

Masterclass Circular Economy

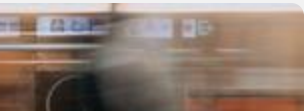
8th April 2025 – Emily Amann



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Content

- Welcome & Recap
- Learning Objectives - Agenda
- Circular Economy Fundamentals
- Circular Economy & Entrepreneurship
- Q&A



Welcome & Recap



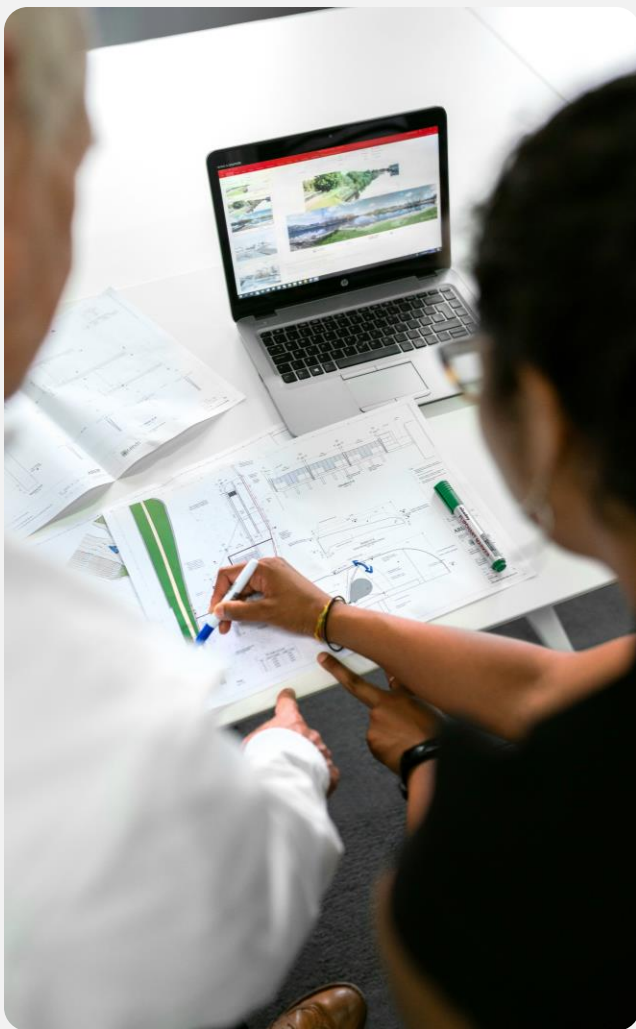


WELCOME

Emily Amann – Circular Economy Entrepreneurship Lead

- Background in Economics, International Development and Circular Economy studies
- Programme Manager, Business Advisor, Mentor
- Circularity Mentor for over 200 participants from CE Univ. Berkeley diploma studies
- CE Capacity Building Lead for Bengaluru and Nairobi Circular Economy Innovation Cluster Programme
- Deep Demonstration Circular Slovenia
- Based in Valencia, Spain





Learning Objectives - Agenda

- Learn the basic principles of circular fundamentals & regenerative economy
- Understand the current state of the Circular Economy globally and locally, important actors and resources
- Learn circular economy business strategies and the Circular Canvas tool



Circular Economy Fundamentals





Let's warm up:

Type in the chat:

1. What comes to your mind when you think about Circular Economy?
2. Are Circularity and sustainability the same? Yes/No?



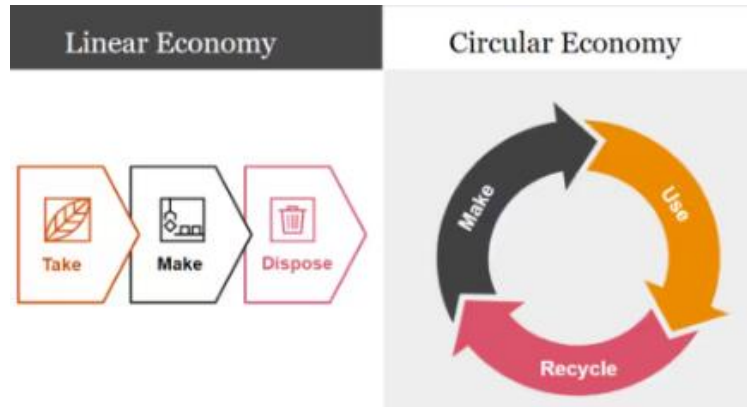
The background of the slide is a stylized illustration. In the center is a blue globe with a white clock face. The globe is surrounded by green and brown trees, some of which are emitting smoke. There are also white clouds and a grey cloud with rain. A large white play button is centered over the globe. The background is a light blue gradient with darker blue wavy lines.

