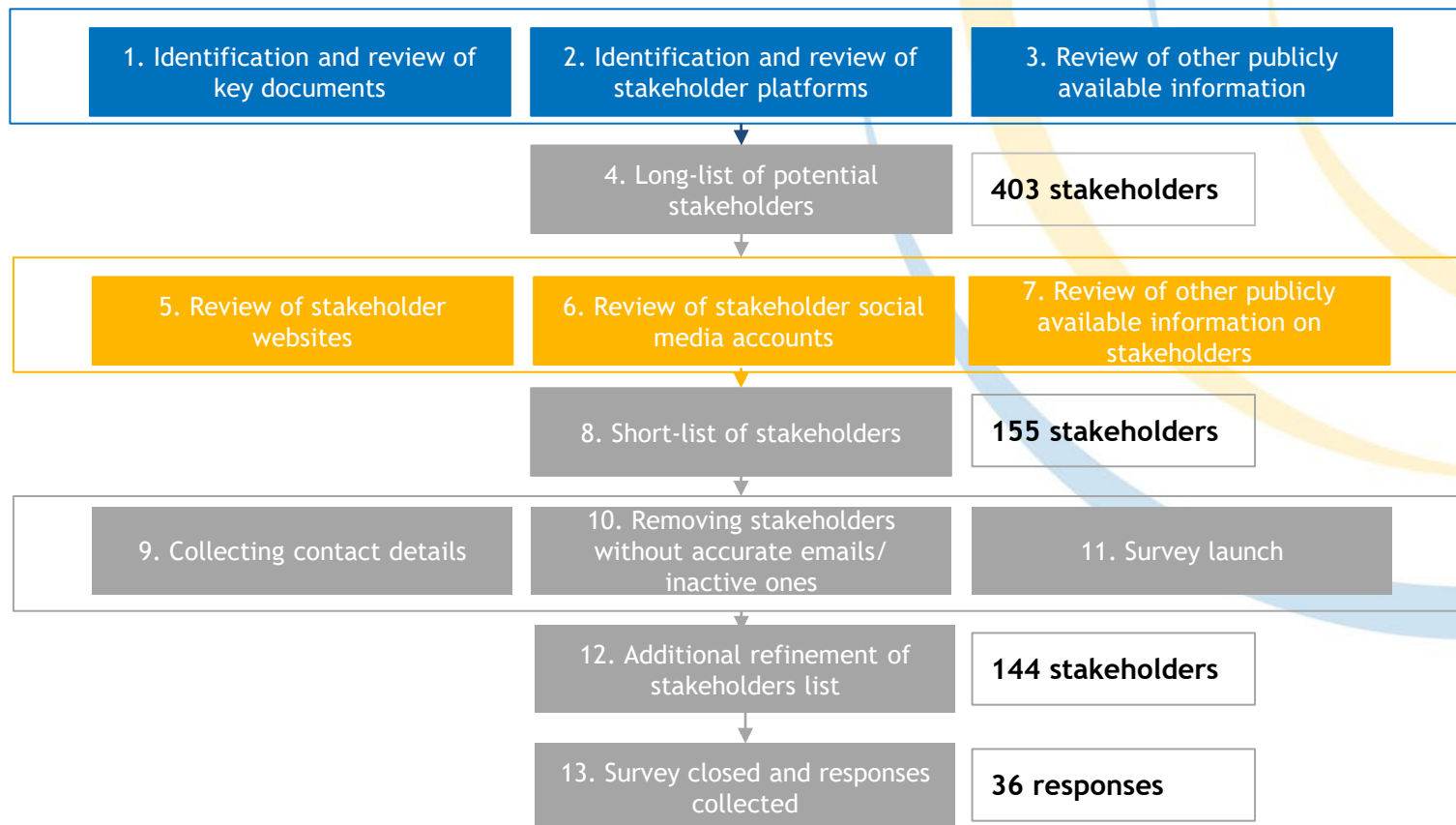
## Established in one of the following forms:

- Start-up
- MSME
- Large company
- Spin-off company
- Academic & research organisation
- Public company
- NGO
- Other

## Type of organisation

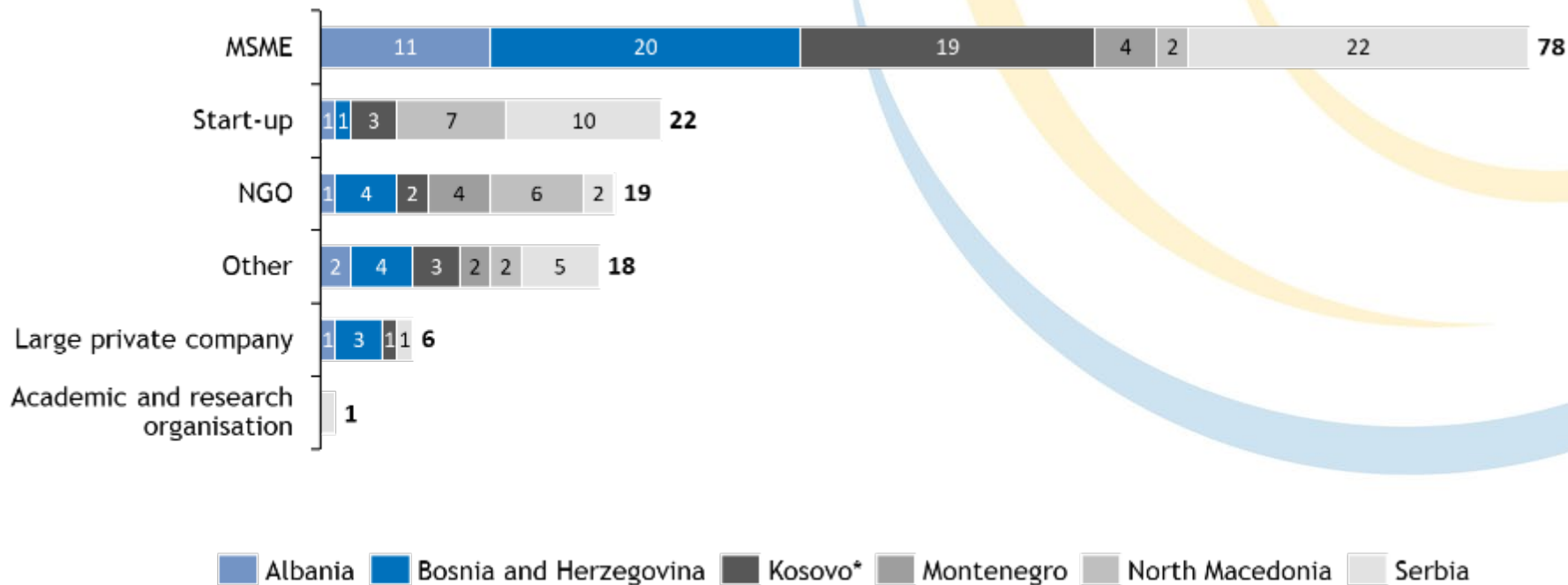
\* This designation is without prejudice to positions on status, and is in line with UNSCR 1244/1999 and the ICJ Opinion on the Kosovo declaration of independence.

