

Circular transition in SMEs

Roadmaps, hubs and collaborative frameworks



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Summary

This policy brief focuses on measures to steer local economic ecosystems and businesses towards a circular model. Circular economy is increasingly considered an opportunity for economic development and a potential driver for competitiveness. This Policy Brief offers an overview of key circular economy policy frameworks and platforms on the EU level. Regional and local authorities can also support the circular transition of SMEs in many ways. This policy brief focuses on Interreg Europe community's experience regarding regional circular economy strategies and roadmaps, circular economy hubs and collaborative frameworks.

Introduction

The circular economy refers to an economy model built on waste and pollution elimination by keeping products and materials in use for as long as possible, limiting the consumption impact on natural systems. It is characterised by a continuous loop of reusing natural resources to provide the most value to the economy. The circular economy is the opposite of the current linear economic model, with a one-way flow of materials from extraction to manufacturing to use and disposal. The current economic model consistently places higher demands on limited natural resources. Circular transition, therefore, refers to the understanding that such a fundamental change - a transition from the linear model to the circular – is needed. Embracing a circular approach to utilisation and consumption could significantly mitigate the adverse effects of human economic actions on the environment and biodiversity.

The EU aims to transition to a circular economy to make Europe cleaner and more competitive. The circular economy concept has figured in EU policies since adopting the EU Circular Economy Package in 2015 and has gained enormous traction in EU discourse ever since. The ambition of the Circular Economy Package was to "help European businesses and consumers to make the transition to a stronger and more circular economy where resources are used in a more sustainable way". An updated version of the same policy - the [New Circular Economy Action Plan](#) – was adopted in March 2020 as one of the main building blocks of the European Green Deal. The circular economy is anticipated to decouple economic expansion from resource consumption, safeguarding Europe's natural resources and fostering sustainable growth. According to figures from [EIT Climate-KIC¹](#), a circular economic development in Europe could reduce primary material consumption by over 30% by 2030 and over 50% by 2050.

Largely due to the political priority given to the circular economy by the EU in recent years, similar circular economy strategies and action plans are now appearing on all governance levels: national, regional, and local. Some have adopted horizontal strategies, while others have introduced the concept of circular economy in their sectoral policies on waste, economy, agriculture, bio-economy, construction etc., as well as in their Smart Specialisation Strategies.

Circular economy is also increasingly considered an opportunity for economic development and a potential driver for competitiveness. The policy push on various levels is triggering the deployment of multiple types of circular business models. For example, [Zero Waste Scotland](#) has identified nine key circular strategies SMEs can implement: circular design, resource recovery, enabling technologies, product as a service, leasing, remanufacture, reuse, repair and the sharing economy. Industrial symbiosis can also be added to the list, which refers to valorising previously underutilised resources and byproducts in the industrial value chain. There are multiple benefits for businesses to uptake circular innovation:

- Increase in resilience against external shocks by reducing dependence on scarce resources
- Pre-empting regulatory pressures down the line
- Improved customer interaction and loyalty
- Increase brand attractiveness by meeting rising customer and investor expectations

While the trends mentioned above are positive, [and data shows](#) that EU production has become more resource-efficient, EU consumption of materials remains very high, and there are still considerable differences among Member States in managing waste streams. Furthermore, the EU economy is still mostly linear, with secondary materials accounting for less than 12% of all materials used. And though greenhouse gas emissions from production activities have decreased, the EU's consumption footprint has nonetheless increased in the past decade. In short, the journey towards a more circular economy continues.

¹ EIT Climate-KIC presentation at our webinar on Fostering the circular transformation of business from 15 April 2021.

EU policy framework

The European Commission has recognised the urgent need to transition to a circular economy. It is seen as a key tool to decarbonise our economy at scale. The following presents the most recent European policies related to the transition towards a more circular economy.

Circular Economy Action Plan

The [New Circular Economy Action Plan](#) consists of [35 legislative and non-legislative initiatives](#) along the entire life cycle of products. It targets how products are designed, promotes circular economy processes, encourages sustainable consumption, and aims to ensure that waste is prevented and the resources used are kept in the EU economy for as long as possible. The main objectives are to:

- Make sustainable products the norm in the EU
- Empower consumers and public buyers
- Focus on the sectors that use most resources and where the potential for circularity is high
- Ensure less waste
- Make circularity work for people, regions and cities
- Lead global efforts on circular economy

One of the Action Plan initiatives is the [Circular Economy Monitoring Framework](#), which was just [updated in May 2023](#) to improve the tracking of EUs circular transition. It measures production and consumption, waste management, secondary raw materials, competitiveness and innovation, global sustainability and resilience both on the EU and member-state level.

