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1. Introduction

If current patterns of resource consumption continue, it will not be long before many of the earth’s resources are depleted. It is increasingly obvious that today’s linear take-make-waste economic model cannot deliver sustainable, healthy nor equitable communities.

Circular economy is a growing area of interest for achieving sustainability across multiple sectors. However, for many, understanding what circularity entails seems nebulous and contentious. To improve multi-stakeholder understanding of, and engagement with, circular economy ideas, we have produced this document, to share some examples of what the circularity principles of Regenerate, Rethink, Reduce, Reuse, and Recover actually mean in practice.

This catalogue demystifies circularity, unpacking five principles and associated strategies. With a focus on business approaches, the catalogue offers inspiration for entrepreneurs and businesses interested in supporting a circular transition. It is also not intended to be exhaustive, and many further ideas can and should be shared using #Circularityis. It is a strong accompaniment to another catalogue which focuses strategies that can be employed by local government.

A circular economy is an economic system of closed loops in which raw materials, components and products retain as much value throughout their lifecycle.

Africa’s population is expected to increase by 950 million more people by 2050. The continent is also experiencing rapid urbanisation, which, if all urban residents are to have sufficient shelter, water and sanitation, energy, food, livelihoods and life enjoyment, will require a huge amount of resources. It is expected that 60% of the built environment needed to house and employ this new generation of urbanites by 2050, has yet to be built.

The latest IPCC report, collating the most robust, recent evidence about climate change, has confirmed that the continent faces an increasingly dire situation, with increasing severity of storms, rainfall events, and extensive periods of drought and flooding. The continent also faces a temperature multiplier that will see global increases in temperature manifest as double or triple in parts of the continent. Undoubtedly, the two megatrends of urbanisation and climate crisis call for a rethink of the ways in which our cities function, consume resources and are designed for quality and healthy lives.

Alongside several interdependent development pathways, we argue that adopting circular economy principles is vital for achieving sustainability in cities. The benefits of transitioning into the circular economy are indeed multifarious:

- It has the inherent potential to ensure that resources, goods and services are used efficiently.
- It offers the prospect of regenerating our relationships with nature and with each other, by bringing more nature into our communities and renewing our natural assets.
- It can contribute to employment and livelihoods.
- If effectively connected to social justice frameworks, as it must be in Africa, it can contribute to resource redistribution and equitable access to services, resources and dignity.

With this potential, the circular economy is increasingly gaining traction as a model to promote sustainability-oriented innovation and to accelerate resource sustainability in African cities.

Local government, communities and businesses have a key role to play in supporting the transition to a circular economy. To do so, these stakeholders need to be empowered to adopt circular economy principles and practices across all sectors, with the right understanding, tools and instruments. At present, in Africa, it is clear that the private sector is leading the transition to a circular economy. Local governments need to support these efforts and foster enabling and innovative environments for circular businesses to thrive.

This report presents recommendations, developed through the Accelerating Circular Economy in Africa Project (ACE Africa), to provide guidance for doing so. It draws on lessons from several engagements with circular economy stakeholders, including circular entrepreneurs and local government officials, involved in the project. It identifies key opportunities and actions for supporting circular businesses and entrepreneurs to contribute to the sustainability priorities of local governments in Africa. The report aims at influencing the wider governance of circularity and the creation of enabling environments for circular businesses to thrive in African cities. We hope that the report, and its accompanying resources, provide inspiration, evoke excitement to try things out, and provoke further questions.

RESOURCES

Achieving Circular Economy in Cities: Recommendations for local governments to support enabling environments for circular businesses
Accompanying Resources:
Achieving Circular Economy in Cities Infographic
Circularity is… A Catalogue of Circular Economy Ideas for Entrepreneurs
Circularity is… A Catalogue of Circular Economy Ideas for Local Governments
ACE-Africa Entrepreneur Profiles
Building Capacity for Circular Economy Innovation – Webinar Series Digest

COMPOUNDING CHALLENGES IN AFRICAN CITIES
Compounding Challenges In African Cities

African cities are in dire straits. The challenges faced in these cities are enormous, interwoven and complex. The unprecedented urbanisation rates in African countries has compounded and amplified several issues that local governments must face, often with limited resources to do so. These range from ensuring basic access to water, sanitation, energy, shelter and food, to alone setting the basis for the city to provide public amenities for recreation, creativity and innovation, and to build a thriving economy.

There is a great urgency to ensure that cities are fit for living, harnessing the opportunities embodied by bringing together so many people, industries and ideas, while limiting the threats of this accumulation. While it is acknowledged that cities are concentrators of the take-make-waste society, they are at the same time, resource repositories and breeding grounds for innovation and creativity. This section describes numerous challenges faced in African cities, to set a basis for the conversation about circular economy interventions.

2.1. POPULATION GROWTH AND ATTENDANT DEMAND FOR RESOURCES

Africa is urbanising fast. In 1950, Africa’s urban population was 27 million, but this grew to 567 million in 2015, an astounding 2 000% increase. The continent’s population is projected to double by 2050, with the majority of the growth occurring in cities. The urban population is expected to increase to about 1.4 billion in 2050, amounting to 21% of the projected global urban population. The existential sustainability challenges Africa is contending with are significantly intertwined with the present urbanisation trends. As urban populations continue to increase, demand for and use of resources has risen rapidly.

Urbanisation continues to engender the physical expansion of cities, resulting in increased demand for urban land and the associated loss of biodiversity and agricultural lands. Not only are water, energy and food in high demand in cities, but these resources are typically dependent on broader peri-urban and rural areas for sourcing, broadening the reach and impact of city demand into regions. These resources are also directly tied to population growth and income – as middle classes grow in cities, there is pressure to supply more of these resources. Many industrial minerals and construction materials are finite in their supply, hence attention must be paid to their sustainable use, and to developing alternatives.

2.2. GROWING POVERTY, INEQUALITY AND UNEMPLOYMENT

The challenge of rising poverty, income inequality and unemployment is increasingly evident in African cities. These cities are often characterised by inequitable distribution of resources and anti-poor policies, leading to rising urban poverty and inequality. A study found that urbanisation is positively correlated with income inequality in sub-Saharan Africa. Although poverty rates tend to be higher in rural areas, the proportion of the urban poor is growing in recent times.

Despite the rising cost of living, African cities are struggling to stimulate economic growth, promote structural transformation, and create employment for the rapidly growing labour force. Over 70% of workers in sub-Saharan Africa are in vulnerable employment, with a significant proportion found in cities. Unemployment is even more pronounced in intermediate cities, which suffer from multiple deprivations compared to primary cities. This vulnerability also manifests in a physical form of cities, in which a mosaic of gated neighbourhoods, serviced suburbs and informal settlements are clearly divided from each other, and each host a different set of urban realities and strategies. This fragmentation reduces social interaction and is an incredibly difficult physical legacy for cities to change.

2.3. FOOD AND NUTRITION INSECURITY AND HEALTH CHALLENGES

African urban areas are becoming characterised by high rates of food insecurity and malnutrition. Indeed, cities face a triple burden of malnutrition all at once: stunting, obesity and micro-nutrient deficiencies. This is further compounded by the proliferation of obesogenic food environments (increased access to ultra-processed foods) which is a significant contributor to the increased rates of non-communicable diseases currently being witnessed in African cities. Although food is often available, many are unable to access nourishing food due to high prices or distance from market. Food security cannot therefore not simply be equated to producing more food, but needs to take heed of the entire food supply chain and specific socio-economic drivers of food access and quality.

Even amidst lack of access, food loss and waste is an ongoing challenge which has significant health and environmental implications. It also constitutes to a form of resource inefficiency as wasted food required certain amounts of water and energy (used in production, processing and transportation of the food). In most African cities, between 40% and 70% of municipal waste is organic with a significant proportion emanating from food waste. It is heavy, expensive to transport, difficult to recycle, emits a lot of methane, and contaminates other waste streams. Lack of effective waste management in cities, accompanied by inadequate access to safe water supply and congested settlements, also poses a risk to severe flooding, as waste clogs urban drainage routes – further increasing risks of poor sanitation and ill-health.

This presents a simple opportunity for local governments to properly separate and treat organic wastes, for a wide range of benefits, including energy generation, organic fertiliser, flood reduction and keeping other waste streams clean for reuse and recovery.

2. Ibid
5. Ibid
8. Ibid
2.4. LACK OF SOCIAL COHESION AND EXCLUSION

Social cohesion, a concept that generally refers to those factors that hold a society together, has been a focus of attention in relation to how it is impacted by social and demographic change. Social cohesion and cooperation are vital for ensuring safe and inclusive cities. However, several phenomena may limit social interaction and shared enterprise in city-making in Africa. These include a limited investment in physical amenities and public space, particularly for the urban poor, a reality of circular migration between cities and rural homes, reducing the sense of ownership of an urban home and identity, and the proliferation of communication technologies, which at once connect people more, but are reshaping forms of social interaction. Social media, for example, is shaping a new social compact, particularly among youth.

It is unclear the degree to which these phenomena each shape social cohesion, yet if they reinforce an urban standard of individual success and accumulation, they may undermine countermovements which aim to promote commons and public wealth. For example, ride sharing and equipment sharing are proving challenging in urban areas, potentially due to a lack of social contract and poverty-driven opportunism in which shared amenities are stolen or co-opted for private use.

In another vein, spatial, social and economic exclusion is evident in many African cities. These sometimes manifest themselves in the enduring poverty and the proliferation of slums and informal settlements in cities. Local governments’ several efforts to balance the competitive demands of an increasingly complex set of urban actors have resulted in clear winners and losers. Informal sector players, for instance, are often not prioritised in decision making. Quite often, these actors do not get a seat at the table. Even when they are invited to such spaces, the power dynamic is so unequal it results in a less-than-optimal outcome for them.