Explaining the Circular Economy and How Society Can Re-think Progress



CE Definitions

FUNDAMENTALS AND PRINCIPLES



Resources, Conservation & Recycling 127 (2017) 221–232

Contents lists available at ScienceDirect

Resources, Conservation & Recycling

journal homepage: www.elsevier.com/locate/resconrec

ELSEVIER

Review

Conceptualizing the circular economy: An analysis of 114 definitions

Julian Kirchherr^a, Denise Reike, Marko Hekkert

Innovation Studies Group, Copernicus Institute of Sustainable Development, Utrecht University, The Netherlands

CrossMark

ARTICLE INFO

Keywords:
Circular economy
4R framework
Sustainable development
Definitions
Context analysis

ABSTRACT

The circular economy concept has gained momentum both among scholars and practitioners. However, critics claim that it means many different things to different people. This paper provides further evidence for these critics. The aim of this paper is to create transparency regarding the current understandings of the circular economy concept. For this purpose, we have gathered 114 circular economy definitions which were coded on 17 dimensions. Our findings indicate that the circular economy is most frequently depicted as a combination of reduce, reuse and recycle activities, whereas it is oftentimes not highlighted that CE necessitates a systemic shift. Our findings show few explicit linkages of the circular economy concept to sustainable development goals. The circular economy is considered to be economic prosperity, followed by social equity and future generations is barely mentioned. Furthermore, enablers are frequently outlined as enablers of the circular economy. We critically analyze conceptualizations throughout this paper. Overall, we hope to contribute to the circular economy concept; we presume that significantly varying conceptualizations eventually result in the collapse of the concept.

Sources:
<https://www.sciencedirect.com/science/article/pii/S0921344917302835>
<https://www.pwc.com/gr/en/advisory/risk-assurance/sustainability-climate-change/circular-economy-model.html>

LINEAR ECONOMY

RECYCLING ECONOMY

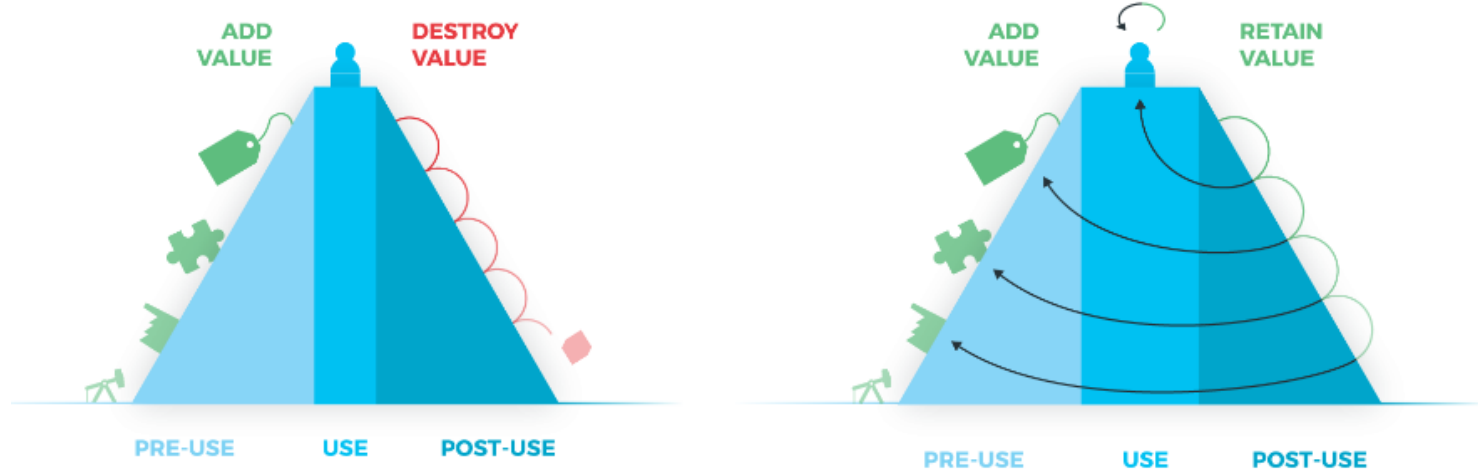
CIRCULAR ECONOMY

34



How do we create value in our Economy?