Green Deal Industrial Plan for the NetZero Age

On February 1st 2023, as part of the European Green Deal, the European Commission revealed its '[Green Deal Industrial Plan for the NetZero Age](#)' to enhance the competitiveness of the net-zero industry and support the low-carbon transition. The Plan sets out actions to **support European manufacturers of net-zero technologies and products** to improve performance and upscale production to meet net-zero by 2050 while supporting growth in sustainable jobs. The Plan is based around four pillars, each with several planned initiatives.

One of these initiatives is the [Net-Zero Industry Act](#), which aims to facilitate the development of net-zero projects in Europe, attract investments, and increase the Union's strategic net-zero technology manufacturing capacity to at least 40% of its deployment needs by 2030. By doing so, it will accelerate progress towards the EU's 2030 climate and energy goals and climate neutrality while also boosting the competitiveness of EU industry, creating high-quality jobs, and supporting the EU's energy independence goals. The legislation focuses on key technologies that can significantly contribute to decarbonisation efforts. Among the aims are also **to accelerate CO2 capture, upskill the EU workforce, and set up a Net-Zero Europe Platform that** would coordinate action and exchange information, support investment, and foster contacts across Europe's net-zero sectors.

ERA Roadmap

On January 24 2023, the European Commission released the latest version of the [new European Research Area \(ERA\) industrial technology roadmap for circular technologies and business models \(ERA Roadmap\)](#). This roadmap focuses on the **EU's textile, construction and energy-intensive industrial ecosystems**. These ecosystems disproportionately impact waste generation and pollution compared to their economic contribution, and they play a crucial role in the circularity of various value chains. The roadmap examines 92 circularity technologies across these three ecosystems, covering all aspects of a material or product's lifecycle. The analysis also includes the technology readiness levels,

circularity potential, economic performance, zero-pollution contribution, and potential side effects for each of these technologies.

The European Union's Ecodesign Directive

[The European Union's Ecodesign Directive](#) establishes a framework under which manufacturers of energy-using products are **obliged to reduce energy consumption and other negative environmental impacts occurring throughout the product life cycle**. It sets mandatory minimum standards for their energy efficiency and eliminates the least-performing products from the market, significantly contributing to the EU's energy and climate targets. [According to the European Commission](#): "In 2021 alone, the impact of the current ecodesign measures, covering 31 product groups, saved EUR 120 billion in energy expenditure for EU consumers and led to a 10% lower annual energy consumption by the products in scope."

An important change came [in 2021](#) when the **reparability and recyclability** of appliances (washing machines, dishwashers, fridges and freezers, and electronic displays) came into force, setting several new mandatory measures such as making spare parts more easily replaceable and ensuring that critical components and repair and maintenance information are available for end users and professional repairers as appropriate. Furthermore, in March 2022, [a new regulation was proposed](#) (as part of the [Ecodesign and Energy Labelling Working Plan 2022-2024](#)) to expand the current regulation from energy-related products to almost all categories of physical goods to support the creation of more environmentally sustainable and circular products.

Relevant collaboration platforms

- [The European Circular Economy Stakeholder Platform](#) is a joint initiative launched by the European Commission and the European Economic and Social Committee in March 2017. The Platform is a space to exchange ideas, collect information, and speed up the circular transition.
- [The European Cluster Collaboration Platform](#) is a European Commission initiative that brings industrial clusters together. The goal is to strengthen the competitiveness and sustainability of Europe's economy and industry, particularly SMEs, improving their productivity, innovation, internationalisation and resource efficiency. The Platform also aims to be a knowledge hub for energy, resource efficiency, and emission reduction in European businesses. For that aim, the platform has a dedicated [Green Transition Support](#) section full of practical examples, tools and contact points to support SMEs transitioning towards greener and more circular practices.

Experiences from the Interreg Europe community

Regional and local authorities can support the green transition of SMEs in many ways. This policy brief focuses on circular economy roadmaps and strategies, hubs and collaborative frameworks. Firstly, the brief looks at how **setting the proper policy framework** to address the systemic transition adequately and providing a clear roadmap for all regional stakeholders, including SMEs, is vital for a successful transition. Secondly, the brief explores setting up **circular economy hubs** to provide the necessary support services to SMEs to carry out their transition and improve their competitiveness. And lastly, the brief looks at the role of local policymakers **as facilitators of collaboration within the ecosystem**. As demonstrated by several successful examples, implementing such actions can significantly impact the way policymakers can drive circular transition forward.