# Overview of methodology



# Stakeholders mapping summary

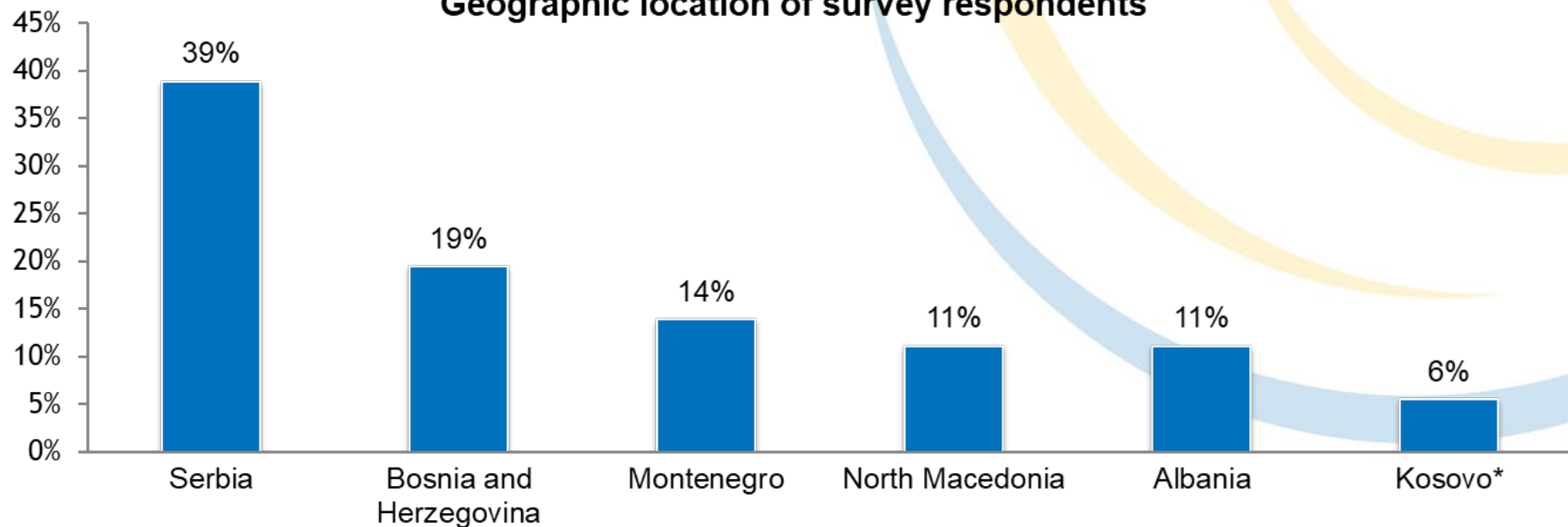
Total number of stakeholders: 144



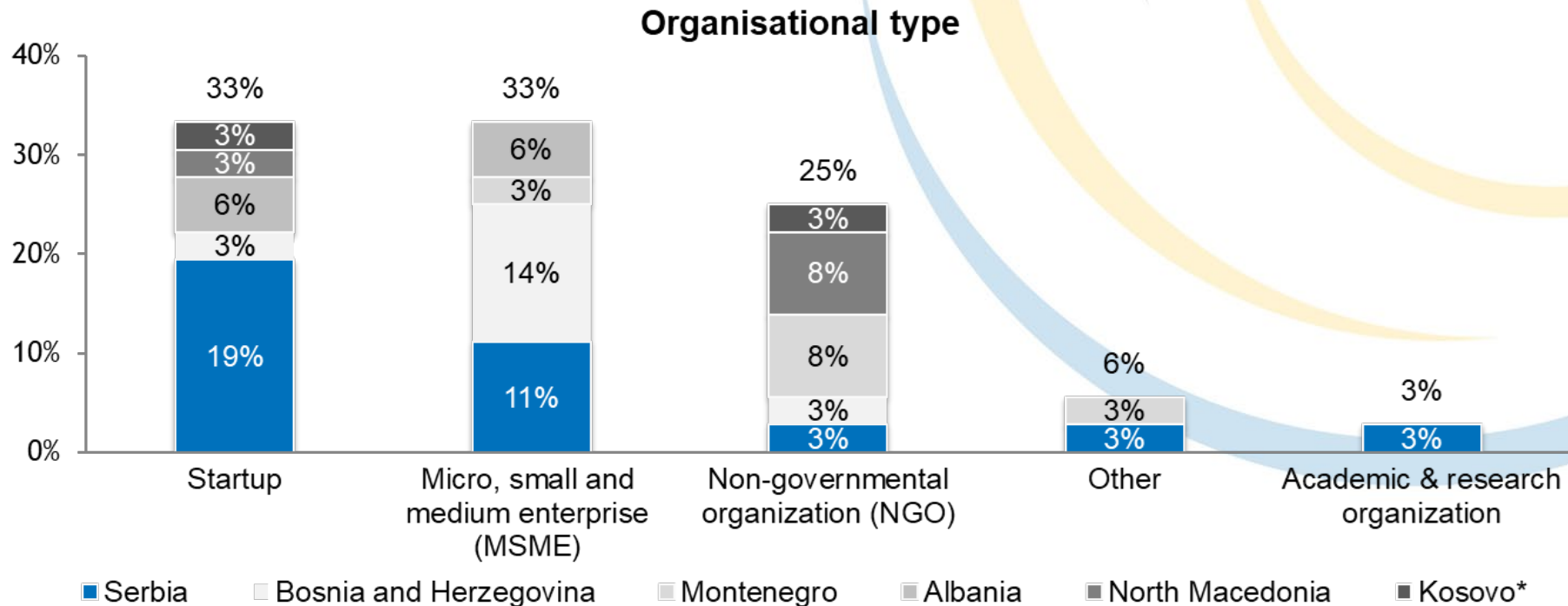
# 4. Presentation of survey results

# The majority of stakeholders are based in Serbia

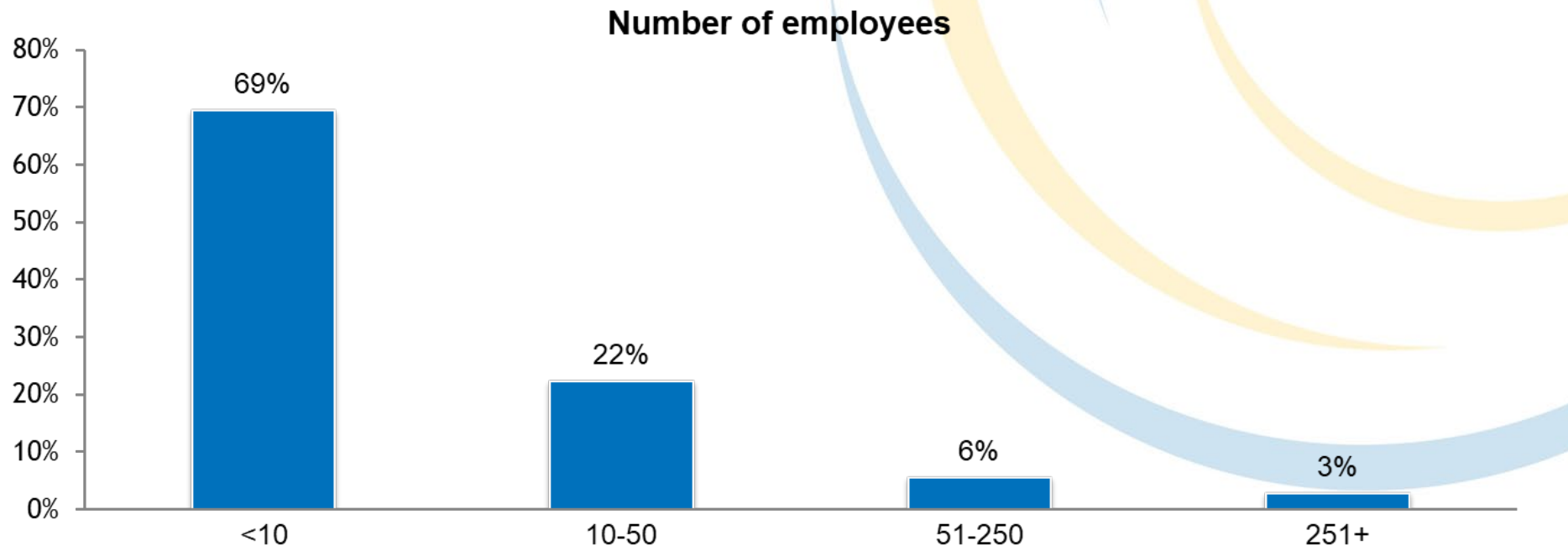
**Geographic location of survey respondents**



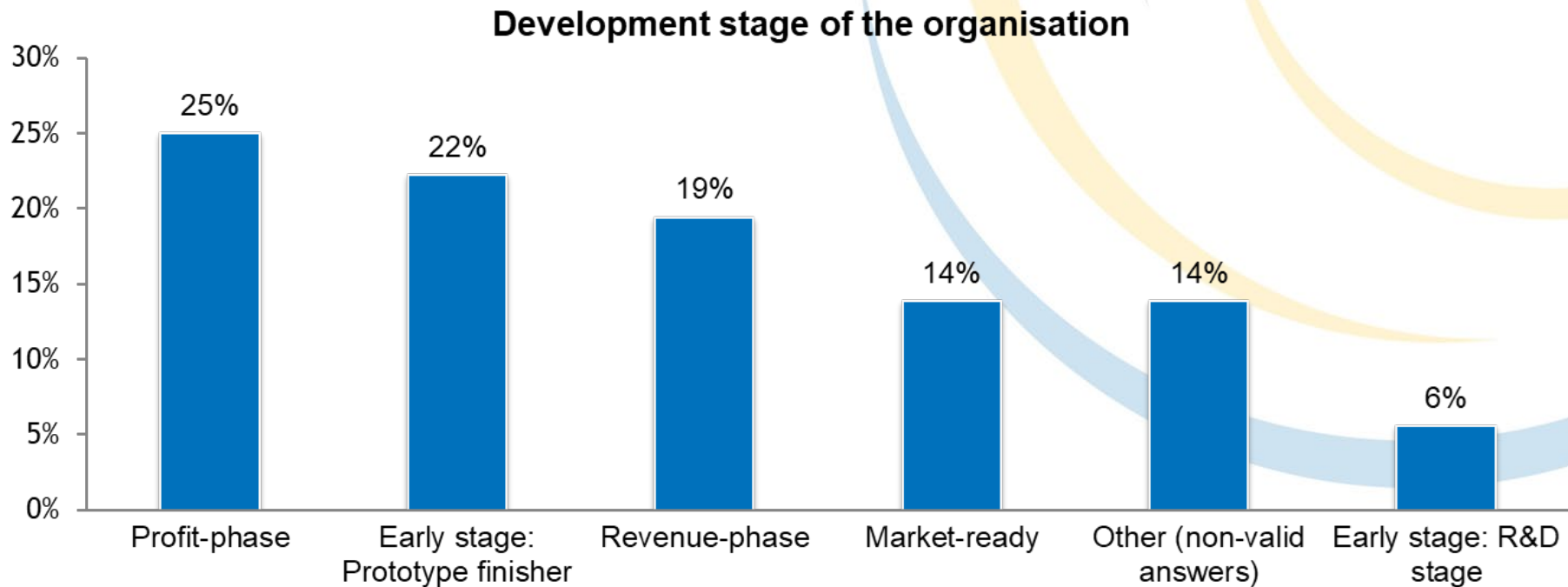
# Start-ups and MSMEs most frequent organisational type in stakeholder list & survey sample