FUNDAMENTALS AND PRINCIPLES



Source: <https://www.circle-economy.com/news/master-circular-business-with-the-value-hill>



3 Fundamental Principles of a Circular Economy

FUNDAMENTALS AND PRINCIPLES

It is underpinned by a **transition to renewable energy and materials**. A circular economy **decouples economic activity from the consumption of finite resources**.

It is a resilient system, good for business, people and the environment.

The circular economy is a framework of **systemic solutions** that addresses global challenges such as climate change, biodiversity loss, waste and pollution.



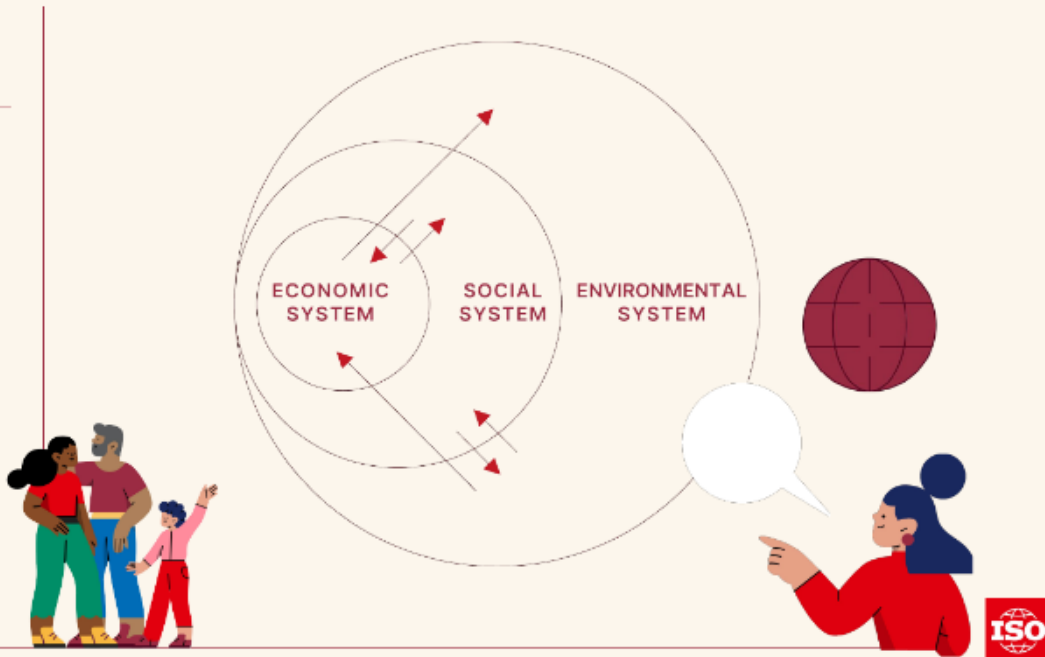
The first international definition

ISO 59004

Circular economy

Economic system that uses a systemic approach to maintain a circular flow of resources, by recovering, retaining or adding to their value, while contributing to sustainable development.

- ✓ Resources can be considered concerning both stocks and flows.
- ✓ The inflow of virgin resources is kept as low as possible, and the circular flow of resources is kept as closed as possible to minimize waste, losses and release from the economic system



A new framework to drive circularity globally (2024)

FUNDAMENTALS AND PRINCIPLES

Answers for the circular economy transition

ISO 59000 family of standards

A common understanding:

Definitions, principles, actions, business models, value networks, measures, assessment, ..., all what is needed to act now!



