

# CIRCULAR EXPERT PRACTITIONERS SEMINAR



J. Giacomelli  
[jurij@giacomellimedia.com](mailto:jurij@giacomellimedia.com)  
Founder and Managing Director, Gm  
- - Circular Business Academy - -

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The intent of this presentation is to support the programme of the Circular Expert Practitioners Seminar in January 2020, a part of the Circular Business Academy.

All contained information is intended solely to destined parties: to attendees, aspiring partners and clients with the best intention to encourage engagement and collaboration.

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# Challenging questions

- How does the transition to the circular economy contribute to the overall societal crisis of climate and resources?
- **Why there are not more successful circular transformations?**
- What can we do about it?
- How? And why the CBA?



# What is the circular economy?



*"Looking beyond the current "take, make and dispose" extractive industrial model, the circular economy is restorative and regenerative by design.*

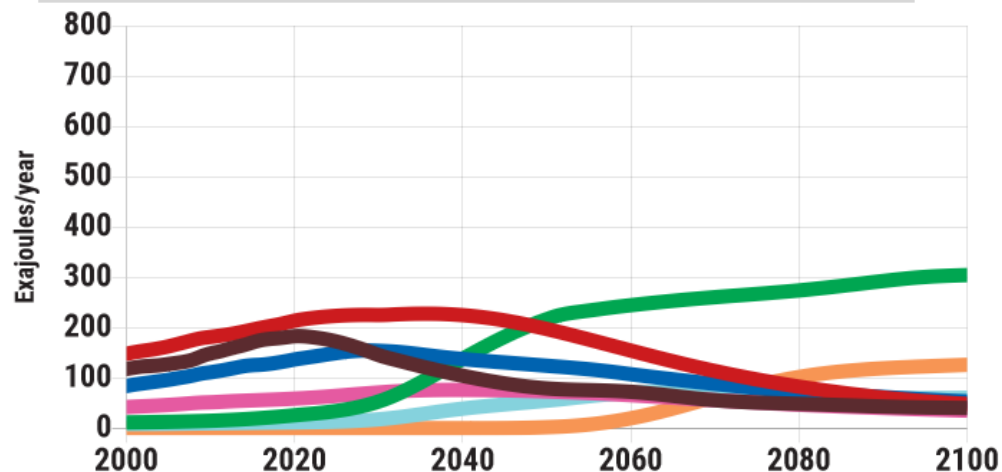
*Relying on system-wide innovation, it aims to redefine products and services to design waste out, while minimising negative impacts. Underpinned by a transition to renewable energy sources, the circular model builds economic, natural and social capital."*

