



SEED

promoting entrepreneurship
for sustainable development



JUST TRANSITION: SCP, Circularity and Entrepreneurship

3rd Annual 3win Congress, 11 March 2023

Arab Hoballah, SEED ED, Former UN SCP Chief

Green & Circular Economy



*Common but
Differentiated
Responsibility*



*Alternative
approaches
innovations*

Factor TRANSITION in policies & strategies

- **KNOWLEDGE** *(Creation)*
- **INNOVATION** *(Incentives)*
- **PRODUCTS** *(Design)*
- **CONSUMERS** *(Behaviour)*
- **GOVERNANCE** *(Delivery)*

“Fix the ill system before greening”

SPEED OF



TRANSITION



Rethink & Act towards Efficiency & Circularity

- **Better understanding of production processes and consumption behaviour**
- **Aim at doing more and better with less; Resource efficiency makes good economic sense**
- **System thinking; Efficiency through Life Cycle**
- **Decouple business growth from use of resources and env impact**
- **SMEs and eco-inclusive entrepreneurship, key driver**
- **Promote Innovation to replicate, upscale and multiply**
- **Inform/Educate, Induce, Enable, COMMUNICATE**

Facts and Needs for green & circular economy

- ✓ Strengthen private sector engagement in promoting green transition
- ✓ Companies/SMEs should embrace eco-innovation; more resilient, more competitive
- ✓ Compelling business cases for eco-innovation
- ✓ Market is not always conducive to circular economy and eco-innovation
- ✓ Creating enabling conditions needed, policy frameworks, incentives, training

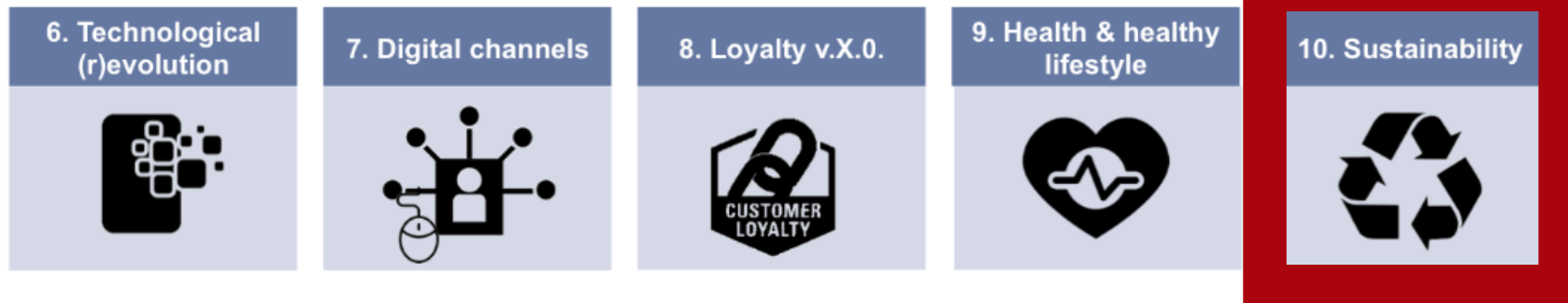


10 Mega-trends in tourism

Demand



Supply



New governance models, new business models



Efficiency at all levels, Responsibility by all stakeholders, strong political leadership

