

# SHARING

## Stocktaking and assessment of typologies of Urban Circular Collaborative Economy Initiatives

### **Case Study**

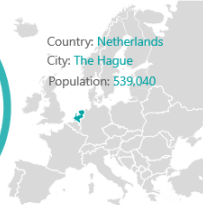
*The Hague – Poverty reduction and social  
entrepreneurship*

# Contents

1	Overview of the territorial context .....	3
1.1	Profile of the area .....	4
1.2	Status quo, needs and objectives of Urban Circular Collaborative Economy Initiatives in the region 8	
1.2.1	Current economic and administrative structures influencing Urban Circular Collaborative Economy initiatives .....	8
1.2.2	Objectives of the municipality.....	10
1.3	Policies and regulatory framework affecting the Urban Circular Collaborative Economy.....	11
1.3.1	Social poverty.....	11
1.3.2	Sustainability .....	12
1.3.3	Compliance with SDG indicators.....	12
1.3.4	Funding .....	13
1.3.5	Lack of flexibility and experimental approach .....	13
2	Presence and usage of Urban Circular Collaborative Economy initiatives .....	14
2.1	Main stakeholders in the Urban Circular Collaborative Economy arena .....	14
2.2	Presence of Urban Circular Collaborative Economy initiatives.....	15
2.3	Usage of the initiatives .....	18
3	Assessment of impacts .....	19
3.1	General trends.....	19
3.2	Selection of initiatives.....	20
3.2.1	Selected initiatives .....	20
3.2.2	Assessment of impacts per initiative .....	22
3.2.3	Made in Moerwijk .....	22
3.2.4	KledingBank DenHaag.....	23
3.2.5	Lekkernassûh .....	25
3.2.6	De Groene Regents .....	26
3.3	SWOT analysis.....	28
4	Conclusions and recommendations.....	30
4.1	Conclusions.....	30
4.2	Recommendations .....	32
	Annexes .....	35
	Annex 1: Typologies/domains of Urban Circular Collaborative Economy initiatives.....	35
	Annex 2: List of interviews.....	38
	Annex 3: The 2019 SDG Index for European Cities: ranking and scores.....	39
	Annex 4: City Scores for each SDGs .....	40
	Annex 5: Survey results.....	42

# 1 Executive summary

## Poverty reduction and social entrepreneurship



Country: Netherlands  
City: The Hague  
Population: 539,040

### Overview

Although an overall positive economic environment, the Hague is facing challenges related to issues such as social poverty and immigration, that often contribute to the rise of inequalities among citizens. More specifically, The Hague faces multi-dimensional challenges in its most marginal districts. Within this context, the circular and collaborative economy aims to give a different perspective to socially excluded individuals and vulnerable individuals. Thus, an alternative development model would allow social entrepreneurs in the field of collaborative and circular economy to address precarious individuals and boost the hidden potential of poorer areas of the city.

### Recommendations

- 1 **Better knowledge:** As most of the initiatives come from the Municipality, a better understanding of circular and collaborative economic models is needed by local officials. This could be achieved through: 1) training of existing staff, 2) innovative recruitment strategies, 3) establishment of cooperation with think tank, academic institutions, etc. Furthermore, it could be created an interdepartmental body responsible for facilitating new business solutions.
- 2 **Better regulation:** A more open/flexible regulatory approach towards circular and collaborative initiatives is needed, as to overcome the traditional public management contract scheme. Furthermore, the development of circular and collaborative initiatives should take better advantage of green public procurement.
- 3 **Better funding:** Public funding should be designated to promote the cooperation between various individuals' initiatives under the same projects. Additionally, public funding should address those initiatives most likely to have an impact on the urban environment.

### Impacts

#### ENVIRONMENTAL

- 1 Reuse of plastic waste, bike tires, construction waste, clothes
- 2 Rise of awareness of environmental issue
- 3 Promotion of local sustainable natural products
- 4 Production of renewable energy

#### SOCIAL

- 5 Reduction of poverty and social exclusion
- 6 Involvement of long-term unemployed individuals
- 7 Creation of meeting point inside marginal neighbourhoods

#### ECONOMIC

- 8 Stimulation of employment
- 9 Increase of savings per user

#### INITIATIVES SCREENED:



**Made in Moerwijk**  
Reselling goods



**KledingBank**  
Swapping goods



**Lekkernassuh**  
Food cooperative/food redistribution



**De Groene Regentes**  
Energy



<https://www.collaborativexcircular.com/>

## 2 Overview of the territorial context

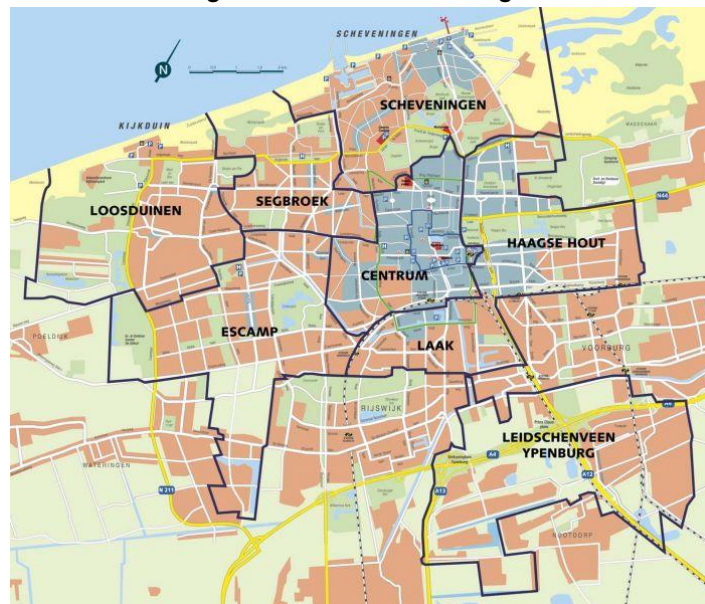
*This Chapter gives an overview of the characteristics of the area considered, and links them with the territorial needs and objectives as regards the Urban Circular Collaborative Economy. It provides insights on the existing policies and regulatory framework affecting the development of Urban Circular Collaborative Economy initiatives. Finally, it identifies the main actors operating in the Urban Circular Collaborative Economy arena.*

### 2.1 Profile of the area

The city of the Hague is located on the western coast of the Netherlands and is the capital of the South Holland province. The city is the seat of the Dutch government as well as the house of one of the most important courts in the world (the International Court of Justice)<sup>1</sup>. Also, the Hague marketing policy focuses on city's promotion as a university hub.

With 539,040 inhabitants, the Hague is the third biggest city of the Netherlands after Amsterdam and Rotterdam.<sup>2</sup> The territory of the municipality is divided into eight districts: Centrum (105,440 inhabitants), Escamp (126,108 inhabitants), Haagse Hout (46,161 inhabitants), Laak (44,760 inhabitants), Leidschenveen-Ypenburg (48,718 inhabitants), Loosduinen (48.685 inhabitants), Scheveningen (57,076 inhabitants, Segbroek (62,092 inhabitants).<sup>3</sup> The districts are further divided into neighbourhoods. The map below visualises the display of districts within the municipality.

**Figure 1: Districts of the Hague**



<sup>1</sup> The Hague, The History of the City of the Peace and Justice, available at: <https://www.denhaag.nl/en/in-the-city/international-the-hague/history-of-the-city-of-peace-and-justice.htm>

<sup>2</sup> Den Haag, Den Haag in Cijfers, Decemehr 2019, available at: <https://denhaag.incijfers.nl/dashboard/Overzichten/Bevolking/>

<sup>3</sup> Ibid.

Regarding the average disposable income of private households the wealthiest districts are Leidschenveen-Ypenburg (EUR 52,687), Haagse Hout (EUR 45,376) and Scheveningen (EUR 48,670), whereas the poorest ones are Escamp (EUR 31,906) and Laak (EUR 27,789).<sup>4</sup> Therefore, in terms of income the Hague is the most segregated city in the Netherlands. However, this tendency is decreasing over the years.<sup>5</sup> In addition, the city has a significant immigration rate with only 45.3% of the population being Dutch natives.<sup>6</sup>

The city's unemployment rate is relatively high (11,5%<sup>7</sup>) compared to Dutch standards as it represents almost the triple of the national level (3,4%).<sup>8</sup> The unemployment rate varies among the districts: while in Scheveningen the unemployment rate is of 6.6%, it almost doubles in the poorest districts such as Laak and Escamp to 15.2% and 14.6% respectively. The table below shows the unemployment rate per urban districts.

*Table 1: Unemployment per urban district in the Hague*

Working population and unemployed job-seekers - Urban district			
	% unemployed job-seekers, total [%] [2014]	total number of job-seekers unemployed for more than 1 year [persons] [2014]	Potential labour force [persons] [2019]
1 Loosduinen	8.4	907	28,456
2 Escamp	14.6	4,751	85,556
3 Segbroek	9.1	1,359	43,107
4 Scheveningen	6.6	890	36,984
5 Centrum	15.2	4,582	77,053
6 Laak	15.2	1,755	33,852
7 Haagse Hout	8.4	962	29,681
8 Leidschenveen-Ypenburg	6.2	751	33,673
Unknown	-	31	

*Source: Den Haag in Cijfers*

People living in the poorest districts have often a migration background and face challenges of intergenerational transmission of poverty.<sup>9</sup> One of the city's poorest districts (Escamp) will be the object of the analysis carried out in this case study.

<sup>4</sup> Den Haag, Average disposable income of private households 2016 – Urban districts, available at: [https://denhaag.incijfers.nl/jive?cat\\_open\\_code=c1545&lang=en](https://denhaag.incijfers.nl/jive?cat_open_code=c1545&lang=en)

<sup>5</sup> Interview with Platform 31, 03/07/2019.

<sup>6</sup> Den Haag, District Reports; 6.Demografie, 2019, available at: [https://denhaag.incijfers.nl/jive?cat\\_open\\_code=c326&](https://denhaag.incijfers.nl/jive?cat_open_code=c326&)

<sup>7</sup> Den Haag, Den Haag in Cijfers, June 2019, available at: <https://denhaag.incijfers.nl/jive/ViewerTable.aspx?&wsguid=73dd3ca4-3e45-4629-a702-666e9d0acf8b&ps=-45838>

<sup>8</sup> Eurostat, Unemployment statistics, June 2019, available at: [https://ec.europa.eu/eurostat/statistics-explained/index.php/Unemployment\\_statistics](https://ec.europa.eu/eurostat/statistics-explained/index.php/Unemployment_statistics)

<sup>9</sup> Interview with Den Haag Zuidwest, 02/07/2019

*Textbox 1: The district of Escamp*

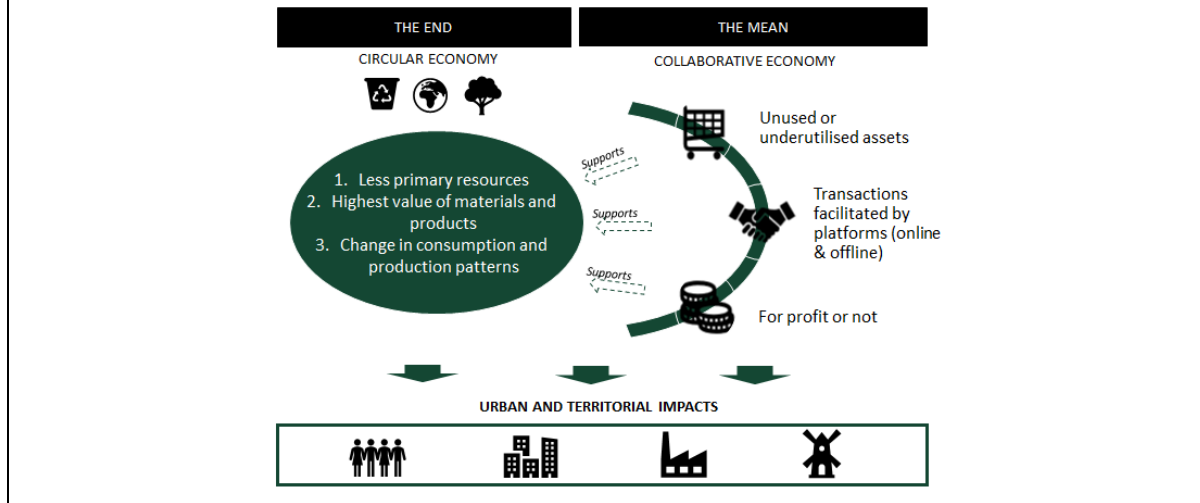
Escamp is a district in the South West part of the Hague with 126,108 residents and 61,066 households. In 2019, 37.4% of the population was Dutch and 62.6% had a migration background<sup>10</sup> (highest share in the city) originating from 148 nationalities.<sup>11</sup> In Escamp 75% of all residents live in social housing and 80% of the population has serious debts troubles.<sup>12</sup> Given the above, the inhabitants of the district face a number of challenges such as unemployment, illiteracy, health issues (e.g. overweight and mental illnesses concentration), violence etc.<sup>13</sup>

According to the local authorities, in Escamp there is a lack of social cohesion as the area is deprived of social meeting places (e.g. shops, coffee places, cultural venues).<sup>14</sup> Therefore, in Escamp can be observed the syndrome of a social desertification.<sup>15</sup> The inhabitants of Escamp have often the feeling of loneliness and a low level of self-esteem.<sup>16</sup> Thus, Escamp represents a deprived district of the Hague with **multi-dimensional social challenges**, which situation has not improved in recent years.<sup>17</sup>

As mentioned above, at present times the Hague is facing challenges related to issues such as social poverty and immigration, that often contribute to the rise of inequalities among citizens. It seems that over the past years nor the municipality nor the Dutch government have undertaken concrete actions to improve this situation.<sup>18</sup> Given the potential impacts of the Urban Circular and Collaborative Economy initiatives, they could address and possibly solve some of the current social issues existing in the Hague.

*Textbox 2: Definition of Urban Circular and Collaborative Economy*

The Urban Circular Collaborative Economy is a concept bringing together the circular and the collaborative economy. It designates initiatives using a collaborative way to exchange goods and services with the aim to use primary resources more efficiently. In other words, the Urban Circular Collaborative Economy encompasses **initiatives using the collaborative economy as a mean to achieve circular economy goals**. The figure below illustrates this interrelationship, bringing to the concept of Urban Circular Collaborative Economy.



<sup>10</sup> Den Haag, District Reports; 6.Demografie, 2019, available at: [https://denhaag.inciifers.nl/Jive?cat\\_open\\_code=c326&](https://denhaag.inciifers.nl/Jive?cat_open_code=c326&)

<sup>11</sup> Interview with Den Haag Zuidwest, 02/07/2019

<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

<sup>14</sup> Ibid.

<sup>15</sup> Ibid.

<sup>16</sup> Ibid.

<sup>17</sup> Ibid.

<sup>18</sup> Interview with Food Bank, 02/07/2019

For instance, the Hague faces **multi-dimensional** challenges in its most deprived districts, which need to be addressed as such. For instance, difficulties encountered in Escamp highlight that poverty is a complicated issue and needs a simultaneous addressment of various problems. The representatives of the Escamp (Programmamanager Regiodeal “Weerbaar Zuidwest) consider that poverty could be addressed via a parallel economy.<sup>19,20</sup> Here according to Peter Brouwer and Jos Verhoeven, the parallel economy could be understood as an economy where goods are produced and services are provided which do have important social values. The parallel economy aims to give perspective for socially excluded people who cannot integrate the regular labour market and can be explained by Greyston Bakery’s words “we don’t hire people to bake brownies, we bake brownies to hire people ”.<sup>21</sup> In fact the economic growth is not mirrored in a similar job growth. The current labour market became increasingly competitive and technologies-driven, where unemployed people and socially excluded people have increasing difficulties to be integrated. Often, the current social benefits maintain these people out of society. Thus, the parallel labour market would be created for those who do not have the highest productive because they cannot work on a regular basis due to their limitation or the ones that need to get used to the working environment. The parallel economy aims to perform three essentials functions:

- Create a permanently adapted workplace (dependent on support and appropriate);
- Provide a transitional stage for those who need to develop skills or re-enter labour market (e.g. (refugees who do not yet speak the language, school-leavers without a diploma and the long-term unemployed);
- Provide a so-called ‘shelter’/skills incubator place (*schuilplekken*) which will allow people in the time of high unemployment to preserve and develop their skills/competences that would be valued on the labour market.<sup>22</sup>

Thus, the parallel economy would create a perfect environment for vulnerable of people in transition between the system of social benefits and regular businesses model (competitive and highly productive environment).<sup>23</sup> According to Carlos Manuel Castles these vulnerable people are unable to directly enter the traditional labour market. Thus, it is important to provide them with suitable employment in a parallel economy approach.<sup>24</sup> The new economic model of Urban Circular and Collaborative Economy could be perceived as well placed to address the above-mentioned poverty problems and to provide a new commercial/economic opportunity for which there is no (regular) market.<sup>25</sup>

However, as a governmental city focused on justice and international affairs, the Hague has never been a strong incubator of a private sector and start-ups. Therefore, the city has not yet developed a well-

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<sup>19</sup> Interview with Programmamanager Regiodeal “Weerbaar Zuidwest”.

<sup>20</sup> According to Peter Brouwer and Jos Verhoeven, available at: [https://www.researchgate.net/publication/326418873\\_Geen\\_uitkeringen\\_meer\\_van\\_sociale\\_naar\\_participatiezekerheid](https://www.researchgate.net/publication/326418873_Geen_uitkeringen_meer_van_sociale_naar_participatiezekerheid)

<sup>21</sup> Ibid.

<sup>22</sup> Ibid.

<sup>23</sup> Ibid.

<sup>24</sup> Interview with Design for Governance, 17/07/2019; Interview with Programmamanager Regiodeal “Weerbaar Zuidwest”.

