



KNOWLEDGE IN

CIRCULAR ECONOMY PRACTICES

ANALYSIS REPORT ON IMPACT MEASUREMENT FOR CIRCULAR ECONOMY



PROJECT NAME

RESults Enabling Transitions: mapping, synthesising and mainstreaming sustainable, green and circular business support achievements in the MED region, for replication and policy-making

ACRONYM

RESET

STARTING MONTH

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DURATION

24 months

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DISCLAIMER

This publication has been produced with the financial assistance of the European Union under the ENI CBC Mediterranean Sea Basin Programme. The contents of this publication are the sole responsibility of RESET project partners and can under no circumstances be regarded as reflecting the position of the European Union or the Programme management structures.

ABOUT THE PROGRAM

The 2014-2020 ENI CBC Mediterranean Sea Basin Programme is a multilateral Cross-Border Cooperation (CBC) initiative funded by the European Neighbourhood Instrument (ENI). The Programme objective is to foster fair, equitable and sustainable economic, social and territorial development, which may advance cross-border integration and valorise participating countries' territories and values. The following 13 countries participate in the Programme: Cyprus, Egypt, France, Greece, Israel, Italy, Jordan, Lebanon, Malta, Palestine, State Of, Portugal, Spain, and Tunisia. The Managing Authority (MA) is the Autonomous Region of Sardinia (Italy). Official Programme languages are Arabic, English and French. For more information, please visit: www.enicbcmmed.eu

The European Union is made up of 27 Member States who have decided to gradually link together their know-how, resources and destinies. Together, during a period of enlargement of 50 years, they have built a zone of stability, democracy and sustainable development whilst maintaining cultural diversity, tolerance and individual freedoms. The European Union is committed to sharing its achievements and its values with countries and peoples beyond its borders.

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INTRODUCTION

ABOUT THE PROJECT

In recognition of the Mediterranean accelerating employment and environmental crises, there are various calls for action to create a sustainable and inclusive economy that 'works for everyone'. As the region thrives towards developing and implementing measures for a sustainable green transition, RESET aims to facilitate economic and social development via supporting the creation of sustainable and green businesses. The project will gather, analyse and synthesise learnings regarding 'what works' within the field of sustainable and green business support, and seeks to upstream this knowledge effectively. It will support local, national and regional stakeholders to make use of this knowledge to create strategies, policies and regulations to stimulate the green economy. RESET targets seven Mediterranean countries (Algeria, Egypt, Israel, Jordan, Lebanon, Palestine, State Of and Tunisia) and will address the whole enabling eco-system - from European Union (EU) projects, local initiatives and policies to national and regional policies and regulations - to capitalise on knowledge related to training, advice, networking services, access to funding and markets, as well as Intellectual Property Rights (IPR) protection, with a focus on women and youth inclusion.

For more information on the RESET project, please visit the link below: <https://www.enicbcmmed.eu/projects/reset>

ABOUT THE ANALYSIS REPORT - KNOWLEDGE ON CIRCULAR ECONOMY PRACTICES

Within the RESET project, 19 key projects (listed in Annex I) were identified to be included in the capitalisation process, with the aim of supporting their capitalisation and replication in other countries in the Mediterranean region and by diverse stakeholders.

The themes identified during the mapping process of the project were:

1. Knowledge on Circular Economy Practices
2. Knowledge on Access to Finance
3. Access to Networks, Collaborations and Contacts

The main objective of this report is to provide an analysis on the implementation of selected outputs within the 19 identified key projects under the theme of "Knowledge in Circular Economy Practices".

The report is designed to support stakeholders in identifying, capitalising on, and benefiting from existing outputs to enhance their work in relation to the identified theme.

More specifically, the selected project outputs cover "Impact Measurement for Circular Economy" as a sub-theme, and explore several aspects including but not limited to the methodology used, lessons learned, and potential for capitalisation.

For further outputs produced by the identified 19 key projects, please visit the RESET website in the following link: <https://reset-web.onrender.com/#>

METHODOLOGY

The analysis report relies on qualitative research methods. A desk review and analysis of secondary data were conducted to provide an overview of the selected theme in the target countries. In addition, relevant case studies within the RESET project outputs were selected. The selection criteria were based on feedback received from RESET project managers (PMs) as well as feedback received from community stakeholders. For the selected case studies, interviews were conducted with the responsible PMs to gather updated information and identify capitalisation needs and opportunities. Information collected was analysed in the respective case study templates within this report and combined with secondary research conducted in the form of a desk review to produce recommendations for capitalisation.

