



Circular Economy Taxonomy - Working Group Kick-off

21st of September, 2023 - 10:00-12:00 (CEST)































Welcome and introduction

Objectives

To understand the context of the CircularPSP project

To achieve a common understanding of taxonomies and its principles in the EU

To discuss the way of collecting missing terms and data sources

To lay out the expectations for suppliers and the upcoming activities of the working group

To provide an opportunity for matchmaking for the upcoming CircularPSP tender



Contents / Agenda

- 1. Welcome and Introduction
- 2. Taxonomy Working Group (mission statement, focus and format)
- 3. CircularPSP Project
- 4. Issues for municipalities (White Paper)
- 5. Background Session Taxonomy: Categories, Terms and definitions | Discussion and Q&A
- 6. Co-working on CE Taxonomy | Discussion and Q&A
- 7. Matchmaking and Follower Network

Matchmaking:

Feel free to use chat to introduce, state search, share contact details.

Please keep posts to the point.



Welcome and Introduction

Presenters



Georg Vogt
Head of ICT
Innovation Energy





Sten Stenbeck
Senior Advisor in
Sustainable Development





Fredric Norefjäll

Senior Project Manager in
Sustainable Development





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Taxonomy Working Group

Mission statement, focus and format

Welcome and Introduction
>>Taxonomy Working Group
CircularPSP Project
Issues for municipalities (White Paper)
Background Session
Co-working on CE Taxonomy
Matchmaking and Follower Network



Why CE Taxonomy and open Working Group?

For now, the statement, the reasoning will follow

Most pragmatic way for a complex problem ...

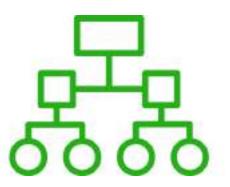
... with limited effort for individual supplier ...

... and highest probability to yield results needed.



Mission Statement

Solving universal CE Taxonomy problems together rather than duplicating effort (and complicating comparisons)



Define core terminology, to ensure clarity is improved

Taxonomy

CircularPSP: To be used



Identify a set of core data sources, to ensure all relevant areas are covered

Data sources

CircularPSP: To be used



Document a set of core data standards/ protocols, to ensure solutions are well fit

Data standards

CircularPSP: To consider



Focus and format

An open working group with a living document

Permanent Working Group Members are the CircularPSP consortium and selected suppliers



Online living documents that evolves over time, maintained by CircularPSP consortium



Versions will trigger follow-up events (2-4 per year) to update on developments





CircularPSP project

Background on the common challenges of municipalities and the CE-solution we are seeking

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Project

Leading Circular Cities are tackling a common challange together



Istanbul, Turkey

Guimarães, Portugal

8 Procurers – 8 Countries

45 million citizens

CircularBerlin, Germany

City Network Sweden

Representing Europe's leading circular cities and regions

Helsinki, Finland

City Network Slovenia

Common challenge: accelerate transition towards a Circular Economy (CE)

Sandyford, Ireland

ReLondon, UK¹

€5.64 million investment in R&D

Follower Network (see website)

Budget spent in a 3-phase competition

Sustainability transitions mapped

CE is the most challenging transition

Complexity

Mobility = "substitution"

Electricity

= "upgrade"

Heat

= lots of legacy
issues, complex,
but "solved to a
 good part"

Circular Economy

= "fundamental revolution"

You will become one of the leading thinkers on how to make public demand and local economy more circular







The problems of transition to CE

Cities – or rather the few people who are involved with CE – are facing a complex problem



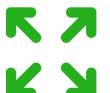
Access + Analysis of EU-wide case studies for local use/data

information



Making CE actionable on city level and for all staff

operation



No capacity for CE transition; no experience in thousands of cities and businesses

organisation

IDEA

A platform underpinned by AI using taxonomies and NLP to support cities, civil servants and local business





3 User Groups

Our users are local but all local users are facing similar challenges

PRELIMINARY

CE EXPERTISE

USER GROUP DESCRIPTION

Experts

Intermediaries are individuals with systemic expertise and responsibility for circular economy across the organisation and who build capacity within departments.