ISO 59004

Circular economy
**Vocabulary, principles
and guidance for
implementation**

ISO 59010

Circular economy
**Guidance on the
transition of business
models and value
networks**

ISO 59020

Circular economy
**Measuring and
assessing
circularity
performance**

ISO 59040

Circular economy
**Product Circularity
Data Sheet**

ISO 59014

Environmental
management and
circular economy
**Sustainability
and traceability of
secondary materials
recovery – Principles,
requirements and
guidance**



A new global framework to drive circularity globally

FUNDAMENTALS AND PRINCIPLES

6 principles that are interlinked and complementary

Systems Thinking

Adopting a long term approach ...

Value creation

...to better use resources in an efficient way.

Value sharing

Collaborating along value chain or value network...

Resource stewardship

...by closing, slowing and narrowing resource flows.

Resource traceability

Be accountable for sharing information with interested parties...

Ecosystem resilience

...and contribute to the regeneration of ecosystems and biodiversity.



Measuring and assessing circularity performance

ISO 59020

A framework applicable to multiple levels of an economic system, ranging from regional, interorganizational and organizational to the product level.



✓ Monitor goals and actions

E.g. reduce, repair, reuse, remanufacture, recycle, ...

✓ Measure resource flows

E.g. inflows, outflows, releases, losses, ...

✓ Assess sustainability impacts

Social, environmental and economic impact and value

Core circularity indicators:

- Resource inflows
- Resource outflows
- Energy
- Water
- Economic

And examples of additional indicators.





Quiz:

Type in the chat:

- What do you think, how circular is our global economy today in %?



**The circular economy
has reached
megatrend status.**

The volume of discussions,
debates and articles on the
concept has almost tripled
over the past five years.

3X



**And consumption
continues to
accelerate.**

In the same period, we have
consumed over 500
gigatonne. That's 28% of all
the materials humanity has
consumed since 1900.

28%

**But global circularity
is still in decline.**

The share of secondary
materials consumed by
the global economy has
decreased from 9.1% in
2018 to 7.2% in 2023-a
21% drop over the course
of five years.