Disclaimer: The information collected and presented in this analysis report is based on data collected during interviews conducted with the relevant project managers, complemented by data found online.



IMPACT MEASUREMENT FOR CIRCULAR ECONOMY IN THE MED REGION

OVERVIEW ON CIRCULAR ECONOMY

The circular economy (CE) is an economic system that aims to eliminate waste and pollution by keeping products and materials in use for as long as possible. It is a more sustainable alternative to the linear economy, which is based on the principle of “take, make, and dispose.”^{1 2}

The MED region³ is one of the most well-positioned to adopt a CE model due to a number of reasons including its resource availability, environmental challenges and geographical connectivity among others⁴. Overall, the Circular Economy can enhance the MED region by promoting resource efficiency, fostering sustainable tourism and a Blue Economy, driving green industry and innovation, enhancing social and economic inclusion, and supporting climate change mitigation and adaptation. By embracing the CE model, the region can achieve sustainable development goals while preserving its natural and cultural heritage for future generations.

Impact measurement for CE is a methodology referring to the process of assessing and quantifying the environmental, social and economic effects of CE practices and initiatives. It involves evaluating the positive or negative outcomes and changes resulting from the implementation of CE principles and strategies. Circular economy metrics can be categorised into two types: (1) macro-level national tools, and (2) activity-based or product-based tools for businesses⁵. The widespread application of impact measurement methodologies in the MED region could significantly boost the adoption of CE business models. Impact measurement provides tangible and quantifiable progress data that stakeholders, including employees, clients, and investors, can utilise to assess the value generated by businesses that have embraced CE practices. By assessing and quantifying the environmental, social, and economic effects of CE initiatives, impact measurement methodologies serve as a crucial tool in accelerating CE uptake.

RATIONALE FOR ANALYSIS OF IMPACT MEASUREMENT FOR CIRCULAR ECONOMY

One of the most important areas in which businesses can support the CE is impact measurement.

European Commission estimates suggested circular economy initiatives could bring Europe economic benefits of EUR 1.8 trillion and reduce carbon emissions by 450 million tonnes by 2030. A recent growth of initiatives from outside of Europe also suggests the global reach and policy relevance of the concept⁶.

By measuring their impact, businesses can identify areas where they can improve their sustainability performance. This information can then be used to make changes to operations and products in order to reduce environmental impact. Measuring impact within circular initiatives can yield a range of advantages as seen in the schematic below:



1 European Parliament News. “Circular Economy: Definition, Importance and Benefits”.

2 Ellen Macarthur Foundation. “Circular Economy Glossary”.

3 In this analysis report, the “MED region” refers to the following countries: Algeria, Egypt, Israel, Jordan, Lebanon, Palestine, State Of and Tunisia.

4 UNEP “Towards a circular economy in the Mediterranean”.

5 European Commission ‘Measuring Circular Economy - new metrics for development?’

6 European Commission ‘Circular Transition in Europe and Beyond’

Overall, impact measurement for CE practices provides start-ups and Small and Medium Enterprises (SMEs) with a structured approach to assess and communicate their environmental and social contributions. It helps them align with global sustainability goals, differentiate themselves in the market, access funding opportunities, and drive innovation, ultimately leading to long-term success and resilience.

CHALLENGES TO IMPACT MEASUREMENT IN THE MED FOR GREEN AND CIRCULAR INITIATIVES

CE application can be advantageous for the MED region by enhancing economic resilience and helping to achieve various Sustainable Development Goals of the 2030 Agenda⁷. Green and circular businesses are essential to implementing circular principles but face challenges in adopting sustainable strategies or methodologies such as impact measurement, and many existing companies are reluctant to invest in such measures due to barriers such as a lack of knowledge, resources, and economic incentives. More specifically, challenges to the adoption of a CE and the application of impact measurement methodologies, include:

LACK OF STANDARDISED METHODOLOGIES

One of the main challenges is the absence of standardised impact measurement methodologies tailored specifically for CE practices. The MED region lacks consistent frameworks and indicators, making it difficult to compare and benchmark impact data across different businesses and sectors. More specifically, within the MED, there are several dominant impact measurement frameworks and each of them focuses on certain aspects of circularity more than others. For instance, the Ellen MacArthur Foundation and the Circular Economy Metrics Framework have circularity indicators for impact measurement whereas organisations like the International Association for Impact Assessment (IAIA) and the World Bank offer Social Impact Assessment (SIA) methodologies. The Natural Capital Coalition offers a methodology for an Environmental Profit and Loss assessment, ISO standards offer the Life Cycle Assessment methodology and so on.

LIMITED AWARENESS AND CAPACITY

Many businesses, especially start-ups and SMEs, have limited awareness of the importance and benefits of impact measurement for CE⁸. Additionally, there may be a lack of knowledge and capacity within organisations to effectively implement impact measurement practices and interpret the results⁹.

DATA AVAILABILITY AND QUALITY

Accessing reliable and relevant data for impact measurement can be a challenge in the MED region. There might be a lack of comprehensive data on environmental and social impacts, making it challenging to accurately measure and assess the effects of CE practices. Limited data infrastructure, incomplete or fragmented data, and data accessibility issues hinder accurate measurement and assessment of the effects of CE practices¹⁰.

FINANCIAL AND TECHNICAL RESOURCES

Across different regions, there are common structural obstacles that hinder the adoption of CE practices and the application of impact measurement methodologies. One significant challenge is the difficulty in establishing a viable business case and accessing credit and funding. This obstacle is particularly pronounced for circular projects in their initial stages, as they encounter difficulties in developing a robust economic business case under the prevailing linear conditions. Moreover, limited access to financing and philanthropic funds further exacerbates this challenge¹¹.

7 The Social Impact of Circular Economy Transitions: Consumer Insight Action Panel. (n.d.). Retrieved from https://circulareconomy.europa.eu/platform/sites/default/files/ciap_social-impact_report.pdf

8 Work Integration Social Enterprises in the Mediterranean Region: Key Features and Challenges. (n.d.). Retrieved from <https://www.ciriec.uliege.be/wp-content/uploads/2022/10/WP2022-03.pdf>

9 Ibid

10 Ibid

11 Ibid

The scarcity of public subsidies also poses a significant hurdle for projects that struggle to obtain loans due to their maturity stage and risk profile, and lack of sufficient capital. Unfortunately, these subsidies are insufficiently available in the region. The conservative financial sector, coupled with inadequate collaboration within supply chains and between sectors, also adds to the challenges faced by CE initiatives^{12 13}.

Overall, the high costs associated with starting and operating CE projects, coupled with limited access to funding, present formidable challenges, particularly for small businesses and start-ups to even begin thinking of implementing impact measurement methodologies. Addressing these funding barriers and fostering collaboration across sectors are crucial steps in promoting the adoption of CE practices and realising their potential benefits.

STAKEHOLDER ENGAGEMENT AND COLLABORATION

Engaging relevant stakeholders and ensuring their participation in the impact measurement process can be challenging. Coordinating efforts, aligning objectives, and obtaining buy-in from stakeholders such as employees, suppliers, and customers requires effective communication and collaboration mechanisms.

REGULATORY AND POLICY FRAMEWORKS

The presence of supportive regulatory and policy frameworks is crucial for promoting impact measurement for CE. However, in the MED region, there may be gaps or inconsistencies in regulations related to CE practices, making it challenging to enforce impact measurement requirements or incentives. The adoption of CE practices can often be hindered by overwhelming regulations that favour the linear economy. These regulations create difficulties for CE businesses to compete on a level playing field. Moreover, the lack of regulatory support for circular strategies and innovative business models impedes collaboration and hampers the efficient utilisation of residual waste flows across value chains.

A major challenge is the absence of regulatory frameworks tailored to support CE practices. This dearth of support makes it arduous for entrepreneurs and companies to develop sustainable alternatives. In Algeria, for instance, waste management still relies on traditional linear approaches, while Israel faces challenges due to the lack of regulatory backing for circular initiatives.