Varying levels

Any municipal worker who would advance circular economy in the own department or across the entire city

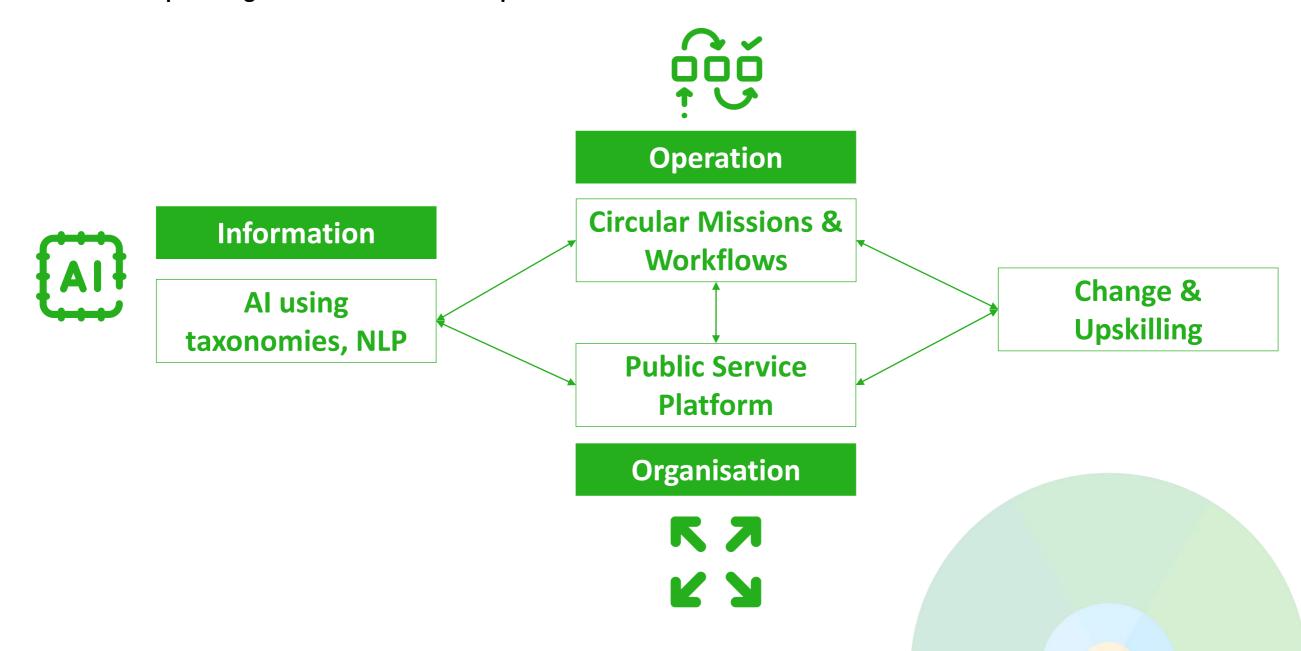
Any local business to deploy and supply the local circular economy. Users of the market platform, bidders to local procurements.





Desired Innovations

Each domain requires digital innovation and CE expertise







CircularPSP is technology neutral

Our focus is to describe the actual problem – suppliers need to come up with technical and practical solutions

Buyers Group structures (very complex) problem, expected outcome roadmap and award criteria





A disclaimer to suppliers (if present)

This event is the start of a long-term effort which member(s) in the team need to follow / implement (but not the entire team)



Not everybody needs to be a surgent

But you should understand enough to know what the "operation" is about

This event is a pre-operation discussion with opportunity to ask questions

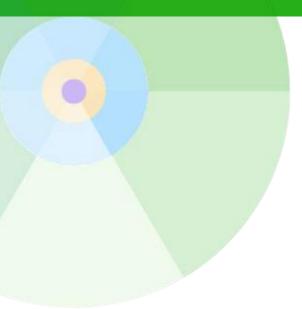
If it was not clear already:
This is not the entire Challenge Brief!



Issues for municipalitiesWhite paper

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What is a circular city?

The need for common definitions, measurement data, taxonomy and standards

- > The common European standardisation and interoperability framework
 - ✓ Established taxonomies and standards used within the European Union
 - ✓ The European data strategy see https://data.europa.eu/en.

