

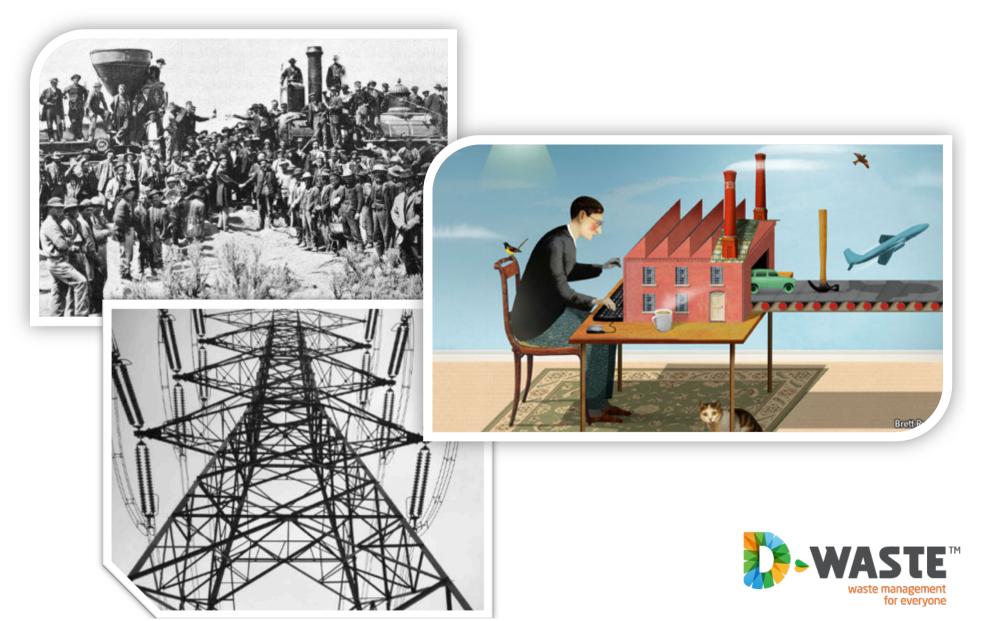
BUENOS AIRES, 20/4/2015

CONTENTS

- Towards a third industrial revolution
- The concept of Circular Economy
- SWM and Circular economy
- A note on business models
- Conclusions



1. Towards a 3rd industrial revolution



SWM during the 1st industrial revolution

"... streets, elevated a foot, sometimes two, above the level of the causeway, by the accumulation of years, and stagnant puddles here and there, with their foetid exhalations. causeways broken and dangerous, ash-places choked up with filth, and excrementitious deposits on all sides as a consequence, undrained, unpaved. unventilated, uncared...Can we wonder that such places are the hot-beds of disease, or that it obtains, upon constitutions thus liberally predisposed to receive it, and forms the mortality which Leeds exhibits"