CULTURAL AND SOCIOECONOMIC FACTORS

Cultural attitudes, social norms, and economic factors can influence the adoption and implementation of impact measurement for CE. Perceptions of sustainability, data transparency, and willingness to invest in measurement practices can vary within the MED region.

Such obstacles are difficult to fix in the short run, which in turn hinders development in the long run. They include inadequate enforcement of environmental regulations, corruption, vested interests, bureaucracy, unclear regulations, current pricing and taxation, and a lack of skilled workforce so far¹⁴. Moreover, most of the countries targeted by RESET are characterised by a volatile economic, social, and political context, which focuses attention on more urgent needs and cannot envision long-term sustainable goals. For example, the State of Palestine lacks a supportive legal and regulatory framework for CE initiatives. The lack of political autonomy and control over natural resources and infrastructure also limits the ability of Palestinians to implement circular strategies or impact measurement mandates. In addition, the lack of access to technology and information, as well as the limited collaboration and networking opportunities, pose further challenges to the development of CE initiatives in the State of Palestine. Another is Lebanon's economic crisis and accumulated debt, leading to a state in which even a linear economy is failing¹⁵.

Addressing these challenges requires collaborative efforts among stakeholders, including governments, business associations, research institutions, and Non-governmental Organisations (NGOs).

¹² Ibid

¹³ Ibid

¹⁴ Discussing the social impacts of circularity/consumer insight action panel. (n.d.). Retrieved from https://circulareconomy.europa.eu/platform/sites/default/files/ciap_social-impact_report.pdf

¹⁵ Social and green economies in the Mena region: through sustainability, public policies and SDGs. Gianluca Pastorelli, Anastasia Costantini, Samuel Barco Serrano. CIRIEC No. 2022/03

STAKEHOLDERS ENABLING THE GROWTH OF GREEN AND CIRCULAR INITIATIVES IN THE MED

Knowledge about CE principles and practices¹⁶, such as Impact Measurement, in the Mediterranean region has picked up significant momentum over the past years and CE ecosystems are apparent in most MED countries. All countries within the scope of RESET have established their Sustainable Consumption and Production Plans in line with a circular transformation while some are further ahead in their journey than others. These countries' national ecosystems are made up of a variety of actors, including:

GOVERNMENTS

Most governments within the MED region have adopted policies and regulations supporting CE e.g. waste management regulations, circular economy action plans, sustainable consumption and production plans etc. However, they have yet to explore policies, frameworks and regulations that require impact measurement at the national or regional level.

BUSINESSES

A growing number of businesses in the MED region are adopting CE practices. Business associations and networks within the studied counties¹⁷ provide guidance and support to businesses in measuring and reporting their environmental impacts as well as share best industry practices.

BUSINESS SUPPORT ORGANISATIONS (BSOs)/NGOs

Playing a key role in raising awareness of the CE and supporting its adoption. BSO and NGO stakeholders provide support, guidance, and resources to businesses and organisations, promoting the adoption and implementation of impact measurement methodologies.

RESEARCH INSTITUTIONS

Research institutions contribute to the development of methodologies, provide expertise, and conduct research to advance impact measurement in the context of CE.

In addition to national policies, there are also a number of regional and international initiatives that are supporting the adoption of the CE and Impact Measurement methodologies in the Mediterranean region. These initiatives include:

- 1. The SwitchMed initiative:** SwitchMed is a program funded by the European Union that aims to promote CE in the Southern Mediterranean region. The program provides technical assistance to governments, businesses, and civil society organisations in the region to help them develop and implement CE policies and projects.
- 2. The Mediterranean Circular Economy Partnership:** This is a collaboration between the European Union and the United Nations Environment Programme (UNEP). The partnership aims to promote the CE in the MED region by supporting the development of policies, projects, and capacity building initiatives.

These are just a few of the many initiatives that are supporting the adoption of CE in the MED region. As the CE movement gains momentum, it is likely that these initiatives will help to accelerate the transition to a more sustainable economy and the adoption of impact measurement frameworks in the region.

¹⁶ CE relevant practices: Design for Longevity and Durability, Resource efficiency, Waste Reduction and Recycling, Product Life Extension, Sharing and Collaborative Consumption, Reverse Logistics and Take-Back Programs, Product as a Service, Collaborative Innovation etc.

