

## **Editorial**

The Circular Economy for SMEs (CESME) project was launched in April 2016 in the framework of <a href="INTERREG Europe">INTERREG Europe</a>. As circular economy is gaining attention in the European Union and worldwide, projects such as CESME are of great significance, in order to support SMEs to enter the green economy and future proof their business in a greener and more sustainable way.

With an overall budget of €1.63 million and supported by €1.39 million of INTERREG Europe funding CESME will share experiences, identify best practices and provide guidance to SMEs to become included in the circular economy. The CESME project is expected to last for four years (until March 2020). Ten partners are taking part in the project from six EU member countries.

During the first project semester, project partners were able to identify key

stakeholders in their countries and regions and establish connection with them. This process will go on as familiarization of policymakers and SMEs with the circular economy model is at the core of our project. Project partners also started to collect best practices that will help SMEs to think about how to transform their business models from linear to circular ones. A White Book platform was set up, to assist in disseminating the concept of circular economy and presenting project results in a more systematic way. Two successful interregional partner events were organized in Wales and Aalborg, Denmark. Local Support Group meetings took place in all our regions. Our webpage, social media pages and other communication material were also created.

In the next semester the development of the project White Book will start with all











material collected up to now and with more input coming from our partners, stakeholders and experts. An interregional partner event is scheduled to take place in Bologna, Italy, in November, aiming to present SOLLUTIONS WITHIN CIRCULAR ECONOMY. Local Support Group meetings will be held in each region and partners will keep on disseminating the project and

circular economy model in their countries and regions.

By high quality work from all partners the project aspires to have a positive impact and significant added value in our economies and the environment.

Business Development Centre North Denmark

## You may Read here

The INTERREG Europe Programme	2
Introducing CESME	3
CESME Partnership	3
From linear to circular economy	5
Policy Instruments to be addressed through CESME	6
Recommendations to Policymakers	<u>9</u>
News and Events	9
on Circular Economy	9
on CESME project	. 10
Upcoming project events	. 11
Read more about policy setting in Italy	. 12

# The INTERREG Europe Programme

<u>INTERREG Europe</u> helps regional and local governments across Europe to develop and deliver better policy. By creating an environment and opportunities for sharing solutions, it aims to ensure that government investment, innovation and implementation efforts all lead to integrated and sustainable impact for people and places.

By building on its forerunner, INTERREG IVC (2007-2013), INTERREG Europe aims to get maximum return from the EUR 359 million financed by the European Regional Development Fund (ERDF) for 2014-2020.

INTERREG Europe co-finances interregional cooperation projects with an amount of up to 85% of total project budget. Project activities have to be carried out in a partnership of policy organisations based in different countries in Europe.

The areas of support for 2014-2020 are: 1) research and innovation, 2) SME competitiveness, 3) low-carbon economy, 4) the environment and resource efficiency.

Read: www.interregeurope.eu



## **Introducing CESME**

The **CESME** project aims to improve the effectiveness and impact of available policy instruments, stimulating SMEs to overcome vears of conventional production methods and shift towards green innovation – and circular economy. More specifically, the project will provide policy makers with the knowledge and understanding of the potentials within green economy, while at the same time make them aware of the challenges and barriers that SMEs face in this regard. It will also provide concrete tools to SMEs assisting them to approach green economy. The CESME outputs and results comprise:

• a collection of good practices;

- a White Book with all the lessons learnt and the recommendations targeting 1) policy makers at strategic level and 2) SMEs at practical level;
- a toolkit containing a green profile assessment as well as a return on investment calculation model targeting SMEs;
- six Action Plans (one per Region).

The CESME has an overall budget of €1.63 million. It is supported by €1.39 million from INTERREG Europe. It started in April 2016 and it is expected to last until March 2020. Ten partners are taking part in the project from six EU member countries.

Read: www.interregeurope.eu/cesme

## **CESME Partnership**

The CESME partners are ten public organizations from six European countries (Denmark, Finland, Wales, Italy, Greece and Bulgaria).