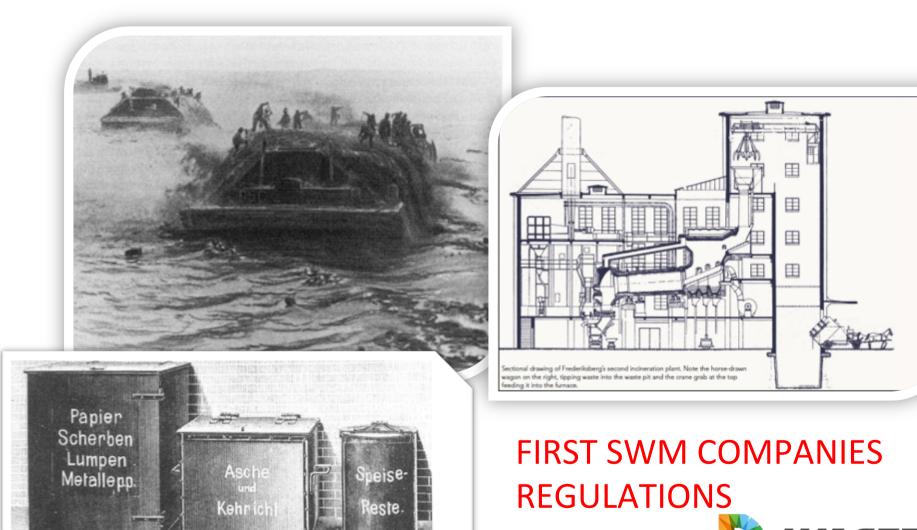
Source: Chadwick's Sanitary Report 1842



WASTE & PUBLIC HEALTH



SWM during the 2nd industrial revolution



Elements of the 3rd Industrial Revolution

- Resource scarcity & new reserves
- Internet of Things & system integration
- Driverless vehicles & drones
- 3D printers & wasteless production
- Renewable energy & oil scarcity
- Robotics
- Circular Economy



A useful comparison

	1 st revolution	2 nd revolution	3 rd revolution
Fuel	Coal	Oil	Renewables
Communication	Telegraph	Telephone, radio	Internet, mobile phone
World impact	13%	16%	37%
Industries	Iron, textile	Car, Steel, Electricity	Silicon Valley, Energy, Media
New massive products	Clothes, crafts, glass	Telephone, radios, cables, cars, razors, pens	Nanomaterials, electronics & gadgets, drones
Waste industry	Waste & Health Informal sector	WM companies Regulations Environment	Circular economy?



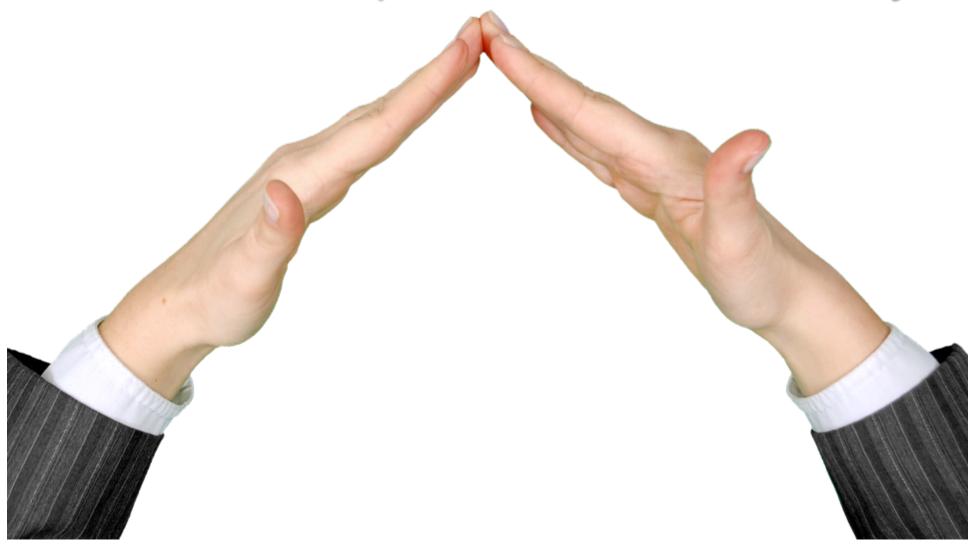
Key-issues

- Each industrial revolution brings a resource revolution too
- Using new technologies, new materials are used and new products are produced
- So the **meaning** of waste is also changing during each industrial revolution:
 - Advanced resource productivity results to less or almost zero waste generation for key-industrial sectors and products
 - New types of waste are generated by new technologies that use new materials – new materials are produced by new technologies
 - New types of waste are produced due to the consumption of new products
 - Each industrial revolution creates a new huge wave of consumption
 - Industries are the main beneficiaries of those changes





