



CITIES Forum 2020

Together we shape  
a sustainable urban future

Porto, 30-31 January 2020

## URBAN AGENDA FOR THE EU - STATE OF PLAY OF ACTIONS

# ENABLING BETTER FUNDING ACROSS THE URBAN AGENDA PARTNERSHIPS

Jonas Byström

European Investment Bank





CITIES Forum 2020

Together we shape  
a sustainable urban future

Porto, 30-31 January 2020

# CIRCULAR ECONOMY IN CITIES

... are regenerative, clean, resilient, prospering, liveable and attractive!

Assets/products are  
*shared/leased* with  
end-of-life *recovery*

**Urban bio-economy** with  
organic by-product/waste  
recovery and urban farms

*Reverse logistics* to  
facilitate re-use, repair  
and remanufacturing

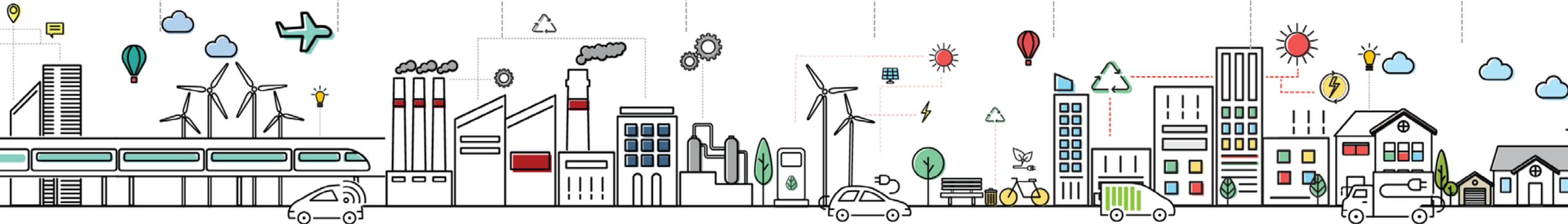
**Digital tools** facilitate  
sharing/recovery  
applications

**Mobility systems**  
are clean and shared

**Production** with  
local value loops and  
industrial symbiosis

**Energy production**  
is renewable and local

**Buildings** are modular,  
shared, and designed for  
disassembly





# CITIES Forum 2020

Together we shape  
a sustainable urban future

Porto, 30-31 January 2020

# CIRCULAR POTENTIAL IN UA PARTNERSHIPS



**Security in Public Spaces**

**“Circular surveillance”**



**Culture/Cultural Heritage**

**Circular repurposing**



**Sustainable Land Use**

**Brownfield remediation/reuse**



**Energy Transition**

**AD, waste heat recovery**



**Public Procurement**

**Circular procurement**



**Climate Adaptation**

**“Circular embankments”**



**Digital Transition**

**Material tracking/exchange**



**Urban Mobility**

**Bike/car sharing solutions**



**Circular Economy**

**Circular cities**



**Urban Poverty**

**CE creates basic jobs**



**Jobs and Skills in the Local Economy**

**CE creates jobs**



**Inclusion of Migrants and Refugees**

**CE connects and creates jobs**

**CE connects and creates jobs**



**Air Quality**

**Shared electric bikes/cars**



**Housing**

**Circular construction**

**Porto.**





CITIES Forum 2020

Together we shape  
a sustainable urban future

Porto, 30-31 January 2020

# FINANCING A CIRCULAR ECONOMY

CE  
promoters  
and projects  
are different

**business model:** traditional “closing loop models”  
or new leasing/sharing models

**company/project size and maturity:** from R&D  
and start-ups to large corporates

**risk profile:** technical risks, market/value  
chain risks, legal risks, client risks



**DIFFERENT TYPES OF FUNDING NEEDED**

Porto.





CITIES Forum 2020

Together we shape  
a sustainable urban future

Porto, 30-31 January 2020

# FINANCING CIRCULAR BUSINESS MODELS

## Traditional CE projects

- Investments that close loops and increase recycling quantity and improve quality
- new waste/material streams, new technologies - feedstock supply/output demand?
- Focus on contracts, markets, competition, regulation etc.
- May need risk mitigation

## New business models

- Sharing/leasing models: focus on cash flow and contracts, with longer financial relations
- Focus on contracts and client credit worthiness (asset security, product recovery)
- New dimensions of residual value – challenges with asset evaluation/tracking
- Focus on supply chain and working capital financing - need for start-up financing

Porto.



European  
Commission



# Welcome to the Circular City Funding Guide!

Here you can find information and support on the funding of circular activities and projects in an urban context

Looking for general information?

[GO TO CIRCULAR CITY CONTEXT](#)

Are you a fund-seeker?

Looking for guidance on the circular economy funding landscape?

[GO TO GUIDANCE](#)

Are you a funder?

Looking for guidance on how to create financing programmes for circular economy projects?

[GO TO GUIDANCE](#)



# CITIES Forum 2020

Together we shape  
a sustainable urban future

Porto, 30-31 January 2020

# GUIDANCE FOR FUND SEEKERS

Organisation or project type	Cash flow characteristics / risk assessment	Funding options			
R&D	Pre-revenue / Very high risk	 Alternatives	 Equity	 Grants	 Guarantees
Start-up	Pre-profit / Very high risk		 Equity	 Grants	 Guarantees
Scale-up	Pre-profit to profit / High risk		 Equity		 Debt
Growth	Profit / Medium risk		 Equity		 Debt
Mature	Profit / Low risk				 Debt
Advisory				 Grants	 Debt



CITIES Forum 2020

Together we shape  
a sustainable urban future

Porto, 30-31 January 2020

LEARN MORE AND ENGAGE!

[www.circularcityfundingguide.eu](http://www.circularcityfundingguide.eu)



Join the Circular City Funding Guide  
LinkedIn Group!

Contact us:

[info@circularcityfundingguide.eu](mailto:info@circularcityfundingguide.eu)

#CircularCityFundingGuide





@EUinmyRegion

@Urbact

@UIA\_Initiative

@EUUrbanAgenda