**Business Development Centre North Denmark** (BDC North Denmark) is a regional business operator closely linked to the Regional Managing Authority as well as the 11 municipalities in the region. BDC North Denmark

screens, maps and guides SMEs for their growth potentials free of charge. Combined with the free of charge screening and guidance, BDC North Denmark manages a portfolio of framework programmes and projects mostly funded by ERDF/ESF, in order to support the SMEs unfold their growth potential, gaining access to external experts, camps, networks, etc. Attendance in these programmes and projects requires a fee to the BDC North Denmark. BDC North Denmark is the Lead Partner of CESME project.



**North Denmark Region** is the Managing Authority of the Structural Funds within the region and thereby, the owner of the policy instrument addressed. The organization is represented by the Department of Regional

Development aiming to promote growth and jobs through the EU Structural Funds, as well as State Funds. North Denmark Region is the only 'Climate Region' in Denmark, which implies very ambitious climate objectives each year to be met to maintain this position. Furthermore, it has a long and solid experience in promoting resource efficiency and renewable energy in close cooperation with the Ministry of Environment, as well as municipalities and local actors of interest. North Denmark Region covers 11 municipalities with nearly 600.000 inhabitants, in total. The regional capital is Aalborg.



The **Metropolitan City of Bologna** is an organization representing 55 municipalities and one million inhabitants. In Italy, the Metropolitan cities have as main institutional purposes: stimulating the strategic development of the metropolitan area through a strategic plan;

providing integrated management of services; delivering infrastructures and creating communication networks; promoting and coordinating economic and social development; ensuring support for business and research innovative activities consistent with the vocation



of the metropolitan city; promoting institutional relations with regard to their level, including those with other cities and metropolitan areas in Europe. The project will be carried out by the Department of Economic Development, which main fields of activity are: stimulating local economic development by its programming power; enforcing and creating networks and synergies between the main local actors; supporting enterprises managing funds in collaboration with Emilia-Romagna; encouraging creation of new enterprises.



**ERVET** is the **local development agency of Emilia-Romagna Regional Authority** and has the objective of promoting a sustainable economy, in line with regional planning and programming. ERVET supports the Regional

Authority for institutional planning activities, for strategic documents (i.e. Regional Strategy Document, Regional Planning Programme), as well as for sectoral plans (i.e. Waste prevention programme). ERVET provides also support for ESIF regional calls (ERDF, ESF, EARDF). The Economic Development and Environment Unit, involved in CESME, works on enterprises' tools and practices in the field of environment and sustainability. In this context, it manages the website www.tecnologiepulite.it, a free website containing information about cleaner techniques that can be considered as a tool for fostering innovation among SMEs. The Unit also developed and manages the regional "Osservatorio Green Economy", a database on green enterprises, designed to support Regional Authority in the identification of financial and programming instruments.



**Regional Council of South Ostrobothnia** (RCSO) is a statutory federation of municipalities. It acts as a regional authority in charge of regional development, regional planning, culture and internationalization of South Ostrobothnia. RCSO is owned by the 17 municipalities of the region. The regional council works on EU programmes, in close cooperation with

neighboring regions in western Finland.



JPYP Business Service is a development company partly owned by the municipalities and companies operating in the region. JPYP works in close cooperation with SMEs and other enterprises in the regional

area. JPYP's mission is to develop businesses and to bring new innovations and know-how to the region.



**АСЕКОБ** 

**Bulgarian Association of Municipal Environmental Experts** (BAMEE) is a non-profit national association of environmental professionals - municipal environmental experts, engineers in Bulgarian municipalities, companies and other NGOs, consultants and other interested parties. BAMEE is a professional organization dedicated to the preservation of the environment by creating and promoting sustainable, municipal environmental policy. BAMEE works to

enhance and improve the environmental system at local and national level. BAMEE is providing space for the open exchange of ideas, cooperation and self-support among municipal environmental experts, for the professional development of municipal environmental engineers, protecting their rights and assisting businesses to improve their communication with municipalities, concerning environmental problems. BAMEE is promoting eco-initiatives to the general public, assuring access to information and active involvement of society in decision making processes. It is a recognized and respected representative and proponent of the local authorities in the environmental field.