2. The concept of Circular Economy



The dialectics of Circular Economy

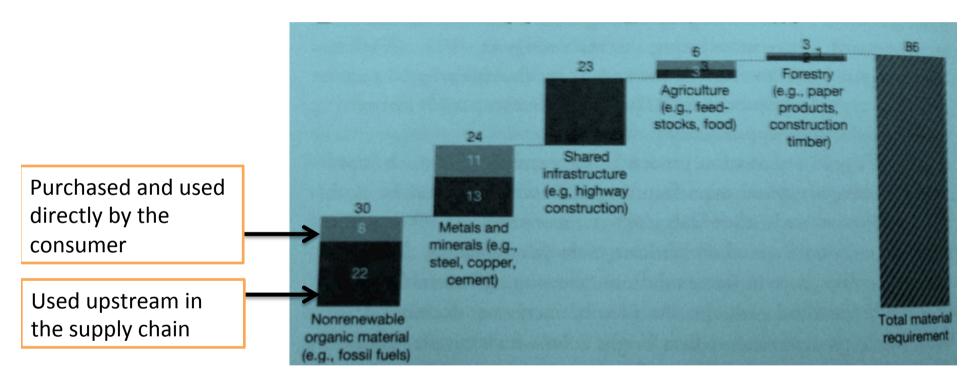
Circular Economy as a **driver** of the third industrial revolution → improved resource productivity and controlled resource scarcity

Circular Economy as a

result of the third
industrial revolution →
advanced management
due to automatisation,
sensors and Internet of
Things



USA annual resource consumption: 86 tons / person



Source: Resource revolution by Stefan Heck & Matt Rogers, Melcher Media 2014



The conceptual model

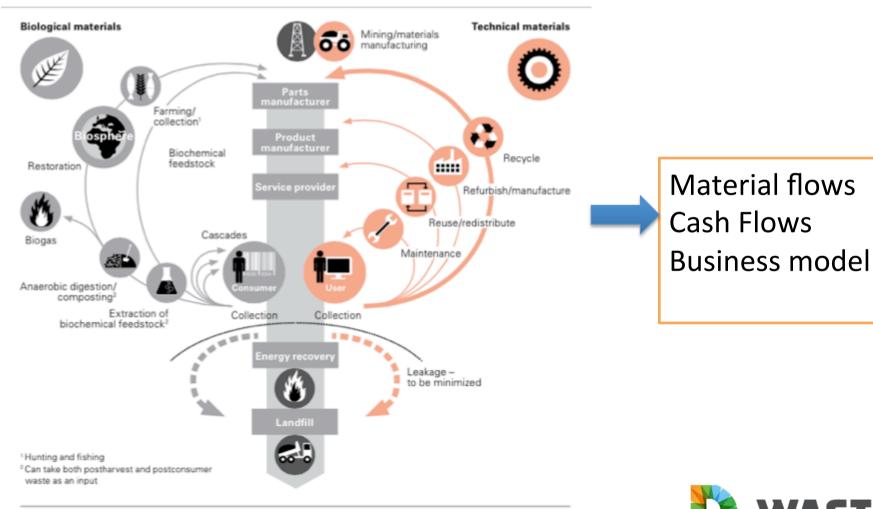


Figure 1: The Circular Economy

Source: Ellen MacArthur Foundation circular economy team drawing from Braungart & McDonough and Cradle to Cradle (C2C)



Key-issues

- Circular Economy represents a huge challenge for each and every industrial sector
- It is one of the main ways to control resource scarcity and ensure the continuous use of crucial raw materials
- Circular Economy requires advanced control and/ or elimination of the waste produced in industrial activities
- The whole concept is based on the current and potential circularities of materials before they become waste



Circularities require...

- Clean cycles
- Advanced ecodesign & modular design
- A technology shift 3rd industrial revolution
- Full control of material & chemical flows
- Advanced logistics
- New relationship: producers- products- users
- Costs that will bring benefits



Circularities and ownership of crucial resources

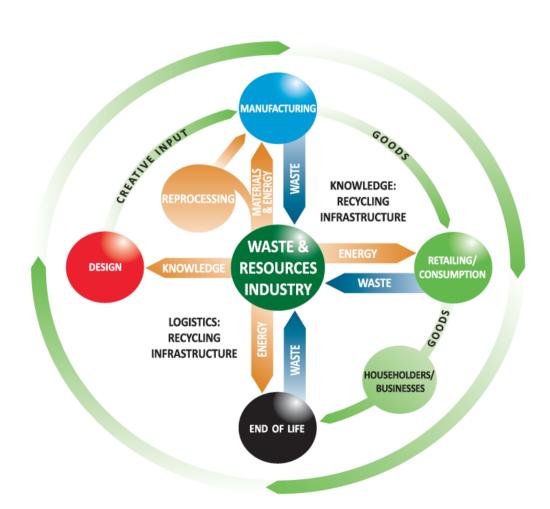


Industries will:

