

Shaping the Slovenian circular economy mindset

From mapping to action - orchestrators of a circular, regenerative and low-carbon economy in Slovenia.

/ An interview with the founder of Circular Change **Ladeja Godina Košir** and leader of EIT Climate-KIC's project in Slovenia **Cliona Howie del Río**, conducted by Circular Change.



Ladeja Godina Košir and Cliona Howie del Río are both experts on circular economy and sustainable development. As a kind of orchestrators, they are supporting countries and regions on their journeys towards circular economy systemic transition. Mrs. Godina Košir has recently been engaged in the circular economy road-mapping process in countries such as Chile, Montenegro and Serbia. While Mrs. Howie del Río has been focusing on Slovenian's transition since the Slovenian parliament passed a motion to adopt an EIT Climate-KIC-led proposal called "A Deep Demonstration of a Circular, Regenerative and Low-Carbon Economy in Slovenia" at the end of 2019. Both can share some "external insights" on Slovenian's circular economy mindset as well as on the readiness for "green recovery" in these post-pandemic times.

Q: Mrs. Godina Košir and Mrs. Howie del Río, can you share with us how you see Slovenia in the process of transition to circular economy? Can you compare Slovenian status of circularity to some other EU countries?

Ladeja: In my opinion, Slovenia is off to a good start. In 2017 Vision 2050 and Strategy 2030 were unveiled, which restated the importance of embedding circular economy and sustainability into the policy agenda. Another milestone was the Roadmap towards the circular economy in Slovenia presented in May 2018. After that we expected the government to introduce a concrete CE Action plan, but unfortunately that wasn't the case.

However, quite a few Slovenian companies have stepped on the path of circular transition in order to maintain their international competitiveness - despite the fact, that they have to invest their own resources into circular transition.

Another anchor for circular change are Slovenian cities - such as Ljubljana, Maribor and Kranj. They have already integrated circular principles into their city strategies. During the lock-down, due to the

COVID-19, we realized, how many circular frontrunners we have among citizens and micro companies. Platforms for distribution of local food have flourished, for example, as well as urban gardening. Priorities have changed as well as daily habits - more cycling, more exchange of goods, less consumption, to name a few. I believe that Climate-KIC's demonstration project is bringing a much needed "external push" that will connect key "circular dots" in Slovenia and foster concrete circular transition as part of the EU Green Recovery process.

As the chair of the Coordination Group of the European Circular Economy Stakeholder Platform in Brussels, I have been following the transitional processes in other European countries. Some of them have progressed significantly in the last 2 years (for example Slovakia, Czech Republic, France); with a clear focus, a systemic approach, strong stakeholders' engagement and efficient allocation of financial resources.

Cliona: Slovenia has identified circular economy as a strategic development priority to ensure a prosperous future and high quality of life for Slovenian citizens. With a clear aim

to become a fully circular economy much has been achieved on a strategic level - the transition to a circular economy is included in key national documents and strategies, such as the Vision for Slovenia in 2050 and the Slovenian Development Strategy 2030, the Smart Specialisation Strategy and the Integrated National Energy and Climate Plan. The Slovenian Circular Economy Roadmap presents a further important step, paving the way for the transition from a linear to a circular economy.

But this is obviously not enough. Business as usual is not delivering the pace and scale of change needed. Material consumption is still very high, as are the volumes of waste despite efficient management. Systemic change with deliberate action integrating all stakeholders is thus essential if Slovenia is to achieve its ambitious goal of becoming a regional leader of the transition into a circular economy.

Finland and the Netherlands often serve as model countries when it comes to circular economy, with many other EU countries following in their steps and developing circular economy strategies. Others rely on grassroots circular economy



transformation initiatives, such as in Estonia. But through its systemic approach, Slovenia is at the forefront of demonstrating what is possible in terms of national transition, delivering on the mission and vision of the European Union.