2.5. INFRASTRUCTURE CHALLENGES AND HOUSING GAPS

African cities’ prosperity potential is currently constrained by a critical shortage of necessary infrastructure. Many African cities are characterised by inadequate or inefficient transport networks, poor communication networks, deficient drainage, water and power infrastructure, all of which are stalling progress towards achieving sustainable, inclusive and prosperous cities. Indeed, the majority of the urban infrastructure needed to make African cities liveable and thriving are yet to be built.

Africa presently faces a huge housing crisis. By 2030, about 70 million new homes need to be built to accommodate new urban residents in Africa. However, many households are unable to afford decent housing and this affordability gap is further driven by the lack of access to land, land affordability and lack of tenure security.

The already deficient transport infrastructure needs to be improved to meet the new demand. All of these will require steady supply of electricity to power industries, efficient transport networks, and households. Currently however, some urban residents are not connected to the grid. For households and businesses that are connected to the grid, electricity shortages are rampant, making many dependent on generator-based power. This option in sub-Saharan Africa however costs three to six times more than what grid customers pay globally.

For city governments, the challenge is not only the urgency of driving investment towards the needed infrastructure, including the development of new approaches to infrastructure delivery such as partnerships with the private sector, but also to ensure that such infrastructure is sustainable. This is to accommodate the needs of the future, as opposed to the myopic, wasteful and sometimes exhaustive approaches of the past.

The opportunities which abound in African cities will not be adequately harnessed without critical investment in infrastructure.

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Recommendations for local governments

2.6. ENVIRONMENTAL DEGRADATION

The degradation of ecosystems and natural capital arising from urbanisation is seriously impeding progress towards sustainability. Urban expansion has resulted in deforestation activities, invasion of wetlands and green spaces, and the proliferation of settlements. Illegal dumping of refuse is common, and negatively impacts drainage and water systems. Blocked drains contribute to increased severity of flooding while contaminated runoff enters wetland channels and other water systems or infrastructure. The heavy reliance on biomass fuels for transportation and in industrialisation, along with some other activities, are significant contributors to air pollution in cities.

The impacts of these are far reaching and worrisome. They negatively impact the health, quality of life and productivity of urban residents. They are contributors to the extreme weather events evident in African cities. For instance, the incidence of flooding due to erratic rainfall patterns has resulted in loss of lives and properties in many African cities.

2.7. CLIMATE CRISIS

Even though Africa’s greenhouse gas footprint pales in comparison to the greenhouse gas footprints of developed regions, the continent is one of the regions suffering the most from the impacts of climate change. For cities globally, climate risks have increased significantly over the years. African cities are no exception as they are increasingly susceptible to the threats of climate change. In the face of growing urban population, increased demand for consumer goods and products, industrialisation and rising transport demands in these cities, their carbon footprints are estimated to increase.

Currently, these cities experience higher temperatures, rising sea levels and unpredictable rainfall patterns which consequently are resulting in floods, droughts, increased energy demand and public health challenges. These challenges are further implicated in the production and reproduction of social and political problems such as unemployment, crime, food and water insecurity, poverty, inequality and overcrowding. The challenge for city governments is therefore how to promote climate resilient development in cities, which would include the implementation of integrated planning, prioritising nature-based solutions, and the introduction of climate-smart infrastructure in our urban areas.

2.8. CONSUMER CULTURE AND LIFESTYLES

The linear economy has led to a rapid rise in a type of consumerism which does not consider environmental impacts. A growing middle class, coupled with increasing exposure to Western culture, is creating a demand for, and increase in the consumption of new products (even if consumers still have in their possession similar products that are still functioning). This demand for new products is also not matched by corresponding production capacities in these cities, as they are mostly net importers of these products.

The demand is also abetted by an increase in the opportunities and access to spaces where people can spend their money, including the “supermarketisation” process ongoing in these cities, as well as the rise of individualism where urban residents prefer individual access to, or possession of, products. This type of consumerism prevalent in African cities contributes to waste and the dumping of products that are still fit for use. The challenge for city governments, therefore, is how to foster a transition to a new type of consumerism which encourages consumers to rethink their priorities, critically assess their consumption decisions, and use goods and products for longer.

2.9. GOVERNMENT BUDGETARY CONSTRAINTS

Local governments in Africa are seriously underfunded. There are high investment needs, but limited fiscal capacity. A report by the OECD indicates that subnational governments in Africa only receive 10% of national total revenue compared to a global average of 25%, while annual per capita investment spending by subnational governments in Africa is USD 47, compared to a global average of USD 313.

In municipalities across Africa, the scale of investment needed to address the increasing gap between already-built infrastructure and services and those needed is huge. Unfortunately, the shortfall in terms of required financing is immense. For many of these municipalities, there is little left for capital expenditure after recurrent spending.

Cities finance their budget in three ways: through taxes and service fees, through intergovernmental transfers including from multilateral organisations, and through loans or the issue of municipal bonds. Many municipalities in Africa are heavily reliant on intergovernmental transfers, but this is sometimes influenced by politics, may not be directly or totally responsive to the specific needs of the municipality, and are mostly inadequate.

Taxes and service fees are often the most sustainable means by which a municipality can fund itself. However, the tax base of a municipality is dependent on the economic development or viability of such a municipality, a phenomenon many African municipalities struggle with. Quite often, municipalities lack adequate financial systems, as well as the autonomy to establish a tax base and decide on rates and enforcement procedures. Another major reason for the limited fiscal capacity is that many local governments in Africa are functioning under weak macroeconomic environments and with low national GDP, which impacts negatively on their growth potential. In summary, there is a limit to which a local government can succeed in transforming its city or municipality in the face of such fiscal limitations.


2.10. CAPACITY CONSTRAINTS

Capacity constraints – the lack of adequate and appropriate human, organisational, institutional, scientific, technological and resource capabilities to fulfil the constitutional mandates of government\(^\text{15}\) - continue to be a challenge across local governments in Africa. These capacity gaps exist at the individual, institutional and system level. The latter plays out in the lack of appropriate frameworks, policies and legislations to drive transformation, while the institutional level includes the lack of structure to monitor and assess performance, and consequently identify policy gaps. The individual level relates to the lack of skills and expertise to undertake required functions effectively.\(^\text{16}\) This can be one or a combination of the following: absence of personnel to carry out the duties, or the current personnel lacking the requisite skills to carry out the duties.

The lack of capacity in local governments in Africa creates a stumbling block for effective service delivery. Evidence has also shown that many local governments in Africa lack trained officials to pursue sustainable development policies. A study on the capacity of local governments in South Africa identified key challenges relating to capacity to include inadequate economic and human resources, lack of adequate skilled leadership, inadequate infrastructure and work tools, lack of investment in skills development, institutional environment, among others.\(^\text{17}\)


\(^\text{16}\) Ibid.


2.11. GOVERNANCE CHALLENGES

The current governance and administrative structure for many African municipalities is characterised by some level of fragmentation. While deliberate fragmentation can lead to or promote specialisation while providing avenue for diversity in service delivery which are not bad in themselves, fragmentation becomes problematic when officials continue to work in silos without any effort to coordinate fragmented units. In many municipalities across Africa, fragmented initiatives, overlapping functions and activities, and duplication of responsibilities are prevalent. In the midst of the fragmented initiatives and units, institutional coordination is problematic which is a consequence of inadequate definition of mandates, overlapping mandates and responsibilities, as well as limited communication.

Lack of institutional coordination influences and is influenced by a lack of collaboration to deliver solutions. While many departments or ministries are competing for budgets, some issues fall within the purview of two or more departments, but these departments have not prioritised the need to share information and collaborate. For instance, affordable housing should be the joint responsibility of the Department of Lands, Urban Planning, Works, and Finance. All of these departments have a role to play in delivering affordable housing, but seldom collaborate. Sustainability issues which are often cross-disciplinary and cross-sectoral are affected by this lack of coordination and collaboration.

Across African municipalities, policy incoherence is evident in economic policies, health policies, urban planning and environmental policies. In Malawi, policy incoherence has been identified as a major cause of functional fragmentation, unclear mandates, as well as overlapping functions and responsibilities in local governments.\(^\text{18}\) Further compounding these issues is bureaucratic vacillation which is mostly influenced by political (dis)continuity and interference. Every four- or five-year political cycle leads to new socio-economic and sustainability visions, agendas and priorities, which sometimes result in the restructuring of departments, merging of departments and breaking up of departments. Often, the consequence of this is a lack of continuity on already-promising initiatives or agendas.

There is also the challenge of putting in place appropriate policies for the benefit of all. For instance, municipalities are confronted with the issue of responding adequately or swiftly to disruptive technologies through legislation. In other words, there is the problem of legislation catching up with innovation. It is not uncommon to see innovation or technology move faster than legislation. Sometimes this is beneficial, but sometimes this also leads to unwanted outcomes, as evidenced by some innovations which have completely changed the social fabric of a city, or the way people interact. This makes it hard for municipalities to respond timely.

WHAT OPPORTUNITIES DOES THE CIRCULAR ECONOMY OFFER TO CITIES?
The current economic system predominantly follows the trajectory of the traditional linear economic model of “take-make-waste”. The model comprises:

- **Take**: the extraction of raw materials from the natural environment.
- **Make**: the production of products through energy and labour.
- **Waste**: the end user discards the product once it has reached its end of life and is no longer functional for its intended purpose.