1. PUTTING CIRCULAR ECONOMY AT THE CORE OF REGIONAL ECONOMIC DEVELOPMENT AND COMPETITIVENESS POLICIES

While the concept of circular economy is now strongly anchored in European industrial and innovation strategies, it remains often a challenge for local and regional public authorities to implement and operationalise the concept. A primary reason for this is that the change towards a circular economy represents a so-called systemic change (e.g. moving from a linear towards a circular approach to economic activities), which impacts multiple operators and requires the activation of levers of change as different as policy and regulatory frameworks, technology, education and skills, business models and production systems, behaviour, citizen participation, etc.

Several good practices from [Interreg Europe](#) projects illustrate how national, regional, or local authorities worked across traditional political silos to operationalise the concept of circular economy by developing roadmaps towards circular economy with a strong operational character. The following two practices provide examples of creating a roadmap towards circular economy on the national level (Poland) and the regional level (Päijät-Häme, Finland).

Roadmap of transition towards a circular economy in Poland

This roadmap towards a circular economy aims to identify actions to maximise the added value of raw materials/resources, materials, and products and reduce waste generation while maintaining production efficiency and consumption processes. It was prepared in a wide interdepartmental and public consultation process, strengthening the synergy of single actions undertaken by different sectors.

This document was prepared by the Interdepartmental Circular Economy Group established by the Polish Ministry of Development. The idea of a circular economy was introduced to all appointed group members from various areas: environment, education, energy, infrastructure, social policy, agriculture, and public health. It contains a set of legislative and non-legislative tools to foster the development of a circular economy in Poland in the areas of sustainable industrial production, consumption, bioeconomy, and new business models. 41 measures were proposed in these areas assigned to the relevant ministries. It also includes a separate action to develop a conceptual approach for monitoring the circular economy in Poland. The Council of Ministers approved it after public consultations in September 2019.

Find out more about the practice [here](#).



The Polish roadmap focuses on five areas in particular:

- Sustainable industrial production
- Sustainable consumption
- Bioeconomy
- New business models
- Implementation, monitoring and financing of circular economy

An English version of the roadmap can be downloaded from [here](#).

[The road map from Päijät-Häme region](#) is a positive example of translating national priorities about the circular economy to a regional context by creating a joint regional strategy with a bottom-up approach. There is strong potential for transferring this experience to other regions interested in a transition to a circular economy. More information on promoting the circular economy in Finland is available on [SITRA's website](#). The materials include a '[guide to help any country create a national circular economy roadmap](#)'.

Regional roadmap towards circular economy in Päijät-Häme region

In Päijät-Häme region, Finland, one of the RIS3 spearheads is the circular economy. The region's main city, Lahti, also promotes a circular economy in its strategy. Whereas the Finnish national road map towards circular economy outlines the transition, the Päijät-Häme road map, a joint regional circular economy strategy for nine municipalities, concretise aims and actions at the regional level.

Creating the road map included intense work with the regional stakeholders to define the common vision, regional aims, and concrete actions. This was organised through workshops, discussions, a request for comments from additional stakeholders through a survey and direct emails. The road map was launched in October 2017.

The stakeholders involved in the process included the regional council, other regional and municipal authorities, academia, a regional development corporation, as well as public and private companies. The process continues through implementation, identification of new opportunities and involvement of new actors. The regional circular economy stakeholder group continuously updates the road map.

Find out more about the practice [here](#).



Both practices above illustrate the importance of developing such roadmaps through a wide multi-sectoral, multi-institutional consultation. In a period when the circular economy is increasingly entering national environmental and business policy agenda, these documents must have the buy-in of wide groups of stakeholders.

The development of regional roadmaps or strategies towards a circular economy has also been an integral part of policymaking in the framework of [Interreg Europe](#) projects. The following examples from the projects [CESME](#) and [SinCE-AFC](#) illustrate their contribution to improved circular economy policies focusing on the regional (Wales, United Kingdom) and local (Municipality of Devnya, Bulgaria) levels. In accordance with the good practices above and the policymaking processes fostered by [Interreg Europe](#), the involvement of multiple stakeholders was a crucial factor in adopting those new strategies.