***Ellen MacArthur Foundation***

Source: <https://www.ellenmacarthurfoundation.org/circular-economy>



## Global Sources of Primary Energy



COAL

OIL

GAS

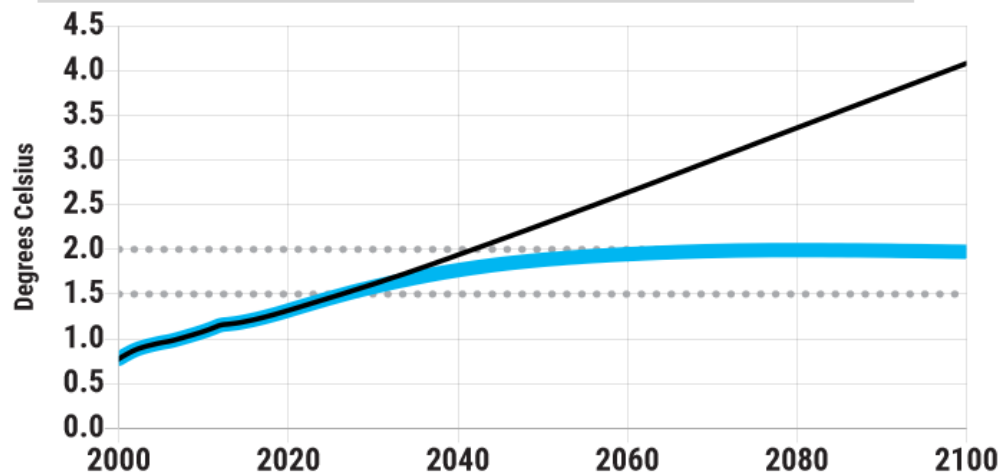
RENEWABLES

BIOENERGY

NUCLEAR

NEW TECH

## Temperature Change



+2.0°C

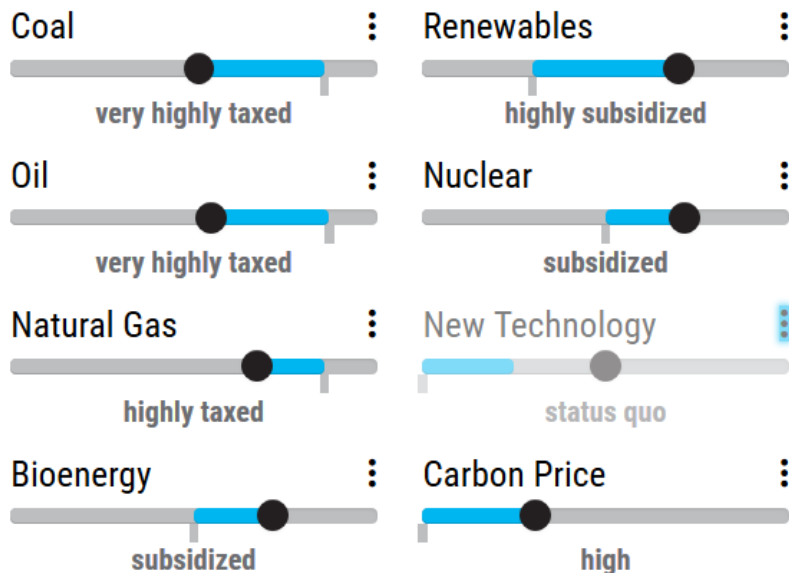
+3.5°F

Temperature Increase by 2100

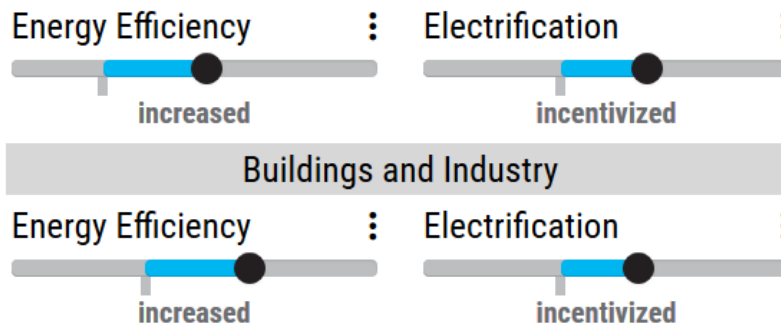
BUSINESS AS USUAL

CURRENT SCENARIO

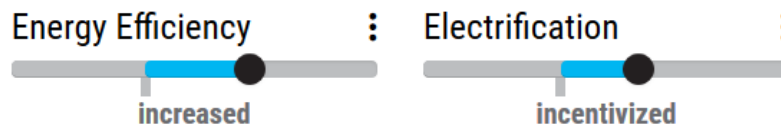
## Energy Supply



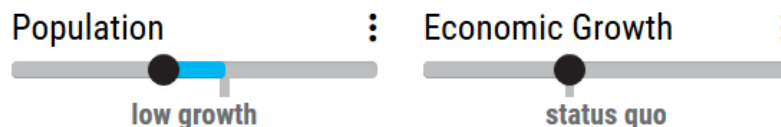
## Transport



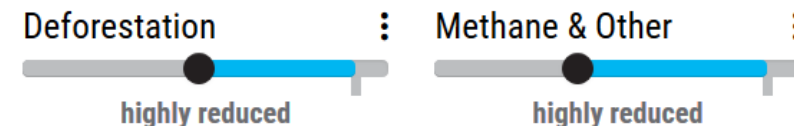
## Buildings and Industry



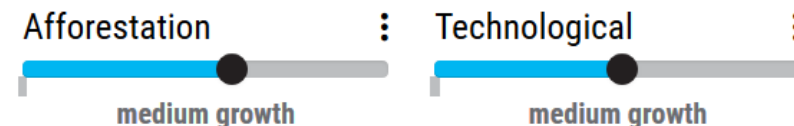
## Growth



## Land and Industry Emissions



## Carbon Removal



CLIMATE INTERACTIVE

MIT MANAGEMENT Sustainability Initiative



CATASTROPHES - - WARS - - THE CIRCULAR TRANSITION?

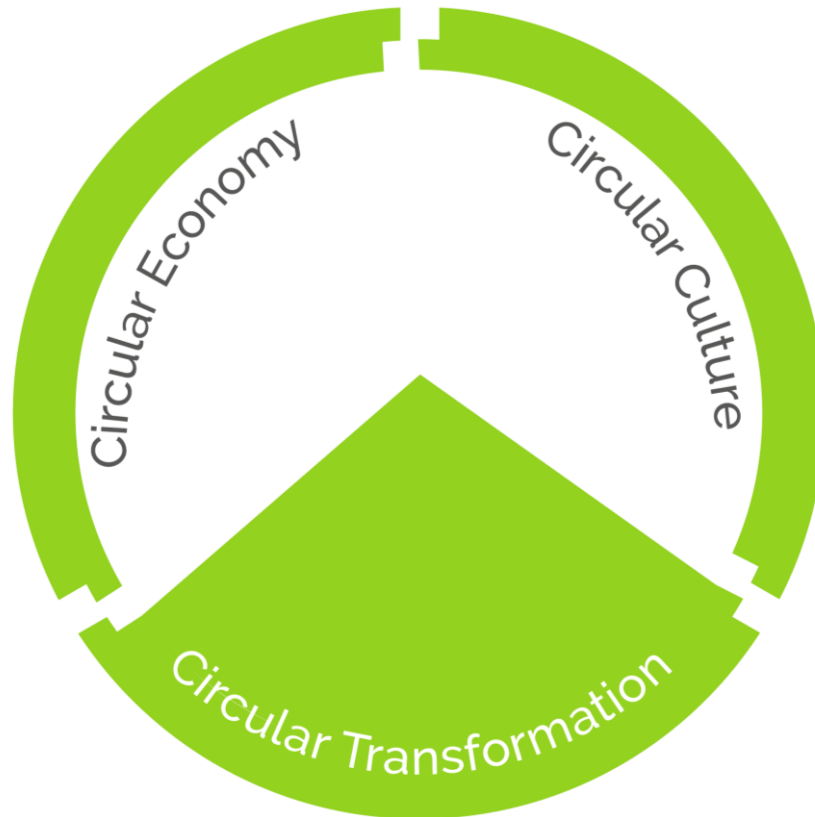




# After Davos 2020 we know: the World is getting less and less circular..!

Why?

The Circular Triangle depicting the three dimensions of the circular transition



**Circular transition: an evolutionary process**

- A multi-level economy- business- and societal (cultural) transformation

**Innovation** is imperative: it is embedded into the sustainability mindset:

- Absolute limitations of resources
- Rethinking of the business purpose

**End of growth as we know it:** absolute planetary boundaries come before wellbeing (welfare) and that comes before growth



# A half of the overall contribution to reduce the CO2 emissions should derive from the circular economy.



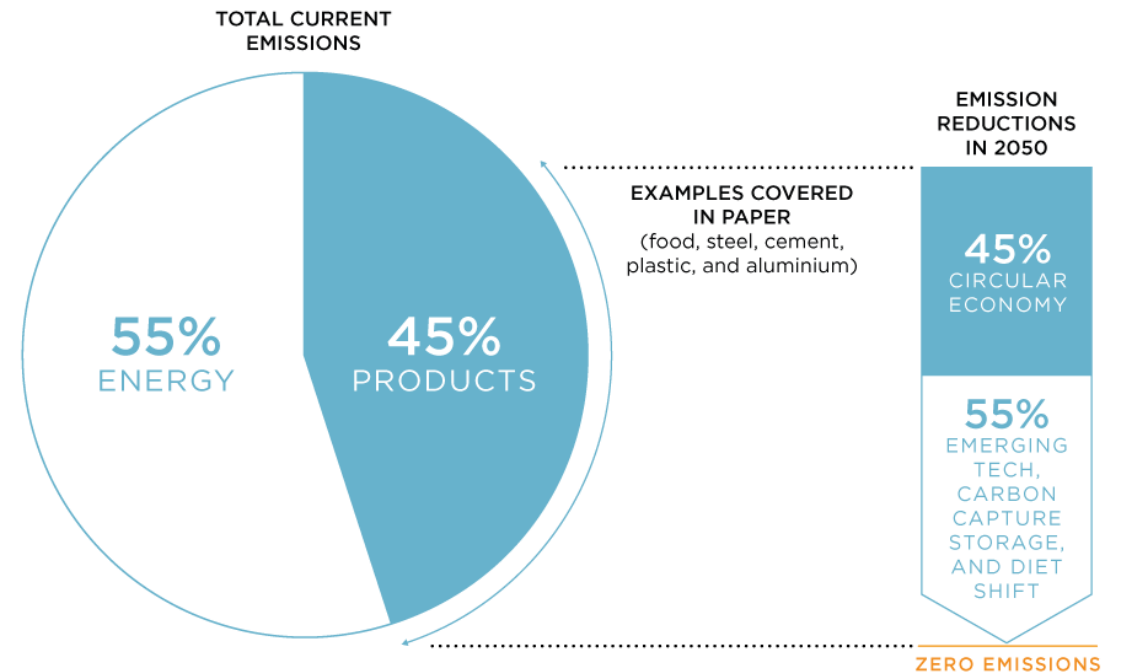
But the world in 2019 is only 9% circular.

The Circularity Gap Report 2019 finds that the global economy is only 9% circular: just 9% of the 92.8 billion tonnes of minerals, fossil fuels, metals and biomass that enter the economy are re-used annually.

Climate change and material use are closely linked. Circle Economy calculates that 62% of global greenhouse gas emissions (excluding those from land use and forestry) are released during the extraction, processing and manufacturing of goods to serve society's needs; only 38% are emitted in the delivery and use of products and services.

Yet global use of materials is accelerating. It has more than tripled since 1970 and could double again by 2050 without action, according to the UN International Resource Panel. Circle Economy's CEO, Harald Friedl, said: "A 1.5 degree world can only be a circular world. Recycling, greater resource efficiency and circular business models offer huge scope to reduce emissions. A systemic approach to applying these strategies would tip the balance in the battle against global warming.