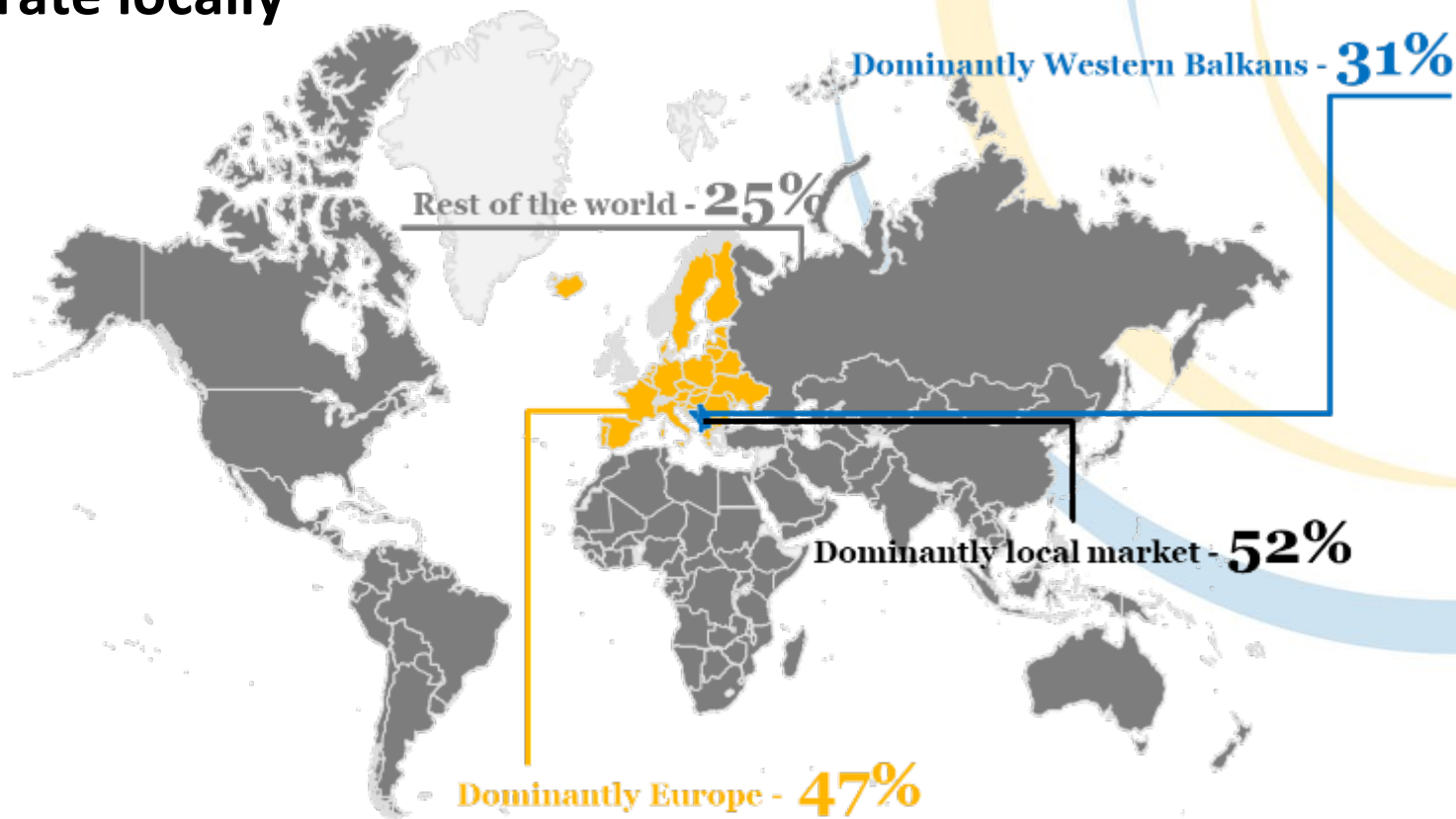
# Majority of identified stakeholders have less than 10 employees



# Only 25% of organisations are in the profit stage



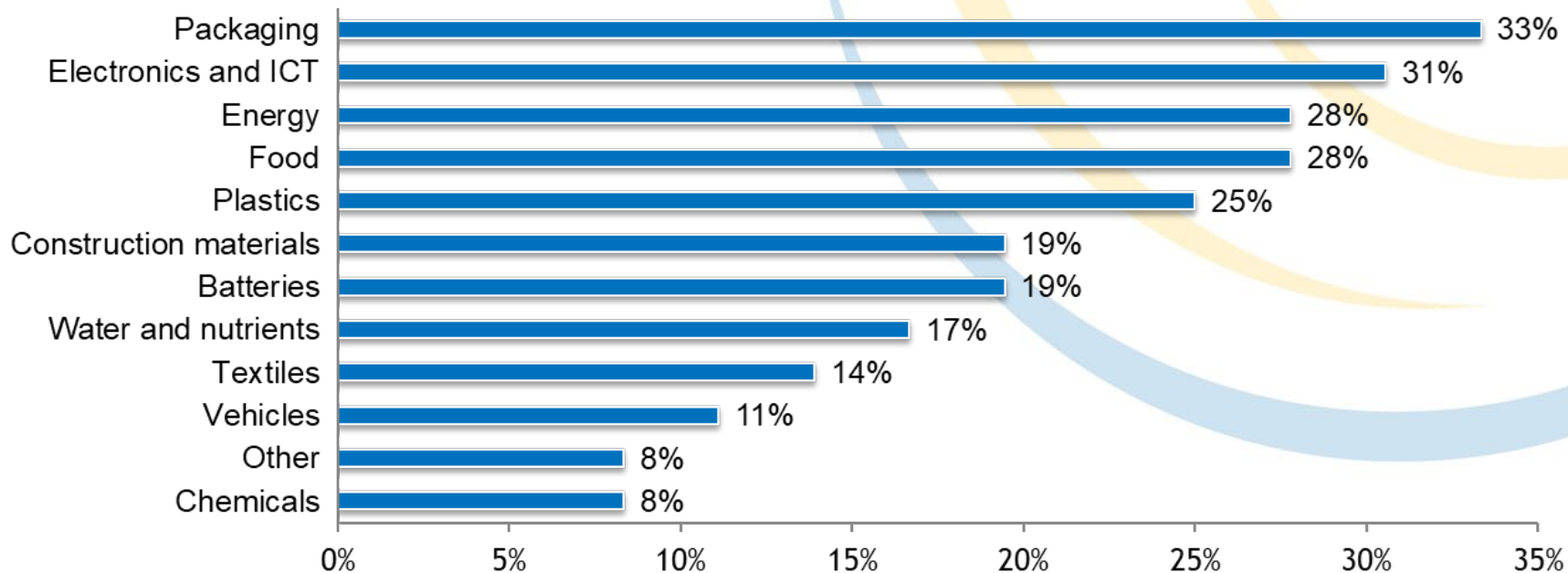
# The results show that most of stakeholders operate locally



*\*It was possible to select multiple answers*

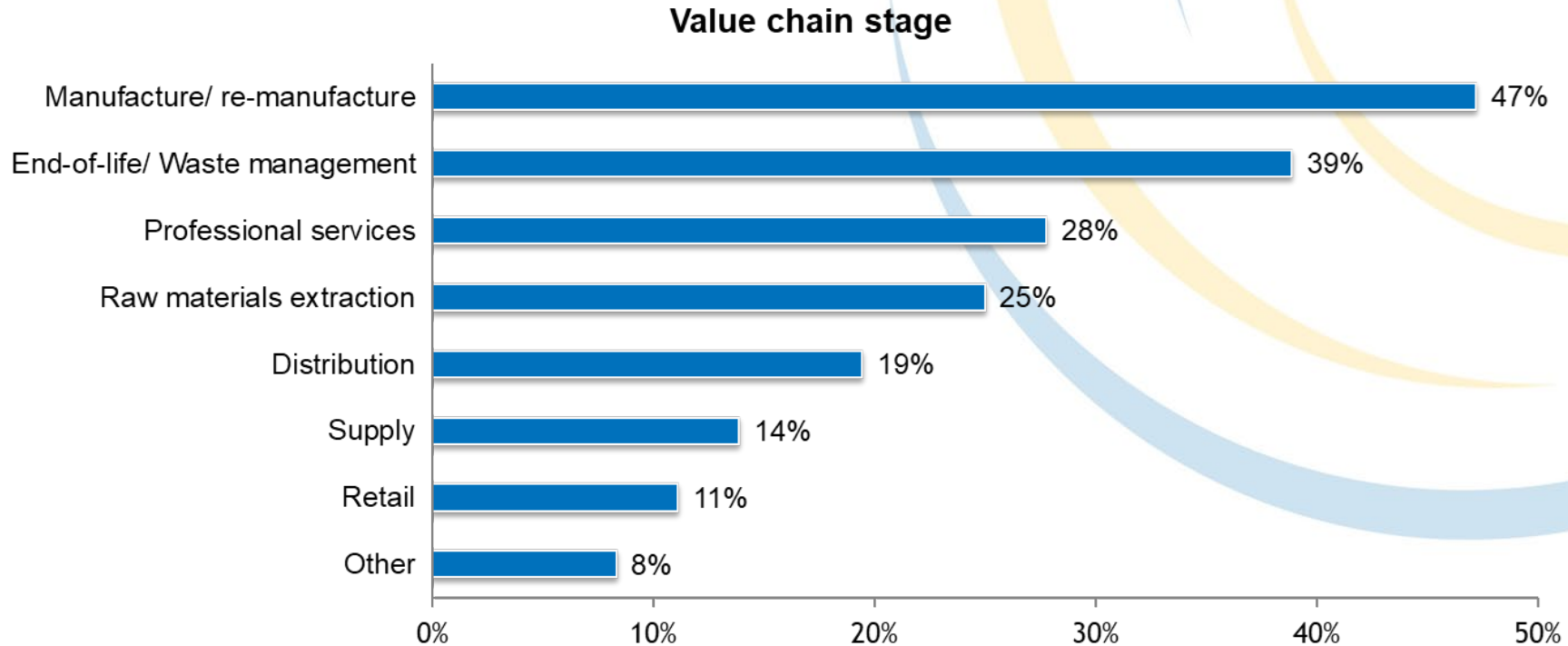
# Respondents are covering a wide range of value chains and material streams

