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# Research study on developing re-use networks in Europe

Final report

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**Kierrätys-  
keskus**

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This report aims to analyze networks of social economy re-use operators in Europe. RREUSE was selected by Kierrätyskeskus to conduct the study and draft the report. This study is part of the Circwaste project, which is funded by the EU's LIFE fund.

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## EXECUTIVE SUMMARY

Re-use networks are key actors in supporting the implementation of the waste hierarchy and therefore the transition to a circular economy. Networks champion the re-use sector by promoting knowledge sharing, publicly representing members at multiple levels, strengthening members capacity, and more generally, encouraging collaboration.

This report analyses networks of social economy actors active in re-use based on an extensive survey, semi-structured interviews, and desk research. A total of nine different re-use networks provided information throughout the study. RREUSE, who was selected by Helsinki Metropolitan Area Reuse Centre to conduct the study and draft the report, has also provided its own insight based on years of experience. RREUSE's contribution includes an overview of the EU policy framework for the social and circular economy.

The main tasks of national and regional re-use networks are coordinating lobbying efforts, sharing know-how among members, and raising awareness. Networks are vital to lobbying because establishing a single point of contact increases visibility and facilitates participation in events. To accomplish this task, it is recommended to put in place a comprehensive lobbying strategy in accordance with the interests of members, communicate frequently with relevant stakeholders, create a strong online presence, and organise internal working groups to discuss policy issues with members.

The dissemination of best practices and expertise is also a crucial task for networks. It is important to build a community of organisations which can cooperate on joint projects and forge partnerships. Indeed, many networks have highlighted the advantages of creating a culture of solidarity and peer learning, which is particularly likely to occur among social economy actors. To that end, spaces should be created to allow members to discuss best practices, projects and potential partnerships.

It was also noted that partnerships are usually beneficial, with a number of re-use networks reporting enhanced collection of waste products, better visibility, or innovation. However, it is essential to ensure that partnerships with companies do not hamper the mission and values of re-use operators.

Good governance is crucial to the development of a network. This report presents in-depth several governance structures in order to inform about existing options. A general assembly

consisting of all members is generally the main body of the network. It is normally responsible for appointing the board of directors, making amendments to the statutes, approving the budget and annual accounts, and approving new members. In most cases, the board of directors delegates (and oversees) the daily management of the network to the secretariat.

It is recommended that some of the management tasks be outsourced during network development, especially if board and secretariat members lack experience in this area. Such support would allow a new network to focus on serving members at the outset while smoothly adapting to a rather complex governance structure.

Re-use networks must also rely on sufficient and sustainable funding. According to the study, are generally the primary sources of revenue for re-use networks, to varying degrees. Even though there are exceptions, membership fees are usually based on membership turnover, material collected or prepared for re-use, or employees. Grants and subsidies are considered a good option for supplementing or partially substituting membership fees. They will probably be necessary in the early years as the re-use sector is not yet very profitable. The report provides examples of re-use networks funded through grants, projects and remunerated events.

The main tasks of regional and national re-use networks in Europe should be the following:

- Aggregate the demands of members and develop a lobbying activity at national level to support circular economy as a tool to create job opportunity in the field of waste management with a particular focus on inclusion of vulnerable people.
- Represent the movement of re-use social enterprises, both public and private, at national level. This representation should target key stakeholders, notably public authorities, the private sector and civil society.
- Play the role of a clearinghouse to support and replicate best practices.
- Promote innovation drawing from lessons taken domestically and at European level.
- Represent the national members at European level through the participation of European specialised platforms such as RREUSE, Zero Waste Europe, and similar.
- Organise services for members in the field of communications, quality systems, training, and management.

Finally, with respect to establishing the network, it is preferable to concentrate first on the services to be provided rather than expanding the network. Indeed, it is vital that networks add value to their member organisations. Therefore, a detailed list of services provided to members would be helpful in this respect. It is also recommended to assess the needs of potential members through a feasibility study.

## INTRODUCTION

Re-use networks are key actors in supporting the implementation of the waste hierarchy and therefore the transition to a circular economy. Networks champion the re-use sector by promoting knowledge sharing, publicly representing members at multiple levels, strengthening members capacity, and more generally, encouraging collaboration.

This report is the result of three months of research aiming to analyse networks of social economy actors active in re-use. It thoroughly analyses several aspects of these networks, including governance models, main tasks, lobbying priorities, sources of revenue, operating environments and network best practices. The research has been conducted in the framework of the Circwaste project, which is funded by the LIFE fund.

The introduction will provide a framework for the research study, detailing the objectives and methodology used. It will also provide an overview of relevant social and environmental policy developments and a projection of possible future developments.

### *Objectives*

This report aims to analyse networks of social economy re-use operators in Europe. RREUSE was selected by Helsinki Metropolitan Area Reuse Centre to conduct the study and draft the report, with the ultimate goal to provide advice and guidance to set up a re-use network in Finland. This study is part of the Circwaste project, which is funded by the EU's LIFE fund.

As Helsinki Metropolitan Area Reuse Centre requested, RREUSE kept an open mind and included various models, structures, and operating models. This involved the inclusion of a non-member network into the analysis and the *ad hoc* interview to a recently set up re-use network. While conducting data collection and the analysis, RREUSE attempted to synthesise information whilst leaving room for qualitative information and specific case studies. In doing so, the aim was to represent the broad range of existing re-use networks in Europe.

However, due to the fact that Finnish actors would probably not organise under a common name and operating model, the analysis of networks not operating under a franchise model was prioritised. Members of this kind of network keep their identity and their autonomy to take decisions independently. However, it might be more complicated to reach common position and join efforts within the network.

## *Methodology*

This research was carried out from December 2021 to March 2022 based on the experience of the RREUSE network. The data collection was designed to take place in two stages. First, the sending of a questionnaire to European re-use networks, then the more detailed interview of six or eight of those networks.

RREUSE and Helsinki Metropolitan Area Reuse Centre co-authored the survey questions, focusing on multi-choice questions to make it easier to complete the survey. However, some open-ended questions were added to provide an opportunity to elaborate on certain topics.

Overall, eight re-use networks filled out the survey, followed by individual semi-structured interviews with all respondents. The interview questions were prepared from the survey responses and aimed at understanding the most important or unique characteristics of the given network. Extraordinarily, an *ad hoc* interview to a recently set up re-use network was also conducted without a previous survey. The organisation of an interview about a new network was considered a great opportunity, even if conducted after the rest of data collection.

Building upon the results of the survey, the information collected during the interviews, and desk research of publicly available documents and/or documents submitted within the survey, a series of “network reports” was prepared for every network that took part in the research. These reports will serve as extensive case studies for a total of eight re-use networks in Europe, providing rich qualitative information about each of them. The documents form part of the final study submission and were used for the preparation of this final report.

Finally, RREUSE has also provided its own insight based on years of experience. The team coordinated internally to write their own thoughts on re-use networks and their challenges. RREUSE's contribution also included an overview of the EU policy framework for the social and circular economy. The objective was to inform the Helsinki Metropolitan Area Reuse Centre of policy developments likely to affect the reuse networks.

## *Re-use networks involved in the study*

RREUSE reached out to several re-use networks, both members and non-members, in order to collect data for this study. Overall, fourteen re-use networks, twelve of which RREUSE members, were contacted to fill out the questionnaire. Finally, eight networks (detailed below)

were able to provide information to the study, plus a new re-use network (Northern Ireland Re-Use Network) that was not part of the initial list but that was incredibly relevant because of its recent experience setting up a network of re-use operators. Emmaüs France, Envie, WIRD, Rete 14 Luglio, AERESS, and Reuse Network were finally not able to provide input due to different reasons.



[Réseau National des Ressourceries et Recycleries](#) is a French network with 175 members. It employs between 4,000 and 5,000 people – but its main goal is to ensure re-use and proper waste management is promoted and managed by the non-profit sector. As of March 2022, this network is not a member of RREUSE.



Founded in 1994 by a few organisations, the [Branchevereniging Kringloopbedrijven Nederland](#) (BKN) was set up to professionalise the re-use sector. BKN currently has 66 members with more than 200 stores throughout the Netherlands. All members are social enterprises with social and environmental goals.



[Circular Communities Scotland](#) (CCS), before known as Community Resources Network Scotland (CRNS), is a network set up in 2004 that currently reaches more than 100 members, mainly charities, social enterprises, and community organisations. The respondent estimated that the network represents more than 80% of re-use operators in Scotland.



[Communities Resources Network Ireland](#) (CRNI) was founded in 2010 with the aim of promoting community-based and sustainable waste management. Full members include social enterprises, charities, and community organisations throughout Ireland. It currently counts 41 members.



[FairWertung](#) is a German network with more than 100 members. Its members are mainly focused on textiles collection and preparation for re-use – and the overall network collects between 40,000 and 70,000 tonnes per year. The main goal is to ensure transparency and ethical principles in the sector.



Building upon the merger of several networks (the first of which was established in 1993), [HERWIN](#) currently represents more than 100 members employing around 10,000 workers. All members have a focus on social employment, but not all carry out re-use operations.



[RepaNet](#) is a network set up in 2004 that currently reaches 42 members, primarily social enterprises. This represents between 60 and 80% of re-use operators in Austria. The network was set up following a project funded by the European Social Fund – and is currently receiving funding to create an e-commerce platform for its members.



[RESSOURCES](#) is a network set up in 1999 that represents 63 circular social enterprises in Wallonia and Brussels. This represents between 41 and 60% of re-use operators in the area. The network has a strong focus on professionalisation and has therefore created several quality marks for different products and purposes.

### *Relevant developments in policy concerning the social economy*

The Social Economy Action Plan (SEAP) establishes a 9-year framework (2021-2030) to ensure social economy actors are appropriately recognised and supported. This framework introduced a number of provisions to enable a more supportive environment for social enterprises to thrive, although more detailed actions will be developed throughout 2022. For instance, the development of coherent framework conditions includes guidance on targeted taxation policies for differing social entities.

The SEAP also put an emphasis on socially responsible public procurement<sup>1</sup>, including through workshops for local and regional authorities and a greater integration of social clauses in the Commission's own tendering processes. Strengthening the business-to-business market opportunity to buy social through the Single Market Programme initiative is also promising. The strength of having an established network can lead to the coordination of consortia of social enterprises bidding for larger public procurement contracts which an individual social enterprise would not be able to handle alone. Examples include the Re-use Consortium run by Community Resources Scotland as well as Consortium Ecobi in Italy.

In order to implement these actions, the Commission will propose a Council Recommendation on developing social economy framework conditions in 2023.