## COMPLETING THE PICTURE: TACKLING THE OVERLOOKED EMISSIONS



Underpinned by a transition towards renewable energy, a circular economy can help tackle the overlooked 45% of emissions by transforming the way goods are made and used.



# The 2020 Circularity Gap Report shows further deterioration of the global level of circularity

**CGRI**

[About](#) [Global](#) [Countries](#) [Data Alliance](#) [Methodology](#) [Contact us](#)

## The world is now 8.6% circular.

Explore how countries can close the global circularity gap.

↓ scroll to start

Skip

## What to do?

The world is  
**9% circular**  
our global engine is stuck in reverse

Our world is only 9% circular and the trend is negative. The circularity gap is not closing. In 12 months since the launch of the first Circularity Gap Report, the upward trend in resource extraction and greenhouse gas emissions has continued and key indicators confirm that the problems of a linear economy are 'baked in' to the global economy and we are heading in the wrong direction.

On 22 January 2019, Circle Economy launches the second annual Circularity Gap Report in Davos during the World Economic Forum Annual Meeting. In the report, Circle Economy positions the circular economy as a tool for the paradigm shift we so desperately need. It offers the prospect of a global economy which is regenerative and abundant.

EXPLORE KEY TOPICS:

Built  
Environment

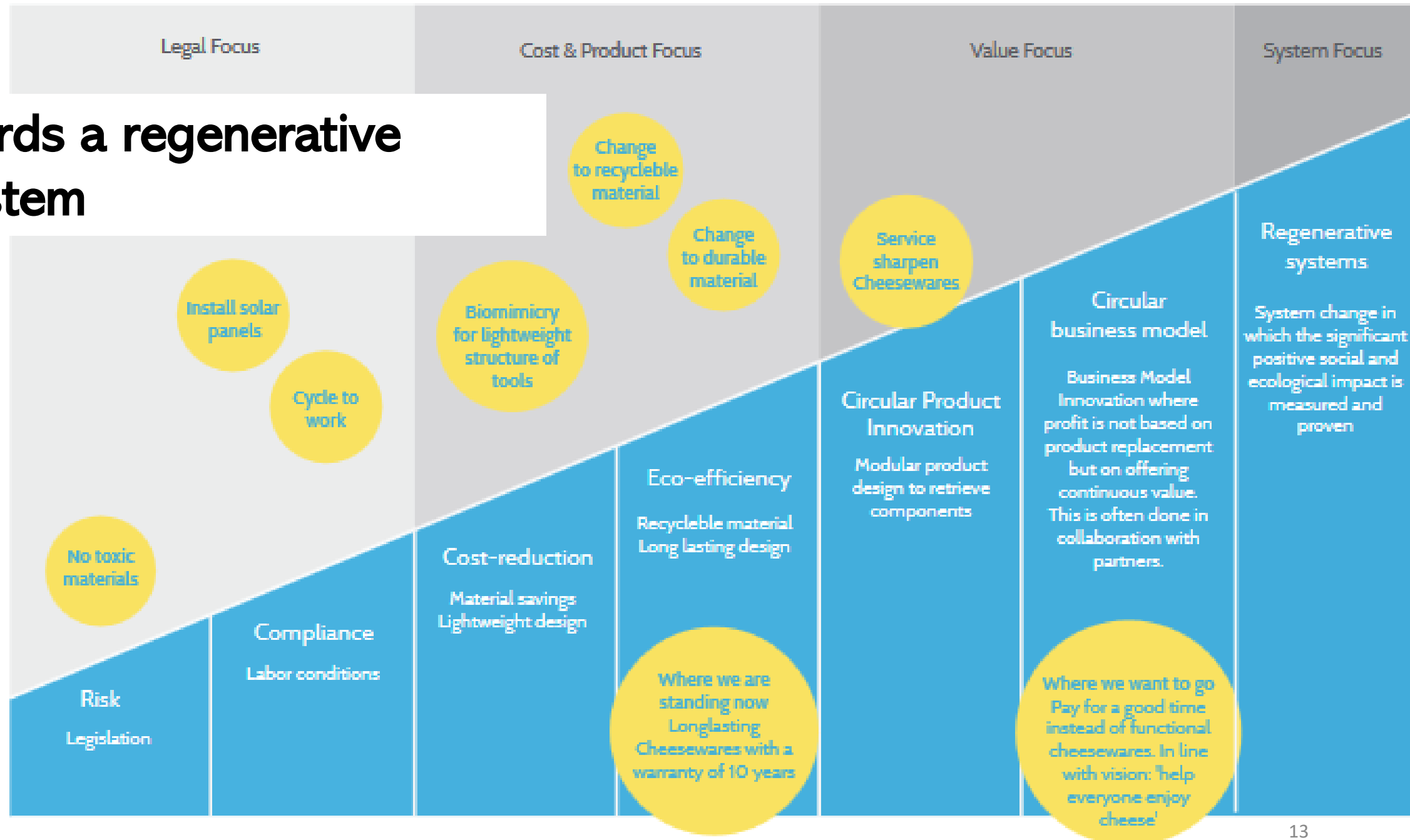
Climate  
Breakdown

Capital  
Equipment

Metrics  
Matter

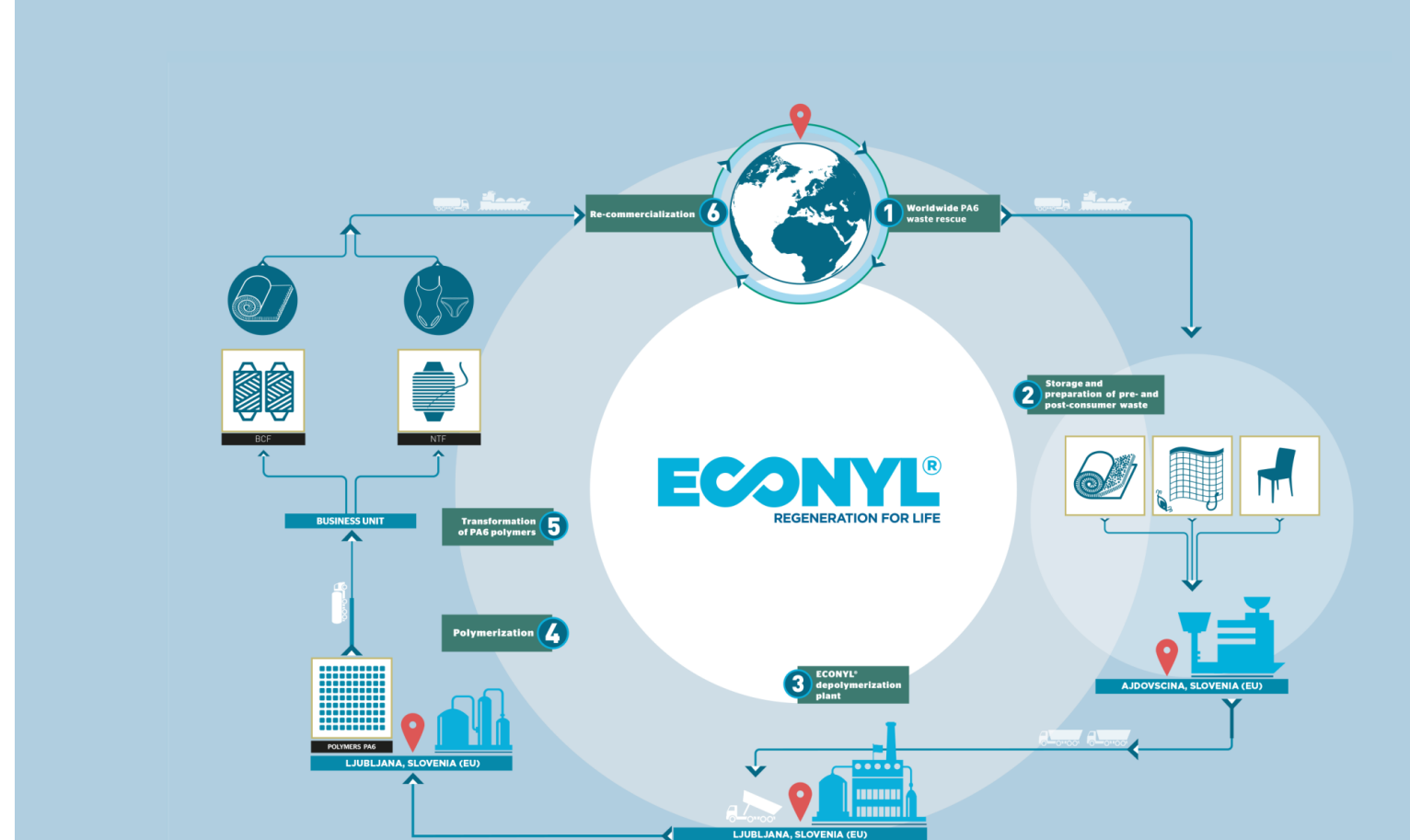
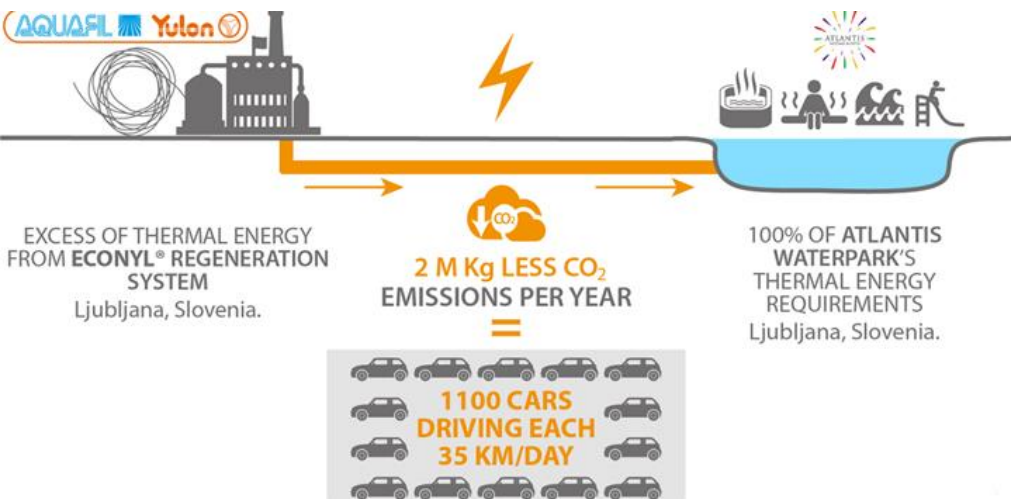


# Towards a regenerative ecosystem



Source:  
Innoboost,  
TU Delft





**We are looking for more circular frontrunners like Aquafil...!**





Tailored professional training programmes, enabling **entrepreneurs, managers and policy-makers** to embrace circular business model innovation.





# Here is why the CBA

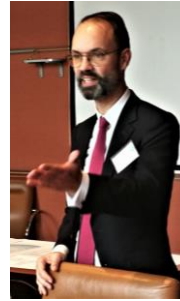
- Assist managers to **master business transformations of from linear to circular**;
- Offer support to entrepreneurs in the **development of circular businesses** and seize their circular potential;
- Develop **competencies and skills** needed to embrace circular business models and support implementation;
- **Facilitate investment decisions** into sustainable business and facilitate financing of sustainable projects;
- **Promote best practices and develop learning tools.**





# Formats

- CIRCULAR OPPORTUNITY DAYS
- FULL-TRACK CBA
- IN-COMPANY INITIATION PROGRAMMES
- ADVISORY AND MENTORSHIP
- CIRCULAR SCALEUP MODULE (INVESTMENT READINESS)
- FINANCING FACILITATION







# Clients and partnerships

## CLIENTS

Circular  
frontrunners

Programme  
partners



Aquafil



Iskraemeco



ICP (Pulp and paper institute)



...

## CIRCULAR NETWORKS

Innovation  
networks and  
associations

Media and  
Platforms

CB Investor  
Network



Renwable  
Matter



—  
Materia  
rinnovabile

Business  
Angels  
VC Funds  
Private Equity  
Banks



Tromba

CEC

...

