

Circular economy model ready to be implemented in any city

MMC **(the Municipal Material Cycle)**

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VALTEX & professional facility hygiene products

- VALTEX established in 1993, Slovenija
- Distributor of products for professional facility hygiene,
- Hygiene paper is one of the largest costs (60%) in cost portfolio of professional cleaning products,
- We'll put professional hygiene paper under spotlight today



Professional hygiene products and services sector in EU



European Cleaning and
Facility Services Industry



277

THOUSAND COMPANIES



4

MILLION PEOPLE EMPLOYED



107

BILLION EURO TURNOVER



9%

ANNUAL TURNOVER GROWTH OVER THE
LAST 25 YEARS

22 %



Cellulose is a material for production of hygiene paper



Virgin fibers come from primary sources

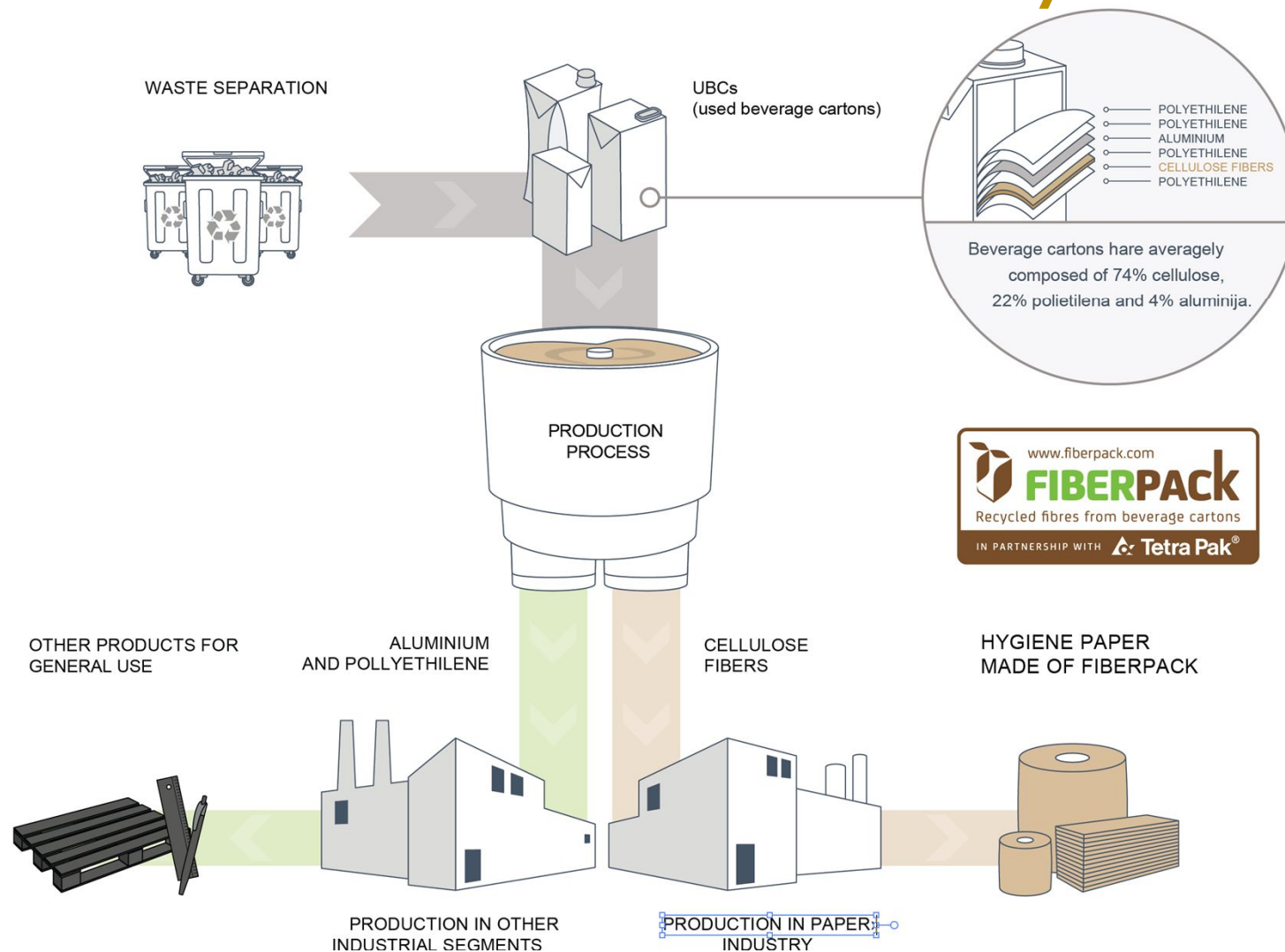


Recycled fibers come from secondary sources



Beverage cartons are excellent source of cellulose fiber

Cities are excellent source of secondary fiber





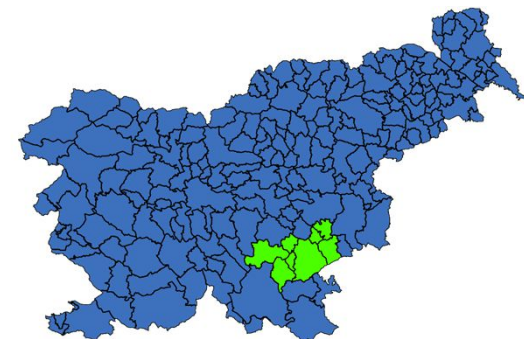
Circular economy is MULTI TOOL for market coverage

- ***Our pain from 1993 - 2010:*** We were very alike our competitors. No real differentiation.

Differentiation-> price. Consequence-> Loosing added value!