With regards to the financing of social economy networks at national level, particularly relevant for this analysis the SEAP includes the following:

*«With a view to broader capacity building, the Commission will support the development of social economy representative networks, in particular in EU Member States where social enterprises and social economy ecosystems are not developed to their full potential»*

While specific details are yet to be defined, national level support measures such as the financing of social economy network operations, could be a useful measure to support the operation of a social economy re-use network in Finland in the short to medium term.

In addition, Annex IV (16) of the EU Waste framework Directive states that national waste prevention plans should include:

*«The promotion of the reuse and/or repair of appropriate discarded products or of their components, notably through the use of educational, economic, logistic or other measures such as support to or establishment of accredited repair and reuse-centres and networks especially in densely populated regions»*

Possible future social policy developments encouraged by RREUSE<sup>2</sup> include greater synergies between the social and circular agendas, notably by including green criteria alongside social

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<sup>1</sup> Previously, the EU's Directive on Public Procurement allowed Member States to reserve contracts for social reasons (i.e. employing at least 30% of disadvantaged workers), but such practice remains an exception.

<sup>2</sup> However, more organizations have voiced support for similar policy orientations. In an important report published in 2022, the OECD identified as policy orientations to develop an enabling framework for social economy organisations contributing to the shift to the circular economy: a strong emphasis on reinforcing the synergies between the social and circular agendas, including the need to define common targets, align policy priorities across sectors and government levels, and induce dialogue and facilitate partnerships among several actors along the circular economy value chain.

ones within public procurement or by interlinking circular economy and job creation targets<sup>3</sup>. Such synergies are justified because of circular economy added value in terms of job creation and training opportunities. Another promising initiative would be to systematically consider social criteria as part of impact assessments<sup>4</sup>.

According to RREUSE, the following points are some output scenarios for 2030 that would benefit the development of a green proximity and social economy industrial ecosystem.

1. By 2026 – a coherent link between the EU’s future revised CEAP and SEAP in the form of specific actions supporting social enterprise in the circular economy.
2. By end of 2025, specific social/circular targets at EU level, for example within the EU’s waste framework directive e.g. re-use targets with job creation targets.
3. By 2025 national funding instruments introduced supporting operations of national/regional level social enterprise equivalent to NGO operating grants under EASI and ESF+.
4. Next EU budget 2028 – 2035, 10% of all relevant EU funding lines, as listed within the SEAP, should be dedicated to supporting the development of social economy actors in the green and digital transitions.
5. By 2030, new circular and social ventures between social enterprises, private, public sector as well as academic institutions.
6. By 2025, greater flexibility in MS with regards to labour market integration policies linked to activities directly contributing to the green transition, such as re-use and repair. For example, some WISEs face challenges with the duration of support for work placements while others face inflexible rules which hamper innovation and boost job creation.
7. By 2025, the introduction of funding programmes in all MS on circular skills + flexible VET schemes to meet social enterprises’ ambitions and facilitate partnerships between traditional and higher-level educational bodies to integrate green skills in educational programmes, map and address skills shortages, and establish uniform criteria for awarding certifications for future employability in the circular economy.
8. Annual increases in the use of mandatory social criteria in the procurement of environmental services by public and private bodies.
9. Increased partnerships between social enterprise re-use actors and housing associations and authorities
10. By 2030 – the EU procurement agenda becomes fully holistic in nature, combining both social and environmental objectives.

Buy social initiatives could also be bolstered via a European social label, which would empower consumer to make ethical and informed choices and incentivise companies to

<sup>3</sup> In Belgium, the Flanders region set a target of 5kg re-use material/capita with a combined target to employ 3,000 full time equivalent in 2015. France also interlinked environmental and social goals by establishing a Solidarity Re-use Fund to create 70.000 jobs by 2030 for the most disadvantaged groups within re-use and repair activities offered by social enterprises.

<sup>4</sup> While the EU Better Regulation guidelines on policy impact assessment include a reference to account for environmental, social and economic criteria, these may be overlooked as they are not mandatory.

integrate social considerations. In fact, the SEAP launched a study on national social economy label schemes mapping those existing in EU Member States, identifying good practices and common features and criteria.

Upskilling and reskilling initiatives will most likely become more important in the social agenda, particularly regarding the interlinkages between the social and the circular economies. Social enterprises are key actors in delivering circular skills of the future and reducing inequalities caused by digitalisation. Partnerships to integrate green skills in educational programmes, adequate funds, and uniform criteria for certifications in circular skills, map and address skills shortages, and more flexible VET schemes have been proposed as policies to ensure a future-proof training environment.

### *Relevant developments in environment policy*

In March 2020, the European Commission adopted the new Circular Economy Action Plan (CEAP). The CEAP introduced a number of legislative and non-legislative measures along the entire life cycle of products. RREUSE welcomed the intention to tackle design of product categories such as textiles and furniture, the focus on a “Right to Repair”, or the proposal to use value added tax (VAT) rates to improve repair accessibility to consumers. However, the lack of emphasis on the need for separate re-use and preparation for re-use targets at EU level was deemed as a missed opportunity.

Moreover, the CEAP included the commitment to adopt several new initiatives such as the Sustainable Products Initiative (SPI), the EU Strategy for Sustainable Textiles, and the Circular Electronics Initiative. The Sustainable Products Initiative (SPI), to be published by the Commission at the end of March 2022, will potentially improve eco-design for products such as textiles and electronic products, develop a right-to-repair, potentially EPR schemes to other types of products (most likely textiles), reinforce consumers rights within legal warranty periods, and provide consumers with access to information on durability and reparability.

However, it will be essential to ensure that new circular business models truly implement the waste hierarchy and do not encourage the establishment of new repair and maintenance monopolies. RREUSE has also defended the need to ensure that product passports not only contain information on how to recycle products at the end of life, but also on how the products

can be repaired and re-used. Lowering the price of spare parts and taxing the advertisement of new products would also be ambitious policies to transition to a circular economy.

The EU Strategy for Sustainable Textiles, which will be published by the Commission at the end of March 2022 (together with the SPI), will potentially improve collection of used textiles, enhance the eco-design of textiles<sup>5</sup>, and harmonise end-of-waste rules on waste textiles.

According to RREUSE, the following points are some of the main challenges and opportunities faced by social enterprises active in the circular economy:

#### *Opportunities*

- Purchasing second-hand becomes more mainstream and re-use social enterprises develop their activities.
- Re-use activities will benefit from more source of funding as Member States follow waste management and prevention targets that prioritise the waste hierarchy better.
- Products become more durable and repairable, improving their quality on the second-hand market, and raising re-use rates.
- Collection and logistic models for waste are improved in order to safeguard re-usability of products collected and access for re-use social enterprises is facilitated.

#### *Challenges*

- Re-use social enterprises face competition from producers and manufacturers developing their own second-hand products channels.
- Development of extended producer responsibility models give retailers/producers control on the collection of waste products, limiting access given to re-use social enterprises.
- More support for re-use activities comes with more stringent legal rules on reporting, minimum quality requirements for second-hand products and refurbishment processes - re-use activities become to difficult to handle for social enterprises.
- What is currently collected out of the waste regime (mostly donations) might be re-qualified as waste collection models, putting more legal burden on re-use operators who then have to obtain waste licenses and respect waste legislation.

In addition, RREUSE has called on the Commission to help social enterprises active in the collection, sorting and resale of post-consumer textiles to safeguard and develop their activities<sup>6</sup>. It will also be essential to prioritise second-hand textiles or repair over “sustainable”

<sup>5</sup> Less complex fibre blends (facilitating both re-use and recycling) and standardised sizes would make textile products longer lasting.

<sup>6</sup> For instance, ensuring that EPR schemes do not threaten social enterprise’ activities, notably through developing waste prevention and waste management targets in line with the waste hierarchy and setting social objectives as well.

new textiles and recycling<sup>7</sup> – and to provide consumers with sufficient information about the negative impacts of new textiles.

Another relevant legislation will be the Circular Electronics Initiative, to be published by the Commission before or after summer 2022. This initiative will contain measures on making ICT products more durable and repairable, on improving the collection and treatment of WEEE and will also potentially develop an EU-wide take back scheme to return or sell back old mobile phones, tablets, and chargers. An update of the WEEE directive is also expected in 2023, which will develop minimum requirements for the collection and the preparing for re-use of WEEE.

The revision of the EU rules on Waste Shipment, currently under co-decision process, will facilitate the shipment of waste within the EU and trigger the development of a definition of used goods. RREUSE has defended the need of distinguishing “used goods” from waste, allowing re-use operators to export products without being considered as participants in the extension of landfill practices in importing countries.

Finally, an update of the Waste Framework Directive is also expected. This update might include more concrete measures to boost the waste prevention and preparing for re-use sector, for example through setting EU-wide separate targets or waste generation reduction targets.

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<sup>7</sup> To this end, it is imperative to avoid considering that investments in R&D and treatment facilities are only needed in the recycling sector, as they are also needed for re-use and preparation for re-use operations. Develop skills related to the appropriate management of waste textiles is also important. The development of new business models must not compete with re-use operators and independent repairers.

## FINDINGS

This section presents the main outcomes of this study. It is based on a comprehensive questionnaire completed by eight European social re-use networks and followed by tailored-made semi-structured interviews. It also includes information stemming from an *ad hoc* conversation with a new European re-use network and the broader expertise of RREUSE on the subject. The findings are structured around a set of themes and subthemes that were identified as priorities at the outset of this study.

### NETWORKS' CHALLENGES AND MAIN TASKS

#### *Creation of the networks and challenges*

All the networks analysed have been created over the past 10 to 30 years. The oldest organisation was set up in 1994 (FairWertung)<sup>8</sup> and the most recent in 2010 (CRNI)<sup>9</sup>. The date of the foundation is relevant as re-use networks have been created in different contexts – and these often shape their priorities and organisational structures.

A key motivation for conducting this study was to understand the major tasks and objectives of re-use networks. In this regard, six networks considered the exchange of know-how an “important” or “very important” reason to establish a network. The need to organise events around the specific challenges that re-use operators face has been repeatedly emphasised. Such events help members share information, implement projects, and set up partnerships. Hence, the exchange of know-how is essential to create a stronger network.

Lobbying is also a major reason for creating a network. Six respondents deemed lobbying as an “important” or “very important” reason to establish a network. Some respondents noted the need for strategic lobbying given the growing interest of private companies in the re-use sector, which threatens not-for-profit operators. For this reason, an interviewee emphasised the need to create a network that will be present everywhere, ensuring influence over decision-makers

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<sup>8</sup> However, HERW!N builds upon the merger of several networks, and the first network representing re-use centres was established in 1993.

<sup>9</sup> However, NIRN, a new re-use network created in 2020 as a pilot project by CRNI, became a legally autonomous organisation in 2022. It was also included in the research through an *ad hoc* interview.

and other stakeholders. In short, as one interviewee put it, the establishment of re-use networks is necessary *«to help fight their [the members’] battles, to help tell their story, to help solve their problems, to investigate shared opportunities, all of those things»*.