This model has unsustainable production and consumption patterns, and herein lies its downfall.

The circular economy offers an alternative to this resource-intensive economic model. The circular economy is defined by the Ellen MacArthur Foundation as “an economy that is restorative and regenerative by design and aims to keep products, components, and materials at their highest utility and value at all times, distinguishing between technical and biological cycles. It is conceived as a continuous positive development cycle that preserves and enhances natural capital, optimises resource yields, and minimises system risks by managing finite stocks and renewable flows. It works effectively at every scale.” This model, therefore, aims to dissociate economic growth from the unsustainable extraction of non-renewable resources.

Systems thinking is vital driving a circular economy transition. It offers us the ability to understand the relationships between interconnected elements that make up a system, allowing us to understand and embrace its complexity. It allows us to zoom out and analyse a situation in its entirety from a holistic perspective as well as zoom in to observe how everything is interlinked and dependent on one another. This analysis allows us to understand systems behaviour, anticipate feedbacks to our actions and find high-leverage intervention points that can affect the whole system, ideally supporting us to take a proactive approach to respond to unfortunate events. 

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**Recommendations for local governments**

1. **Take**: the extraction of raw materials from the natural environment.
2. **Make**: the production of products through energy and labour.
3. **Waste**: the end user discards the product once it has reached its end of life and is no longer functional for its intended purpose.

It is evident that an economy that extracts resources at increasing rates without consideration for the environment in which it operates, without consideration for our natural planetary boundaries, cannot continue indefinitely.

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“**There’s a need to shift from doing less harm to doing not just good but striving for regional best circular economy model, and that time is now.**”

– Oluwakemi Ajakaiye, Chapter Lead, ACEN Nigeria

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**Circularity versus circular transition**

Circularity or a circular economy is an end goal. At this stage, there is not enough evidence to indicate what a fully circular system would look like in practice. It is clear that materials and products cannot be infinitely cycled given the nature of entropy in which all things break down. However, an ecosystems lens suggests that a system which regenerates material and effectively breaks down and treats wastes is viable. Finding this balance, particularly as connected to existing social economic systems, is the current challenge and call to action.

In order to reach the goal of circularity, processes, steps, and systems need to be put in place to guide the transition. Local governments are well situated to lead the transition, as they are the government entity closest to residents and have several implementing mandates. Circular economy transition requires active commitment and collaboration among government institutions, public, private and informal sectors, business entities, and civil society. Through local government convening abilities, cross-sectorial collaboration and partnership could be realised. Interventions are required from all actors to create an enabling environment for the circular economy to thrive, e.g. necessary infrastructure and facilities, policy incentives, digital technology, and change in consumer behaviour patterns, among others.

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**3.1. What is the circular economy?**

The circular economy offers an alternative to this resource-intensive economic model. The circular economy is defined by the Ellen MacArthur Foundation as “an economy that is restorative and regenerative by design and aims to keep products, components, and materials at their highest utility and value at all times, distinguishing between technical and biological cycles. It is conceived as a continuous positive development cycle that preserves and enhances natural capital, optimises resource yields, and minimises system risks by managing finite stocks and renewable flows. It works effectively at every scale.” This model, therefore, aims to dissociate economic growth from the unsustainable extraction of non-renewable resources.

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**Opportunities in the Circular Economy**

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**Recommendations for local governments**

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**3. Opportunities in the Circular Economy**

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**Recommendations for local governments**

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**Recommendations for local governments**
3.2. Principles of the circular economy

The Circular Cities Actions Framework was developed as a collaboration between ICLEI–Local Governments for Sustainability, Circle Economy, Metabolic, and the Ellen MacArthur Foundation. The framework targets local government officials and assists them with planning and implementing the circular economy at a city level. It explores the circular economy at a city level, through five overarching strategies and associated actions:

- **RETHINK**: Redesign systems to lay the foundation for circular activities and enable the transition to a circular economy.
- **REUSE**: Use longer and more often by extending and intensifying use of existing resources, products, spaces and infrastructure.
- **REDUCE**: Do better with less by using and supporting infrastructure, processes and products that are designed to minimize material, water and energy use and waste generation from production to end of use.
- **RECOVER**: Eliminate waste by maximizing the recovery of resources at the end of the use phase so that they can be reintroduced into production processes.¹⁶
- **REGENERATE**: Harmonize with nature by promoting infrastructure, production systems and sourcing that allows natural ecosystems to thrive.

3.3. Why should we invest in the circular economy?

The linear economy is unsustainable in a world of finite resources, while the circular economy offers an opportunity to ensure resource efficiency through mindful consumption. Investing in the circular economy can offer many social, environmental, and economic benefits. Some of the key proposed benefits are explored below:

**SOCIAL BENEFITS**

- **Just and sustainable distribution of resources:** The circular economy could assist in reducing inequalities as low-income households are able to access products and services through the sharing economy (leasing, renting, product-as-service), that they would not have access to otherwise.

- **Increased disposable income:** Shortening supply chains by creating direct connections between producers and consumers could reduce the possibility of food loss, therefore increasing income for farmers. Organic waste to energy/animal feed/food/ compost conversions offer farmers an opportunity to obtain income.

- **Service delivery improvement:** The circular economy has the potential to facilitate improvements in service delivery. For instance, implementing separation at source services requires mixed waste to be separated at a household level, this alters collection methods and decreases the amount of waste that ends up in landfills, therefore reducing landfill airspace consumption. Investing in renewable energy such as hydropower reduces the pressure placed on electric grids powered by non-renewable energy such as coal and offers an additional source of energy to residents.

- **Job creation:** The circular economy could assist with poverty reduction through the creation of jobs. Many circular activities including repairing, remanufacturing, refurbishment, recycling, etc. are labour intensive and will require human labour and skills.

- **Empowerment and incorporation of the informal waste sector:** Informal waste pickers offer valuable skills in the collection, separation, recycling and repairing of discarded products and materials. Incorporating informal waste pickers in more formalised processes could assist with improved working conditions; liveable salary; mitigation of challenges faced by women waste pickers; accessibility to waste management facilities and actors; and connections and support from the formal waste management sector; among others.

**ENVIRONMENTAL BENEFITS**

- **Reduction of the reliance on non-renewable resources:** The circular economy prevents resource extraction by shifting the attention from finite raw materials to renewable resources that are much more sustainable. It requires us to think creatively about how we can acquire the materials we need.

- **Reduction of carbon emissions:** The circular economy advocates for the reuse of products; renewable clean energy; shortening supply chains; comprehensive urban planning that reduces the need for single occupancy vehicles; and the use of nature-based solutions when designing infrastructure and buildings among others. These circular interventions reduce waste, leading to less pollution and carbon emissions.

**ECONOMIC BENEFITS**

- **Protection of natural resources:** Mechanisms put in place to regenerate, protect and enhance nature improves living environments and maintains a healthy ecosystem that continues to provide ecosystem services which are essential for human, animal and plant life.

- **Cost reduction across the system:** There is potential to reduce the cost of managing the municipality e.g. removing organic waste from the waste system, making it less costly to recycle materials because it is not contaminated by waste, in addition, a new nutrient source is recovered i.e. organic waste.

- **Optimisation of value as opposed to profit maximisation:** The circular economy closes resource loops, creating one material flow that keeps cycling and ensures the preservation of resources and creating value.

- **Increased jobs:** The circular economy creates different jobs that are aligned with circular economic models.

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“*We mustn’t think of the circular economy completely separately from other kind of key priority environmental issues.*”

– Brett Cohen, Director, The Green House

“*One of the first things that the universities need to do is help our students unlearn all they have done before they need to change their minds.*”

– Christopher Gordon, Professor, Institute for Environmental and Sanitation Studies University of Ghana

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CIRCULARITY THROUGH AN SME LENS
To achieve a circular economy, we need circular economy businesses that can thrive and adapt to new and emerging principles. Given that the private sector is currently leading the circular economy transition, it is important that entrepreneurs, innovators and the business community are well supported in the transition to a circular economy. Most importantly we need to create new business models that can support emerging businesses seeking to meet the demands of a circular economy.

Many SMEs are contributing to the circular economy transition, particularly in African cities, where most products are imported and are not necessarily sustainably produced. They may not be doing so with an explicit connection to circular economy goals, nor with ‘circularity’ as the main outcome, but there is an emergence of new businesses that are attempting to provide alternatives to a business-as-usual frame, challenging the slow-to-change models of large multinationals. As the concept of circular economy gains global momentum and relevance, circular SMEs offer benefits to both society and the natural environment.

Wider societal and environmental benefits can accrue from a business taking on circular approaches. To build demand for circular products and services, and make them more accessible, we need circular economy principles, ideas and practices to be mainstreamed in society and the economy.

4.1. Is it useful to call a business “circular”? 

4.1.1. Impact for end-consumers

On a global scale, we are shifting towards impactful branding that encourages sustainable consumption and production. Stakeholders are encouraged to adopt circular economy practices and to show this on their branding, especially for audiences that are interested in sustainable products. Here, the use of the term ‘circularity’ is still limited, as it has not necessarily been mainstreamed in consumer culture, but reference to specific strategies that protect or regenerate the environment are seen. Typically, consumers associate ‘green’ products with high costs, despite the value they may ascribe to the product. In some instances, consumers also worry that the quality of a green product is not as good as that of a standard product. This means branding as a CE business could potentially have a negative impact on the business, requiring investment in demonstrating the quality of the product and helping to mainstream the ideas of circular practices in order to make them more appealing. The increased availability of such products can also improve competition and effectively regulate prices to make them more affordable.