Policy Change in Wales, United Kingdom – New circular economy strategy for Wales

The [CESME](#) team have influenced and helped draft the content of the new [circular economy strategy for Wales](#) – "Beyond Recycling – Making the circular economy a reality in Wales". **Several actions now included in the new strategy are directly related to the CESME project.** These include specific actions on public procurement, innovation, and business support. Lessons learnt from the project

activities have been used to inform the content of the new strategy. Among the lessons learned, the following key points were translated into action in the new strategy:

- An important identified barrier was the lack of financing in transitioning to a circular economy approach. A solution is for the government to provide the necessary funding through grants. Supporting manufacturing companies was especially identified as crucial for increasing the recycled content of their products.
- The public sector is an essential enabler of the circular economy. Hence, a [Circular Economy Fund](#) grant scheme for the public sector was set up.

Policy change of the Municipality of Devnya, Bulgaria – Development Plan of the Municipality of Devnya - 2021 -2027

In the context of the [SinCE-AFC](#) project, the project partner Devnya Municipality's representatives addressed **the lack of a municipal-level policy to stimulate, develop and support SMEs in implementing circular economy principles**. During the project, building on exchanges with the partnership, a Strategy for the Promotion and Development of Circular Economy was developed and finally adopted by the Municipal Council as part of the Development Plan of the Municipality of Devnya - 2021 -2027. This new policy filled the gap between the Operational Programmes, national strategy documents and local policies, as well as identifying areas for synergies.

The Development Strategy of the Municipality is a program that outlines the main priorities and directions for development in the medium term - covering the period from 2021-2027 from different perspectives - administrative, private, and public. The strategy was adopted by the Municipal Council on 31.10.2022 and came into effect from that date. It includes primarily **actions that guide agri-food enterprises to adopt circular economic models** but also aims at a broader scope to improve the performance and productivity of the local innovation system, create favourable conditions for quality development and sustainable business growth, and leverage the potential of the digital transformation for the development of the circular economy.

2. CIRCULAR ECONOMY (REGIONAL) HUBS

Once regional strategic frameworks or roadmaps are in place, as described in the previous section, then operational means are needed to push the circular transition forward. While the policy goal is systemic, the support initiatives can still be tailored to various system components. A great way to foster circular change in SMEs is to set up dedicated support bodies/institutions called circular economy hubs or competence centres. A common denominator among such hubs is that they are usually set up through public-private partnerships.

These hubs help foster circular business creation and transformation of traditional businesses. Usually, the hubs are staffed with specifically trained personnel who provide various consultancy and matchmaking services. While the term circular economy has been around for some time and has already obtained a *buzzword* status, many SMEs still find it hard to implement it. Therefore, public sector support in guiding SMEs through questions like "How and where do I begin with my circular economy journey?" is essential. The hubs help realise the circular ambitions of SMEs by helping them to connect with other companies, governments, R&D institutions and non-profits. Notably, most hubs also see their role in assisting SMEs to identify and exploit new circular economy business opportunities. Some hubs also provide financial support to accelerate the circular transition of SMEs in their region. All in all, the hubs work towards increasing the competitiveness of local SMEs by supporting their circular transition. The hubs usually also provide input and feedback to policymakers on further creating favourable conditions so that circular business ideas can flourish.

Below are examples of such hubs from the [Interreg Europe](#) community. Good practices examples from Scotland (UK), Basque Country (Spain), Catalonia (Spain), Freisland (the Netherlands), as well as relevant policy changes from Central Macedonia (Greece) and Kristiansand (Norway) are presented.

An early mover has been Scotland, UK, with its [Zero Waste Scotland Initiative](#) (ZWS). ZWS is a not-for-profit environmental organisation funded by the Scottish Government. This initiative has been managing a Circular Economy Investment Fund for SME development and adopting innovative business models for new circular economy products and services. ZWS provides leadership and practical support to encourage the growth of the circular economy in Scotland. Their support services include:

- Innovation/opportunities identification
- Market assessment
- Stakeholder engagement
- Business plan support
- Lifecycle analysis
- Business case development
- Commercial case development
- Support in identifying funding opportunities
- Communications and marketing support
- Implementation support, including funding

ZWS has also made practical online guidelines - "[Inspiring sustainable circular business toolkit](#)" and "[30 ideas to kickstart your circular business toolkit](#)" to help businesses become more circular.

Furthermore, ZWS works on the policy level by providing evidence-based input to policymaking and running programmes to encourage behavioural change (e.g. responsible consumption and production, waste valorisation) among the population.