Only two networks identified publicity and commercial cooperation “important” or “very important” reasons to set up a network. For instance, FairWertung saw member advertising as a major reason to establish a network. For this purpose, the organisation has developed a web-based mapping platform. It is the leading platform in the sector in Germany, as it includes information about the collection and purchase of second-hand clothing throughout the country. There are currently 30,000 unique users per month, and it is essential to resolve issues related to where to donate or buy second-hand. This is an example of how re-use networks can improve information for the public.

Table 1. Why was the network created – what were the issues trying to resolve or improve?

	1 Not important at all	2	3	4	5 Very important
Lobbying	25%	0%	0%	25%	50%
Publicity	12.5%	37.5%	25%	0%	25%
Exchange of know-how	12.5%	12.5%	0%	37.5%	37.5%
Commercial cooperation	25%	12.5%	37.5%	12.5%	12.5%

To study re-use networks in Europe, it is essential what were the main challenges in the process of creating them. According to the survey, the main challenges were explaining the utility of the network and reaching shared policy and lobbying positions, even though most respondents also considered “important” or “of average importance” agreeing on statutes and membership fees as a challenge to create the network. Engaging in commercial cooperation was not in general considered a challenge.

For instance, one network has gone through a convoluted negotiation to set membership fees. Initially, there was a fee based on the number of employees, but it was difficult to determine the fee because some organisations did not focus solely on re-use. As a result, only re-use employees had to be counted, but drawing a line was complex due to intricate organisational structures. However, large organisations argued that they did not benefit as much from the

network as smaller organisations, since the latter benefitted from their expertise. After lengthy discussions, the network decided on a flat rate of 500 EUR per year, which was still small enough for smaller members to pay but big enough to pay at least part of the expenses.

Table 2. What were the challenges when creating the network?

	1 Not important at all	2	3	4	5 Very important
Agreeing in statutes and membership fees	0%	12.5%	50%	37.5%	0%
Explain the utility of creating a network	0%	37.5%	25%	12.5%	25%
Reach shared policy and lobbying positions	12.5%	12.5%	37.5%	12.5%	25%
Engage in commercial cooperation	25%	50%	0%	25%	0%

In Germany, one of the main challenges was also to ensure cooperation among members. Prior to the establishment of FairWertung, competition between member associations was the norm. Thus, during the development of the network, it was necessary to stress that the real competition was private companies, not other not-for-profit organisations. Initially, changing that mindset was a challenge, because members were actually more used to working with businesses.

RepaNet noted that explaining the utility of the network was a major challenge in the first few years. The network was established in 2004 following a European project by the same name<sup>10</sup>. At that time, it was already clear that re-use would gradually grow in importance. Waste management regulations were increasingly promoting re-use but there were no operators to put re-use into practice other than social enterprises that had been in the sector for years. Consequently, RepaNet’s goal was to create new business opportunities and promote partnerships with municipalities.

<sup>10</sup> The main focus of this project was repair, and the goal was to create a network of professional repair providers in Austria with social enterprises at the core of the network. Sometimes these were 1-person social enterprises, so the network would help exchange capacities, customers’ orders, and work. This project was funded by the European Social Fund and involved around 4 or 5 social enterprises.

However, it was complicated to develop the association after the end of the project. The situation began to change around 2009, when a new director tried to revitalise the network. The Austrian Ministry of Environment then commissioned RepaNet to carry out a study analysing how a re-use network in Austria might look like – and more generally, how to promote re-use in the country. Over the years, this study has been incredibly beneficial for the development of the network, as it laid out the reasons why a re-use network is useful. It has convinced several organisations to become members of RepaNet, and the study continues to underpin Austrian legislation focused on re-use. This example illustrates the need to have clear and strong arguments to justify the need to develop networks of social enterprises active in the circular economy.

In Flanders, cooperation between members was not a challenge due to the fact that HERW!N members have designated areas to operate in. Therefore, they do not compete for the same products and customers. However, this is a top-down approach that may not be feasible to implement across all countries, depending on the current state of the sector and the role of government.

#### *Coordination of lobbying efforts.*

This study also analysed the way in which networks internally coordinated lobbying and advocacy positions. Lobbying is an essential task of re-use networks, as individual organisations struggle to have their voice heard if acting alone. As a matter of fact, lobbying was identified as the main task during the survey, with all networks saying it was an “important” or “very important” task.

Some networks coordinate their lobbying efforts through working groups which might be general or focussed on one specific issue. Others share insights through a written format or through a more informal and ad hoc approach.

RepaNet has two different working groups – one is more general, about the circular economy, and the other is about textiles, as approximately half of RepaNet’s members work with textiles<sup>11</sup>. About two-thirds of the members in the textiles working group belong to the other

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<sup>11</sup> Because of COVID-19, these working groups are currently held online – RepaNet is currently thinking about keeping them online because members are scattered all over Austria. Everyone is used to online meetings now, not like before COVID-19. But the network aims to organise an in-person event once a year for members to

group too, so there is quite an overlap. Therefore, most members participate in six working groups per year, three for each group. Similarly, HERW!N organises recurrent working groups with its members. Due to the COVID-19 crisis, the network decided to transition from six to seven in-person working group sessions per year to monthly online sessions. When HERW!N prepares a position paper or a response to a consultation, a draft is circulated among the members in the run up to the meetings. It is important to align the policy agenda and the collection of input from members.

Table 4. What are the main tasks of the network?

	1 Not important at all	2	3	4	5 Very important
Lobbying	0%	0%	0%	37.5%	62.5%
Business development	0%	0%	25%	75%	0%
Marketing	0%	37.5%	12.5%	37.5%	12.5%
Awareness raising	0%	25%	0%	37.5%	37.5%
Project work	0%	12.5%	12.5%	62.5%	12.5%
Sharing know-how	0%	12.5%	37.5%	25%	25%
Common digital platforms	12.5%	12.5%	12.5%	50%	12.5%

Due to limited resources, CCS does not have any working groups around policy – the network comes up with common policy positions through informal processes and discussions at the Board of Directors. However, for important pieces of legislation, such as the upcoming Scottish Circular Economy Bill, the network will organise one event for members to meet and discuss this topic. Moreover, the secretariat engages and disseminates information about public consultations to the members inviting them to provide feedback themselves as well. Members are regularly updated about relevant policies in a monthly newsletter.

participate. RepaNet organises a re-use conference, but this is not a meeting for internal members, but rather for an external audience.

Ressourceries & Recycleries works as a decentralised lobbying organisation, so members are given information and training to engage with local public authorities themselves, with the aim to create an enabling policy framework for the sector. However, each year there is a major meeting at the General Assembly to discuss the overarching objectives and lobbying strategy.

Finally, it is also interesting to examine the case of networks experiencing changes in the organisation of lobbying. BKN reorganised its lobbying activities in order to prepare a comprehensive strategy and set of priorities, making efforts more efficient. The secretariat sets a goal for each quarter – for instance, the first goal of the first quarter in 2022 is to prepare for the municipal elections in the Netherlands. Members are assisted in liaising with new local authorities and preparing coalitions and plans. This includes providing relevant information to members and supporting their activities by preparing position papers, press releases, columns, etc. In line with the shift to a more structured approach to lobbying, BKN has also launched working groups consisting of a few members to discuss relevant topics. Following the network's motto of “act nationally, but facilitate locally”, working groups will bring together members regionally and allow them to discuss relevant national issues.

#### *Internal dissemination of best practices*

It is essential for re-use networks to build a supportive community in order to come up with new projects and partnerships. Nurturing a learning culture through the dissemination of best practices boosts efficiency and enables better decision making, as it significantly shrinks the necessary time to develop and implement project ideas.

Expertise can be shared through several mechanisms. RESSOURCES does not organise any specific events or meetings to share best practices – but when the secretariat notices that there is a recurring topic that members are interested in, it tries to organise a project centered on that subject. As a result, written best practice guidelines in that area are drafted to allow other organisations to follow them. Such guidelines can also be presented to stakeholders as the appropriate way to manage that kind of activity. While there may be differences among members, it is more efficient to determine a harmonised process to carry out the activity and then promote this specific version.

CCS organises two types of events to share best practices and other initiatives. On the one hand, it runs events in particular geographical areas of the region, inviting all members of that

given area. On the other hand, it also organises thematic-based events. For example, the network hosts an annual fundraising event where members come to listen to many potential funders and people who might help them financially. Events about particular products or waste streams are also popular among members since this allows to talk about specific challenges that organisations face. These events contribute not only to the dissemination of information, but also to the establishment of projects and partnerships. This was also observed by CRNI, which organises thematic calls to share projects and establish partnerships between members.

As noted during the interview, for CCS promoting a culture of solidarity and peer-learning is not much of a challenge, given that there are good relationships between the people working for member organisations. In general, the mentality of charities and social enterprises is by no means competitive. As a result, there is a culture of sharing information, best practices, and funding opportunities<sup>12</sup>.

HERW!N also aims to promote a culture in which members easily go talk to each other if they have a problem or want to share know-how, without HERW!N being actively involved. For that purpose, and building upon a set of parameters, the secretariat prepared a list of similar re-use centres. The goal was to create groups by similarity, which facilitates peer-learning. It would not be useful to try to get a small organisation to replicate a project implemented by a large organisation. The conditions are not the same. It is important to get similar organisations to team up, therefore activating local dynamics.

Finally, in Austria, RepaNet does not host a specific event to share best practices, but creates a space to discuss issues faced by members during the working groups. The meeting starts with a round in which members can explain what is new and what they are working on. That is very successful because it promotes follow up communication among members after the meetings.

### *Internal coordination for other matters*

Networks can also coordinate and support members in other activities such as publicity and awareness-raising, business cooperation, and creating common digital platforms.

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<sup>12</sup> «The people that run our member organizations are very, very kind people and very open, and they will share their knowledge and their information very well. In that respect, we are very different to the private sector where everything is secret and you can't tell your competitors what you're doing. That's really not our observation of the social enterprise sector in Scotland or larger charities».

In terms of marketing for the members, CRNI prepares every year a series of events to take place during Ireland's National Reuse Month, which takes place in October. For instance, in 2022 CRNI will run a virtual trade fair for all members. There will be a virtual room with 40 stalls, one for each member. Then, public servants will be invited to attend and learn what is available from members in terms of green public procurement.

In France, a regional network used to organise an annual large festive event with thousands of attendants. La Fête de la Récup' ("The Re-use Festival") is a festive and family-friendly event that explores the role of waste, recycling, and re-use in our societies. It offers workshops with concrete and innovative solutions that are taking shape in the social economy sector – but also invites artists, charities, or beer-makers to ensure a festive environment which can attract individuals that are not necessarily involved in the sector.