For African contexts, where most consumers make their purchasing choices based on access and affordability, environmental consciousness is a secondary concern. Therefore, although branding a business as circular may play a role in education and awareness of the concept, studies have not yet been conducted to show whether branding a business as circular will have a positive impact on the profitability of the business. Branding a business as circular in the short-term appeals to green economy funders more than it does to the average consumer.

That said, even while customers aren’t necessarily directly engaged by the ideas of circular economy, businesses that are ready for acceleration can leverage circular economy branding to attract investment, particularly investors with an appetite for green or sustainable businesses, and those seeking to invest in the impact sector.

4.1.2. Impact for consumers and corporate consumers along the value chain

While circular economy may remain opaque to end-consumers, businesses interested in reducing wastes and improving resource efficiency may currently make the most impact in driving circular practices in business. Business-to-business sales models may require less investment in branding and more investment in relationship building and brokering between industries that could make use of each other’s outputs as new inputs.

The ripple effects of consumers and producers investing in circular products means that corporate and industrial consumers too may be driven by sustainability or green targets, therefore leading producers and SMEs to invest in producing products which can help meet identified targets or procurement requirements.
4.2. Unpacking circular business models

Circular business refers to a business model that is based on and driven by circular economy principles. Circular economy businesses do not follow a take-make-waste process, but rather invest in ensuring that resources that are sourced and used are created with end-of-life in mind, and resource efficiency is prioritised. As defined by the Board of Innovation, circular businesses “capture value [from a] broader range of stakeholders while minimising ecological and social costs.”

Circular economy businesses differ from traditional linear businesses and those in the green economy because they consider the entire value chain of production. These businesses lean on the circular economy principles of rethink, regenerate, reduce, reuse, and recover to ensure that materials remain in use for as long as possible, with the aim of eliminating waste. Such businesses are unique because they depend on resources that are already in circulation rather than depending on those that are extracted from the natural environment.

As circular principles can be somewhat inaccessible to many, we created a [non-exhaustive] catalogue which attempts to demystify what types of business practices could contribute to circular economy: Circularity is... A Catalogue of Circular Economy Ideas for Entrepreneurs

Read it here

Products that are being designed are planned for obsolescence - companies have made money over all these years not from circular business models but from linear models: make consume distribute consume dispose.

– Kelley Rowe, Co-Founder AfricaExo and Founder Stratlever
When talking about a circular transition, and business contributions to this, it becomes clear that we are envisioning a ecosystem of different businesses who each offer specific contributions. Not all businesses need to operate across all principles of circularity, and in many respects, some circular businesses may still fulfil a linear function of transforming a product for use in a broader supply chain.

In this respect, being able to identify how the business is contributing to a circular outcome is valuable for both the business to market itself, and for consumers and other industries to make informed choices.

Circular business in a linear system:

Acknowledging that much of the world is still normatively in a linear economy, these businesses represent those that are operating within certain policy, infrastructure and economic boundaries. As such they may experience certain limitations or contradictions in realising circular economy. Nevertheless, their approaches attempt to drive resource efficient, regenerative practices. Work of these businesses may be focussed on the recovery and treatment of waste streams from linear industries into new products (such as ecobricks from waste, fibre or textile wastes for new clothes, organic waste into compost or energy, etc), or the gentle nudging of new business models or consumer behaviours in otherwise normative systems (such as bamboo straws to replace plastic, reduced cost of coffee for customers who bring their own cups, package free shops, etc). What may characterise these businesses is that, while they show a form of looping or new practice, they are not necessarily contributing to the circular economy in its entirety (keeping products out of the linear system), or making the income off a linear mindset (the textile reclamer business is based off a fast-fashion modality that still produces textile waste, rather than halting that practice; the ecobrick approach may lock waste in place, but may not have a plan for the end-of-life of that ecobrick; the provision of a bamboo straw still reinforces a disposal culture – unless the customer keeps it on them at all times; the organic waste industry must have enough feedback to be viable, which accepts that waste will remain a reality – certain degrees of food loss and garden waste are inevitable, so this example may blur the edges with a circular business in circular system.

The above categorisation is not in any way to demonise these noted business practices or to say that these businesses are not contributing to resource efficiency or regeneration – in fact, many of them are vital in driving uptake of circular economy ideas and leading a systems transition – however, it is vital that circular economy practitioners remain critical of whether the proposed business model will continue to rely on wastefulness. If this is the case, a full circular transition may be a conflict of interest.

Circular business in a circular system:

A circular system acknowledges that it is only circular through the flourishing of an ecosystem of actors that contribute to their own niches and approaches. Businesses in this type may represent two groupings: businesses that refuse to participate in a circular economy and manage to be exempt from such due to necessity or political loophole, and businesses that serve a simple role within a broader circular economy system. Overlooking the former, such examples of linear businesses contributing to circular economy might include those that transport industrial outputs to other industries, those which provide resource efficiency technologies such as demand side management tools to reduce water or energy consumption, or designing durable products that, while they last longer, will still break down. These businesses either serve a bridging role, contributing effectively to one aspect of a products lifecycle, or provide ways to improve efficiency or equity in systems which are accepted to be consumptive or depleting. As such, they contribute to circular economy principles, while not necessarily needing to take a systems lens.

SYSTEMS TRANSITION TOWARDS CIRCULAR PRACTICES

To help with this framing, and assessing their ‘circularity’, businesses could be grouped into four types:

**Linear businesses in a circular system:**

The classic model of extracting a resource for single-use work before it is used-up or wasted. Examples include fossil fuel companies that extract coal for electricity generation, packaging producers that create single-use packaging with no recycling potential or plan, or industries which construct buildings without planning for deconstruction. Here, the call is to reshape the business to invest in regenerative activities or ensure cycling of the products, or for government to outlaw certain practices.

**Linear businesses in a linear system:**

Overlooking the former, such examples of linear businesses may still employ unsustainable practices, either through lack of options or through consumer demand. Vehicle sharing models, for example, pose a value of tracking the vehicle for its lifecycle, but this vehicle may still be fossil-based. Electric systems that support virtual platforms may still have large energy impacts, or require minerals or materials sourced through degradative mining practices. The embodied costs of a circular transition must also be considered in how we value the circular economy.
The growing emergence of circular businesses raises the concern for businesses that mimic circularity and take advantage of the benefits of circular economy branding without positively contributing to the circular economy or the transition towards circularity. Unfortunately, this undermines the efforts of businesses seeking to create social, economic, and environmental impact. A key to identifying circular washing is defining what constitutes a circular business and measuring the impact of the circular economy business model adopted.

Circular washing refers to the act of incorrectly defining a business as a circular one, leveraging the benefits of a circular business without adequately applying circular economy principles of regeneration and resource efficiency through rethinking business models, reuse, reduction, and recovery of materials. Although most businesses locate across the spectrum of circular business typologies, and do not apply or prescribe to all circular principles, or leverage circular economy for specific aspects of their business model, it is vital that every business ensures that they are not inadvertently circular washing.

While avoiding circular washing, consider noting organisations that have provided targets to guide actions and activities.

In a Circular African Cities Community of Practice Session hosted on 10 February 2022, the following guiding principles were suggested to discourage circular washing and encourage entrepreneurs to leverage when strengthening their circular business models. The below guidelines can be adopted by local governments to guide entrepreneurs to avoid circular washing:

- Avoid the use of ‘circular economy’ as a buzzword, simplifying it to something that is ‘better’.
- Look at design decisions and weight them more heavily than end-of-life recovery projects.
- Be transparent about the product journey and end-of-life plan.
- Share targets that show how you are embarking on the transition to circular economy. No company is perfect, but transparency will build trust and invite collaboration and helpful critique.
- Support knowledge creation and awareness of what circular washing is.
- Engage in value chain collaboration as it is a strong indicator of a genuine desire to adopt circularity.
- Explain material choices.
- Openly showcase where the business sits and the role it plays within the value chain or transition towards circularity.

Many circular economy businesses seek to resolve socio-economic and environmental challenges and are as such in less demand in the economy. This typically manifests as high risk, high production cost and value and low returns in the short term, impact-driven business ventures. As a result, we see circular economy businesses struggling to obtain funding in traditional markets.

**THE KEY NEEDS OF CIRCULAR BUSINESSES ARE:**

- **Dedicated funding programmes**: This requires “debunking the myth” that CE and green economy businesses are too expensive to fund.
- **Derisking**: To encourage investors to invest in circular businesses, to improve knowledge about circular economy models in the impact investment sector.
- **Access to markets and mainstreaming**: This is necessary to ensure that circular businesses are able to access sustainably sourced materials, and are able to track their inputs and outputs in order to measure their impact on the environment.
- **Policy and regulation**: To control the market.
- **Incentives**: To encourage their activities (e.g. tax breaks, sustainable procurement).

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**CIRCULAR WASHING**


TEN RECOMMENDATIONS FOR LOCAL GOVERNMENTS TO SUPPORT ENABLING ENVIRONMENTS FOR CIRCULAR BUSINESSES
It has been established that adopting a circular economy model is vital for achieving sustainability in our cities. This is because the circular economy ensures that all resources, goods and services are used efficiently and equitably, contributes to employment and livelihoods, and brings more nature into our communities and to regenerate the environment.

In Africa, it is clear that the private sector is leading the transition to a circular economy. Local governments need to support these efforts and foster enabling and innovative environments for circular businesses to thrive. This section presents ten recommendations to provide guidance for doing so.

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**Lack of policy is actually impeding the good work we are doing.**

– Venan Sondo, Lead, Chaint Afrique

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**Ten recommendations for local governments to support enabling environments for circular businesses**

It has been established that adopting a circular economy model is vital for achieving sustainability in our cities. This is because the circular economy ensures that all resources, goods and services are used efficiently and equitably, contributes to employment and livelihoods, and brings more nature into our communities and to regenerate the environment.