Q: We know that transition to circular economy-based society is complex and it demands a systemic and holistic approach with new forms of cooperation and co-creation and wide inclusion of stakeholders. Do you believe Slovenia is ready for such an approach?

Ladeja: During the Slovenian road-mapping process, we were actively engaged in the governmental group 'Partnership for green economy' (under the sponsorship of the Prime Minister). At that time Slovenia showed readiness for intersectoral cooperation among ministries as well as for the collaboration with other stakeholders. It was a great "exercise" but unfortunately with the change of government in 2018, this initiative did not continue. We often say, that with the population of 2.000.000, Slovenia is a country "of just the right size" for working on the ground, implementing the so-called "bottom-up" approach. We had great experiences with stakeholders' engagement during the road-mapping process and we have learned how important it is to orchestrate them and communicate with them openly and transparently.

Cliona: Slovenia is ready - and its commitment to embracing an unprecedented cross-sectoral, cross-disciplinary and coordinated nation-wide approach to decarbonise the country through the transition to a circular economy proves that. There are excellent institutions and companies ready to play a key role in taking forward the country's vision to become a circular economy leader. Numerous projects, case studies, stories and lessons learnt have been achieved, but now Slovenia needs to move beyond single-point intervention and aim for a systemic transition to achieve greater impact. As an agile and forward-looking country, Slovenia's commitment and hard work on the ground has been extraordinary and thus my expectations for the country's success in securing an important place on the international circular economy map are very high!

Q: Mrs. Howie del Rio, you are currently working with Slovenia on a project called "A Deep Demonstration of a Circular, Regenerative and Low-Carbon Economy in Slovenia". Can you shortly describe its purpose and how will contribute to the systemic transition of Slovenia?

Cliona: Since the beginning of 2018 we have been working with the Government of Slovenia on a deep demonstration of rapid change to a circular and regenerative economy and society. Well, over the course of 2 years, we have been working with three governments, which proves the importance, timeliness and overarching nature of our collaboration, which crosses political divides. With 9 ministries involved (which we hear is unprecedented), we have co-designed a programme for national circular economy transition that will result in 200 local communities engaged, 11 cities involved, 800 students & school staff trained, 1500 companies, including SMEs and start-ups, receiving tailored advisory services and 12 Circular Economy regional action plans developed. What is important is that we are not reinventing the wheel - all activities are designed to enhance or build on already existing collaborations, initiatives, networks. It is the systemic approach engaging multiple programmes simultaneously, and with one another, that is novel. The Deep Demonstration will provide an overarching programme with concrete actions that will facilitate Slovenia's transition from a linear to a circular economy, learning from the frontrunners and adapting to the local environment and needs.

Q: How did you choose the main areas Slovenia should be working on primarily to transit to circular economy?

Ladeja: Selected areas were chosen based on the potential they have for circular transformation. They are the first framework - areas, where the circular champions have been recognised. However, it is crucial to connect these main areas with others on a systemic basis. None of these areas should be a silo trapped in its own feeling of greatness.

With this notion we have defined four priority areas in the Slovenian Roadmap: food system, forest-based value chains, manufacturing and

mobility. They were chosen based on our field work, available data and experiences shared by comparable countries.

Cliona: The focus areas have previously been identified by Slovenia as priorities where there is either a drain of resources or large potential for carbon emissions reductions. Emissions and waste from food systems are a global problem, just as the overuse and limited circularity of forestry products are critical in the context of climate change. It also doesn't come as a surprise that mobility is both a major source of emissions globally and particularly in Slovenia, where alternative fuels and Mobility-as-a-Service megatrends have the potential to shape a more sustainable mobility future. Manufacturing as a focus area is cross-cutting and holds many of the keys enabling multiple value chains to become circular and low-carbon. In the Deep Demonstration, and additional emphasis was placed on buildings and construction - this conveniently already has overlaps with manufacturing and forest-based value chains, both in terms of how we make and reuse buildings and their construction materials. Calls for proposals across the five value chains will be designed to pilot innovative solutions that embrace the concepts of circularity, demonstrate promising business models, and facilitate transitions towards carbon neutral value chains.