CRNI is also currently working on developing a common platform where members can use each other's services. That would be a useful way to promote collaboration among members, which would also involve the use and exchange of physical goods in storage – promoting business cooperation among members is an important task to strengthen the network.

RepaNet is currently undertaking a major project aimed at establishing a common e-commerce platform for its members. For the first time in Austria, social enterprises are cooperating not only in the political and lobbying sphere, but also in the operational sphere<sup>13</sup>. To operate the e-commerce platform, RepaNet will probably create a limited liability company with 100% ownership. Within that company, there will be revenues from the sales provisions and the fees paid by the members who are using the platform<sup>14</sup>. With that revenue, in the future it will also be possible to employ a person to manage the platform<sup>15</sup>.

Finally, HERW!N is also currently involved in the creation of a new digital platform for members – but in this case, it is a platform centered on data collection, which was a request of several members. For them, it was important to have a common software to report mass flows of goods, revenues and turnover, and other relevant data points. This is useful to communicate

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<sup>13</sup> Such collaboration allows social enterprises to develop trust and a sense of community. If this is successful, that would mean that social enterprises could also collaborate in different business fields such as textiles collection.

<sup>14</sup> It's also expected that they may be working with companies going forward. If the platform is successful, that is more attractive for the companies – but this is a feedback loop, because more sponsorships would also contribute to the success of the initiative.

<sup>15</sup> In 5 years, it should be possible to have a surplus. For RepaNet, that might be an opportunity to get additional funding, but that is still far in the future.

the network's impact or inform the government about the sector, but also to have access to high-quality data internally and thus promote better decision-making.

## NETWORKS' GOVERNANCE AND FUNDING

### *Governance structures*

Good governance is crucial to the development of a network. A general assembly consisting of all members is generally the main body of the network. It is normally responsible for appointing the board of directors, making amendments to the statutes, approving the budget and annual accounts, and approving new members. In most cases, this board delegates (and oversees) the daily management of the network to the secretariat.

For example, CRNI is a company limited by guarantee governed by a Board of Directors composed of individuals from the membership base that take the role voluntarily. The Board appoints the Network Executive, who is responsible for managing the secretariat daily operations and reporting to the Board at regular monthly meetings. The Board also ensures that the organisation is well-managed and that follows its overall mission and goals.

### **Case study: RESSOURCES' Executive Board and General Assembly**

The Executive Board (*Conseil d'Administration*) has broad competences in terms of managing the network and currently comprises 8 people chosen for a renewable period of 2 years. The Board meets on a bimonthly basis. According to the statutes, the Executive Board must count with at least 7 people and has to be representative of the main products and waste streams handled by members and of the different regions. The General Assembly decides the composition of the board – and individuals external to the network can be designated as administrators as well, even though external administrators cannot represent more than 25% of the board. Finally, the members of the Executive Board are revocable by the General Assembly – and the mandates are exercised free of charge.

The General Assembly comprises all members and sympathising members. It supervises the Executive Board and must decide on essential tasks such as changing the statutes, choosing the composition of the Executive Board, approving the budget and the annual financial accounts, excluding a member, define the objectives of RESSOURCES, affiliate the association to other associations, and dissolving of the association and other tasks involving a change in the legal nature of the association. The General Assembly meets at least twice a year and the Executive Board is in charge of preparing and disseminating the agenda.

For FairWertung, the governance structure works slightly differently. All FairWertung members have to sign a license contract ratifying their commitment to the network's standards for collection and sales of second-hand textiles. However, organisations that do so can choose to either become a full member or not. The General Assembly, composed of members that choose to take an active part in the network, is the key strategic body and meets once a year. The Board is composed of four persons and legally in charge of the daily operations of FairWertung – and to this end, it employs and supervises a Managing Director. The Board and the Managing Director meet three times per year to supervise his work and ensure that daily operations are in line with members' interests.

### *Membership types, benefits, and responsibilities*

Re-use networks typically offer two types of memberships, one for social economy organisations active in the circular economy and another for organisations that do not fit in the first group but that may be interested in join as associate, affiliate, or supporter members.

#### **Case study: CCS Supporter Membership for the private and public sector**

CCS also has a Supporter Membership for the private and public sector. Supporters are local authorities, private companies and other intermediary support networks who believe in the value of the third-sector circular economy in Scotland. Supporters receive the following member benefits:

- Membership Pack (including certificate)
- Free access to Circular Communities Scotland regional forums and thematic seminars
- Member rates for Circular Communities Scotland annual conference
- Communications support

While the supporter membership has always been there, it is a rather small portion of membership. There are 32 local councils in Scotland, of which only 6 pay CCS a membership. It is a small percentage, but it provides some funding, and then CCS works more with those authorities. There are also a couple of private companies that support the network because they offer a specific service or product that members are interested in. One example is Kudos Software Ltd, who supply electronic systems for shops. As a supporter member, this company has better access to CCS' 190 members to market themselves.

CRNI offers two types of memberships. Full membership is possible for any social enterprise that operates re-use, recycling, or waste prevention activities for the benefit of the community and the protection of the environment. Affiliate membership does not require to be a social enterprise working for the benefit of the community – it is thus possible for any local

authorities, networks, SMEs, or voluntary groups that operate in re-use, recycling or waste prevention activities for the protection of the environment.

Similarly, RepaNet's members are split into full or ordinary members, supporting members or sponsors, and honorary members. Ordinary members are any organisations from the social economy that want to participate fully in the association's work. Supporting members back RepaNet's activities primarily by paying a membership fee. Finally, honorary members are persons who are appointed for special services to the association.

### **Case study: RepaNet's sponsors and benefits**

RepaNet currently counts 15 supporting members, including for instance an IT refurbisher, a waste management company, and a coffee retail chain. Supporting members pay an annual fee of their own choosing – but for organisations the payment must be at least €150.

Sponsors benefit strategically from the results of RepaNet's advocacy and lobbying work (improvement of the framework conditions for re-use), operatively from the exchange of information and know-how (networking with municipalities and re-use operators), and financially through a reduced fee to participate in RepaNet events and 10% discounts when buying second-hand PCs and laptops from RepaNet's member AfB-Green IT.

Through collaboration, networks provide a broad range of services to members. These typically include a joint effort to lobby for their interests, policy and other relevant updates, networking and peer-learning opportunities, enhanced visibility, or better access to funding opportunities.

### **Case study: CRNI's services to members**

The main benefits for members are the opportunities provided through networking and therefore, collaborating. More specifically, CRNI's services to members include:

- Promotion of reuse and recycling through engagement in major awareness-raising campaigns and projects in the sector.
- Participation in the CRNI Conference (biennial)
- Participation at other networking events and opportunities to attend regular meetings and conferences at the national or European level.
- Training opportunities: training and networking opportunities with similar organisations to facilitate knowledge sharing and discuss partnerships.
- Lobbying: joint effort to develop policy and lobby on key issues. Members have access through CRNI as a single point of contact to key policymakers and stakeholders.
- Research: CRNI supports and participates in research addressing key barriers to the reuse and recycling sector and providing business opportunities. Opportunities to participate in projects.
- Reception of internal and external newsletters and listing on CRNI's website.

Member responsibilities in networks of re-use operators typically include paying the membership fees, be willing to share best practices, providing input for lobbying efforts, and collecting and reporting data to better communicate the impact of the network. For example, specified member responsibilities at RESSOURCES include paying the membership fees, participating in meetings, sending to RESSOURCES their annual data, and communicating to RESSOURCES any information susceptible to having an impact on the network.

### Case study: members responsibilities at CCS

What Circular Communities asks to members is to:

- Support the growth of the community resource management sector
- Demonstrate a commitment to the principles of zero waste and the circular economy
- Consider collaboration and partnership with other members
- Strive to achieve local accountability in the delivery of their services
- Support the creation of local employment and volunteering opportunities
- Strive to be well governed and managed organisations
- Seek to operate in a sustainable and ethical manner
- Share knowledge and information with Circular Communities Scotland and other members
- Seek to avoid unfair or inappropriate competition with other members

In any case, as clarified during the interview, the secretariat does not really frame these points as “responsibilities”, but rather as “guidance”. It is something that strengthens the network: «we say to our members that you are part of a collective network, and the power of that network is really strong. Where you can work together, that would be really good. And try and avoid conflict or competition where you can».

At BKN, a core responsibility of full members is to be certified with the 100% Kringloop quality mark within three years of accessing the network. While some members rely solely on volunteers, they seek to grow and provide employment opportunities for the disadvantaged. It is necessary to commit to transition to a professional social enterprise meeting all the criteria defined by the 100% Kringloop quality mark.

### *Membership fees*

Re-use networks must also rely on sufficient and sustainable funding. A key funding source are membership fees, which are usually based on membership turnover, material collected or prepared for re-use, or employees. However, there are exceptions, such as a network in which contributions are fixed at a flat rate of 500 EUR per year. Another network has temporarily suspended membership fees due to the COVID-19 pandemic and is currently fully reliant on

grants. The secretariat is therefore asking for donations as of 2022 and aiming to reinstate the full fees next year.

### **Case study: membership fees and rationale at a RREUSE's member network**

A RREUSE's member network has set the fee for full members at a flat rate of 500 EUR per year. There was a fee based on the number of employees, but it was complicated to determine the fee since some organisations were not only focused on re-use.

However, large organizations argued that small organizations benefitted more from their expertise, so it did not make sense that the former had to pay more than the latter. That is why the network decided on a flat rate that was still small enough for smaller members to pay but big enough to pay at least part of the expenses.

In Scotland, CCS offers free membership for organisations with an annual turnover below 100,000 pounds. As mentioned during the interview, «[t]here is an argument (...) that you should offer a free membership for small organisations and for organisations that are beginning and starting their work. And if the organisation then gets larger and gets more income and more turnover, then you have an argument to then begin to charge. If the organisation stays small and stays local... Some of our members will always be very small and very local. That's fine. They'll never get charged (...) But we do also believe that if a social enterprise is generating large amounts of money, then they should pay a larger fee. And that's why our fees go up».

Members with a turnover up to 250,000 pounds pay £100 pounds per year, between 250,000 and 2 million pounds they pay £200 per year, and over 2 million pounds they pay £300 per year. Regarding supporter members, entities from the public sector and SMEs must pay £500, entities with a turnover below 632,000 pounds, less than 10 employees, and/or less than £316 on the balance sheet pay £250. Private individuals and other private organisations with an annual turnover of less than 100,000 pounds pay £100. However, membership fees account for only a small fraction of CCS's turnover. Core funding is primarily provided by grants.

