EXPLORING THE CIRCULAR ECONOMY IN THE HOSPITALITY SECTOR

Véronique Renard, Manager of the hospitality.brussels cluster

Aude GRILLOT, Circular economy advisor
hospitality.brussels

- **The cluster’s Vision**
  - To promote the image and influence of Brussels, with a view to creating jobs and economic value in the Brussels Region.

- **The cluster’s Missions**
  - To support an ecosystem within Brussels and foster competition between the various players in the Hospitality sector
  - To support and promote entrepreneurship

- **Members**
  - A network of about 80 companies and 20 partners active in Brussels’s Tourism, Events and Culture sectors

- **Actions**
  - RAISING AWARENESS of the importance of innovation in staying competitive and PROMOTING this concept
  - SUPPORTING innovative projects
  - ENCOURAGING SYNERGIES between the various segments of the sector
Founded in 2018, circlemade.brussels is the Brussels network for circular economy pioneers. circlemade is an organisation made up of pioneering companies, public institutions and experts. It monitors, informs, supports and mobilises to drive innovation and thus boost the development of a regional circular economy offering and maximise the impact of the initiatives taken by its members.

Our mission?
To develop the circular economy within Brussels by offering four types of services to our members.

- Networking and visibility
- Acquisition of skills
- Working groups
- Multi-player projects

Key figures:
- 56 member companies
- 18 institutions and experts
WHAT IS THE CIRCULAR ECONOMY?
The circular economy

There are many definitions of the concept known as “the circular economy”. Below are a few examples:

- Industrial ecology
- The performance economy
- Regenerative design
- Biomimicry
- Cradle-to-Cradle
- Blue economy

The circular economy - three key principles

Eliminating the concept of waste

Creating value

Systems thinking

The circular economy: a paradigm shift in economics

→ Towards **new business models** that create **economic value** and **well-being**, within the physical **limits of our environment**
Key principle No. 1: Eliminating the concept of waste

A resource only becomes waste when **no-one has found a way to recover its value.**

Waste does not simply refer to materials!

The true cost of waste is often higher than you might expect!

A car generates many forms of “intangible” waste since:
- It is not in use for almost 95% of the time
- The efficiency of an internal combustion engine is sub-optimal
- Etc.

On average, the total cost of waste corresponds to **more than 14 times** the pure disposal cost of the item: the cost of the external management of the waste is just the tip of the iceberg!
Key principle No. 2: Creating local (economic) value

Waste presents opportunities!

➤ How? Because its negative externalities can be transformed into value
➤ In other words, by creating new products (or services) from the waste

Fruitopia collects unsold fruit and makes it into jam.

The sheltered workplace company, L'Ouvroir, converts old stamp cancelling machines into key boxes designed by Pierre-Emmanuel Vandeputte.
Key principle No. 3: Systems thinking

By adopting a holistic approach it is possible to find innovative solutions. But you must free your mind from linear economy conditioning.

- **Cooperation** and connection between business models and production models
- Cooperation with communities
- Creation of value as a result of synergies between businesses

The historical example of the Kalundborg eco-industrial park in Denmark

In Kalundborg, an oil refinery uses the steam produced by a power plant and in returns sends back waste water that the power plant needs for cooling purposes.

The resulting lukewarm water from the power plant is then used by a fish farm. A flue-gas desulphurisation facility sells its gypsum to a plaster-board manufacturing plant, thus avoiding the need to import gypsum from Spain.

And there are many more examples of symbiosis between companies...
The circular economy: a transitioning strategy

The circular economy is a vision: transitioning to it requires a roadmap

Roadmap with several possible stages:

- **Level 0**: Environmental management
- **Level 1**: Improving the offering/developing an eco-friendly offering (product/service)
- **Level 2**: Circular business model
  
  *Strategy initiated internally*

- **Level 3**: Circular economic system (e.g. circular value chain)
  
  *Strategy initiated with partners (suppliers, clients, etc.)*

A company or a project is not, in itself, a “circular economy” but can be open to circular economy initiatives or signed up to a circular economy strategy.

A circular economy strategy is not restricted to the recycling of waste!
THE CIRCULAR ECONOMY, A LEVER FOR THE HOSPITALITY SECTOR?
Tourism, a high potential to generate threats to sustainability:

- High level utilisation of resources (water, energy, waste...)
- 5% of global CO2 emissions
- Overtourism, impact on biodiversity and heritage sites
- Negative experience for inhabitants (pollution, noise, etc.)
Impact and opportunity for the sector

However, the environmental challenges may generate opportunities for the sector!

Great potential to contribute towards Sustainable Development Goals (SDG)

Tourism features in three of the 17 SDGs, namely in goals 8, 12 and 14 - inclusive and sustainable economic growth, responsible consumption and production and the sustainable use of oceans, seas and marine resources.

The circular economy, one of the 23 UNWTO recommendations…

… to help the tourism sector and the chain of stakeholders impacted by the Covid-19 pandemic.
Why sign up to a circular economy strategy?

- **To reduce your risks**
  - ✓ Reduce stocks of raw materials → increase the price of the products
  - ✓ Take action in advance of changes to the regulations

- **To reduce your business costs**
  - ✓ Lower levels of utilisation of products, energy, water → reduction in operating costs
  - ✓ The price of “recovered” raw materials is often less than that of virgin raw materials

- **To stand out from the competition**
Why sign up to a circular economy strategy?

- To meet demands from customers and in line with consumption trends
  - Consumers are willing to pay more for a more environmentally-friendly product,
  - The aspirations of tourists have evolved:
    Unique experiences, more in tune with the local culture, with lower environmental impact

- To attract and retain new talent
  - In the under-30s age group, 50% of employees are looking to create or make the world a better place through their work.

Etude Bien être (Well-being study), investigation of the role of the individual in corporate governance, conducted by Ifop for Philonomist, 2019 (France)
Why sign up to a circular economy strategy, today?

- Transitioning to the circular economy to BOUNCE BACK from the Covid-19 crisis.

Consider the challenges below to reinvent the tourism industry after Covid-19 and develop a resilient and sustainable tourism ecosystem:

- Instead of looking to return “to normal”, **rethink the values of the tourism industry**, the overall aim, skills, potential, business models and value chains in a **more holistic and systemic manner** - who, why, how - do they want to travel far from home?

- **Global vs local** - consider how to **collaborate** within borders, by ensuring the **well-being of everyone** and reconcile the quality of life of inhabitants with the needs and aspirations of tourists.

- Use and connect skills, resources (including human resources) and existing assets in an **innovative way** – to meet new and emerging needs (e.g.: co-working arrangements in conference rooms or in hotels, etc.)
WHO CAN HELP?
Who can help?

The members of the circlemade.brussels network

Food sector

Circular services

Reduction in energy and water consumption

Mobility for people and goods

Recovering the value of waste

Textiles & goodies

Circular experiences

Circular design

https://www.circlemade.brussels/nos-membres/
Who can help?

More than 40 players!

Offre de soutien à l'économie circulaire

But also:

www.circulareconomy.brussels
Thank you.
Dank u!/Merci!

Véronique RENARD, vrenard@hub.brussels
Aude GRILLOT, agrillot@hub.brussels

Question ? Vraag?
Chaussée de Charleroi 110 Charleroisteenweg
1060 Bruxelles - Brussel
+32 2 422 00 20 - info@hub.brussels