Q: Two of the core driving forces for the circular transition are creativity and innovation. How can we foster creativity and innovation in Slovenia? What has already been done and what more can be challenged?

Ladeja: Creativity and innovation are the driving forces of change. While introducing the "circular triangle" as the core of the Slovenian Road-mapping principle back in 2018, we have highlighted circular culture as one of three components of the triangle (next to circular economy and circular change). When talking about circular culture, we try to bring creative industries into the strategic decision-making processes. By empowering creatives, we can design so much needed new, creative, out-of-the-box solutions. As an example, in 2019 we launched the design competition Creative & Circular, together with the Slovenian Centre for Creativity and we got some excellent applications, three projects were introduced in Brussels during the ECESP Conference as well. Donar d.o.o. a Slovenian company specialised in design furniture, uses the «Cradle-to-cradle» principle that upcycles their products at the end of their cycle. They have introduced their circular business model in Brussels and gained a lot of interest of international investors. That is what counts!

Q: COVID-19 consequences are affecting us globally; circular economy projects suddenly are not in the focus anymore. Can you share what we have learnt from COVID-19 pandemic and how did we respond to it? Are there any good (POST)-COVID19 practices regarding the circular economy?

Cliona: What is interesting with COVID-19 is that one can draw a lot of parallels and similarities between this crisis on one hand, and the climate crisis on the other. In reality, these two have more direct links than just being similar. Both, for instance, stemmed from unnatural

impacts on the natural world. In order to move forward, we need to ask what we can learn from COVID-19 to get a bigger picture. One of our lessons from COVID-19 is that behavioural change at all levels can happen. During COVID-19, limited access to specific materials and tools have urged policy changes under immense time pressure. Because of the policy change, our day-to-day decisions, for instance whether to go to the store or not, also needed to change. If we do not take the opportunity to learn from this experience, we will not be able to address climate change, which is actually the bigger world crisis that our world is facing today.

Having said that, the unprecedented economic stimulus to help EU member states affected by the corona virus provides an opportunity to really accelerate the transition to a circular economy and build resilient economies and societies, with new economic opportunities that will help us meet climate targets.

Q: Mrs Howie del Rio, can you share with us how has the situation influenced the realization of Deep Demonstration in Slovenia?

Cliona: First and foremost, I must say intense work was underway throughout the past months while we were all staying at home. The proposal is now finalised and is waiting for governmental approval, which will be the next necessary step to the actual launch of the Deep Demonstration. It is true that a lot of the funding that could potentially be unlocked for the activities planned in the first phase of the Deep Demonstration (2020-2021) has been redirected to the COVID-19 recovery packages passed by the government. However, as already mentioned before, many new opportunities opened as the EU's Recovery Plan puts a strong emphasis on supporting post-COVID recovery pathways that are resilient and sustainable at the same time - just like the Deep Demonstration in Slovenia. At EIT Climate-KIC we are excited to work with the government of Slovenia to unlock the potential of the Deep Demonstration in light of the programming underway for the Recovery and Resilience Fund, the Just Transition Fund and other Next Generation EU instruments, as well as preparing the Operational programme for the 2021-2027 period, with measures to support a green and carbon neutral transition at its core.

What results can Slovenia show from your project during the EU Council presidency in 2021 since the circular economy will be one of the key foundations of Slovenian presidency?

The Deep Demonstration will put Slovenia on the European circular economy map, by supporting the country's vision to become a regional hub for circular economy through concrete actions for circular economy transition. It will provide an example of an unprecedented systemic effort on national level to help meet climate targets for other countries and regions to follow. The Deep Demonstration will show that Slovenia is not just making circular economy a strategic priority but works actively with all relevant stakeholders to make it a reality.