RESSOURCES members pay a fee ranging from 250 to 700 euros per year, according to the number of employees<sup>16</sup>. These fees are fixed every year by the General Assembly – but according to the statutes, fees must not be below 100 euros or above 6,200 euros in any case. Sympathising members pay 200 euros per year independently of the number of employees.

<sup>16</sup> Members with less than 10 employees must pay 250 euros per year; members between 10 and 20 employees 500 euros per year; members between 20 and 50 employees 600 euros per year, and finally, members with more than 50 employees must pay 700 euros per year.

Another network included in this study sets a membership fee linked to the number of FTE employees, including all kinds of employment schemes. The fee is approximately 2 or 3 euros per FTE employee. However, there is also a separate fee based on re-use operations – organisations pay around 25 cents per inhabitant of the region in which they are active. Overall, there is a very broad range, with members from 10,000 to 100,000 euros per year.

It is also possible to set different parameters to define the contribution to be paid to the network. Another network sets the membership fee at 150 euros for the first year, and 400 euros plus 0,2% of the turnover from the second year onwards, with a maximum of 15,000 euros. In another network, members pay less than 1 cent per kilo of products and materials collected – but they must also pay 120 euros per store every year plus a percentage of sales. The network could not run its operations and be financially sustainable otherwise.

### *Other sources of revenue*

Membership fees and grants are generally the primary sources of revenue for re-use networks, to varying degrees. However, projects and paid events are also potential sources of revenue.

*Table 4.* What are the main sources of revenue of the network?

	1 Not important at all	2	3	4	5 Very important
Membership fees	0%	25%	25%	12.5%	37.5%
Grants	25%	12.5%	0%	37.5%	25%
Projects	0%	37.5%	12.5%	37.5%	12.5%
Paid events	75%	12.5%	0%	12.5%	0%
Others	87.5%	12.5%	0%	0%	0%

For example, a network included in this study is funded by its national Department of the Environment both through a general grant and participation in projects. The situation is particularly volatile due to the need for renewal of funding each year. The secretariat is currently working on funding diversification, as there are obvious risks of having only one primary funder. Some options include applying for grants and projects from other public bodies and trying to engage in the network supporter members.

Grants can be oriented to support re-use activities, support social employment schemes, or fund specific projects. For example, a network receives funding from two different foundations to compile best practices on specific re-use activities and create toolkits, workshops, and theme days around them. The network even received access to 100,000 euros of funding every year for members to implement this kind of practices – each member can apply for up to 10,000 or 15,000 euros to launch a new activity. This is a great opportunity, as the network receives financial support while bolstering an essential activity such as best practices dissemination.

### Case study: CCS’ diversified sources of revenue

While CCS’ main source of revenue is a public grant, the network counts on diverse sources of income coming from paid events, sponsorships, member fees, or individual pieces of work that CCS might do and get paid for. The major paid event is the Annual Conference. It is the biggest event of the year and the one with the highest fee. Even members get charged a fee because it is a significant all-day event. CCS also receives a sponsorship for the event.

Regarding specific projects, CCS has recently launched the Sharing and Repair Network and the Affordable Access to Bikes Project. For the former, the network received funding and a management fee to set up a network of repair operators, sharing libraries, and tool libraries in Scotland. For the latter, CCS will receive support from Cycling Scotland, a large charity in charge of promoting cycling in Scotland, which provided funding to create a network just for bike re-use and bike-related circular economy projects in the region.

## POLICY AND OPERATING ENVIRONMENT

### *Networks relationships with public authorities*

Another important aspect of the investigation was to determine the role of public authorities in the development of networks and the existing relationships among them.

Table 5. What were the main organisations or actors driving the creation of the network?

	1 Not important at all	2	3	4	5 Very important
Social enterprises	12.5%	0%	0%	12.5%	75%
Public authorities	37.5%	12.5%	12.5%	25%	12.5%

Only three respondents considered public authorities as “important” or “very important” players in the creation of the network. For HERW!N, the only network that deemed public authorities “very important” in the establishment of the network, public authorities played an

important role from the outset. The government split Flanders into regions and assigned social enterprises to specific areas, thus preventing competition. Re-use and social employment targets were also a key driver, making re-use centres actively participate in waste prevention and management and boosting their professionalisation.

### **Case study: CCS' relationship with public authorities and other stakeholders**

CCS is quite active in participating in external events. For instance, the network has engaged in groups such as the Scottish Parliament's Cross Party Working Group for the Circular Economy or the Scottish Governments Waste and Resources Sector Forum, provided evidence to the Scottish Climate Assembly, collaborated with organisations such as Zero Waste Scotland or met with MSPs and Ministers.

However, it has also engaged locally, meeting with various individual local authorities or participating in Waste Managers Network (WMON) meetings, and also internationally, participating in RREUSE's meetings and Social and Circular Economy Working Groups. Finally, it also participates in social and environmental coalitions and groups such as Stop Climate Chaos Scotland Coalition or the Social Enterprise Net Zero Steering Group.

HERW!N was also the only network to claim public support for the sector being “very strong”. The network is involved in many groups including the regional committee around household waste, the committee for industrial waste, and groups concerning (W)EEE and EPR schemes where HERW!N aims to defend its members' interests. It also holds recurrent meetings with the Flemish government and local authorities.

Likewise, CRNI participates in high-level working groups and meetings with public authorities. For example, the network holds quarterly meetings with the authorities from the three waste regions in which Ireland is divided. For CRNI, it is essential acting on behalf of members to try to get their services into local amenity sites that receive re-usable materials.

It is particularly important to pay attention to EPR schemes, as their practical implementation often conflicts with the waste hierarchy, prioritising recycling over re-use and limiting the role that re-use operators. Promoting re-use in the framework of EPR schemes is one of the main priorities of RESSOURCES' lobbying strategic plan. This network takes part in Recupel, a Product Responsibility Organisation (PRO) that manages a take-back obligation for (W)EEE. It is necessary to connect the network's participation on EPR schemes with other lobbying activities – thus ensuring that re-use is duly promoted.

## Case study: RepaNet's networking with other organisations and networks

To advance its lobbying efforts, RepaNet seeks to engage with all relevant stakeholders, including through public authorities, NGOs, other networks, and companies. One key partner for RepaNet is arbeit plus, the national network of social enterprises. From the onset, RepaNet cooperated with this organisation, which focuses only on social policy and labour market, but not on waste management or other operational issues. RepaNet positioned itself as an organisation not dealing with such social policy issues, thus preventing an overlap.

RepaNet participates in Circular Futures, a multi-stakeholder platform to promote the circular economy in Austria. This platform acts as a think tank, incubator, and catalyst of projects and initiatives for the transition to a circular economy initiated at the end of 2016. The partners include Umweltdachverband (UWD), the European Environmental Bureau (EEB), RepaNet, and the Waste Advice Association Austria (VABÖ). The goal is to connect people, ideas, and knowledge for a more circular economy in Austria.

In short, it is necessary to network with different types of organisations, not only public authorities. As highlighted during the interview, insistence and perseverance are imperative, since it is necessary to increase the visibility of the network in order to become the reference in the field.

A key asset for social enterprises is to leverage the good reputation of non-profit organisations. However, FairWertung has observed increasing competition in the textiles re-use sector despite the legal provisions protecting non-profits. While charities and social enterprises are *a priori* legally privileged, in practice the industry is increasingly interested in the sector and competing with the non-profit sector. A few years ago, the entire collection market in Germany was run by non-profits, but it is now only 30%. This is why, according to this network, lobbying is currently essential, as the market will change dramatically in the years ahead and non-profits should secure their activities.

### *Re-use and preparation for re-use targets*

Re-use and preparation for re-use targets are essential to implement the waste hierarchy and create job opportunities. Quantitative targets would stimulate the cooperation of municipalities, collection schemes, retailers, and other actors with preparing for re-use operators, which is necessary for accessing the waste stream and thus prevent premature recycling.

From the countries and regions included in this study, France, Wallonia, and Flanders already have re-use targets in place. In the Netherlands targets will be implemented soon – and in Scotland, Germany, and Ireland, it is a topic under discussion.

### Case study: Target 2% of WEEE to be prepared for re-use from January 2020, covering six categories of WEEE. Wallonia (Belgium).

- **Scope:** Waste.
- **Type of indicator:** Percentage of waste prepared for re-use within that product category (waste prepared for re-use / collection of waste in that fraction)
- **Categories of products covered:** WEEE (six categories of appliances, making it wider in scope than the Spanish target).
- **Point of measurement:** The product has gone through the re-use/preparing for re-use process and is ready to be sold on the market. However, both input (WEEE entering the preparation for re-use centre) and output (EEE prepared for re-use being sold) will be measured as well.
- **Responsible for data collection:** Producers (through EPR schemes), collectors, and preparation for re-use centre.
- **Results or expected results:** The goal is to prevent waste whilst making producers responsible for that task.

In Flanders, the target to reach 7kg of re-use and preparation for re-use per capita and year by 2022 is about to expire. A follow-up target is in the making and will probably be 8kg, even if HERW!N is advocating to raise the bar to 10kg per capita and year by 2026.

### Case study: Re-use target of 7kg per capita and year by 2022 in Flanders (Belgium).

- **Scope:** Non-waste.
- **Type of indicator:** kg per capita and year.
- **Categories of products covered:** All goods being processed through a re-use centre.
- **Point of measurement:** The product has gone through the re-use/preparing for re-use process and has been sold as a second-hand good.
- **Responsible for data collection:** Re-use centres can conclude agreements individually with OVAM and receive subsidies in exchange for, among others, reporting annually on their activities.
- **Results or expected results:** Make re-use centres from the social economy actively participate in waste prevention and management, increase the professionalisation of the re-use sector, create jobs for people at risk of socio-economic exclusion, improve re-use rates, achieve waste prevention objectives and, finally, make everyday goods accessible to low income households

In short, such initiatives demonstrate that re-use is measurable, that targets are feasible, and that structural support for re-use is possible. Targets are increasingly effective to promote the re-use sector and unleash its social and environmental benefits.

#### *National social enterprise legislation*

While the social economy is a growing reality in the EU, representing 8% of its GDP and employing 13,6 million people, there is currently a lack of legal recognition. Moreover, legal and policy frameworks do not converge between Member States.

In Flanders, social enterprises have to be formally recognised by the government and employ at least 70% of people with a distance to the labour market. However, there is currently a shift in policies to also promote social employment in private companies. This shift might entail increased competition for social enterprises.

### Case study: definition of social enterprises by EMES

One of the main efforts to conceptualise social enterprises has come from EMES, a network of research centres and individuals. By observing various initiatives, EMES has managed to identify nine characteristics of social enterprises, across three dimensions.