-21%

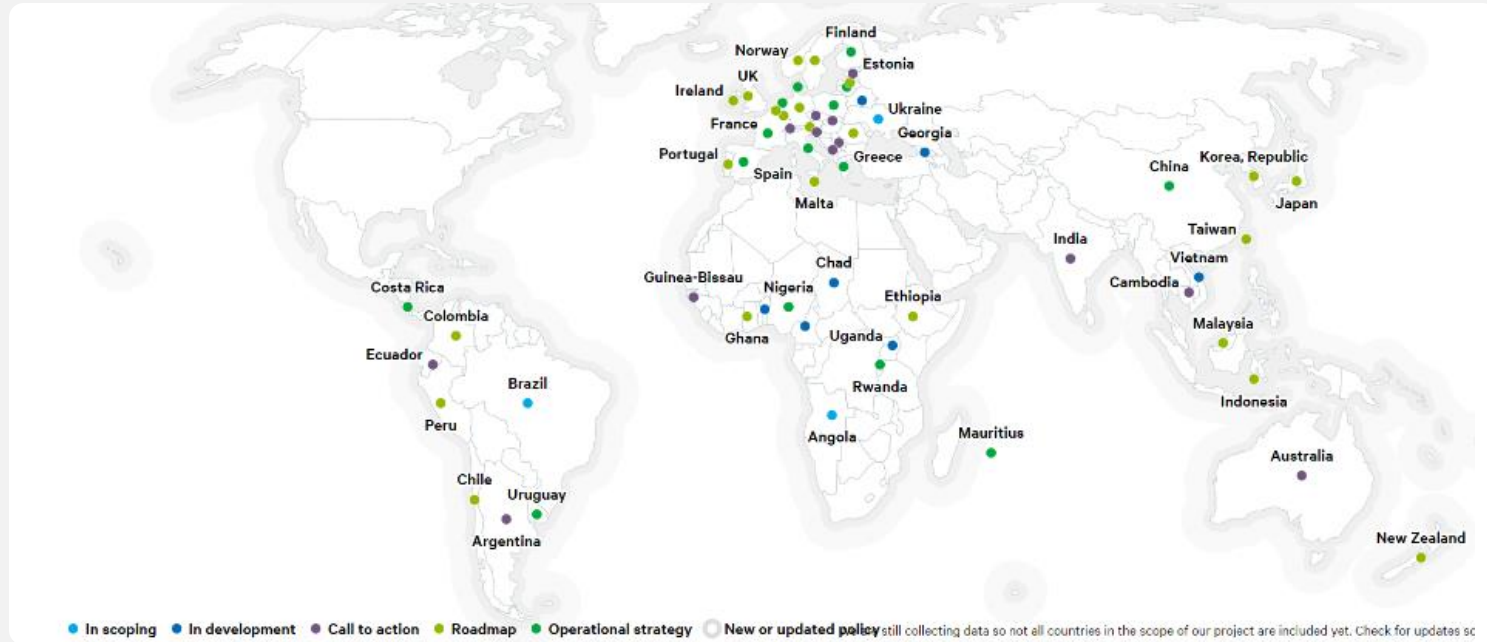


Is Circularity and Sustainability the Same?

Circularity Global Gap Report 2024

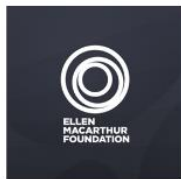


Online Tool to access and compare national CE Policies



<https://circulareconomy.earth/?policy=cep>





Main actors working on CE Globally





AFRICAN
CIRCULAR
ECONOMY
ALLIANCE



COALICIÓN
DE ECONOMÍA
CIRCULAR
América Latina y el Caribe



ASIA CIRCULAR ECONOMY ASSOCIATION

Main actors working on CE at a Regional Level



Cultural



Cultural diversity
Unawareness resources
Current lifestyle

Economic



Economic viability
Global supply chain
Lack public expenditure
Dependence private capital

Information



Data availability
Deficiency of information

Regulatory



Absence of multilevel
supportive framework

Political



Neoliberalism
Clashing priorities
Lack of combined
policy-making

Institutional



Fragmented government
Lack of cross-sector
alliance
Lack of institutional
capability
Lack of trust in
policymakers

Technological



Technical limitations
Lack of operational
conditions
Current linear
resources flows

Environmental



Pollution of
environment
Long-period to renew
ecosystems
Depraved urban
resources

CIRCULAR ECONOMY BARRIERS



Circular Economy Entrepreneurship



Are these examples circular? Yes or No?

Write in the chat

Beer made out of old bread



Are these examples circular? Yes or No?

Write in the chat

Shoes made out of a % of recycled plastic bottles



Are these examples circular?

Yes or No?

Write in the chat

Repaired or Refurb electronics or remanufactured motors



<https://www.fairphone.com/en/>



<https://www.caterpillar.com/en/company/sustainability/remanufacturing.html>



Are these examples circular?

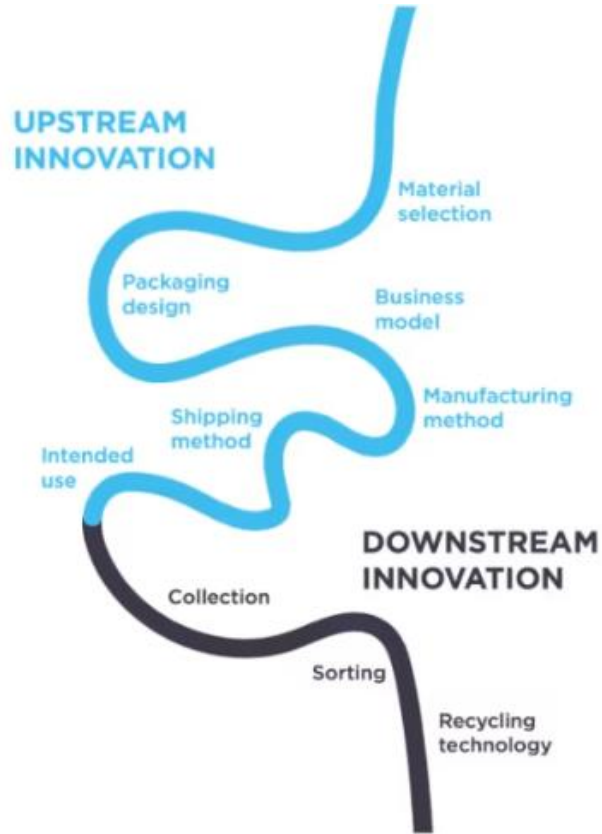
Yes or No?