**Dominant priority products and material streams**



*\*It was possible to select multiple answers*

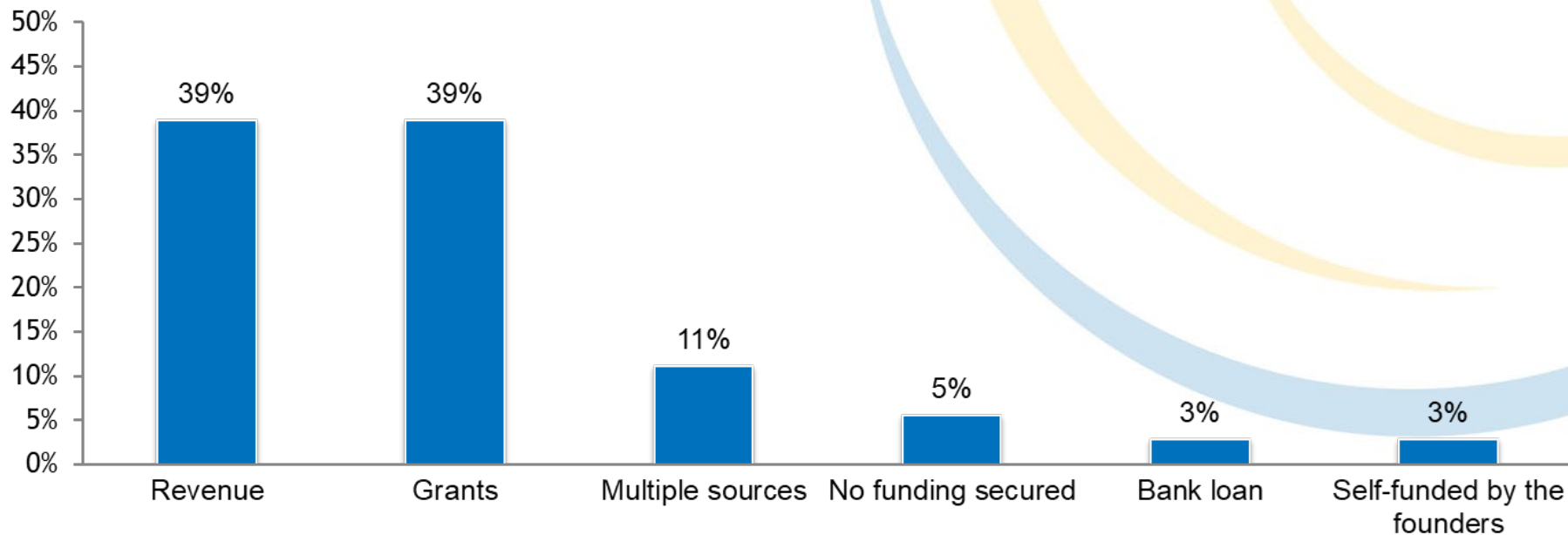
# Almost half of the respondents operate in manufacture/ re-manufacture stage



*\*It was possible to select multiple answers*

# Majority of stakeholders are financed by revenue and grants

Predominant way of financing



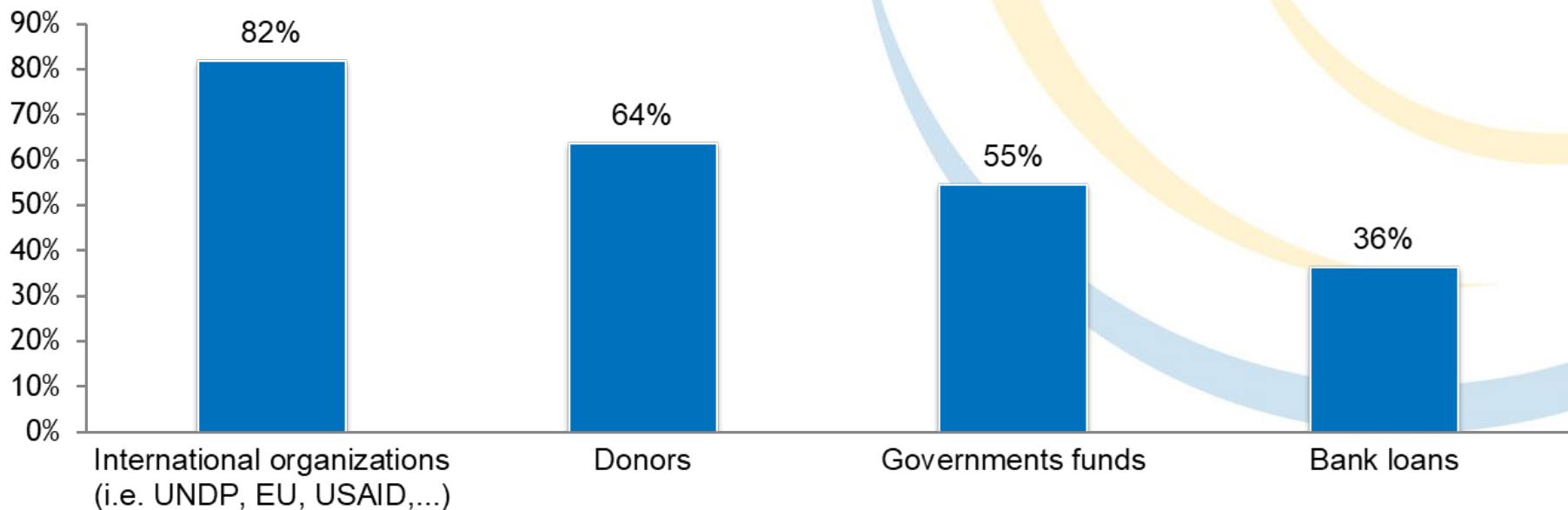
# The results confirm a need of raising awareness of available financing options

Awareness of any financing schemes for circular economy



# Financing schemes offered by international organisations are most visible

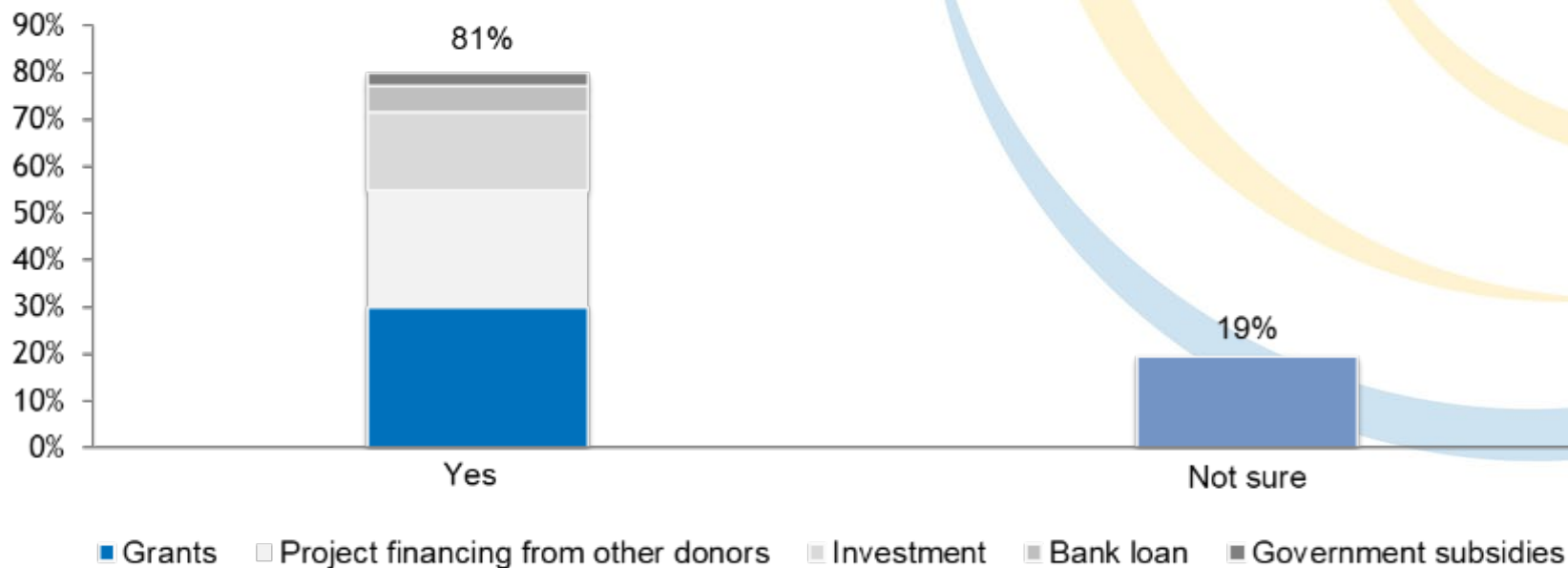
Familiarity with different financing options for circular economy