#### *Economic dimension*

- The ongoing production of goods and/or provision of services is (are) the main activity of the social enterprise.
- The social entrepreneur assumes a significant level of economic risk-taking. Its financial viability depends on the efforts of its workers.
- Although it may also make use of non-monetary resources and volunteers, the activity of the social enterprise relies on a minimum level of paid employment.

#### *Social dimension*

- One of the main objectives of the social enterprise is to serve the public or a specific group of people.
- The social enterprise is the result of a collective dynamic, initiated by the members of a group or community sharing a specific need or objective.
- The profits obtained by the social enterprise are not (associative model), or only to a limited extent (cooperative model), redistributed to its members but reinvested in the development of the economic activity and the social objective that underlies it.

#### *Governance structure*

- The social enterprise is owned by its founder(s) and enjoys a high degree of autonomy. It is neither directly nor indirectly directed by the public authorities or a third private organisation.
- Decision-making power in the social enterprise is not based on capital ownership but is shared equally among its members according to the "one member, one vote" principle.
- The social enterprise promotes the representation and democratic participation of its users or clients in the decision-making process.

However, in some countries social enterprises are defined more broadly. In Germany, social enterprises are defined as organisations seeking to solve social or environmental problems by entrepreneurial means. Similarly, BKN uses the European definition, according to which a social enterprise does businesses primarily based on a social mission; realises impact as an independent enterprise that provides a service or product; has a revenue model; sees profit as a means, not an end; is transparent and fair to everyone; is social in the way the business is run; and bases management and policy on a balanced participation of all stakeholders.

### Case study: National social enterprise legislation in Ireland

In Ireland, social enterprises' definition is rather vague and is due for revision. CRNI endorses the Social Enterprises definition according to which «a social enterprise is a business model that puts people and community first, ahead of private or personal gain, while operating in a commercially viable and sustainable way».

In the government's page *National Social Enterprise Policy for Ireland 2019-2022*, these are defined as «businesses whose core objective is to achieve a social, societal or environmental impact. Like other businesses, social enterprises trade in goods or services on an ongoing basis. However, any surpluses they generate are re-invested into achieving a social impact». This policy sets out 26 commitments across three objectives: building awareness of social enterprise, growing and strengthening social enterprise, and achieving better policy alignment.

## SUCCESS FACTORS AND BEST PRACTICES

Finally, this section will focus on factors that have been identified as successful drivers for re-use networks and specific guidance for a new network. Many factors have been observed, including professionalisation of the network, broad representation of the sector, impact communication, continuity of staff, resilience or partnerships. However, only a few of these will be expanded in this report.

### *Partnerships with other organisations*

Partnerships with the private sector are a fairly problematic topic within the re-use sector. However, a number of networks noted that such initiatives have had a positive effect on their members. Although companies may be interested in such partnerships for greenwashing purposes, there is an argument that these companies will continue operating either way. There are different kinds of potential benefits for re-use operators such as enhanced collection of products to prepare for re-use, better visibility, or innovation.

In the Netherlands, Het Goed entered into a structural partnership with IKEA. This company introduced the Circular Hub, in which products that have suffered damaged or have been returned are refurbished if necessary and sold second-hand. Through this partnership, products for which there is no room in the Circular Hub are donated for free to Het Goed to be sold in their stores. Customers that do not qualify for IKEA's furniture trade-in service are also

referred to the free collection service of Het Goed. This is therefore a useful partnership to improve the collection of re-usable goods without additional costs.

Het Goed also collaborates with Zeeman, a retailer of clothes and household goods. Following this partnership, Zeeman started collecting second-hand clothes, which are then donated to Het Goed to be sorted, and later on sold second-hand in Zeeman stores under the RESALE label. Clothes that do not meet the criteria are recycled as much as possible. Initially implemented in a few shops, this partnership will soon spread all over the Netherlands due to its success.

To enhance its visibility and be an essential actor of an innovative project, FairWertung joined the Circular Fashion Pilot Project. This pioneering project gathers non-profits organisations and fashion brands intending to develop a closed loop system for the fashion industry on a large scale. Each garment will be designed to follow circular requirements and use an identifier (circularity.ID®) that will allow customers to access information such as material components, production country, care instructions, and end-of-use opportunities. FairWertung and some of its members will be in charge of collecting the garments at the end-of-use phase and carry out intelligent sorting.

This project is at the core of FairWertung efforts to protect non-profit's role in the circular economy, which also entails having a clear strategy regarding what is their relationship with recyclers and other companies. Thanks to this project, FairWertung will be a front-runner in the circular economy, cooperating with companies to test new systems. This will be useful for lobbying efforts, as politicians are likely to welcome such initiative. It also highlights that non-profit's are needed in the circular economy of the future, making other stakeholders take that into account. Hence, this project is not profitable right now, it is rather an investment to position the circular and social sector in the field.

### *Communications*

Whilst social enterprises active in the circular economy deliver many social and environmental benefits, it is often challenging to communicate such impact due among others to lack of economic means and experience. However, impact reporting is essential for the sector in order to strengthen lobbying efforts and to communicate impact to citizens and stakeholders.

For example, BKN has indicated that the best way to convince public authorities to implement policies promoting re-use is highlighting that the re-use of products has the most significant climate profit of all. This is because as social enterprises prevent waste and the production of new goods, therefore reducing CO2 emissions. In this regard, BKN has developed and made available to members a CO2 calculator to calculate and report avoided CO2 emissions<sup>17</sup>. BKN uses the data collected to prepare communication actions. For instance, in 2020 it handed to the State Secretary a “CO2 cheque” for the value of 130 million kilos of CO2 – the total amount of emissions avoided by the overall network that year.

In the same way, AERESS has developed in Spain a CO2 calculator and a social calculator. With the CO2 calculator, citizens can gain a better understanding of the positive impact of re-using in terms of CO2 emissions avoidance and waste consumption<sup>18</sup>. Thanks to the social calculator, it is possible to know the impact of the re-use sector on job creation and economic return to society.

Most re-use networks also carry out internal member surveys to collect annual data and publish key figures. Member surveys typically include variables such as tonnes collected, main products or materials, income and/or turnover, and job and training opportunities created (employees, volunteers, work placements, etc.). Collecting and reporting data about impact has been identified during this study as a key driver for public authorities to listen to the needs of the sector in order to further increase its impact.

However, storytelling is also helpful in this regard, as it can make the data more relatable to the audience through specific stories<sup>19</sup>. For example, CCS included in its most recent impact report a section containing stories and best practices from its members, which allowed for a better understanding of the impact of the network.

Finally, routine communication work is also essential. The Director of RepaNet stressed the essential role of newsletters during the development of the network. External newsletters were really useful to reach out to stakeholder. Therefore, in the early years, it was a priority to collect

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<sup>17</sup> This tool was an initiative of BKN and developed by the research institute TNO. BKN’s member Het Goed provided expertise and the partner member Idea-X ensured that the tool became available online for members. A contribution was received for the development of the tool from the Netherlands Enterprise Agency.

<sup>18</sup> It is also possible to download a ticket with key figures. Such figures are framed with some comparisons such as the equivalent of avoided CO2 emissions in terms of cars circulation or CO2 absorbed by trees.

<sup>19</sup> Quantitative and qualitative reporting entail certain challenges. It is usually difficult to ask members to complete a lengthy and detailed survey, which interferes with data collection. With regard to storytelling, it is longer and there may be many stories and many approaches to presenting them.

the email addresses of relevant stakeholders (social enterprises, municipalities, waste management and prevention projects, etc.). It was important to become a relevant and well-known actor in the field – and eventually become a national reference.

### *Quality standards and professionalisation*

Clearly defined quality standards make it easier for re-use operators to improve operations and professionalise their activities, thus achieving their mission. Such re-use standards or labels provide requirements and guidelines to be followed consistently, establishing a framework to carry out re-use activities. Quality standards can be oriented to internal benchmarking, to increase consumers' trust, and/or to promote partnerships and support from the public sector.

#### **Case study: 100% Kringloop quality mark**

The 100% Kringloop quality mark was created to offer professional social enterprises active in re-use the opportunity to distinguish themselves. Having the certificate means, among other things, that it is checked that the organizations establish and operationalize their social and environmental objectives, are transparent about this, have an eye for their environment, that employment conditions are based on collective agreements and that the internal business processes are clear.

BKN ensures that organizations with the 100% Kringloop are audited once every 1,5 years. Organizations affiliated with BKN must achieve this certificate within 3 years after joining the network. They first go through an audit to check whether they meet the quality requirements. Usually they also have an annual report on their website that explains how they work and where the money is spent.

A number of BKN members have been trained by Lloyd's Register as certified auditors to test the quality requirements of this quality mark among members. BKN has the Lloyd's Register Statement, which means that BKN is a solid quality mark organization. In addition, BKN has drawn up the Employment Conditions Manual for its members. The Keurmerk Kringloopbedrijven Quality Mark is basically derived from ISO 9001.

For example, BKN created and manages the quality label 100% Kringloop, which allows social enterprises to distinguish themselves by certifying their social and environmental mission, transparency, and clear internal processes. It clearly shows the standards to which social enterprises live by. This is important to increase trust and reputation – for instance, public authorities often want assurance that they work with professional re-use operators. And 100% Kringloop provides information about the functioning of the organisation.

Similarly, RESSOURCES has worked to improve the professionalisation and become a single point of contact of the re-use sector in Wallonia and Brussels. This is seen as the best way to ensure recognition and support for social enterprises active in re-use. In this regard, quality labels are important because they create and formalise a common approach across the sector, thus giving a clear message. That is why RESSOURCES created and manages several quality standards such as Solid'R, RESSOURCERIES, Rec'Up, or ElectroREV. These labels are oriented to professionalise and harmonise processes. Formalising quality standards sends a clear message to public authorities and other stakeholders.

### **Case study: Solid'R, label for social economy actors active in re-use**

The Solid'R label identifies Belgian social economy actors who collect second-hand goods and have chosen to highlight the ethical principles to which they adhere. These are set out in a charter that also guarantees transparency in the allocation of funds. The goal is to guarantee that purchased second-hand clothes have a positive impact on the planet, local employment, and solidarity.

The principles and criteria queried and checked during the audit are set out by RESSOURCES. The importance of this audit is to make the public aware of the ethical, social and ecological principles that the organisation in question strives entirely voluntarily. Based on the audit and the resulting certificate, RESSOURCES determines whether the Solid'R label could be assigned to the concerning organisation (or not).

Organisations that want to receive the Solid'R label for the first time are subject to an on-site audit. In the following years, a remote audit is carried out. For 'old' member organisations, an on-site audit will be organised every three years. For the smallest organisations this is replaced by a skype call. This is important to discuss whether new developments or changes have taken place in terms of vision, strategy or long-term objectives. By alternating on site audits and remote audits, a balance is respected between maintaining in-depth views about the organisations and pursuing cost-efficiency.

