



Learnings from the HOOP PDA components

Circular bio-based business models (WP4)

Vogiatzidaki Evgenia
DRAXIS Environmental S.A.

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The HOOP project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement N°101000836

The main focus of WP4 regarding the PDA

➔ **Develop** their business models/business cases.

- Identifying main components – important partnerships, target audience, required resources, costs/revenues
- Helping to identify bottlenecks and how to tackle these

➔ Help them to write a better **investment proposal**

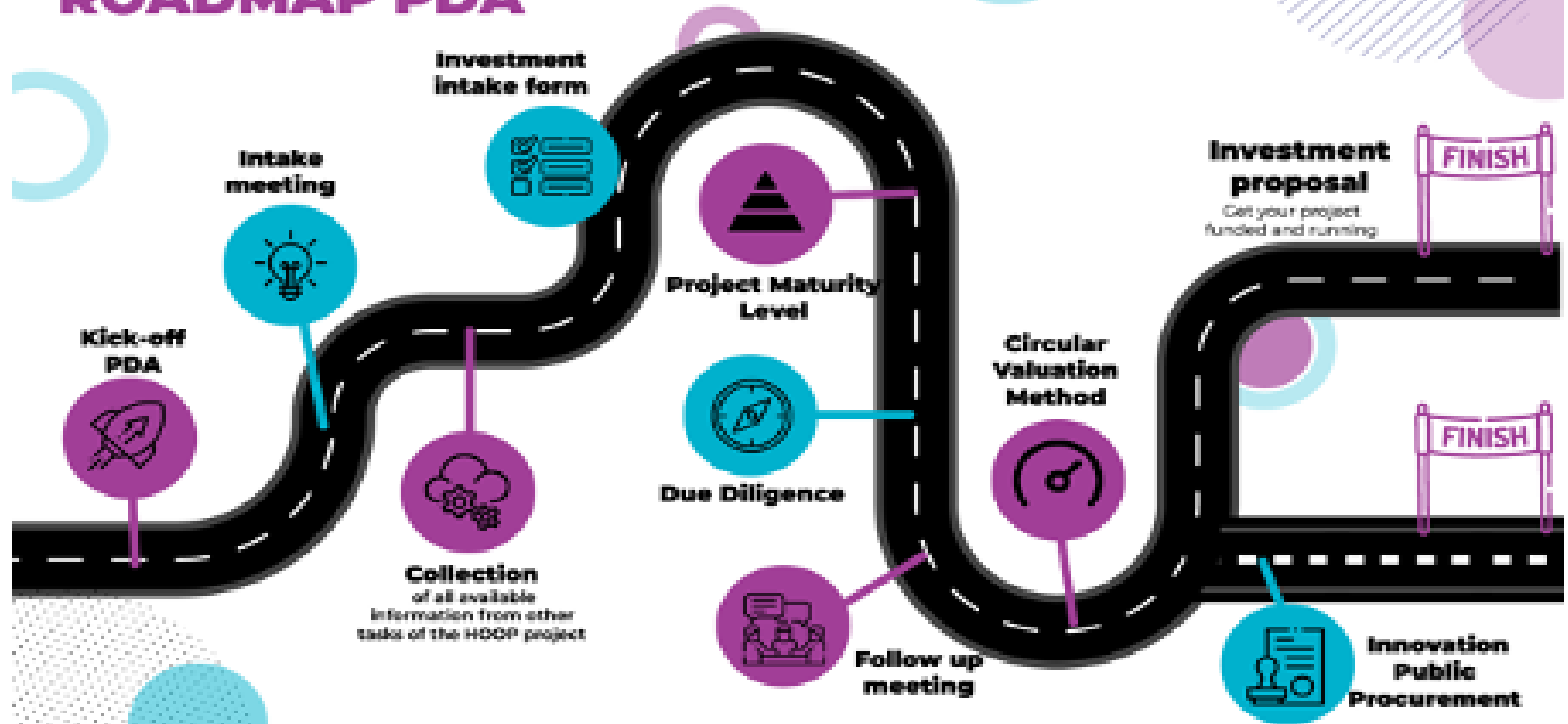
➔ **Assess** their business models

➔ Develop **Business Plans**

➔ **Collaborate with other WPs** (e.g. identifying funding opportunities, bring them in contact with investors, analyse market etc)

Tools provided during the PDA in WP4

ROADMAP PDA



Main activities carried out within WP4

- Development of TLBMs ✓
- Development of the CVM ✓
- Investment intake form ✓ (questionnaire collecting info to translate the investment idea into financial language)
- Funding & financing opportunities
- Market analysis
- Assessment of the business models (set of tests regarding : costs, revenues, assets, financing and cash flows for 20 years of prediction)



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HOOP Investment Intake Form
Münster
Pyrolysis of AD digestate or lignocellulosic rejections

Required info	Answer
the price of the products produced.	TBD
cost of collection pre-treatment (e.g. shredding, sorting, etc.).	~ 0.,05 € per kg
quality of the urban biowaste wastewater	High
bioproduct	

Table 31: Probability of using the funding and financing schemes for UCBE projects from Western Macedonia.

Scheme	Kind of scheme	Probability of using
Grant		+
Equity		-
Guarantees		-
Loan		-
Bonds		-
PPP (public-private partnership)		+
Subsidies/capital from Municipalities		-
Subsidies/capital from Regional Entities		-
Crowdfunding		-

Challenges

- In order to have a concrete business case **at least some key components** of the business concept should be clear such as partnerships and resources, main activities, end-product and target audience.
- **Scope and economic-financial metrics** of the projects are **constantly changing**. At PML 1 there are several topics regarding the characteristics of the consortium, organisation leader, different metrics etc. With those changes, the maturity of the projects is difficult to increase. In addition, it is more difficult to start/fit a funding opportunity.
- The LHs filled the questionnaires "investment intake form" but there were **missing information** and they haven't identified the kind of **studies needed** for their projects. Thus, HOOP partners made suggestions in a period where the projects were not well defined (some of them are discussing yet the potential consortium for the projects).

Challenges

- Hoop partners have kept **contact with the project developers**. However, those developers do not have **decision power** concerning the management and the future of the project. This aspect creates many obstacles to the progress and maturity of projects. Difficulty in developing a concrete business case.
- **Market analysis and technoeconomic studies** should be used as input for the development of the business model.

Lessons learnt

- Start **early** with the description of the business case and engage the **correct** stakeholders.
- The scope, consortium and TLBM of the projects should be decided, before the financial studies start. Technoeconomic **studies** should be used as input for the development of the business model.
- When project **maturity is very low** it is difficult to provide full PDA (e.g. due diligence, business plan, financial model). Mainly the support should focus on **improving the maturity** of the potential project.
- Foresee **different services** for different maturity levels of the projects. One solution does not fit all cases.

**THANK YOU VERY MUCH
FOR YOUR ATTENTION!**



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