- ***Goal:*** change -> better value added
- ***Tool:*** Sustainability / CE approach
- ***Approach:***
 - ***2010*** -> change in marketing approach
 - ***2011*** -> establishing EKO INICIATIVA
 - ***2016*** -> creation of pilot project MMC Novo mesto
 - ***2017*** -> repeating MMC in capital Ljubljana (limited)
 - ***2019*** -> by expanding the model in Ljubljana & Brežice, new business model: the MMC (municipal material cycle)

MMC – Municipal material cycle

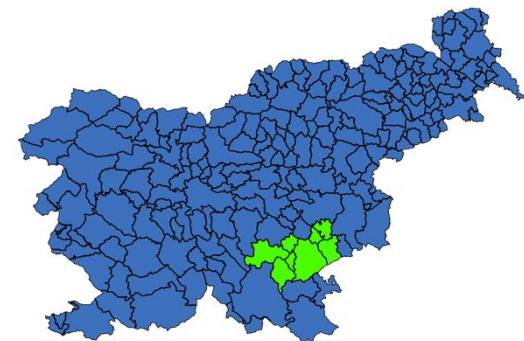


- VALTEX has set up pilot project in 2015,
- Engaging & connecting different stakeholders in Slovenia
- **combining** existing **products, services and demand** in different industry sectors into **one coherent process** ...
- ...turning **citizens** of several Slovenian cities into **active suppliers of raw material** for production of Eco Natural Lucart
- ... while in return - turning these same **citizens** into **users** of the same Eco Natural Lucart,
- „**competitors** in the sector still do **not know** how to **react and adapt to our circular loop**“,
- new era erupted in 2015 for the professional hygiene paper industry ... era of **practicing the Circular economy in the cities.**

MMC - how it works?

