

RESOURCE USE (/TAXONOMY/TERM/35)

EFFICIENCY (/TAXONOMY/TERM/40)

## SMALL BUSINESSES' ROUTE INTO CIRCULAR ECONOMY TO BE MADE EASIER BY EUROPEAN PROJECT

By <u>Edward Perchard (/profile/edward-perchard)</u> I 5 <u>September 2016 I Add a Comment (/article/small-businesses-route-circular-economy-be-made-easier-european-project-11354#disqus\_thread)</u>

**PRINT** 

E-MAIL

SHARE

A project to help smaller businesses to enter the circular economy and develop more sustainable and profitable business operations has kicked off in Wales.

The Circular Economy for SMEs (CESME) project is a Europe-wide initiative created by the Business Development Centre in Denmark. It was established to help small and medium sized enterprises (SMEs) to future-proof their business in a green and more sustainable way.

The four-year project will see 10 partners from six European countries join to share experiences, identify best practice and create a step-by-step guide to help SMEs with the transition to a circular economy.

A circular economy is one that keeps resources in use for as long as possible. Rather than a

linear economy, which uses a 'make, use, dispose, model, a circular economy seeks to maximise the efficiency of resources during their use and then extend their value through processes like reuse, repair, remanufacturing and recycling.

A study carried out by the Waste & Resources Action Programme (WRAP) estimated last year that expansion of the circular economy in Europe could create three million extra jobs (<a href="http://resource.co/article/circular-economy-could-bring-3m-more-jobs-eu-2030-10464">http://resource.co/article/circular-economy-could-bring-3m-more-jobs-eu-2030-10464</a>) and reduce unemployment by 520,000 across member states by 2030.

The first phase of the project aims to provide policymakers with knowledge of the benefits of the circular economy and highlight how support packages could be best used to help small businesses adopt more circular business models. This will uncover ways that local and regional authorities can improve policy instruments and design support packages to help SMEs. The second phase will then work with SMEs themselves to put in place the lessons learned through the initial work.

## Breaking down barriers for SMEs

The Welsh Government is the UK's representative among the 10 project partners, which come from Denmark, Italy, Finland, Bulgaria, the UK and Greece.

Wales hosted the first partner event in May, which saw all ten partners gather in Cardiff and hear from a number of circular economy experts including the Ecodesign Centre Wales and WRAP Cymru.

Delegates visited local SME and furniture producer Orangebox in Hengoed, which undertook a pilot project in 2014 to design an office chair that is 98 per cent recyclable and easy to repair through easy disassembly. The company believes that the chair has the potential to generate sales of £5 million per annum and £2.5 million of added value for Orangebox's supply chain.

Commenting on Wales's part in the project, Environment Secretary Lesley Griffiths said: "Wales has a strengthening global reputation for green growth and we recognise the opportunities the circular economy will bring. Sharing valuable expertise will help us break down barriers for SMEs and bring this vision into reality."

The project has a budget of €1.73 million and will be co-funded by the Interreg Europe Programme, an organisation created to help regional governments across Europe to develop and deliver better policy.

More information on the Circular Economy for SMEs project can be found on the <a href="Intereg Europe">Intereg Europe</a> website (<a href="http://www.interregeurope.eu/cesme/">http://www.interregeurope.eu/cesme/</a>).