In Africa, it is clear that the private sector is leading the transition to a circular economy. Local governments need to support these efforts and foster enabling and innovative environments for circular businesses to thrive. This section presents ten recommendations to provide guidance for doing so.

**ACHIEVING CIRCULAR ECONOMY IN CITIES**

Circular economy is a growing area of interest for achieving sustainability across multiple sectors, and it is clear that, in Africa, the private sector is leading the transition to a circular economy. It is imperative for local governments to support these efforts and foster enabling and innovative environments for circular businesses to thrive. These recommendations, developed through the ACE Africa project, provide guidance for doing so. By following these recommendations, local governments can improve demand for circular goods and services, contributing to inclusive, efficient and regenerative cities.

**10 recommendations for local governments to support enabling environments for circular businesses**

1. **Develop enabling legislation, policy and regulation** to establish circular economy priorities in the jurisdiction, restrict and incentivise specific actions that contribute to circularity, attract finance, support inclusion and encourage strategic partnerships.

2. **Leverage the potential of urban planning** to support resource exchange between industries, reduce transport distances, and specify appropriate infrastructure implementation.

3. **Invest in open data and knowledge sharing** to identify specific needs and opportunities, and improve collective decision making.

4. **Establish multi-stakeholder platforms and promote cross-sector engagement** to incorporate diverse perspectives, mobilize collective action, include vulnerable voices, and enable new collaborations.

5. **Allocate existing financial resources and attract new investment** to support small businesses, encourage development of circular business models and help de-risk small businesses.

6. **Create physical spaces for experimentation and innovation** to try new models and practices, and allow entrepreneurs to ground-test their concepts, building the evidence base for CE.

7. **Partner with business incubators and accelerators** to guide emerging entrepreneurs and small businesses in circular principles and in identifying and building a market.

8. **Acknowledge and invest in the informal sector** to understand their needs, improve their negotiating positions, align business and government efforts, and support occupational health and safety.

9. **Upskill officials in circular economy principles** to draw linkages across departmental mandates, implement CE in government institutions, effectively design CE projects, and guide others on how to align with local government CE priorities.

10. **Build public awareness about circular economy** to make clear how businesses and residents can contribute and demonstrate the value of circular economy to their livelihoods and well-being.

*These recommendations have been developed based on insights from a programme of business incubation and acceleration and the Building Capacity for Circular Economy Innovation learning exchanges, hosted through the ACE Africa project.*

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ACE Africa was generously supported by the Finnish Embassy to South Africa through the Fund for Local Cooperation.
1. DEVELOP ENABLING LEGISLATION, POLICY AND REGULATION

Develop enabling legislation, policy and regulation to establish the CE priorities in the jurisdiction, restrict and incentivise specific actions that contribute to circularity, attract finance, support inclusion, and encourage strategic partnerships.

Local-level policies can play an important role in enabling the acceleration of circular businesses in Africa. Given that the uptake of circular economy principles and practices is important for the growth of circular businesses, developing and implementing policies that could facilitate such uptake is therefore critical. Expanding opportunities for circular businesses requires putting in place policies that will both drive the production and consumption of circular products and services, as well as enable and spur the participation of such circular businesses in the economy.

Businesses naturally gravitate towards opportunities and endeavour to limit risks. Local governments must thus deliberate in creating a clear circular economy strategy that expands opportunities for circular businesses, and at the same time gives such businesses certainty about government priorities, thus directing their investments. As the circular economy is the whole economy which might be a huge undertaking for many local governments, it is appropriate that they establish circular economy priorities in their jurisdiction. Such priorities should be informed by an assessment of challenges, needs and opportunities, as well as an inventory of resources (natural, human, financial, etc.) within the locale.

No single policy is able to sufficiently address the interdependencies among systems and sectors. Further, no single policy is able to foster the kind of complementarities needed across domains, sectors or industries for circular economy transition. As a result, there is the need to consider a suite of policies or policy mix. Mainstreaming circular actions into social, economic and environmental policies is indeed critical to attract wider participation, support and budgets. Policy areas that could contribute to providing an enabling environment for circular businesses to thrive include circular procurement, policies for reuse and repair, extended producer responsibility, tax and financial incentives, bans, policies that incentivise or disincentivise certain behaviours, among others.

A major channel for steering more circular business participation relates to government’s purchasing decisions, largely driven by their procurement policies. In enabling circular businesses in cities, the importance of implementing a circular procurement strategy to stimulate demand for circularity, scale up markets, and support circular innovation cannot be under-emphasised. Local governments are often one of the biggest consumers of certain products and services in cities. They can therefore directly increase demand for specific goods or processes by integrating circularity principles and actions as important criteria in their own tendering and procurement processes. Local governments should set minimum circularity requirements and standards that products and services being procured must meet. Procuring products and services that demonstrate resource efficiency and durability, or which can be easily repaired, reused or recycled should be prioritised by local governments. An example of its applicability is found in the built environment sector. Due to the increasing rates of urbanisation and migration into cities, many local governments are embarking on housing projects to address the shortfall in housing provision. Local governments can encourage the development of circular buildings by procuring the services of those that can design such buildings and purchasing circular materials and products to be used for such buildings. Additionally, local governments can set out in the procurement process or tender, a preferential position for businesses that are able to demonstrate the incorporation of circularity principles into their products and services. Preferential procurement has the potential to attract market demand and achieve economies of scale for circular businesses. Doing these will drive businesses towards focusing or investing in such solutions, while also ensuring strategic partnerships among businesses that produce such solutions. The scale of local governments is not comparable to the broader size of the economy. Circular procurement strategies can still be valuable in ensuring that government institutions are leading by doing.

Local governments are often one of the biggest consumers of certain products and services in cities. They can therefore directly increase demand for specific goods or processes by integrating circularity principles and actions as important criteria in their own tendering and procurement processes.

Extended producer responsibility (EPR) is also another policy instrument that local governments can leverage to drive circular innovation and demand for circular products and services. EPR is a policy approach whereby the responsibility for the post-consumer phase of goods and products is placed on the producer. It extends the responsibility of producers for their products and product packaging to include the costs (physical, social and/or financial) of treatment or disposal of post-consumer products or waste. EPRs can either be voluntary or mandatory. Irrespective of the type of EPR scheme, it is important that EPR costs are shared equitably among participating businesses to ensure its success. Although EPRs are mostly national in scope, local governments can facilitate its adoption and implementation, and generally support national initiatives around this. On the whole, EPR can drive waste reduction, promote better design, and contribute to increased demand for circular products.

Policies which seek to incentivise or disincentivise certain behaviours should also be introduced. Local governments can leverage instruments such as tax incentives and subsidies to incentivise the adoption of circular business models. Such incentives may be offered to businesses offering renewable, reusable or recycling solutions. For instance, small businesses who instead of getting rid of waste, engage with registered material cyclers in a bid to derive value out of waste could be offered tax breaks. It is also expedient to ensure that such enabling policies are inclusive, accounting for different needs of different groups.

To effectively integrate circularity across different sectors and departments, and to coordinate circular economy related policies and actions within local governments, there is a need for local governments to have a circular economy office or focal contact. As circular economy crosses multiple sectors, it is vital to have a focal point to whom those interested in circular economy can communicate and connect. Such focal contact can be located within a sustainability or resilience directorate (if such exists in the local government), or as part of a Mayoral mandate that connects specific departments. Part of the role of the focal contact may be to convene multiple people from different departments who will constitute a steering committee on the circular economy in the local government. This will also go a long way in guiding broader (internal and external) stakeholders.

EPR requires coordinated action at all levels... there’s definitely a need for global collaboration and coordination around disclosure of products.
– Brett Cohen, Director, The Green House
Recommendations for local governments

2. LEVERAGE THE POTENTIAL OF URBAN PLANNING

Urban planning is a tool and framework for articulating and guiding urban development. As a determinant of land use or activities that can take place on any specific land, urban planning contributes to the regulation of resources, products and waste management. It is thus instrumental in guiding and implementing the circularity vision of any municipality. Urban planning is critical for achieving circular communities and can be leveraged for the development of the circular economy and circular businesses. To achieve the transition to the circular economy, the ways in which urban planners and designers envisage and design the built environment is therefore important.

An important aspect for urban planners and designers in African municipalities is to design cities which minimise transport distances, and specify appropriate infrastructure implementation. These strategies can lead to increased efficiencies in energy and material use. While TOD has the potential to facilitate increased demand for non-fossil-fuel-based transport options including bicycles and ensure reduced transport distances, mixed-use designs can encourage the co-location of businesses which use similar materials or that have input-output dependencies.

Urban planning can be leveraged to incorporate circular infrastructures and interventions, and to allocate space for circular experiments and solutions, thus promoting market demand for circular products, materials and services. This may include establishing land reserves for sustainable energy or circularity solutions, special economic zones with a major focus on the circular economy or resource-use efficiency, as well as sites for implementing reverse logistics and industrial symbiosis. It is also important to consider upgrading marketplaces to promote circular practices, including putting in place facilities that ensure waste segregation and ease of collection for local businesses to access recyclable materials.

Local governments should make use of urban planning tools and policies to encourage and guide the co-location of businesses, industries and services to promote the emergence, uptake and development of circular practices. This will enable cooperation among businesses, economies of scale and easier access to resources, thus contributing to reductions in transport miles and emissions. Local governments should encourage mechanisms that distribute work centres in different points of the city, bringing housing closer to work centres while also encouraging the incorporation or development of small office spaces for circular start-ups and MSMEs. They should also facilitate the adaptive reuse of sites and open or vacant spaces through the issuance of temporary permits. This can include idle office spaces in government buildings and municipal lands. Such spaces will particularly be useful for circular economy start-ups which cannot afford the expensive rents of large business complexes.

