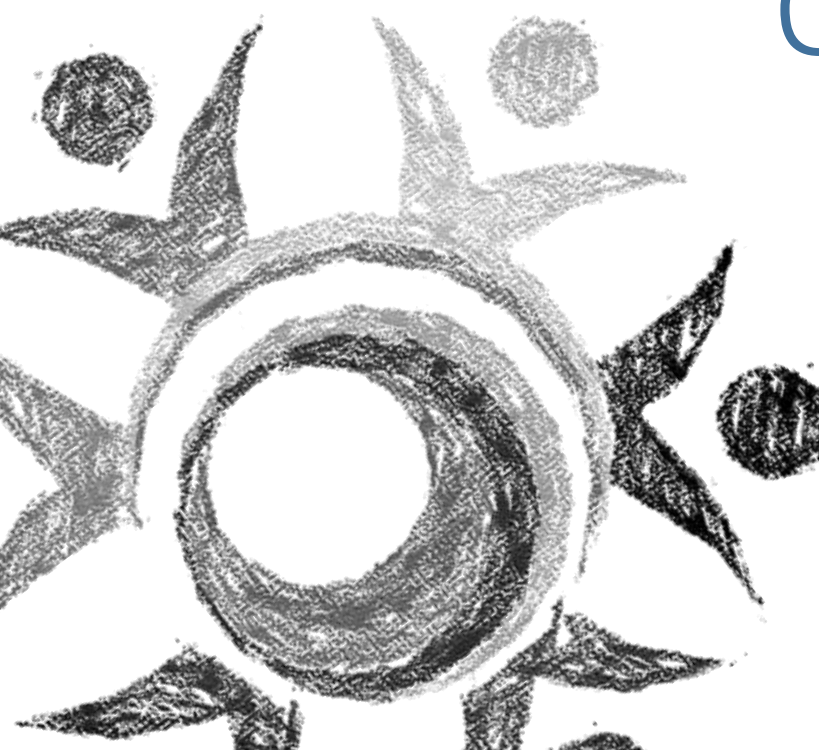




Optimizing Circular Value



Alexandre Lemille
Circular Economy Lead
@AlexLemille





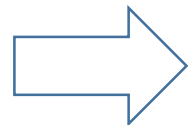
Optimizing Circular Value



Background thinking



- WHY do we want to achieve this versus another model?
- WHAT FOR? Is it worth the investment?
- WHERE is this all going?
- HOW are we going to prove this is better?
- WHEN are “solutions” considered “Circular”? When not?



WE NEED TO *PROVE & RECOGNIZE* IT



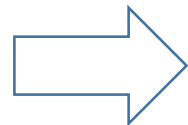
Optimizing Circular Value



Assumption & definitions



- *Circular Economy* is the **Future We Want**
- *Optimization* is about **finding an alternative** with the **highest achievable performance** under **given constraints**, by maximizing desired factors and minimizing undesired ones.
- *Value* is **important or lasting beliefs** shared by the members of a culture about **what is desirable or undesirable**.