## COMPETENCE PARTNERS







## 5. Circular expert practitioners

**We can do it together. Welcome to the initial class..!**

### **You will:**

Be **publicly promoted** as a selected expert on the CBA web site.

Commit to promote the Academy's programme, share knowledge and contribute to its development

Attend two seminars or programmes per year as an active "expert" (speaker, discussant, working group leaders or facilitator or as a mentor.

Undertake other expert roles at your own initiative:

- Develop research survey
- Propose, prepare and implement your own **formats** and **case studies**

### **We will prepare update and support:**

- (1) competence guidelines
- (2) dedicated seminars and
- (3) knowledge exchange meetups

... to make our knowledge grow.

**First seminar to be scheduled for January 2020.**

**We will foster the network, commit to and maintain clear criteria to be a part of the Circular expert practitioners.**



# Being part of the CBA Expert practitioners

... is lead by enthusiasm, expertise, sense for the common good and curiosity.

There has to be fair business just as well.



## Acknowledgement of participation

Hereby I, \_\_\_\_\_, acknowledge to be a part of Circular Business Academy (in the following CBA) in the capacity of Circular Expert Practitioner.

In this role, I will provide my best efforts to contribute to the adoption of the sustainable development goals and to the transition to the circular economy.

To the extent possible to me, I will promote the intent and the spirit of the CBA and will responsibly interpret benefits of its practice.

I will engage in various programmes and services offered to CBA clients in line with individually agreed terms with Gm (CBA holder), be it as a lecturer, coach, mentor, representative of best practices or case studies relevant to the CBA or as a consultant in the field relevant to my professional competences and experience.

As the Circular Practitioner I therefore agree to respect the following:

- (1) help participants understand the opportunities arising from circular transition and its impact on a more sustainable social development;
- (2) promote the mission and activities of CBA as well as provide constructive proposals for constant improvement of CBA training programmes and formats;
- (3) implement to my best knowledge the responsibilities undertaken in the design and the implementation process of CBA, in which case, these are to be individually agreed).

I undertake this role of Circular Expert Practitioner for the term of at least two years starting from the date of signing this agreement.

Hereby I give my full consent to Gm (CBA holder), to keep me informed primarily through e-mail about the upcoming events and about my duties as the Circular Expert Practitioner.

I give my full consent to publish my name and photo on the CBA website ([www.circularbusiness.academy](http://www.circularbusiness.academy)) and CBA social media channels for educational, research and stakeholder engagement purposes.