*\*It was possible to select multiple answers*

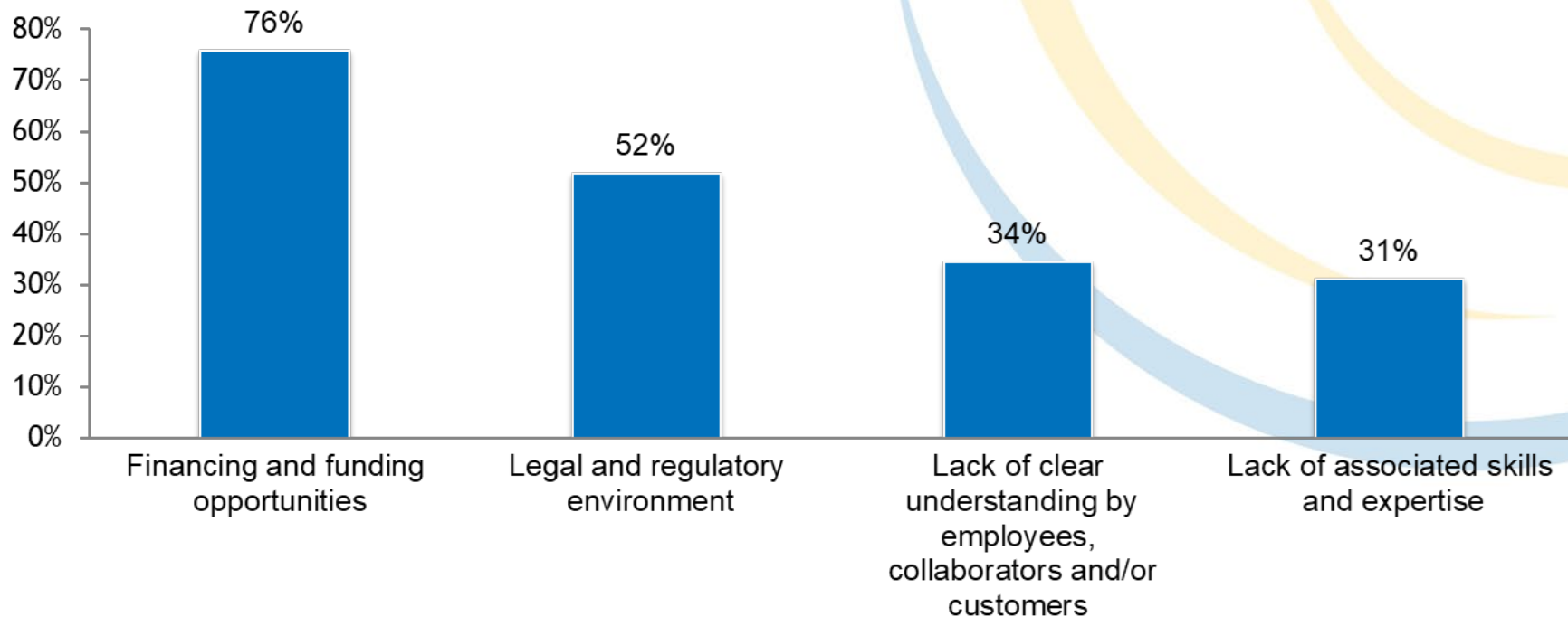
# The majority of stakeholders plan to seek external financing

Plan to seek external financing for circular economy initiatives



# Financing is seen as the key challenge

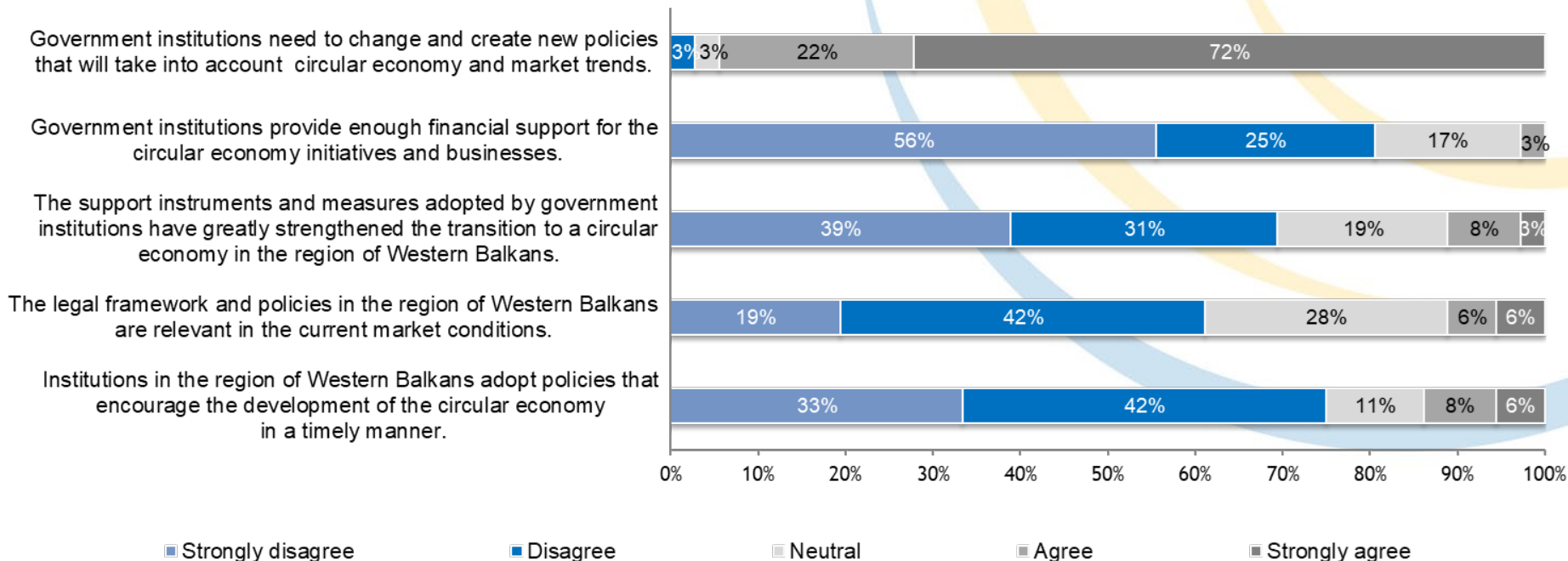
## Key challenges/obstacles to the transition to a circular economy



*\*It was possible to select multiple answers*

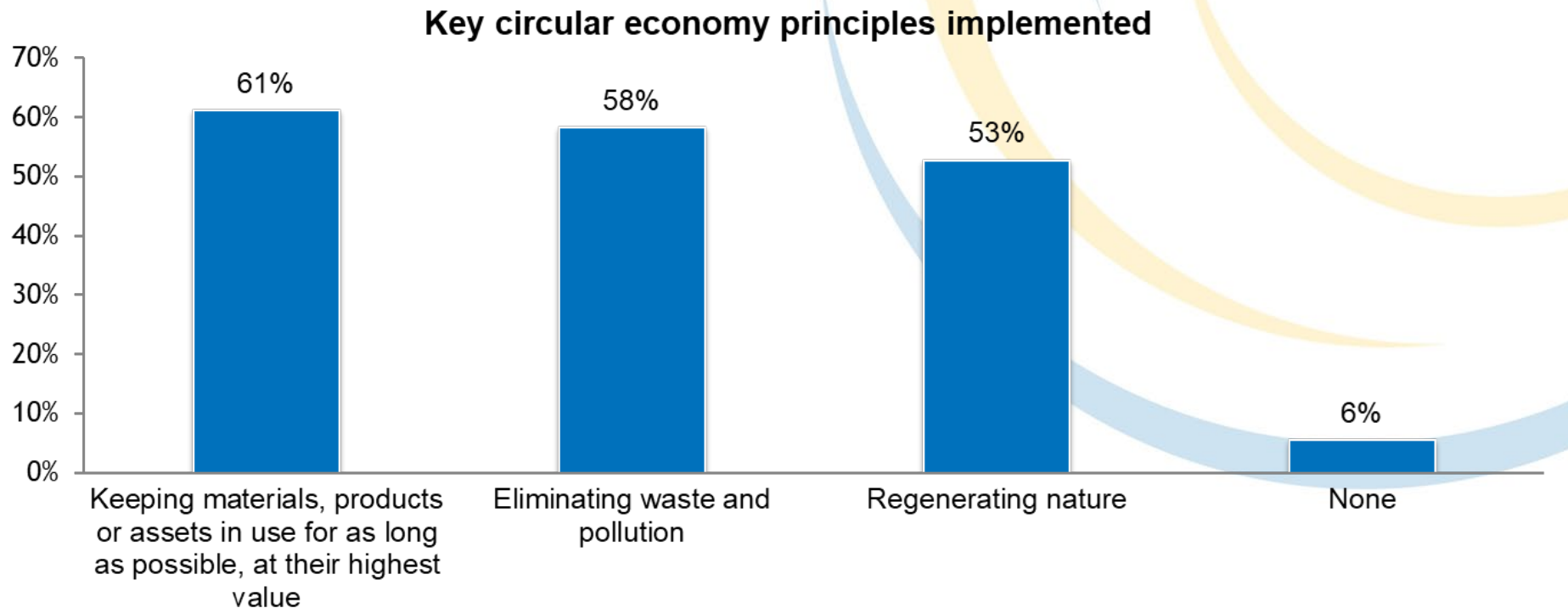
# Stakeholders think there should be stronger legal and regulatory framework in place