Zero Waste Scotland



ZWS encourages Circular Economy opportunities for companies and citizens, elaborating solutions to tackle everyday challenges towards a circular model, researching innovative ways to keep materials in a longer loop and making products cycle more efficiently by introducing them back into supply chains. ZWS provides companies with advice on practical, technical, and financial support, encouraging them to implement their circular economy strategy. ZWS seeks to accelerate the economy, committing with manufacturers and encouraging the resource management sector to work in partnership to establish reuse and repair as a social norm.

Find out more about the practice [here](#).

A circular economy hub – [the Advanced Circular Economy Services Centre of the Basque Country](#) - is a key instrument of the Circular Economy Strategy of the Basque Country 2030. The hub aims to offer advanced circular economy services to SMEs in the Basque Country. The hub was set up to respond to two local barriers. On the one hand, there was a lack of professionals trained in circular economy and life cycle thinking. On the other hand, there was a lack of resources for SMEs to identify and anticipate challenges related to circular economy. The hub's goal is to increase local SMEs' competitiveness by supporting their circular transition. It offers advanced training on the circular economy, helps to implement projects and pilots, and provides technical tools to SMEs for applying circular economy principles. It also monitors and conducts trend analysis in Basque County to identify new circular economy business opportunities for the local SMEs and industry.

Basque Circular HUB: Advanced Circular Economy Services Centre of the Basque Country



Ihobe, the Basque Environmental Agency leads the hub. It provides four different services:



- Learning: Educational activities for young people, teachers and in-house staff, consisting of specific courses in collaboration with enabler agents.
- Working: Technical projects with companies involving young people on placement and themed experts in each of the subjects addressed, where possible.

• Observatory: It tracks all alerts of interest related to implementing instruments and concepts linked to the Circular Economy and draws up monitoring reports and market trends.

• Tools: Methodologies and tools for the application of Circular Economy principles. Mainly aimed at SMEs, they arise from the knowledge acquired in developing pilot projects with large companies and pioneering actors in the Circular Economy.

Find out more about the practice [here](#).

Another regional hub – the [VCF: Circular Friesland Association](#) – has been set up in the Netherlands. This hub originated in 2016 when there was a bottom-up need among local companies to get appropriate knowledge on material flows. Back then, seven local companies, the Province of Friesland and the Municipality of Leeuwarden, commissioned an analysis of the flow of (raw) materials in the region. The resulting report inspired the region to embrace the circular transition as one of the province's main strategic objectives and to set up a local circular economy hub to provide such knowledge and support more systematically. The province of Frisland has also been awarded "The Best Dutch Circular Region" and today strives to be the most circular region in the EU by 2025. This is an excellent example of how the regional government saw the significant potential of a circular economy for its local economy. The SMEs in the region have been benefiting from both soft support as well as funding in carrying out circular economy-related innovation.

VCF: Circular Friesland Association



VCF has 100 members from all Quadruple Helix sectors. The Association has had significant positive impacts by making circular economy a priority objective within the regional innovation strategies, influencing the future development of a circular economy transition subsidy, and implementing cross-regional actions in Northern Netherlands.

The Association organises awareness-raising events as well as works with thematical-oriented value chain brokers that initiate and stimulate knowledge exchange and collaboration in a specific field, mobilising companies and organisations to adopt a circular perspective.



Find out more about the practice [here](#).

[Catalunya Circular](#) is an innovation hub and meeting point for companies and institutions that provide solutions and strategies to consolidate the circular economy in Catalonia. It functions as a web platform that publishes all circular economy activities being organised in Catalonia as well as a hub that supports capacity building related to circular economy through training courses and workshops. The hub also features local circular economy success stories across different industries. All in all, the hub allows for the exchange of experience and networking among local circular economy stakeholders.

Circular Catalonia: The Circular Economy Observatory of Catalonia

The Observatory provides knowledge and information concerning green and circular economy, with the goal to become a hub that gathers all the circular initiatives in Catalonia, either public or private, aiming at promoting the exchange of experiences and raise awareness. The Observatory also facilitates capacity-building with regards real circular economy opportunities and evaluates progress towards the circular model (calculating indicators).

Circular initiatives in the Observatory are classified according to 8 typologies: eco-design, increased life span of products, recycling, industrial symbiosis, sustainable consumption, sustainable shopping, Eco innovation and "others".

The Observatory is open to all stakeholders regarding circular economy in Catalonia and it has 39 partner organisations (as of 2023), including business organisations, cluster organisations, trade unions, professional associations, local authorities, etc.

