Business Models and Investment Readiness for Circular Economy Projects

29 september,2025

Online (2 hours)

Expert: Francesco Niglia (KoysLab) fniglia@koyslab.eu
Facilitation: Francesco Lembo & Zuzana Bohacova (ACR+ team) fl@acrplus.org, zbo@acrplus.org

Table of contents

Summary & key takeaways

What We Covered: This training introduced frameworks and tools to help you develop circular economy business models and prepare for investment opportunities. Here are the key concepts and takeaways:

1. FIVE BUSINESS MODEL FAMILIES FOR CIRCULAR ECONOMY

Smart & Sustainable Supply Chains

- Focus on transparency, traceability, and responsible sourcing
- Transform waste into valuable assets

Product Life Extension & Service-Based Models

- Shift from selling products to providing services
- Emphasis on durability, repairability, and long-term customer relationships

Knowledge Sharing & Collaborative Platforms

- Facilitate collaboration and innovation among stakeholders
- Maximize utilization of shared resources and knowledge

Resource Optimization & Industrial Symbiosis

- Create closed-loop systems where one organization's waste becomes another's resource
- Focus on inter-organizational collaboration

Circular Design & Eco-Innovation

- Design circularity into products and processes from the start
- Combines elements from all other families

Important: Most real-world circular economy projects use hybrid models combining elements from multiple families.

2. CREATING VALUE FOR DIFFERENT STAKEHOLDERS

Your business model needs to create value for multiple audiences:

For Customers:

- Quality products at competitive prices
- Lower lifecycle costs through durability
- Feeling good about sustainable choices

For Investors:

- Clear path to profitability
- Reduced risk through circularity
- Positive ESG impact

For Society:

- Environmental protection (reduced emissions, waste)
- Job creation and community benefits
- Improved public health

3. KEY MEASUREMENTS YOU SHOULD TRACK

To demonstrate your project's success, measure:

Environmental Impact:

- Carbon footprint reduction (e.g. tonnes CO_2)
- Waste diverted from landfills
- Resource conservation

Social Value:

- Jobs created
- Community benefits

- Improved access to services

Economic Performance:

- Revenue streams
- Cost savings
- Return on investment

4. SELECTING THE RIGHT BUSINESS MODEL

When choosing your business model approach, assess:

- **Strategic fit**: Does it align with your mission and capabilities?
- **Environmental & social impact**: Will it create meaningful positive change?
- **Technical feasibility**: Do you have the technology and infrastructure?
- **Risk level**: Can you manage potential challenges?

5. FUNDING OPPORTUNITIES AVAILABLE

Several financing options exist for circular economy projects:

Venture Capital & Angel Investors

- For early-stage projects with high growth potential
- Examples: Demeter Investment Managers, European Business Angel Network (EBAN)

Blended Finance

- Combines public and private funding to reduce risk
- Examples: EIB Green Loans, EIF InnovFin Guarantee, ECBF Investment

Green Bonds

- For larger environmental projects

- Examples: Iberdrola, Snam

Crowdfunding

- For community-supported initiatives
- Platforms: Ulule, Goteo, Kickstarter

6. WHAT INVESTORS WANT TO SEE

To attract private investment, prepare:

1. **Clear business plan** with realistic financial projections
2. **Strong team** with relevant expertise
3. **Measurable impact metrics** (environmental and social)
4. **Market validation** showing demand for your solution
5. **Risk mitigation strategies**
6. **Path to profitability** within 3-5 years
7. **Scalability potential** to grow beyond initial implementation

KEY TAKEAWAYS

✓ **Hybrid models work best** - Don't try to fit into just one category
✓ **Stakeholder mapping is essential** - Understand what value you create for whom
✓ **Measurement matters** - Track environmental, social, AND economic impact
✓ **Public funding can support you** from concept to market - private investment isn't always necessary immediately
✓ **Transparency builds trust** - With investors, customers, and communities
✓ **Regional context is important**

Don't hesitate to find the recording of the training on Youtube.