



Boosting Circular Economy in Africa through Hubs

Learnings from the WCEF 2022 side event, Kigali, Rwanda

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The WCEF side event held on December 7, 2022, in Kigali, Rwanda gathered high-level governmental officials, representatives from enterprises, knowledge institutes, funding agencies and circular economy (CE) hubs (also called hotspots or platforms) to discuss how CE can be accelerated in Africa through hubs. The event was organized by the government of the Netherlands, Holland Circular Hotspot, Nordic Innovation, African Circular Economy Network and supported by various partners. African guests attended from eleven African countries.

The importance of hubs in a circular economy

The aim of the event was to emphasize the importance that hubs play in transitioning to a CE. Hubs vertically and horizontally connect four groups of stakeholders: the government, businesses, knowledge institutes and citizens.¹ By doing so they accelerate the transition, set the trajectories, help to eradicate the barriers and search for and unlock opportunities. They have strong CE competencies and are typically not for profit. The activities of the hubs in a nutshell include:¹

- stakeholder engagement and matchmaking;
- organization of events, workshops and roundtables;
- sharing best practices and lessons learned from the entrepreneurs;
- mapping potentials that can generate the most impactful results;
- sharing knowledge and capacity building;
- guiding entrepreneurs to funding schemes;
- driving positive change in policy, regulation and governance;
- unpacking sector-based sustainable development using CE principles.

The power of hubs for CE is being recognized globally. CE hubs and their activities that can be summarised by network governance can be found all over the world in different socio-cultural and political environments. Efforts are also underway in Africa. Multi-stakeholder CE platforms exist already e.g. in Nigeria (Circular Lagos),² Rwanda,³ and South Africa.⁴

Having (a) hub(s) in a country is an advantage as it allows them to harness local circular potentials unique for each country or region. Setting up a CE hub can be flexible and should be tailored to local conditions and stakeholders, including public, private, or public-private partnerships.

Circular economy in Africa

The CE practices are firmly rooted in African culture and are part of their daily lives. Especially worth mentioning are composting, repair and reuse practices,⁵ and in some cases, widespread refusal of products, such as the plastic bag ban in Rwanda and Kenya.⁶ Value retention practices are mostly exercised out of economic necessity.⁷ Traditional agricultural practices are restorative in nature. If Africa's relatively young population, with 70% of sub-Saharan Africa under the age of 30⁸ is empowered, it can be a driving force behind scaling up circularity. Furthermore, any CE transition in Africa will have to work with the informal sector rather than work against it. Next to this, as there are not many entrenched linear lock-ins, this provides a momentum of opportunity for Africa to prosper on the fundamentals of the CE principles. However, the CE in Africa is not well acknowledged and institutionalised (D. Ohui Nartey, personal communication, Feb 8, 2023). For the time being, the spotlight of the concept is concentrated on waste management and recycling.

As Africa is partaking in the global market, both as an exporter and importer of products and resources, trading could be leveraged to accelerate (and not hamper) the CE in Africa and ideally on both trading sides.

Insights from the roundtable: Opportunities for the CE in Africa and hubs

At the event, it was well acknowledged that the hubs can be catalysts for circular economic development in Africa, and they can have a strong steering function in the transition.

Event participants identified the following activities that hubs could carry out in African countries:

- Initiating and strengthening the awareness of all-encompassing CE practices, especially in the hubs' initial stages. This would allow the citizens and other stakeholders to become aware of the unsustainable and sustainable practices and what and why declares them as such. This will give them a profound understanding of a CE and allow them to make better choices to support the CE. Hubs could also carry out public awareness campaigns - both towards consumers and entrepreneurs that might not self-identify as circular entrepreneurs;
- Advocating and supporting the incorporation of the CE in formal and informal education
- Communicating the CE across sectors and levels as well as in civil society through various channels, including the most widely used media channels;
- Providing regulatory and policy recommendations to bolster the CE and target setting;
- Capacity building and sharing good practices of business models and high-quality circular products, including to business incubators, and organizing events that are focused on information aggregation (i.e. setting up databases on specific types of activities through research or market access projects);
- (Co)-developing the national, regional or city-level CE action plans and roadmaps;
- Creating new links within and between value chains, and between public and private actors that allow for systemic change.
- Stakeholder matchmaking, engaging the hub members and stakeholders that can support and deliver on identified priority areas, partnering the programmes with stakeholders to strengthen the projects; organizing and facilitating partners meetings, and sector working group discussions;
- Involving the informal sector in a just transition to a CE. Hubs could provide a special support to those starting from informal settlements;
- Activating both the private sector and the governmental level, and synchronizing top-down, bottom-up transitioning to a CE;
- Guiding circular entrepreneurs to financial opportunities e.g. sourcing funds from climate financing or other funding schemes. Hubs could also help to valorise and ensure fair pay for circular enterprises;
- Linking CE solutions to local social challenges like climate, job creation or specific SDGs;

- Supporting the development of stronger civil society organizations for joint advocacy for CE.

The discussion explored several options on how to establish a CE hub in African countries and who should be the stakeholders. It was suggested that:

- A CE hub could be established on the basis of already existing initiatives and their network governance activities can act as “the cement between the stones”. For example, in Rwanda a ‘Greenpreneurs network’ has recently been established under the Global Green Growth Institute. It involves many green entrepreneurs and contributes to advocacy, access to information, tools, resources and finance;
- To be sustainable, CE hubs would need to be driven by businesses and public actors as a platform for public-private interactions. The public sector could support the up-scaling for example via public circular procurement;
- The competencies needed to set up a hub connect to having an interest and capacity to understand the skills and interests of the stakeholders in a given ecosystem. The hub would need to be a ‘trusted’ institution with no conflicting interests apart from supporting collective growth;
- The identified stakeholders of the hubs should be business (all categories), government (related regulatory agencies and policy entrepreneurs), academia (including students) and civil society;
- The hub should include youth as a co-host to the hub and as a stakeholder with influence and interest. Since Africa has the youngest population in the world, the circular transition should consider the needs and leverage the talents of the youth;
- Resources would be needed to set up a hub, although the development of hub activity could take place organically, through a central coordinating figure or organization;
- The hub should have an established steering committee or governance mechanism and proper secretariat support.

Final thoughts

Africa is having an enormous opportunity to foster truly sustainable development through circular economic proliferation. The prerequisites that are unique to Africa – particularly the absence of mass-scale linear lock-ins – would allow them to accelerate the transition to a CE. The CE can help in retaining the African ecological footprint at the lower level and mitigate the negative impacts of climate change while the population and urbanization continue to grow. Europe can assist Africa in fostering the CE through close cooperation and sharing best practices.⁸ Engaging in fair and inclusive trade with African countries can substantially support their CE - based sustainable development.

National and regional African hubs would play a crucial role in preserving and upscaling the existing CE practices. Since CE or related initiatives in African countries already exist, they can be a starting point for the hub establishment. Raising awareness, advocating, and educating about the CE to all stakeholders, including civil society, could be the most powerful activity of the hubs, especially in their initial stages. This is important since the CE concept is not commonly understood, and its practices are not acknowledged. In hand with that, advocating for and supporting the institutionalization of the CE would be an effective way to ensure the inclusion of sustainability in their economic developmental processes on a micro and macro scale. For an inclusive transition to a CE, hubs should be a meeting point for all the stakeholders - government, business, knowledge institutes as well as citizens. Respecting the socio-economic situation in Africa, a special focus of the hubs should be given to the informal sector and youth. Hubs could support all the actors in addressing social needs through the lens of a CE.

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