Name and last name: \_\_\_\_\_

Date: \_\_\_\_\_

Signature: \_\_\_\_\_





## 5. CBA Investor Network

**Intended to support firms pursuing circular transformations and sustainable growth strategies across the EU with the focus on the Alpine and Adriatic-Ionian EU macro-regions.**

### Intended to:

Support growth of innovative startups and scaleups (SMEs and small caps) with a high growth potential and the capability to transit towards sustainable and circular economy business models, by thriving on the fundamental dynamics of the circular transformation

**Geographic focus:** EU, focus on the Alpine or Adriatic-Ionian EU macro-regions

### By:


- Target selection process of potential investees by
  - Screening
  - Sustainability evaluation
  - Circularity assessment
  - Advisory

... through the CBA programmes.

- Advising on active investment readiness and partnerships monitoring, challenging, supporting and supervising the invested companies
- Fund Raising







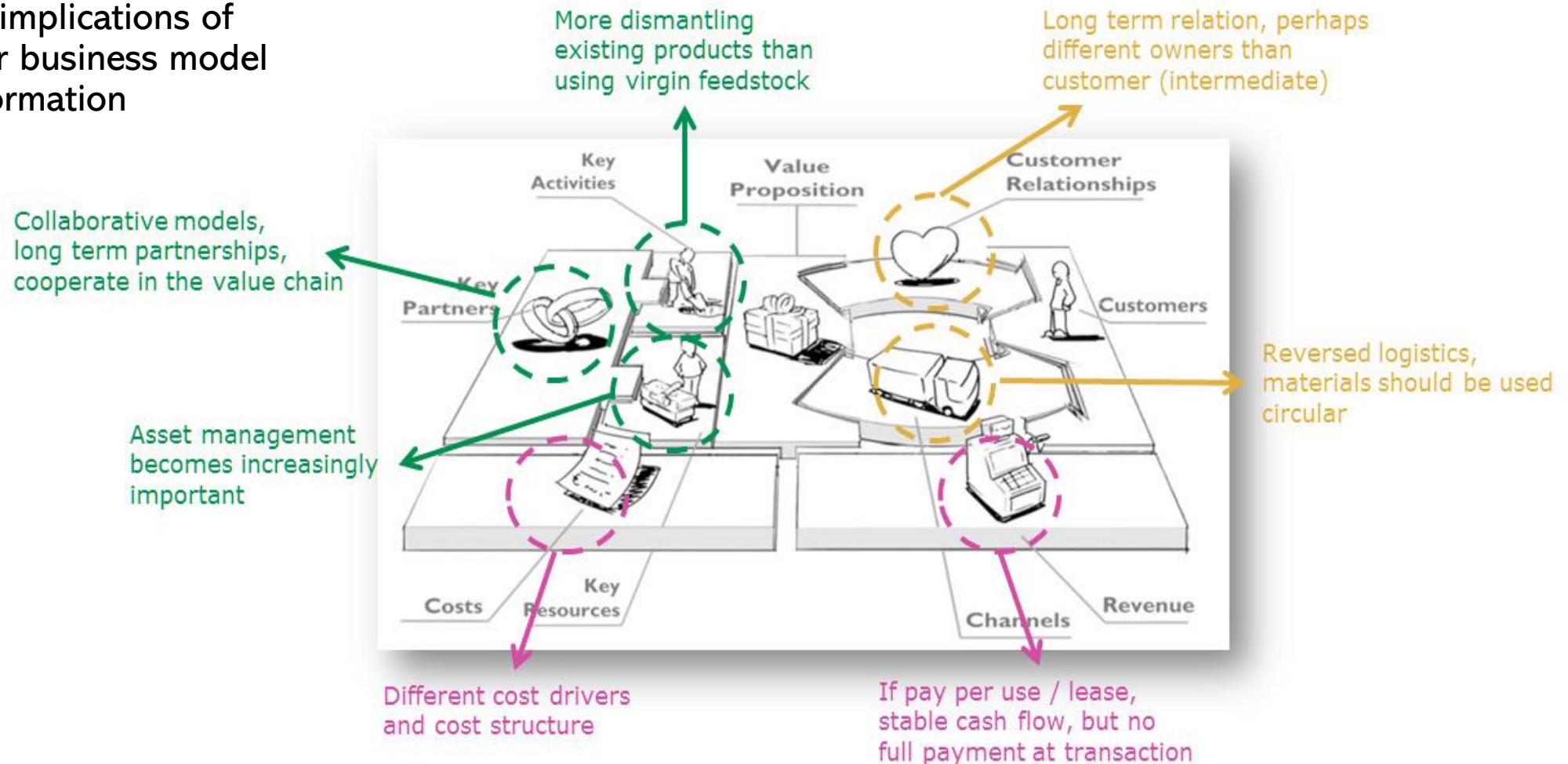
How can we support entrepreneurs, investors, facilitators and financial intermediaries to accelerate the circular transition and do good business?





# I. Focus on business models

## Seven implications of circular business model transformation



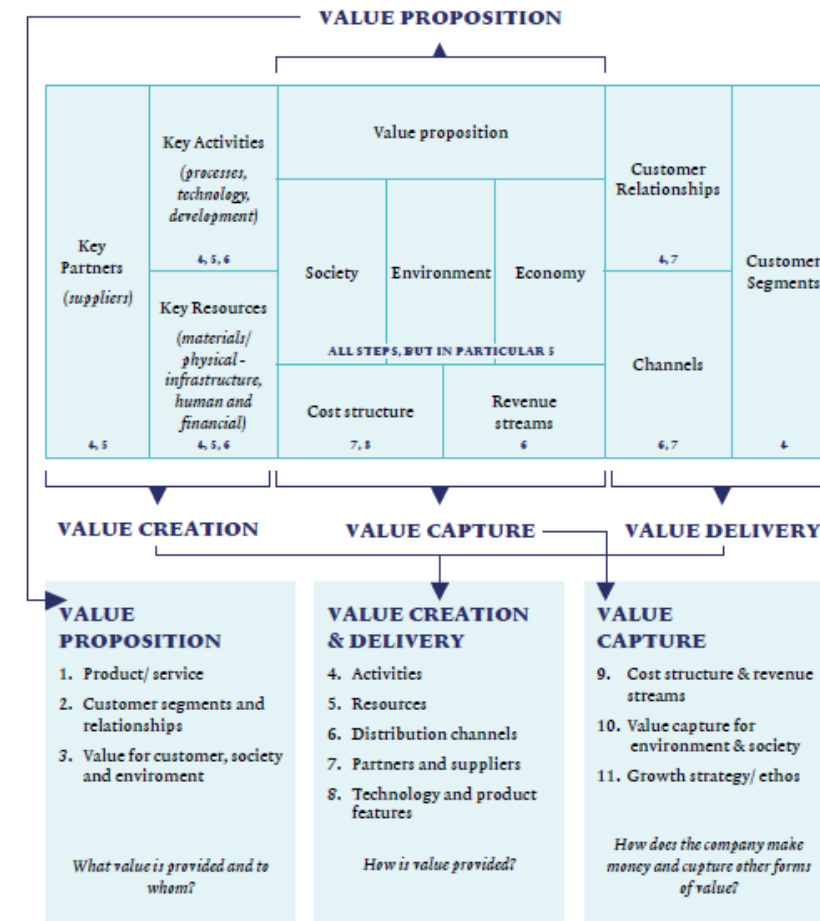


## II. Tools and methods



10-step circular transformation journey

Source: „Circular Business, Collaborate and Circulate, by Bocken, Kraaijenhagen, Van Oppen (2016)