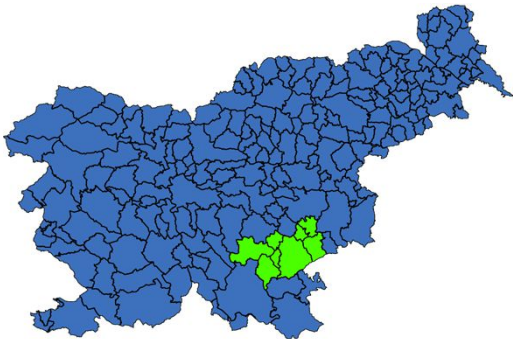


MMC Nr. 1 -> NOVO MESTO - Results

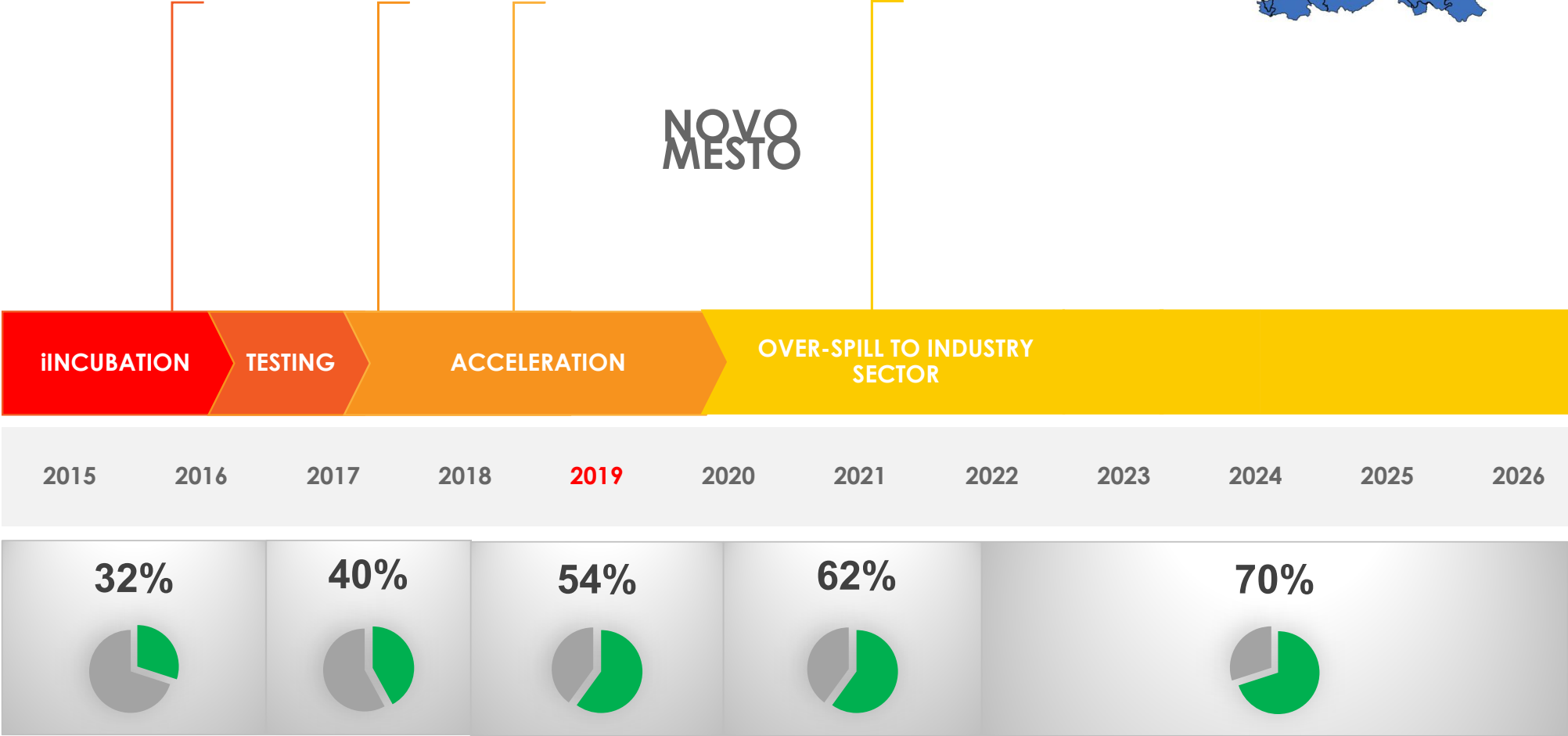


- **68.000 inhabitants** in 8 municipalities
- From 2016: **28 of 62 public institutions** in 8 participating municipalities **joined the project**,
- That represents 54% of all users = **54% of all hygiene paper supply in municipal public sector covered by EcoNatural**,
- **50 tones of UBC are collected** annually in the local area are transported to Lucart in order to produce hygiene paper,
- Our goal: **60% coverage of professional paper supply** by 2020

Project development in NOVO MESTO



NOVO
MESTO



Impressions – photos Novo Mesto



Novo mesto, November 2016: Collection day of used beverage cartons in one of the elementary schools, as part of communication campaign for the project



Novo mesto, april 2019: Tommaso DeLuca – Lucart, excellency Paolo Trichilo, Italian ambassador in Slovenia, Mr. Gregor Macedoni – mayor of Novo mesto, Niko kumar – Valtex, Gregor Klemenčič – CEO Komunala Novo mesto

