

“FROM SAYING TO DOING AND COMMUNICATING IN CIRCULAR ECONOMY”

COLLECTIVE ACTION

In partnership with



Sant'Anna
Scuola Universitaria Superiore Pisa

FIRST STAGE

The first stage of the Collective Action “From telling to doing and communicating in circular economy” promoted by Global Compact Network Italy in collaboration with the Institute of Management (IdM) of Sant'Anna School of Advanced Studies of Pisa, was held on April 12 in Bologna, at the headquarters of Hera SpA, with the participation of 25 representatives of 13 profit and non-profit organizations engaged in or approaching the theme of circular economy. The day's work started with a first part dedicated to introducing the theme, with the identification of shared definitions of circular economy, drivers, barriers and desiderata, and ended with a seminar on tools for measuring circularity.

INTRODUCTION TO THE THEME

The challenge of increasing resource efficiency is a global problem that needs to be addressed as a matter of urgency, given the unsustainability of the current economic model. It is necessary, indeed, to work both at a strategic and at a technical/management level to implement a circular economy, with the ability to look at the entire life cycle of a product/service, and decoupling economic growth from using resources. In this sense, in order to reduce waste, increase efficiency, and achieve the related competitive advantage, attention must be paid to the inefficiencies found in each phase of the cycle – from the supply of raw materials to waste management – and then eventually to the areas where the best results can be achieved. The opportunity to work with old and new partners can significantly increase the achievable efficiencies.

Circularity is an important lever for strategic support and to increase the resilience of organisations. Moreover, the very concept of “doing more with less” behind circular economy highlights the topics of biodiversity conservation and eco-systemic services at the heart of the natural capital of Planet Earth. Circularity is, therefore, an opportunity, a framework in which to move in order to define new business models and market systems that can concretely lead towards sustainable development.



DEFINITIONS OF CIRCULAR ECONOMY

The collective action continued with group work aimed at identifying shared definitions of Circular Economy.

“Circular Economy is a paradigm based on the regeneration of the natural capital through the revision of business and consumption models along the entire value chain, in a context of favourable regulations and social equity”.

“Circular Economy is a knowledge-based approach, aimed at supporting production and consumption styles which, based on the creation of inter and intra-organisational synergies, is able to generate a multiplicity of values through: 1) a streamlined use of resources; 2) the progressive reduction of waste and refuse dispersion in the environment, to be achieved by closing cycles and in analogy with natural ones”.

The analysis of the two definitions shows that a revision of the current model of production and consumption is a shared priority. The first definition, in particular, highlights the dimension of social equity, while the second underlines the importance of networking and dialoguing between stakeholders: businesses and other actors in the supply chain up to consumers. Optimising resources in economic and environmental terms is central to both definitions. It is interesting to observe the reference to the favourable regulatory context in the definition of the profit table, which is currently unclear and at times contrary. The non-profit table, on the other hand, takes up the issue of waste and refuse and brings it back to the cyclical nature of regeneration of natural resources.

DRIVERS, BARRIERS AND DESIDERATA

Participants identified drivers and barriers to circularity, which can be grouped into 3 categories: institutional context, economic context, organizational and system culture. As far as drivers are concerned, in addition to the “classic” theme of incentives and financing, the need for a new regulatory framework imposing the achievement of circularity objectives was identified. Among the drivers, issues related to competitiveness and new business opportunities also appear, along with the call for greater integration of an efficient and environmentally sustainable use of resources in production cycles and products themselves. Also interesting is the reference to the demand for new products, more recyclable and repairable, which require a shift towards circularity starting from the design phase. Critical issues related to finding natural resources, in terms of scarcity and competition, were as well counted among the main reasons for the adoption of a circular economic model. Training, culture and commitment at an intra- and inter-organisational level were therefore indicated as key elements for the implementation of strategies based on maximising circularity.

Among the main barriers indicated by participating organisations are the inconsistency of the regulatory framework and an insufficiently up-to-date approach by public administrations, together with technological and infrastructural inadequacies. In parallel with the drivers, the lack



of culture and commitment at intra- and inter-organisational level is indicated, but also the lack of communication and collaboration between the different actors involved in the common challenge. Finally, the call for resistance to change is also very interesting, as it effectively represents one of the key themes of “immaterial” circularity, that is the ability of organisations to innovate and face complex situations from a circular point of view.

As for the emerged desiderata, the primary need remains to develop a thorough knowledge of issues related to circular economy, which will allow participants to increase their personal awareness but also, and above all, to expand their impact once in contact with the respective organisations and their internal and external stakeholders. There is also a strong need to structure and increase a network of heterogeneous and committed organisations, as well as a willingness to launch challenging joint projects (development of measurement tools, identification of standards, etc.) aimed at creating the right conditions and developing a circular economy.

FOLLOW-UP SEMINAR

The aim of the seminar, organised by the IdM of the School of Advanced Studies of Pisa, was to respond to the needs and training priorities expressed by the participants in the questionnaire supplied before the first stage of the Collective Action. The questionnaire focused on the currently available tools for measuring circularity at the level of organisation, sector and/or supply chain. During the seminar, an overview of these tools was presented with the aim of providing participants with a “toolbox”, customizable to the needs of the organisation, in a context that is not yet providing tools or prevailing indicators.