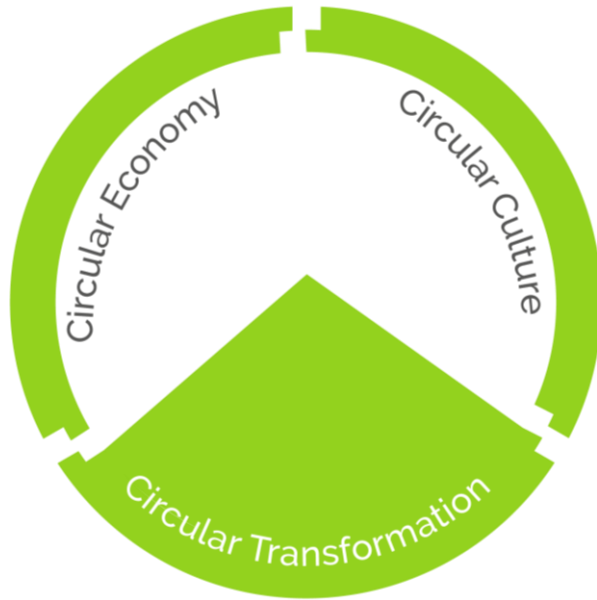
Adapted business model canvas

Figure 9.1 Conceptual sustainable business model framework.  
Source: Bocken and Short (2016), adapted from Richardson (2008) and Osterwalder and Pigneur (2005), Bocken et al. (2014) and Short et al. (2014)

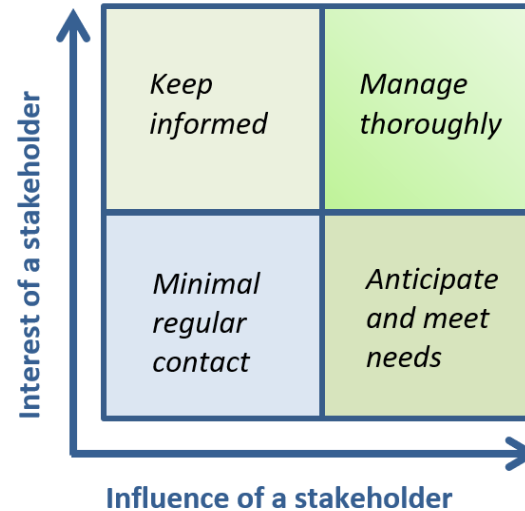




### III. Tools and methods: developing a regenerative system



The Circular Triangle



Stakeholder mapping grid



META Challenge-based innovation platform



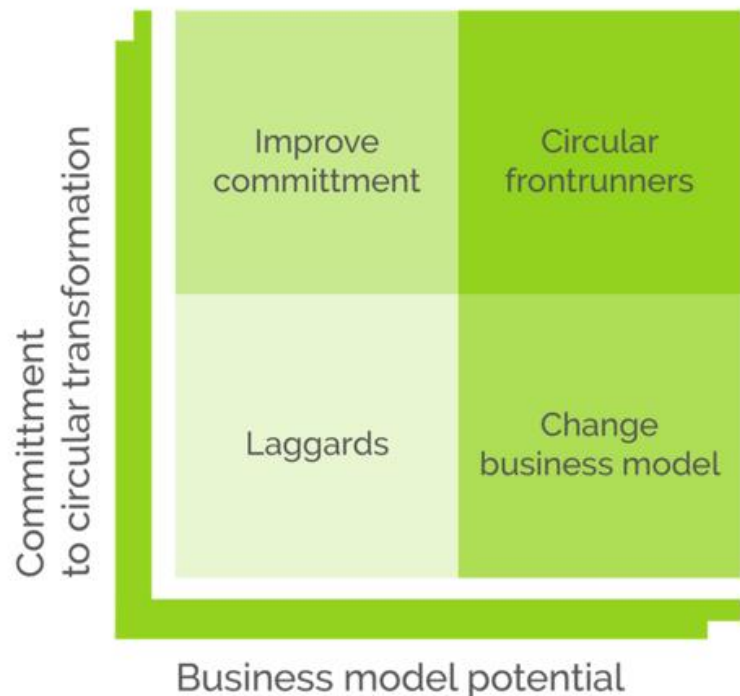
META PI Booster and Investment-readiness tools





## IV. Circularity Assessment Score

In order to evaluate the relationship between the circular transformation of a business model and the value creation in a firm, we have to understand the nature of the circular transformation and its impact on the economic value creation.



Engaged companies will receive an initial **CBA Circularity Assessment Score\*** and a possibility to continue monitoring their progress.

Circularity Assessment Score (CAS) is based on an in-company business review and a questionnaire survey. The survey enables to define the typology of the business transformation (profile gap), the type of the circular business model being pursued and the challenges ahead of the company.

[Click here to proceed to your Quick Circularity Assessment Score \(QuCAS\).](#)

We can assess the increase of the economic value with the improvement of the firms' profitability (multiple measures), competitiveness, level of internationalisation and the total factor productivity. However, to evaluate the degree of circularity, we the apply **Circularity assessment model**.

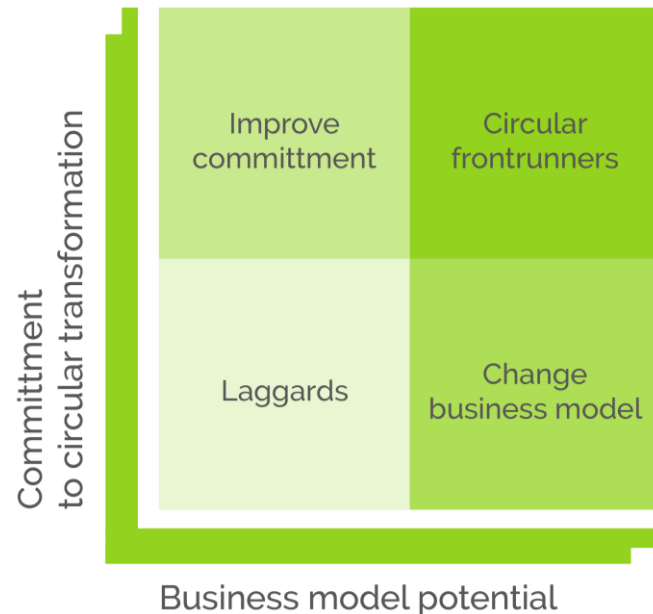
Unlike the economy as a whole, for a firm to be considered circular, that is, to practice a circular business model, it does not need to maximise its capability to recover and regenerate resources deployed within its own value-creating processes. **Circularity as a firm's strategic orientation, exercised through the functioning of an organisation according to circular business models, is manifested by a set of capabilities to contribute to the circular economy.**

*\*Circularity Assessment Score (CAS) is intellectual property of Gm.*





# Practical, universally representative measurement of the ability to closing, narrowing or slowing the loops



Circularity  
Assessment

Such ability is manifested by a consistent set of competencies, relations, organisational and management practices, aiming at such a desired effect.