Local governments in Africa need to rely more on urban planning to improve waste management systems by designating appropriate spaces for waste aggregation, transfer and treatment. When not undertaken at source, the collection and sorting of waste or post-consumer products is often done in material recovery facilities (MRFs). Encouraging and directing the location of such facilities can open up new opportunities for recycling businesses. It is thus important for local governments to allocate spaces for such endeavours, while also putting measures in place to prevent illegal sites for dumping. The city of Prague in the Czech Republic has established a network of re-use points where discarded elements such as furniture and appliances are being processed, and household food waste is being collected and converted into biogas.

African local governments can facilitate the creation of a circular food system by creating hubs for food waste where businesses can reuse food waste or utilise the food that would otherwise have gone to waste for biogas. Spaces where bio-waste can be effectively segregated for collection and used by local businesses to cycle back into soil enhancements can also be created. However, local governments must also ensure the appropriate location of biowaste facilities which cannot be located closer to residences. Allocating spaces for natural public space and urban agriculture is critical for achieving regenerative municipalities, hence the need to prioritise this. Such spaces will also be useful for circular economy entrepreneurs involved in agrifood enterprises. Creating spaces for putting in place cold storage is also important given the potential of such facilities to reduce food waste.

Local governments should consistently review urban plans with a view to ensuring access to critical facilities is within reasonable distance (education, health, food, sanitation, transport to access employment, green space). In this process, it is important for urban planners and designers to have in mind achievement of the nationally determined contribution (NDC) in climate change as well as the sustainable development goals (SDGs) and how the urban infrastructure could facilitate these.

Mixed-use designs can encourage the co-location of businesses which use similar materials or that have input-output dependencies.

Local governments must also ensure that collection processes are handled properly and that waste segregation and ease of collection for local businesses to access recyclable materials.

Reverse logistics really importantly helps us to deal with end of life and that collection process to allow for proper disposal.

– Kelley Rowe, Co-Founder AfricaExo and Founder Stratleverage
When datasets do exist, they should be interrogated to ensure that they are effectively representing the reality of many cities. Data are not useful if they overlook the majority, informal systems.

Without institutional support, educational institutes will not or cannot independently change their educational programs.

– Dorchany, Paykhar, Circular Economy Teaching Expert, African Leadership University

Knowledge brokers can build trust in ways that local governments may not be able to; they can play a role of collecting and aggregating data for collective good.
Recommendations for local governments

4. ESTABLISH MULTI-STAKEHOLDER PLATFORMS AND PROMOTE CROSS-SECTOR ENGAGEMENT

Establish multi-stakeholder platforms and promote cross-sector engagement to incorporate diverse perspectives, mobilise collective action, include vulnerable voices, and enable new collaborations.

There is a growing acknowledgement of the role of multi-stakeholder platforms (MSPs) in promoting sustained dialogues among actors, aimed at improving policy design and implementation and in facilitating collective action. MSPs bring together various actors from diverse interest groups to deliberate on shared challenges, opportunities, policy options, actions and strategies. MSPs are important avenues for knowledge creation, fostering knowledge creation and capacity building. Local governments therefore need to leverage the potential of MSPs in addressing knowledge gaps, fostering knowledge creation and improving the technical capacity of platform members.

MSPs are well suited for dealing with complex development challenges and exploring pathways for solutions and innovations. They are important vehicles to drive Sustainable Development Goal (SDG) 16 which focuses on building partnerships for development. Inclusion is therefore important in such platforms. For the circular economy, this means involving and engaging with education partners, circular economy businesses including start-ups, civil society, funding organisations, vulnerable groups, among others. By promoting inclusive spaces and building partnerships, MSPs on the circular economy have the potential to drive circular economy policies and actions, contribute to knowledge creation around circular economy barriers, opportunities and priorities for local governments, and to contribute towards the effective monitoring of circular economy transition. Such platforms will foster a ‘win-win’ situation for local governments and circular businesses as they are able to discuss and engage around circular solutions, priorities and opportunities for circular economy transition in our municipalities.

Indeed, local MSPs have a role to play in influencing local level circular economy related policies, and in advocating for improved coherence of local policies with national policies. There are different avenues for local governments to leverage MSPs. Local governments can support already existing MSPs including communities of practice within their jurisdiction. They can also be direct drivers, establishing and facilitating the MSPs. In the case of the latter, it is important that key capabilities and skills for establishing and facilitating MSPs to ensure their adequate functioning needs to be strengthened in local governments. Ensuring the success of an MSP also hinges on factors such as well-developed, clear and coherent objectives and vision of the platform and a readiness to collectively and continuously evaluate and adapt approaches and strategies based on experience. It is also important to undertake needs assessments with each group to better understand the challenges they are facing and how circular solutions can resolve them. Appointing leaders that are accustomed to inclusive or participatory processes is also crucial.

An example of such platforms at the national level is the Ghana National Plastic Action Partnership (NPAP). Established in 2019, NPAP is an MSP which enables collaboration between government and other partners to turn plastic waste and pollution commitments into action. The platform has multi-stakeholder representation, with actors coming from diverse sectors including the public sector, private sector, academia, civil society and development partners. Such a model should serve as an inspiration for what is possible for the circular economy at the city or municipality level.

The Circular Lagos programme was developed with the aim to create circular economy opportunities for entrepreneurs in Lagos while achieving greater societal co-benefits of the circular economy transition (including reducing GHG emissions, job creation, and improving livelihoods). This platform is created to allow for further circular economy learning which expands beyond the borders of Lagos. It was created through a collaboration between Lagos State and CEIP, with CEIP currently managing the Circular Lagos Secretariat.

In a related vein, cooperation across different sectors is indeed key to transitioning towards the circular economy. It is important to ensure internal cooperation and coordination among departments or ministries associated with the circular economy within municipalities. Local governments must also promote cross-sectoral cooperation with external circular economy stakeholders, prioritising engagements with market actors and civil society. Given the divergent backgrounds and interests of these actors, it is expected that such cooperation and collaboration will involve conflicts, trade-offs and diverse expectations among the stakeholders. Local governments in Africa must therefore understand the circular economy transition as not only a technical process but also a social and technical process, which calls for skilled negotiation, communication, as well as relationships and expectation management. In the efforts to advance collaboration for circular economy transition, local governments must also endeavour to incorporate diverse perspectives (including from small businesses) and include vulnerable voices.
Recommendations for local governments

Circular businesses are at the forefront of innovation and technology development, and as such require financial support to foster the development of their business models. Such financial support includes direct public funding through grants, tax reduction, government subsidies, access to capital through either credit institutions, venture capital, or public financial institutions, and other incentives. Local governments can also set up local funding schemes for circular businesses to access loans and grants. In certain instances, local governments can step in to fully or partially guarantee certain loans that meet circular economy objectives. Also, local governments and government agencies should work together to provide guarantees and other assistance to support the distribution of funds to circular businesses. Local governments could liaise with national agencies that provide direct support for enterprise development. An example of such an agency is the Small Enterprise Finance Agency (SEFA) which is an owned subsidiary of the Industrial Development Corporation. Another way local governments can provide support is by partnering with initiatives to facilitate access to funding on shared projects. Partnership can be in-kind, such as offering physical space for people to come together and meet with people that want to fund and invest in their kinds of businesses or guaranteeing contracts such as for waste management or material off-take. This can add credibility to businesses when they are seeking funding.

For circular businesses, the availability of funding is critical for innovation around the circular economy and for implementing circular economy practices and strategies. Circular business models including start-ups, and pilot projects require adaptive financing mechanisms to ensure their funding. The circular economy encourages new ways of thinking, working and implementing, thus contributing positively to environmental sustainability, but these mostly are not in consonance with the linear economy’s ways of working. The high cost and perceived risks associated with circular businesses require innovative financing mechanisms and public financing alternatives. The corollary therefore is that new and adaptive financing structures and mechanisms are required for circular businesses to thrive.

For local governments in Africa, there is the need to mainstream the circular economy into economic and fiscal planning. Doing this will allow local governments to set aside resources for the implementation of circular economy related activities and provide financial support for circular economy businesses. Many of the financial and fiscal regulations that would benefit circular businesses are outside of the remit of local governments. For instance, some tax incentives or disincentives are often not mechanisms local governments can directly put in place and implement. Although local governments have limited legislative and fiscal mandates, they can influence such policies through lobbying. Local governments need to lobby national governments to initiate policies that can be beneficial for circular businesses domiciled within their area of jurisdiction.

 Allocating local funds for entrepreneurial business support will allow circular businesses to contribute to, and access opportunities within the circular economy. It will also go a long way giving the private sector confidence to invest in the circular economy by reducing associated risks. Directing mainstream finance towards innovative circular economy approaches in African cities by governments brings up issues relating to due diligence and risk mitigation regarding financing “unknown” systems or outcomes. It is therefore pertinent to capacitate government officials to be able to observe due diligence in directing government loans and grants to circular businesses.

Furthermore, there is a need to not only explore the integration of the circular economy into mainstream financing but to also mainstream circular economy with climate financing. For instance, green bonds, which were created to fund projects with positive environmental and climate impact, have entered the mainstream in the finance sector, and these can potentially integrate circularity into their set-up. In South Africa, the national government set up the Green Fund to support low-carbon, resource-efficient and climate-resilient development, and provide catalytic finance to promote investment in green initiatives that support job creation and poverty reduction. Administered by the Department of Forestry, Fisheries and Environment (DFFE), the fund has ‘Green Cities and Towns’ as one of its themes.