This system is verified by an independent body, Forum Ethibel, which guarantees that the principles are respected. Forum Ethibel is a not-for-profit organisation expert in rating, independent control and certification of products that meet ethical, societal, ecological and good governance standards. This audit and certification is carried out on behalf of RESSOURCES.

Finally, some re-use standards are oriented to marketing and brand visibility, thus increasing sales. Brand visibility means that it is easier for potential customers to recognise and locate stores and products. Hence, brand awareness increases sales because it positions the organisation as a reference in the second-hand market.

### Case study: ReVital, a brand name of well-preserved second-hand goods

ReVital is the brand name of a line of used but well-preserved and perfectly functioning electrical appliances, furniture, sports and leisure equipment and household goods. These goods are collected, processed and prepared for re-use, and offered for sale as tested high-quality goods at a low price.

This project was launched because, even though there were many local re-use activities there was a lack of province-wide cooperation, and there was a high reuse quota only in textiles, but not in other waste streams. The main goals of the initiative are the following: (1) avoidance of waste by promoting re-use, (2) high quality, unique brand positioning, (3) avoidance of conflicts with other markets participants, (4) increase supply and demand of re-use products by creating a new, agreeable label.

The network works as follows: the collection partners are made up of province associations and municipalities. In Upper Austria there are 185 waste collection professional centres, in which different waste streams are collected. The shop and repair partners are basically social enterprises. Finally, Landesabfallverband (the State Waste Association) holds the coordination role and owns the license of ReVital.

### *Resilience and adaptability*

An essential asset of social enterprises active in the circular economy is their resilience and adaptation capacity during times of great challenges, such as the COVID-19 pandemic. Whilst most re-use operators faced sudden losses of revenue, they stayed proactive in pursuing their mission, often re-orienting activities to adapt to the situation and help those most in need.

For instance, while the COVID-19 pandemic disrupted usual operations, BKN members have adapted brilliantly, accelerating the shift towards digital tools and e-commerce and re-orienting activities in order to contribute to social inclusion. According to the interviewee,

*«employees started thinking: "what can we do?", "What can we offer to people other than second-hand goods in our shop?". So they started creating services, and in the time that we did collect stuff but couldn't sell it, we started cooperating with other companies who had room and warehouses where we could sort stuff so they wouldn't go to the waste containers. I saw a lot of creativity and a lot of flexibility with our members, especially the past two years».*

However, when difficulties arise, it is also important to understand the challenges and communicate the data to public authorities. Even in this context, re-use networks can help to access information about funding opportunities, coordinate activities, disseminate best practices, and liaise with public authorities. During the pandemic, RREUSE provided a space for communication and cooperation to social enterprises and networks throughout Europe. It

also organised COVID-19 working groups and provided assistance by sending targeted updates to members. National and regional networks provided similar services to their members.

### *Advice for a new re-use network*

Finally, interviewees were given information about the research project and asked to give advice to a new re-use network. The aim of this question was to understand what the main priorities and challenges are when setting up a re-use network.

Two interviewees focussed on the importance of being open to partnerships with private companies. While it is essential for social enterprises to keep their own mission and values, private companies will keep operating anyway – so it is deemed preferable to join them in projects and benefit from win-win opportunities. For example, partnerships can be useful to get ahead in quality of products collected or to become a key element in the transition to the circular economy of the future. Similarly, it is essential to be in contact with other organisations from the social economy to coordinate tasks and defend common interests.

In fact, an interviewee pointed out the importance of being broad in terms of the types of social economy organisations and activities represented in the network. Networks should be capable of involving different kinds of organisations (social enterprises, charities, cooperatives, volunteer initiatives, etc.) and of circular economy activities (re-use, repair, recycling, upcycling, remanufacturing, etc.). A network bringing together all relevant actors of the social and circular economy is stronger than a fragmented set of initiatives.

Some individuals also highlighted the need to be patient – while keeping in mind the need to be in contact with relevant stakeholders and to build a strong network. It is best to start with only a few members until it is clear which services will be provided. In that sense, the interviewee of a new network of re-use operators advised to carry out a survey to gain a better understanding of the needs of potential members.

In this sense, an interviewee stressed the need to listen to members and prospective members, thus understanding their goals and challenges. Networks must be open and receptive.

*«Our members, individually, don't work to support us. If we didn't exist, they would still do their work. We as a network we exist to serve and support them. If the members didn't exist or if we didn't have members, we wouldn't exist as a network».*

An initial feasibility study would also help identify possible members and highlight the benefits of setting up a network. Another interesting possibility is to pay for consultancy services in order to get help in terms of governance and organisation of the network. This is particularly useful if the members of the board do not have much experience in management.

In this respect, another interviewee emphasised the importance of building on existing initiatives and networks. Training for those interested in initiating and developing reuse operations is also very helpful. However, it is rather difficult to start a network of re-use operators without subsidies, because re-use is currently not a very profitable field. Therefore, it is important to have strong and evidence-based arguments early on about the benefits of supporting the re-use sector.

A focus on people, not only organisations, is also helpful to set up a re-use network. If there is a good relationship with individuals, a better organisation is more likely to follow. The process of creating, developing, and managing a network of like-minded people should be enjoyed. In this sense, it is also advisable to create spaces for citizens to engage in the sector through popular activities even if they are still not familiarised with it.

## DISCUSSION

This final section aims to analyse the main findings of this study and shed light on what are the main strengths, weaknesses, opportunities, and threats faced by re-use networks.

### *RREUSE's reflections on re-use networks*

Building upon years of experience supporting national and regional re-use networks and representing their interests on a European level, RREUSE has developed expertise around re-use networks and will therefore contribute to this study with its own reflections.

According to RREUSE, the main tasks of regional and national re-use networks in Europe should be the following:

- Aggregate the demands of members and develop a lobbying activity at national level to support circular economy as a tool to create job opportunity in the field of waste management with a particular focus on inclusion of vulnerable people.
- Represent the movement of re-use social enterprises, both public and private, at national level. This representation should target key stakeholders, notably public authorities, the private sector and civil society.
- Play the role of a clearinghouse to support and replicate best practices across the national territory.
- Promote innovation drawing from lessons and experience taken domestically and at European level.
- Represent the national members at European level through the participation of European specialised platforms such as RREUSE, Zero Waste Europe, and similar.
- Organise services for members in the field of communications, quality systems, training, and management.

Two main types of re-use networks are usually found in Europe: networks with a strong brand and loose networks. Networks with a strong brand (same name, same brand, same store layout, etc.) are typically the result of a top-down approach. They are more visible to the public and immediately recognisable at the national level. These networks can more easily avoid competition between members, allowing cooperation between them instead.

Loose networks are usually the result of a bottom-up approach. They allow for more flexibility in how members can develop their initiatives but they may face challenges in terms of lobbying and other types of cooperation. However, this is not an insurmountable barrier – appropriate organisation and decision-making can enable this type of networks to develop an excellent

lobbying power. Furthermore, flexibility and diversity may enable the network to engage more organisations, build resilience, and disseminate know-how among its members.

While networks are created to provide support to members, the latter also have certain responsibilities in order to enable the tasks of the network. For instance, members with a more advanced level of development should be willing to share the key elements of their success with less developed members. This responsibility implies, amongst other things, participating in the exchange of know-how and being open towards partnerships with other members. The rapid diffusion of good practice stimulates innovation and thus strengthens the overall network.

Indeed, partnerships and cooperation are crucial for the success of the network. One possibility is to create clusters at regional or interregional level to promote business cooperation in specific waste streams – amongst members themselves or with industry actors interested in creating synergies with social economy entities. Member organisations should also promote the circular economy and its potential for job creation at the local level.

It is also helpful to examine what is happening in other countries and regions where networks already exist with a high level of development. While this study and its related materials will be useful in this regard, continued emphasis should be placed on learning and replicating best practices.

For a network to thrive it is worth defining a minimum common denominator for network accessibility. Although the access criteria should not be too strict at the outset, it is also preferable to focus on services to existing members rather than trying to maximise their number. It is critical for networks to provide value to their members. It would be helpful in this regard to draw up a detailed list of services offered to members. It is also recommended to study the needs of social enterprises active in the circular economy within the territory.

To ensure the financial sustainability of networks, it is essential for re-use operations to be paid through waste management fees and eco-taxes collected when new items are purchased. Another measure to make the sector financially stronger would be to provide longer support to disadvantaged workers. Finally, dedicated operational grant systems should be introduced at national level to support social re-use networks.

In that regard, it will most likely be necessary to have access to seed funding at least for the early years. As noted in this study, most networks normally rely on various sources of revenue, not just membership fees. In addition, the transition from a publicly funded project to a self-

funded or mostly self-funded network has been found to be deeply challenging in most cases. Access to public support will be facilitated by highlighting the many benefits of social re-use networks and developing a strong lobbying strategy.

### *Main strengths*

- *Resilience and adaptability.* Social enterprises operating in the circular economy are highly adaptable in times of major challenges. For example, re-use operators remained proactive in pursuing their mission during the COVID-19 pandemic, often re-orienting activities to improve social inclusion and accelerate the shift towards digital tools and e-commerce. Networks play a key role in building resilience by encouraging partnerships, sharing best practices, and promoting innovation.
- *Existence of re-use quality standards to professionalise the sector.* Clearly defined quality standards make it easier for re-use operators to improve operations and professionalise their activities. Re-use standards provide requirements and guidelines to be followed, establishing a framework for re-use operations.
- *Broad range of activities and of social economy actors.* This is an important factor in creating a single point of contact for the overall social and circular economy and in facilitating the dissemination of know-how. It is essential to build a common voice through a comprehensive network to be heard by relevant stakeholders.
- *Mutual support and non-competitive attitude of social economy actors.* A key strength of social re-use networks is the uncompetitive attitude of members. A number of networks emphasised that this mindset facilitates the dissemination of good practices and the creation of partnerships between members. It is therefore essential to create a network culture whereby members engage with the network and support one another.
- *Creation of a single point of contact through networks.* Establishing a single point of contact for the overall sector yields many benefits such as improving visibility, facilitating the participation in public working groups and events, and eventually becoming the go-to organisation for all issues concerning re-use.