Write in the chat

Bricks made out of plastic



Design choices: Upstream vs downstream innovation

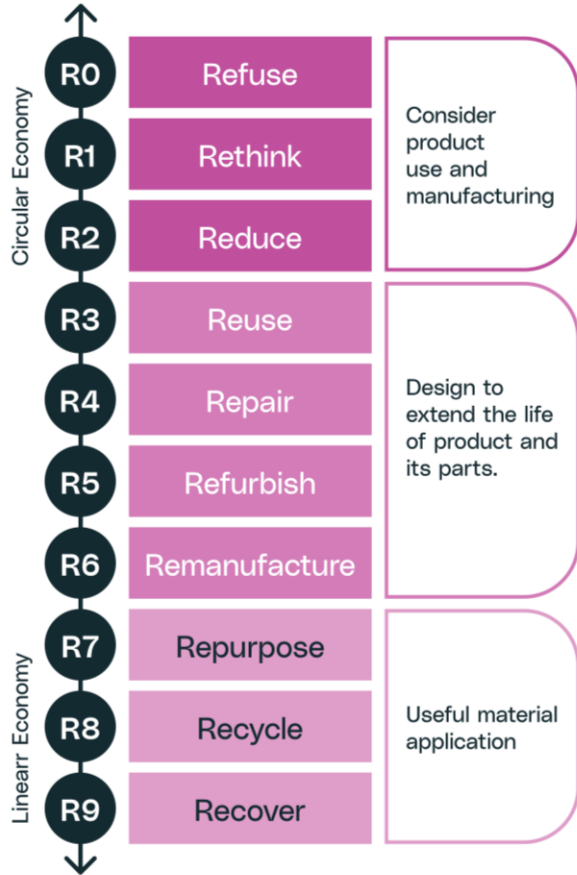


Why focus on the circular design of a product/service?

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Product design determines up to 80% of a product's life cycle environmental impact!!!





9R Strategies

CE ENTREPRENEURSHIP

10 R's and The Circular Economy Loop Dimensions

Remember the fundamental principles and hierarchy of circular strategies discussed in section 1 in the Butterfly Diagram (technical and biological cycle). To apply these to the creation of circular business models we will dive deeper:

The 10 R's of the circular economy provide a framework for businesses and individuals to embrace sustainable practices and contribute to a more circular and resource-efficient world. Each "R" represents a key principle that guides the way resources are managed, from production to consumption and beyond.



Success Stories





Sparxell

United Kingdom – 2022 – Global Grand Finalist

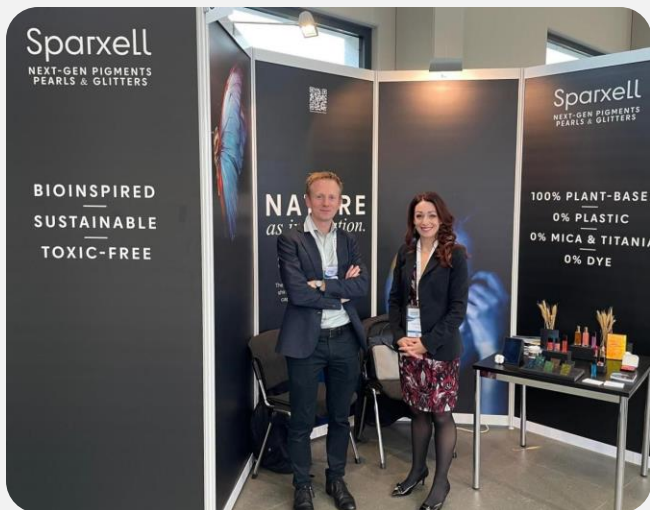
Sparxell has developed 100% natural, biodegradable pigments derived from plant-based cellulose

Their technology is chemical-free, and replicates vibrant, fade resistant colours found in nature.

Sparxell's pigments have applications across cosmetics, fashion, packaging and food industries. By replacing harmful synthetic pigments, they reduce environmental pollution, while ensuring minimal ecological impact.