Welsh Government. Wales is one of the four nations that make up the United Kingdom. It has had its own devolved parliament (National Assembly for Wales) and government (the Welsh Government) since 1999. Headed by the First Minister of Wales, the Welsh Government is responsible for areas such as

health, economy, education, language, environment (<u>including waste</u>) and culture and public services. The Welsh Government is separate from the UK Government, which retains responsibility for UK-wide areas such as tax, defense, foreign policy and social security benefits. The Welsh Government takes over responsibility for landfill tax in Wales in April



2018. The Welsh Government is elected by the people of Wales to carry out a programme of government. This involves making decisions and ensuring delivery on the areas devolved to us (as set out in Schedule 7 of the Government of Wales Act 2006). We do this by:

- developing and implementing policies (including providing grants to help deliver policies);
- setting up and directing delivery and governance in these key areas, such as local government and the National Health Service (NHS) in Wales;
- proposing Welsh laws (Assembly Bills) and making subordinate legislation (e.g. regulations and statutory guidance).

We also directly fund Welsh Government Sponsored Bodies – for example Natural Resources Wales (the environmental regulator). The Welsh Government's Minister for Natural Resources has a statutory duty to produce a waste management plan and waste prevention programme for Wales. These form part of the UK's compliance with Articles 28 and 29 of the EU Waste Framework Directive. The Welsh Government's Waste and Resource Efficiency Division is responsible for producing and implementing the waste plan for Wales, on behalf of the Minister for Natural Resources.



**Development Agency of Eastern Thessaloniki's Local Authorities, ANATOLIKI s.a** has a broad shareholder base that comprises the Region of Central Macedonia, owner of the policy instrument addressed, as well as Local Authorities, Associations, Champers and Cooperatives with significant power

to influence this policy instrument. ANATOLIKI acts for more than 20 years as an intermediary body coordinating its shareholders' strategies to promote local sustainable economic development in its area of jurisdiction. In addition, it operates as a knowledge hub for transferring innovative ideas from EU-funded projects to local actors and SMEs.



The **Region of Central Macedonia** is one of the thirteen administrative regions of Greece, consisting of the central part of the geographical and historical region of Macedonia. The Region was established in the 1987 administrative reform. With the 2010 "Kallikratis" plan, its powers and authority were redefined and extended. At the given time,

the Region of Central Macedonia is staffed by a total of approx. 2,000 persons. Its staff is allocated in six General Directorates (i) Planning, Environment and Infrastructure; (ii) Internal Operation; (iii) Rural Economy and Veterinary; (iv) Development; (v) Transport and Communications; (vi) Public Health and Social Welfare. Each General Directorate has further Divisions in each of its seven Regional Units. In addition, independent bodies exist that report directly to the Governor of the Region and the Deputy Governors of the Regional Units. Directly subject to the Governor of the Region is the Managing Authority of the Region of Central Macedonia that is responsible for the management of actions under the Operational Programme for Central Macedonia, which are implemented within the administrative boundaries of the Region, for the programming period 2014-2020.

# From linear to circular economy ...

The European Commission adopted an ambitious Circular Economy Package, which includes revised legislative proposals on waste to stimulate Europe's transition towards a circular economy, in order to boost global competitiveness, foster sustainable economic growth and generate new jobs.

The Circular Economy Package consists of an <u>EU Action Plan for the Circular</u>

Economy that establishes a concrete and ambitious programme of action, with measures covering the whole cycle: from production and consumption to waste management and the market for secondary raw materials. The <u>annex to the action plan</u> sets out the timeline for the actions to be completed.

The proposed actions will contribute to "closing the loop" of product lifecycles



through greater recycling and re-use, and bring benefits for both the environment and the economy.