<sup>25</sup> Interview with Den Haag Zuidwest, 02/07/2019

developed strategy towards the Urban Circular and Collaborative Economy. Nevertheless, in the framework of achieving city's goal of becoming climate neutral by 2040, the Hague implemented a scheme *Sustainable neighbourhood The Hague (Duurzaamheid door Haagse Wijken)*. This programme provides initiatives with ideas for improving the environment or reducing energy use and emissions in their neighbourhood with a first start budget amounting at EUR 8000 to citizens.<sup>26</sup> However, based on the conducted under this research field interviews, it seems that the citizens have very limited knowledge on the availability of these funds. For this reason, entrepreneurs of the Urban Circular and Collaborative Economy initiatives often struggle with establishment, funding and scaling-up of their initiatives. Therefore, the main objective of this case study is to understand which initiatives could bring a potential solution to the existing challenges when it comes to fighting social poverty in the Hague. To this aim, first, it is important to understand what the impacts of these initiatives are (economic, environmental and social), and which of them are important to the municipality. Secondly, this work will analyse the existing business models of these initiatives, as well as identify their main strengths, weaknesses, opportunities and threats. Furthermore, this analysis will provide a possible conclusion on how these initiatives could improve the existing social poverty in the Hague and recommendation on how to leverage the entrepreneurial approach (functioning) and impacts of these initiatives.

## **2.2 Status quo, needs and objectives of Urban Circular Collaborative Economy Initiatives in the region**

When referring to the status quo, needs and objectives of Urban Circular Collaborative Economy Initiatives in the Hague, it is important to understand what this term refers to in the Netherlands. While the definition of the circular economy is relatively unified across countries, in Dutch, the term "collaborative economy" or "sharing economy" is called "deeleconomie" (from "delen" - to share). This term covers both platforms that make citizen's goods available to one another, and platforms that offer services.<sup>27</sup> The collaborative economy is often perceived as an opportunity to leverage the sustainability of cities and to improve their social capital. In the Netherlands, the collaborative economy also contributes to a broader debate on a "participatory policy making" at local level, or "hackable cities".<sup>28,29</sup>

### **2.2.1 Current economic and administrative structures influencing Urban Circular Collaborative Economy initiatives**

In the Hague Urban Circular and Collaborative Economy initiatives struggles with the current economic and administrative structures. On the one hand, the economic system is driven by the market economy and big market players where the importance of the economic outcome prevails on the social and

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<sup>26</sup> EUROCIITIES, Neighbourhoods action in The Hague: Sustainability street by street, available at: [http://nws.eurocities.eu/MediaShell/media/Citiesinaction\\_TheHague\\_neighbourhoodsustainability.pdf](http://nws.eurocities.eu/MediaShell/media/Citiesinaction_TheHague_neighbourhoodsustainability.pdf)

<sup>27</sup> COST, *Sharing and Caring : Member Countries Report on the Collaborative Economy*, available at : <http://sharingandcaring.eu/sites/default/files/files/CountriesReport2018.pdf>

<sup>28</sup> The Hackable city is a research project that explores the potential for new modes of collaborative citymaking, in a network society. It can be often perceived as a model for a collaborative citymaking.

<sup>29</sup> European Cooperation in Science and Technology, *Sharing and Caring : Cost Action CA 1612, Member Countries Report on the Collaborative Economy*, available at : <http://sharingandcaring.eu/sites/default/files/files/CountriesReport2018.pdf>.



environmental impacts.<sup>30</sup> For the Urban Circular Collaborative Economy Initiatives, this often results in financing problems, as these initiatives often lack of professionalism and scale when compared to the current economic system. Whereas traditional funding institutions invest into projects based on a stable growth strategy with a low risk ratio, they are unfamiliar and struggle how to deal with the new business model of Urban Circular and Collaborative Economy and consider them high risk activities (due to foreseen unprofitability).<sup>31</sup> According Circle Economy consulting<sup>32</sup>, while seeking funding opportunities, Urban Circular and Collaborative Economy actors struggles with proving their business stability definition of their supply chain and possible risks. Thus, there is a clear misalignment between traditional financing actors and Urban Circular and Collaborative Economy needs<sup>33</sup>. In addition, in the Netherlands partially publicly owned initiatives (public private partnership) cannot benefit from public funding. This is due to the fact that the legislation bans the public authorities to be beneficiary of their own subsidies.<sup>34</sup> For some of the interviewees, this fact considerably reduces municipalities involvement in the existing initiatives (e.g. co-ownership).

On the other hand, according to the municipality representatives, the new Urban Circular and Collaborative Economy models are largely unknown to the local authorities, especially when it comes to their numbers, structure, functioning and impacts.<sup>35</sup> This creates also a profound misunderstanding between local authorities and Urban Circular and Collaborative Economy representatives.<sup>36</sup> While public administrations usually implement long-term strategies, the circular and collaborative economy models can only react in a short term and dynamic environment. This in turn creates one of the biggest challenges for the new and vulnerable circular and collaborative economy entrepreneurs.

Thus, the Urban Circular and Collaborative Economy phenomenon needs further documentation and analysis (e.g. business model, development dynamic, driving force, marketplace of small initiatives etc.).<sup>37</sup> In general, both the municipality and initiatives do not seem to conduct any sort of comprehensive follow-up and reporting on their activities and impacts.<sup>38</sup> What is currently known about these initiatives is that they have low productivity and are unable to develop quickly (scale-up) because of an insufficient number of entrepreneurs among their members. Initiatives also often face logistics issues. The organisation activities are very time consuming and thus, do not allow for future scaling-up. Furthermore, The Hague seems to lack implementation of outside<sup>39</sup> initiatives that proved to be well-functioning in other territories. To address this issues, the municipality services in charge of circular economy established Impact Lab, in which start-ups from outside The Hague are being persuaded to

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<sup>30</sup> Interview with Rathenau Institute, 02/07/2019.

<sup>31</sup> Interview with Circle Economy, 16/07/2019.

<sup>32</sup> <https://www.circle-economy.com/what-we-do/#.XZs3Hkb7Q2w>

<sup>33</sup> Interview with Circle Economy, 16/07/2019.

<sup>34</sup> Ibid.; Interview with Programmamanager Regiodeal "Weerbaar Zuidwest".

<sup>35</sup> Interview with the Municipality of the Hague, 03/07/2019; Interview with Den Haag Zuidwest, 02/07/2019

<sup>36</sup> Interview with Design for Governance, 17/07/2019; Interview with Just Common People, 02/07/2019.

<sup>37</sup> Interview with Design for Governance, 17/07/2019

<sup>38</sup> Interview with Den Haag Zuidwest, 02/07/2019; Interview with Made in Moerwijk, 03/07/2019; Interview with Lekkernassuh 03/07/2019.

<sup>39</sup> Outside of the territory of the municipality of the Hague.

come to the city.<sup>40</sup> The expansion of initiatives from outside the city's territory could leverage a knowledge-sharing and promotion of best practices among Urban Circular and Collaborative Economy actors.

Overall, the lack of knowledge creates unfamiliarity of administrative bodies with the new structures and their difficulties. It also leads to the marginalisation of the Urban Circular and Collaborative Economy initiatives potential by local authorities and national policies, according to the municipality representatives.<sup>41</sup> The traditional and inflexible administrative approach results in numerous administrative, financial and legislative bottlenecks imposed on Urban Circular Collaborative Economy initiatives. This issue will be further discussed in Chapter 3 of the present case study. For instance, the Dutch tax system is charging upon the reparation or on the labour forces, instead of being put on the resources. This considerably reduces the possibility of Repair Cafés-alike initiatives to scale up.<sup>42</sup>

## 2.2.2 Objectives of the municipality

Given the identified challenges, the municipality would like to adapt and react faster to address the initiatives needs by establishing, a "coalition of willing" in the Hague.<sup>43</sup> This undertaking aims at investing into the most prominent Urban Circular Collaborative Economy initiatives and to enable their future scaling-up. Initiatives benefiting from this approach need to have a clear entrepreneurial approach and a scaling-up potential.<sup>44</sup> The investment could take a form of an experimental approach and should focus on ICE projects (**I**conic in itself; **C**arrier/enablers - enabling other projects to scale up; **E**ntrepreneurial). So far, two out of four initiatives selected under this case study are subject to the municipality's special attention (Made in Moerwijk). The aim of ICE projects is to allow small and social initiatives to scale up. However, this approach has a very narrow scope and excludes those initiatives which has less entrepreneurial approach and are not based on a convincing economic model. Therefore, the social impact of some of initiatives tends to be underestimated by the municipality.

Regarding the market driven economy, there is a need to leverage the cooperation among similar initiatives in order to create their stable, competitive and inclusive network. According to Platform 31, to effectively leverage a cooperation among Urban Circular and Collaborative Economy initiatives it is required to provide incentives from the government or local authorities (e.g. in financing schemes).<sup>45</sup>

According to the municipality, the potential development of the Urban Circular and Collaborative Economy initiatives in the Hague could take a three-phase approach. First, the current phase consists of coexistence of individual initiative in an unstable ecosystem. Secondly, in two-three years period, existing initiatives should cooperate at the level of their interests' circles (e.g. urban repair centre; working places (labs, crafts), second hand shops, digital part of sharing economy).<sup>46</sup> Thirdly, in three

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<sup>40</sup> Interview with the Municipality of the Hague, 03/07/2019.

<sup>41</sup> Interview with the Municipality of the Hague, 03/07/2019.

<sup>42</sup> Interview with the Municipality of the Hague, 03/07/2019.

<sup>43</sup> Ibid.

<sup>44</sup> Ibid.

<sup>45</sup> Interview with Platform 31, 03/07/2019.

<sup>46</sup> Interview with the Municipality of the Hague, 03/07/2019.

years period a centralised sharing centre should be created, which structure would create a network of all Urban Circular and Collaborative Economy initiatives operating in the Hague.

## **2.3 Policies and regulatory framework affecting the Urban Circular Collaborative Economy**

### **2.3.1 Social poverty**

In the Netherlands, around 1.5 million people receive unemployment benefits<sup>47</sup> (17% of labour force).<sup>48</sup> According to territorial representatives, to better fit their purpose, the current policies should better consider territorial signals while developing adequate tools.<sup>49</sup>

The Dutch Government developed a programme called “Regio Deals” dedicated to all Dutch regions facing social, ecological or economic difficulties.<sup>50</sup> It aims to solve the problems regions are facing and in doing so changing the wellbeing of both the region and the Netherlands. Under this programme, the regions can apply for financial subsidies. Each financing programme covers a period of between four and five years. Currently, the programme runs a second call for a period between 2019 and 2022, which total budget is EUR 215 million.<sup>51</sup>

The Hague has been granted from Regio Deals with EUR 7.5 million for the “Lift Zuidwest” project.<sup>52</sup> The Lift Zuidwest undertaking aims at improving the situation of four areas of the Escamp district by creating interconnected programmes and projects that promotes a social cohesion through three actions:

- 1) Community and participation – which aims at leveraging social cohesion, participation and safety which will result in building a community and contribute to jobs creation;
- 2) Improving a health condition (mental and physical) – which aims at enabling improving longevity, obesity issues and promoting education;
- 3) Employability increase among the households – which aims at bringing people back to a normal active life.<sup>53</sup>

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<sup>47</sup> Brouwer P., Verhoeven J.& T. Wilthagen, Geen uitkeringen meer: van sociale naar participatiezekerheid, 2018.

<sup>48</sup> Ibid.

<sup>49</sup> Interview with Programmamanager Regiodeal “Weerbaar Zuidwest”.

<sup>50</sup> Ibid.

<sup>51</sup> <https://www.rvo.nl/onderwerpen/duurzaam-ondernemen/gebouwen/regio-deals>

<sup>52</sup> Interview with Programmamanager Regiodeal “Weerbaar Zuidwest”.

<sup>53</sup> Ibid.

Projects funded from national funding for urban regeneration Regio Deals under Lift Zuidwest have a bottom-up approach and needs to fill in simultaneously all of the above-mentioned goals. Furthermore, they have a more integrative approach (includes policy, housing, employment and welfare) and promote the local ownership, continuity and entrepreneurship of these projects.<sup>54</sup> They are run by citizens and organisations that aims to build up the communities again in deprived areas.<sup>55</sup> At the time of writing seven projects implemented in Escamp fit into this multi-dimensional perspective. Urban Circular Collaborative Initiative could further to a better use of this fund and by doing so include urban regeneration as one of their priorities.

### **2.3.2 Sustainability**

Furthermore, the Hague, together with eight other municipalities, participates in the City Deal Circular City initiative.<sup>56</sup> The Deal has been deployed in parallel to the National Government Programme on the Circular Economy. It “encourages access to the new market for the circular economy for parties, on the supply and demand side, by sharing knowledge and best practices via joint (digital) platforms and placing pioneers in the spotlight”.<sup>57</sup>

The Hague aims to become climate-neutral in 2040, which is 10 years ahead of the national goal of the Netherlands.<sup>58</sup> This ambition is developed throughout a plan to further reduce CO2 emissions, expand sustainable district heating, and to make the city more climate-proof, which might be of relevance for development of the Urban Circular and Collaborative Economy initiatives.

### **2.3.3 Compliance with SDG indicators**

The recently published 2019 SDG Index and Dashboards Report for European Cities provided an exhaustive overview of cities performance on the SDGs.<sup>59</sup> According to the publication, the Hague performs well on SDG 1 (No poverty), SDG 4 (Quality education), SDG 8 (Decent Growth and economic growth), SDG 10 (Reduced inequalities), SDG 11 (Sustainable cities and communities) and SDG 12 (Responsible consumption and production). The biggest challenges for the Hague are linked with SDG 7 (affordable and clean energy) followed by other environmental goals such as SDG 13 and 15.<sup>60</sup>

In general, the Hague scores well in the 2019 SDG index for European Cities with 63.7 points out of 100, which gives her a 9<sup>th</sup> place among 45 analysed cities.

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<sup>54</sup> Interview with Den Haag Zuidwest, 02/07/2019.

<sup>55</sup> Interview with Programmamanager Regiodeal “Weerbaar Zuidwest”.

<sup>56</sup> CircularStand.nl, *About the City Deal*, available at : <https://circularestad.nl/en/over-deze-city-deal-english/>.

<sup>57</sup> Ibid.

<sup>58</sup> Convention Bureau, *The Hague’s Environmental Sustainable Goals*, available at : <https://conventionbureau.thehague.com/the-hague/sustainability/>.

<sup>59</sup> The 2019 SDG Index and Dashboards Report for European cities, available at : [http://unsdsn.org/wp-content/uploads/2019/05/Full-report\\_final-1.pdf](http://unsdsn.org/wp-content/uploads/2019/05/Full-report_final-1.pdf)

<sup>60</sup> Ibid.

### 2.3.4 Funding

According to Circle Economy, at present time there are various funding modalities and financial schemes in the Netherlands (and in the Hague) that urban circular and collaborative initiatives could benefit from.<sup>61</sup> Among these:

- Provinces funds (local) supporting circular and sustainable finance, they use required involvement of another party in the financing of the initiative;
- Funds of Rabobank – cooperative bank financing local initiatives;
- ING and ABN AMRO financing institutions having specific ‘wallets’ to finance circular business models and accepting that there is not regular risk framework
- Impact investors (e.g. social invest ventures, family offices) for which the circularity often plays a role;
- Crowd funding platforms (ABOC)
- Linear business activities that could finance parallel circular economy initiatives;
- Governmental funding (e.g. grants) which are not stand-alone tools which scope is broader than Urban Circular and Collaborative Economy initiatives,<sup>62</sup>
- Funding delivered in a neighbourhood, which supports the development of structural form of Urban Circular and Collaborative Economy such as legal or administrative process.<sup>63</sup>

However, given funding modalities enumerated above, under this research the study has not encountered initiatives that would use other funding than the one delivered by administration in neighbourhood at the current stage.

### 2.3.5 Lack of flexibility and experimental approach

Regarding the current situation of Urban Circular Collaborative Economy initiatives development in the Hague, stakeholders pointed out that authorities should improve existing inflexible administrative rules and regulations. The local authorities should further look at the society in a holistic manner and accept different ways of measuring impacts (e.g. experimentation, social return on investment). Furthermore, the neighbourhood managers raised the issue of lack of projects continuity due to funding limitations and political changes. The successful initiatives require continuity and a local ownership.

The municipality representatives pointed out that a successful initiative needs to have an entrepreneurial approach.<sup>64</sup> However, entrepreneurs need stimulation as a push factor for development of their ideas. Unfortunately, neither government nor the municipality perceive Urban Circular Collaborative Economy initiatives as economies in the current market driven economies, and therefore, do not provide required simulative policies allowing their further expansion and more enteuperenarial approach. For this reason, in the Hague not a lot of Urban Circular and Collaborative Economy initiative become ‘adult’ and reach a scale-up potential.

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<sup>61</sup> Interview with Circle Economy, 16/07/2019.

<sup>62</sup> Interview with Circle Economy, 16/07/2019.

<sup>63</sup> Interview with Platform 31, 03/07/2019.

<sup>64</sup> Interview with the Municipality of the Hague, 03/07/2019

### **3 Presence and usage of Urban Circular Collaborative Economy initiatives**

This Chapter summarises the result of the stocktaking of Urban Circular Collaborative Economy initiatives in the area. It gives an overview of the initiatives present in the territory according to their type and category. The full stocktaking of the initiatives identified in the territory is available in Annex.

#### **3.1 Main stakeholders in the Urban Circular Collaborative Economy arena**

In the Hague, several types of stakeholders are active in the arena of the Urban Circular and Collaborative Economy initiatives. First, both national (e.g. the Ministry of Economic Affairs and Climate which promotes sharing economy initiatives or the Ministry of Infrastructure and Water Management) and municipal authorities (e.g. the Municipality of the Hague) are to be considered major decision-making players. Regarding the municipality, various departments are interested in the implementation of Urban Circular and Collaborative Economy initiatives, such as the Department of Social Affairs and Employment Projects, the Department of Education, Culture & Well-Being, the Department of Urban Development, the Department of City Management, and the Department of Public Service.<sup>65</sup> However, cooperation among the above-mentioned departments seem to be lacking. As a matter of fact, only one person oversees coordination of all circular economy efforts (Circular Economy Officer).<sup>66</sup> Furthermore, the decentralised districts services of the municipality, such as districts/neighbourhood managers, are playing a key role as the direct intermediary between the municipality and citizens (e.g. policy officers of Den Haag Zuidwest). Unfortunately, often their human capacities are overestimated.

