

Ecopreneur.eu advocates Circular Acceleration Houses in all EU regions

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European context — The urgency of creating a circular economy and supporting green SMEs and Start-ups to unlock their significant contribution potential

With the European Green Deal and its second Circular Economy Action Plan, the European Commission sets a clear and ambitious agenda towards a resource-efficient and circular economy. This demands the mobilisation of various stakeholder groups – reaching from civil society and local authorities to small, medium-sized and large companies – and their collaboration. The importance of creating a circular economy and respective value chains is only amplified by the Covid-19 crisis.

Representing 99% of European companies and contributing significantly to the European economy, SMEs are a major source of innovations. Accordingly, SMEs and start-ups are playing a pivotal role in accelerating the transition to a circular economy. However, their operation, development and up-scaling are hindered by numerous barriers including not only the lack of demand for green and circular products and services, lack of transparency throughout the value chain, and lack of access to funding, but also the complexity of circular design and circular models, regulatory barriers and lack of awareness, collaborative networks, national examples of successful circular business models, price incentives (fiscal, extended producer responsibility), circular metrics and green business advocacy for circular policies. Most of these barriers can be addressed at the regional or national level. However, this is done only in some of the member states: there is huge potential for improvement and alignment.

Circular Acceleration Houses as means to accelerate the circular transition and related SME support in an aligned way

In order to accelerate the transition towards a circular economy and help SMEs and start-ups to overcome related challenges, a European network of 'Circular Acceleration Houses' (CAHs) across all Member States could fill the gap of lacking easily accessible, comprehensive and across Europe aligned support for companies – in particular SMEs and start-ups – that approach the green and circular transition. CAHs will also give them a common voice with respect to national and European policies as well as providing the infrastructure for finding collaboration partners.

CAHs should operate as a national or regional public-private partnership and function as one-stop-shops. They should provide easy and free (or affordable) access to SMEs, larger companies and municipalities to support their circular journey in various ways, but especially to implement and scale-up circular models.

Business support organisations and regional authorities both have a key role in reaching, inspiring and helping companies to join the circular economy. Depending on the respective regional conditions and strengths, defined through local stakeholder engagement processes, these hubs can have different forms, be virtual or present with a physical centre or can be run by different stakeholders and organisations. Nevertheless, some common features and standards, listed below, are of added value for the successful operation of a CAH:

A. CAHs as COLLABORATION & ADVOCACY PLATFORMS

- Bringing together communities of practice and facilitating public-private partnerships with businesses at national, regional and/or city level
- Facilitating for the establishment of national green frontrunner business networks if not yet present
- Matchmaking between demand and supply for circular solutions

- Encouragement of voluntary industry collaboration platforms promoting value-chain and cross-sectoral initiatives and information sharing
- Coordination and advocacy for removing obstacles as well as for more ambitious circular economy policies at the local/regional or national level

B. EDUCATION, INFORMATION & AWARENESS

- Assistance and training on circular design for companies as well as green and circular public and private procurement, as part of a national Green Deal Circular Procurement
- Provision of regular and up-to-date information to relevant stakeholders
- Public communication and information campaigns: collecting and communicating inspiring examples as well as provision of advocacy advice and material
- Research, e.g. on circular economy obstacles or national and European policies
- Contributing to the development of circular economy and system thinking approaches for school and university curricula
- Organising circular cafes and meet-ups as well as conferences

C. BUSINESS SUPPORT & TOOLS

- Advice and support regarding regulatory and financial support aspects, such as direct subsidies, provision of capital, financial guarantees, circular procurement, product regulations, design, extended warranties and product passports as well as on accounting and reporting for natural capital and resources, and the fiduciary duty of investors and managers
- Technical support including the management of circular projects and provision of free access to tools for companies
- Demonstration and dissemination of best practices
- Functioning as an incubator for circular start-ups

D. COLLABORATION AT EUROPEAN LEVEL

- Connecting and collaborating with other CAHs across Member States, including solving challenges related to the practical setup or persistent barriers (lessons learned), sharing of expertise and, eventually, development of common advocacy concerns at European level
- Identification of collaborative links with existing European initiatives such as the European Resource Efficiency Knowledge Center (EREK), Enterprise Europe Network (EEN), European Circular Economy Stakeholder Platform (ECESP), future European Digital Hubs, the Circular Hotspot network or Climate KIC
- Organising conferences and exchanging circular economy best practices at European level
- With these activities, most of the barriers for SMEs mentioned above can be addressed at the regional or national level, either directly or through advocacy. Remaining ones such as the lack of transparency should be tackled at EU level.

Ecopreneur.eu recommendations

- Launch EU calls for piloting, launching and further improving CAH's using EU Funds through the Cohesion Funds, H2020, and support funds for the European Green Deal and the Green Recovery Plan
- Build on existing best practices and networks
- For country-specific recommendations see the [Ecopreneur Circular Economy Update report 2019](#)