Building Blocks for the Future
PILAR II – CIRCULARITY

Circular Change

Ladeja Godina Košir
Circular Change

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About this white paper

This document aims to compile and summarize the speeches, thoughts and bold ideas shared during the Open Sessions of the 2021 Annual Event of the Business and Innovation Network, recording, for future reference, the contribution of a group of impressive people from all over the world who gathered in Porto to share, evolve and create knowledge and visions for the future of Humanity. This was a collaboration between BIN@ Network and Everythink, a design company.

About BIN@
Business and Innovation Network

Business & Innovation Network (BIN@) is an international network of academic and industry partners engaged in supporting open innovation and the creation of sustainable forum for sharing good practices and opportunities in innovation. BIN@ promotes a set of activities ranging from brokerage events to softlanding opportunities for startups. BIN@ has currently around 4500 delegates worldwide and so far has held 14 international events in Portugal, UK, Brazil, Romania, Poland and one fully digital event. You can see more about our activities on the official website: www.businessandinnovation.net.

About Everythink

EVERYTHINK is an award-winning studio for creativity, design and innovation, established in 2008 in Porto. Through design, they put creative methodologies and strategic thinking at the service of companies' innovation, to create new services, products and experiences, impacting people in a positive, easy and happy way. Everythink's approach with customers, users, and stakeholders is key to create new products, services and experiences, with a positive impact on people's lives. The team works on different areas and outputs, offering diversity and experience in an effect of cross-pollination offering innovative insights, efficiency and time-to-market. Find more at www.everythink.com

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Circular Change

A conversation with

Ladeja Godina Košir
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Ladeja Godina Košir, #EUwomen4 future, lives in Ljubljana, Slovenia (the only country with love in its name!). She is the founder and director of Circular Change, a private non-profit organization devoted to circular economy, founded in 2016, implementing national circular economy roadmaps in different countries , organizer of the international Circular Change Conferences and publisher of the "Circular Insider" magazine. Ladeja is involved in EU and UN projects, is the chair of the European Circular Economy Stakeholder Platform in Brussels, co-chair of the CE group within the BCSSS Austria, and collaborates with Doshisha University in Japan. She has also work in progress with Jacqueline Cramer, former Minister of Environment from the Netherlands and Petra Kuenkel, from Germany, author of books on transformative leadership.

This is all about change. Starting with the circular triangle , the concept we introduced while we were preparing the circular economy roadmap for Slovenia back in 2016. We realized how everything is interconnected, and now we use this approach on roadmaps and other projects to zoom out to see who are the stakeholders, what is their role in the society, in economy, and then zoom in to see how they can collaborate. In this triangle we have circular economy as an economic model, with everything that relates to that, such as the transition of business models. We cannot achieve this new model without circular change , a systemic change in a holistic approach of the whole system. And then there is circular culture , the third very important component, because everything is based on values. So within the society, we start with our basic values, the driving force for our decision making, that significantly contribute to our lifestyle. If we do not have this big picture of all these components, understanding how one affects another, we're too much in silos and we can never achieve this paradigmatic shift, which is not just about the economy, but it is also, or maybe even first, about the society.

Transition of paradigm

I'm now particularly curious about why we are seeing the existing systems are collapsing. I mean, the health system, education system, even political system. And we don't have an alternative, at least I don't know what the alternative would be at this very moment. On the other hand, the power of financial capital and multinational companies, is running the globe and they're those who are making the world go round. How to maintain the enthusiasm and hope for a prosperous future if we, citizens, are not considered as partners in change? So, how can we connect different players on the national, international and global level, and co-create a much more fluid structure that is not governed in a traditional hierarchical way, but really to be somehow self governed? Based on shared values, and because we are in crisis, climate crisis, health crisis, the crisis management is needed. To find out where is the potential or the force for this new, inclusive and engaging kind of crisis management, from the individual towards the society. How to harmonize now or adapt in a new way? Only together we can shape the answer...

A broader level for Circular Economy

A question often asked is how do I see circular economy in the broader context of sustainability, like SDGs, and the whole disparity of sustainability. What I see as beneficial when we are talking about circular economy, refers very much to design. First design thinking, then designing things (or services) in a way to maintain their value for as long as possible, looking for different kinds of business models - moving from product to service, implementing the sharing economy. Solutions are very tangible. In a so called "developed countries", including Europe, we are more used to linear that to circular thinking. With slogan "Build back better" EU is encouraging return to "life as it used to be". But we should be forward thinking and re-evaluate our economic system, redesign structures that are not solving climate and health crisis. It is not about "fixing the problem". Profound paradigmatic shift and behavioural change is needed!