Secondly, initiators of sharing economy platforms or sharing economy organisations are also perceived as crucial stakeholders (e.g. Deeleconomie in Nederland, shareNL, Maex or the Sharing City platform).

Thirdly, representatives of the main Urban Circular and Collaborative Economy initiatives themselves (i.e. social entrepreneurs) are among the core stakeholders (e.g. De Groene Regentes, Lekkernassûh, KledingBank Den Haag, Made in Moerwijk). This also includes facilitating companies, cooperatives, churches and individual volunteers.

Finally, given the relevance of research in the field of collaborative and the circular economy, local universities and research institutes are to be counted among the main actors in the Hague (e.g. The Hague University of Applied Science or the Rathenau Institute in The Hague, Leiden University, Technical University of Delft etc.). In addition, should also be included independent knowledge and network organisation active within cities and regions (e.g. Platform31<sup>67</sup>, Design4Governance<sup>68</sup> etc.). Often, these new actors make crucial linkages between policymakers, science, and local actors and aim at improving public governance work.

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<sup>65</sup> The Hague, Municipal organisation, available at: <https://www.denhaag.nl/en/municipality-of-the-hague/municipal-organisation/organigram-for-the-municipality.htm>.

<sup>66</sup> Interview with the Municipality of the Hague, 0307/2019.

<sup>67</sup> <https://www.platform31.nl/english>

<sup>68</sup> <https://www.linkedin.com/company/design4governance/about/>

### 3.2 Presence of Urban Circular Collaborative Economy initiatives

In general, the western part of the Netherlands (Amsterdam, Rotterdam and the Hague) seems to be a frontrunner in the area of the circular and collaborative economy. Here, and overall in the Netherlands, the sharing economy is constantly growing. In 2016 already 23% of the population participated in the sharing economy, in comparison to 6% in 2013.<sup>69</sup>

Urban Circular Collaborative Economy initiatives present various opportunities and challenges to the local society in the Hague. Among the opportunities are prioritisation of access to goods over the ownership; better use of (raw) materials, enforcement of circular and sustainable designs, promotion of cooperative thinking, decreasing feelings of loneliness.<sup>70</sup> Nevertheless, these initiatives face numerous challenges such as existing legislative boundaries (e.g. prohibition of waste collection for residents), lack of understanding of social value of Urban Collaborative Economy.

The Hague is home to several initiatives: out of a total of 110 initiatives identified, 85 operate at local level. The remaining 25 initiatives are instead carried out at national or international level. According to Platform 31, between 80% to 90% of them do not run on a full-time basis.<sup>71</sup> According to the survey results only around 50% of these initiatives higher workers on a full-time basis, while a large share of initiatives provides services based on a voluntary engagement.

The landscape of Urban Circular and Collaborative Economy initiatives is constantly changing and varies from one district to another. Today, most of the initiatives recorded falls under that domain of “Sharing good, tools and services” (36%) and “Sharing organisations and decision as cooperatives” (24%). They are followed by the “Other” (14%) and the “Sharing indoor urban spaces” (10%) domains.

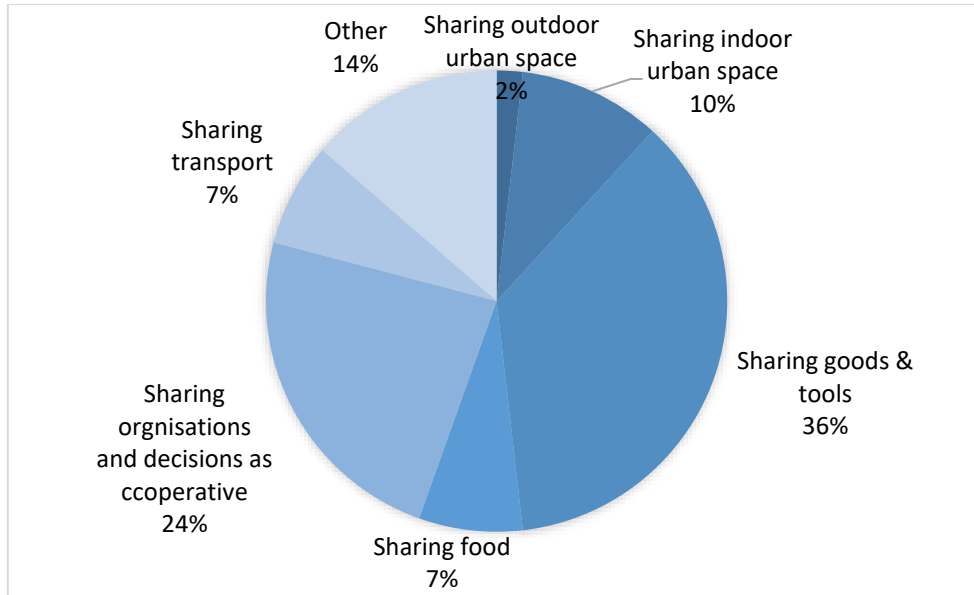
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<sup>69</sup> Rathenau Instituut, *A faire share : Safeguarding public interests in the sharing and gigh economy*, available at : [https://www.rathenau.nl/sites/default/files/2018-07/Report%20Fair%20share\\_2.pdf](https://www.rathenau.nl/sites/default/files/2018-07/Report%20Fair%20share_2.pdf)

<sup>70</sup> Workshop in the Hague, 21/05/2019.

<sup>71</sup> Interview with Platform 31, 03/07/2019.

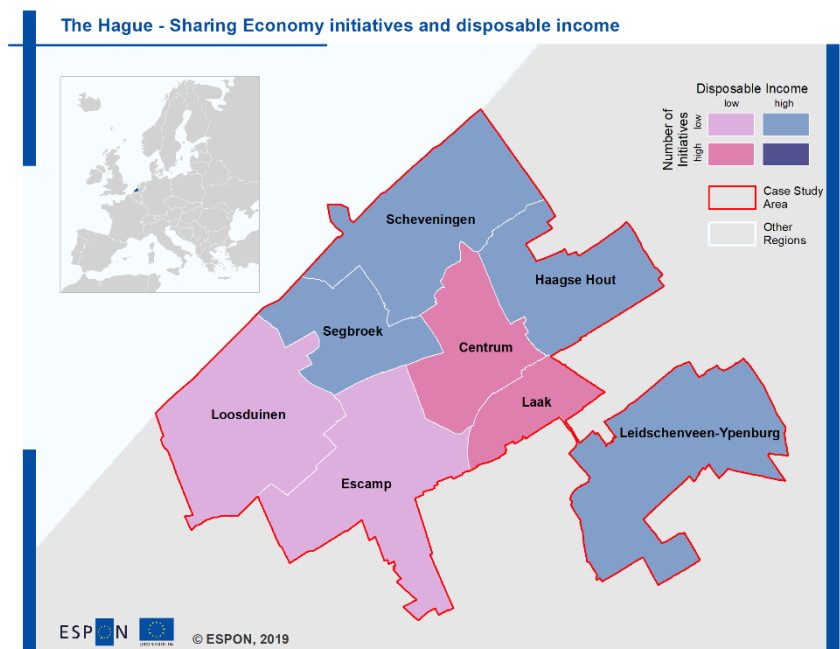
**Figure 2: Presence of UCCE initiatives in the territory per domain (%)**



Source: VVA

Traditionally, the highest number of initiatives could be found in the wealthiest neighbourhood (see section 1.1.), while the poorest areas (see section 1.1) had a relatively smaller number of them. However, according to our research, it seems that this tendency has improved, and that the circular and collaborative initiatives are better balanced between the neighbourhoods, without excluding any territories. A high number of initiatives corresponds to low disposable income in the central districts (Centrum and Laak).

**Figure 3 Urban Circular and Collaborative Economy initiative and disposable income in the Hague**



Territorial level: NL Administrative Units, Wijken/Stadsdeel  
 Source: ESPON SHARING, 2019  
 Origin of data: ESPON SHARING, 2019  
 © University of Geneva and Municipality The Hague for administrative boundaries



Source: öIR

Furthermore, an increase of the Urban Circular and Collaborative Economy initiatives was observed as a response to the economic crisis. The emerging initiatives have the characteristics of sharing and cover mainly the following policy areas: circular economy, inclusiveness and sustainability.<sup>72</sup>

These initiatives are carried out by 1-to-2 persons and have a twofold character as they might be perceived either as a hobby or as an income based business.<sup>73</sup> While in the first case initiatives can pursue their activity for a long time, in the second scenario their life expectancy is much shorter. For the latter reason, the majority of small initiatives operates in a status of precariousness.<sup>74</sup> Also, Urban Circular Collaborative Economy initiatives may have two dimensions. First, the initiative can address specific problems, however, their initiators do not necessarily suffer directly from the issues.<sup>75</sup> In the secondly, the initiatives may be driven by consumer preferences.<sup>76</sup>

The average life expectancy of these initiatives is between 2 and 3 years.<sup>77</sup> Out of 169 local initiatives identified in the Hague only about 25 pursue their activity on a more permanent basis.<sup>78</sup> However, not all local and regional Urban Circular and Collaborative Economy initiatives are meant to scale up. According to Design for Governance, some of them seem to be very efficient at a small scale.<sup>79</sup> The municipality estimates that in the Hague around 400 people carries out Urban Circular Collaborative Economy undertakings.<sup>80</sup> According to the Municipality, this ratio does not seem very high.<sup>81</sup> However, Den Haag in Transitie estimates the number of volunteers and responsible for these initiatives at least at 1000. Given the above, there is a clear knowledge discrepancy between the Municipality and Den Haag in Transitie, which reflects a considerable gap of data within the Municipality regarding the existing initiatives, their funders and beneficiaries.

Furthermore, it seems that existing Urban Circular Collaborative Economy initiatives are precarious and are not likely to not be sufficient on its own as they are dependent on funding modalities.<sup>82, 83</sup> On the contrary, a cooperative based initiatives, seem to be more sustainable given they different growth model.<sup>84</sup> The money perceived from funding is spent on working capital, inventory, product development, building factory etc.<sup>85</sup>

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<sup>72</sup> Interview with Municipality of the Hague, 03/07/2019.

<sup>73</sup> Interview with Municipality of the Hague, 03/07/2019.

<sup>74</sup> Interview with Municipality of the Hague, 03/07/2019.

<sup>75</sup> Interview with Platform 31, 03/07/2019.

<sup>76</sup> Ibid.

<sup>77</sup> Interview with Municipality of the Hague, 03/07/2019; Interview with Platform 31, 03/07/2019.

<sup>78</sup> Ibid

<sup>79</sup> Interview with Design for Governance, 17/07/2019.

<sup>80</sup> Interview with Municipality of the Hague, 03/07/2019.

<sup>81</sup> Ibid.

<sup>82</sup> Interview with Rathenau Institute, 02/07/2019.

<sup>83</sup> Interview with Circle Economy, 16/07/2019.

<sup>84</sup> Interview with Rathenau Institute, 02/07/2019.

<sup>85</sup> Interview with Circle Economy, 16/07/2019.

### 3.3 Usage of the initiatives

The city has a wide range of the Urban Circular and Collaborative Economy initiatives when it comes to their size, business model, domains, category and sectors. There is no clear data on number of initiative users nor on their main characteristics. The general trend shows that the beneficiaries of these initiatives represent people of all age, gender and cultural background. In the overall they seem to be rather inclusive and diversified. According to the survey results, the average number of initiatives users varies between 50 to 500 for the smaller one and between 1,000 and 10,000 for the bigger ones.

However, based on the conducted interviews some tendencies are noted within specific districts and domains. Regarding districts areas, in the poorest districts (e.g. Escamp) women are more willing to benefit from these initiatives than men.<sup>86</sup> The reason behind are various. On the one hand women feels more responsible for their families and therefore are more participative in any initiatives that can improve the wellbeing of their closest ones. On the other hand, many new projects are focus on women emancipation.<sup>87</sup>

Regarding domains, discrepancies are observed. While, food sharing domain (e.g. Foodbank, Resto VanHarte) have an important share of poor or unemployed people among users, domain of sharing organisations and decisions as cooperatives (e.g. energy cooperatives) gathers rather wealthy people. An example of possible users' statistics was conducted by Resto VanHarte in the Netherlands and is presented in the textbox below.

#### *Textbox 3: Users of Resto VanHarte in the Hague*

The Resto VanHarte aims to welcome socially isolated or endangered people<sup>88</sup>:

- Adults with a low socio-economic status;
- Children and young people whose parents have a low economic status;
- People with a higher age;
- People who are divorced or widowed;
- Surinamese, Moroccan and Turkish Dutch;
- Single person;
- Unemployed people.

In general, this includes people whose household income is not higher than 110% of the social minimum. Among initiative users, only around one quarter (24,6%) of people have an income, while the income of more the half of them comes from social benefits (56%).<sup>89</sup>

The information above is not representative for other sectors of the same domain nor for other domains. Given a large discrepancy and lack of clear data on each initiative separately, no clear conclusion can be drawn on the usage of the Urban Circular and Collaborative Economy initiatives in the municipality of the Hague.

<sup>86</sup> Interview with Den Haag Zuidwest, 02/07/2019.

<sup>87</sup> Interview with Just Common People 12/08/2019.

<sup>88</sup> The 2016 survey was distributed among 40 branches of Resto VanHarte in 29 municipalities.

<sup>89</sup> Ibid.

## 4 Assessment of impacts

This Chapter provides an overview of the impacts of the Urban Circular Collaborative Economy in the main impact assessment areas: economic, environmental, social and political/governance. It uses the example of four initiatives selected in the territory in order to draw correlations between the development of initiatives, territorial characteristics and the policy framework in place.

### 4.1 General trends

The Hague expressed an interest in further investigating the potential of Urban Circular and Collaborative Economy business models for solving social and economic problems in the city's most deprived areas along a promotion of entrepreneurship. Therefore, our selection will focus on measures aiming to reduce social poverty and promote entrepreneurship. Therefore, under this section the most relevant economic, environmental and social impacts for this specific policy focus will be analysed. For what concerns the economic impacts, this study will focus on the possible job creation provided by the selected initiatives (e.g. Made in Moerwijk). Secondly, regarding environmental impacts, this study will analyse those initiatives that tend to reduce the CO2 emissions (e.g. de Groene Regentes) and promote more sustainable consumption (Lekkernassûh). Finally, regarding social impacts, the analysis will focus on initiatives which improve social cohesion, inclusiveness and reduce social poverty.

In general, the Urban Circular and Collaborative Economy initiatives are rather known from its positive impacts on the society as a whole. According to the survey results, the majority of initiatives believes that their activity contributes to raising users' awareness of environmental matters. Furthermore, the survey participants agree that the initiatives have a generally positive impact on social cohesion in neighbourhoods, quality of life and health of the citizens. However, some possible negative impacts can be also identified. For instance, according to some interviewees the development of social business models can have a potential negative impact on the labour union's agreements in commercial companies (e.g. lower wages).<sup>90</sup>

However, the majority of Urban Circular and Collaborative Economy initiatives do not conduct a constant reporting on their social, economic and environmental impacts. However, some of the initiatives are more willing to develop their own impacts monitoring projects to better measure the social return on investment of their activities (e.g. Lekkernassuh).<sup>91</sup> Therefore, gathering of quantifiable and comparative data on impacts reminds still difficult. The main sources of information come from interviews, conducted for the purpose of this study. Nevertheless, Resto van Harte, on of a food sharing initiative in the Netherlands, developed its own survey to quantify possible impacts generated by its own activity. Resto van Harte's survey registered interesting social impacts that could be further applied to other initiatives under this case study. Among the social impacts, the following ones could be identified and possibly quantify:

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<sup>90</sup> Interview with Den Haag Zuidwest, 02/07/2019

<sup>91</sup> Interview with Lekkernassuh, 03/07/2019

- Number of volunteers that got more involved within the neighbourhood since they joined the initiative;
- Number of users that started to feel healthier, more self-reliant through their participation in the activities;
- Number of participants (3/4) made a new friends and acquaintances at Resto van Harte;
- People that feel less dependent on themselves (6 out of 10 people);
- Percentage of volunteers that gained more confidence (60%).<sup>92</sup>

Furthermore, out of all the regular volunteers at Resto van Harte, 50% indicated that they started doing sport more regularly, 57.4% indicated that they have become more aware of the organizations in the neighbourhood, 40.5% said to pay more attention to healthy food consumption, and 15.8% to pay more attention to their expenses.<sup>93</sup> The survey demonstrated the overall satisfaction of people's social life once they have participated to the initiative.

In addition, the Ratheneau Institutes study *Fair share: Safeguarding public interests in the sharing and gig economy*<sup>94</sup> provides a potential benchmark of economic, social and environmental impacts of the sharing economy in the Netherlands. The report concludes that the collaborative economy will have substantial economic benefits, uncertain social effects and positive environmental effects.

## 4.2 Selection of initiatives

### 4.2.1 Selected initiatives

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<sup>92</sup> <https://www.restovanharte.nl/wat-wij-doen/resultaten>

<sup>93</sup> Ibid.

<sup>94</sup> Ratheneau Institute, *Faire share: Safeguarding public interests in the sharing and gig economy*, 2017, available at: [https://www.ratheneau.nl/sites/default/files/2018-07/Report%20Fair%20share\\_2.pdf](https://www.ratheneau.nl/sites/default/files/2018-07/Report%20Fair%20share_2.pdf).