The revised legislative proposals on waste set clear targets for reduction of waste and establish an ambitious and credible long-term path for waste management and recycling. Key elements of the revised waste proposal include:

- A common EU target for recycling 65% of municipal waste by 2030;
- A common EU target for recycling 75% of packaging waste by 2030;
- A binding landfill target to reduce landfill to maximum of 10% of municipal waste by 2030;
- A ban on landfilling of separately collected waste;
- Promotion of economic instruments to discourage landfilling;
- Simplified and improved definitions and harmonised calculation methods for recycling rates throughout the EU;
- Concrete measures to promote re-use and stimulate industrial symbiosis -

turning one industry's by-product into another industry's raw material;

• Economic incentives for producers to put greener products on the market and support recovery and recycling schemes (e.g. for packaging, batteries, electric and electronic equipments, vehicles).

The following **legislative proposals on waste** have been adopted:

- Proposed Directive on Waste
- Annex to proposed Directive on Waste
- Proposed Directive on Packaging Waste
- Annex to proposed Directive on Packaging Waste
- Proposed Directive on Landfill
- Proposed Directive on electrical and electronic waste, on end-of-life vehicles, and batteries and accumulators and waste batteries and accumulators
- Analytical note on waste management targets
- <u>Staff Working Document Implementation Plan</u>

# Policy Instruments to be addressed through CESME

What is innovative and of great significance is that **INTERREG Europe** currently requires that each project is linked to European Regional Development Fund and the Operational Programmes of the current programming period 2014-2020. This means that each participant country/ region will have to finance

Circular Economy actions through a relevant Operational Programme (National or Regional) funded by European Regional Development Fund. In this context, CESME partners have identified the following policy instrument available in each country/ region.



**North Denmark Region:** Regional Growth and Development Strategy, Specific Objective 4.4.2 Green Growth

North Denmark Region has a solid experience in promoting resource efficiency and renewable energy and thus a good starting point to create the conditions for a thriving circular economy. In addition, North Denmark Region is the only so called 'Climate Region' in Denmark, which implies very ambitious climate objectives to maintain this position. At the same time, the regional SMEs hold a large unrealized potential within this field, which is prioritized in the Region's strategy for Green Growth, focusing on exploiting the regional potentials to further:

- Identify SMEs with potentials for greater utilization of resource- and energy efficiency
- Development of green business models
- Advice on how to unlock their potential



- Implementation of green business modelsOn this behalf the Regional Authority expects the following within 2020:
- 350 new jobs
- 45 M EUR growth in revenues for the participating SMEs

#### **Responsible Partners**

- Business Development Centre North Denmark
- North Denmark Region

Emilia-Romagna Region: 2014-2020 Emilia-Romagna Regional Operational Programme, Axis 3: Competitiveness and attractiveness of industrial system, Investment priority 3c, Support the creation and expansion of capacities for the development of products and services. Specific objective 3.1: Relaunch of propensity to investment inside productive sector. Action 3.1.1: Aids for investments in equipment and intangible goods, and support for business reorganization.

The addressed policy instrument aims to support SMEs growth through investment with a high level of innovation and technology, with a positive impact on energy use, environment and employment, by supporting productive specialization in the fields of RIS3 area.

The target indicator of the Regional Operational Programme within the addressed policy instrument is to increase regional investments in SMEs green growth towards circular economy.

## **Responsible Partners**

- Metropolitan City of Bologna
- ERVET Emilia-Romagna development agency



**South Ostrobothnia Region**: Regional Strategy of South Ostrobothnia, Section 4.10.3

The Regional Strategy of South Ostrobothnia recognizes sustainable development as one of the main values of the region and as the baseline for all the regional planning.

Section 4 of the Regional Strategy is the main strategy for guiding the regional EU Structural Funds.

On the national level Finland has committed to protect biodiversity and nature by several national and international agreements. By utilizing the natural resources in an ecologically sustainable way, South Ostrobothnia aims at preserving the nature. The aim is to conform the human actions to natural resources and endurance of the nature.