## Evaluation of Legal & Regulatory environment



*\*It was possible to select multiple answers*

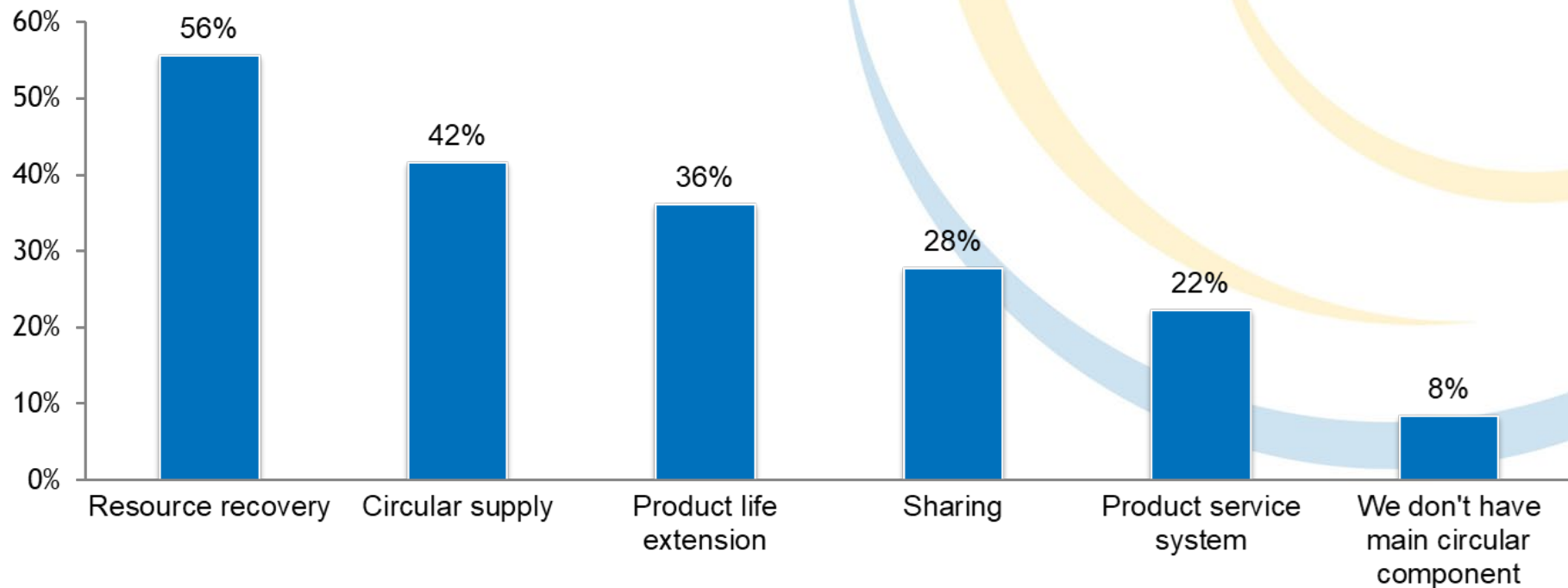
# Only 17% of stakeholders implement all key circular economy principles



*\*It was possible to select multiple answers*

# Resource recovery is most frequent circular component

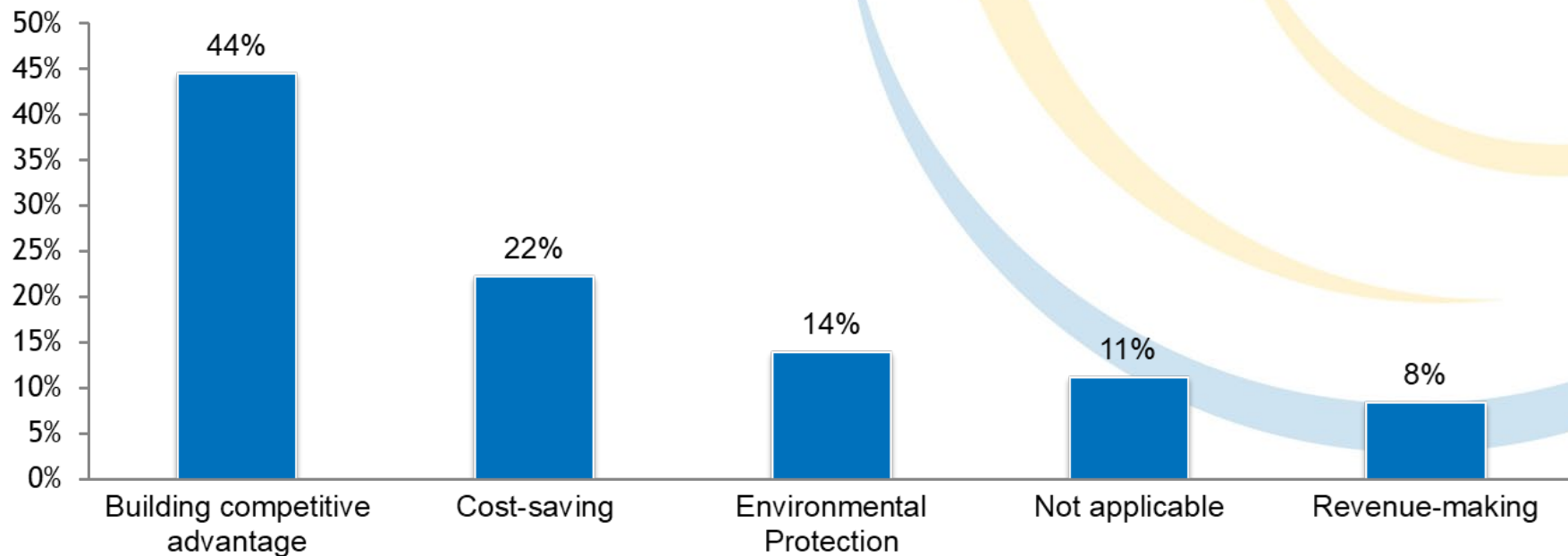
## The main circular component in the business model



*\*It was possible to select multiple answers*

# The vast majority sees competitive advantage as the key driver

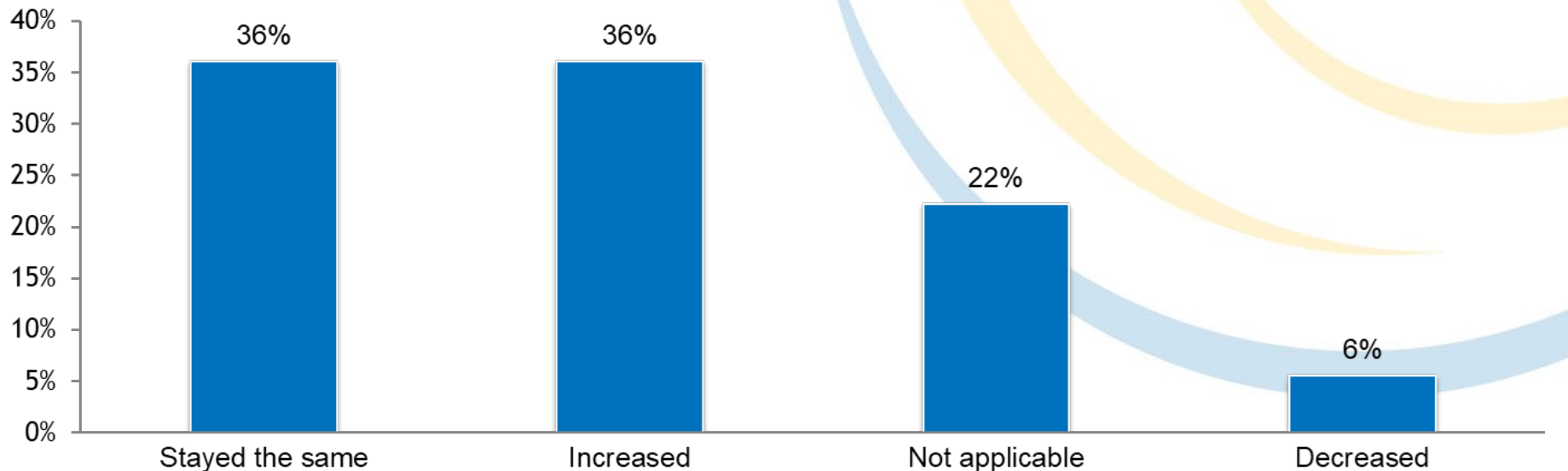
## Key drivers for implementing circular economy principles



*\* Not applicable - respondents most likely believe their key driver is "other" than the answers provided*

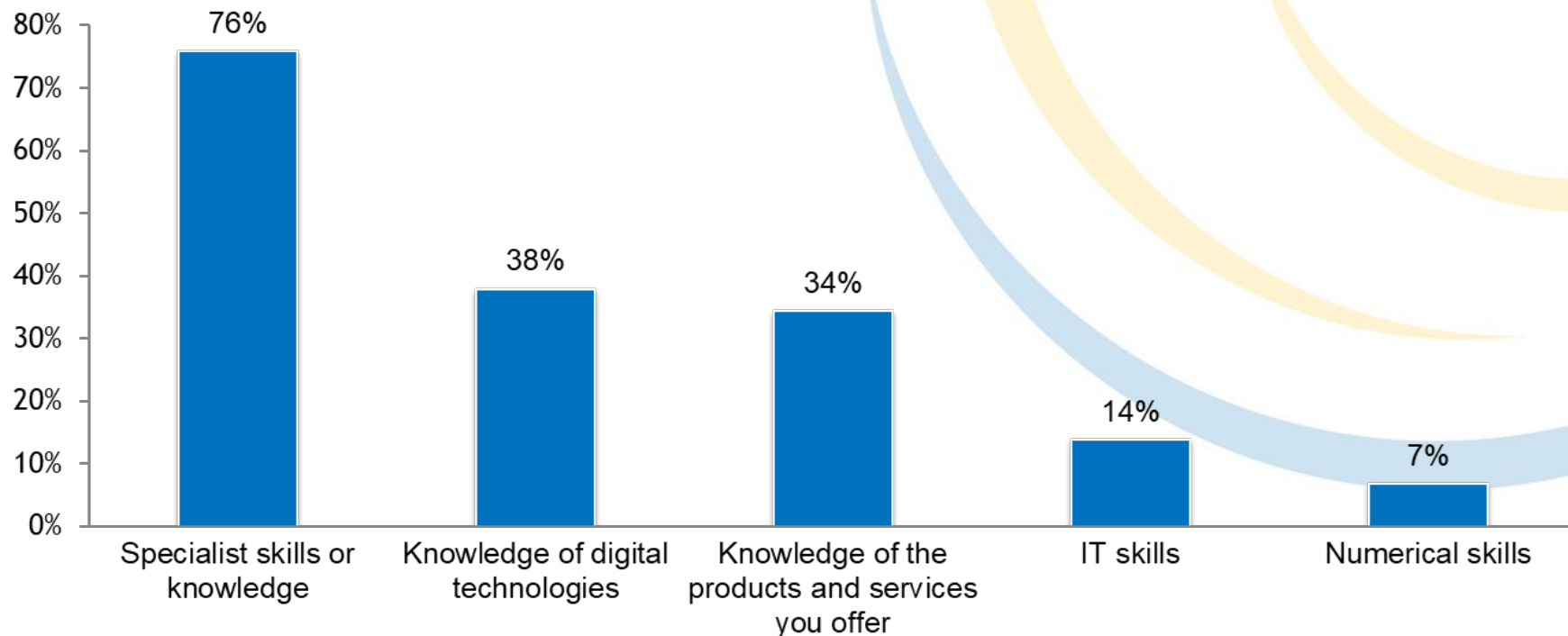
# The minority of stakeholders decreased investment last year