Table 2: Initiatives selected for the case study

Name of initiative	Domain	Category	Business, organisational or value creation model											
			Economic potential						Social potential					Env. potential
			Sector	Underlying asset	Transaction relationship	Transaction mode	Type of market player	Data	Hiring of workers involved	Origin	Ownership of the initiative	Financing – source	Financing – destination	Contribution to the circular economy
Made in Moerwijk*	Sharing goods and tools	Reselling goods	Retail	Goods/Services	B2B	Sharing Selling	Multiple	Non personal data use	For service and coordination	Local	Private public partnership	Activity and public money	Re-investment in local assets and its own activity	Waste re-use
KledingBank Den Haag	Sharing goods and tools	Swapping goods	Retail	Goods (clothes)	P2P	Sharing	Multiple	Non personal data use	No	Local	Private investment	Activity and public money (at the start)	Maintain of the activity	Clothing re-use
Lekkernassûh	Sharing food	Food cooperative/ food redistribution	Food and waste	Food	P2P/C2B	Selling	Multiple	Personal data use	For service and coordination	Local	Cooperative ownership	Alternative financing	Re-investment in local assets	Consumption of local products
De Groene Regents*	Sharing organisations and decisions as cooperatives	Energy	Energy/utilities	Energy/Car	P2P	Selling/ Renting (mobility)	Multiple	Personal data use	No	Local	Cooperatively owned	Activity and public money	Re-investment in local assets and	Use of renewable energies and reduction of CO2 emission

\* Made in Moerwijk and De Groene Regents initiatives have more hybrid structure which could fit into several domains and category at the same time. Both of them are multi-dimensional initiatives that develop throughout their life to address the current and emerging social and environmental issues. For instance, De Groene Regents could cover the following three domains: sharing organisation and decisions as cooperatives, sharing transport, sharing outdoor urban space.

## 4.2.2 Assessment of impacts per initiative

### 4.2.3 Made in Moerwijk

**Made in Moerwijk** has been selected as it aims to reuse materials from the district of Moerwijk and the skills of its inhabitants in the production process. Based on the circular economy concept it aims to boost social employment, neighbourhood participation and a social solidarity.<sup>95</sup>

#### 4.2.3.1.1 Description

**Made in Moerwijk** is a hybrid initiative which was launched in January 2018. This circular-based initiative was initially developed as a public experiment to address specific problems of Moerwijk (Escamp district - significant issue of poverty). Since its establishment, the project became a truly multi-dimensional undertaking encompassing various areas such circularity and gardening, selling goods (bulk bags and belts from tires), reparation, capacity building, education and formation. The idea behind this project was to bring jobs, suited to its inhabitants, back to the neighbourhood.

**Made in Moerwijk** is a circular-based economy initiative, aiming to solve an issue of capacity building and the need for investing in this capacity building in Moerwijk. The entrepreneurs aim to reinsert excluded people (e.g. unemployed people, former sex workers, people dealing with addictions, people with debts, ill people, former criminals etc.) and re-introduce them to the social life and labour market. The initiative hires socially excluded people, trains them how to function in society and teaches them a working discipline.

The concept of the project was an initiative by the municipality of Moerwijk and Just Common People and supported by other territorial social entrepreneurs as well as the Hague University. From its establishment, **Made in Moerwijk** was based on a multi-stakeholder's approach, facilitating a broad ownership of the initiative and therefore its continuity over time.

Initiatives such as **Made in Moerwijk**, which are established in difficult neighbourhoods require a strong business model to function properly and to solve complex local issues. According, to the municipality of the Hague, one of the main objectives of **Made in Moerwijk** was to become an incubator for new start-ups in the rest of the city.<sup>96</sup> An objective made possible by the fact that **Made in Moerwijk** enables circular designers and start-ups to scale-up as they can prototype, test and outsource their production to **Made in Moerwijk** (e.g. Lek Belt).

Currently, 22 people work in **Made in Moerwijk**. This number includes two managers, whose salary is financed through public money. The salary of the 20 remaining workers is covered through the activities of Made in Moerwijk. On top of the fact that the initiative aims to be self-sustainable, it also receives support by two entrepreneurs on a voluntary basis. The way **Made of Moerwijk** generates an income can be explained by looking at their specific activities.

The main source of income of **Made in Moerwijk** is B2B activity based on a production for companies of bulk bags and belts. **Made in Moerwijk** manufactures products from waste e.g. belts from tyres, bulk

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<sup>95</sup> <https://www.madeinmoerwijk.nl/>

<sup>96</sup> Interview with Municipality of the Hague, 03/07/2019.

bags from plastics, repairs abandoned bicycles, benches out of city's wood waste. Along their primary activity, **Made in Moerwijk** developed parallel activities in the neighbourhood such as green gardens initiatives, healthy food education for 6-12 years children, boosting entrepreneurship for teenagers between 12-17 years old, promotion of work among 17-24 years old etc.

**Made in Moerwijk** advertises its activity through its own network cooperation with other Urban Circular Collaborative Economy initiatives which focus on plastics, sustainability and circularity (e.g. circular start-ups and eco-design companies). The initiative promotes its own visibility, relying heavily on social media.

Although receiving a lot of public attention during the first years of activity, strong support from the public administration remained quite limited as the initiative primarily has relied on its own income. Although, the initiative is partially supported from the public budget (e.g. remuneration of two managers from the Social Department and the Ministry of Justice for reinsertion of former criminals).

#### 4.2.3.1.2 Impacts

Made in Moerwijk initiative has so far produced the following impacts:

- **Environmental:** resource saving (re-use of plastics waste, bike tires, building waste, abandoned bicycles); fostered environmental awareness in a neighbourhood where this is a difficult topic to be introduced (Escamp)
- by creating green gardens and re-using of plastics waste.
- **Economic:** job creation for the former unemployed and excluded people (20 created over last year, whilst objective reminds 100) – creation of a parallel labour market
- **Social:** hiring former unemployed and social excluded people (20), reduction of social poverty and exclusion in Escamp.

#### 4.2.3.1.3 Correlations

Made in Moerwijk activity is in line with the municipality's policy of fighting social poverty and social exclusion as well as promotion of entrepreneurship. Made in Moerwijk is well designed to address a multi-dimensional problem of the Escamp districts. Nevertheless, it does not seem to have a necessary attention and support from the municipality. To further expand its activity, Made in Moerwijk requested administration to find a new location, however, the decision-making process is very long and unpredictable as the Hague is a scarce city in terms of urban space.

## 4.2.4 KledingBank Den Haag

The **KledingBank Den Haag**, a clothing bank initiative, is selected because of its positive impact on reducing social poverty and inequalities in the Hague. The KledingBank Den Haag is a non-profit organisation which collects clothes and shares them with people in need.<sup>97</sup>

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<sup>97</sup> <http://www.kledingbank-den Haag.nl/>

#### 4.2.4.1.1 Description

KledingBank Den Haag is an initiative carried out on a voluntary basis that fits in the domain of sharing goods and tools and consists of swapping goods (clothes). The initiative started at a very small scale in 2015 (1 volunteer) and developed over years (currently 19 volunteers). It has a potential to become a social enterprise.<sup>98</sup> KledingBank Den Haag collects clothes and shares them with a vulnerable people. Among main users are employed people (with a low income), large families, refugees, unemployed etc. The transaction relationship between the initiators and users is based on person-to-person relationship (P2P). People in need of (free) clothes are directed to the KledingBank by the social security services and local authorities. Every year around 1400 people benefit from this initiative. The users receive a one-year pass that allows them to get three items per person each month. Every month KledingBank provides between 3000 to 4000 clothing items. A symbolic price per each item is EUR 1, however, users are not obliged to pay it.<sup>99</sup>

In parallel to their main activity, the KledingBank provides an important emotional support to vulnerable people benefiting from its service. Often, users share with volunteers the story of their lives (difficult upbringing, loss of a member of family, unemployment, financial problems etc.). The activity has a local scope and is carried out by volunteers. The initiative does not have any income and its functioning depends on the subsidies (private, public). This causes a major threat to the KledingBank. Each year the initiative needs to find resources to pay rent and expenses (e.g. the electricity bill). On average, yearly operating costs are between EUR 5000 and EUR 7000. In 2015, 2016, and 2017 the initiative perceived money from the local council. Since then, the KledingBank constantly struggles for its existence. In 2019, the initiative operates thanks to two private donations.

KledingBank Den Haag promotes its activity via online website, Facebook page, distribution of flyers and posters in the city of the Hague (e.g. in schools).

#### 4.2.4.1.2 Impacts

KledingBank Den Haag initiative has so far produced the following impacts:

- **Environmental:** shared 16 800 cloths per year (20,000 litres is the amount of water needed to produce one kilogram of cotton; equivalent to a single t-shirt and pair of jeans<sup>100</sup>)
- **Economic:** price of the cloth in a KledingBank is EUR 1 or 0, while the range of price for one piece of cloth in the retail is EUR 30 - 70<sup>101</sup>.
- **Social:** overall savings of users of KledingBank per month is round EUR 90, around 1400 users not having access to clothes without this initiative, benefit from it (e.g. low income, unemployed, vulnerable people, large families); this requires on average 16 800 meetings between the volunteers and beneficiaries of the initiative per year.

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<sup>98</sup> Interview with Just Common People; 02/07/2019.

<sup>99</sup> Ibid.

<sup>100</sup> WWF, Sustainable agriculture – cotton, available at: <https://www.worldwildlife.org/industries/cotton>

<sup>101</sup> [https://www.numbeo.com/cost-of-living/country\\_result.jsp?country=Netherlands](https://www.numbeo.com/cost-of-living/country_result.jsp?country=Netherlands)



#### 4.2.4.1.3 Correlations

KledingBank initiative is aligned with governmental objective to improve the social poverty. Despite filling into this goal, the KledingBank does not consider to receive any real support from the local authorities.

The municipality perceives the KledingBank Den Haag as a very good initiative, however, without a scaling-up potential.<sup>102</sup> Therefore, the municipality proposes to the KledingBank Den Haag run an experiment. The initiative could be split into two separate entities. Initially, the KledingBank Den Haag would continue its activity at 90-95%, while an entrepreneur would filter 5-10% of the clothing and sell them to the second-hand shops.<sup>103</sup> Money from sales would allow to cover the necessary costs of KledingBank Den Haag's operating.

### 4.2.5 Lekkernassûh

#### 4.2.5.1.1 Description

**Lekkernassûh** a food sharing cooperative created in 2014 aims at promoting a faire local food production in the Hague.<sup>104</sup> The initiative does not have a commercial character, all the activities are performed in its own capacity: transportation, financial flows. Lekkernassûh promotes purchase of products of local farmers, which are made available at the pickup point for registered members.<sup>105</sup> The food is distributed in the boxes composed of 8 seasonal vegetables available every Wednesday afternoon. Along the distribution, Lekkernassûh provides meal services which allow people to share a meal. People need to register beforehand to participate in the initiative

The work is performed by 60 volunteers on a rolling basis. The relationship between the volunteers and users is established on the P2P approach. While **Lekkernassûh** has 2000 contacts on their mailing list, it accounts around 800 active users. On a weekly basis between 200-300 people benefit from the initiative. Among the main users are various type of stakeholders: young and alternative people, young professional, liberal, young families, expects, poor people (at the same time are volunteers).

The initiative has an important impact on agricultures. To support farmers within the current difficulty pattern of the economic system, **Lekkernassûh** shares the responsibility of food cultivation. Regardless the harvest result, it remunerates its partners at the level of 1/3 of their income. The initiative is also raising awareness of food quality and promotes a learning culture via its newsletter.

The launch of the initiative was possible thanks to the use of the current space available for free (e.g. in order to avoid squatting). At the same time, the temporary use presents a challenge (precarity) to the initiatives, as it is very much linked to the territory in which it operates. **Lekkernassûh** plan to buy the current location.

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<sup>102</sup> Interview with Municipality of the Hague, 03/07/2019.

<sup>103</sup> Ibid.

<sup>104</sup> <https://lekkernassuh.org/>

<sup>105</sup> <https://lekkernassuh.org/over-lekkernassuh/summary-in-english/>

**Lekkernassûh** encountered important legislative burdens for performing its activity (e.g. cooking meals). The municipality was unable to help with existing legal difficulties (activity was not allowed by law). To carry out its activity, **Lekkernassûh** hired a private legal consultant to find a loophole in the legislative system. In result, the negotiation with the municipality took over four years.

#### 4.2.5.1.2 Impacts

**Lekkernassûh** initiative has so far produced the following impacts:

- **Environmental:** promotion of local sustainable consumption and healthy nutrition among its members;
- **Economic:** EUR 12,50 for 8 items while the same amount of BIO food costs EUR 37 in the store. (the price of regular food in the market is similar to the price of Lekkernassûh). Which results in the EUR 98 saving of a regular user per month.
- **Social:** reduction of poverty: 60 % of volunteers (40% of poor people and 20% of students (around 24 people); an important meeting point in neighbourhood (between 200-300 people per week).

#### 4.2.5.1.3 Correlations

**Lekkernassûh** is in line with the existing policy objectives of the Hague: making the city greener, shortening food chain, fostering of social inclusion and sharing economy. Although, the initiative fits into all goals, it does not perceive any relevant support from the municipality. Given the fact that the space is a big issue in the Hague, it would be recommended that the municipality support precarious situation of existing initiatives by making space available at the price level shifted from the current market and affordable for social entrepreneurs.

## 4.2.6 De Groene Regents

The city has set ambitious targets in the area of climate and decarbonisation. Therefore, we have chosen an initiative in the domain of energy savings and cooperation. **De Groene Regents** is an initiative started by local residents to make their neighbourhood greener and more sustainable.

#### 4.2.6.1.1 Description

**De Groene Regents** was created in 2013 and represent a sharing organisation in the energy sector. The idea was launched by two founding members wanted to turn their neighbourhood into a more sustainable one. The cooperation started with the installation of solar panels on roofs (main activity), and quickly expanded to new areas, for instance, electric car sharing, community gardens.<sup>106</sup> The cooperative is composed of between five to six thematic groups.

The initiative is carried out in an old neighbourhood of the Hague, with the majority of wealthy people. While 25 members are active in a structure of cooperation, the initiative gathers around 250 people working together. The cooperative externalises some administrative work (e.g. accounting,

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<sup>106</sup> <https://www.groeneregentes.nl/>

computability of CO<sub>2</sub>, legal). The initiative does not have a strong hierarchical structure and follows Frederic Laloux theory - the decision is made collectively unless someone raises its objection.<sup>107</sup> De Groene Regents promotes its activities by writing articles, websites, newsletters, and participation in local festivals. The initiative cooperates and share its experience with other undertaking of the same sector.

The initiative primary activity consists of installation of the solar panels. Two collectives of around 70 owners has been established. In total around 2000 solar panels has been placed, which capacity covers 200 households. The installation of one solar panel cost around EUR 350 to a member. Each member owns between 2 to 3 solar panels. The generated electricity by solar panels is not directly delivered to members but transferred to electricity grids. The members perceive a small benefit in long term from the initiative as their investment is reimbursed over the period of 10 years<sup>108</sup>. The main driver of cooperative members is to invest resources to make the environment more sustainable. The tendency among the solar panels users represents men between 40s -50s of a general high level of education.

The installation of panels was supported in a twofold way by local authorities. First, the municipality made available the roofs (sport facility). Secondly, it benefited from the CO<sub>2</sub> local fund for the amount energy sold (EUR 25 per ton of CO<sub>2</sub> reduction). The yearly income of the solar panel initiative is EUR 100 000.

In addition, the initiative aims at reducing number of parked cars. To this aims it started to share electric cars. For the time being, the scope of this undertaking is very small. Only, 3 cars are shared among 15-20 people. Users who subscribe to car sharing activity pay 70 euros per month, regardless of the frequency of use.

#### 4.2.6.1.2 Impacts

**De Groene Regents** initiative has so far produced the following impacts:

- **Environmental:** 607.578 kWh/year of additional renewable energy as part of the energy produced in the territory
- **Economic:** earning generated by the solar panel park EUR 100 000 of entire solar panel park while the cost of installation of a one solar panel is of EUR 350; this results in EUR 30 of the overall saving of users per month.
- **Social:** 25 active members, 250 people gathered under initiatives (wealthy people with higher education, good gender balance with a slight men dominance, between 30 -50 years old).

#### 4.2.6.1.3 Correlations

The initiative is in line with the national and local objectives such as reduction CO<sub>2</sub> emissions, increase in use of renewable energies and promotion of sustainability. Although De Groene Regents is aligned

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<sup>107</sup> <https://www.reinventingorganizations.com/>

<sup>108</sup> On average the life of a one solar panel is estimated for 18-20 years.

with main policy objectives, it faced difficulties regarding the availability of roof to put the solar panels. For instance, the installation of the first collective of solar panels required 6 years of delay.

### 4.3 SWOT analysis

To better understand the landscape of the Urban Circular and Collaborative Economy initiatives we provide a simple SWOT analysis, which provide us with the key information on these initiatives Strengths and Weaknesses, as well as Opportunities and Threats.

First of all, the biggest strengths of these initiatives represent their local ownership and a strong and involvement of strong, charismatic entrepreneurs/volunteers convinced of their missions. Also, an important advantage of well-functioning initiative constitutes a well-integrated supply chain (e.g. produced locally, local restaurant) and network cooperation. Besides, promotion of sustainable employment or sustainable business model –attracts customer and employers with a similar mindset.

Secondly, the weaknesses often reflect the precarity of Urban Circular Collaborative Economy Initiatives situation. This is often resulting from to the lack of a good relationship between the entrepreneurs and the municipality representatives due to important differences in perspective. *This* often results in a misunderstanding of these initiatives and a provision of necessary support. For instance, whilst initiatives focus on short-term dynamics, municipalities plan on a long-term (e.g. financial support provision), which results mismatch leads to lack of communication and needed support.

Thirdly, among the biggest opportunity for the Urban Circular Collaborative Economy Initiatives constitutes a good understanding of their activities by local communities and municipalities as well as the alignment of their mission along with the current local policy objectives. Also, development based on the regular business models and a use of a proven technology by these initiatives can be perceived as an advantage by the financing institutions. Besides, where possible, the adoption of the current policies could promote further funding of these initiatives, that could be further leveraged by a dedicated to these initiatives public procurement measures.

