RETRACE Project. A Systemic Vision for Circular Policies

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The 2030 Agenda for Sustainable Development regards the circular economy as the economic model to aim for in order to guarantee our system's sustainability. The urgency of a collective effort to implement this paradigm shift has been acknowledged globally. However, the steps needed to start a process of tangible change must meet specific local needs.

"The transition towards a new economic model integrating all pillars of environmental sustainability should be the heart of the matter. All levels (global, European, national, regional, local and municipal) and all stakeholders (including public and private players, the financial sector, civil society and academia) should actively take part in the system shift." These were the words uttered during RETRACE project's first international event (A Systemic Approach for Regions Transitioning towards a Circular Economy), by Janez PotoÄiï¿½nik – former European Commissioner and current International Resource Panel's Co-Chair – highlighting the need for multilevel government action with regards to the circular economy. The rationale behind the Interreg Europe Programme (in which RETRACE is involved) is to build innovative local and regional policies through an objective European debate, marrying both an EU vision and a local approach with reference to the circular economy.

Beginning in 2016, RETRACE is a four-year Interreg Europe project coordinated by the Polytechnic University of Turin. Scientific partners and regional administrations of 5 European countries are among those involved: Italy (Piedmont), Spain (Basque Country), France (New Aquitaine), Romania (North-East Region) and Slovenia. The target is to experiment the methodology of systemic design so as to analyse areas involved, whilst contributing to change in the political strategies of partner regions towards a new circular economy.

The project, therefore, acts at interregional and inter sector level, to promote a change of course in terms of policy. Although the scope may seem macroscopic, RETRACE aims at removing bureaucratic, regulatory and cultural obstacles which innovators must tackle as and when implementing circular solutions on a local level.

Planning is the project's true innovative element. Despite the fact that we are used to associating design with the creation of products, services or use experiences; design tools, together with systems thinking, actually allow us to face complex issues effectively in terms of scale and socio-technological complexity. So, within the RETRACE project, systems design meets policy making to create one system with local potential and good practices, thus allowing regions to acquire knowledge and tools to enhance their potential.

The starting point is a "holistic survey", an in-depth analysis of existing systems mapping strengths and weaknesses the new system will build upon. In this particular instance the survey of the areas involved analysed the geographical, demographic, economic, cultural and urban data of given regions and then considered the main local economic-productive sectors. The analysis of input and output material and energy flows is another major element to start building productive connections amongst various sectors. Overall, the holistic survey helps define local potential, but above all the policy gap hindering the development of circular processes.

Once peculiarities and gaps for each area are defined, movement towards adopting new policies will occur; taking into consideration those areas that managed to overcome regulatory barriers while enhancing local resources in a circular approach. This is why partners and stakeholders took part in seven field trips in the regions involved, as well as Holland and Scotland that are currently driving the innovative force towards a circular economy. The 30 best European good practices have been analysed in order to understand how such virtuous cases may be incentivised and replicated through ad-hoc political strategies.

Lastly, for each region involved, a regional Action Plan – defined by Interreg Europe as "a document providing details on implementation modalities of lessons learnt from the cooperation experience to improve regional political instruments" – has been set up. It describes "actions to be taken, deadlines, players, costs and possible sponsors." Basically, it is an agreed plan signed by regional authorities where several political measures have been highlighted, which, in practice and in the short term, aim to boost experimentation and implementation of business and industrial research activities on the circular economy.

For this reason, all regional Action Plans act on the ERDF – European Regional Development Funds – a tool created to reinforce the cohesion among European regions investing in research and innovation in sectors of excellence in each region. Currently, ERDF provides for the allocation of part of funds to projects moving towards a low-carbon economy. Introducing new policies aimed at the circular economy and management of this important tool is a key step. The concept of circularity, at a political level, means acting on the current vertical vision of the innovation sector to foster wide collaborations, going beyond the industrial sector while tackling different issues simultaneously.

Even if the collaboration within the RETRACE project highlights the presence of gaps common to the 5 partner regions, the uniqueness of each Regional Action Plan is a crucial aspect because each region follows their individual path towards circularity. In fact, Smart Specialisation Strategies are policy tools created from this uniqueness aspect, with the aim to improve the efficacy of public policies on research and innovation, making EU, national and regional investment cohesive with the innovation potential of each region. Action Plans developed within RETRACE integrate with partner regions' Smart Specialisation Strategies to promote actions for the most innovative and competitive sectors in each region. Thus, it is possible to direct existing tools towards circular innovation, acting not only on a regional but also a national and EU level.

Even though Action plans are now being implemented, the project does not finish with their development: it aims at implementing and monitoring actions to understand if, and how, they can positively influence the transition towards a circular economy. As in any planning journey, the implemented solution is never the finishing line, but rather an intermediate stage open to new research and planning directions towards smart, sustainable and circular innovation.

RETRACE Project, www.interregeurope.eu/retrace

RETRACE Project's method, good practices and results are described in a series of 3 books, downloadable for free.

Systemic Design Method Guide for Policymaking: A Circular Europe on the Way, www.ilgiornaledellarte.com/allegati/FILE20180417190546704

Good Practices Guide: Systemic Approaches for a Circular Economy, www.ilgiornaledellarte.com/allegati/FILE20181005190857132

Policy Road Map. A Systemic Approach For Circular Regions, www.ilgiornaledellarte.com/allegati/FILE20181005190949883