Investment in circular economy initiatives, compared to last year



# The largest gap is the possession of specialist skills and knowledge

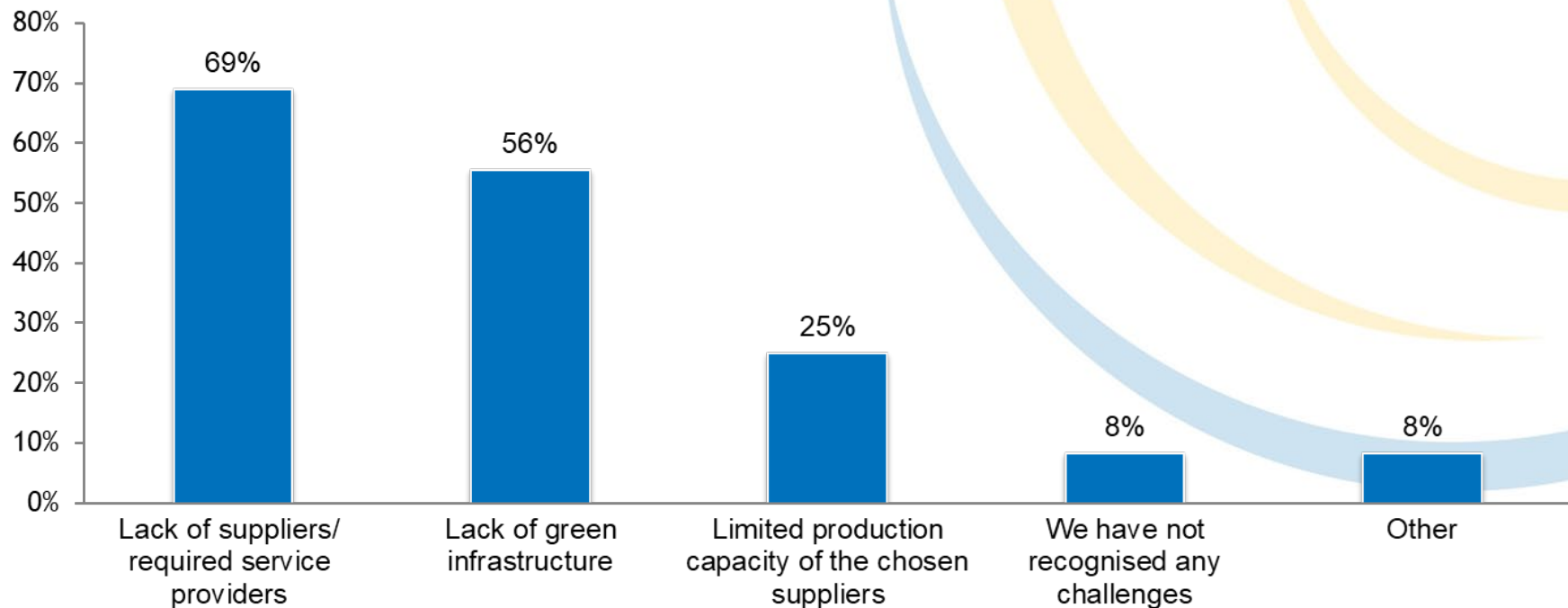
Skill gaps among the workforce



*\*It was possible to select multiple answers*

# Lack of suitable suppliers and green infrastructure seen as biggest challenges in supply chain

The biggest challenges faced by the supply chain



*\*It was possible to select multiple answers*

# Key survey findings

Stakeholders are covering different product and material streams rather than focusing only on waste management


Raising awareness of the financing options is a prerequisite for reaching full potential of transition to circular economy





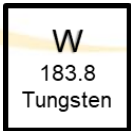
Creation of strong regulatory framework will set the fundamentals for circular economy development

Education in the field of circular economy and green transition is an opportunity to overcome lack of specialist skills and knowledge

# 5. Q&A and discussion






# 6. European best practice: Case study presentations

<b>Location</b>	Netherlands		<b>Year</b>	2013
<b>Target market</b>	Europe		<b>Organisation type</b>	MSME
<b>General info</b>	Electronics manufacturer that designs and produces smartphones with the goal of having a lower environmental footprint and better social impact than the standard in the industry.			
<b>Priority product and material streams</b>	           <div> <div>Electronics &amp; ICT</div> <div>Batteries</div> <div>Vehicles</div> <div>Packaging</div> <div>Plastics</div> <div>Textiles</div> <div>Construction/Infrastructure</div> <div>Food</div> <div>Chemicals</div> <div>Water</div> <div>Energy</div> </div>			
<b>Value chain stage</b>	        <div> <div>Raw materials extraction</div> <div>Supply</div> <div>Manufacture/remanufacture</div> <div>Distribution</div> <div>Retail</div> <div>Professional services</div> <div>Reverse logistics</div> <div>Waste management</div> </div>			

Key circular economy principles	Eliminate waste and pollution	Circulate products and materials at their highest value		Regenerate nature	
Main circular component	Circular supply	Resource recovery	Product life extension	Sharing	Product service system
Main results	 <b>400,000</b> devices sold	 <b>30%</b> reduced carbon footprint by extended product use and optional accessories	 <b>87%</b> reduction in transport emissions by product transportation by train	 <b>PLASTIC</b>	 <b>50%</b> recycled plastic and tungsten used






















Location	UK		Year	2016
Target market	Local		Organisation type	MSME
General info	Toast ale is an award-winning craft beer brewed with surplus fresh bread in order to reduce demand for natural resources.			
Priority product and material streams	          			
Value chain stage	       			



Key circular economy principles	Eliminate waste and pollution		Circulate products and materials at their highest value		Regenerate nature
Main circular component	Circular supply	Resource recovery	Product life extension	Sharing	Product service system
Main results	 <b>1,757,047 pints</b> of beer produced	 <b>309,701 litres</b> of water saved	 <b>49 tonnes</b> of CO <sub>2</sub> -equivalent GHG emissions avoided	 <b>2,622,291 slices</b> of waste bread used	 <b>£ 81,382</b> donated to food sustainability



























Too Good To Go

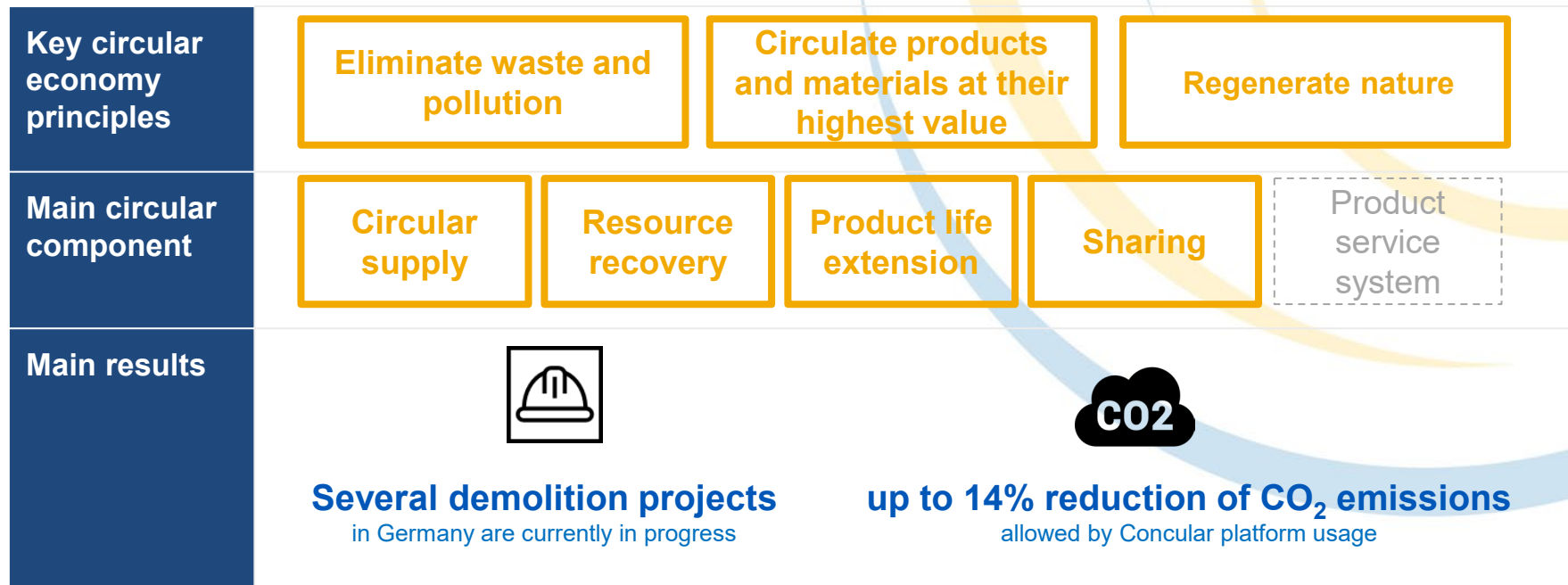
Location	Denmark		Year	2015
Target market	Global		Organisation type	Start-up
General info	Too Good To Go is a service with a mobile application that connects customers to restaurants and stores that have surplus unsold food.			
Priority product and material streams	<div><div> Electronics &amp; ICT</div><div> Batteries</div><div> Vehicles</div><div> Packaging</div><div> Plastics</div><div> Textiles</div><div> Construction/Infrastructure</div><div> Food</div><div> Chemicals</div><div> Water</div><div> Energy</div></div>			
Value chain stage	<div><div> Raw materials extraction</div><div> Supply</div><div> Manufacture/remanufacture</div><div> Distribution</div><div> Retail</div><div> Professional services</div><div> Reverse logistics</div><div> Waste management</div></div>			
