Finally, given still a very vulnerable structure of these initiatives, they are facing a lot of threats among which are current barriers of the legal systems and taxation systems which are not open to the Urban Circular and Collaborative Economy Initiatives. For instance, often the waste collection is monopolised by public services preventing private initiatives of collecting and reusing waste, organisation of neighbourhood kitchens in previously un-used buildings require the same certifications and health approvals like restaurants). In addition, it has been noted that especially voluntary based initiatives cannot run without resource support and fixed location. Their increasing activity simultaneously leverage their social impacts and the cost its operations (KledingBank). This seems to be a vicious circle. Therefore, many initiatives owe their precarity situation to the subsidies that they rely on and temporary use of public domain (dependence on the localisation). The authorities should be more flexible and realise voluntary undertakings help to fulfil public policy objective and have an important social impact.

Table 3: SWOT of the Urban Circular Collaborative Economy in the territory

<b>Strengths</b>	<b>Weaknesses</b>
<ul style="list-style-type: none"> <li>- Local ownership by the inhabitants</li> <li>- Well-integrated supply chain</li> <li>- Sustainable business model</li> <li>- Sympathy from the public towards initiatives</li> <li>- Cooperation between initiatives</li> <li>- Mission-driven</li> <li>- good professional communication (e.g. social media)</li> </ul>	<ul style="list-style-type: none"> <li>- lack of continuity</li> <li>- lacking a strong business model which prevents possibilities of scaling up</li> <li>- Relationship with municipality is still primitive</li> <li>- short-term dynamics vs. municipalities long-term planning</li> <li>- lack of documentation</li> </ul>
<b>Opportunities</b>	<b>Threats</b>
<ul style="list-style-type: none"> <li>- the opportunities and benefits of the initiatives to municipalities and city governments</li> <li>- Good understanding of initiatives models and needs</li> <li>- the same end goals (e.g. fighting social poverty)</li> <li>- regular business that that have experience from history (finance)</li> <li>- use of proven technology (financial)</li> <li>- close of the existing technologies and a gross scale production (financial)</li> <li>- access to raw materials (waste) – less sensitive on a price fluctuation and material’s availability;</li> <li>- Sustainable products becoming requirement of public procurements</li> <li>- Potential move towards more Public-Private Partnerships (PPP);</li> </ul>	<ul style="list-style-type: none"> <li>- Existing taxation schemes</li> <li>- Current legal barriers</li> <li>- Lack of governmental stimulation</li> <li>- temporary use of public domains – precarity of UCCE initiatives situation (e.g. initiatives strongly depend on their localisation);</li> <li>- dependence on subsidies (precarity)</li> </ul>

## 5 Conclusions and recommendations

This Chapter summarises the conclusions of the case study by performing a SWOT analysis of the initiatives from each typology in the territory. It also gives recommendations for local policy makers in order to develop initiatives with highest positive impacts.

### 5.1 Conclusions

The development of Urban Circular and Collaborative Economy Initiatives in the Hague started relatively late compared to Rotterdam and Amsterdam. Thus, the municipality does not have a comprehensive strategy towards Urban Circular and Collaborative Economy, and its approach relies on a limited number of actors. Nevertheless, it seems that important poverty and segregation issues of the Hague could be to some extent addressed by many of existing initiative if necessary, action would be undertaken. Therefore, the Urban Circular and Collaborative Economy Initiatives under this case study were analysed as a vector of change of current social and environmental challenges, especially in the city's poorest area.

Especially, when it comes to precarity of poorest neighbourhoods, the situation of its inhabitants does not allow them to be entrepreneurial in that sense and undertake the necessary actions to address the current issues. Therefore, often the initiative aiming at solving the existing social poverty issues of these areas need to be brought to these territories by social entrepreneurs and supported from local authorities. Although, this situation would be ideal; it is rather rare (Made in Moerwijk case).

The phenomena of Urban Circular Collaborative Economy initiatives is not well documented which creates a problem for both local authorities and entrepreneurs. On the one hand, Urban Circular and Collaborative Economy initiatives have difficulties in establishing their business models, identification of potential risks, description of impact chain or measuring of their impacts. On the other hand, local authorities without a good understanding of the functioning mode of these initiatives and an overview of their impacts do not see their added value for the territory. Because of the small impacts of individual initiative or lack of systematised documentation, the municipality tends to marginalise these for the community.

The research finds out that these initiatives are rather small, often undertaken as secondary occupation, with the average life expectancy of 2 years. Furthermore, the landscape of these initiatives lacks stable drivers and funding opportunities. Although, the municipality seems to be very interested in ongoing initiatives, most of entrepreneurs feel very much left alone by local authorities. The successful projects are based on a (i) cooperation with the municipality (Made in Moerwijk), (ii) important investment from members themselves (De Groen Regentes) or (iii) private investment (Lekkernassûh, the KledingBank Den Haag). The lack of funding creates the biggest challenge for the entrepreneurs.

Moreover, according to the interviews, entrepreneurs face multiple administrative and legal challenges to their activities. The municipality services do not seem willing to facilitate existing slow and inefficient application procedures. In addition, while local authorities' activities are driven based on a long-term planning, the Urban Circular and Collaborative Economy initiatives function in a very dynamic and

responsive environment. This creates a core misunderstanding between both parties. It seems the lack of support and understanding of nature of Urban Circular and Collaborative Economy initiatives is a general trend shaping the relationship between the entrepreneurs and the municipality.

Nevertheless, Urban Circular and Collaborative Economy initiatives provide important benefits to the municipality. It could be argued, that some of them are voluntarily outsourcing the local authorities' responsibilities when it comes to answering to the emerging social issues. Often, initiatives are born in vacuum of action (e.g. food shortages, lack of clothing, air pollution, social exclusion, persistence poverty). To better understand role that these initiatives play for the urban communities, it is vital to identify and measure their impacts.

Despite the fact the traditional system dominated by the market economy values economic impacts over environmental and social ones, among the crucial initiatives' impacts in the Hague, there is a considerable advantage of social (social cohesion, increase of self-esteem, poverty reduction) and environmental impacts (reduction of CO<sub>2</sub>, increase in the production of renewable energies, consumption of local products) over economic ones (small increase of local revenue or creation of employment). This discrepancy has a detrimental effect upon Urban Circular and Collaborative Economy benefits for the urban spaces and networks. Therefore, the local authorities should develop models that would give an accurate value to these underestimated impacts. Although, Urban Circular and Collaborative Economy initiatives' undertaking are aligned with the main local policies objectives, non or a very little municipal support is provided to them. A better engagement on the side of the municipality could considerably scale-up the scope of some of these initiatives and consequently increase their positive impacts on the society and environment (e.g. poverty reduction, social cohesion, reduction of CO<sub>2</sub>).

Given the above, there is a clear need on a municipality side to facilitate procedures and have a better understanding of the Urban Circular and Collaborative Economy initiatives features. This would allow the municipality to re-shape their internal procedures, which represents a heavy burden to modern structures. To respond to the immediate difficulty, local authorities could use experimentation to find the way out of some current and future bottlenecks. A setting up of experimentation exercise would allow for testing of the new possible solutions on a small scale with an idea of their future implementation.

Furthermore, where municipality is unable to adapt to needs of the new economic models such as Urban Circular and Collaborative initiatives, it seems important to slowly innovate existing structures. It can be done in a twofold way (i) from inside by recruiting among the civil servants' charismatic social entrepreneurs, (ii) from outside by cooperating with externals which would be able to bridge buildings between various stakeholders and design new concepts of cooperation. Finally, to leverage the vulnerable structure of individual initiatives and foster a better use the public spending, local authorities, could promote financing of common projects undertaken together by several initiatives cooperating (iii)

## 5.2 Recommendations

The overall objective of this section tends to go towards a more holistic approach of the new urban economy. However, given the structure of Urban Circular and Collaborative Economy initiatives, local authorities often stand out from the transition and are not able to embrace the multi-dimensional problems and dynamic environment in which these initiatives operate. It occurs that the municipalities should invest into a more innovative approach towards Urban Circular and Collaborative Economy under three main axes: better knowledge, better funding, and better regulation. Moreover, some additional recommendations were put forwards such as creation of counsellor(s) or interdepartmental body and green policy choices.

### **Better Knowledge** – knowledge they can share

- The municipality should develop models allowing local authorities to better understand the main characteristics, functioning and impacts of existing and potential initiatives;
- Facilitating measuring and monitoring, especially of by rethinking how to accurately assess the social return on investment which is currently underestimated; both municipality and entrepreneurs need to develop better communication means; municipality could lead by example by giving templates and establishing social indicators that could be followed by Urban Circular and Collaborative Economy initiatives to map their impacts; this would guarantee common understanding;
- Innovation of existing structure of local authorities ensuring better understanding of Urban Circular and Collaborative Economy initiatives by civil servants by (i) training existing staff; (ii) recruiting in the organisation social entrepreneurs that would be in charge of facilitating dialogue between the municipality and UCCE initiatives; (iii) establishment of cooperation with externals (think tanks, universities, Platform 31, Design for Governance) which would design new concepts of cooperation;
- The cooperation between individual Urban Circular and Collaborative Economy initiative should further be promoted; this would allow for a sharing of the best practices between entrepreneurs and better understanding of their possible challenges;
- Creation of a counsellor(s) or interdepartmental body that would be responsible for facilitating new solutions within the municipality and would build bridges between various departments active in the area of Urban Circular and Collaborative Economy initiatives and therefore will facilitate a better understanding. In results, each department should be made aware of the importance of certain initiatives.

### **Better funding**

- Funding institutions should build the knowledge on circular business models (whether these models actually work and under which circumstances) and align the strategy of risk



management offices; fine-tuned fund application towards the needs of these new business model applications.

- Public funding could be designated to promote the cooperation between various individuals' initiatives under the same projects; resources could be used to support more than one initiative and to promote rather cooperative approach than competition between entrepreneurs; the municipality could promote meetings between beneficiaries to encourage exchange and cooperation between various stakeholders; this approach could foster an establishment of a long-term urban network economy (network of initiatives);\_creation of urban network economy having small entities becoming big is a crucial element of the sustainable urban economy, which would create a network of small, short and long-term, start-up entities.
- The funding needs could be further aligned with the territorial policy objectives as well as the sustainability challenges faced by the Hague. Therefore, the municipality could decide to finance those initiatives that promote the movement of changed in correspondence with long term territorial objectives. For instance, the financing could prioritise initiatives addressing multi-dimensional issues such as Made in Moerwijk. The funding decision should move away from financing a number of individual projects lacking a clear impact chain, towards financing those ones that have the possibility to create a momentum of real change in the urban environment. For instance, a constructive investment could take a form of an experimental approach of the municipality and focus on ICE projects (Iconic in itself; Carrier/enablers - enabling other projects to scale up; and Entrepreneurial).
- Funding is shaped in the form of subsidies (tax free).

#### **Better regulation**

- Experimentation and more open/flexible regulatory approach towards Urban Circular and Collaborative Economy initiatives is needed that goes beyond a traditional public management contract; the put in place of new experimental regulatory measures needs to be documented and the consequences should be drawn on their effectiveness; if positive these measures could be further scaled-up at the municipality level.
- Reduction of legislative burden on small structures;
- In addition, an overarching body of **counsellor(s) or interdepartmental body** could be established. Its role would be transversal and would feed into three pillars discussed above. Among his main tasks would be:
  - facilitating new solutions within the municipality and building communication bridges between various departments, which are not used to work together in the area of Urban Circular and Collaborative Economy initiatives (better knowledge);
  - finding solutions to address the existing systematic gaps; providing the new legislative proposal (e.g. experimentation) to the current legal shortcomings (better regulation);

- identifying and mapping of all possible funding possibilities of various departments to streamline them; and creation awareness activities on these funding instruments among the initiatives so that those needing to know about the possibilities are aware of them (better funding)
- Promoting cooperation between various social entrepreneurs and academia (better knowledge)
- Promoting innovative pilot project at the municipality level (better regulation, better knowledge, better funding).

The creation of this **counsellor(s) or interdepartmental body** with the abovementioned functions and responsibilities could take as an example the current role of the deputy major in Paris whose responsibilities encompass the social and solidarity economy, social innovation and the circular economy.<sup>109</sup>

- Furthermore, the development of urban circular and collaborative economy initiatives could be backed up by local administration by imposing the use or purchase of sustainable products (e.g. use of hard cups on festivals, **green public procurement**).

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<sup>109</sup> <https://api-site-cdn.paris.fr/images/97397>

# Annexes

## Annex 1: Typologies/domains of Urban Circular Collaborative Economy initiatives

Domain	Category	Business, organisational or value creation model												Usage		
		Economic potential						Social potential								
		Sector	Underlying asset	Transaction relationship	Transaction mode	Type of market player	Data	Hiring of workers involved	Origin	Ownership of the initiative	Financing source	Financing destination	Contribution to the circular economy	Size of the activity	Alternative usage	Users' characteristics
Sharing outdoor urban space	Community gardens	Food and waste	Space	P2P	Sharing	Multiple	Personal/non-personal; data use	For service and coordination	Local	Private/public/partnership	Activity/private investment/public money	Re-investment in local assets/outside the country	Type of circular economy business model	Data to be collected	Agriculture	Data to be collected
	Parking space reuse	Transport	Space	P2P/B2C	Renting	Multiple	''	Only for coordination	Both	''	''	''	''	''	Rental parking space	''
Sharing indoor urban space	Short-term rental	Accommodation	Space	P2P (rarely B2C)	Renting	Some dominants	''	For service and coordination	Outside	''	''	''	''	''	Hotel	''
	Coworking space/Fablab	Accommodation	Space	P2P (rarely B2C)	Renting	Multiple	''	For service and coordination	Local	''	''	''	''	''	Office rental	''
	Leisure space sharing	Accommodation	Space	P2P/B2C/public sector	Sharing	Multiple	''	Only for coordination	Local	''	''	''	''	''	Cultural activities/recreative space rental	''

<b>Sharing goods and tools</b>	<b>Renting goods</b>	Retail	Goods	P2P	Renting	Multiple	''	Only for coordination	Outside	''	''	''	''	''	Rental companies	''
	<b>Reselling goods</b>	Retail	Goods	P2P	Selling	Some dominants	''	For service and coordination	Outside	''	''	''	''	''	Retailers	''
	<b>Swapping goods</b>	Retail	Goods	P2P	Swapping	Multiple	''	Only for coordination	Local	''	''	''	''	''	No	''
	<b>Repair cafés</b>	Retail	Goods	P2P	Sharing	Multiple	''	For service and coordination	Local	''	''	''	''	''	No	''
<b>Sharing food</b>	<b>Food &amp; meal sharing</b>	Food and waste	Food	P2P/B2C	Sharing	Multiple	''	For service and coordination	Both	''	''	''	''	''	Restaurants	''
	<b>Food cooperative/food redistribution</b>	Food and waste	Food	P2P	Sharing/Selling	Multiple	''	For service and coordination	Local	''	''	''	''	''	Retailers	''
<b>Sharing organisations and decisions as cooperatives</b>	<b>Energy</b>	Energy/utilities	Energy	P2P	Sharing	Multiple	''	For maintenance of asset and coordination	Local	''	''	''	''	''	Energy providers	''
	<b>Waste collection/treatment</b>	Food and waste	Waste	B2C	Sharing	Multiple	''	For service and coordination	Local	''	''	''	''	''	Waste treatment /management organisations	''
<b>Sharing transport</b>	<b>Bike sharing</b>	Transport	Bike	B2C/public sector	Renting	Some dominants	''	For maintenance	Outside	''	''	''	''	''	Rental bike	''

								nce of asset and coordinati on									
	<b>Car sharing</b>	Transport	Car	P2P/B2C	Renting	Some dominants	”	Only for coordinati on (if P2P)/For maintena nce of asset and coordinati on (if B2C)	Outside	”	”	”	”	”	”	Rental cars	”
	<b>Ride sharing</b>	Transport	Car	P2P	Sharing	Some dominants	”	For service and coordinati on	Outside	”	”	”	”	”	”	Public transport	”
	<b>Rides-on-demand</b>	Transport	Car	B2C (rarely P2P)	Renting	Some dominants	”	For service and coordinati on	Outside	”	”	”	”	”	”	Taxi	”

## Annex 2: List of interviews

<b>Name</b>	<b>Organisation</b>	<b>Organisation type</b>	<b>Date of the interview</b>
Rinie van Est	Rathenau Institute	Research Institute	02/07/2019
Dymphna Faas	Den Haag Zuidwest	Local authorities	02/07/2019
Hanke Baars	Chairman of Food Bank in the Hague	Local social entrepreneur	02/07/2019
Donne Bax	Made in Moerwijk	Urban Circular and Collaborative Economy initiative	03/07/2019
Ger Kwekkel	The Municipality of the Hague	Local authorities	03/07/2019
Wouter Kersten	Platform 31	Think Thank	03/07/2019
Jay Navarro	Just Common People	Consultancy	12/08/2019
Frederik Oudenhove	Lekkernassuh	Urban Circular and Collaborative Economy initiative	03/07/2019
Marja Pelzer	Programmamanager BT/ET Werkoffensief +500 Programmamanager Regiodeal "Weerbaar Zuidwest"	Local authorities	12/07/2019
Ingrid Vogel	KledingBank DH	Urban Circular and Collaborative Economy initiative	16/07/2019
Fieke De Haan	Circle Economy	Consultancy	16/07/2019
Rob Ruts	Design for Governance	Think Thank	17/07/2019
Charlotte Van Slagmaat	De Groene Regents	Urban Circular and Collaborative Economy initiative	17/07/2019
Pieter de Jong	ShareNL		22/07/2019
Wim Schutten	De Groene Regents	Urban Circular and Collaborative Economy initiative	01/08/2019