Find out more about the practice [here](#).



Policy Change in Central Macedonia, Greece – One Stop Liaison Office and circular economy services

The learnings of the [CESME project](#) influenced the objectives of a Regional One Stop Liaison Office that was set up and financed through the Regional Operational Programme (ROP) in 2019. The One Stop Liaison Office operates under the Directorate for Innovation and Entrepreneurship Support. The ROP's Managing Authority was involved in many of the CESME project activities and could learn how other European regions had been planning and implementing activities to promote circular economy principles among SMEs. One of the key takeaways was that Central Macedonia required an institution, i.e. a "stable structure" that would systematically promote the idea of circular economy and good practices among SMEs. This task was given to the One Stop Liaison Office.

[The One Stop Liaison Office](#) support is available for all businesses in the region. Its trained personnel continuously **inform the public and specifically the SME owners regarding circular economy good practices, vouchers, and topical funding calls** so that SMEs can exploit business opportunities.

The One Stop Liaison Office has become an important player in the local ecosystem that has a good overview of the needs and requirements of local SMEs in order to incorporate effectively circular economy practices. The Office has helped to make informed proposals on how to integrate circular economy and other sustainability principles into the new ROP 2021-2027 for supporting the sustainability of SMEs operating in the region.

Policy change in Kristiansand, Norway – a competence centre for the building and construction industry

The construction sector represents nearly 15 000 jobs in the Kristiansand region and has had a reputation of being slow in green transition. The Interreg Europe project [GRESS](#) has had a policy impact on the Business Development Plan for Kristiansand, Norway. A pilot action identified within the project was incorporated into the regional plan: "Action 2.6.4 **Development a competence centre for building and construction industry**, with the purpose of a sustainable and green and more circular sector." The competence centre is expected to **speed up the uptake of more circular solutions** and encourage green procurement for new building projects in the municipality. The main objective of developing such a centre is to provide a meeting place for dialogue on green or circular solutions for the business community, including innovators, SMEs, contractors, and engineering consultants.

Resource efficiency and circularity in the construction sector

The Interreg Europe project [CONDEREFF](#) has gathered valuable knowledge and experiences that can inspire cities and regions to improve the management of construction and demolition waste at the territorial level. Inspiring examples from Valencia and Rome can be found in [an article on the Policy Learning Platform website](#). In addition, a related good practice from Brussels on subsidies and soft support measures to foster circular economy principles in construction sites has been explored in depth in a [Policy Learning Platform](#) story featuring the [2LIFES](#) project.



3. FACILITATING COLLABORATION

Regional and local authorities can facilitate effective collaboration in moving towards a more circular economy. While the hubs described above are more for providing top-down consultancy support to SMEs, well-coordinated and managed collaboration networks are for supporting circular value chains, waste reuse streams and cross-sectoral circular innovation. Considering the systemic nature of the circular transition, dialog between various stakeholders is vital. Below are four examples of collaborative frameworks from the Interreg Europe community.

[The Italian Circular Economy Stakeholder Platform](#) (ICESP) mirrors the European Circular Economy Stakeholder Platform on the national Italian level. It illustrates how European initiatives can be leveraged significantly by national actors and be used to promote locally the importance of challenges such as the transition towards a circular economy. Such challenges are systemic and require the involvement and convergence of multiple actors to be tackled efficiently. IECSP nurtures and maintains this dialogue among actors.

ICESP Italian Circular Economy Stakeholder Platform



ICESP is a network whose goal is to create a national convergence on initiatives, experiences, criticalities, and expectations on the circular economy that Italy should represent in Europe, promoting the "Italian way of making circular economy". ICESP seeks to promote a circular economy in Italy, mapping Italian good practices and implement a permanent operational instrument to facilitate inter-sectoral dialogue and synergies between the Italian actors.

The ICESP members are representatives of local and central public administration, educational, research and innovation institutions, companies and professional associations, and civil society organisations. All members adhere to the ICESP Charter, which defines the Platform's objectives, composition, fields of interest and operational tools.

The Platform is organised into seven working groups, each with specific expertise on issues related to the circular economy.

Around a hundred signatories form ICESP, and another nearly two hundred organisations participate as experts in the working groups. Over half of the organisations involved are companies and trade associations.

Find out more about the practice [here](#).