In section 4.10.3 of the Regional Strategy of South Ostrobothnia there are actions for improving the quality of the environment and enhancing the sustainable use of natural resources. According to the actions the use of natural resources in industrial processes and energy production principles of sustainable development are followed. The natural and environmental values are combined with economic interests by active cooperation. Local raw materials such as wood based materials are utilized sustainable.

#### **Responsible Partners**

- Regional Council of South Ostrobothnia
- JPYP Business Service

Bulgaria: National Development Programme of Bulgaria 2020, Objective 3, Priority 7. Methodological support for companies to work together and use effectively the secondary products and usage of wastes as resources (e.g. using industrial symbiosis).



The National Development Programme of Bulgaria 2020, Objective 3, Priority 7: 'Methodological support for companies to work together and use effectively the secondary products and usage of wastes as resources (e.g. using industrial symbiosis)' aims at supporting SMEs to enter green growth and industrial symbiosis at best.

In support of this, the Ministry of Environment and Waters provide information to all organisations and administrative bodies that deal with waste management. BAMEE provides information specified SMEs e.g. information on national and international markets, tenders, offers and inquiries from Bulgarian and foreign enterprises and finally they also offer specialized training.

However, the current policy instrument does not stimulate effective usage of waste as resources. In order for the policy instrument to succeed there is a clear need to improve tools for B2B communication and improve business models, which will enable more SMEs to raise awareness of the possibilities and benefits of using waste from one SME as a resource to another.

#### **Responsible Partner**

• Bulgarian Association of Municipal Environmental Experts – BAMEE

Welsh Government: Operational programme for Wales, Specific Objective 2.4 The Operational programme for Wales recognises sustainable development as Wales' integrated approach to seeking economic, social and environmental outcomes. The Operational Programme for Wales also identifies significant opportunities to improve the competitiveness of SMEs through greater resource efficiency, which can have positive environmental impacts. This includes resource efficiency interventions under the SME Competitiveness Priority, Section 2; Specific Objective 2.4; paragraph 31: 'To increase the growth of those SMEs with growth potential, in particular through accessing new markets'.

The ERDF programme will support actions for:

- tailored advice and business support to address barriers to growth, e.g. strategy, marketing, business models, systems, risk management, resource efficiency, operational improvement, product development, supply chains and distribution.
- resource efficiency and energy efficiency measures within SMEs, including addressing barriers to related investment, supporting behavioural change, supporting the diffusion of technology and innovation and encouraging SMEs to undertake energy audits.

Wales Waste management plan "Towards Zero Waste" TZW published in 2010 is about managing waste better and reducing waste, it is also about putting sustainable development at the heart of government. TZW is about making the most of the opportunities for resource efficiency and waste management to contribute towards a sustainable future for Wales.

#### **Responsible Partner**

• Welsh Government



**Central Macedonia Region**: Regional Operational Programme of Central Macedonia 2014-2020, Priority Axis 3. Improve Competitiveness of SMEs

The Regional Authority of Central Macedonia prioritize the improvement of resource efficient SMEs, which is stated in Priority Axis 3 of the Operational Programme. The aim of the policy instrument is to utilize the enormous potentials for cost savings and for gaining a higher productivity, thus enabling companies to become more competitive and in a better position in the global value chain.

By transferring knowledge and good practices, new projects will be financed by already existing budget lines of the Regional Operational Programme. In addition, by addressing this policy instrument through CESME, awareness from potential SMEs will be raised and



matured and hopefully, they will be included in the projects that are going to be funded by the Regional Operational Programme.

## **Responsible Partners**

- Region of Central Macedonia
- Development Agency of Eastern Thessaloniki's Local Authorities, ANATOLIKI S.A.

