Overview of Circularity Assessment Tools

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What are most circularity assessment tools for?

- Introduction to the circular economy
- Familiarisation with the key elements of circularity
- Analysis of status quo
- Presentation of opportunities
- Basis for further targeted recommendations
- Potential basis for future company targets (especially more advanced tools)
Measuring or assessing circularity?

<table>
<thead>
<tr>
<th>MEASURING</th>
<th>ASSESSING</th>
</tr>
</thead>
<tbody>
<tr>
<td>‘Determining how big, how long or how wide something is.’</td>
<td>‘Having an opinion about something.’</td>
</tr>
<tr>
<td>Quantitative</td>
<td>Qualitative</td>
</tr>
<tr>
<td>Clear yardstick</td>
<td>Judgement-based, no clear yardstick</td>
</tr>
<tr>
<td>Objective</td>
<td>Partly subjective</td>
</tr>
</tbody>
</table>

An overview of circularity assessments (non-exhaustive)

- Greencycle Questionnaire of Best CE Practices
- Circularity Check
- Circulytics
- Circular Economy Toolkit
- Readiness Assessment Tool for the Circular Economy of MATChE
- Circular IQ
An overview of circularity assessments (non-exhaustive)

- Circular Economy Standard (Intesa Sanpaolo)
- ING
- European Investment Bank
- Circularity Assessment Score (CAS)
- Related assessments:
  - Resource efficiency (e.g. Self-Assessment Tool by EREK)
  - Life cycle assessments (e.g. Fraunhofer Institute)
  - Sustainability assessments
  - Environmental assessments
  - ESG score
  - For specific industries
Greencycle Questionnaire of Best CE Practices

- Identification of existing local CE practices
- Practice must fall in at least one of the following categories: circular product design & innovation; product reuse, repair & remanufacturing; innovative business models; materials substitution; effective supply chain & cross-sectoral collaboration; reuse of waste, heat & energy
- Minimum criteria to initiate assessment: effectiveness; efficiency; relevance; sustainability; possibility of duplication; involvement of partnerships; community involvement; political commitment

**DOCUMENTING BEST CE PRACTICES**

When the validation process is over and all of the above obligatory criteria for the best CE practice are met, a practice can be documented. The documentation of the practice consists out of basic descriptions and other relevant information that clearly presents a practice as the best CE practice (Table 3).
Greencycle Questionnaire of Best CE Practices (2)

• Documentation:
  • Context: the problem, how the practice affects the region, benefits
  • Implementation: what are the actions, who are the implementers
  • Results
  • Lessons learned: what works, what doesn’t, why?
  • Conclusions: wider benefits & recommendations

➢ Relevance:
  ➢ Identifying best CE practices in the region can serve as an inspiration
  ➢ Identifying circular frontrunners, i.e. the implementers, can help building a CE network
  ➢ Lessons learned are valuable information to newcomers
Circularity Check

Test company #2 Circular Future: 38 %
Circularity Check (2)
Circulytics

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Indicators: 18 (each company is assessed using 4-15 indicators out of 18, depending on industry and type of business)

Themes:
- Products & Materials
- Services
- PPE Assets
- Water
- Energy
- Finance

Categories:
- Strategy and planning
- People and skills
- Innovation
- Operations
- External engagement

Overall Score

How is the score calculated?
Companies are measured using a sum of weighted indicator scores resulting in an overall grade from A to E. The score card will provide tailored insights by theme.
Circular Economy Toolkit
Readiness Assessment Tool for the Circular Economy of MATChE

- Readiness assessment along 8 key dimensions:
  - Organisation: internal business capabilities, change management knowledge and skills
  - Strategy and business model innovation
  - Product and service innovation
  - Manufacturing and value chain
  - Use, share and data
  - Support and maintenance
  - Take-back and end-of-use
  - Policy and market
• Results:
  • Readiness profile
  • Internal benchmarking: which parts of the company are doing better
  • External benchmarking: comparison with other anonymous companies
<table>
<thead>
<tr>
<th>Circular IQ</th>
<th>Product Circularity Bicycle</th>
</tr>
</thead>
<tbody>
<tr>
<td>3 Materials</td>
<td>3.00 Weight of materials</td>
</tr>
<tr>
<td></td>
<td>15% of product weight listed</td>
</tr>
</tbody>
</table>
Circularity Assessment Score (CAS)
Circular Economy Standard by Intesa Sanpaolo

The Circular Economy Standard - The score

The CE Standard assesses the current company circularity level and its willingness to invest in circular initiatives.