- ➤ ISO/DIS 59004 Circular Economy Terminology, Principles and Guidance for Implementation
- ➤ ISO/DIS 59020 Circular economy Measuring and assessing circularity



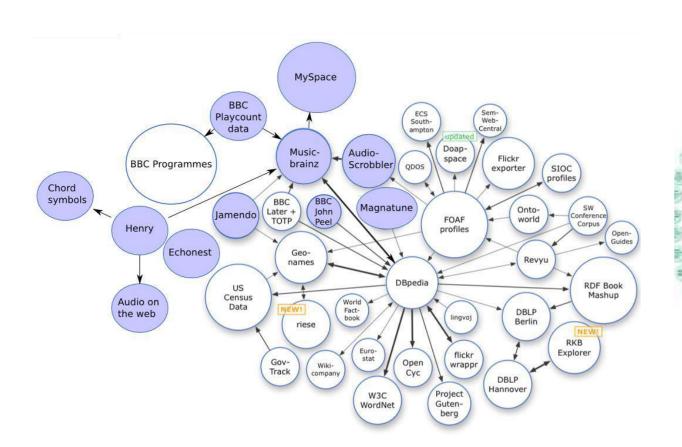




Open data and linked data

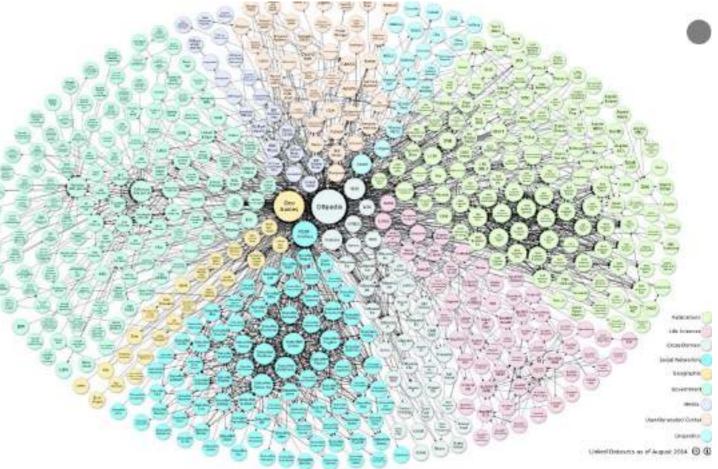
Immense amount of open data out there....

EARLY DAYS OPEN DATA MAP



By Tungsten Tide - Own work, CC BY-SA 4.0, https://commons.wikimedia.org/w/index.php?curid=36940942

IN AUGUST 2014



By Max Schmachtenberg, Christian Bizer, Anja Jentzsch and Richard Cyganiak - http://lod-cloud.net/, CC BY-SA 3.0, https://commons.wikimedia.org/w/index.php?curid=36956792



Open data and linked data

Immense amount of open data out there on the web

OPEN AND LINKED DATA

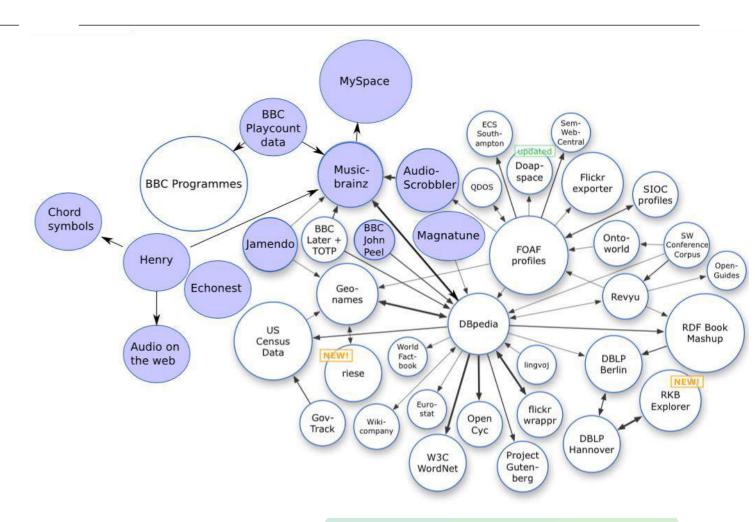
- Data openly accessible, exploitable, editable and shared by anyone for any purpose.
- One of the most important forms of open data is open government data (OGD)
- EU Open Data Portal gives access to open data from the EU institutions, agencies and other bodies and
- European Data Portal that provides datasets from local, regional and national public bodies across Europe
- In terms of content, the dataset spans most areas, for example, authority data, biomedicine, media, geographic information, etc.