### Annex 3: The 2019 SDG Index for European Cities: ranking and scores

**TABLE 1 THE 2019 SDG INDEX FOR EUROPEAN CITIES: RANKING AND SCORES**

RANK	CITY	SCORE		RANK	CITY	SCORE
1	Oslo	74.8		26	Bratislava	60.2
2	Stockholm	74.2		27	Prague	60.1
3	Helsinki	71.3		28	Madrid	59.7
4	Copenhagen	68.7		29	Tallinn	59.5
5	Zurich	67.5		30	Barcelona	59.1
6	Lyon	64.9		31	Warsaw	57.8
7	Paris	64.7		32	Zagreb	57.1
8	Munich	64.2		33	Vilnius	56.8
9	The Hague	63.7		34	Milan	56.8
10	Eindhoven	63.5		35	Turin	56.4
11	Amsterdam	63.5		36	Riga	56.3
12	Rotterdam	63.4		37	Budapest	55.4
13	Luxembourg	63.0		38	Sofia	55.2
14	Hamburg	63.0		39	Lisbon	55.1
15	Bordeaux	62.6		40	Rome	55.0
16	Vienna	62.5		41	Bucharest	54.4
17	Ljubljana	62.5		42	Valletta	53.8
18	Berlin	62.1		43	Nicosia	53.7
19	London	62.0		44	Porto	53.5
20	Nuremberg	61.9		45	Athens	48.6
21	Antwerp	61.7				
22	Dublin	61.6				
23	Marseille	61.4				
24	Frankfurt	61.2				
25	Brussels	60.4				

## Annex 4: City Scores for each SDGs

CITY	COUNTRY	MISSING VALUES (%)	REGION
Amsterdam	Netherlands	16.07	Western Europe
Antwerp	Belgium	8.93	Western Europe
Athens	Greece	33.93	Southern Europe
Barcelona	Spain	14.29	Southern Europe
Berlin	Germany	8.93	Central and Eastern Europe
Bordeaux	France	12.50	Western Europe
Bratislava	Slovakia	17.86	Central and Eastern Europe
Brussels	Belgium	10.71	Western Europe
Bucharest	Romania	19.64	Central and Eastern Europe
Budapest	Hungary	12.50	Central and Eastern Europe
Copenhagen	Denmark	16.07	Northern Europe
Dublin	Ireland	33.93	Western Europe
Eindhoven	Netherlands	23.21	Western Europe
Frankfurt	Germany	14.29	Central and Eastern Europe
Hamburg	Germany	714	Central and Eastern Europe
Helsinki	Finland	12.50	Northern Europe
Lisbon	Portugal	17.86	Southern Europe
Ljubljana	Slovenia	19.64	Central and Eastern Europe
London	United Kingdom	25.00	Western Europe
Luxembourg	Luxembourg	28.57	Western Europe
Lyon	France	19.64	Western Europe
Madrid	Spain	10.71	Southern Europe
Marseille	France	12.50	Western Europe
Milan	Italy	26.79	Southern Europe
Munich	Germany	8.93	Central and Eastern Europe
Nicosia	Cyprus	32.14	Southern Europe
Nuremberg	Germany	17.86	Central and Eastern Europe
Oslo	Norway	30.36	Northern Europe
Paris	France	14.29	Western Europe
Porto	Portugal	28.57	Southern Europe
Prague	Czech Republic	12.50	Central and Eastern Europe
Riga	Latvia	23.21	Central and Eastern Europe
Rome	Italy	12.50	Southern Europe
Rotterdam	Netherlands	17.86	Western Europe
Sofia	Bulgaria	19.64	Central and Eastern Europe
Stockholm	Sweden	10.71	Northern Europe
Tallinn	Estonia	19.64	Central and Eastern Europe
The Hague	Netherlands	23.21	Western Europe
Turin	Italy	10.71	Southern Europe
Valletta	Malta	30.36	Southern Europe



CITY	COUNTRY	MISSING VALUES (%)	REGION
Vienna	Austria	10.71	Central and Eastern Europe
Vilnius	Lithuania	19.64	Central and Eastern Europe
Warsaw	Poland	16.07	Central and Eastern Europe
Zagreb	Croatia	26.79	Central and Eastern Europe
Zurich	Switzerland	30.36	Western Europe

## Annex 5: Survey results

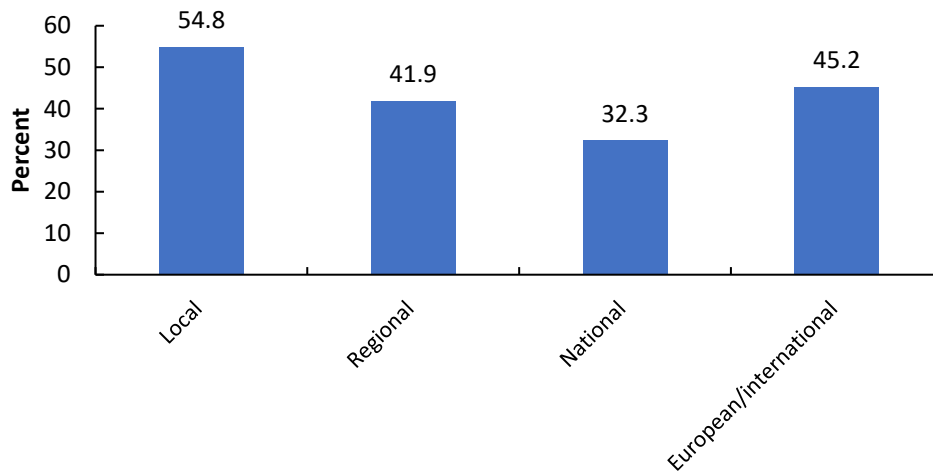
ESPONSHARING - survey of initiatives

The survey received in total 31 complete responses.

### At which scope do you operate?

Majority of Urban Circular Collaborative Economy initiatives in the Hague operate at the local level (54.8%), followed by European/international level (45.2%) and regional level (41.9%). 32.3% of the Urban Circular Collaborative Economy initiatives operate at the national level.

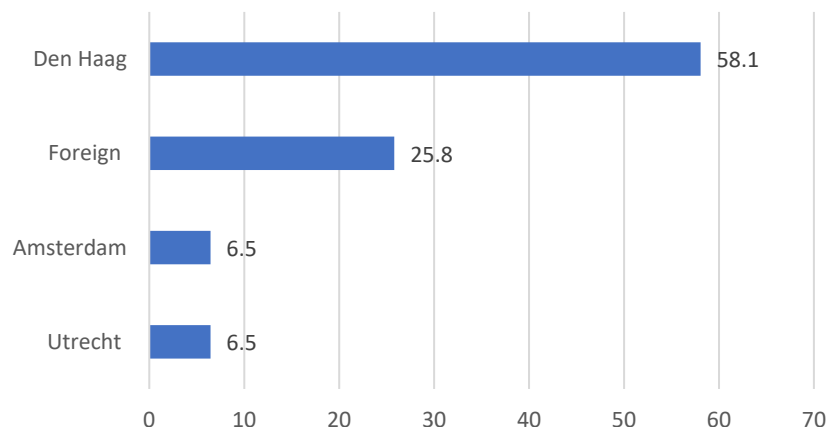
**Figure 4: Scope of operation, %**



### City of origin of Urban Circular Collaborative Economy initiatives present in the Hague

More than half of the Urban Circular Collaborative Economy initiatives that participated in the survey originate from the Hague city (58.1%). 25.8% of the initiatives present in the Hague city are of a foreign origin. The rest of the Urban Circular Collaborative Economy initiatives originate from other cities in the Netherlands (e.g. Amsterdam, Utrecht).

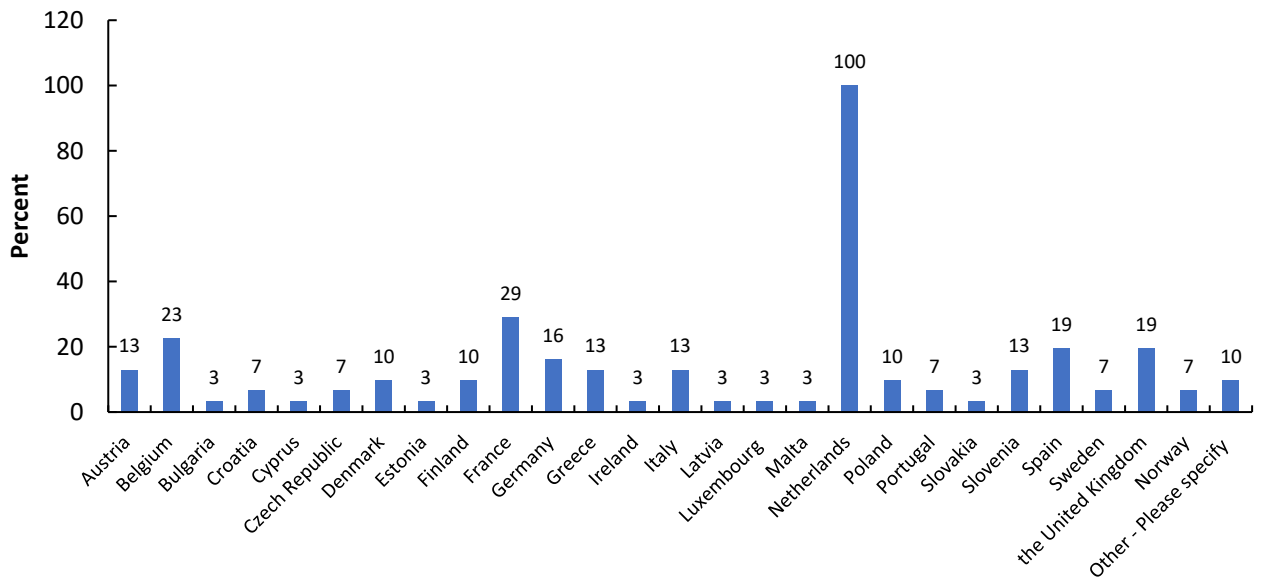
**Figure 5: City of origin, %**



### In which country(ies) do you operate?<sup>110</sup>

Besides the Netherlands, Urban Circular Collaborative Economy initiatives present in the Hague also operate in other countries. See the figure below.

**Figure 6: Countries of operation, %**



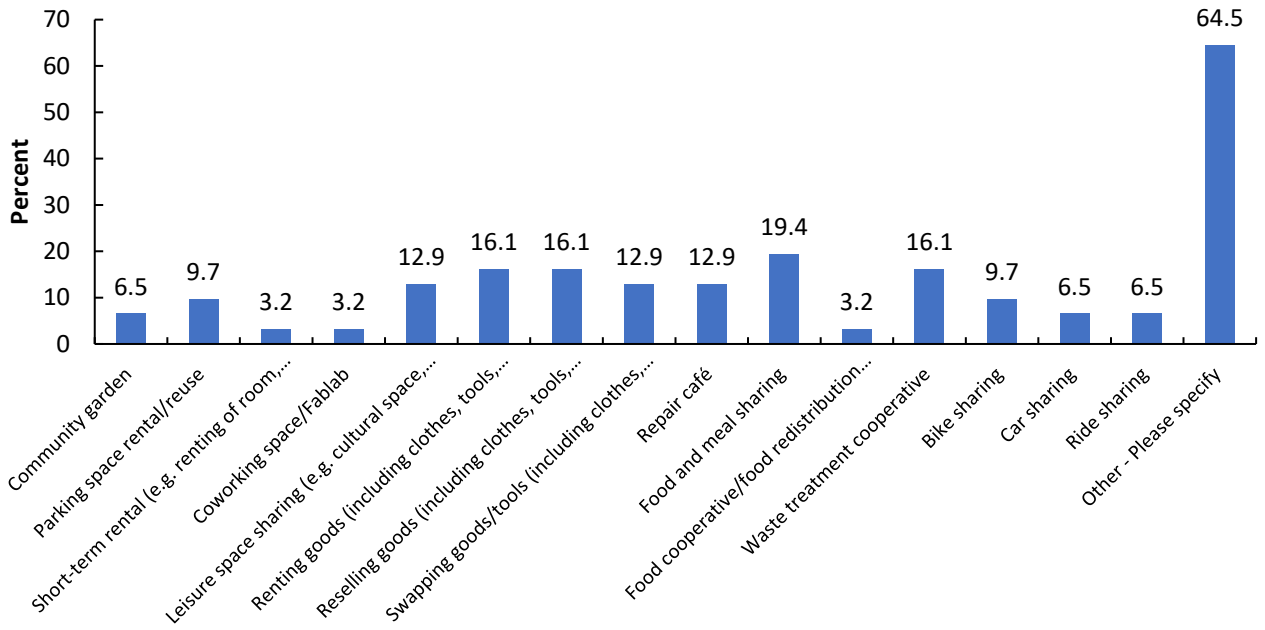
### What does describe your activity best?<sup>111</sup>

Majority of Urban Circular Collaborative Economy initiatives in the Hague belong to the category of “Other” (64.5%), under which most frequently mentioned were platforms of experimental practices in the field of “new economy”, sustainable fashion, energy transition practices and labour market platforms. Food and Meal sharing was identified as the appropriate category for 19.4% of the Urban Circular Collaborative Economy initiatives in the Hague.

<sup>110</sup> Multiple answers possible.

<sup>111</sup> Multiple answers possible.

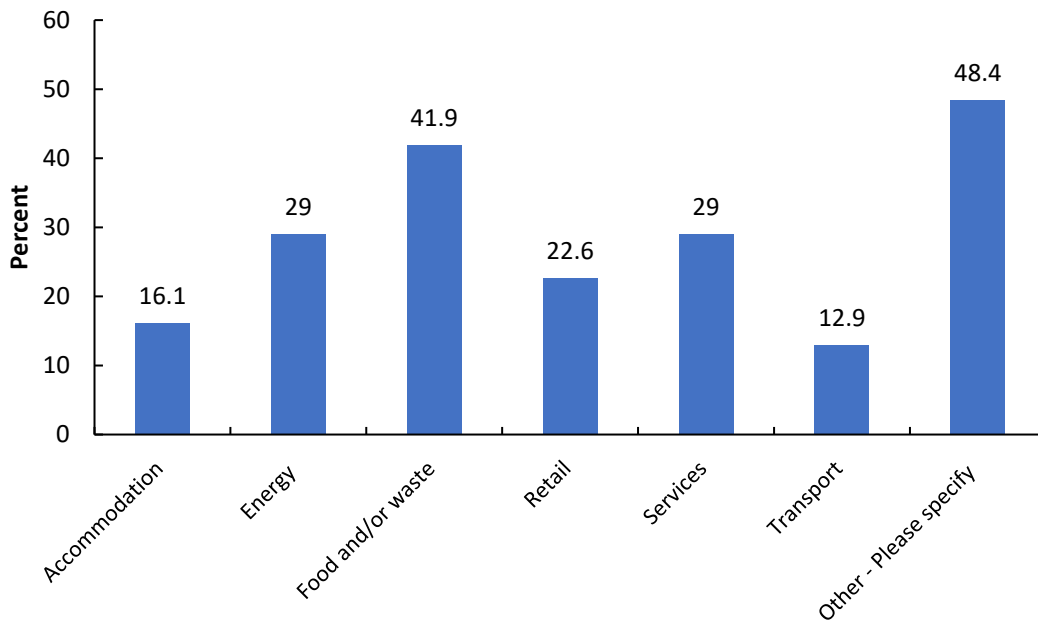
**Figure 7: What does describe your activity, %**



**In which sector does your organization operate (multiple answers possible)?<sup>112</sup>**

Majority of Urban Circular Collaborative Economy initiatives in the Hague belong to the category of “Other” (48.4%), under which mentioned sectors were tourism, art/dances, construction, natural technology, education and welfare/community services. Food and Waste was identified as the appropriate category for 41.9% of the Urban Circular Collaborative Economy initiatives in the Hague.

**Figure 8: Sector of operation, %**

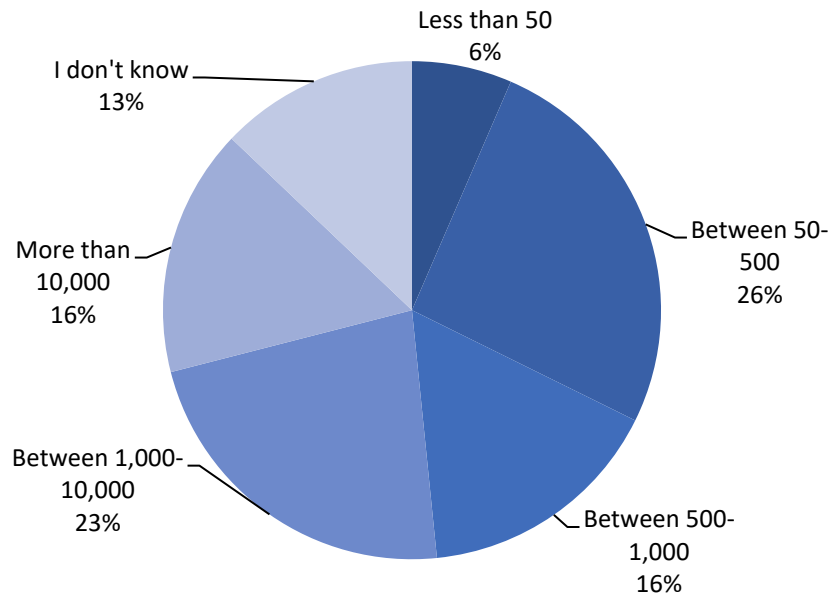


<sup>112</sup> Multiple answers possible.

### Number of users

Urban Circular Collaborative Economy initiatives in the Hague target in majority between 50 and 500 users (26%). 23% of the Urban Circular Collaborative Economy initiatives address between 1,000 and 10,000 users.