¹⁷ Egypt: Business Association for Sustainable Energy (BASE), Egyptian Corporate Responsibility Center (ECRC); ECRC. Tunisia: Tunisian Association for Corporate Social Responsibility (TACSR), Centre des Jeunes Dirigeants d'Entreprise (CJD Tunisia). Jordan: Jordan Green Building Council (JGBC), Jordan Business Alliance for Corporate Social Responsibility (JBACSR). Israel: Start-Up Nation Central (SNC), The Impact Economy Association

CAPITALISATION OPPORTUNITIES IN THE MED REGION

ANALYSIS OF EXISTING OUTPUTS

Within the identified project outputs mapped, there are a number of projects in place that are working towards addressing challenges hindering CE and impact measurement implementation in the MED in a number of ways.

Within this section of the report, the capitalisation of some of the existing EU projects working towards improving CE implementation efforts for green and circular start-ups in the MED region is explored. Even though case studies based on RESET project outputs specific to impact measurement for CE were limited in number we have attempted to capture some of the best practices taking place for this theme and identify ways they can be capitalised to promote the uptake of impact measurement methodologies through the Med. Key factors contributing to the success of the selected case studies are also showcased, and recommendations for how to improve the capitalisation of these projects with regard to impact measurement in the future are made.

From the 19 key projects identified, the below project outputs have been selected as case studies to be analysed for this sub-theme:

1. Impact Measurement Tool
2. The Switchers Support Program Incubation

CASE STUDY 1: THE SWITCHERS SUPPORT PROGRAM INCUBATION



the
Switchers



OUTPUT SUMMARY

The Switchers Support Programme's incubation phase includes activities such as coaching, mentoring and technical assistance including increasing capacity of start-ups and BSOs on the importance of impact measurement with CE implementation.



WHAT ISSUE DOES THIS OUTPUT SOLVE?

This output is holistically one of the most complete for entrepreneurs that have a preliminary business case. Through this output the start-up process is accelerated and entrepreneurs gain much needed coaching and mentoring that will provide them with a strong basis for developing their business long term. By combining capacity building and impact measurement, the program empowers businesses to drive positive change and contribute to the growth and success of the CE.



WHO IS IT FOR

Start-ups
BSOs

LESSONS LEARNED FROM IMPLEMENTATION

STRONG POINTS

- Includes a training of trainers for BSOs
- Organises coaching, mentoring sessions
- Incorporates eco-innovation and eco-design in business models through its methodology
- Enables a vast reach of stakeholders utilising this program's tools
- Enables capitalisation through replication by existing program users
- Allows access to a wider audience through digitised tools

CHALLENGES/ ASPECTS TO IMPROVE

- Contextualisation: Navigating through the local context is difficult
- Discouraging statistics for start-ups (especially within the niche of environmental and social concepts)
- Specificity in requirements: Requires highly ambitious individuals
- Increasing utilisation issues: Digitisation despite enabling access caused utilisation issues since much of the target start-ups struggle to use the digital tools

HOW CAN IT BE CAPITALISED FOR THE GREATER REGION?

The successful methodologies of this output have already attracted capitalisation from existing users within the region. In particular, when considering the capacity-building features of the incubation phase for CE practices, there is an opportunity to explore actions that can be taken with the target audience before their engagement with the program and its tools such as the Impact Measurement methodology. It would be valuable to identify and develop programs aimed at upscaling the digital knowledge and entrepreneurial capacity of marginalised groups in the Mediterranean region. By doing so, these groups will be better prepared to seize the opportunities presented by the Switchers Incubation program when they arise.

Disseminating the knowledge, methodologies (incl. Impact Measurement) and insights gained from this program to Business Support Organizations (BSOs) in the Mediterranean region can also have a multiplier effect on their efforts. This knowledge can be applied to a wider range of potential green and circular businesses, expanding the program's impact and fostering the growth of sustainable practices in the region.

In summary, the capitalisation of this output is already underway, and there is potential for further impact through capacity-building initiatives targeting marginalised groups. Upscaling the digital knowledge and entrepreneurial capacity of these groups will enhance their readiness to participate in the Switchers Incubation program. Additionally, sharing the program's knowledge with BSOs in the region can extend its reach and benefit a broader spectrum of green and circular businesses.