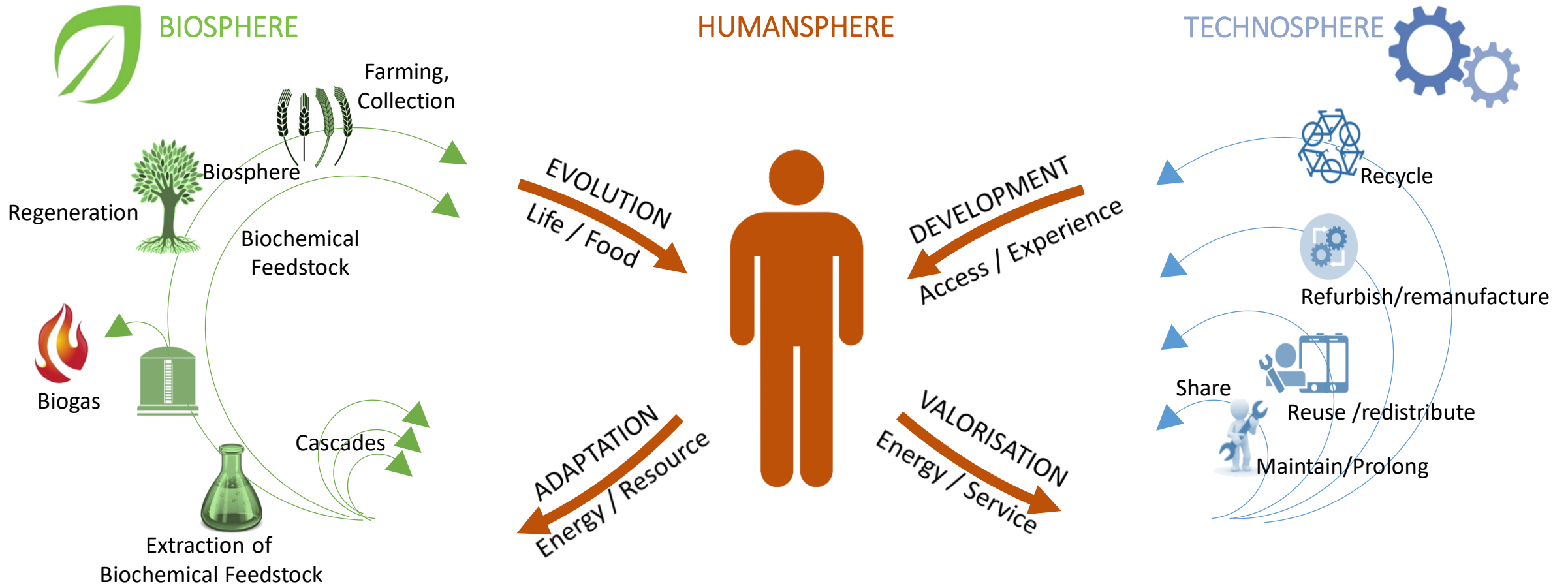


SOMETHING HAS VALUE: *PEOPLE*



Adapted "Butterfly Diagram"

The need to integrate human flows



Source: A. Lemille, adapted from the "Butterfly Diagram" of the Ellen MacArthur Foundation

The Golden Rule of priorities: Natural Capital → Human Capital → Remanufactured Capital





When do we start creating Value?



Internalisation of externalities



CO2 avoided

(Output)



Improved air

(Outcome)

