



# REFRAME

**Circular Economy strategy FRAMEwork  
for sustainable SMEs**

## **IO3: Circular Economy Implementation Framework (CE Framework)**

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## Dimension of CE Implementation

### D. Ecosystem

Crafts are not separate from their peers since they both influence and get influenced by them. Thus, to achieve a holistic approach for all parties involved and scale-up circular initiatives, crafts should take action to collaborate with the external environment and facilitate communication with bodies that may share common circular objectives. This means that craft companies should bridge over suppliers, customers, governmental agencies, and even competitors to leverage the highest circularity potential. The ultimate goal for the craft is to become a member of a fully connected ecosystem that enables a circular economy across the value chain. Three key areas to focus on have been identified for the fourth dimension of the implementation framework:

- Sharing
- Collaboration
- Policy

Even though the ecosystem dimension may seem like the last stage of the circular transformation, this dimension is possible to start unfolding from the beginning of a circular journey.

#### Sharing

Sharing refers to the mutual exchange of information, learning and knowledge to promote circular thinking and enhance performance in a non-competitive manner. Crafts should connect with their external environment and develop mutual agreements to tackle challenges they face during transformation but also provide input to other stakeholders that encounter difficulties. Sharing information improves the overall environmental performance, can lower production costs and is the only way to upscale circularity across different parties.

#### Collaboration

Collaboration can be the continuation of sharing. It refers to the cooperation of different entities to apply circular initiatives. Take for example Toast Ale which collaborates with local bakeries to procure its supplies or Salty Bag which collaborates with customers and sailors to get the sailcloth. Collaboration can be mutually favourable for the parties involved since it can lower costs, increase revenues and enhance branding.

#### Policy

Crafts need to monitor local and national policies to be able to engage and support initiatives that relate to the circular economy. A great example of such an initiative is the Green Crafts Initiative (GCI) located in Scotland which brings together crafts to support them in their journey of reducing their environmental impact. Members of GCI have access to a wide range of digital resources and case studies to aid in their fulfilment of green commitments, but also allows them to have one-to-one advice on how to make their operations more sustainable.

Business processes involved in operations are the following (Lacy et al., 2020):

- Procurement to develop relationships and initiatives across the supply base
- Human Resources to foster a culture open to collaboration and learning
- Marketing to communicate partnerships, initiatives, and the impact to broader stakeholders
- Corporate Affairs to create effective relationships among stakeholders
- Finance to leverage investment for joint innovation projects