Circular Culture

Let's see the circular culture topic and the segments we can put under this. One are values, to agree on what we value and what we do not, and then we should value this also money wise, because so far, we still use money to evaluate the value. The more profound question is, what the value of money is based on, nowadays... The second important topic is education. When talking about the times we are living in, educational system is one of those that needs a profound change.

During the COVID we have learned, what can be done remotely and online. But what is the role of education? You can have access to information, even to the knowledge online.

What is missing, when real social interaction is lacking, is the exchange of energy, of the flow of ideas, of spontaneous cocreation, vivid discussion that brings new ideas and sparkles creativity, innovation. Relationships make us human. Education shall not be just about „transferring" knowledge, but much more about joint search for new knowledge, insights, ideas. It shall be based on dialogue. Let's also touch the importance of narrative in a border sense - how we talk, what words and images we use, what is our tone of communication. If we want to engage people and make a real impact, it is not about preaching and telling them to do this and that. We shall enable a safe space where we can nourish this inclusive dialogue, and then also create messages that are encouraging, not simply populistic, but truly focused on cooperation and on opening of new possibilities. This whole narrative still have to be developed. Storytelling is essential, because the whole society is based on stories, that is how we, as humans, have develop through the history – based on worth of mouth, on stories and rituals.

Green and Digital

Two keywords we are now praising are green and digital (alongside with new technology and AI). Let's take a look at what is actually happening nowadays – we are colonizing and polluting the space and digging deep into the oceans to get rare resources needed for „new technologies". It is catastrophic. We should be much more respectful towards nature - including the sky and deep oceans. Our behaviour is far from „green".

From my perspective, the problems we have caused by over-exploitation of natural resources, can not be fixed with „build back better" approach. Let's take a look at mobility - green mobility. Simply replacing existing cars with electric cars is not a solution. I'm disappointed in a way since we do not address right questions, we just go in one direction, thinking that we are solving things, but actually we are causing new problems. The direction is to produce less and to use less, but that doesn't necessarily mean to lower our live standards and the quality of life. The purpose of mobility is to get from point A to point B, this can be done as well by owning as by sharing a car, or by using a bike or public transport. Or to rethink twice if we have to travel so much, or maybe not. Electric cars can be a part of solution, but much more challenging issue is the whole transformation of energy sector – how to make it green.

So here we are coming back to the need for a systemic, holistic approach that leads to a paradigmatic shift. It is nice having all new technologies, blockchain, AI – but this solutions are using a lot of rare resources and energy. Not to mention all the platforms that are in hands of 1% of the richest global population, that own our data, trade with it, earn enourmous amounts of money. This is nor green, nor sustainable, something is very wrong here. The financial capital is running the show again, I'm afraid, while human and natural capital are taken for granted. New forms of governance are needed to adress these global challanges.

Every crisis is also an opportunity.

Can you recall the moment of the first lock down during the COVID19? What did you think about? Where am I going to live, what am I going to eat, is there enough drinking water, is there a loving person next to me… very basic needs. And that is so natural, so human. We forgot a little bit that what is essential for our well being.

What was the next „big discovery" during the lockdown – the power of internet. We cannot move around, but we have internet, and we can order whatever we want. Again, the whole story about consumerism just moved from real to virtual environment. This was the twist and very soon people forgot what is in

the core, I don't want to say of the problem, but of our existence, and of this feeling of well being. The difference between what we need and what we desire fade out once again.

Of course, there are also positive shifts. A lot of small entrepreneurs found a way to make their business work online – particularly local players got closer to their local customers, what is great.

What I have noticed within the European Union and through the European Circular Economy Stakeholders Platform that I am chairing in Brussels is that in the last few years, we, Europeans became humbler. We are more opened for the dialogue and not so convinced that we, by ourselves, have all the answers. We have the ambition to be the lighthouse for other countries, particularly through the implementation of the Green Deal. But at the same time, we are realizing that so called „less developed" countries with different culture that are in different stage of development, have a lot to offer regarding the circularity and sustainability. They still understand that they are part of the nature and based on that also how to behave towards the nature. So, it's not all about „exporting" our knowledge and educating them on what to do and how to do. It is our responsibility to stay open for their solutions, their practices and lifestyle. They are very circular out of the need, while circularity in the „developed" world is still a matter of

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Circular Change
with Ladeja Godina Košir

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choice. We can both learn from each other. Let's take an example. We come to a „poor village", where people are repairing, refurbishing, reusing, sharing staff. We consider them poor, starting encouraging them to buy new things, promoting our way of consumerism. But they are nourishing right values, sustainable and circular ones! We are those who shall recognize, uau, that it is great if I just do it and repair my dress not to buy a new one. Again, we shall consider the perspective, who is more developed or who is wiser?

