

CHECKLIST TO SUPPORT SMEs

INTRODUCTION

SMEs (small and medium-sized enterprises) are increasingly aware of benefits which are related to Circular Economy (CiE) like closing material loops. However, implementing aspects of CiE is a very complex task. Depending on the current business model, a complete rethinking and redesigning on how doing business or only a gradual shift is needed.

SMEs are often not very familiar with the term and concept of CiE. So far, terms like “green economy” or “resource efficiency” are more common. However, the concept of CiE goes beyond and is crucial to implement real changes.

As the initial status and the know-how of SMEs as well as their questions regarding CiE are very diverse, a general checklist to support SMEs on their way towards a CiE is a challenge. Nevertheless, many SMEs need easy-to-understand information about how to take the first steps towards a CiE.

The goal of this “checklist” with questions and fact sheets is to support SMEs

- to increase their know-how on circular thinking
- to identify their status quo regarding CiE
- to ask themselves the right questions
- to get an extensive list of supporting tools.

FACT SHEETS

Please have a look at the three questions and the corresponding fact sheets.

WHAT DOES CIRCULAR ECONOMY MEAN?

- ➔ Please check out the FACT SHEET “**Information on CiE**”

ARE YOU FAMILIAR WITH DIFFERENT TERMS AND DEFINITIONS?

- ➔ Please check out the FACT SHEET “**Terminology on CiE**”

DO YOU KNOW USEFUL TOOLS TO START THE FIRST STEPS TOWARDS CIE?

- ➔ Please check out the FACT SHEET “**Supporting tools for CiE**”
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QUESTIONS FOR THOUGHTS

By answering the following questions, an SME can get a first indication on their status and on which topics the company might address to take steps towards a more circular SME.

The following 50 questions are assigned to five categories. In the case the questions are not applicable for your SME, please skip them. The term “products” is used within these questions, but it should cover (when applicable) products as well as services.

PRODUCT DESIGN & LABELLING

1. Did you know that 80% of the environmental impacts of a product is decided in the design stage?
2. Do you address the aspect of a modular design of the product?
3. Are other concepts like dismantling for recycling, dismantling for reuse, upgradability or reparability considered?
4. How does your SME consider the material selection within the design phase?
5. Are the selected materials recyclable / biodegradable / from renewable or secondary sources? And how is the reduction of material usage addressed?
6. Do you also consider ecological aspects with regards to packaging (primary and secondary packaging)?
7. Did your SME conduct a LCA (Life Cycle Assessment) study or did you ever check if LCA studies on your product or your service exist?
8. Are you aware of the biggest detrimental environmental and social impacts of your product? In which life cycle phases do they occur and how can they be reduced?
9. Are you familiar with relevant product certification schemes and have you ever thought about passing e.g. a C2C (cradle-to-cradle) certification?
10. Do you use any type of “social or environmental claim” for your product or service? If so, is it credible?

MANUFACTURING & SUPPLY CHAIN

1. Which materials are used during your production processes? Does your SME ensure that these materials are used “as long as possible”?
2. How dependent is your SME on imported raw materials? Could the usage of secondary or renewable raw materials be an improvement?



3. Could “production on demand” be an option?
4. Can your energy / material / water cycles within your production processes be optimized? Did you ever analyze related potential cost savings?
5. Have you ever considered switching to renewable energy sources / suppliers?
6. Which harmful substances are used in your production processes? And how could they be replaced?
7. Which types of waste does your SME produce? And how can this amount be reduced?
8. Can the by-products / (pre-consumer) waste generated during the production be utilized by you or another company (closed loop vs. open loop)? And how could this recovery of secondary raw materials be optimized?
9. Is a zero-waste target in your production processes possible (“from waste to resource management”)?
10. Are you familiar with the production processes of your suppliers?
11. In which countries do your suppliers produce and under which social and environmental conditions?
12. When thinking of your sourcing, manufacturing and distribution, which aspects could be more “circular”?

PRODUCT PROPERTIES & USAGE & END OF LIFE

1. How do you ensure an extension of the life time of your product and of your product`s components?
2. Does your product have an extended warranty?
3. How is the reparability of the product addressed? Can it be repaired only by you as producer or also by the user or a service provider?
4. Can your product be upgraded or does it provide multiple use/reuse?
5. Does your SME provide a product take-back system?
6. Is a remanufacturing / refurbishment of your product or parts of it possible?
7. Do you know the main reasons why users dispose of your product (e.g. certain parts are broken, out of fashion)?
8. Do you know what happens with your product after its usage in its End-of-Life? Is there any type of “utilization” (reuse / recycling / energetic recovery)? And how can this post-consumer waste be reduced or reutilized?
9. Do you provide information to consumers on the best disposal way of your product (e.g. sending it back to you, bring it to a recycling center)?



10. Which other information do you provide to consumers about your product (e.g. ingredients, CO₂ footprint)?
11. Does your product use energy during its use phase? If so, can this be reduced?

NEW BUSINESS MODELS & ECONOMIC BENEFITS

1. Could your SME offer “product access” (rather than ownership)?
2. Could concepts like leasing or renting of products be of interest for your business?
3. Could performance-based models (e.g. printing: pay per print) be of interest?
4. Could a sharing platform (with e.g. transaction fees) where products are co-used or exchanged be a business model for your SME?
5. What could be your economic benefits from CiE?
6. How can you distinguish yourself from competitors with the implementation of CiE principles / business models?
7. Do you know best-practices in your industrial sector for inspiration? Did you ever look at companies from outside of your own country for inspiration?

ORGANISATIONAL & BEHAVIOURAL ASPECTS

1. Does your SME have a vision and / or a mission related to sustainability or CiE?
2. Does your company have CO₂ reduction and / or any other environmental or social goals?
3. Do you write a CSR (Corporate Social Responsibility) report or any other non-financial report (e.g. based on GRI (Global Reporting Initiative) standards)?
4. How transparent is your current state of operation?
5. How is the hierarchy “reduce, reuse, recycling” anchored within your company's behaviour (e.g. regarding topics like printing, event management, purchasing of office equipment)?
6. Is the CEO of your SME interested in a transition towards more circularity?
7. Has your SME ever thought of the “added value to society and the environment” of your product (motto “doing something good” instead of doing “less bad”)?
8. How can your SME spur innovation for products which are more in line with CiE?
9. Who could be relevant partners (e.g. ministries, suppliers, consulting firms, business support organizations, etc.) to support your SME?
10. When thinking of the whole value chain, which are the key stakeholders for a shift towards CiE (e.g. material suppliers, purchasers, end-consumers)?



ABOUT MOVECO

MOVECO – Mobilising Institutional Learning for Better Exploitation of Research and Innovation for the Circular Economy.

“Your trash is my treasure” – This is the motto of the EU co-funded project MOVECO. Sixteen partners from ten countries of the Danube region want to promote transnational cooperation to accelerate the transition to a Circular Economy. Under the framework of the Danube Transnational Programme, MOVECO is an Interreg project, co-funded by the European Regional Development Fund (ERDF) and the Instrument for Pre-Accession Assistance (IPA).



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