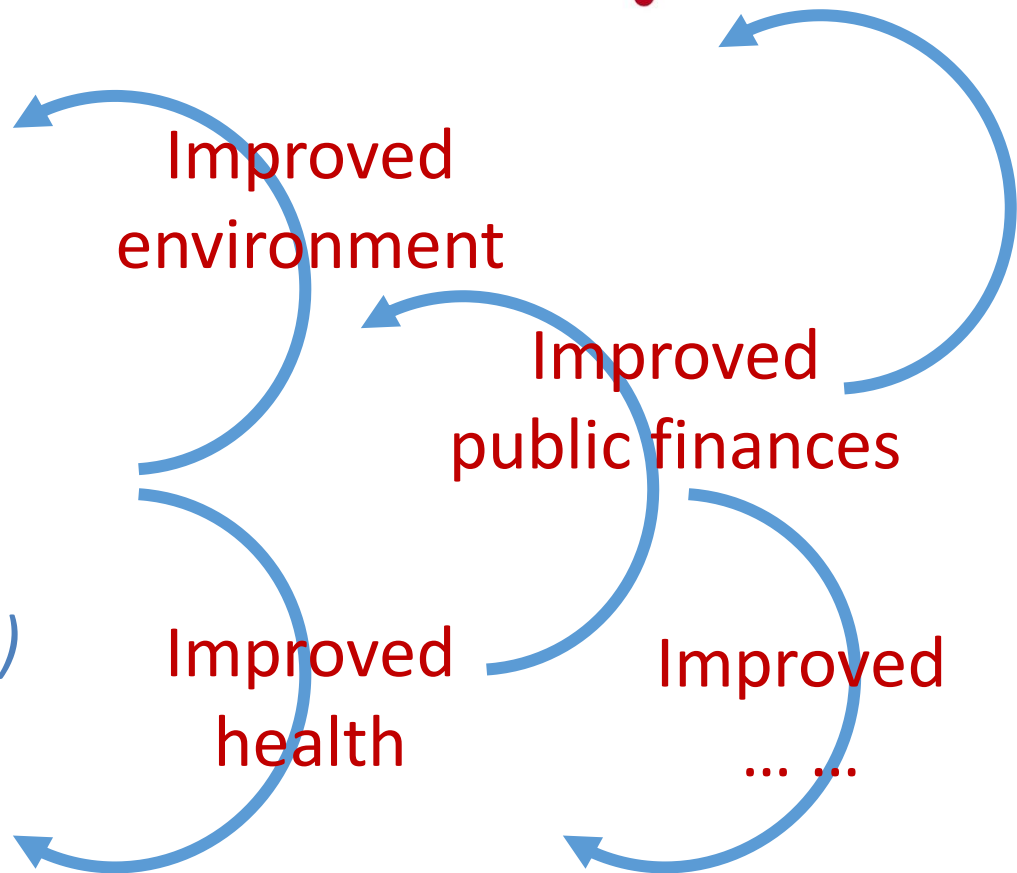
Improved environment

Improved public finances

Improved health

Improved

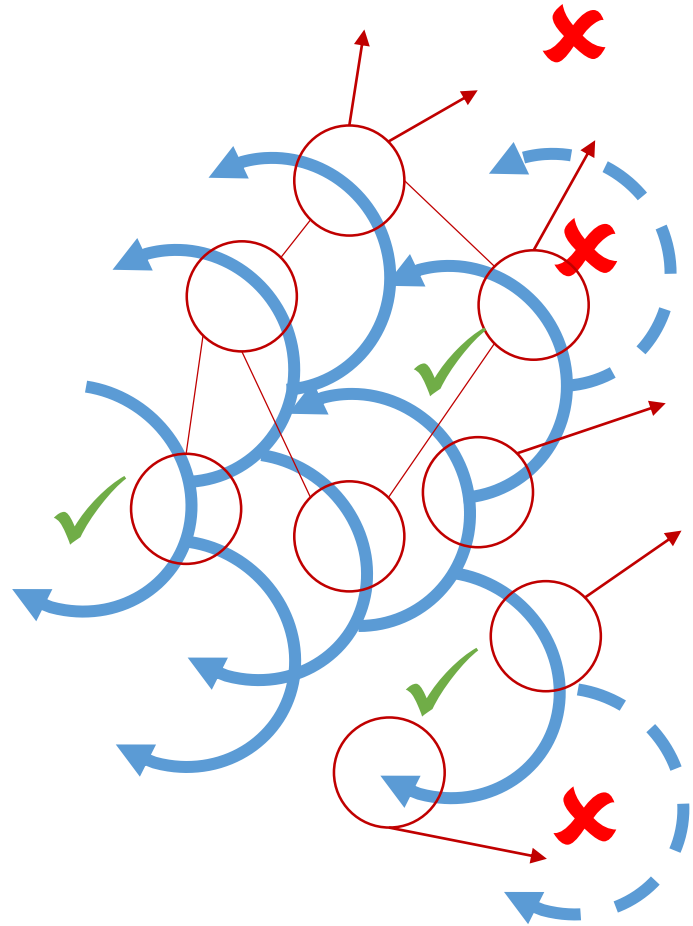
(Many interlinked Outcomes)





When do we start creating Value?

 The constructive collaboration



Many interlinked stakeholder clusters

- *Building on each other's cluster(s)*
- *Many stakeholders unknown*
- *Less direct competition*
- *More solution-based innovations*

Many interlinked Outcomes



When do we start creating Value?

 A natural move towards “for-purpose”



Linear business → *Limited & Known Stakeholders* → *Profit Maximization & Economies of Scale*