Examples of datasets

- DBpedia extracted data from Wikipedia; 3.4 M concepts
- GeoNames provides RDF descriptions of more than 7,500,000 geogr. Info
- ▶ Data about emissions and circularity through the EU Taxonomies

Harvest of data

It is possible to harvest the data and combine data from different datasets to fit your purpose through APIs

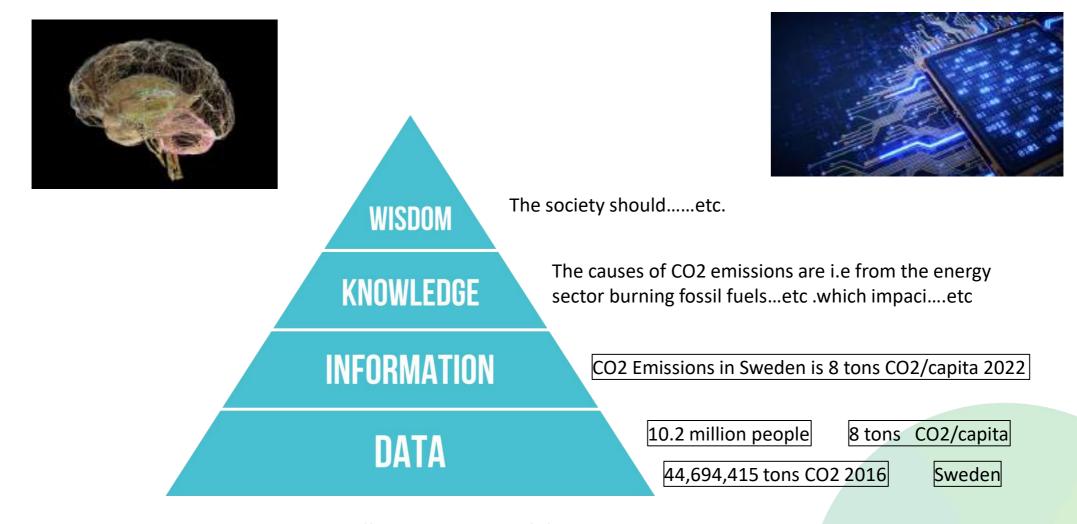


▶ By Tungsten Tide - Own work, CC BY-SA 4.0, https://commons.wikimedia.org/w/index.php?curid=36940942



What is data, information and knowledge?

How the brain and AI works







You can get new knowledge from new combinations of data

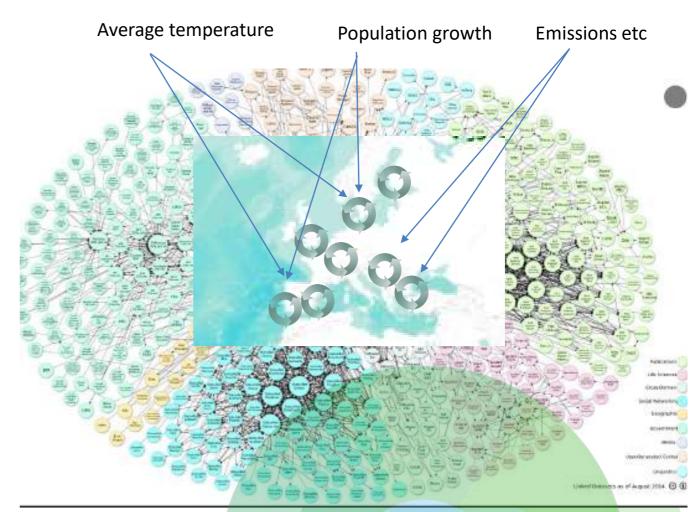
Interoperability of data

Data should be:

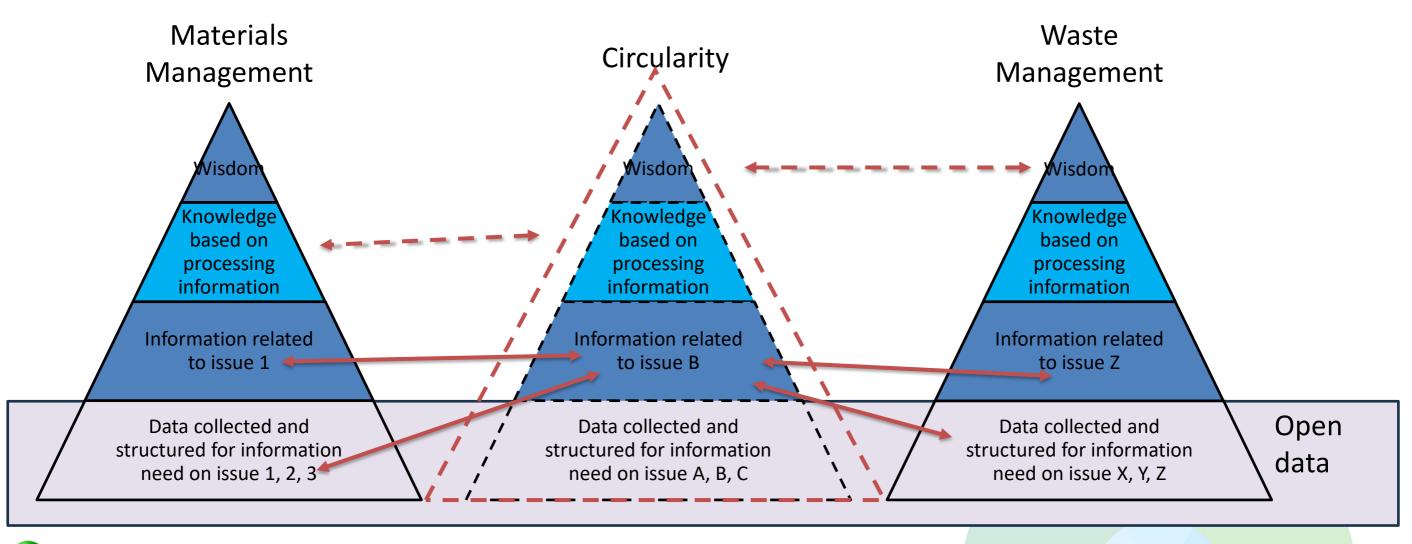
- findable
- accessible
- interoperable
- > reusable
- machine actionable