## Recommendations to Policymakers ...

It is often of great use for policymakers to have at their disposal a handbook providing all useful information on a subject, as well as a roadmap on how to prioritize required policy interventions to achieve a positive result in a thematic. In the case of circular economy, useful information is presented in a concise way in the EU webpage for the subject. In addition, Ellen MacArthur Foundation, a leading think tank on the subject, has prepared a toolkit for policymakers to assist them in the transition towards circular economy.

From a number of Best Practices presented at the first semester of CESME project many interesting recommendations to policy makers occurred. Special attention, though, should be made on the following:

1. Designing circular business models may require skills and knowledge that lie outside an SME's typical competencies. Funding open/collaborative innovation focused on circular economy activities is vital to promote uptake amongst SMEs.

- 2. European Union and the partner states should put pressure on using the state of art technology for more efficient recycling. The incineration of valuable materials derived from waste should be limited and efficient collection and reuse of materials should be promoted. Networking and exchange of information among providers and users of second hand materials should be further facilitated.
- 3. Implementation of circular business models requires a re-evaluation of a company's value network, including potential new partnerships and market research into how customers will respond to new value propositions.

#### Read:

http://ec.europa.eu/environment/circular-economy/

https://www.ellenmacarthurfoundation.org/programmes/government/toolkit-forpolicymakers

## **News and Events**

#### ... on Circular Economy

Circular economy is a hot issue in the EU and its member countries. Due to this fact there has been a lot of activity in policy setting during the past year. Some of the highlights during the past year have been the following:



#### **EU level**

- In December, 2015 the European Commission adopted an ambitious Circular Economy Package, which includes revised legislative proposals on waste and an <u>EU Action Plan for the Circular Economy</u>.
- In March, 2016 the European Commission organized an event under the "Making it happen: European Commission seminar on circular economy financing" to raise awareness about the challenges and opportunities related to the rapidly growing area of financing "circular businesses" among national promotional banks and other investors. Presentation are available http://ec.europa.eu/environment/circulareconomy/index en.htm
- August, 2016 the European Commission announced the adoption of a new set of ecological criteria under the EU **Eco-label scheme** for computers (personal, notebook and tablet computers), furniture and footwear. The Eco-label promotes Europe's transition to a circular economy, supporting both sustainable production and consumption. Manufacturers wishing to benefit from the EU Eco-label have to comply with the requirements for the environmental performance of product, product safety and social aspects.

#### **National and regional**

- In October, 2015 the Italian Region of Emilia Romagna approved the first law at national level on circular economy. Read below the full article.
- A new national legislation was introduced in Italy in December, 2015 to promote environmental measures of green and circular economy. Read <u>below</u> the full article.
- In May, 2016 Ernst and Young (EY) published a study on the Circular Economy in Greece, commissioned by SEV - Hellenic Federation of Enterprises **Business** Council for Sustainable Development (SEV BCSD). The objective of this study is to promote the potential for transformational change that the Circular Economy can bring to the status quo of the Greek economy, including the disruptive resolution of chronic confrontation topics, such as waste management, and extending to the provision of investment opportunities, as a catalyst towards sustainable growth.

## ... on CESME project

During the first semester of CESME project partners have been very active in organizing events to establish the project in the regional milieu and to promote the concept of circular economy to relevant stakeholders:



- In May, 2016 the first Local Support Group meeting was organized in North Denmark. by Business Development North Centre Denmark and North Denmark Region. The project was presented to local stakeholders and it was followed by a discussion on how CESME should be aligned with other relevant initiatives in the region and how should cooperation with potential stakeholders expand.
- In May, 2016 the <u>CESME kick off</u> meeting was held in Wales, organized by Welsh Government and with participation of Cabinet Members and other officials. Best practices were presented by Welsh Government and Finish project partners, while study visits took place at companies implementing a circular economy business model.
- In June, 2016 the <u>first Local Support Group meeting was organized in South Ostrobothnia</u>, Finland, by Järvi-Pohjanmaa Business Service (JPYP) and Regional Council of South Ostrobothnia. It was widely agreed, that wood industry and bioenergy should be the focus areas for South Ostrobothnia in the project.