We shall prevent a so called „circular colonialism". In most cases, financial interest is running the show – investments in (rare) natural resources are happening all around the globe and during the COVID pandemic we have learned, how vulnerable our value chains actually are. And how dependent on natural resources we are - particularly in Europe. Circular solutions are focused on maintaining value for as long as possible, therefore they make us also les vulnerable.

Future of cities

Because of this pandemic situation, what was desirable about the city life, is becoming less attractive. Based on forecasts, population in cities shall grow in the future. In Europe, 40% of people live in cities, 70% in urbanized areas today.

But how was it during the lockdown – was life more attractive in Paris or, for example, on the countryside in Tuscany? The answer would probably be the countryside. It is all about wellbeing, about the quality of life. Cities will have to adjust to our „new reality" and strenghten bonds with suburbs, rural areas. One of interesting EU initiatives are also „Smart Villages", focusing on solutions that encourage people to live and work in villages.

Citizens call-to-action

What I notice that we are lacking is the active citizenship. In some countries we can see a negative selection when it comes to who chose to go to politics. It is important to better understand the role of the citizen and the power that we have in our hands. I don't see the need for revolution. I am more in favour of connecting and enabling different stakeholders to have a stronger voice, and to realize, that there is a power in our hands through the actions we are taking and through our daily decision making. We often believe that the revolution can allow us to do something differently, or we are waiting for incentives to come to change our business patterns, but we can do a lot based on small steps. I don't want to put the pressure or all the responsibility on the side of individual,

Community is more than a sum of individuals

Just like children and parents, while we are waiting our parents to give us orders, we don't emancipate ourselves. So, it's time to emancipate ourselves, to use the power of social media and of different networks. It's time to connect and act. To rediscover the power of community.

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Circular Change
with Ladeja Godina Košir

not at all! We have the system and politics, so they should take their stake of responsibility. However, do not forget that we, as citizens, still have power in our hands. What I see now, and this is my personal view, is, that pandemic crisis is often abused, and political power used for wrong purposes.

On EU level I sometimes miss more alignment on key issues. We are small, old continent, dependent on global flows and trends. Very sensitive and vulnerable. At this very moment we have a unique opportunity to use enormous amounts of money that is allocated for green recovery in an impactful way, with long term positive effect on our economy, society and environment. For that, we do need radical collaboration among different stakeholders. As I see, we have not found the right formula to bridge top down and bottom-up approach, yet. What worries me is that a huge amount of money is going to be allocated for the same players as usual, to those, who have capacities to get this money, while those small but significant changemakers who have transformative potential, will not get the access to these founds due to bureaucratic barriers, lack of human power or similar. Withing the ECESP that I am co-chairing in Brussels, we openly discuss about these challenges. For example, we have a Leadership Group focused on network governance and the role of circular economy hubs, where we strongly promote

the power of true collaboration, based on concrete cases. We, as individuals as well as the society, shall organize better, align our values and clearly define our goals. Trust and transparency are the glue of prosperous society. As long as we are passive, waiting for „Brussels" to give us instructions on how to solve problems, time and money are passing by. ▪

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Circular Change
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GOOD PRACTICES

Aquafil

Aquafil, they're producing 100% recycled nylon. I like their story because when they decided to explore the opportunity to produce nylon from something else than oil, they started an exciting journey. .They started to collect fishing nets and while doing so, they realized that, for example, fishermen in Philippines who were collecting them, need additional education. Often, they found turtles and other animals trapped in those fishing nets. Aquafil hired experts from the London Zoo to teach those people in Philippines, how to treat the animals. So, this is a great example of how the actors in your value chain change when you shift from linear to circular, because, suddenly, you have different partners, and you need completely different skills.

Slovenian producers of tomato - Lušt

This is an example from our local community, from Slovenia. What I like about this example is the mindset of entrepreneurs. The company grow tomatos in indoor facilities heated by geothermal energy using cutting-edge and environmentally friendly technology. Next to that in collaboration with the Pulp and paper Institute from Ljubljana, they have developed an innovative way to process tomato stems into biodegradable paper bag. In this way, organic plant material previously considered waste has become a resource in paper production.

I am using this example showing how to use everything that you can in a proper way.

Foto de Lachlan Ross no Pexels

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