- Internalize waste management for their key-material needs
- Minimize material losses
- Try to apply full lifecycle control of products and materials



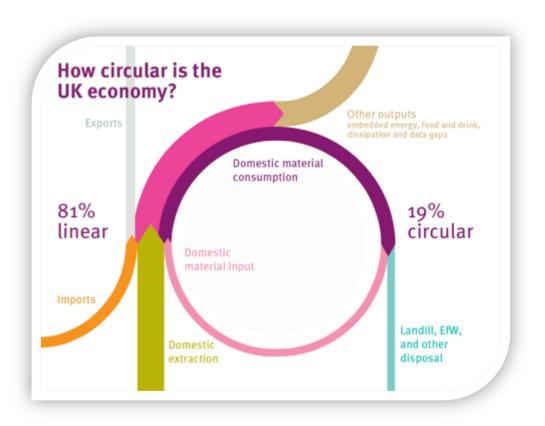
3. 3rd Industrial Revolution, SWM industry and Circular Economy





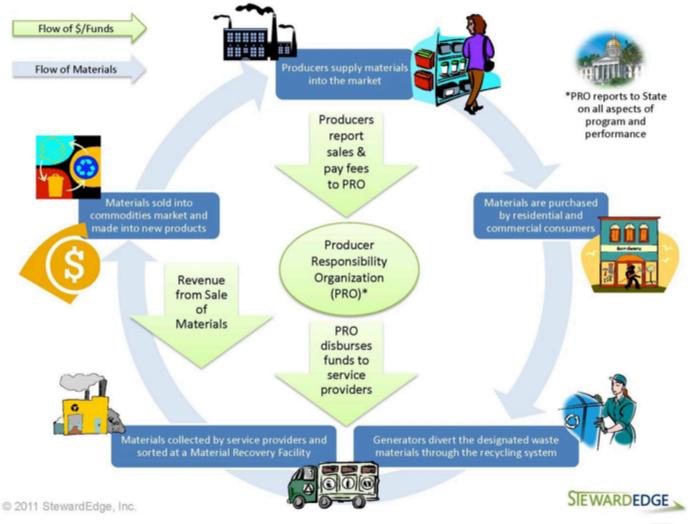
SWM industry already contributes to circular economy

Recyclables
Secondary Fuels
Compost
Energy





EPR schemes as circular agents





SWM industry will be transformed by the 3rd industrial revolution

Fully controlled treatment by of sensors and big data systems

Routing of vehicles through real time information on bins

Automatic landfills continuously optimizing biodegradation

Refrigerators for food waste prevention

Apps that connect recyclers to form neighborhood teams

Driverless robots filling empty bins

Household waste dryers connected to fuel brokers

Apps for household waste management plans

Apps that manage food excesses from restaurants, hotels etc

Driverless collection

Decentralized small AD plants



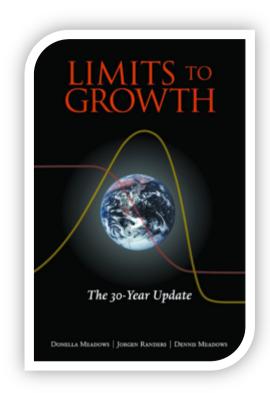
Circular economy directly influences...