- In July, 2016 the <u>first Local Support</u> <u>Group meeting was held in Wales</u>, by Welsh Government. Welsh Government considers CESME as an opportunity to help push the circular economy agenda forward, by sharing valuable expertise that will help break down barriers for SMEs and bring this vision into a reality
- In September, 2016 the <u>first Local Support Group meeting was organized by the Region of Central Macedonia</u> at the city of Thessaloniki, with participation of ANATOLIKI S.A. Development Agency and various stakeholders.
- In September, 2016 the first Local Support Group meeting was organized in Emilia-Romagna, by ERVET Development Agency and the Metropolitan City of Bologna. In addition, the inaugural event of Emilia-Romagna Regional Permanent Forum on circular economy was held, with the participation of local, regional and European entities.
- In September, 2016 the <u>first Local Support Group meeting was organized by BAMEE in Sofia, Bulgaria.</u>

#### ... also

- The new project webpage is active at <a href="http://www.interregeurope.eu/cesme/">http://www.interregeurope.eu/cesme/</a>. The webpage will be regularly updated with project news and events. You may also search for CESME project on facebook, twitter and linkedin. Send to us news and good practices on circular economy to disseminate it to the public!
- The CESME White Book platform will be available soon at <a href="www.cesme-book.eu">www.cesme-book.eu</a>. The White Book will be collaborative developed and will contain the lessons learnt and the recommendations targeting both policy makers at strategic level, as well as SMEs at practical level.

## **Upcoming project events**

- In November the second interregional partner event of the CESME project will take place in Bologna, Italy, aiming to present SOLLUTIONS WITHIN CIRCULAR ECONOMY. Information about the event will be available at the news section of the CESME project website and in the social media pages of the project.
- Second semester Local Support Group meetings will be held from October, 2016 to March, 2017. The meetings will be announced in the news section of the <a href="Meetings-eta-base-cess">CESME project website</a> and in the social media pages of the project.



#### ... also

Several events relevant to circular economy are scheduled for next semester outside the framework of CESME project. Those events will be announced in the social media pages of the project on time. Two of the events that have already been scheduled are:

- The next <u>Circular Economy Mission</u> that will be held in China on the 23-25 November 2016. The Circular Economy Missions are a series of high-level political and business meetings in third countries to communicate and promote sustainable and resource-efficient policies. The missions are organised by the Directorate-General (DG) for the Environment of the European Commission and aim to build bridges between European institutions, NGOs and companies and the relevant stakeholders in those third countries, interested in the opportunities that the transition to the circular economy brings.
- <u>Pathways to a circular economy in cities and regions</u> workshop will take place on October 12 in Brussels. It is organised by the INTERREG Europe, ESPON, INTERACT and URBACT programmes and will take place during the European Week of Regions and Cities 2016 (EWRC).

# Read more about policy setting in Italy

# The minimum environmental criteria and Green Public Procurement mandatory in Italy: a step towards Circular Economy

Recently in Italy a new national legislation was introduced in order to promote environmental measures of green and circular economy. It implies mandatory requirements for all Italian public entities Minimum Environmental include Criteria (MEC) in their public procurement actions (Art. 18 Law 28th December 2015 n. 221 and the new Public Procurement Code - Legislative Decree 163/2006). The Criteria have been defined by the Italian Ministry of the Environment as ministerial decrees as part of the Italian GPP National Action Plan (2008) and cover the 16 product and service areas most relevant for public procurement in Italy. Art. 18 requires Public Administrations to use the technical specifications and requirements defined by the MEC in their public procurement tenders in order to promote the purchase of products and services with a lower environmental impact and for which the useful life longer and waste reduced.

MEC are provided

Moreover, 50% of the contract value for the other product and service categories must be greened. The national legislation, by imposing the MEC, has made a key step value to promote circular economy since the minimum environmental criteria, if adopted on a large scale, are a key to overcoming "linearity" in the approach to production and consumption.

