



D4.3

Tailored Lighthouse Business Models

DRAXIS ENVIRONMENTAL S.A.



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

1. Executive summary

In the framework of **WP4 titled “PDA Circular Bio-based Business Models”** the aim is to provide PDA in order to support circular bio-based projects in Lighthouse Cities and Regions. In particular, within the actions included in WP4 the development of an integrated Circular Business Model (CBM) typology focused on bio-waste as well as a new Circular Valuation Method took place. Moreover, tailored Lighthouse Business Model (TLBM) will be provided to Lighthouse Cities and Regions as well as assistance in order to develop the full potential of their solutions for the future implementation of the circular business models. Particularly, in the context of the **Task 4.3 entitled “Tailoring the multi-stakeholder business models to the lighthouse cities”** the aim is the development of tailored Lighthouse Business Models (TLBMs) for each LH City and Region based on the new CBMs previously identified in Task 4.1 and presented in D4.1.

In the present deliverable, the applied methodology was based on specific steps and more specifically at first, the information already available for each LH City and Region was collected and evaluated in the context of the CBMs. Peer to peer meetings with each LH City and Region followed and critical aspects were discussed with the LHs in order to develop their TLBMs based on the current stage of the projects' development. Additionally, matching the tailored business models with the categories of CBMs developed in T 4.1 took place as well as the implementation of the Circular Valuation Method (CVM). Finally, the TLBM includes for each LH City and Region i) identified parties for the bio-waste management, ii) target market, iii) business concept description and value proposition, iv) funding and financial opportunities, v) results of the implementation of the CVM, vi) business model identified according to T4.1 and vii) business model canvas.

Regarding the identified CBMs, three of the LHs' bioeconomy projects were characterised as Joint Venture business models (Albano Laziale, Kuopio and Western Macedonia), three were characterised as Individual Entrepreneurship business models (Almere, Bergen and Murcia) and finally two were characterised as Vertically Integrated business models (Porto and Münster). It should be noted that during the preparation of the TLBMs and the discussions with the LH Cities and Regions it was evident that the maturity of the bioeconomy projects examined in the framework of the present task, were in a preliminary stage and lot of the information and data were not available yet, such as the type of collaboration between involved parties, target market, OPEX and CAPEX etc.

Additionally, at this stage, implementing the Circular Valuation Method could not yet give a complete representation for the LH Cities and Regions, since the information needed in order to present a complete overview is not available at this moment. However, what can be deduced by the integration of the CVM in the TLBMs, is the information which is needed in the future. Thereby, showing the data which need to be gathered in order to present a complete case to possible investors.

Regarding their funding and financial opportunities, most of the examined projects of LH Cities and Regions are dependent on grants and PPP sources. The financial instruments, mainly loans and equity, can be a complementary source of capital, as well as subsidies from the Municipalities and Regional entities. Crowdfunding can be an alternative source of funding and/or financing, depending on the national restrictions and the kind of service