MMC Nr. 2 -> LJUBLJANA - Results



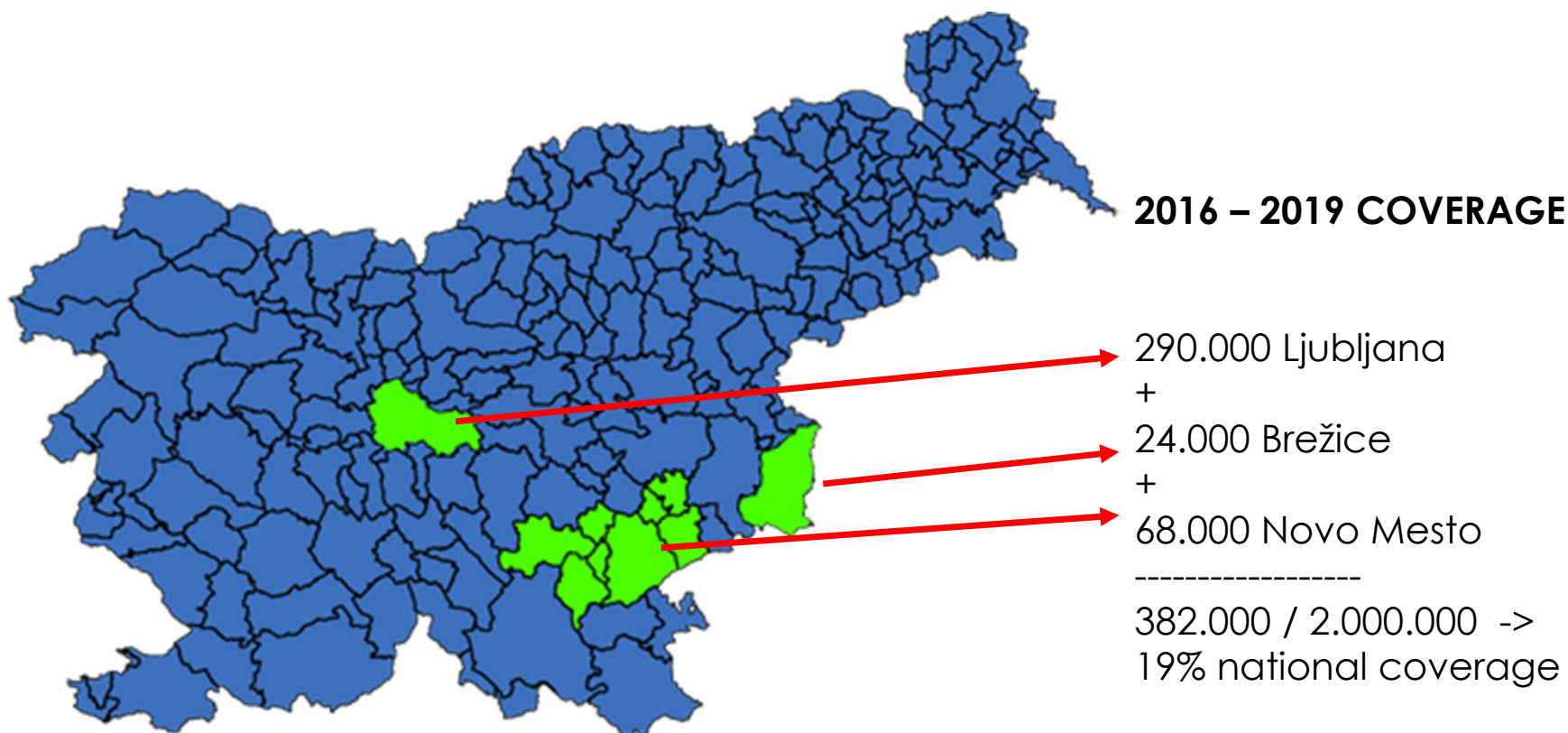
- **290.000 inhabitants** in capital city of Slovenija
- **From 2017: 41 of 113** public institutions **joined the project**,
- That represens 41,9% of all users = **41,9% of all hygiene paper supply in municipal public sector covered by EcoNatural**,
- **300 tones of UBC to be collected** anually in the local area to be transported to Lucart in order to produce hygiene paper,
- **Valtex installed about 5.000 paper dispensers March & April 2019**
- Our goal: **70% coverage of professional paper supply by 2021**