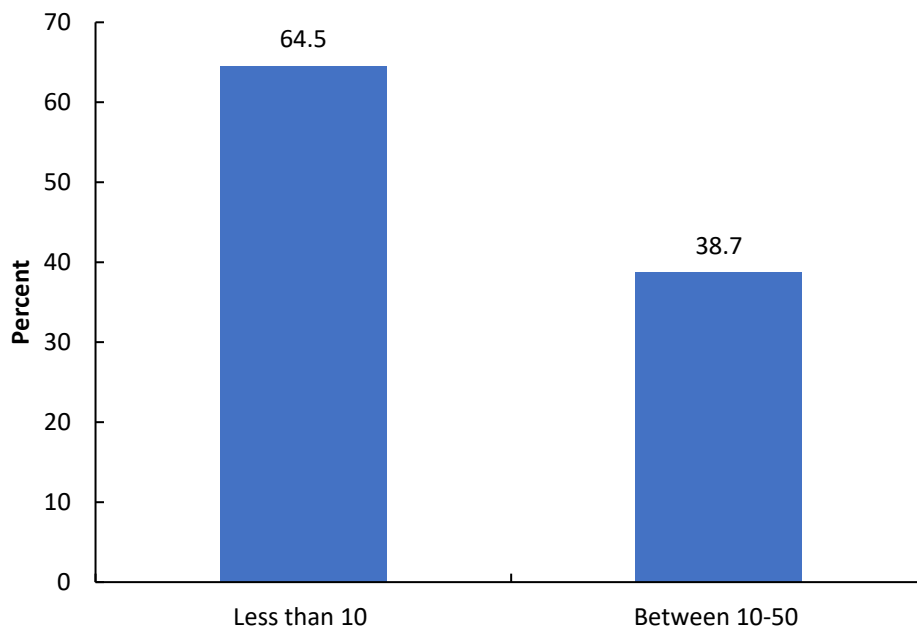
**Figure 9: Number of users, %**



### Number of people employed by your initiative (persons managing the initiative or contributing to it as a core team member)

Urban Circular Collaborative Economy initiatives in the Hague employ in majority less than 10 people (64.5%). 38.7% of the participant initiatives to the survey responded to employ between 10 and 50 people.

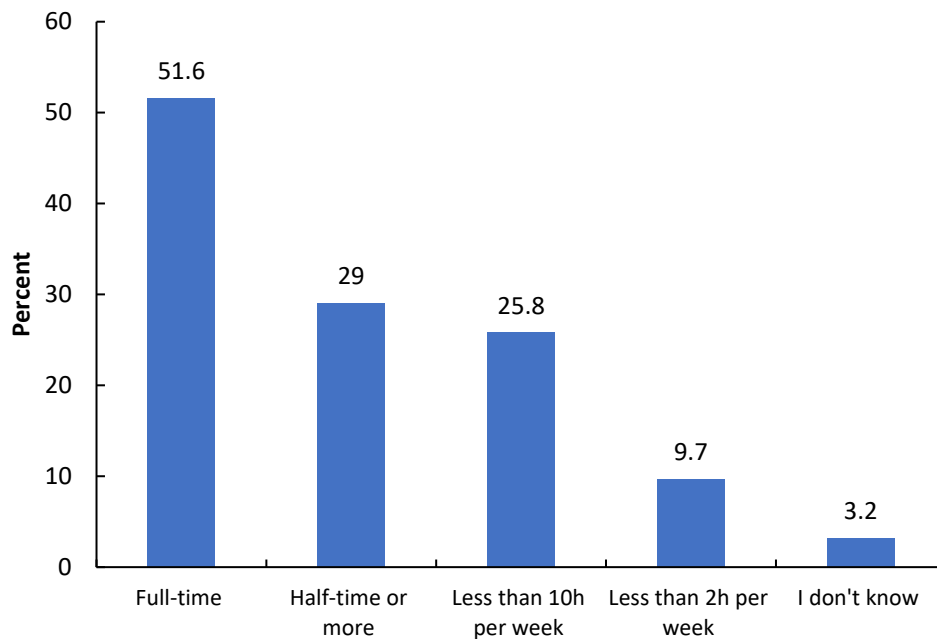
**Figure 10: Number of people employed by the initiatives, %**



### Level of involvement of employees

More than half of Urban Circular Collaborative Economy initiatives in the Hague employ their employees on a full-time based condition (51.6%). 29% of the respondents reported to employ their employees on a half-time or more contract conditions.

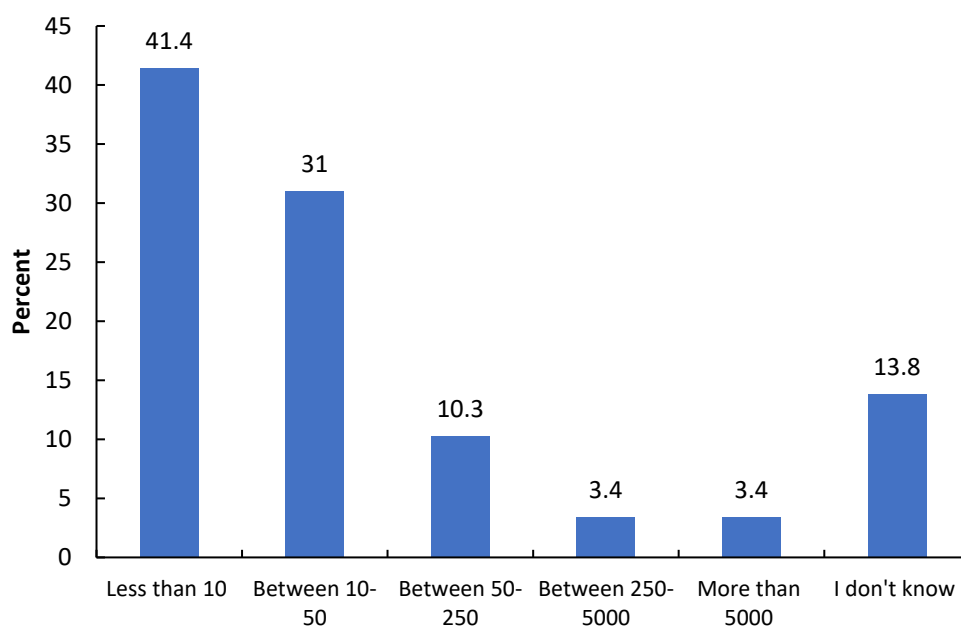
**Figure 11: Level of involvement of employees, %**



### Number of people providing services through your initiative (volunteers)

41.4% of Urban Circular Collaborative Economy initiatives in the Hague include the work of less than 10 volunteers in their daily operations. 31% of the respondents responded to rely on higher number of volunteers (between 10 and 50). 10.3% of the Urban Circular Collaborative Economy initiatives reported to rely on between 50 and 250 volunteers.

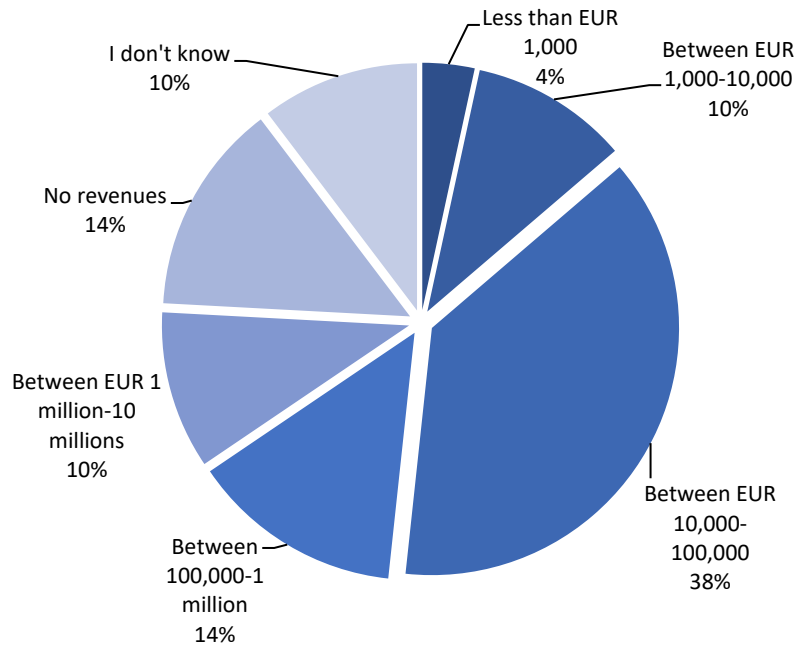
**Figure 12: Number of volunteers, %**



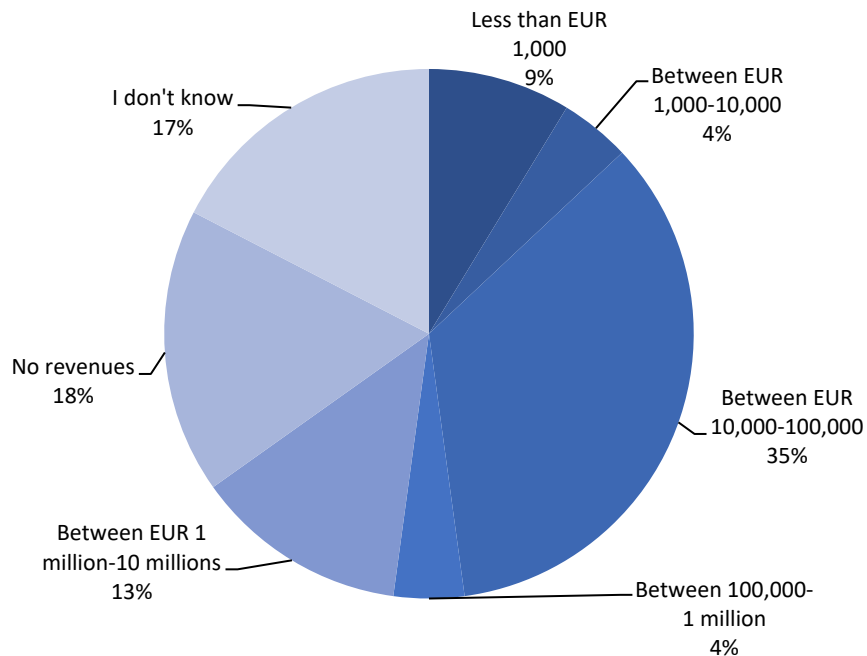
### Average price of the goods created/sold

38% of the Urban Circular Collaborative Economy initiatives in the Hague reported to earn between 10,000 and 100,000 of revenues in the year of 2018. The share increased over the years. In 2017, 35% of the respondents reported to earn the same amount of revenues, and in 2016 the share was 31%.

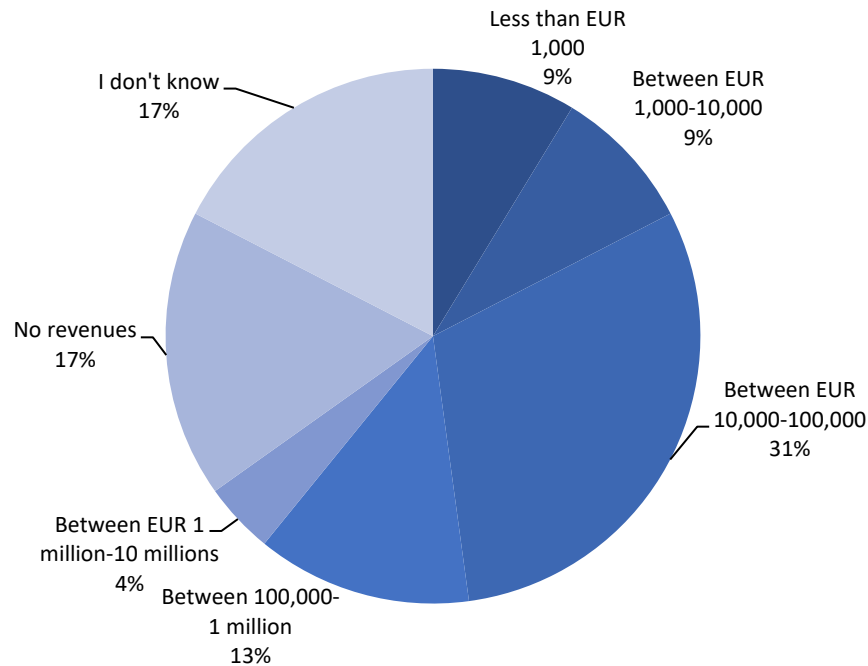
**Figure 13: Revenues of UCCE initiatives, year 2018, %**



**Figure 14: Revenues of UCCE initiatives, year 2017, %**



**Figure 15: Revenues of UCCE initiatives, year 2016, %**



**Impact on consumption/production of raw materials: Does your initiative has an effect the consumption/ production of raw materials? Please explain.**

No answers have been reported.

**Impact on resource use: Does your initiative has an effect on the use of material resources? Please explain.**

No answers have been reported.

**Impact on waste management/creation: Does your initiative has an effect on the creation/management of waste? Please explain.**

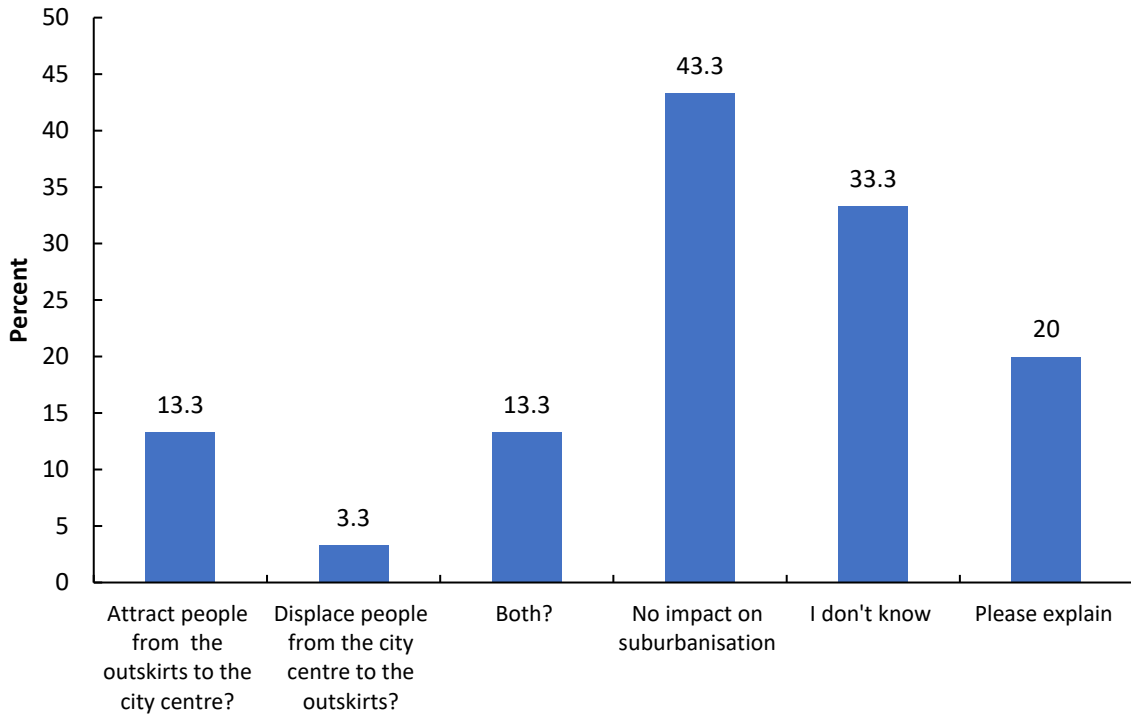
No answers have been reported.

**Impact on suburbanisation: does your initiative contribute to attracting people from the outskirts to the city centre?**

Majority of the Urban Circular Collaborative Economy initiatives (43.3%) believe that their initiatives have no impact on suburbanisation. On the other hand, 13.3% of survey respondents claimed that Urban Circular Collaborative Economy initiatives attract people from the outskirts to live in the city centre. Almost a third of the survey respondents did not have an opinion on the question.



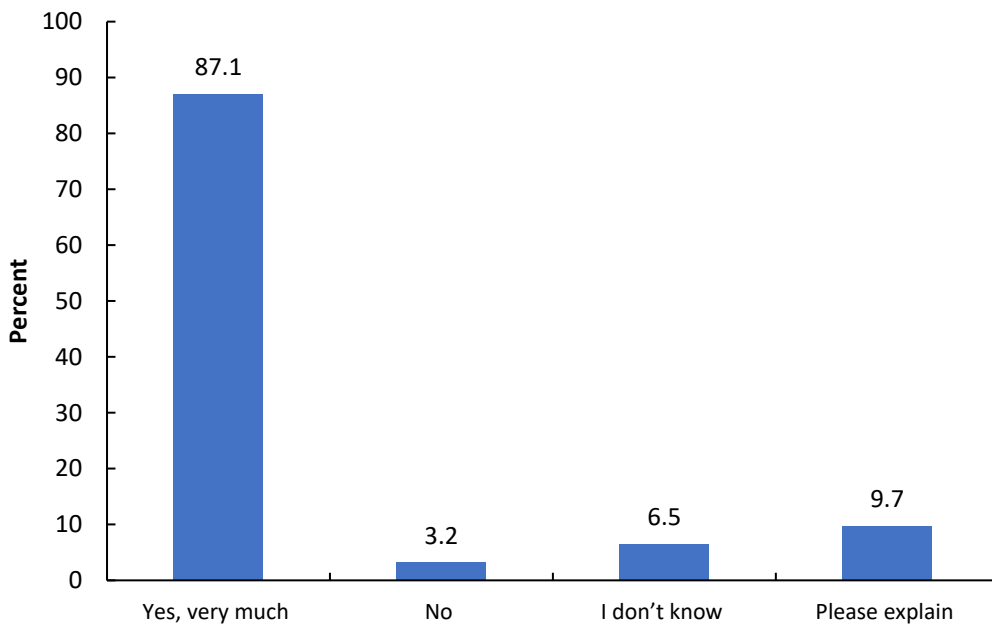
**Figure 16: Impact on suburbanization, %**



**Impact on awareness of environmental matters: Do you think your users are more aware of environmental matters after participating in your initiative?**

Large share of respondents (87.1%) believe that their Urban Circular Collaborative Economy initiatives contribute to raising awareness of environmental matters among the users.