For analysis Data is

> standardised and documented in the form of taxonomies







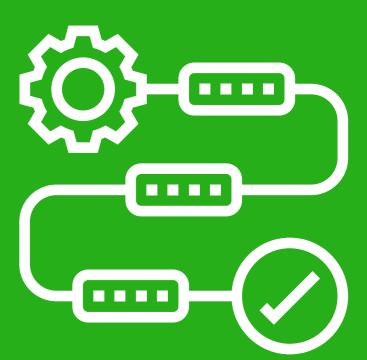


Background session

Taxonomy: Categories, Terms and definitions

An educational intro into what this means.

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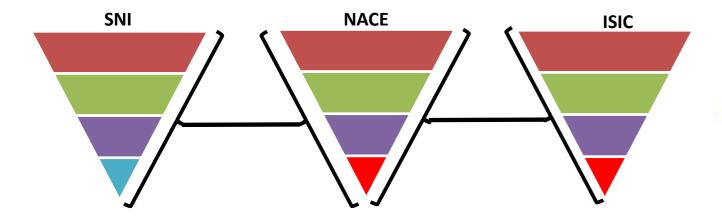


Taxonomies

Examples of Taxonomies

NACE AND ISIC INTEROPERABILITY

- NACE standard European nomenclature of productive economic activities.
 - break down the universe of economic activities
 - codes can be associated with a statistical unit carrying out the activity it designates
- ▶ ISIC International Standard Industrial Classification of All Economic Activities
- ▶ National level codes in Sweden: "SNI"



EUROPA > European Commission > Competition

List of NACE Codes

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A - Section A Agriculture, Hunting and Forestry

A.1 - Agriculture, hunting and related service activities

A.1.10 - Growing of crops; market gardening; horticulture

A.1.11 - Growing of cereals and other crops n.e.c.

A.1.12 - Growing of vegetables, horticultural specialities and nursery products

A.1.13 - Growing of fruit, nuts, beverage and spice crops

A.1.20 - Farming of animals

A.1.21 - Farming of cattle, dairy farming

A.1.22 - Farming of sheep, goats, horses, asses, mules and hinnies

A.1.23 - Farming of swine

A.1.24 - Farming of poultry

A.1.25 - Other farming of animals

A.1.30 - Growing of crops combined with farming of animals (mixed farming)

A.1.40 - Agricultural and animal husbandry service activities, except veterinary act

A.1,41 - Agricultural service activities

A.1.42 - Animal husbandry service activities, except veterinary activities

A.1.50 - Hunting, trapping and game propagation including related service activities

A.2 - Forestry, logging and related services activities

A.2.1 - Forestry and logging

A.2.2 - Forestry and logging related service activities

B - Section B Fishing

B.5 - Fishing, operation of fish hatcheries and fish farms + service activities

B.5.1 - Fishing

B.5.2 - Operation of fish hatcheries and fish farms

B.5.3 - Service activities incidental to fishing

C - Section C Mining and quarrying

CA - SubSection CA Mining and quarrying of energy producing materials



The EU Taxonomy

Interoperability of financial and "green" data

- A regulation describing a framework to classify "green" or "sustainable" economic activities executed in the EU.
- ▶ Enables open data from entities within EU
- Objectives
 - 1. Climate change mitigation
 - 2. Climate change adaptation
 - 3. Sustainable use and protection of water and marine resources
 - 4. Transition to a circular economy
 - 5. Pollution prevention and control
 - 6. Protection and restoration of biodiversity and ecosystems