CASE STUDY 2: IMPACT MEASUREMENT TOOL



the
Switchers



OUTPUT SUMMARY

Methodology assisting in the evaluation of the environmental, social and economic impact of established enterprises via a series of sectoral and custom-made indicators.



WHO IS IT FOR

Entrepreneurs, Networks, Support Programs
BSOs, Start-ups, NGOs



WHAT ISSUE DOES THIS OUTPUT SOLVE?

The methodology can help enterprises implementing it enhance their accountability, assess the effectiveness of their social/environmental initiatives and make more informed decisions. Additionally, measuring impact is becoming increasingly important for obtaining funding from investors as well as building customer loyalty. Some countries within the region might also have to comply with regulations requiring reporting on an enterprise's impact which could be met via this output's methodology.

LESSONS LEARNED FROM IMPLEMENTATION

STRONG POINTS

- Includes a Monitoring, Evaluation and Learning Mechanism (work with policy measures and KPIs so they are aligned), IMT is a piece of this mechanism
- Includes a list of indicators measuring the triple bottom line approach
- Considered as very simple, easy to use tool suitable for new and established businesses

CHALLENGES/ ASPECTS TO IMPROVE

- Increasing applicability: Might potentially have to be streamlined with EU impact measurements requirements to increase its applicability
- Difficulty in aggregation of data (issues with data validation)
- Indicators are still in developing phase (testing now with 50 different companies that they supported with the aid of experts to help them identify the indicators and fill in the tools)

HOW CAN IT BE CAPITALISED FOR THE GREAT-ER REGION?

The specific output holds significant potential for capitalisation. To fully leverage this potential, efforts should be focused on defining indicators tailored to different sectors and operations within the CE framework. Additionally, exploring methods to validate and assure the aggregated data generated by the tool is crucial. Without such validation and assurance processes, financing stakeholders may face challenges and hesitate in making decisions regarding funding for CE businesses that rely on this tool to communicate their impact.

Additionally, given the abundance of impact measurement guidelines published by organisations such as the European Financial Reporting Advisory Group (EFRAG) and the European Union (EU), aligning this tool with their methodologies would be a beneficial approach. Alignment with established methodologies ensures consistency and credibility in impact measurement practices, enabling businesses to effectively demonstrate their impact to potential investors and stakeholders. This alignment also enhances the tool's reliability and facilitates the decision-making process for financing stakeholders.

Overall, capitalisation potential lies within this specific output, with a need to define sector-specific indicators and establish data validation and assurance processes. Aligning the tool with recognized impact measurement methodologies, such as those outlined by EFRAG and the EU, would strengthen its credibility and foster informed decision-making among financing stakeholders.

CAPITALISATION OPPORTUNITIES FOR IMPACT MEASUREMENT

Based on the two case studies selected from the 19 identified project outputs mapped, the following capitalisation opportunities were identified as action points toward enhancing impact measurement for CE throughout the MED region:

Focus on the definition of indicators and metrics tailored to different sectors and operations within the CE framework which businesses can utilise to measure their impact.

It is crucial to recognize the unique features and diverse nature of these businesses. When it comes to impact measurement, a one-size-fits-all approach may not be suitable. Instead, grouping and defining sector-specific indicators can be immensely helpful in guiding these enterprises toward effectively measuring their performance. By having indicators tailored to their specific sectors, CE start-ups and SMEs can more seamlessly navigate the process of impact measurement. Furthermore, these sector-specific indicators enable them to compare and benchmark their performance against similar enterprises, gaining valuable insights and identifying areas for improvement.

Explore methods to validate and assure the aggregated data generated by the Switchers Impact Measurement tool.

It is essential to ensure the reliability and validity of the data collected through impact measurement tools. Exploring validation methods and quality assurance processes for the aggregated data generated by tools like the Switchers Impact Measurement tool can enhance confidence in the results and strengthen the credibility of impact assessments.

Potential for alignment with EU Sustainable Standards metrics and indicators for the Switchers Impact Measurement tool to increase its validity and allow its users' data to be comparable with other EU enterprises using the same indicators simplifying the investor selection process.