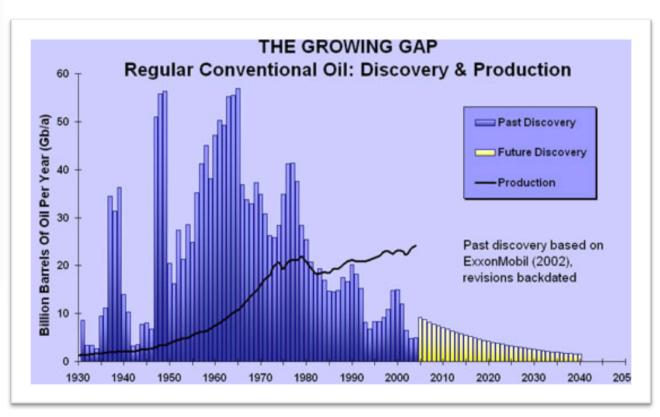
Life-cycle of specific products: design, production, distribution etc. Industrial waste Municipal waste

More or less consumption?



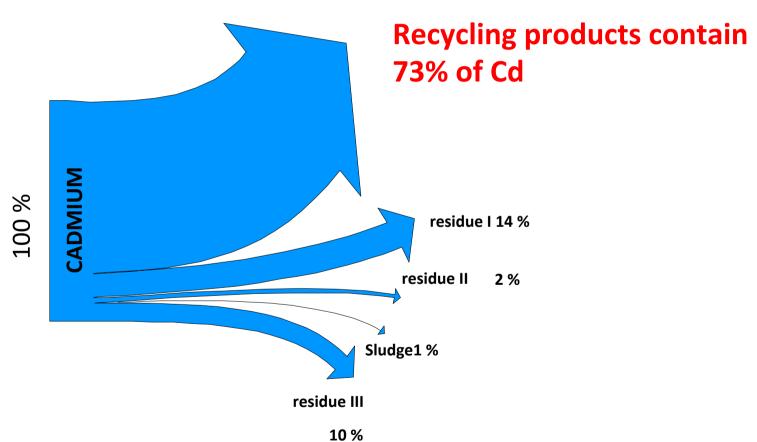
Limits to circularities: finite resources







Limits to circularities: materials involve risks

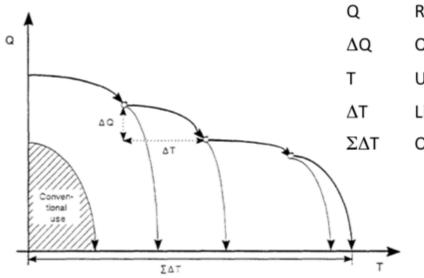


Source: Recycling and sustainability, Paul Brunner, ISWA 2010 conference



Limits to circularities: cascading

The sequential use of <u>biogenic</u> raw materials to produce materials and energy



Resource quality

Quality loss per application

Utilization time

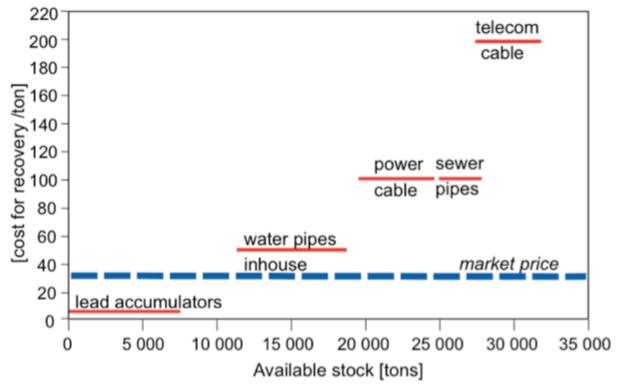
Life time per application

Overall life time

Arnold et al. (2009), Fraanja et al. (1997)