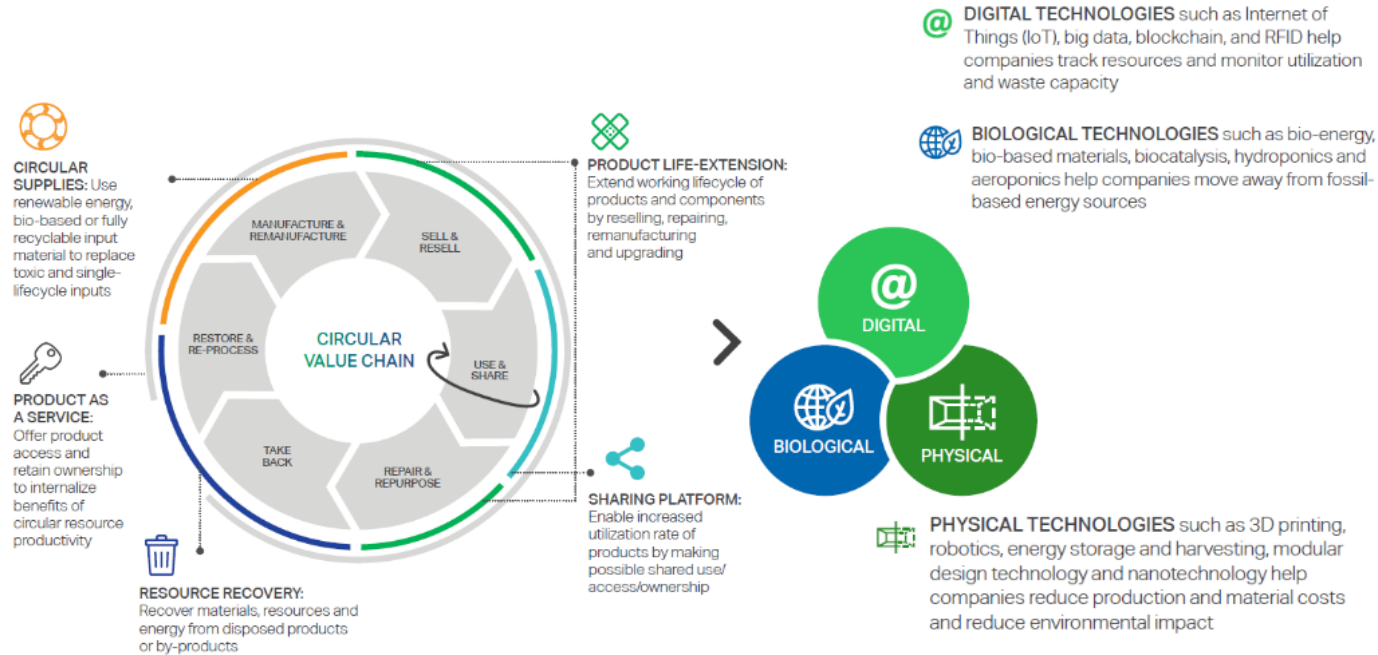
To date, Sparxell has raised a total of USD \$3.2 million in investment from Joyance Partners and L'Oreal Group.

Find out more at www.sparxell.com.



A new global framework to drive circularity globally

CE ENTREPRENEURSHIP



Source: WBCSD CEO Guide Circular Economy





Fibe

United Kingdom – 2022 – European Regional Finalist

Fibe creates sustainable textile fibres derived from potato stems and potato harvest waste.

They have developed a non-toxic process to transform agricultural byproducts into durable, soft natural fibres, offering an eco-friendly alternative to traditional textiles such as cotton and linen.

Fibe is actively developing supply chains, logistics and harvesting techniques to valorise potato waste, aiming to integrate seamlessly into existing textile manufacturing processes.

To date, Fibe has raised USD \$1.3 million for their venture, supported by Patagonia's Tin Shed Ventures.

Find out more at www.fibe.uk.





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A PREMIUM MATTRESS.

Superior quality. Ultimate comfort. Smart digital design. Allergy friendly & cooling. Easy handling & cleaning for housekeeping. Proudly handmade with circular economy materials.