**Figure 17: Impact on awareness of environmental matters, %**



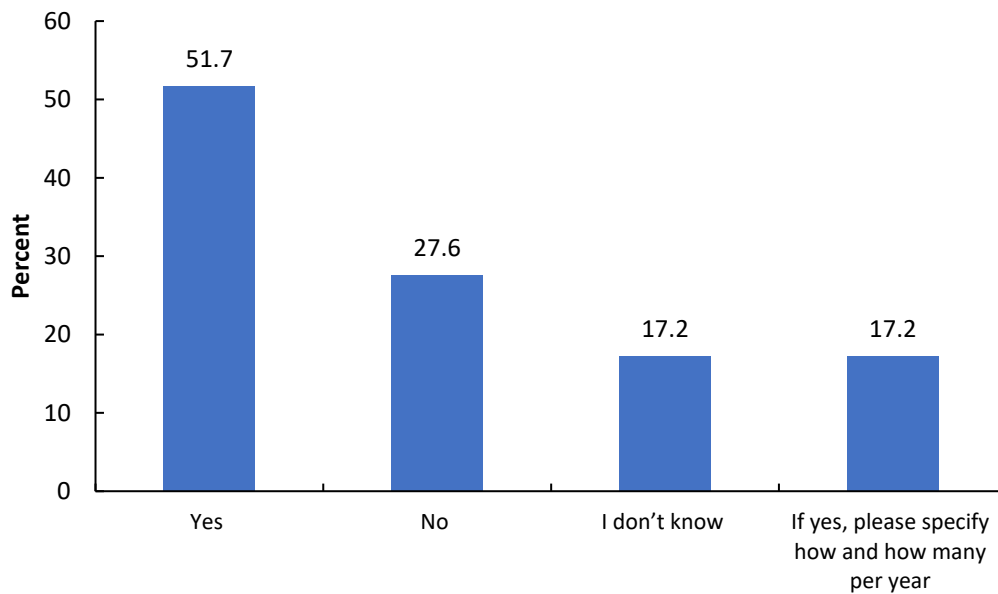
**Impact on local revenues: Does your initiative contribute to generating revenues in local market?**

No answers have been reported.

**Does your initiative contribute to the creation of local jobs?**

More than half (51.7%) of the Urban Circular Collaborative Economy initiatives present in the Hague contribute to the creation of local jobs. On the other hand, 27.6% of the survey respondents claimed that their initiatives do not contribute to the creation of local jobs.

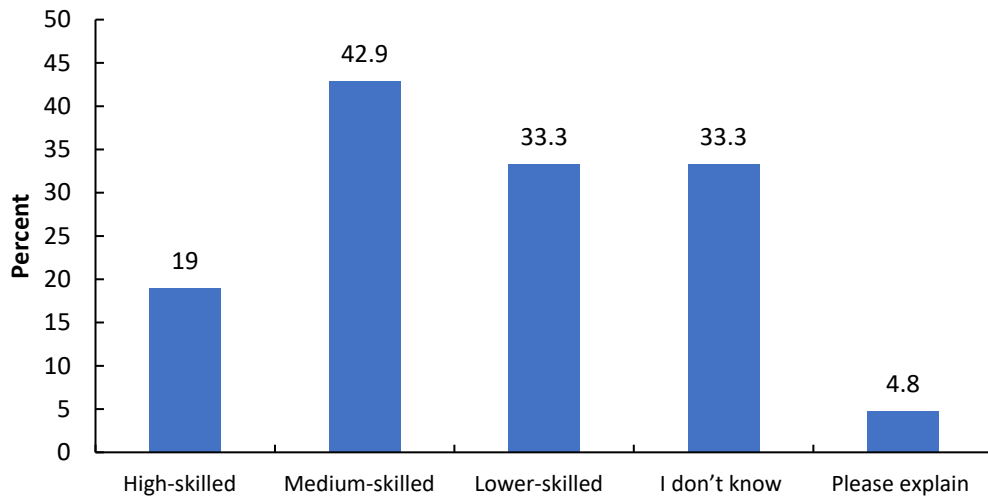
*Figure 18: Creation of local jobs, %*



**What types of jobs are created by your initiative?**

42.9% of the Urban Circular Collaborative Economy initiatives in the Hague believe that Urban Circular Collaborative Economy initiatives create medium-skilled jobs, 33.3% of respondents claim Urban Circular Collaborative Economy initiatives contribute creating low-skilled jobs and 19% of survey participants claim that Urban Circular Collaborative Economy initiatives create high-skilled jobs. Almost a third (33.3%) of the survey participants did not have an opinion on the question.

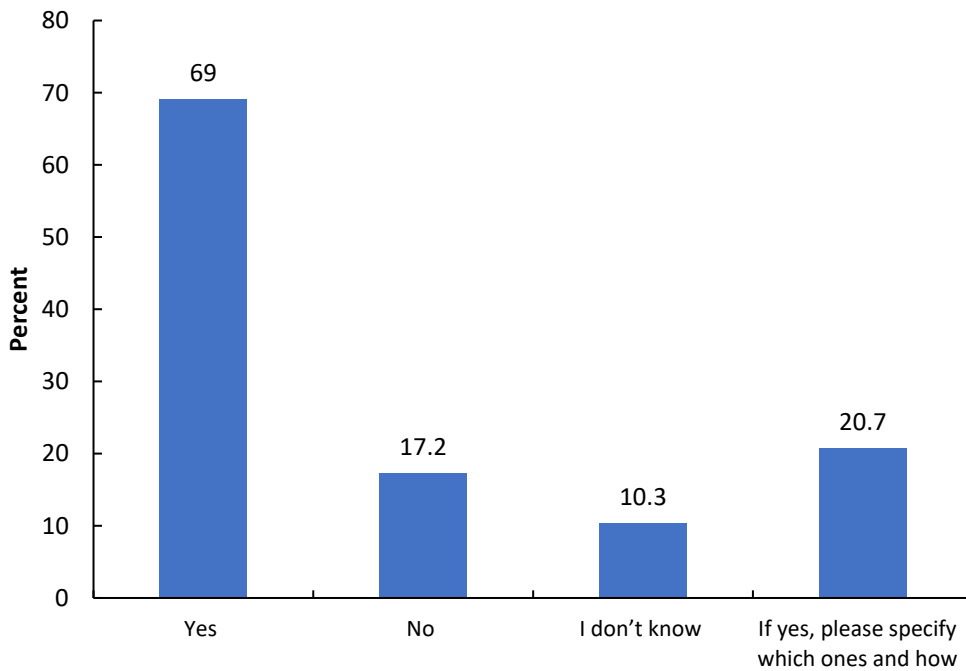
**Figure 19: Types of jobs created by UCCE initiatives, %**



**Does your initiative allow users/providers to learn new skills?**

Majority of survey respondents (69%) believe that Urban Circular Collaborative Economy initiatives in the Hague help users learning new skills.

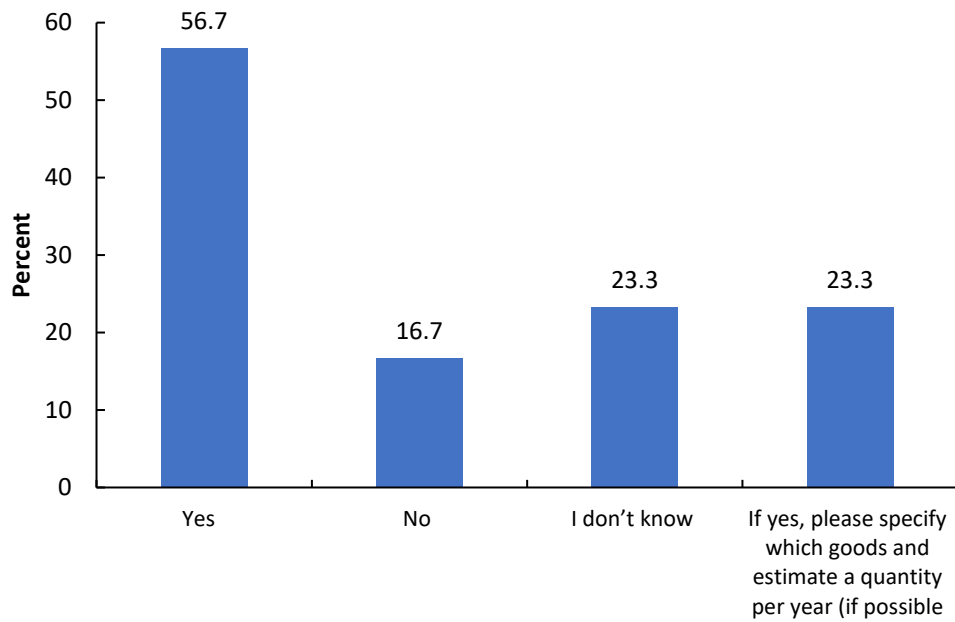
**Figure 20: Impact on learning new skills, %**



**Does your initiative allow people to have access to goods/services they would not have access to otherwise?**

Majority of survey respondents believes that Urban Circular Collaborative Economy initiatives allow access to goods/services that users would not have otherwise (56.7%).

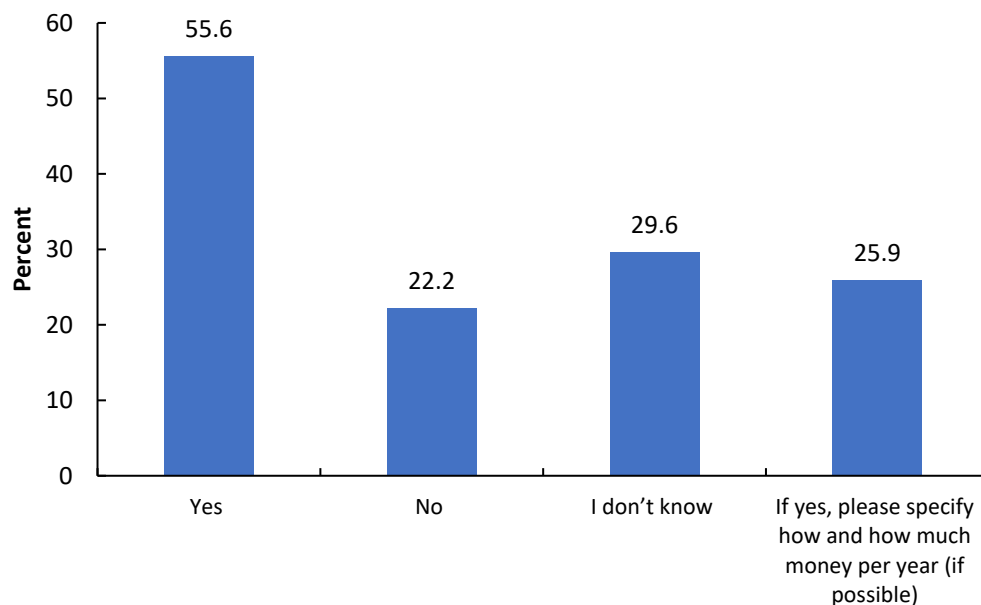
**Figure 21: Access to new goods/services %**



**Does your initiative allow users to save money compared with what they would have bought in traditional markets?**

55.6% of the survey respondents assess that Urban Circular Collaborative Economy initiatives in the Hague contribute to the generation of savings of the users of the Urban Circular Collaborative Economy initiatives. 22.2% of the survey respondents claim that Urban Circular Collaborative Economy initiatives do not help generating savings of the users.

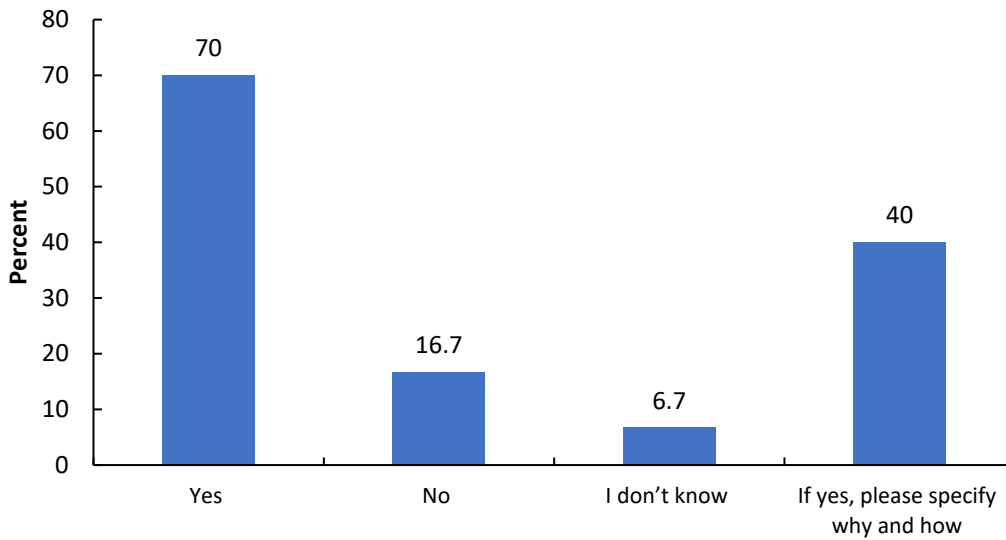
**Figure 22: Impact on savings, %**



**Impact on social cohesion: Does your initiative allow neighbors/citizens to get to know each other better?**

Majority of survey respondents (70%) believe that Urban Circular Collaborative Economy initiatives in the Hague increase social ties among the users.

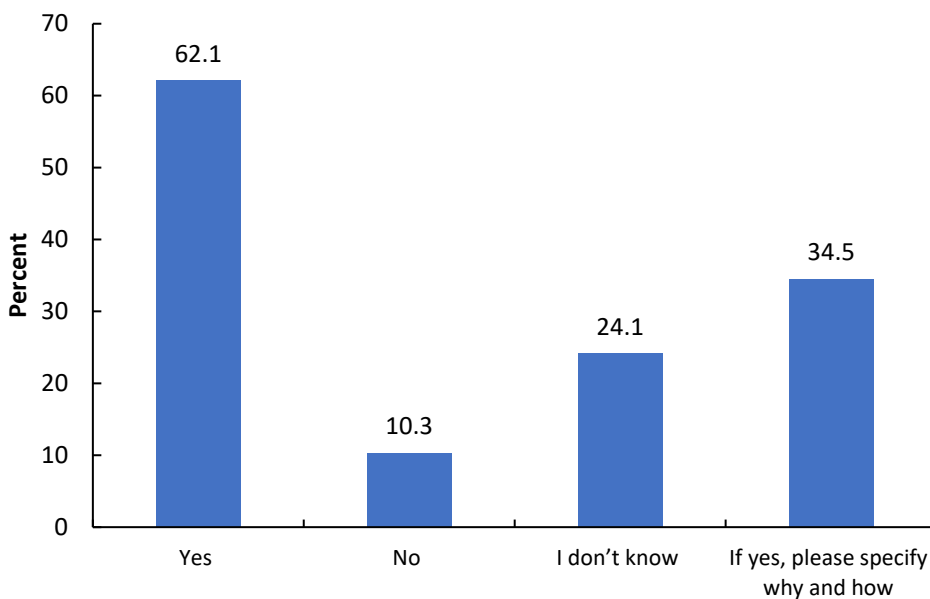
**Figure 23: Impact on social cohesion, %**



**Impact on quality of life of citizens: Do you consider that your initiative increased the quality of life in your area?**

Majority (62.1%) of the survey respondents believe that Urban Circular Collaborative Economy initiatives in the Hague contribute to the quality of life by increasing it.

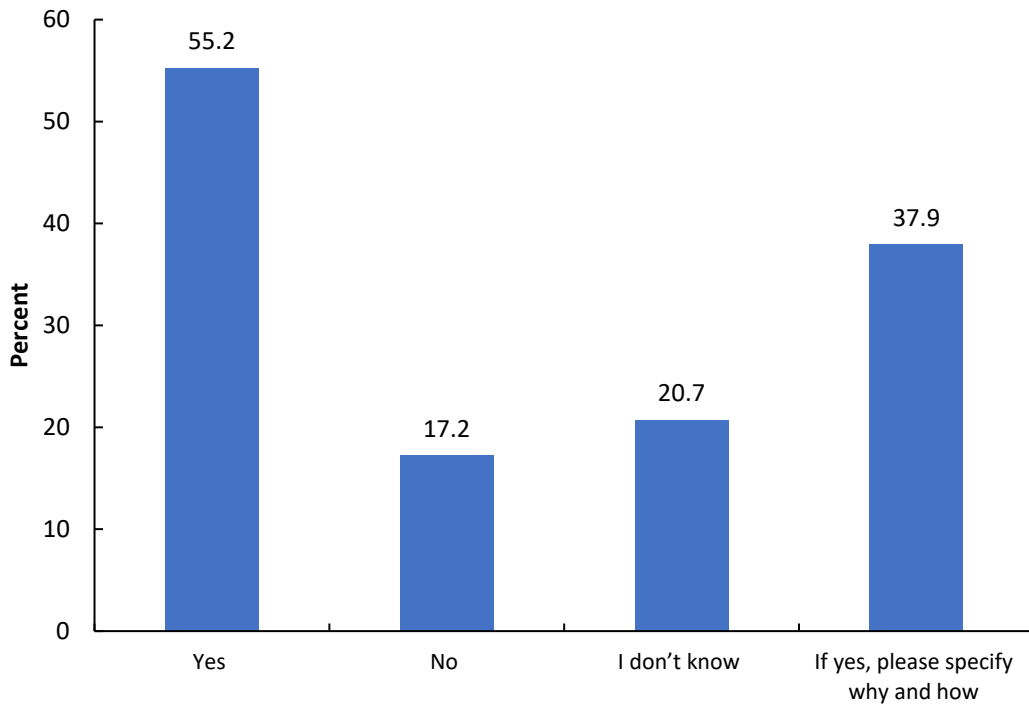
**Figure 24: Impact on quality of life, %**



**Impact on health: Does your initiative has an impact on the health of citizens?**

Majority of survey respondents (55.2%) believe that Urban Circular Collaborative Economy initiatives in the Hague have a positive impact on the health of the citizens.

**Figure 25: Impact on health, %**



**Impact on safety: Does your initiative has an impact on the safety of its users?**

Majority of the survey respondents (42.9%) believes that Urban Circular Collaborative Economy initiatives in the Hague do not have an impact on safety. 21.4 % of respondents on the other hand believe that Urban Circular Collaborative Economy initiatives contribute to the safety of its users. 35.7% of the respondents did not have opinion on the question.

**Figure 26: Impact on safety, %**

