

Better Knowledge



Collaborative Economy
Knowledge Pack

Action 9 - Collaborative Economy Knowledge Pack for Cities

Understanding the workings of the Collaborative Economy as the means to achieve Circular Economy objectives empowers cities and regions to reap most benefit of this new economic paradigm.

Scope and Output

As we enter a make-or-break decade with not only environmental challenges, but also social and economic challenges, the Partnership identified the Collaborative Economy as an important instrument to foster urban and democratic resilience. The first step of the Partnership was defining the wide range of initiatives that operate in the Collaborative Economy, from local *for benefit* grassroots initiatives to global *for profit* market players. Focusing on local resilience initiatives and the urban social economy provided a focus and a niche in which we can create an added value.

This niche is furthermore classified as the intersection between the Circular Economy and the Collaborative Economy. Our solution is to develop a Collaborative Economy Knowledge Pack for Cities with recommendations on how to interact with and employ this rapidly developing new economy. The Collaborative Economy Knowledge Pack for Cities inducts the grassroots and democratic dimensions into the Circular Economy discussion by emphasizing the role and impacts of community driven Circular Economy initiatives. In close partnership with ESPON we conducted a Targeted Analysis in six European Territories to identify the (potential for) social, economic and environmental impacts of the Collaborative Economy. These findings are then translated into a Collaborative Economy Knowledge Pack for Cities with drivers, barriers and practical tools to foster the Collaborative Economy in service of the Circular Economy in cities and regions.

Drivers

- Quantifying the impact (social, economic and environmental) of the Collaborative Economy levers its importance and position on the political agenda.
- The Collaborative Economy has gained momentum in Circular Economy circles as well in discussions on economic development on local, national and European level.

Barriers

- Lack of data on the impacts of the Collaborative Economy in relation to the Circular Economy.
- Collaborative Economy is too often regarded merely as a digital platform-based economy as opposed to a peer-to-peer, community led social innovation and economic movement.

Potential impact

Environmental

- **Environmental impacts** can be expected if the initiatives save the use of primary resources or reduce waste streams by common usage of goods (e.g. tools) or mobility solutions (e.g. cars, bikes) or other



scarce resources (built-up spaces or urban spaces). Other initiatives can also have an indirect impact on the environment by fostering environmental awareness.

Carsharing in Porto: The 740 members of the carsharing initiative Via Verde Boleias in Porto have estimated that their sharing initiative has saved 2,911 car rides or a distance of 66,012km, which is equivalent to a saving of 16 tons of CO2 emissions.

Sharing of clothes in the Hague: The Kleding Bank avoids the production of about 16,800 pieces of clothing per year by collecting and redistributing used clothes. From the literature, we know that 20,000 litres is the amount of water needed to produce one kilogram of cotton; this is equivalent to one t-shirt and a pair of jeans (2 clothes items).¹ The Kleding Bank in the Hague therefore contributes to saving 168 million litres of water per year.

Social

- **Social impacts** on the other hand develop when initiatives foster interactions between citizens or supports specifically poor or socially deprived citizens. This can be by providing a place where people meet and interact, job opportunities to long-term unemployed (e.g. a waste collection service) or by fostering purchasing power of poorer people by providing them services or goods cheaper than there were available before (e.g. food sharing).

Tool sharing initiative in Flanders: At Peerby 800 to 1000 individuals meet on a monthly basis fostering community spirit.

Repair cafes in Prato or the Hague: Initiatives such as Recuperiamoci! Onlus in Prato or Made in Moerwijk in the Hague respectively employ 10 and 20 persons who were long-term unemployed before.

Food cooperatives in Maribor: The food cooperatives Robin Food Maribor estimate savings of around EUR 100 per supported person monthly. This is the equivalent of almost one tenth of the monthly disposable income of an average inhabitant of Maribor (EUR 997.25).²

Financial

- **Economic impacts** can be expected if the initiative creates new value chains or move value chains into the city or region concerned. Examples can be waste collection initiatives (replacing waste burning outside the territory) or the provision of services that were not conducted in the territory before and bring new purchasing power into the territory (shared apartments or shared cars). Initiatives can also foster business innovation and or new skills as collaborative economy business models often use online platforms or other ICT tools.

Energy cooperatives in Greece: For some Greek Islands energy cooperatives can be a method to move the production of energy to the island instead of relying on the energy produced on the main land. The Sifnos energy cooperative in the island of Sifnos in Greece is expected to produce enough energy to cover the needs of the island's inhabitants, with expected annual earnings of EUR 3.55 million.

¹ <https://www.worldwildlife.org/industries/cotton>

² <https://www.stat.si/obcine/si/2016/Municip/Index/94>



Tracking of waste flows in Maribor: The Cinderella project in Maribor will develop an online platform for one-stop-shop service to track and model urban waste flows potentially an important starting point for other initiatives that can make better use of the waste streams.

How will this help the new Circular Economy Action Plan of the European Commission?

While this action focuses primarily on the positive urban impact of the Collaborative Economy, it does not ignore the negative impacts of the elephants in the room that are the large multinational sharing platforms and the current throw-away economy. By identifying and pushing forward positive Collaborative Economy alternatives like Fairbnb³ and community led movements like the Right to Repair⁴ this action provides additional knowledge and tools for the new Circular Economy working program to apply in the circular transition.

Recommendation from the Partnership to the EU Commission

Work has already been done to provide guidance on legislation around the Collaborative Economy with the European Commission Communication on a European Agenda for the Collaborative Economy in June 2016. Regulatory frameworks of the different Member States have been assessed in a Collaborative Economy Scoreboard⁵ published in 2018. This work could be reproduced for 2020 in order to analyse if progress has been made in the Member States. This follow-up study could be framed in a way that circular economy goals are emphasised (e.g. more emphasis on waste regulations, resource use, food, etc.).

The necessary next steps

- To further develop the results of the ESPON Targeted Analysis into a practical guide for cities and regions.
- To develop a white paper with key findings in co-creation with relevant stakeholders in the field.
- To set up a Peer-to-Peer TAIEX exchange programme for interested partners.

Where to find more information:

Project website for collecting data, [available here](#).

ESPON Targeted Analysis 'SHARING' as part of this action, [read more here](#).

Connection to the SDGs



³ <https://fairbnb.coop/>

⁴ <https://repair.eu/>

⁵ Available at : https://ec.europa.eu/internal_market/scoreboard/performance_per_policy_area/collaborative-economy/index_en.htm

