


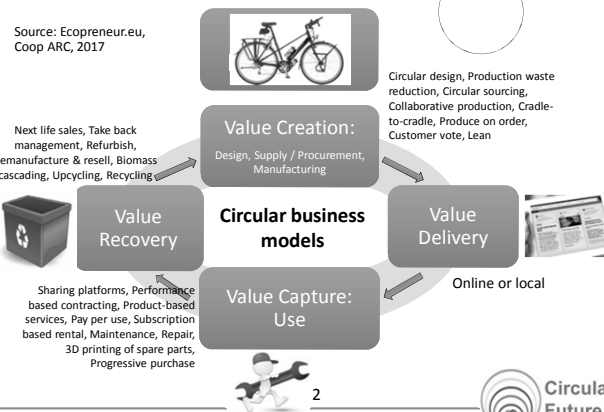
Circular Business Models

Arthur ten Wolde
Head of Circular Future
Presentation for EESC Meeting on
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

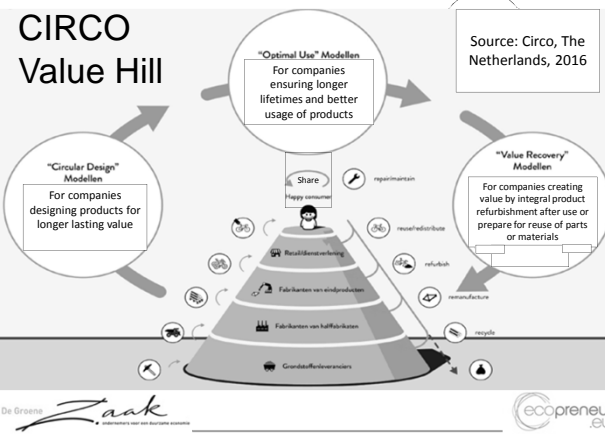
Circular design, Production waste reduction, Circular sourcing, Collaborative production, Cradle-to-cradle, Produce on order, Customer vote, Lean

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



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, regiermarkt, reuse/vervalsing, refurbish, remanufacture, reuse

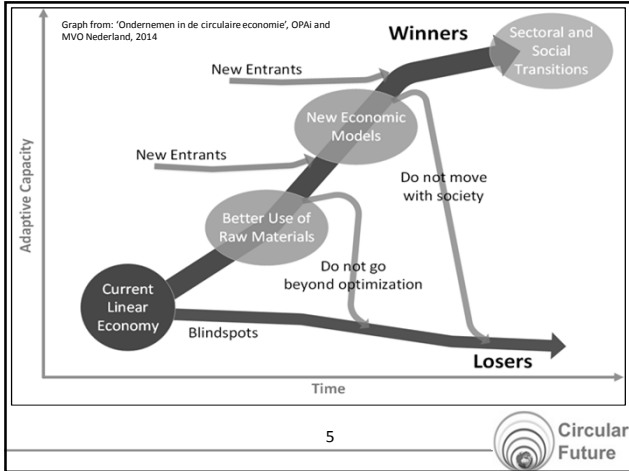


Advantages of circular business models

- 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





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

Tarkett
 THE ULTIMATE FLOORING EXPERIENCE

Interface

VanHulley
 Life based on the good values

ROCKWOOL

WERNER & MERTZ

ESPACIO SOLAR
 TECNOLOGIA BIODIGESTIVA

alliander

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

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Examples Delivery models: Online or local


Blende

tomtoy
 tomorrow today

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Examples Use models



RICOH

airbnb

FLOOWE world's reset button


Bundles

PHILIPS Lighting


MUD JEANS

peerby

- 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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Examples Recovery models



ebay


Dutch SPIRIT

3D HUBS




REPURPOSE


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


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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

De Groene Zaak

ecopreneur

THANK YOU FOR YOUR ATTENTION

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