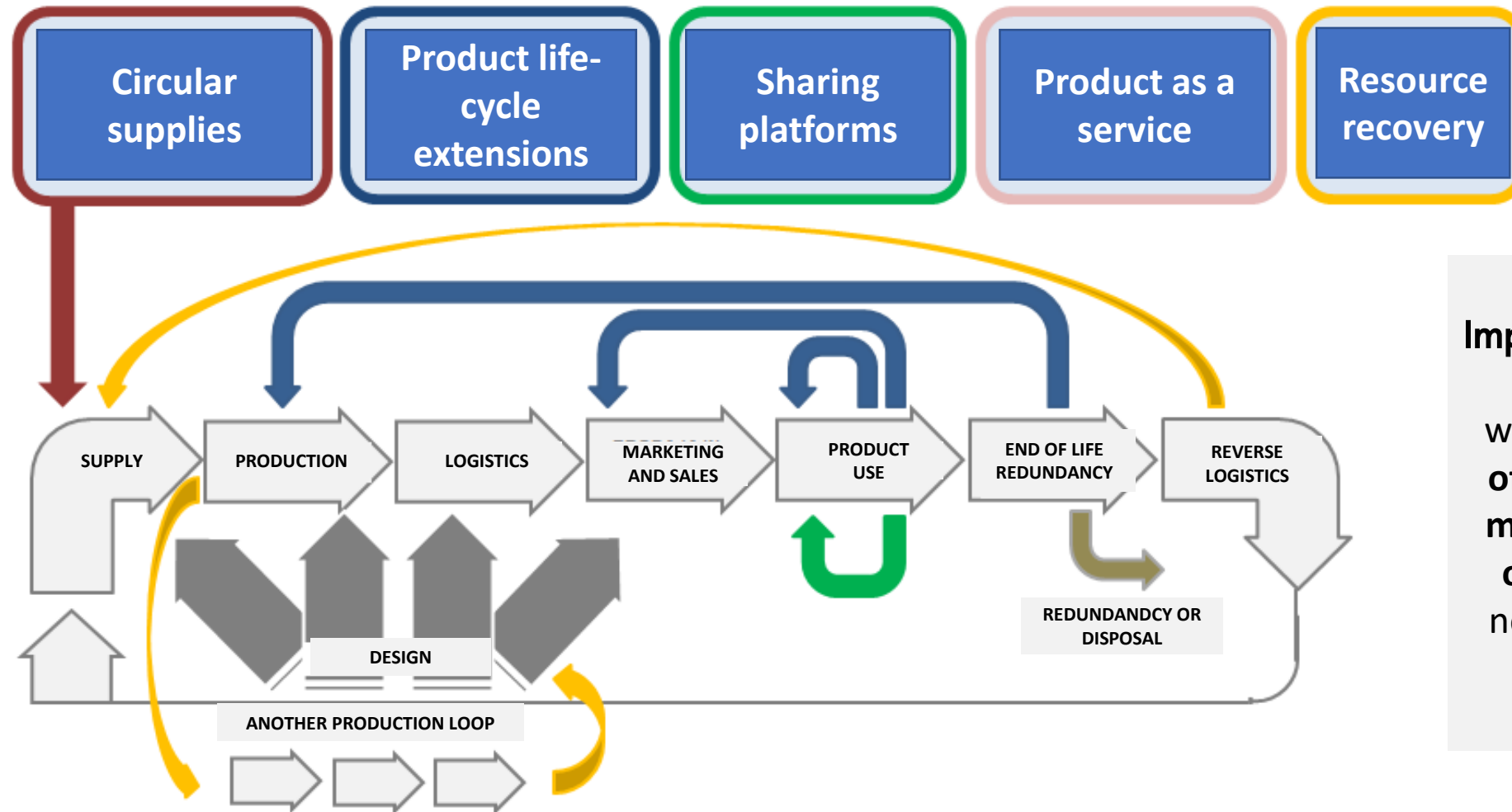
On one hand, these competencies and practices can be consistently **evaluated across the firm's value chain (circular potential)**, while on the other hand, their actual level depends on the **managerial abilities and overall organisational practices to seize the business model potential (commitment)**.

Here is why the Circularity assessment model figures as a useful measurement construct (or a tool) of the firm's circularity, considered its composite characteristic, represented by a score, which is a result of this measurement, **focused on the evaluation of a firm's business model**.





# Assessing the circularity potential along the value chain



## Important:

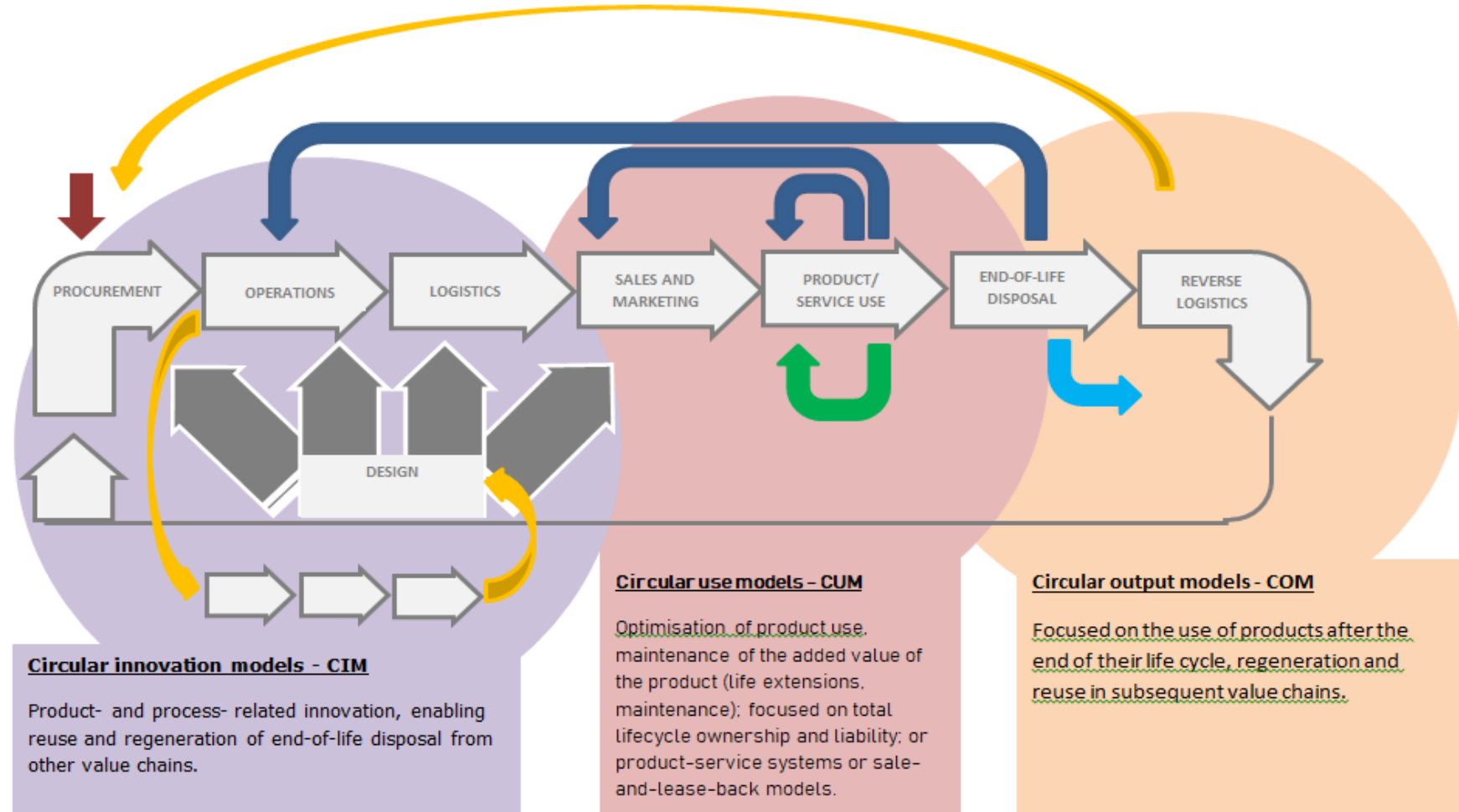
we assess the **potential of the current business model along the stages of the value chain** and not the current state of affairs...!