Scoring Model of CE Standard ISP

- Companies to support in the shift towards CE
- Circular Champions
- Propensity to invest in CE
- Target of corporates to be motivated

The image shows a matrix with axes for Propensity to Invest in CE and Circularity, with quadrants indicating different levels of circularity and investment propensities.
## Comparison of tools

<table>
<thead>
<tr>
<th>Tool</th>
<th>Author / publisher</th>
<th>Aim</th>
<th>Focus</th>
<th>Pros</th>
<th>Cons</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greencycle</td>
<td>Interreg Alpine Space</td>
<td>For regions to identify circular frontrunners, but could also help SMEs</td>
<td>Best practices</td>
<td>Serves as a first idea and overview of circular practices, no detailed information needed</td>
<td>No graphs or visuals as a result, very general</td>
</tr>
<tr>
<td>Circularity Check</td>
<td>Ecopreneur, MVO Nederland, WeSustain</td>
<td>For SMEs, as well as bigger companies, investors, procurement officers, subsidy scheme officers to assess the circularity of the company’s products</td>
<td>Products and services (life cycle approach), strategic, systemic</td>
<td>Good simple overview with five indicators that can be examined in detail</td>
<td>Extensive questionnaire (60 questions)</td>
</tr>
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## Comparison of tools (2)

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<tr>
<td>Circulytics</td>
<td>Ellen MacArthur Foundation</td>
<td>Supports a company’s transition towards the CE, aimed towards bigger companies</td>
<td>Company level, entire operations</td>
<td>Simple structure, but detailed information, access to a vast amount of resources supporting the tool, such as videos</td>
<td>Big effort to fill in this extensive questionnaire, some questions are very relative and hard to answer</td>
</tr>
<tr>
<td>CE Toolkit</td>
<td>Circular Economy Toolkit</td>
<td>For companies to understand opportunities in the CE</td>
<td>Products and services</td>
<td>Includes an introduction and case studies</td>
<td>Doesn’t consider difficulties in tackling change, doesn’t consider the customer</td>
</tr>
<tr>
<td>MATChE, C-Voucher</td>
<td>MATChE, C-Voucher</td>
<td>For companies to understand their CE and internal readiness to change</td>
<td>8 dimensions (see slides)</td>
<td>Readiness profile (including capabilities) and recommendations</td>
<td>Time-consuming and rather complex, no overall score</td>
</tr>
</tbody>
</table>
## Comparison of tools (3)

<table>
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</tr>
</thead>
<tbody>
<tr>
<td>Circular IQ</td>
<td>Circular IQ, European Commission, powered by KPMG, Circle Economy and MVO NL</td>
<td>For companies to understand circularity in their supply chain</td>
<td>Products, materials</td>
<td>Detailed analysis of products including the supply chain</td>
<td>Does not include other aspects of circularity in the company, not suited for services</td>
</tr>
<tr>
<td>Circularity Assessment Score (CAS)</td>
<td>Giacomelli media, Circular Business Academy</td>
<td>For SMEs and larger companies, as well as for banks and investors</td>
<td>Business model</td>
<td>Result is simple and easy to understand (matrix), concise questionnaire</td>
<td>Difficult to perceive potential of business potential</td>
</tr>
</tbody>
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Comparison of tools (4)

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</tr>
</thead>
<tbody>
<tr>
<td>Self-Assessment Tool</td>
<td>EREK</td>
<td>For SMEs to explore the CE and understand their status quo</td>
<td>Resource efficiency (mostly energy) in daily operations</td>
<td>Visualisation, entertaining, no need to finish in one session</td>
<td>No connection to the product / service the company offers, in-depth knowledge of resource use needed</td>
</tr>
</tbody>
</table>
Conclusions

- Target of most assessments:
  - SMEs
  - No or little experience in CE, but interest

- Focus of most assessments:
  - Products (life cycle) and services

- Struggle between many complex questions to provide in-depth report and user friendliness to make it accessible for SMEs without CE experience

- Measurement vs. assessment

- All tools need more submissions to improve and increase their relevance
Relevant links

- https://ecopreneur.eu/circularity-check-landing-page/
- https://ellenmacarthurfoundation.wufoo.com/forms/circulytics-application/
- http://circulareconomytoolkit.org/Assessmenttool.html
- https://c-voucher.com/circularity-marketplace/online-tools/
- https://www.resourceefficient.eu/tools#/?image=demo
- https://www.circularbusiness.academy/circularity-assessment-score/