Green Transition in the Tourism sector: Sustainability Impacts & Opportunities



Source: SPLC

Within Operations

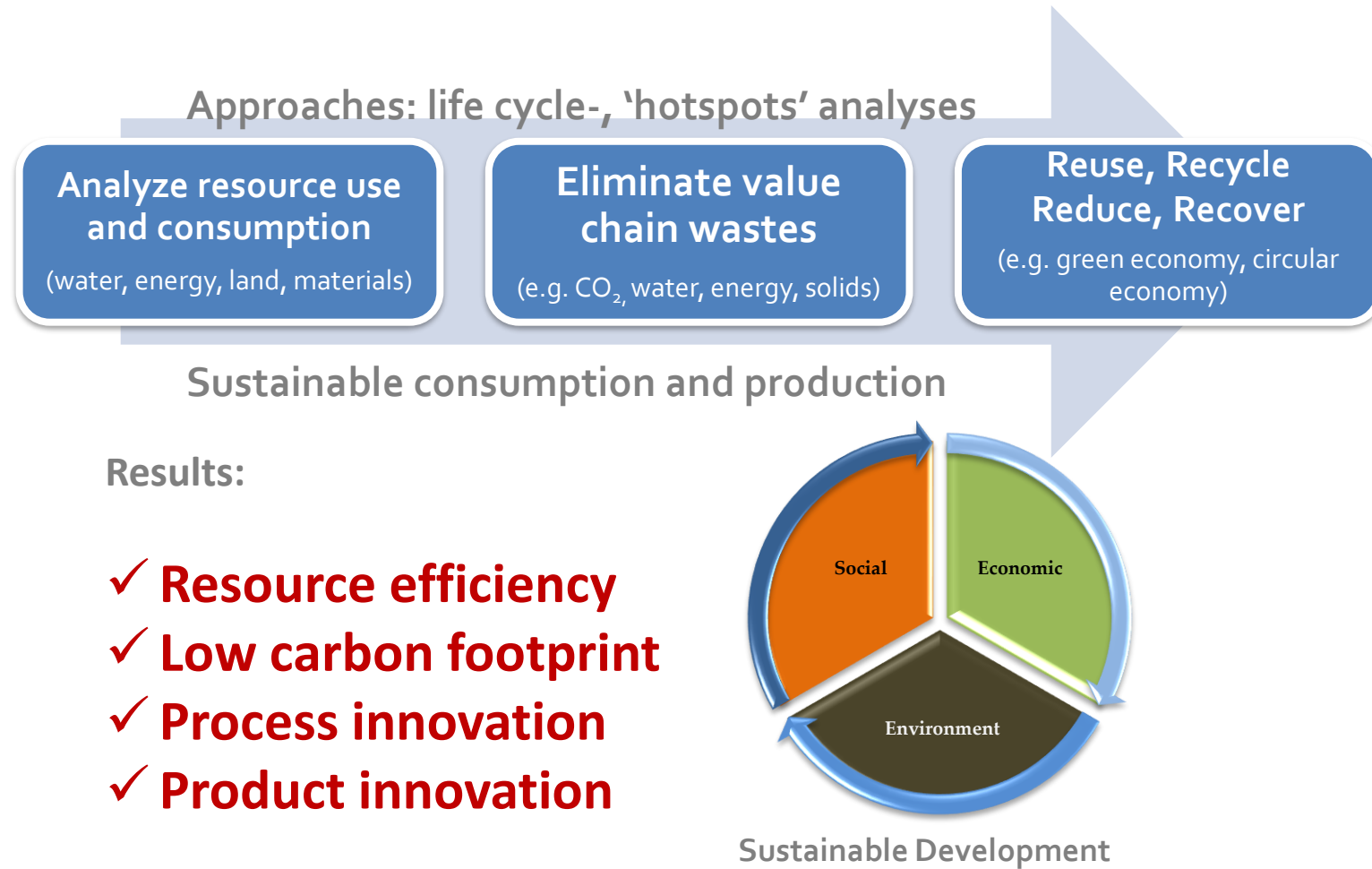
**Within Supply Chain
& Life Cycle**

**Thinking
beyond, out of
the box and
deeper in the
box**

**How GREEN & Responsible are
Tourism companies and Tourists???**



Value Chain approach on destination level



Transitioning to Circular Economy (CE)







3 key principles of a CE model:

- **Regenerative** (*long-term, sustainable*) by design
- **Alternative to** address issues of **increasing finite resources and waste generation**
- **Keeps resources** (*in the form of products and materials*) **in play for as long as possible**, fosters recovery, reuse, recycle, of spent materials and products



Major Challenges for a CE model:

- **Access to Knowledge and Skills**
- **Access to Technologies**
- **Access to Infrastructure**
- **Access to Markets**
- **Access to Finance**