# Understanding the typology of linear and circular risks in a circular transformation process

Five generic business models and three financing profiles in a value chain







# Commitment to the circular transformation

## Five components:

1. Clear circular **objectives** set and agreed in the **planning process** (yearly, strategic...)
2. **People** dedicated to the circular transformation with clear **accountability and award system** for knowledge acquisition, competences development, transformation activities, pilot projects ...
3. **Organisation** adapted to reach set objectives in its **structure** („pancakes“ instead of pyramids“) and **capabilities**, particularly the one of **collaboration**
4. **Finances** (budget) allocated
5. **Activities** monitored and reported

Degree of seniority: project / department /division / corporation / supervisory board.....



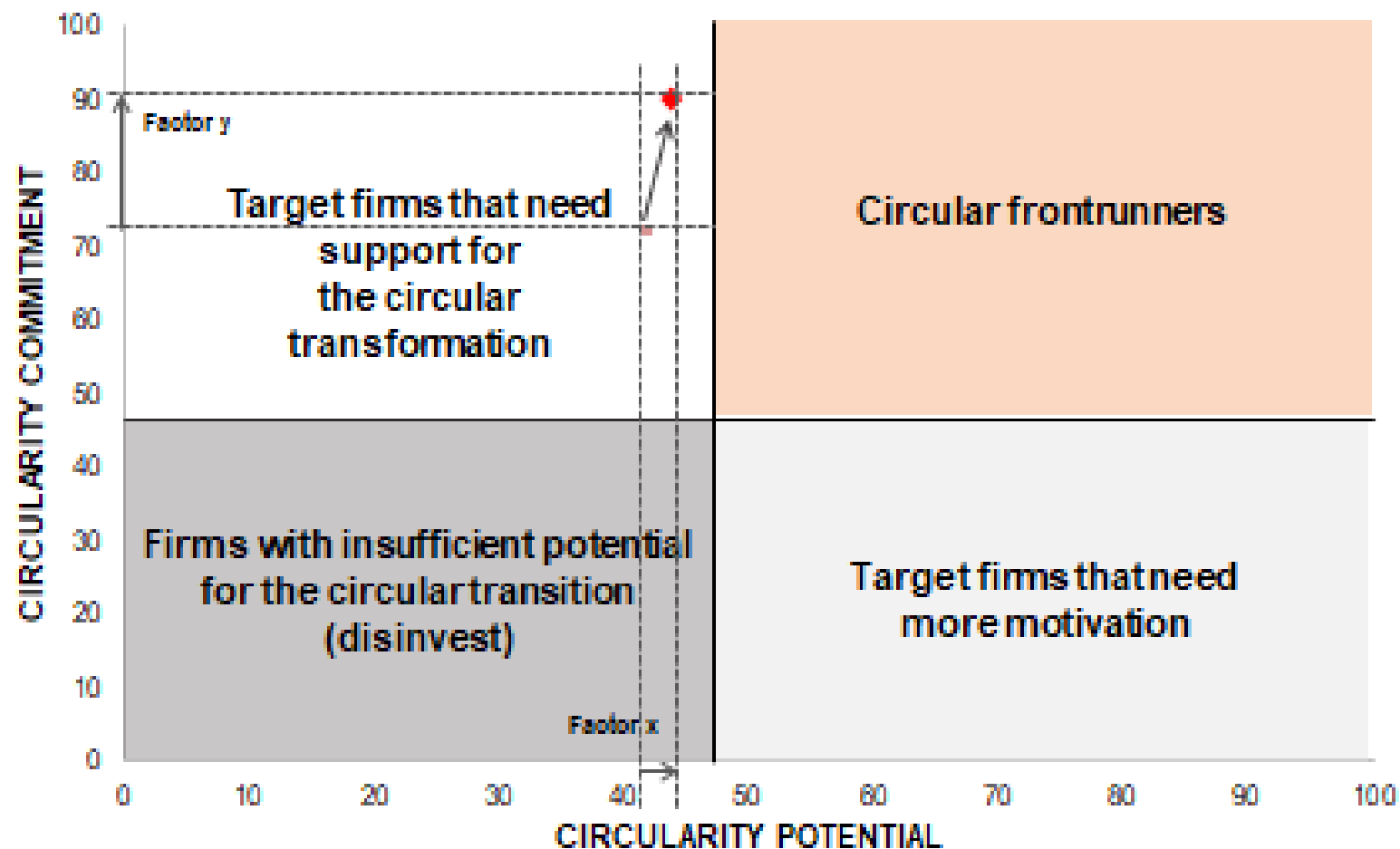


# Circularity assessment matrix of a hypothetical example as deployed at SID banka



„The industry of today and tomorrow aim to connect all production means to enable their interaction in real time. Factories 4.0 make communication among the different players and connected objects in a production line possible thanks to technology such as Cloud, Big Data Analytics and the Industrial Internet of Things.“

An example deriving from the current model developed for - and in use at – SID banka





# Report

Example:  
Valtex, d. o. o.



CIRCULAR  
BUSINESS  
ACADEMY

**QuCAS Report**

Company: Valtex

Country: Slovenia

Appraiser's name and surname: Niko Kumar

Circular Assessment Score

Circular business model potential:	40,2 out of 50
Commitment to the circular transformation:	37,5 out of 50
<b>Total QuCAS :</b>	<b>77,7 out of 100</b>

Your company is advanced in circular transformation.

According to the QuCAS score it is characterised as a Circular Frontrunner. Your organisation's business model demonstrates high potential and at the same time there has been a significant commitment given to the accomplishment of the circular transformation objectives.

QuCAS Map



Comment

Your company's circular model potential and the organisation's commitment justify substantial focus and investment in the implementation of its circular business model and demonstrates low circular risk.

Thank you for your participation at the Quick Circular Assessment.

Yours sincerely,



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All collected information is kept confidential and is used only for research and academic purposes. You are the only recipient of your company QuCAS Report.

In case you would like to provide us with any additional feedback or ask any more specific questions, please, do not hesitate to write an e-mail to: [info@circularbusinessacademy](mailto:info@circularbusinessacademy).





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Let's get to know  
the QuCAS...!

... by the use of  
your computer,  
phone or on paper.



*Tailored professional training programmes,  
enabling entrepreneurs, managers and policy-  
makers to embrace circular business model  
innovation*

**Register now**  
Opportunity days – Dnevi  
priložnosti:  
"The Challenges of Circular  
Transformation"  
Ljubljana, 8. November 2019

[www.circularbusiness.academy](http://www.circularbusiness.academy)