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REPLACE – Region of Crete Action Plan DESIGN OF A CALL FOCUSING ON CE TRANSITION IN TOURISM & AGRIFOOD SECTORS

Region of Crete (Greece)

July 2022



Environment &
resource
efficiency



European Union
European Regional
Development Fund

Interreg Europe REGION OF CRETE Action Plan

*Produced by each region, the **action plan** is a document providing details on **how** the lessons learnt from the cooperation will be implemented in order to improve the policy instrument tackled within that region.*



Region of Crete Action Plan



Part I – General information

Project: **REPLACE REgional PoLicy Action for Circular Economy**

Partner organisation(s) concerned: **Region of Crete**

Country: GR – Greece

NUTS2 region: : EL43

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Part II – Policy context

The Action Plan aims to impact:

<input type="checkbox"/>	Investment for Growth and Jobs programme
<input type="checkbox"/>	European Territorial Cooperation programme
<input checked="" type="checkbox"/>	Other regional development policy instrument

Name of the policy instrument(s) addressed: **ROP (ERDF) programming period 2021-2027 and/or Regional Development Program (National Funding) programming period 2021-2025**

REGION OF CRETE ACTION PLAN – REPLACE project

ROP (ERDF) programming period 2021-2027 and/or Regional Development Program (National Funding) programming period 2021-2025 due to the fact that we are reaching the end of the programming period 2014-2020 and there were not enough available funds to launch a call to support CE transition in the public sector. Also CE is referred as a horizontal principle in the RoC's Strategic Planning 2020-2023 and is included in the new ROP 2021-2027 under Policy Objective 2, as well as in the revised RIS3Crete strategy 2021-2027.



According to the concept paper of RoC new ROP Instrument Tool, for the programming period 2021 - 2027, the following policy objectives will be prioritised: Innovative & Smart economy transition, green - low carbon - energy fair and resilient Europe, green - blue growth, based on Circular Economy fundamentals, against impact of climate change. Additionally, the new ROP plan will support transportation infrastructures based on sustainable mobility and digital transformation policies. Moreover, strategies including protection of human rights and sustainability plans for urban and rural areas, which are stiffening local initiatives and protecting social cohesion, will be additionally supported.

Part III – Details of the actions envisaged

ACTION 1:

DESIGN OF A CALL FOCUSING ON CE TRANSITION IN TOURISM & AGRIFOOD SECTORS

1. **The background** *(please describe how this action derives from the project and in particular from the interregional exchange of experience. Where does the inspiration for this action come from?)*

Region of Crete (RoC) has promptly identified the benefits of Circular Economy on environmental protection, material resources sustainability and next generation economic development. For that reason, RoC actively participated in SCREEN & its follow-up REPLACE European projects, in order to collect all necessary experience & guidance to influence Regional Policy Instruments that will accelerate CE transition. As a Horizon 2020 Coordination and Support Action, SCREEN project developed the overall approach and tools that are being tested and tailored in REPLACE. The mapping tool to estimate potential of Circular Economy was created within SCREEN project and has been employed and completed during REPLACE project Regional Local Analysis. The implementation of the Local Analysis represented the first important research on Circular Economy performed in Crete, paving the way for other initiatives: since then, many steps forward have been made both internally and via interregional cooperation, such as RoC's involvement on setting up the indicators of the Circular Benchmark Tool. The latter is an outcome of REPLACE project that is created by exploiting the collaboration of the participating regions, each bringing its experience and expertise: REPLACE regions debated the selected indicators validating how to measure them and then testing the tool and cooperating in its tailoring on several occasions before the official launch of CBT during the European Week of Regions and Cities 2021. Especially Circular Benchmark Tool and mainly the indicators of Regional Funding & Circular Value Chain, provided a clear and robust guideline for designing a policy tool to embrace Circular Economy fundamentals on Cretan economy focus sectors. The participation in the identification of the indicators for the Circular Benchmark Tool and the application of the Local Analysis, allowed RoC to establish circular economy as an important horizontal objective in RoC's Strategic Planning 2020-2023 which influenced the design of ROP 2021-2027, as well as the revised RIS3Crete strategy 2021-2027. The learning and internal exchange of experience promoted by REPLACE, allowed RoC to discuss and present CE and its relevance for the regional economic development also to the managing authorities of the Regional Development Program 2021-2025, which is the National Funding Tool that promotes the economic development in the region. Therefore, REPLACE not only allowed RoC to understand the efforts other regions are deploying for CE transition, by attending and proactively participating in the interregional learning and exchange experience, but also prompted an internal discussion on the importance of CE for the future development of the region, attested by the insertion of CE as a horizontal guiding principle for the new programming period. The results of the CBT and the Local Analysis helped in conveying how essential CE is for the development of the region by demonstrating the real potential in the focus sectors identified.

2. Nature of the action (please describe precisely the content of action 1. What are the specific activities to be implemented?)