	<i>Helpful to achieving objectives</i>	<i>Harmful to achieving objectives</i>
<i>Internal origin</i>	<p style="text-align: center;"><b>STRENGTHS</b></p> <ul style="list-style-type: none"> <li>• Resilience and adaptability</li> <li>• Existence of re-use quality standards to professionalise the sector</li> <li>• Broad range of activities and of social economy actors</li> <li>• Mutual support and non-competitive attitude among social economy actors</li> <li>• Creation of a single point of contact through networks</li> </ul>	<p style="text-align: center;"><b>WEAKNESSES</b></p> <ul style="list-style-type: none"> <li>• Need for efficient data collection systems</li> <li>• Dependency on a few sources of revenue</li> <li>• Lack of a lobbying strategy</li> <li>• Low or no profitability</li> <li>• Lack of means to communicate positive impact</li> </ul>
<i>External origin</i>	<p style="text-align: center;"><b>OPPORTUNITIES</b></p> <ul style="list-style-type: none"> <li>• Unique availability of re-use data</li> <li>• Reputation linked to non-profit status</li> <li>• Establishment of win-win partnerships with companies</li> <li>• Digitalisation of sales, processes, and data collection</li> <li>• Creation of innovative tools to communicate impact</li> <li>• Proposing legislation drawing from the experience in countries where re-use is well established</li> <li>• Partnerships and collaboration with other non-profit organisations</li> <li>• SEAP establishing a 9-year framework favourable to the sector</li> <li>• Growing interest in the social and circular economy</li> </ul>	<p style="text-align: center;"><b>THREATS</b></p> <ul style="list-style-type: none"> <li>• For-profit companies entering the re-use sector</li> <li>• EPR schemes hampering the implementation of the waste hierarchy</li> <li>• Lack of access to products and waste stream</li> <li>• Insufficient implementation of social clauses and reserved contracts</li> <li>• Lack of ambition in re-use targets</li> <li>• Insufficient support and funding for circular training programmes</li> <li>• Significant barriers to access loans and microfinance</li> <li>• Transitioning from a project to an independent organisation</li> </ul>

## Main weaknesses

- *Need for efficient data collection systems.* Despite recurrent efforts, a number of re-use networks have highlighted that data collection is often a time-consuming and complex process. However, high-quality data is needed to report it to public authorities, do lobbying, and take better decisions. It is essential to design consistent and coherent data collection methods. For example, HERW!N reported the benefits of using a data collection software which allows to save time, harmonise data collection, and automatically generate indicators.
- *Dependency on a few sources of revenue.* Re-use networks can become dependent of a single or a very limited number of revenue sources, which entails many risks especially if grants have to be renewed on a yearly basis. For example, a re-use network highlighted its dependency on a structural grant by a public agency and its current efforts to apply for other grants or increase funding from sponsors and members to be financially stable.
- *Lack of a lobbying strategy.* The case of a national re-use network showcased the need of designing a coherent lobbying strategy to frame and give a direction to lobbying efforts. This strategy should be developed in line with members' needs and take into consideration the existing possibilities to reach out and influence policymaking. In that regard, appropriate organisation to coordinate lobbying with members must be implemented.
- *Low profitability.* Several interviewees stressed the fact that re-use and preparation for re-use are normally not profitable economic activities, especially when it is not well established. Subsidies linked to the provision of social employment opportunities, a dedicated grant system, and eco-taxes collected when new items are purchased should be envisioned in order to fund the re-use sector.
- *Lack of means and habit to communicate positive impact.* While private retail companies have been successful in convincing people to purchase goods, re-use operators typically lack the means and the habit of engaging in marketing practices. However, this is essential to increase visibility and communicate the benefits of re-use. Different and fit-for-purpose media channels must be harnessed to communicate this message.

## Main opportunities

- *Unique availability of re-use data.* As highlighted during this study, social re-use networks can count on high-quality data around re-use activities, which are typically not available for public authorities or other actors. Therefore, because public authorities cannot collect such data, support should be provided to re-use networks for their data collection and management efforts, which is necessary in order to monitor the evolution of re-use and thus the implementation of the waste hierarchy. High-quality data is also very valuable to feed public consultations and inform relevant stakeholders<sup>20</sup>.
- *Reputation linked to non-profit nature.* Organisations from the social economy often enjoy a good reputation linked to their non-profit status, thus getting public authorities to trust and listen to their position. This is essential to advance lobbying efforts.
- *Establishment of win-win partnerships with companies.* This study has also highlighted the benefits of forging partnerships with the private sector if they contribute to the overall mission and values of social enterprises carrying out re-use activities. Partnerships can help enhance visibility, increase collection rates, or boost innovation.
- *Digitalisation of sales, processes, and data collection.* Some re-use networks are involved in the creation of new digital platforms. For example, a number of re-use networks are using software to register the inflow and outflow of goods and other relevant data points to improve data collection. A few re-use networks are also creating common e-commerce platforms in order to boost members' digital presence and sales.
- *Creation of innovative tools to communicate impact.* Adequately communicating their impact still remains a challenge for many re-use networks. Creating digital platforms to easily calculate the environmental and social impact of re-use activities is a path forward to facilitate this task. It allows citizens to be aware of the impact of their consumption choices – but also to inform public authorities of the impact of re-use operators.
- *Proposing legislation drawing from the experience in countries where re-use is well established.* The establishment and cooperation of re-use networks throughout Europe gives the opportunity to learn from one another and advocate for the replication of successful policies to promote the sector. It is also possible to find solutions to

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<sup>20</sup> For example, RREUSE had the opportunity to contribute to the consultation process of a report for the OECD thanks to its data collection efforts.

operational challenges through the development of working groups and other kinds of meetings.

- *Partnerships and collaboration with other non-profit organisations.* It is essential for social re-use networks to collaborate with other non-profit organisations such as networks of social enterprises or environmental NGO's. Such partnerships can strengthen lobbying efforts, catalyse new projects and initiatives, and facilitate the coordination of common tasks.
- *SEAP establishing a 9-year framework favourable to the sector.* The Social Economy Action Plan (SEAP) establishes a 9-year framework (2021-2030) to ensure social economy actors are appropriately recognised and supported. For instance, this plan includes guidance on targeted taxation policies for differing social entities and puts an emphasis on socially responsible public procurement.
- *Growing interest in the social and circular economy.* RREUSE and other re-use networks have noted an increasing political relevance of the social and circular economy. Whilst the European Circular Economy Action Plan had already recognised the job creation potential of social enterprises active in the circular economy, the OECD recently released a very important policy brief recognising social enterprises' pioneering role in expanding and making more inclusive circular economy practices.

### *Main threats*

- *For-profit companies entering the re-use sector.* Re-use networks have stressed the growing interest of the private sector in re-use and repair over the past few years. For example, despite legal protection, a decrease of social economy organisations in the collection of textiles has been observed in Germany. Nevertheless, the social economy offers social and environmental advantages that need to be protected. Legislation should be adopted to prevent competition from new circular business models with re-use operators and independent social economy repairers<sup>21</sup>.
- *EPR schemes hampering the implementation of the waste hierarchy.* The development of EPR schemes throughout Europe often give retailers and producers control on the

<sup>21</sup> Lowering the price and ensuring the availability of spare parts, providing information on how to re-use and repair products at the end of life, and ensuring trademark laws do not lead to repair and re-use monopolies are essential measures in this regard.

collection of waste products, limiting the access to re-use social enterprises and impeding the implementation of the waste hierarchy. Re-use operators should receive part of the contribution collected when a new item is bought. In this sense, re-use networks should make EPR schemes a key priority in their lobbying strategies.

- *Lack of access to products and waste stream.* Those who manage waste streams, whether municipalities, retailers or Extended Producer Responsibility Organisations (PROs), should make discarded re-usable products available to certified re-use operators. Access to the waste stream has been identified as a key factor in this study.
- *Insufficient implementation of social clauses and reserved contracts.* While the EU's Directive on Public Procurement allows Member States to reserve contracts for social reasons, this practice still remains an exception in most countries. Combined social and circular clauses should be implemented in tendering procedures in order to unleash the potential of the social re-use sector.
- *Lack of ambition in re-use targets.* While some national and regional governments are taking their own initiative and putting strong re-use and preparation for re-use targets, a lack of emphasis on the need for separate re-use and preparation for re-use targets has been observed at EU level. Targets are essential to implement the principles of the waste hierarchy and promote social employment.
- *Insufficient support and funding for circular training programmes.* Skills are essential to building resiliency, social equity and sustainable competitiveness. However, despite the key role of social enterprises in providing skills for the circular economy and reducing inequalities caused by digitalisation, there is a lack of support for circular skills programmes. Circular training programmes should be adequately funded and included in traditional educational programmes.
- *Significant barriers to access loans and microfinance.* Social economy actors face many obstacles to accessing loans and microfinance under favorable terms given their not-for-profit nature, particularly where networks are not well developed. For example, in some countries, social enterprises were not able to access recovery funds during the COVID-19 crisis, despite the entrepreneurial activities and social services provided.
- *Transitioning from a project to an independent organisation.* This study showed how some re-use networks were created as a result of project-specific funding. There may be a gap between the termination of initial funding and financial stability. There can be a

gap between the end of seed funding and financial stability. New networks should seek to diversify sources of revenue, clearly explain what are the benefits of joining the network, and strongly defend the need for public support.

### *Recommendations*

- Conduct a mapping of stakeholders before or during the establishment of the network.
- Conduct a feasibility study to further understand member's and potential members needs and expectations.
- Establish a minimum common denominator for accessibility to the network, even though initial criteria should not be too stringent. Set a maximum number of members at the beginning.
- Build a strong email list and social media presence to increase the visibility of the network towards key stakeholders.
- Outsource part of the governance and management tasks during the establishment of the network, particularly if members of the Board and the Secretariat lack experience in this regard. Seriously consider the possibility of developing a Theory of Change to outline the steps needed to achieve the overall mission.
- Prepare a comprehensive and clear list of services that the network will provide to members.
- Promote the digitalisation of the re-use sector through e-commerce platforms, data collection software, and innovative communication tools.
- Lobby for ambitious national re-use targets linked to social employment. Existing targets can be used as examples in this regard.
- Develop a comprehensive lobbying strategy based on the needs and priorities of the membership. Internal policy working groups and recurrent policy updates to members are recommended.
- Monitor the creation and development of EPR schemes and lobby to ensure that re-use operators have access to waste products and that re-use operations are paid through waste management fees and collected eco-taxes.
- Ensure the collection and management of high-quality data regarding circular economy operations and job creation. Use the data to enhance lobbying and decision-making.

- Promote a network culture in which members are in contact and exchange know-how beyond the secretariat activities. Therefore, create spaces for members to discuss best practices, projects, and potential partnerships.
- Be open to partnerships with businesses if these collaborations do not threaten the members' values and mission.
- Develop and establish re-use quality standards to enhance public trust and visibility and formalise the professionalisation of re-use operations.
- Seek adequate initial funding for the establishment of the re-use network for at least the first two years. Try diversifying the sources of revenue.
- Examine what is happening in other countries and regions where networks already exist with a high level of development. Continued emphasis should be placed on learning and replicating best practices.