Limits to circularities: market prices



Quelle: Lohm et al., 1998



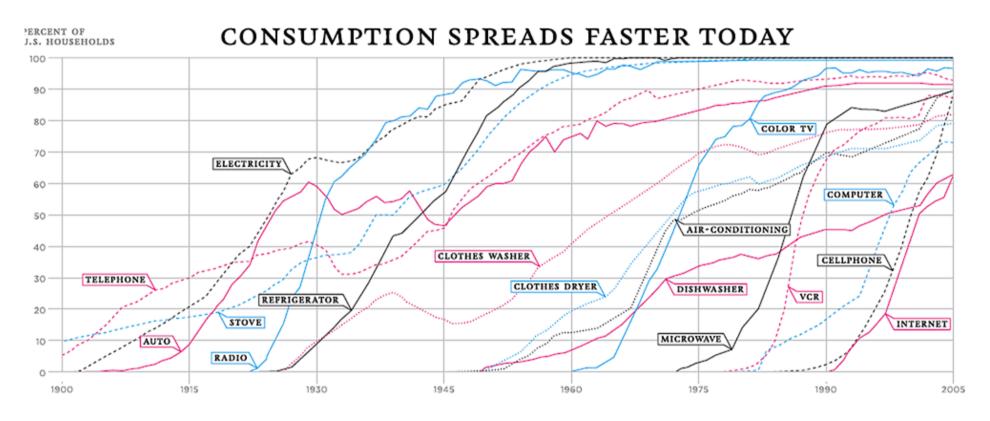
Limits to circularities: build-in obsolescence

WHAT IS PLANNED OBSOLESCENCE???

Planned obsolescence or built-in obsolescence is a policy of planning or designing a product with a limited useful life, so it will become obsolete, that is, unfashionable or no longer functional after a certain period of time. Planned obsolescence has potential benefits for a producer because to obtain continuing use of the product the consumer is under pressure to purchase again, whether from the same manufacturer (a replacement part or a newer model), or from a competitor which might also rely on planned obsolescence.



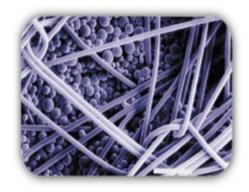
Limits to circularities: fast, globalized consumption



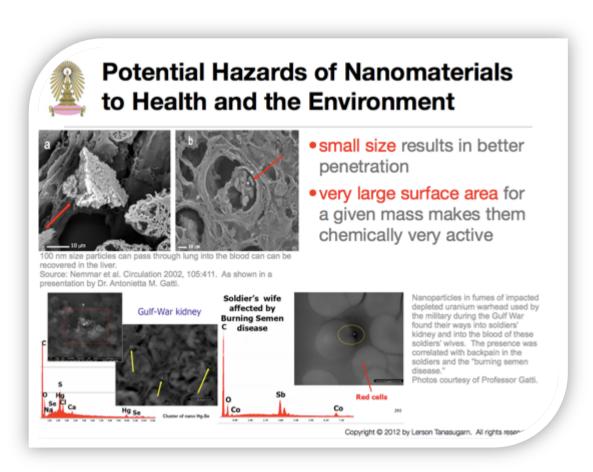
New products are rapidly consumed and create new waste globally



Limits to circularities: new composite materials







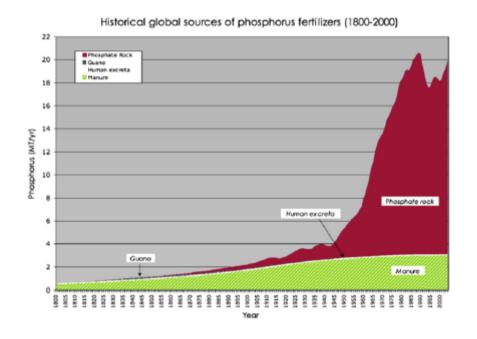


Limits to circularities: time horizon of recycling

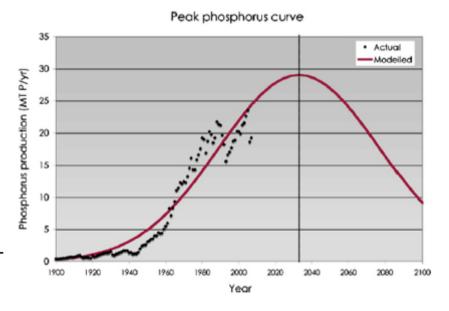




Limits to circularities: developed Vs developing world



Source: The story of phosphorus: Global food security and food for thought, Dana Cordell, Jan-Olof Drangert, Stuart White, Global Environmental Change 2009