Another cross-sectoral public-private collaboration platform is in place in Agder County, Norway. [The Agder Industrial Symbiose \(AIS\)](#) is an initiative to bring about a circular transition in the county. It also originates in a clustering project but has now developed into a broader regional partnership. Regional frameworks like AIS are essential in creating the necessary foundation and partnerships for a circular transition.

Agder Industrial Symbiose



Agder Industrial Symbiosis (AIS) is a regional, cross-sectorial collaboration platform to facilitate the transition from linear to circular economy in the Agder region in a structured, coordinated, and inclusive manner.

AIS sprung out of a cluster-based industrial symbiosis project and realised that many barriers and opportunities to create value out of side streams or wastes are beyond the scope or mandate of the industrial cluster. To maximise the potential for new entrepreneurial ventures, the platform includes the most relevant regional actors that can facilitate the emergence of new partnerships and create new and sustainable jobs in the region. In 2020, the regional Agder County Administration took ownership of the collaboration. This public/private partnership comprises the two largest cities in the region, the University of Agder and two industrial clusters.

Find out more about the practice [here](#).

The [Waste Exchange Scheme](#) from Spain is another excellent example of supporting **industrial symbiosis**. This waste exchange scheme has successfully linked companies of several sectors, therefore being a good example of how wastes can be valorised as a raw material for different sectors. The benefit of such (and other similar) platforms is the circulation of waste/byproducts with less administrative burden. It also enables companies to source cheaper raw materials for their own processes as well as promote general information exchange between companies on the regional level. Therefore, making data available can also support circular economy, especially when savings are sought in the supply or value chain.

Waste Exchange Scheme



Regional Chambers of Commerce of Spain created an instrument called "Bolsa de subproductos", or waste exchange scheme where companies can offer their wastes as byproducts for other companies. The platform only provides information about the company that generates the waste without analysing the waste or playing a role in the exchange. Offers and demands are promoted by the Chambers of Commerce amongst its associates and the rest of the companies, having no responsibility in the advertised byproduct. The exchange service is offered free of charge through the platforms set up. This exchange service is acknowledged and accepted by the Ministry of Environment and the different regional ministries as an exchange of byproducts, not residuals.

Find out more about the practice [here](#).

Policy Change in Hajdú-Bihar County, Hungary – byproduct database for supporting circular economy

Thanks to the [SinCE-AFC](#) project, the Hajdú-Bihar County Government succeeded in **integrating circular economy into its policy formulation process and implementing relevant measures**. The project made it possible for policymakers and stakeholders in the county to understand why it is essential to move towards a circular economy and integrate such issues and frames in county planning and implementation processes. The circular economy has now been identified as a key theme for regional development and has been incorporated into the Regional Development Programme of Hajdú-Bihar County 2021-2027. A severe lack of information about the material use and byproduct volume generated by business actors was one of the gaps identified by the project in the county. The potential was seen in supporting the **circular value chain of the agri-food sector**. Therefore, the new policy addresses and prioritises new activities for the use of raw materials, the optimisation of production processes and the recovery of agricultural byproducts. In practical terms, a decision has been made to create a database on what type of material input is available at the county level, especially regarding agri-food SMEs and entrepreneurs.

The creation of the byproduct database was also inspired by [a Webinar series on Circular Waste Management published by the Policy Learning Platform of the Interreg Europe programme](#) and the Spanish Waste Exchange Scheme mentioned above.

New projects

This policy brief has showcased some good practices shared by the Interreg Europe community and some of the policy changes achieved thanks to Interreg Europe projects. In the coming years, with new projects being supported by the programme, **rich knowledge exchange will certainly be offered to the community**. As new good practices will be shared and policy changes achieved, the Platform will again disseminate the best approaches for facilitating circular transition in SMEs. For now, here is a small teaser of the topical first call SMART projects and their aims.

[Realign Cluster Policies to Accelerate the Twin Green and Digital Transitions](#)



Accelerate GDT intends to bring together a consortium of 7 European partners to accelerate the twin green and digital transitions by aligning supports into regional and national cluster policies, which will in turn raise SME competitiveness, build regional resilience, increase shared value and boost recovery across Europe.

[Boosting Circular Economy Innovation through emerging technologies application](#)



The project aims at improving policies for easing and speeding up the twin transition to ensure that Green Growth and Digital Transformation go hand in hand to drive regions' recovery and prosperity. The project will investigate and test approaches and tools to assess, strengthen and support both regional digital and circular innovation ecosystems in non-metropolitan, rural and emerging regions in Europe.