Product as a Service – PaaS

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Pay per service unit Product renting

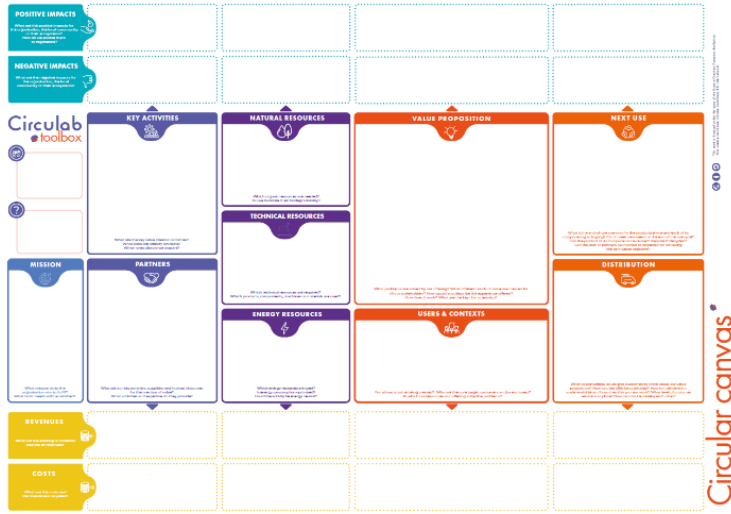
Benefits:

- Broader customer base
- Cheaper raw materials
- Recurring revenue
- Strategic cost constraints: easier asset control, refurbishment, remanufacturing, recycling
- Stronger and longer lasting relationship

Challenges:

- Potentially large initial investment to keep ownership of products.
- Customers desire a convenient service with minimum hassle and simple payment terms.





Tool: Circular Business Model Canvas


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A circular business model creates, delivers, and captures value by closing resource usage loops:


- Designing out waste and pollution
- Keeping products and materials in use at the highest value for the longest possible and
- Regenerating natural systems.




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NATURAL RESOURCES

Which organic resources are needed?
Do we facilitate their biodegradability?

TECHNICAL RESOURCES

Which technical resources are required?
Which products, components, machines or materials are used?

ENERGY RESOURCES

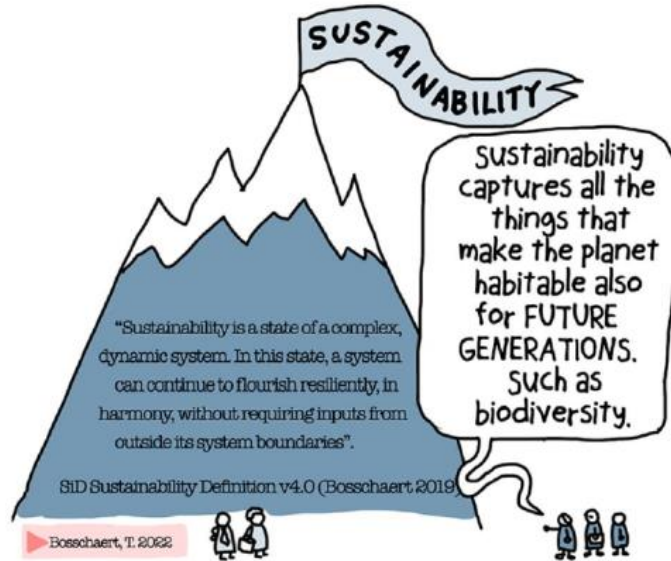
Which energy resources are used?
Is energy consumption optimised?
Could the activity be energy neutral?

NEXT USE

What is the end-of-use scenario for the product/service and each of its components/packaging? Can it meet new needs at the end of the use cycle?
Can the product or its components be reused? Repaired? Recycled?
Can the user or partners be involved or rewarded for achieving the zero waste objective?



Is Circularity and Sustainability the same?



Circularity
is a way to achieve
sustainable
consumption
and production
and other interlinked
SDG goals



Based on the One Planet Network Indicators of Success and the SCP Impact Indicators as developed by the One Planet Network, Life Cycle Initiative and the International Resource Panel





Discussion:

- Does your business model – product or service have circular elements?
- Opportunities – challenges to become circular?





Q&A





From ideas to impact.

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Circular Economy Contact:
Emily.amann@climate-kic.org