The MEC acts simultaneously on several objectives mentioned in the European Action Plan for Circular Economy. They outline requirements for eco-design of products, services and works to which they refer to, and "over the entire life cycle". They represent support measures demand side for products characterized by eco-design requirements. MEC outline procedures for a consistent waste collection with the aim to encourage recycling.

For more information

http://www.minambiente.it/pagina/gpp-acquisti-verdi,
http://ambiente.regione.emiliaromagna.it/svilupposostenibile/temi/green-publicprocurement



Today public organizations spend considerable sums to purchase goods and services. In time of general crises and facing continuous financial constraints, its more and more important to get the most value from contracts, not only in terms of value for money, but also in terms of environmental and social responsibility. Unfortunately the Public Procurement is often considered a difficult sector for innovation, because it is seen as a bureaucratic and complex process subject to a strict EU legislation.

In order to innovate the system of public procurement and to get the maximum economic, social and environmental benefits for the local development, the Metropolitan City of Bologna joined the Urbact Procure Network. The discussion will be focused on: simplifying the process of procurement actively reduce levels of spend leaking out of cities; raising awareness of procurement opportunities among SMEs; identifying services where there is potential for a different model of delivery; spreading the use of environmental and social clauses.

The project website and social network where find additional information are:

Web: <a href="http://urbact.eu/procure">http://urbact.eu/procure</a>

Twitter: @Procure\_eu
LinkedIn: Procure: Procure

#### The regional law on circular economy: the case of Emilia-Romagna

On October 5<sup>th</sup> 2015 the Region of Emilia Romagna has approved the first law at national level on circular economy (no.16/2015). This regional law (formally called "Regulations in support of the circular economy, the reduction of waste production, the re-use of end-of-life-products and waste recycling, and changes to the regional law no.19 of August 19<sup>th</sup> 1996", available at http://bur.regione.emilia-

romagna.it/nir?urn=regione.emilia.romag na:bur:2015;253) arises from a bottom-up process involving 60 city councils, 1 provincial council, associations and territories.

According to a circular economy approach, wastes from activities must become "secondary raw materials" for other activities: the regional law will therefore pay attention to the whole life cycle of products. Moreover, a link between supply and demand of secondary raw materials will be created, highlighting territorial productive peculiarities.

#### The fields of action are three:

- 1. A more sustainable waste management
- 2. Information aimed at creating a new civic consciousness

3. Financial instruments (both for municipalities and innovative companies)

The **targets** set by the regional law are quite ambitious, even higher than those set by the European Union:

- Reduction rate of the per capita production of waste: 20-25% by 2020
- Waste collection rate: 73% by 2020
- Recycling rate: 70% by 2020 (65% of urban waste by 2030 for the EU)
- Landfill disposal: 5% by 2020 (10% by 2030 for the EU)

These targets will be achieved also through the Regional Waste Plan, approved on May 3rd 2016, whose tools include:

- a Pay-As-You-Throw system by 2020
- public-private partnerships for the prevention and recovery of waste in different economic sectors
- an incentive fund for virtuous municipalities of 11.5 million of euro per year
- a permanent working group for byproducts. Information and awareness measures will also be taken. In particular, besides the incentives for information and education activities and the regional communication campaigns, a permanent

forum on circular economy will be established. This forum will be the occasion for sharing information and good practices and will involve local bodies, economic and environmental associations and representatives of the civil society. The permanent forum will be launched at the convention about circular economy in Emilia Romagna — organized within CESME project — next September 16th in the headquarters of the Emilia Romagna

Region in Bologna. The convention will be structured in two parts: in the morning, institutional representatives will introduce the European and regional context and selected regional companies will present their good practices; in the afternoon, a technical workshop will officially launch the CESME Local Support Group established for Italy. Information about the event will be available at the CESME project website.











**Business Development Centre North Denmark** 

Niels Jernes Vej 10, 9220 Aalborg

Phone: +45 70210808

Contact:

E-Mail: <u>info@vhnordjylland.dk</u> http://www.vhnordjylland.dk