





 CIRCLE
ECONOMY

8.6%

 [CIRCULARITY-GAP.WORLD](https://www.circularity-gap.world)





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TODAY

1. Why organise the Dutch frontrunners in circular finance?
2. How do we work?
3. What have we done so far and what is on our wishlist for the upcoming future?



Kopgroep Circulair Financieren

The Dutch frontrunners in circular financing



Kopgroep
Circulair
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Circular financing the norm in 2030

The Kopgroep Circulair Financiereren (the Kopgroep) connects the Dutch frontrunners from the financial sector, regulators and ministries around a common goal: making circular finance the norm in 2030.

Kopgroep
Circulair
Financiereren

Current participants



Ministerie van Infrastructuur
en Waterstaat

INVESTNL



ABN·AMRO

DeNederlandscheBank

EUROSYSTEEM



Rabobank

ING

NWB) BANK



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a.s.r.
de nederlandse
verzekerings
maatschappij
voor alle
verzekeringen



Koninklijke Nederlandse
Beroepsorganisatie
van Accountants

nēn



Deloitte.



ALLEN & OVERY

Copper



CIRCULAR FINANCE LAB



goodberries

Why organise the Dutch Frontrunners in circular finance?

There is no transition without finance.

Some obstacles to tackle are:

- Lack of metrics and KPIs
- Risk models used are backward looking
- Small new companies and their business case take more time to assess

The Kopgroep Circulair Financierien connects the frontrunners and ensures we do not waste our time, capital, nor resources. No waste.

How did we kick-off?




- + 2020. Round table at board level for Financial institutions (FIs) organised by Ministry of Infrastructure and Water Management.
- + 2021. Start working group of FI's with support of the Ministry and the Platform for Sustainable Finance of the Dutch National Bank.
- + 2022. Publication Roadmap 2030.
- + 2023. Launch brand identity.


Roadmap 2030


By 2030, circularity should be an integral part of how financing applications are assessed and investment decisions are made.


To achieve this objective, the Roadmap focusses on 4 key actions:



 **ACTION 1** - Integrally assess linear and circular risks. Linear risk—the risk incurred by continuing to do business under the unsustainable assumption of infinite resources—must be explicitly included in financing decisions. Circular risk needs to be assessed more realistically by focusing (risk) models on the future and seeking assurances in future cash flows, long-term stability, chain cooperation and contracts.

 **ACTION 4** - Expand and optimise financing instruments to make circular financing the new business as usual. This means developing appropriate financing with more risk capital for early-stage circular companies. Blended finance, government funding and financial innovation also all play an important role in accelerating the timeframe within which this shift can happen.

 **ACTION 2** - Factor circular metrics into financing to increase transparency, to enable external verification and benchmarking, and to reduce greenwashing. Standardised circular metrics will lead to a level playing field in which circular activities (or lack thereof) become visible and accounted for in financing and investment decisions.

 **ACTION 3** - Gain experience by closing landmark deals and fine-tuning circular propositions for financing. Financing a company that explicitly pursues circularity and applies at least one new element of circular finance constitutes a landmark deal. Insights gained from the experience—like how best to measure circularity, how to weigh risks and opportunities and how financiers can structurally use this information—can be shared with the sector. This will produce standard and publicly available documentation to spur future deals.



ACT. CONNECT. ANTICIPATE.

The Kopgroep uses a project-oriented approach with the Roadmap 2030 as the starting point. The core values are: Act, connect and anticipate. We work with driven and dedicated teams on action-oriented projects. We opt for effective projects with impact that contribute to at least one objective on the Roadmap 2030.

Realized milestones:

- + Unique transition network
- + Roadmap 2030
- + Brand Identity
- + Circular PD Riskmodel for PaaS
- + Value chain financing legal innovation
- + Overview preconditions circular metrics

Questions?

Thank you!

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Further Reading

English Summary Dutch plan for CE:

<https://www.rijksoverheid.nl/documenten/beleidsnotas/2023/02/03/nationaal-programma-circulaire-economie-2023-2030>

Roadmap CE with Financial sector: <https://www.dnb.nl/groene-economie/platform-voor-duurzame-financiering/werkgroep-circulaire-economie/> (in Dutch)

Roadmap for International Financial Institutions: <https://www.circle-economy.com/resources/unlocking-the-potential-of-international-financial-institutions-in-the-circular-economy-transition> (presented at COP in Egypt November 2022)

In relation to CiSe (value chain financing): [The Circular Service Platform, 2019](#) and [Circular Service Finance, 2021](#)