Building Capacity for Circular Economy Innovation Series

Session 1: Circular Supply Chain Model - Bridging the Transition from Linear to Circular

POST EVENT REPORT
The first session, titled ‘Circular Supply Chain Model - Bridging the Transition from Linear to Circular’ is part of a six series of events titled ‘Building Capacity for Circular Economy Innovation’. The session presented circular global supply chain management trends, key barriers and opportunities to unlock the circular economy value chain. It also extrapolated recommendations on how Africa’s circular products can fit into the regional and global value chain. The session held on February 8, 2022 and was co-convened by ICLEI Africa and Africa Circular Economy Network as part of the ACE Africa Action and Learning Events.

Panelists for the session included Sneha Kumari (Head of Industry Trends at Circular Supply Chain Network), Chris Whyte (Director, ACEN) and Kelley Rowe (Co-Founder AfricaExo and Founder Stratlever). Paul Currie (Associate Director: Urban Systems, ICLEI Africa) and Bezawit Eshetu (Ethiopia Country Representative: ACEN) gave the welcome and introductory remarks to set the tone.

Sneha Kumari unpacked the aspects of the Butterfly diagram in the circular economy, discussed smart processes and the role of technology in enabling us to achieve the circular supply chain model by 2030. Sneha further highlighted the characteristics of the circular supply chain model, noting that the model must be lean, visible, predictive, regional and flexible.

Chris Whyte, in his presentation on ‘Transitioning to a Circular Economy where Waste is a Resource’, highlighted the impact of COVID-19 on global supply chain and the need to change our thinking to understand the impacts and outcomes of waste as a resource. He noted that we can no longer afford landfills and continue to ship materials around. Therefore, we need to maximise the use of local resources available to us. Chris further unpacked the circular economy concept into life cycle assessment, balance of trade, corporate social responsibility, socio-economic upliftment, green procurement, supply chain management, resource efficiency, and impact mapping.

Kelley Rowe presented on Reverse Logistics. Reverse logistics from a circularity perspective deals with the end of a product’s life-cycle, the collection process and to enable appropriate disposal of products. Kelly explored the barriers, opportunities and tradeoffs faced across value chains. These include insufficient data and weak value chain visibility versus leveraging data, linear product design versus circular design, technical challenges and issues with manufacture regions versus destination regions, the invisible activities that already exist in the unplanned economy and how could this be unlocked, inefficient and poorly supported collection systems, and insufficient sorting and pre-processing infrastructure.

The webinar also played host to two Mentimeter sessions. In the first session which asked participants about what can drive circular supply chain, the three prominent views held by the participants were business models, policy and legislation and consumer behaviour. Participants were asked in the second session about the value
chains that can bring the highest impact in Africa. The three popular views held by the participants were agriculture, built environment and manufacturing.

Bezawit Eshetu opened the floor up to the participants, to ask questions or share their experience. Responding to a question from the audience about the type of collateral and information that can be shared with businesses while trying to implement certain circularity principles, Chris responded that many corporate organisations do not yet understand the broader system that they work in. He noted the need for deeper interaction with the system in which they conduct their businesses as this will allow them to have a greater impact from an environmental, social and economic perspective. Kelley encouraged businesses not to go on the journey on their own, they need to have conversations with their key customers.

Responding to a question from the audience regarding the practical steps to take to accelerate the involvement of informal markets in the circular economy, Chris responded that there is need to talk to corporates to get them to understand their supply chain. Sneha noted that industries should focus on bringing waste streams together and create a secondary sourcing material market place where industries can share their waste. Kelley reiterated the importance of bringing the relevant stakeholders and businesses into the room, talking to them about the prototype processes as well as the idea that you have, testing the idea and build with them.

Responding to a question regarding achieving supply chain predictability, Sneha noted that bringing the supply base closer improves predictability because there is a better understanding of where the required materials are - one is able to map it thus reducing lead times and improving customer servicing ability, service levels as well as dependency on forecast.

Responding to a question regarding contribution and involvement as a circular economy community going forward. Bezawit suggested setting up a platform where all points are consolidated to create concrete recommendations. Paul added that there are five more sessions of this series of inputs. The aim is to produce a document that consolidates the lessons learnt, a document targeted at local government, a document containing useful insights for running your own business. He further noted that by participating in the post-webinar survey, participants could aid in providing valuable inputs.

The session ended with a vote of thanks by the facilitator.