→ *For-profit businesses*
Destructive cycle

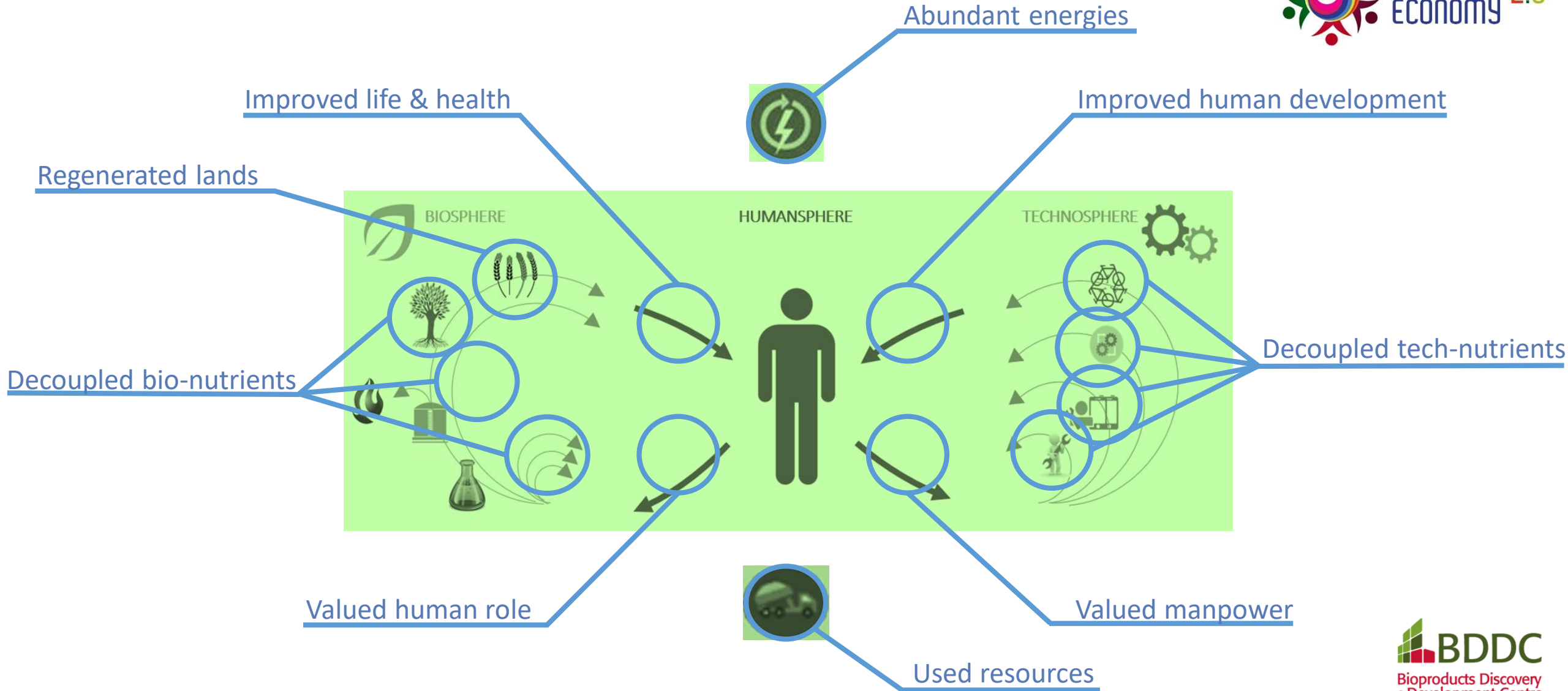
Circular business → *Unlimited & Unknown Stakeholders* → *Value Optimization & On-demand Economies*

→ *For-purpose businesses*
Restorative cycle



When are we optimizing?

Priority outcomes





Towards which outcomes?

Example: electric car



- ✓ Zero driving emission
 - ✗ Manufacturing emissions
- > *Improved life & health*



- ✗ Limited energies
 - ✗ Financially risky
- > *Abundant energies*



- ✓ Better & safer driving
 - ✗ Machine led (control & driving)
 - ✗ Higher access (at cost)
- > *Improved human development*



- ✗ Huge eco-footprint
 - ✗ Destroys land (mining)
 - ✓ Solar factory
 - ✗ New resources needed
- > *Regenerated land*



- ✗ Cascading usage
- > *Decoupled bio-nutrients*



- ✗ Mass market
 - ✓ Custom orders
 - ✗ Reusable parts
 - ✗ Sold to own
 - ✗ Part recollection
 - ✗ Economies of scale
 - ✓ Recycled batteries
- > *Decoupled tech-nutrients*



- ✓ Linear employment
 - ✗ Machine led (production)
 - ✗ Taxed robots
- > *Valued manpower*