Typology 1: Integration of CE in Existing Operations & Business

Product Design	Reuse of Materials within a sector	Auditing & Implementation of RECP	Product life extension	Implementation of circular metrics	Demand Creation for circular products and services
 <ul style="list-style-type: none"> • Design based on the 3R principles incorporating the entire product value chain • Including Ease of Use, Energy Efficiency, Long Life, and Design for Recycle <p>Example: Rules dictating the thickness of plastic carry bags and recycled, and compostable classifications.</p>	 <ul style="list-style-type: none"> • Reuse waste generated from production operations substituting virgin raw materials. • Reuse C&D waste from facilities and units in new B&C activities. 	 <ul style="list-style-type: none"> • RECP is a continuous process and an integrated preventative strategy taken up by MSMEs • Evaluating production processes wastage, under or over utilization of resources. • Increase product and production efficiency, pollution avoidance, reducing environmental and human health risks 	 <ul style="list-style-type: none"> • Repair and maintenance services to customers to increase product life and maximize product utilization rate. • Expand focus beyond recycling towards refurbish, remanufacture, repurpose. <p>Example: MSMEs making furniture offer to repair the products and polish them to increase the lifespan.</p>	 <ul style="list-style-type: none"> • Use metrics to measure business performance through Sales & Revenue, Social & Environmental impact. • Create awareness of achievements externally with customers and regulators. 	 <p>Eco-labelling and star rating certifications</p>

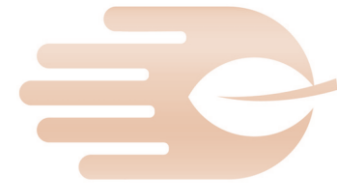
Typology 2: Accessing new business models that draw on the opportunities within the CE and link to larger national and global supply chains

Use of recycled/ sustainable raw material	Offer products as services	Promote Refurbish/ remanufacture	Waste management	Awareness generation
				
<ul style="list-style-type: none">• MSMEs manufacturing products using recycled raw materials• MSMEs upcycling waste-plastic waste into decorative items; mixed plastic waste into lumber	<ul style="list-style-type: none">• MSMEs can offer products for rent and provide digital platforms for refurbishing and reselling products or sharing products with consumers or within companies.	<ul style="list-style-type: none">• Disassembly, recovery, and remanufacturing of components• Functioning and reusable parts rebuilt into a new one.• Mostly done by the informal sector at a micro level	<ul style="list-style-type: none">• Done by the informal sector, downcycling waste products lesser value products, leading to waste leakages and pollution• Managing formal waste management infrastructure such MRFs	<ul style="list-style-type: none">• Awareness generation creates market demand for green and CE products• Lifestyle education, consumers better understand their environmental impact & make eco-conscious choices.



SWITCHing to SCP CE

- Support and **engage governments in mainstreaming SCP and Entrepreneurship**
- Support and **enable business projects for local development, through SMEs**
- Curate regional **collaborations**
- **Induce, catalyse, support, engage** other partners.
- Prepare for the right next step to **do more and better with less.**
- Effectively **engage** in a truly transformative process towards **Sustainable Development through SCP and CE**



Missing Middle

Backbone of economy,
Municipalities & **SMEs**
generally out of scope

Too many and too
small to be considered

Unseen champions,
with great potential

Missed/Missing
opportunities for
deeply rooted
transformative change

NOT of enough interest to
policy makers & investors

Renewed attention for
“**Think Global, Act**
Local”, but Act Local
remains limited

Theory of Change: Building Blocks

Curating Collaborations/Collective

Action: Scale-up SME-led innovation by **connecting SMEs with key stakeholders**, policy makers, financiers, larger companies, to create benefits for all stakeholders, the Econ & Env.

Mobilising/Scaling-up finance:

Generate impact at scale through on-ground SME innovation programmes that combine circular and sustainable production with a **market-based approach**

Catalysing Innovation/System-level

Innovation: Build a platform to create lasting synergies between all stakeholders through **transformative action** within the SME innovation system at country level

Generating Insights/Curating

Knowledge: The Coalition offers a framework to **align joint SME action agendas** and share insights and best practices among a growing community of SME stakeholders

