



# CIRCULAR STRATEGY

*Most businesses have failed to define and execute a circular economy strategy. Until now.*

GATE C





# Resource extraction has a major environmental impact

**90%**

Part of biodiversity loss caused by resource extraction and processing

**50%**

Part of greenhouse gas emissions caused by resource extraction and processing

*Source: European commission.*



**Circular economy could reduce this impact while improving competitiveness**

**40%**

Average spending on materials of manufacturing firms in the EU

**€600 billion**

Savings for EU businesses from circular economy

**8%**

Part of the annual turnover that would be saved by EU business from circular economy

*Source: European commission.*





## Still circular economy adoption rate remains low

**12%**

Part of secondary materials and resources being brought back into the economy

**6%**

Part of recycled plastics for the plastic demand in Europe

**1,5%**

Minimum percentage of global plastics production ending up in the oceans every year

*Source: European commission.*

**To define and execute a robust circular economy strategy, firms should follow a 4 steps approach**

**1**



**Identify  
inefficiencies**

**2**



**Map circular  
business models  
benefits**

**3**



**Measure  
capability gap**

**4**



**Build a roadmap**

## Example of framework output

### Business unit A

Process	Level of circularity	Impact	Improvement
Product design	<div><div></div></div> 10%	<div></div>	
Purchasing	<div><div></div></div> 35%	<div></div>	
Production	<div><div></div></div> 83%	<div></div>	
Sales	<div><div></div></div> 48%	<div></div>	
Usage	<div><div></div></div> 16%	<div></div>	
End of life	<div><div></div></div> 80%	<div></div>	

1



## Identify inefficiencies

First, we understand current inefficiencies in the existing linear value chains and evaluate circularity status quo.

To evaluate a company's circularity status quo, we collect answers to approximately 100 questions through a proprietary tool.



2

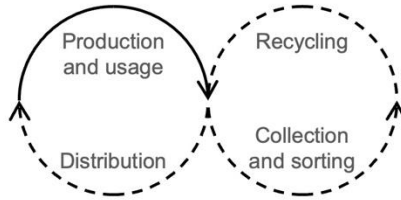


## Map circular business models benefits

Then we assess the potential of circular business models to address existing inefficiencies.

During workshops we use the Circularity deck, a 52 cards deck that describe each circular business model.

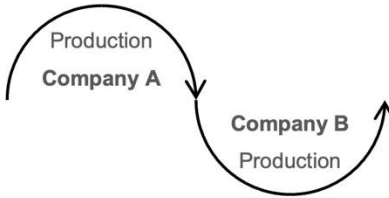
## Recycling



**Recycle in close**

**Recycle in open loop**

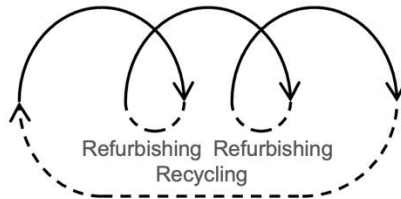
## Industrial symbiosis



**Industrial symbiosis**

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## Product life extension



**Repair & Maintain**

Rep  
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**Resell**

Rese

**Refurbish**

Retu

**Remanufacture**

Reti

## Product as a service

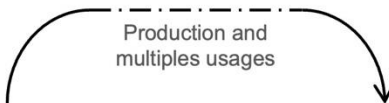


**Pay-per-use**

Bu

**Pay-per-performance**

## Product sharing



**Share within an organization**

**Share across organizations**

2



## Map circular business models benefits

We evaluate the business case (return on investment, risks, etc.) for each relevant business model.

We use our value-case tool that give a high-level understanding of the value potential of each circular economy business models.



## Example of capabilities required to operate circular economy business models

### Capabilities

Organisational	Circular design	Design for recycling
		Design for reuse, repair, refurbishing or remanufacturing
		Design for reverse logistics
	Circular sourcing	Buy a product as a service
		Source recycled, recyclable or renewable materials
	Circular production	Repair, refurbish or remanufacture used products
		Sell by-products as resources
		Reduce, reuse or recycle production scrap
	Circular sales	Sell lifecycle services
		Sell a product as a service
		Take back used products (reverse logistics)
Technological	Digital	Collect data on product lifecycle using sensors
		Analyse data on product lifecycle using analytics
	Biological	Leverage new material technologies

3











## Measure capability gap

Circular business models can require major transformations. We identify the required capabilities needed to operate selected business models.

We use a maturity assessment questionnaire to qualify capability gaps.

Example of circular economy indicators

Indicator	Level	Implementation difficulty	Source
Percentage of circular inflow total	Company		WBCSD
Material Circularity Indicator	Product		Ellen MacArthur Foundation
Recyclability rate	Product		ISO
Material reutilization score	Product		C2C Certified Product Standard
Material Input Per Unit of Service	Product		Wuppertal Institute
Circular revenue	Company		Philips
Material efficiency of natural rubber	Material		Michelin
Value retention	Company		Renault

4



Build a roadmap

Finally, we define a circular economy strategy, integrated into the business strategy, and a roadmap to execute this strategy.

We help setting out clear KPIs chosen from our list of more than 100 qualified circularity indicators.

# We have already helped many businesses various industries defining their circular economy strategy

## Chemicals



We helped a chemical company design circular offerings.

## Metals



We helped a metallurgical company leverage circular economy models to reduce sourcing and production costs.

## Consumer Packaged Goods



We helped a consumer packaging goods company imagine circular products, packaging, and services to reduce the environmental impact of a product line.

## Retail



We helped a specialized retailer to identify circular offering, such as second-hand and refurbished products sales, to face declining sales.





**We are a consulting firm helping  
businesses to capture the value of the  
circular economy**

contact@gateconsulting.com

[www.gateconsulting.com](http://www.gateconsulting.com)