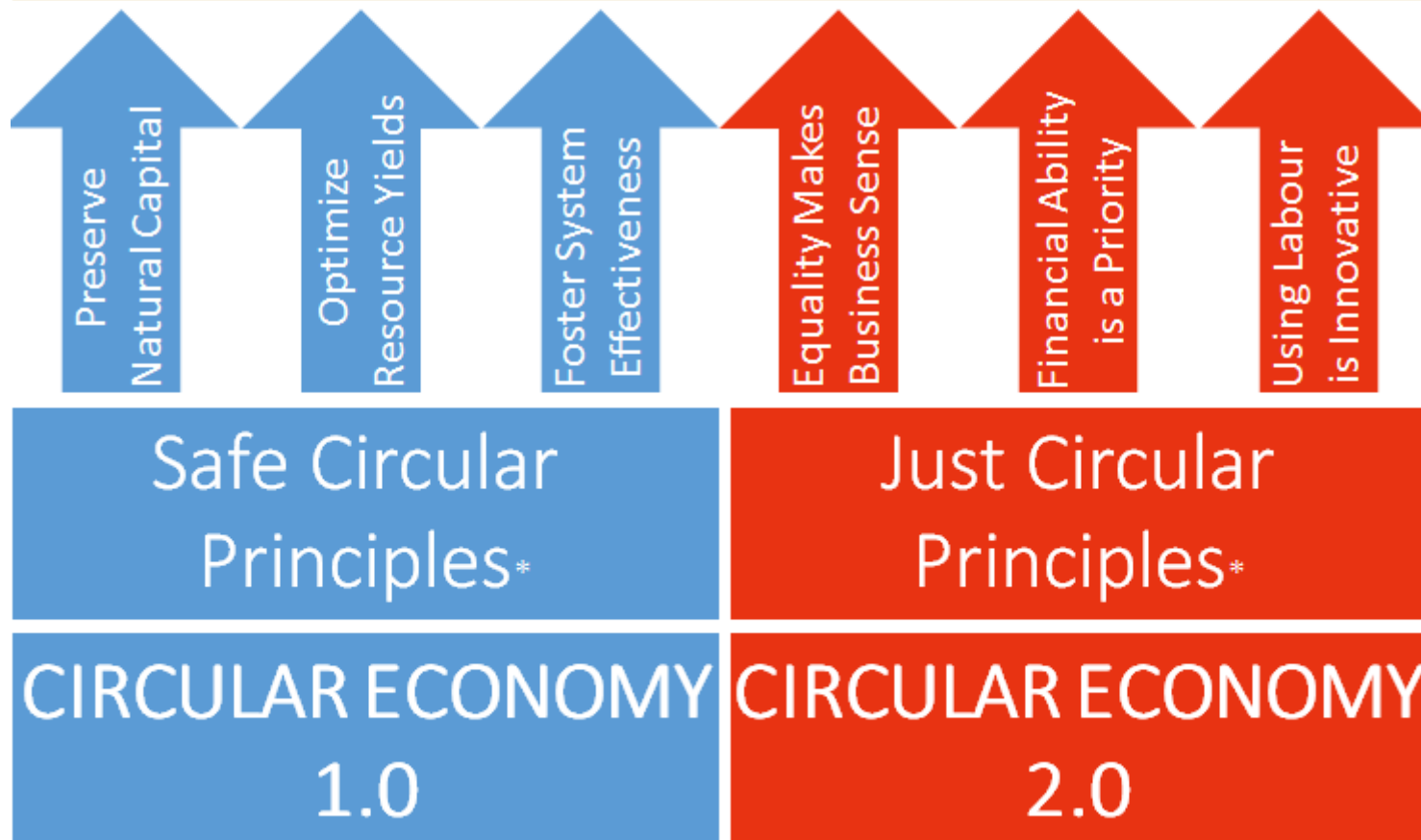
- ✗ Mutiple waste streams
- > *Used resources*

N/A

- > *Valued human role*

Towards Well-Being for All

Optimized Circular Value (OCV)



Alexandre Lemille, 2017 – The Ellen MacArthur Foundation, 2016 – *First coined by Kate Raworth



*“A restorative economy functions alongside the overarching framework of value optimization to attain the future we want.”
Alexandre Lemille*



Thank You



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Linked In Group: “Circular Economy 2.0”