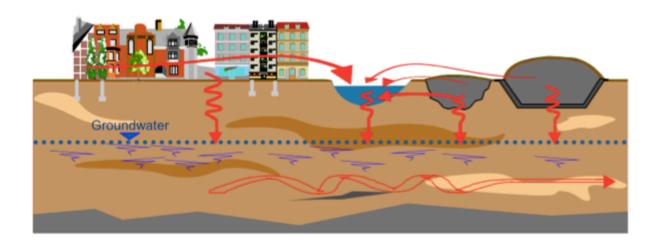




The need for final sinks

Vienna stock in use and hybernating [kg/capita]

Stock in Vienna landfills



Source: R. Obernosterer et al, 1998



Key-issues

- The 3rd industrial revolution will re-engineer the waste management industry
- SWM industry already contributes to Circular Economy
- Circular Economy will affect seriously industrial waste management - its impact on municipal waste management remains questionable
- There are several barriers to circularities this means that there is a need for final sinks

4. A note on business models

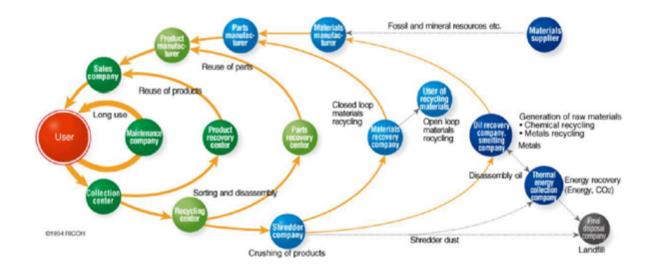




A lot of innovation to business models



Closing the loop with multiple lifecycle products





2014-10-14

The Collaborative Economy = practices and business models based on horizontal networks and participation of a community, transforming how we live, work and create.

CONSUMPTION the sharing economy







CAPITAL & FINANCE crowdfunding







KNOWLEDGE & INFO open knowledge









DESIGN & PRODUCTION open design & manufact.







GOVERNANCE opengov & flat orgs







EXCHANGE TOOLS currencies, timebanks





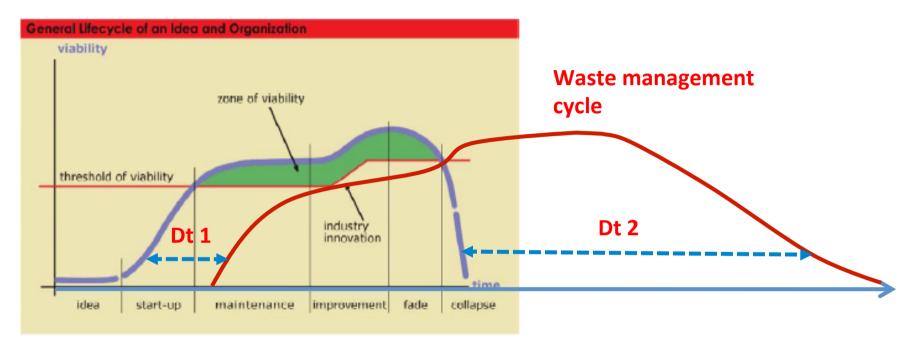






The need for new approaches

Product cycle



It starts later, when there are waste (Dt1) It keeps much more (Dt2)

Targets

Dt1 \rightarrow 0

 $Dt2 \rightarrow 0$

Build in obsolescence



Key-messages

- We are living the shit towards the 3rd industrial revolution (3IR)
- The 3rd industrial revolution will redefine the term waste
- Circular Economy (CE) is both a driver and a result of the 3IR
- SWM industry already contributes to CE
- Industrial waste management will be seriously affected by CE municipal waste management will be probably much less affected
- Circularities require clean cycles
- There are technical, market and natural barriers to circularities
- This means that there is and there will be a need for final sinks
- Innovation in business models is a key-element of the circular economy

Conclusions

- CE requires much more and more advanced and not less waste management
- CE will create a landscape where waste and resource management will be integrated on each and every supply chain
- So, CE should be considered as an opportunity and not as a threat for the SWM industry
- It is the opportunity to create the SWM industry of the 3IR era

