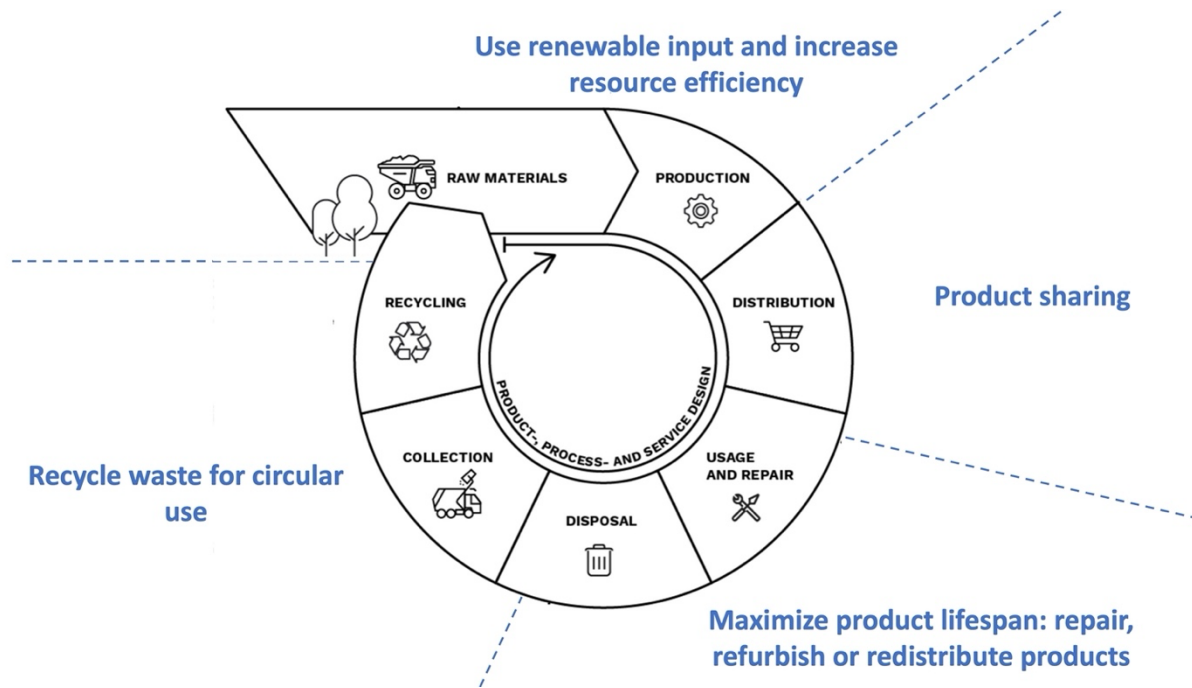




Information sheet: circular economy business models

The **circular economy approach** offers **European start-ups broad opportunities for innovative and profitable business models**. For start-up business models there are **four core areas** along the classic life cycle of products.



1

- **Use of renewable input and increase resource efficiency**

Start-ups in this field are increasingly focusing on the first stage of the value chain and building their business model on the **use and processing of sustainable raw materials**. For example, by producing drinking straws from waste products from apple juice production or using 3D printing to create houses from sustainable materials from the environment.

- **Product sharing**

Start-ups in this field aim to **maximize the use and utilization of products** over their lifetime. In their strategies, a **user rents products instead of buying them**, for example industrial machines, cars or everyday objects.

- **Maximizing product lifespan: repair, refurbish or redistribute products**

Start-ups in this field pursue business models that aim to **make products usable for longer**. Founders, for example, have found creative ways to **replace disposable products with reusable alternatives to extend their useful life ("pre-cycling")**. Platforms that can be used to

¹ Vgl. <https://circulareconomyloop.com/the-role-of-startups-in-accelerating-circular-economy/>



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feed products back into the cycle also belong to this category. Start-ups in this area also **take back used products to resell them** after a general refurbishment.

- **Recycle waste for circular use**

Start-ups in this field offer business models **based on the principle of recycling**. Other start-ups in this area are trying to develop processes that **allow materials that have already been disposed of to be reused**. Upcycling is the process of **transforming waste products or useless materials into products of new value**.²

² Vgl. <https://www.unternehmertum.de/en/topics/sustainability/circular-economy-startups>