Thanks to the efforts deployed to implement the Local Analysis, which foresaw the involvement of regional stakeholders, the Focus Sectors endowed with the highest potential for the circular economy transition have been highlighted. RoC is willing to boost CE in the focus sectors of Tourism & Agri-food. In details, RoC not only benefited from the cooperation with REPLACE regions, but created links with other projects dealing with CE, like SCREEN, INCIRCLE & BLUEFASMA, in order to fully exploit the learning opportunities available, in line with the mission of Interreg Europe programme that promotes cooperation at a broader level (this also because of COVID restriction and limited possibility to exchange with external actors, so the RoC exploited REPLACE to develop contact and exchange knowledge with the other circular initiatives active in the territory, maximizing the opportunity to learn and exchange experiences). In addition, RoC (as well as all other REPLACE partners) had the opportunity to hear and discuss with other European initiatives dealing with CE during the on-site Circularity Tour held in Brussels on 11 March 2022, where other regions presented their efforts in CE showcasing once again the importance of establishing a clear collaborative environment with the Quadruple Helix actors to positively support CE transition, as testified by the region of Flanders (Flanders Circulaire) and Limburg region work in the chemical sector. Apart from that RoC was motivated by REPLACE partner CENTRO (Portugal) by creating "Green Deal" good practice, which tried to adopt "circular principles" into procurement call for proposals. The build network between managing authority and private business sector under the scope of cultivating CE projects in the most efficient way, inspired RoC in its attempt to support CE transition in focus sectors of Tourism & Agri-food. In addition, the first learning and exchange event in Leeuwarden, hosted by Fryslan province, showcased another example of successful cooperation between the public authority and both the water-management sector and the educational field.

For that purpose, RoC, has recently:

- Contracted an Expert consultant company on CE, to execute a Policy Plan to accelerate circular economy in focus sectors, following the REPLACE methodology and exploiting the guidance from the indicator's analysis as provided through the useful deliverable of Benchmark Tool. As a result, the deliverables which have been included in this contract, are:
 - Assessment of harmonization of the National and EU legislative and regulatory framework, in relation with priority axes set for the promotion of CE actions tailored for private sector entities (businesses).
 - Correlation of RoC strategic plan on CE with currently applied EU and national relevant strategic plans
 - Mapping of currently implemented CE actions at regional level (RoC) with focus on agri-food processing and tourism as well as related sectors (focused on their implications on resource efficiency issues) through the distribution of structured questionnaires. Questionnaires' content will be formed based on the valorization of results gained from similar surveys that had been conducted by regional authorities, as part of RoC participation in REPLACE).
 - Conduction of SWOT analysis based on the assessment of questionnaires' results in terms of identifying potential gaps and emerging business opportunities related with the transition from linear to CE business models
 - Consultation with stakeholders and representatives of institutional bodies of the Cretan business ecosystem, through workshops for further validation of questionnaires' results and specification – in order to mature targeted actions related with CE priority axes at regional level
 - Potential gaps analysis on legislation and business products value chains related with the transition from linear to CE business models (e.g. waste of a business sector must NOT be considered as "waste" in the future. The reason is that waste must be treated in a different way compared with by – product. Typical example is by – products of olive oil making industry. This waste is nowadays leaded to open air evaporation basin. This by-product, must eventually take the correct place in value chain since it may become raw material involved in isolating phenols/polyphenols, used in cosmetic & soap making industry)
 - Assessment of agri-food and tourism / F&B services' sectors operational structure (including their interface with resource efficiency) towards the specification of certain procedures which can support the implementation of CE actions
 - Design of a draft plan for call of Proposals in order to fund CE transition on agri-food and tourism / F&B services sectors (eligibility criteria, budget etc.)

- Created a Task Force, involving employers from several RoC Directorates. This Group will collaborate with subcontractor in order to configure and implement the above mentioned deliverables. Ultimate goal is to start tackling CE and the related Policy Instrument in the most efficient way: the Task Force will preliminary study CE potentials in the sector, providing clear insights and guidelines for the type of actions needed to support the transition. This will influence the way the call is designed by taking into account all the above mentioned conclusions. The new way exploited to design the call for proposals targeting CE will be used only to kick-start the circular economy transition in the most relevant sector for the regional economy: Tourism & Agri-food; allowing also the testing of REPLACE methodology and its effectiveness (since the work of the Task Force fully reflects the REPLACE methodology) in the next programming period of Regional funding instruments ROP 2021 – 2027 and/or Regional Development Program 2021 – 2025.

One of the most pressing barrier obstructing CE transition, is the compartmentalization of the public administration that functions under separate departments: being CE horizontal and all-encompassing by definition, the sectorial division of the public authority burdens the smooth-quick overview and accounting of the different elements composing CE: for example, a circular value chain can interest different areas of activity in the region by connecting companies active for example in the breeding of sheep (Directorate of Veterinary), cheese transformation company (Directorate of Development) with implications for the environment and waste management (Directorate of Environment): to involve and to collect data from all these offices is a time consuming task and information can not be disclosed at all time. Such barrier is present in all REPLACE regions and it was well documented also in SCREEN project (17 regions) and it is a well known obstacle for the CE practitioners.