Under this theme, local governments can access funding to generate demand for green products and services in their respective area of jurisdiction. The importance of building the capacity of circular businesses to leverage financing opportunities is also critical. As financing is not intuitive to everyone and many businesses lack the knowledge of how to access funding, the need to develop simplified guides or organise workshops on financing circular businesses and innovation has emerged. Here, local governments can partner with multilateral and bilateral organisations and well as the private sector to capacitate circular businesses.

“Circular economy allows for multiple different applications on financing specifically around low carbon and restorative regenerative transition across multiple sectors.”

– Chris Whyte, Director ACEN and Circular Economy Strategist

There’s a need make sure that there’s different type of capital in different levels and amounts throughout the journey.

– Wassa Cisse, Investment analysis, Bestseller Foundation

The high cost and perceived risks associated with circular businesses require innovative financing mechanisms and public financing alternatives - new and adaptive financing structures and mechanisms are required for circular businesses to thrive.

– Wassa Cisse, Investment analysis, Bestseller Foundation

There’s a lot of money in the system but it’s not making its way through to early stage businesses.

– Grant Prince, Head of SME Portfolio, Fetola
Recommendations for local governments include makerspaces, fab labs, living labs, co-working enhanced learning capacities. Examples of such spaces and prioritised, leading to collective creativity and could be strengthened. In such spaces, exchange, collaboration between the public and private sectors innovation. They serve as avenues through which and technologies, and are thus enablers of circular innovation. They serve as avenues through which such collaboration between the public and private sectors could be strengthened. In such spaces, exchange, sharing and collaboration for innovation are explored and prioritised, leading to collective creativity and enhanced learning capacities. Examples of such spaces include makerspaces, fab labs, living labs, co-working spaces among others.

In many of the engagements with circular economy entrepreneurs involved in the ACE Africa project, an issue was constantly mentioned – there is a great need for local governments to support spaces for designing, implementing, prototyping and showcasing circular solutions and for promoting circular business models. The importance of this cannot be overemphasised given its importance in building and supporting evidence base and uncovering new possibilities. Local governments should facilitate the creation of spaces for experimentation where circular innovations can be designed and showcased, links and collaboration can be initiated or facilitated, and where individual and collective capacities can be improved for circularity transition. Local governments should invest in circular economy innovation hubs such as incubation centres, reuse centres and repair hubs (virtual and physical).

Recommendations for local governments

6. CREATE PHYSICAL SPACES FOR EXPERIMENTATION AND INNOVATION

Create physical spaces for experimentation and innovation to try new models and practices, and allow entrepreneurs to ground-test their concepts, building the evidence base for CE.

In the drive towards circularity transition in African cities, the value of innovation and experimentation spaces in the testing and adaptation of new tools, methodologies and devices, and in strengthening circular innovation capacities cannot be underestimated. Spaces for experimentation and innovations provide a platform for physical engagements and inter-organisational networking for creating, prototyping, validating and testing new circular products, materials, technologies and services in a real-life context. They are spaces for the development of circular solutions, practices and technologies, and are thus enablers of circular innovation. They serve as avenues through which such collaboration between the public and private sectors could be strengthened. In such spaces, exchange, sharing and collaboration for innovation are explored and prioritised, leading to collective creativity and enhanced learning capacities. Examples of such spaces include makerspaces, fab labs, living labs, co-working spaces among others.

Local governments should facilitate the creation of spaces for experimentation where circular innovations can be designed and showcased, links and collaboration can be initiated or facilitated, and where individual and collective capacities can be improved for circularity transition.

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In many of the engagements with circular economy entrepreneurs involved in the ACE Africa project, an issue was constantly mentioned – there is a great need for local governments to support spaces for designing, implementing, prototyping and showcasing circular solutions and for promoting circular business models. The importance of this cannot be overemphasised given its importance in building and supporting evidence base and uncovering new possibilities. Local governments should facilitate the creation of spaces for experimentation where circular innovations can be designed and showcased, links and collaboration can be initiated or facilitated, and where individual and collective capacities can be improved for circularity transition. Local governments should invest in circular economy innovation hubs such as incubation centres, reuse centres and repair hubs (virtual and physical).

It can be a lonely journey as an entrepreneur and there are lots of difficult challenges to navigate - your peer group on the incubation programme becomes a valuable source of relationship, emotional and mental support as well.

– Grant Prince, Head of SME Portfolio, Fetola

Local government properties which remain idle can be dedicated for use as experimentation spaces for circular business models. Demonstration plots can be provided for circular businesses to test, iterate, improve and showcase their models. The Ga East Municipal District in Ghana partnered with Safi Sana, a circular business model that converts organic waste to energy and fertilizer, by providing the business with the initial space to implement their circular business, which consequently served as a form of commitment from the district and a form of validation of the business model.

Makers Landing, located at the Cape Town Cruise Terminal in the V&A Waterfront, was developed in partnership between the V&A Waterfront and the South African National Treasury’s Jobs Fund. Makers Landing aims to create a circular economy by offering visitors a farm-to-fork experience. It shares a story of the people that produce the food and the food itself, throughout the food supply chain from its origins, through preparation processes, to the final product. Once a cold storage facility, the space has been repurposed into a vibrant space and includes a food market, maker stations, eateries, and a demo kitchen offering access to fifteen workstations among others.

Such demonstration sites which serve as spaces for experimenting with new business models have the potential to serve as a hub for information exchange. In such spaces, co-creation of ideas can be fostered as local governments, often serving or doubling as clients or as potential procurers, can offer feedback, reflections or suggestions for improvement of the business model. Furthermore, local governments also assist circular businesses by offering support or ease of access to permits which may be needed for experimentation. Local governments can also support circular businesses by allowing and giving consent for circular products or solutions to be showcased in public spaces. This draws attention to the product and can potentially drive markets for the product. Finally, local governments can collaborate with universities and other institutions of higher learning to establish demonstration sites for urban farming, biodigesters, microgrids, various scale sanitation facilities, passive buildings, among others. This would also serve as an avenue for technical learning and training in the related fields in order to build capacities and develop experts.

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Recommendations for local governments

Partner with business incubators and accelerators to guide emerging entrepreneurs and small businesses in circular principles and in identifying and building a market.

There is a growing recognition of the importance of business incubation and acceleration in ensuring the success and growth of emerging businesses. Incubators and accelerators have emerged as one of the important instruments to assist and develop emerging circular businesses and start-ups, and to reduce the chances of failure of such businesses. As such, incubators and accelerators are geared towards increasing the chance of circular entrepreneurs growing their businesses into mature businesses.

Whereas incubators tend to focus on early-stage businesses, assisting them with the foundational aspects of starting and growing their businesses, accelerators on the other hand tend to engage already-established businesses with a major focus on business expansion and investment attraction. Both models however offer one or a combination of physical or technical infrastructure, advisory services, mentorship and finance.1 Business incubation and acceleration is about providing support for emerging businesses through the provision of essential tools such as knowledge and financial capital for their growth and fulfilment of mandates. It provides support for emerging businesses and start-ups to overcome typical business challenges such as financial knowledge, skills development, access to markets and finance, among others.

Crucially, it is important that there is clarity, on the part of local governments, on the role of incubators and accelerators, and how they contribute to meeting the needs and capacities of the localities they are aiming to serve. A lack of clarity reflects in a lack of strategy from the ground up and the setting up of incubators without adequate consultation with local governments, which prevents a win-win formula for all stakeholders. Clarifying this will enable local governments to develop support or collaborative mechanisms with incubators and accelerators.

Many incubators are heavily dependent on donor funding. Local governments can offer funding support to incubators or support their applications for funding. Another form of support that can be offered is the provision or facilitation of access to spaces that incubators can utilise for their training programmes. Opportunities to connect directly with local government officials should be opened for incubators and accelerators to reflect on and share experiences, best practices, and solutions that would benefit every stakeholder and the municipality. Doing these will allow for the development of an environment that is responsive to circular innovation. Innovations coming to the fore through incubation and acceleration programmes can be used to influence government policies and help create awareness around circular solutions.

Some of these are already happening at the national level in South Africa. The GODISA programme initiated by the Department of Science and Technology (DST) was to provide support to incubators in providing services such as training and business advice to enhance technology innovation and international competitiveness. In 2006, the GODISA programme was merged to form the Small Enterprise Development Agency (SEDA) Technology Programme (STP), to continue to provide support for emerging businesses. However, government support for incubators went up another notch with the Incubation Support Programme (ISP) initiated by the Department of Trade and Industry (DTI), to run from 2012 to 2022.2 The ISP provides funding for incubators to strengthen the services they offer to emerging businesses. This model can be replicated at the local government level in Africa where municipalities can collaborate with incubators to provide support for early-stage circular businesses and start-ups. Small business development agencies at the local government level can partner with circular business incubators to offer advisory services and funding support to businesses.

There is also the potential for local governments to set up their own incubators and accelerators to support circular businesses and entrepreneurs. Government incubators are knowledgeable about the priorities of the government relating to economic and business development and will be at a good vantage point to focus attention on this. Further, government incubators can leverage partnerships with private sector incubators and accelerators to further expand their capacity to support a large number of circular businesses within their area of jurisdiction.