Aligning the Switchers Impact Measurement tool with the metrics and indicators defined by EU Sustainable Standards can enhance its validity and enable users to compare their data with other EU enterprises using the same indicators or even become eligible to compete for the same sources of financing. Aside from the EU Sustainable Development Standards, there are also other globally acknowledged indicators to align with such as ISSB or GRI. This alignment simplifies the investor selection process, facilitates benchmarking, and promotes transparency in reporting.

Explore actions that can be taken with the program's target audience before their engagement with it.

Prior to engaging with the Incubation program, it is important to take actions that familiarise the target audience with the program's objectives, tools, and methodologies, including impact measurement. This preparation ensures a smoother integration into the program and increases the likelihood of successful outcomes.

Disseminate the knowledge, methodologies (including Impact Measurement), and insights gained from the Switchers incubation program to BSOs in the Mediterranean region.

Sharing the knowledge, methodologies, and insights acquired from the Switchers incubation program with BSOs in the MED region can have a positive multiplier effect on the program's outreach efforts. This dissemination enables BSOs to support and guide businesses in implementing effective impact measurement practices and fosters a broader understanding and adoption of CE principles.

CONCLUSION

In conclusion, Impact Measurement methodologies can accelerate the uptake of CE initiatives in the MED region since their structured approach clearly demonstrates the added value of CE buy-in. By allowing enterprises to assess and communicate their environmental and social contributions, it also enables their alignment with global sustainability goals, differentiate themselves in the market, access funding opportunities, and drive innovation, ultimately leading to long-term success and resilience. The challenges associated with Impact Measurement methodology, however, hinder the rate at which enterprises implement such methodologies and by default put a cap on their CE achievements.

Challenges such as the lack of standardised methodologies for impact measurement making it difficult to compare and benchmark impact data across different businesses and sectors, along with enterprises not being aware or lacking the knowledge and capacity to effectively implement such methodologies and interpret the results, can make it intimidating and difficult to engage with, especially for first-timers. Limited access to reliable and relevant data, especially concerning environmental and social impacts, is also among the reasons making it challenging to accurately measure and assess the effects of CE practices. Another critical challenge of impact measurement uptake for CE includes the absence of supportive regulatory and policy frameworks for promoting it. There may be several action plans and strategies with regard to CE acceleration in the MED region. However, these are rarely broken down into clear and tangible goals or methodologies for impact measurement through which enterprises can implement them on the ground. Finally, the regional cultural attitude, social norms, and economic factors heavily influence the adoption and implementation of impact measurement for CE. Perceptions of sustainability, data transparency, and willingness to invest in impact measurement practices appear to not be viewed as priorities within the MED region.

Within the identified project outputs, SwitchMed through the Switchers organisation is making huge steps towards mitigating these challenges and encouraging the update of impact measurement methodologies. Even though there is plenty of room for improvement and capitalisation on the existing services, the current support provided through the Incubation program and its Impact Measurement methodology tool are enabling enterprises in the targeted region to accelerate the implementation and adoption of CE practices. To gain the most impact from the available tools, capitalisation opportunities identified included tailoring indicators and metrics to specific sectors and operations within the CE framework, ensuring the reliability and validity of data generated by impact measurement tools, perhaps by aligning the Switchers Impact Measurement tool with EU Sustainable Standards metrics and indicators, or via better preparing the target audience by familiarising them with the program's objectives, tools, and methodologies, including impact measurement in advance. This preparation sets the stage for a smoother integration and increases the likelihood of successful outcomes.

Knowledge sharing of methodologies and insights gained from the Switchers incubation program with BSOs in the Mediterranean region could have a multiplier effect on the program's outreach. Training of trainer programs will enable BSOs to guide businesses in implementing effective impact measurement practices themselves and contribute towards fostering a broader understanding and adoption of CE principles. By capitalising on these opportunities, the MED region can enhance its impact measurement efforts for the circular economy, leading to improved performance, comparability, and transparency among businesses.

ANNEX I - LIST OF THE 19 KEY PROJECTS TO BE CAPITALISED ON WITHIN RESET ¹⁸



GIMED



IPMED



MEDSt@rts



U-SOLVE



EBSOMED



STAND Up!



HELIOS



INVESTMED



SIRCLES

¹⁸ Readers can click on the project logos to visit the projects' websites.



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RESET

