


Circular Business Models

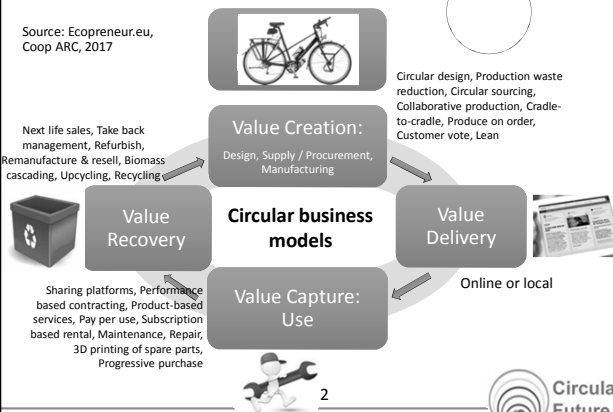
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New Business Models, Brussels, 16 May 2017



26 circular business models in 4 phases

Source: Ecopreneur.eu, Coop ARC, 2017



Value Creation:
Design, Supply / Procurement, Manufacturing

Value Delivery:
Online or local

Value Capture: Use


Value Recovery

Next life sales, Take back management, Refurbish, Remanufacture & resell, Biomass cascading, Upcycling, Recycling

Circular design, Production waste reduction, Circular sourcing, Collaborative production, Cradle-to-cradle, Produce on order, Customer vote, Lean

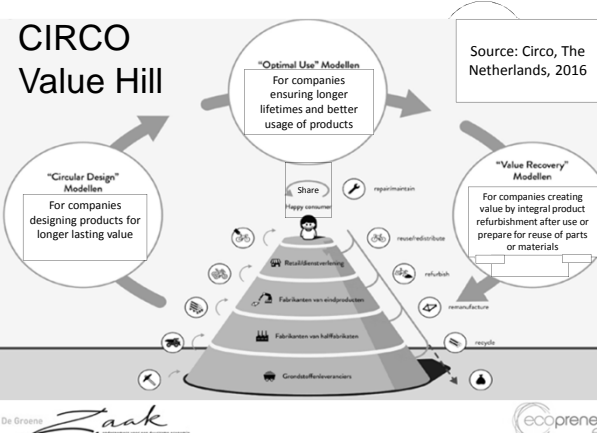
Sharing platforms, Performance based contracting, Product-based services, Pay per use, Subscription based rental, Maintenance, Repair, 3D printing of spare parts, Progressive purchase

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CIRCO Value Hill

Source: Circo, The Netherlands, 2016




"Circular Design" Modellen
For companies designing products for longer lasting value

"Optimal Use" Modellen
For companies ensuring longer lifetimes and better usage of products

"Value Recovery" Modellen
For companies creating value by integral product refurbishment after use or prepare for reuse of parts or materials

Share, Repair, Reuse, Recycle, Refurbish, Remanufacture, Recycle, Reuse, Repair, Share


De Groene Zaak




Advantages of circular business models

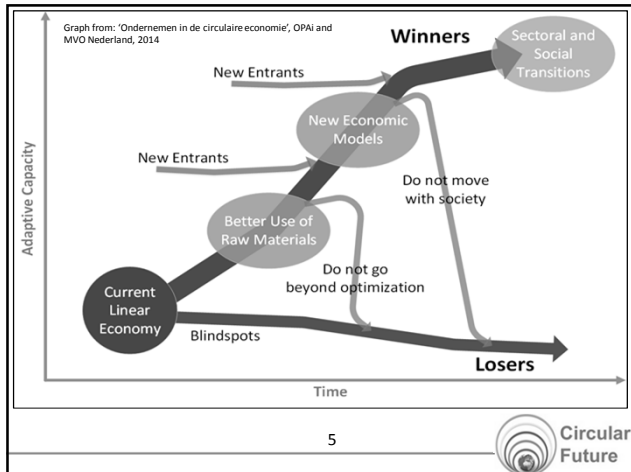
- More turnover
- More value
- Less risks
- Cost reduction
- Innovation and competitive advantage
- Customer loyalty and feedback
- Beneficial partnerships throughout the value cycle
- Excellent and motivated employees

Source: Coop ARC/Rabobank, 2017



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Opportunities for European Economy

- CE could make 3 million jobs by 2030
- Up to 600 billion Euro could be saved per year in EU
- CE can lead to resource resilience by saving resources and leave them in their natural base
- CE leads to waste reduction and reduced environmental impact


Sources: European Commission, the Ellen MacArthur Foundation (EMF), WRAP and Accenture




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Examples Value Creation models




THE LEADING FLOORING CORPORATION




Circular design
Production waste reduction
Circular sourcing
Collaborative production
Cradle-to-cradle
Produce on order
Customer vote
Lean







WERNER & MERTZ



with focus on the green transition




TECNOLOGIA RIGIDIMATICA




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Examples Delivery models: Online or local





tomorrow today

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Examples Use models

RICOH



Sharing platforms
Performance based contracting
Product-based services
Pay per use
Subscription based rental
Maintenance
Repair
3D printing of spare parts
Progressive purchase

FLOOWE
world's reset button



PHILIPS Lighting



MUD JEANS



peerby

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Examples Recovery models

ebay

Dutch SPIRIT

Next life sales
Take back management
Refurbish
Remanufacture & resell
Biomass cascading
Upcycling
Recycling



REPURPOSE

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Main barriers to doing circular business

1. Lack of demand pull for circular products and services, especially from public procurement
2. Lack of transparency through the value chain



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Main asks for strong Circular Economy policies

Market pull measures & design requirements needed to drive innovation towards circular products and services:

1. Circular Public Procurement: massive training program
2. Clear price incentives for producers and consumers to foster circularity by Extended Producer Responsibility (EPR), tax shift and VAT
 - including incentives for e.g. the uptake of secondary raw materials and for Best Available Solutions per product group
3. Minimum requirements for circular design of all (end) products in the Ecodesign directive

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INNOVATIE EN DE DUIDELIJKE TOEKOMST



THANK YOU FOR YOUR ATTENTION

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