8. ACKNOWLEDGE AND INVEST IN THE INFORMAL SECTOR

Informal business actors within the circular economy are individuals whose activities are related to the circularity principles of rethink, regenerate, reduce, reuse and recover, but with no formal recognition, financing or sponsorship. These actors comprise small businesses and self-employed individuals without formal recognition as legal entities and with little or no capital investment. Informal actors within the circular economy may contribute to the sustainability goals of cities. They are significant contributors to economic growth and climate action, offer employment opportunities, and contribute to poverty reduction as well as sustainable consumption and production. The informal economy demonstrates the value of resources by encouraging efficiency in use, reuse and recovery of materials and products through activities such as waste separation, waste picking, waste reselling and second-hand clothing and electronic markets. Their role and contribution to the circular economy can therefore not be underestimated given that their activities assist in the further capture of value of materials and in keeping materials in use for longer. However, it should be noted that the motivation for these services is driven by need and opportunism, and not necessarily align with city policies. Navigating this space, to engage equitably with informal systems is important so as not to undermine the flexibility of these systems, nor increase their vulnerability.

Evidence abounds that the informal sector contributes significantly to a more circular economy in Africa. In many African cities, the informal sector is already bridging the gap left by local government authorities, which often lack the human capacity and resources to address the myriad of waste management challenges they are contending with. Both government and formal businesses are struggling with the challenge of addressing plastic waste in Africa. Informal actors are stepping up and leading the way in making business out of the collection, sorting and recycling of plastic waste.41 In South Africa, for instance, informal waste pickers collect more than 80% of used packaging and paper that is recycled. What is also obvious is the interlinkages between formal and informal activities within the circular economy. For instance, waste auctions of formal businesses are often attended by informal actors.42

Despite the importance of the work they do in African cities, informal actors within the circular economy are often marginalised and exploited, and sometimes deprived of their means of livelihood by local authorities. There is the need to recognise their importance and contributions to the circular economy. Doing this will require putting in place institutional and legislative frameworks that formally recognise them. At the national level, South Africa has put together a guideline for waste picker integration, which was developed through a participatory process involving municipalities, waste pickers and the industry, and seeks to offer guidance for building a circular recycling economy that is inclusive and responsive. Following this model, local governments in Africa need to put by-laws and mechanisms in place to accommodate the informal sector within the circular economy. Waste picking sector, for instance, needs to be incorporated into the bigger framework of waste management. This should include the inclusion of the sector in policy documents to assure their formal recognition.

Together, these points would further engender waste picker participation in the economy, including enabling them to take on contracts such as waste management contracts, although this may require them to organise into groups or organisations. It is expedient for local governments to also engage with key informal associations and civil society organisations working with these groups who can channel multi-way communication. Another form of support that local governments can offer informal circular business actors is training and subsidised access to vocational qualifications to further improve their business acumen. In line with their oversight role, local government authorities need to establish frameworks for the formal sector when engaging with the informal sector, such as preventing them from exploiting them by setting guidelines on payment terms, contracts, and communication. Finally, given the environmental and health characteristics of the many sites in which these informal actors work, there is the need for local governments to assist in providing support relating to occupational and health safety of these actors.

"The informal economy demonstrates the value of resources by encouraging efficiency in use, reuse and recovery of materials and products through activities such as waste separation, waste picking, waste reselling and second-hand clothing and electronic markets."

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43 Ibid.

"Informal Economy is Private Sector

In discourses where the private sector is mentioned, there is often the tendency to overlook informal actors. But the informal economy is not an external, distant sector. Informal actors belong to the private sector—they have invested their limited resources and time in building their own economic strategy and enterprise. It is therefore expedient to acknowledge this fact and incorporate this understanding not only on issues around the role and contribution of the private sector within the circular economy, but indeed in any discourse relating to the private sector."

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Recommendations for local governments

"Informal Economy is Private Sector

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9. UPSKILL OFFICIALS IN CIRCULAR ECONOMY PRINCIPLES

Upskill officials in circular economy principles to draw linkages across departmental mandates, implement CE in government institutions, effectively design CE projects, and guide others in how to align with local government CE priorities.

The role local governments play, or can play, in the transition towards the circular economy is indeed multifaceted. Local governments do not only serve as policy-makers or regulators for the circular economy, but are also significant purchasers of goods and services. They are active actors in the economic system who tangle with production and consumption on many fronts - buying, consuming, managing and disposing of a significant amount of resources. It is thus imperative that local government officials are equipped with the technical capacities and skills needed to put in place and implement appropriate frameworks and strategies that drive the transition towards the circular economy, whilst also enabling circular businesses to thrive.

In Africa, local governments are faced with capacity constraints which affects the ability to initiate and implement actions to drive the circular economy. Among officials, there is a limited understanding of the practical application of the circular economy, including in business processes, as well as inadequate coordination across departments, all of which gets in the way of initiating credible action plans to drive the circular economy. Circular businesses also suffer from this challenge given the dearth of strategies and legislations that will allow these businesses to fully harness the opportunities the circular economy offers.

Many of the circular economy strategies that will be beneficial for circular businesses require legislation and regulations. For instance, industrial symbiosis or integrating waste pickers into the overall waste management strategy of a municipality require the introduction of appropriate policies. Putting in place appropriate policies and legislations on the circular economy, and which will benefit circular businesses and guide stakeholders on the circular economy priorities of municipalities, will require that officials are knowledgeable about the potential of the circular economy and the opportunity it offers to drive sustainable development. It will also require a great deal of interdepartmental coordination given the cross-disciplinary and cross-sectoral nature of the circular economy. The knowledge and capacity to coordinate and to put these policies together in African municipalities are certainly critical services through public procurement.

To start with, local governments must review and analyse the required skills needed for designing, implementing, and monitoring circular economy related policies, strategies, action plans and projects, and invest in these capacities. Officials in municipalities across Africa also need to be upskilled on appropriate circular economy indicators and measurement to monitor circular economy uptake and transition.

In line with the call for local governments in Africa to integrate circular economy principles, criteria and specifications into public procurement processes, there is the need to upskill officials on what these principles are and how to effectively drive demand for circular products and services through public procurement.

Developing training programmes on the circular economy that is contextual and responds to the needs and opportunities in the municipalities should be prioritised. Here, local governments can collaborate with the private sector or civil society actors which conduct contextually relevant circular economy training programmes. Local governments also need to invest in training on stakeholder engagement as officials need to be able to engage with circular economy stakeholders to communicate and receive feedback on circular economy priorities of the local government. In addition, city-to-city exchanges can go a long way in addressing some capacity and skill gaps, hence these should be put in place or supported by local governments.

Beyond training and acquisition of new skills, there is need to allocate resources for enough local government officials to effectively implement circular economy mandates. Articulating the value of circular economy and the role of local governments in this transition must be accompanied with a push for reallocation of budgets towards capacitated officials and operational finances for demonstrating circular economy in their jurisdictions.
Generally, knowledge around the circular economy and its potential contribution towards sustainability is still limited in African cities. The need to create awareness around the circular economy and the use of circular products and services is now more urgent than ever, given the limitations of the linear economy. Local governments have the responsibility to drive action towards sustainability and to promote responsible production and consumption in their area of jurisdiction. It is thus imperative for local governments to raise awareness around the circular economy and make clear how businesses and residents can contribute to, and benefit from such an economic system.

Local governments in Africa need to raise awareness among urban residents through communication activities. They need to engage residents on the principles of the circular economy, the opportunities inherent in the circular economy, as well as the need to move towards the use of circular products, materials and services, which could potentially drive market demand for such products and services. However, awareness raising should not be limited to residents, but must also include engagements with innovators, manufacturers, retailers and procurers. This will also contribute to driving demand for circular products and services, and generally drive the transition towards the circular economy.

Circular economy is a particularly obscure concept, and requires breaking down into practical terms. In public communication, it may not be useful to use the term ‘circular economy’ but rather focus on specific circular strategies or actions that businesses or public can take. It is important that impactful and contextually relevant awareness and communication strategies which will be easily adaptable to different audiences are designed by local governments. In other words, awareness and communication strategies should be customised for different groups. Meetings and workshops can be regularly convened with local representatives of community groups, businesses, civil society, the informal sector, policymakers and any other relevant stakeholders to intimate them of the circular economy opportunities. Awareness should also be brought into marketplaces and industrial hubs. Local governments can initiate collaboration with civil society to run awareness campaigns on the circular economy in schools. Driving audience to demonstration sites can also contribute towards awareness raising.

Build public awareness about the circular economy to clarify how businesses and residents can contribute and demonstrate the value of the circular economy to their livelihoods and well-being.

The high cost and perceived risks associated with circular businesses require innovative financing mechanisms and public financing alternatives - new and adaptive financing structures and mechanisms are required for circular businesses to thrive.

– Wassa Cisse, Investment analysis, Bestseller Foundation

Local governments must review and analyse the required skills needed for designing, implementing, and monitoring circular economy related policies, strategies, action plans and projects, and invest in these capacities.
Local governments should exploit diverse communication channels including media campaigns, press releases, websites and social media. Different fora or mediums need to be utilised including workshops, expos, seminars, webinars, science festivals, competitions, among others. They can use or encourage the use of radio, newspaper, television, local theatre, art and installations in key sites of high traffic to share messages and showcase specific practices on the circular economy.

It is important that the messages being communicated, and the actions being proposed to the public are feasible - are the infrastructures or systems in place that will make it viable or easy for the public to participate? If there is messaging about separating wastes, but there are no bins or collection processes in place, this action will fall flat. If there is messaging about caring for nature, but the public spaces are in disrepair, it will be difficult for residents to follow this.

“The high cost and perceived risks associated with circular businesses require innovative financing mechanisms and public financing alternatives - new and adaptive financing structures and mechanisms are required for circular businesses to thrive.”

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