As discussed and agreed by all partners during REPLACE kick off meeting and in the Leeuwarden 1st learning event, CE is horizontal by definition and the division in vertical department of the regional administration can be an obstacle in defining roles and in implementing measures: following this debate, RoC understood the need for a Task Force that is intra-directorial and that can help in considering all the various aspects and links of circular economy.

The abovementioned Action Plan is a disciplined step by step approach, with a robust program to integrate Circularity into Cretan Economy for the next decades.

3. **Stakeholders involved** *(please indicate the organisations in the region who are involved in the implementation of the action1 and explain their role)*

The managing Team of this Action Plan is the Task Force, created by RoC as mentioned above. This Team is combined by public officers from the relevant RoC Directorate of Environment & Spatial Planning, the General Directorate of Development Planning- which operates as the regional managing authority of the Regional Development Program- as well as the Observatory of Innovative Entrepreneurship. The valuable support of External Consultancy is necessary for providing CE mapping on Focus Sectors and estimation upon potential development. Additionally, the external expert, which is subcontractor company FCNC, will propose a plan for entrepreneurs, for local companies of Tourism & Agrifood. The outcome of the subcontractor's deliverable will also be addressed to ROP (ERDF) Managing Authority for embedding results into next call for proposals of the next programming period.

In total the involved parties are:

REPLACE team for RoC: Directorate of Environment & Spatial planning
will involve the Task Force, namely the most important stakeholders involved in the programming of the regional policies:

- RoC, Observatory of Innovative Entrepreneurship
- ROP (ERDF) Managing Authority
- RoC, Regional Development Program (National Funding) Managing Authority

The Task Force is supported by public officers in both Directorates of Tourism and Agricultural Economy which provided valuable information about actors of the Focus Sectors who have adopted CE principles in their operation and could be used as key opinion leaders.

An external expert FCNC has been hired to perform the analysis and then a loop between FCNC and the Task Force will allow confrontation and discussion on how to influence successfully the policy instrument through the design of the CE-supporting call.

4. **Timeframe** (please specify the timing envisaged for action 1)

The actions which resulted in the determination of this Action Plan started in Phase 1 and is estimated to have been finished by the end of Phase 2. In details, the time schedule is as follows:

Phase 1 REPLACE project May 2020 - October 2020	Completed the Local Analysis, an important mapping research on Crete's Circular Economy. The result of this study, helped RoC realise that the sectors of Tourism & Agrifood included the highest CE potential.
Phase 1 REPLACE project March 2021 - May 2021	Contributed to the construction of Benchmark Tool with comments on basic indicators and participated in the compile process.
Phase 1 REPLACE project May 2021	After receiving the results of Benchmark Tool analysis, RoC realised that CE initiatives should be included in main local economy piles in order to support CE transition in the island.
Phase 1 REPLACE project November 2021-December 2021	An external expertise was subcontracted to provide the deliverables described in paragraph 2
Phase 1 REPLACE project February 2022 - May 2022	Mapping of Circular Economy on focus sectors of Tourism & Agrifood, executed by external expertise company FCNC
Phase 1 REPLACE project April 2022	Two Stakeholders Meetings in the two biggest cities of the island (Heraklion & Chania) are organised in order to inform the business sector of Tourism & Agrifood about the importance of CE transition towards environmental sustainability and support mapping procedure performed by FCNC. Participants were informed about the online survey questionnaires designed for each separate sector and were fostered to complete them in order to support the mapping procedure.
Phase 1 REPLACE project	Results of mapping will become public through Stakeholder meetings for maximum outcome

June 2022 - July 2022	diffusion.
Phase 2 August 2022 - October 2022	Collaboration between Task Force and FCNC to identify the most important characteristics to be included in the design of the call for proposal.
Phase 2 October 2022 - December 2022	Interaction between Task Force and Office responsible for designing Call of Proposals
Phase 2 January 2023 - July 2023	Design of Call for Proposals which will be addressed to Regional Managing Authorities of ROP (ERDF) & Regional Development Program (National Funding).

In case the Call for proposals will be launched, within a reasonable time interval, the monitoring will also cover the results of the calls and will continue after the ending of phase 2.

5. Costs (please estimate the costs related to the implementation of action 1)

The cost of above mentioned activities described in RoC's Action Plan, is 52.000 EUR

- 36.000€ for the hiring of the external expert FCNC
- RoC staff cost. 10 persons working for 1 month (18.000 EUR)

6. Funding sources (please describe how action 1 will be financed. Is it through the policy instrument(s) indicated in part II):

The total cost of the Action Plan is covered by Region of Crete own funding

Date: 14 July 2022

Name of the organisation(s) : Region of Crete, Περιφέρεια Κρήτης

Regional Governor Stavros Arnaoutakis

Signatures of the relevant organisation(s):