Too Good To Go



Key circular economy principles	Eliminate waste and pollution		Circulate products and materials at their highest value		Regenerate nature	
Main circular component	Circular supply	Resource recovery	Product life extension	Sharing	Product service system	
Main results	 <b>42,1 million people</b> signed up to the app	 <b>160 million meals</b> have been saved	 <b>14,157 tonnes</b> carbon offset (2020 & 2021)			

<b>Location</b>	Germany 	<b>Year</b>	2020
<b>Target market</b>	Local 	<b>Organisation type</b>	Start-up
<b>General info</b>	A portal based on an AI that matches buyers' demand for construction material with suppliers' circular materials. They take the demand for reused materials to convince more deconstruction projects to salvage materials.		
<b>Priority product and material streams</b>	<div>  Electronics &amp; ICT            Batteries            Vehicles            Packaging            Plastics            Textiles            Construction/Infrastructure            Food            Chemicals            Water            Energy         </div>		
<b>Value chain stage</b>	<div>  Raw materials extraction            Supply            Manufacture/remanufacture            Distribution            Retail            Professional services            Reverse logistics            Waste management         </div>		





<b>Location</b>	Spain		<b>Year</b>	1990
<b>Target market</b>	Global		<b>Organisation type</b>	Plastics Technology Centre
<b>General info</b>	<p>Solutions to companies throughout the value chain.</p> <p>More than 30 pilot plants for plastic processing, aimed at research, formulating new materials and improving existing processes.</p>			
<b>Priority product and material streams</b>	<div>  Electronics &amp; ICT            Batteries            Vehicles            Packaging            <b>Plastics</b>  Textiles            Construction/Infrastructure            Food            Chemicals            Water            Energy         </div>			
<b>Value chain stage</b>	<div>  Raw materials extraction            Supply            Manufacture/remanufacture            Distribution            Retail            Professional services            Reverse logistics            <b>Waste management</b> </div>			

Key circular economy principles	Eliminate waste and pollution		Circulate products and materials at their highest value		Regenerate nature
Main circular component	Circular supply	Resource recovery	Product life extension	Sharing	Product service system
Main results	 <b>14,6 million revenue</b> in 2020 (+10% vs 2019)		 <b>&gt;200 projects</b>		

# 7. Further review of best practice

# Stronger institutional framework

Aligning with value chain risks and opportunities

## EU Green Deal/ Fit for 55

Corporate Sustainability  
Due Diligence Directive

Expected in 2024

Human rights &  
environment through  
global value chains

EcoDesign for Sustainable  
Products Regulation

Expected in mid-  
2023

Extend Ecodesign  
Directive scope beyond  
energy-related products

Carbon Border Adjustment  
Mechanism

Expected in 2026

Prevention of 'Carbon  
leakage' - encourage non-  
EU producers to  
decarbonise their  
production processes

# Supporting circular compliance

## Embedding circular economy in urban planning



### Existing Structures approaches

- Retain and reprofit
- Partial retention and refurbishment
- Disassemble and reuse
- Demolish and recycle

### New building CE design approaches

- Building relocation
- Component or material reuse
- Adaptability
- Flexibility
- Replaceability
- Disassembly
- Longevity

	Application stage			
Stakeholders	Pre-application (suggested)	Outline application	Full application reserved matters	Post-construction
Critical people to involve	<ul style="list-style-type: none"> <li>Planner</li> <li>Developer</li> <li>Design team</li> <li>Sustainability adviser</li> </ul>	<ul style="list-style-type: none"> <li>Planner</li> <li>Developer</li> <li>Design team</li> <li>Sustainability adviser</li> </ul>	<ul style="list-style-type: none"> <li>Developer</li> <li>Design team</li> <li>Sustainability adviser</li> </ul>	<ul style="list-style-type: none"> <li>Developer</li> <li>Design team</li> <li>Constructor</li> <li>Sub-contractors</li> <li>Suppliers</li> <li>Facility Manager</li> <li>Waste operators</li> </ul>
Other people to involve	Construction Adviser or Contractor	Construction Adviser or Contractor	<ul style="list-style-type: none"> <li>Subcontractors</li> <li>Suppliers</li> <li>Facility Manager</li> </ul>	Occupants/ tenants

# Fostering entrepreneurship

Driving circular economy in the private sector

## Who do they work with?

### Explorers

- Traditionally 'linear' businesses curious about how the circular economy might bring environmental, operational, and commercial benefits

### Boosters

- Businesses trying one or more of five circular business models at their core but still putting the finishing touches to a market-proof, environmentally friendly solution

### Wizards

- Already built a successful business with circularity embedded into the way they create value for their customers but looking for that extra ingredient to become a "circular star"

## Services they provide

- Circular Business Masterclass
- Circular Pilot Grants Scheme

- Validate your model (from the economics through to the environmental credentials)

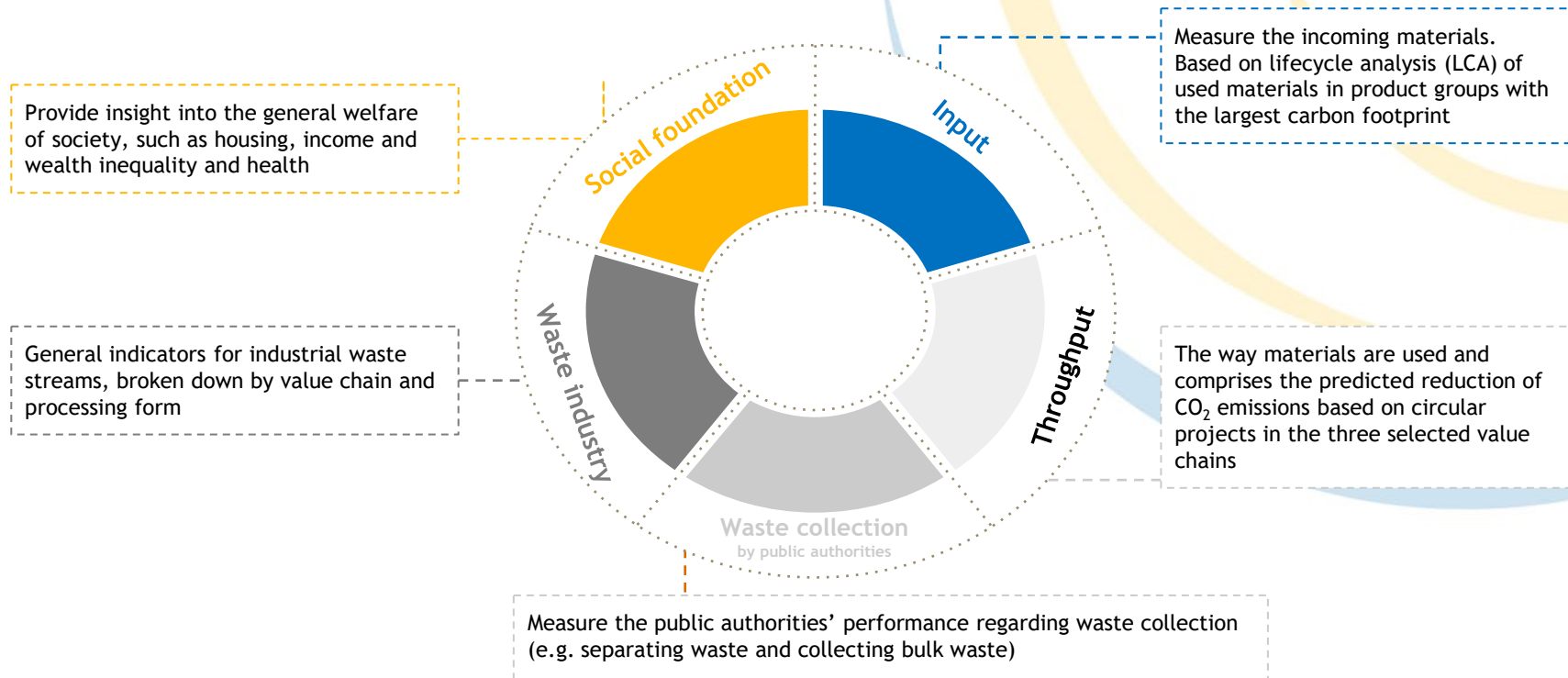
- Circular Economy Matchmaker
- Meet the Buyer
- Meet the Borough

# Measuring the impacts

Quantifying circularity over time

✖ Gemeente  
✖ Amsterdam  
✖

Amsterdam  
Circular  
Monitor



# 8. Q&A and discussion

# 9. RCC closing remarks

# 10. Lunch break



**Thank you!**

Regional Cooperation Secretariat  
Trg Bosne i Hercegovine 1/V  
71000 Sarajevo, Bosnia and Herzegovina

Tel: +387 33 561 700  
Fax: +387 33 561 701  
Mob: +387 61 190 601

[www.rcc.int](http://www.rcc.int)  
Twitter: @rccint  
Facebook: RegionalCooperationCouncil  
YouTube: RCCSec