MMC Nr. 3 -> BREŽICE; Results

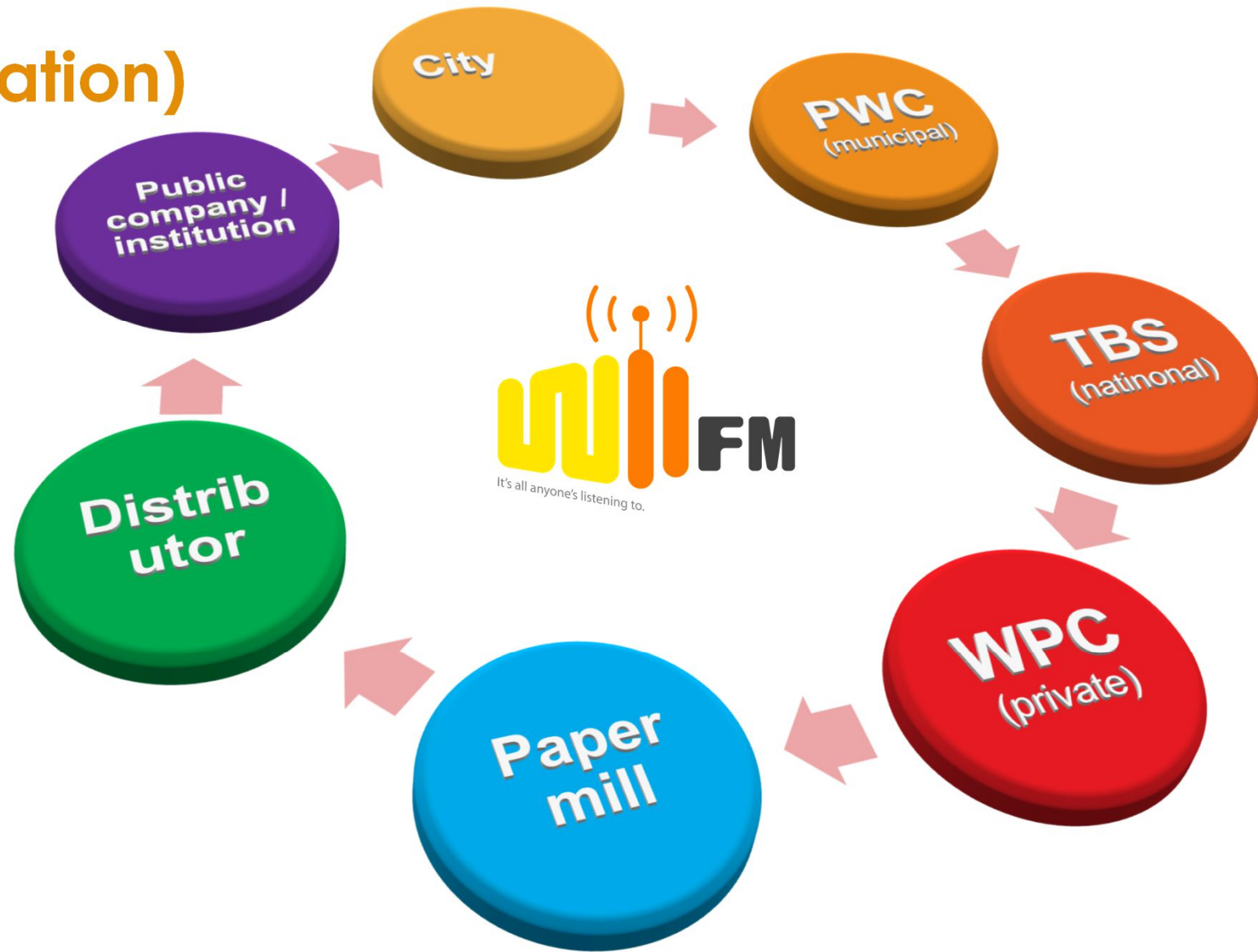


- **25.000 inhabitants** in south east part of Slovenia
- From 2019: **6 of 19 public institutions joined the project,**
- That represents 27% of all users = **27% of all hygiene paper supply in municipal public sector covered by EcoNatural,**
- **26 tones of UBC collected** annually in the local area are transported to Lucart in order to produce hygiene paper,
- Our goal: **85% coverage of professional paper supply** by 2020

Overview of the coverage - Slovenia



WIIFM (motivation)



Conclusions after 3Y

- „Circular economy really works“,
- Inclusive development project,
- Teaching inhabitants how to live circular life,
- Model can be replicated in any municipality,
- Suitable to cover large portions of the markets,
- Financing very demanding



European Cleaning and hygiene Awards:
October 2019, London

**MMC won award for Best Initiative Raising
the Profile of the Cleaning Sector**



**THE CIRCULARS COMPETITION
by World economic forum**
January 2017, Davos

**The Government, Cities & Regions
category for MMC project**

Thank you for your attention!