[Boosting the transition pathway of MSMEs in tourism with green and digital transformation](#)



TOURBO enables innovative twin-transition strategies to stimulate economic development of the regions. TOURBO will create a sustainable and progressive framework for the integration of a resilient tourism sector into local and regional policies, especially with the aim of the transition pathway of MSMEs by a quadruple-helix approach for a smart-green transformation.

[Enhancing responsible mining policies and raw materials resilience in EU regions](#)



RAW4RES will address the need for improved policy support for raw materials resilience, responsible domestic mining, and further development of secondary markets. RAW4RES will enable partners and stakeholders. Among other goals, the project seeks to promote circular relationships in industrial value chains, to maximise resource efficiency, minimise waste, and tap into regions' unvalorised recycling potential.

Looking ahead

Circular economy is increasingly considered an opportunity for economic development and a potential driver for competitiveness. This policy brief has covered the current circular economy policy developments in Europe and showcased various good practices and policy changes implemented across Europe. Many identified practices have **high replication potential** across the EU and function as inspiration to regions not directly involved in the projects.



Here are the main takeaways from this policy brief:

- The EU keeps on refining its policies related to the circular economy. There are many frameworks, guidelines and platforms in place that regional and local authorities **can make use of** to support their transition further.
- The change towards a circular economy represents a systemic change, and it inherently impacts multiple actors and requires a change of thinking and doing across sectors. Therefore, multi-stakeholder and sectoral partnerships are key when it comes to the circular transition. This is relevant for all the approaches – strategies and roadmaps, circular economy hubs and collaboration frameworks – covered above.
- Stakeholder engagement is especially important for the policy roadmaps. As the circular economy is increasingly entering national environmental and business policy agenda, it is important that these documents have **the buy-in of wide groups of stakeholders**.
- Dedicated circular economy hubs can increase the competitiveness of local SMEs by providing them with **tailored support in their circular transition**, e.g. consulting, matchmaking, market opportunity analysis, etc. These hubs help SMEs take their first steps on their transition journey and guide them through various available support instruments. If it is not feasible to set up a dedicated circular economy hub, then it is worth exploring whether such roles and tasks could be delegated to other local or regional business support organisations. The hubs can also motivate individuals to **embrace the environmental, economic and social benefits** of circular economy as well as provide evidence-based input to future policies.
- In moving towards a more circular economy, the regional authorities also have an opportunity to take **a facilitation role**. Well-coordinated and managed collaboration networks are needed to encourage circular transition. For example, making available data on materials and/or waste available in the region can support industrial symbiosis and local circular value chains.

How can the Policy Learning Platform support?

The [Interreg Europe Policy Learning Platform](#) can help regional policymakers to better design SME policies by facilitating the exchange of experience from different regional and institutional contexts and showcasing success stories via the [Policy Learning Platform good practice database](#). In addition to the good practice database, the Policy Learning Platform can provide a forum for direct discussions among partners from different projects – either in thematic workshops, peer review learning, or in webinars and online discussions, and provide expert advice through our on-demand [policy helpdesk service](#).

SOURCES OF FURTHER INFORMATION

Some of the above-mentioned topics have been partly addressed in previous [Interreg Europe](#) Policy Learning Platform activities. Here is a list of useful materials:

- **Other Policy Learning Platform resources**

Policy briefs on

- [Open, social, and responsible innovation](#)
- [Clusters: Driving the green and digital twin transition](#)
- [Reuse and repair in a circular and social economy](#)
- [Sustainable water management in the circular economy](#)
- [Sustainable waste management in a circular economy](#)

Stories and articles on

- [CONDEREFF: Improving resource efficiency in the construction sector](#)
- [Circular Building Sites in Brussels](#)
- [Reshoring and nearshoring for stronger European Value Chains](#)
- [Socially minded platform for the reuse and recycling of Electrical and Electronic Equipment \(EEE\)](#)
- [Commission publishes its Green Deal Industrial Plan](#)
- [Industrial technology roadmap for circular technologies and business models](#)
- [Circular use of construction material – virtual study visit to Hamburg, Germany](#)

Event learnings

- Webinar recording: [Financial instruments for the circular economy](#)
- Webinar recording: [Fostering the circular transformation of business](#)
- Workshop recording: [Reuse and Repair in a Circular and Social Economy](#)
- Workshop recording: [Challenges and opportunities for the European agri-food sector](#)
- Workshop recording: [Clusters: Driving the Digital and Green Twin Transitions](#)

#competitiveness
#circulartransition



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