NACE	Sector	Activity number	Activity Cont	ribution type	Desc
A2	Forestry	1.1	Afforestation		Esta
A2	Forestry	1.2	Rehabilitation and restoration of forests, including reforestati	ion and natural fo	Reh
A2	Forestry	1.3	Forest management		Fore
A2	Forestry	1.4	Conservation forestry		Fore
	Environmental pro	tect 2.1	Restoration of wetlands		Rest
C25, C27, C28	Manufacturing	3.1	Manufacture of renewable energy technologies Enab	ling	Man
C25, C27, C28	Manufacturing	3.2	Manufacture of equipment for the production and use of Enab	ling	Man
C29.1, C30.1, C30.2, C3	Manufacturing	3.3	Manufacture of low carbon technologies for transport Enab	ling	Man
C27.2, E38.32	Manufacturing	3.4	Manufacture of batteries Enab	ling	Man
C16.23, C23.11, C23.20,	Manufacturing	3.5	Manufacture of energy efficiency equipment for buildin Enab	ling	Man
C22, C25, C26, C27, C28	Manufacturing	3.6	Manufacture of other low carbon technologies Enab	ling	Man
C23.51	Manufacturing	3.7	Manufacture of cement Trans	sitional	Man
C24.42, C24.53	Manufacturing	3.8	Manufacture of aluminium Trans	sitional	Man
C24.10, C24.20, C24.31,	Manufacturing	3.9	Manufacture of iron and steel Trans	sitional	Man
C20.11	Manufacturing	3.10	Manufacture of hydrogen		Man
C20.13	Manufacturing	3.11	Manufacture of carbon black Trans	sitional	Man
C20.13	Manufacturing	3.12	Manufacture of soda ash Trans	sitional	Man
C20.13	Manufacturing	3.13	Manufacture of chlorine Trans	sitional	Man
C20.14	Manufacturing	3.14	Manufacture of organic basic chemicals Trans	sitional	Man
C20.15	Manufacturing	3.15	Manufacture of anhydrous ammonia		Man
C20.15	Manufacturing	3.16	Manufacture of nitric acid Trans	sitional	Man
C20.16	Manufacturing	3.17	Manufacture of plastics in primary form Trans	sitional	Man
D35.11, F42.22	Energy	4.1	Electricity generation using solar photovoltaic technology		Cons
D35.11, F42.22	Energy	4.2	Electricity generation using concentrated solar power (CSP) te	chnology	Cons
D35.11, F42.22	Energy	4.3	Electricity generation from wind power		Cons
D35.11, F42.22	Energy	4.4	Electricity generation from ocean energy technologies		Cons
D35.11, F42.22	Energy	4.5	Electricity generation from hydropower		Cons
D35.11, F42.22	Energy	4.6	Electricity generation from geothermal energy		Cons
D35.11, F42.22	Energy	4.7	Electricity generation from renewable non-fossil gaseous and	liquid fuels	Cons
D35.11	Energy	4.8	Electricity generation from bioenergy	•	Cons
D35.12, D35.13	Energy	4.9	Transmission and distribution of electricity Enab	ling	Cons
533712, 533715	Energy	4.10	Storage of electricity Enab		Cons
	Energy	4.11	Storage of thermal energy Enab		Cons
	Energy	4.12	Storage of hydrogen Enab		Cons
D35.21	Energy	4.13	Manufacture of biogas and biofuels for use in transport and of		Man
D35.22, F42.21, H49.50		4.14	Transmission and distribution networks for renewable and lov	•	Conv
D35.30	Energy	4.15	District heating/cooling distribution		Cons
D35.30, F43.22	Energy	4.16	Installation and operation of electric heat pumps		Insta
D2E 11 D2E 20	Energy	4.17	Cognoration of heat/cool and nower from color energy		Conc



DCAT facilitates interoperability between taxonomies

The format for taxonomies to inter-connect

- ▶ DCAT is a vocabulary for publishing data catalogs on the Web using RDF computer language
- RDF language for databases, able to retrieve and manipulate data stored in Resource Description Framework (RDF) format.
- ▶ DCAT provides datasets and data services to be described and included in a catalog.
- ▶ Facilitates the consumption and aggregation of metadata from multiple catalogs, which can:
 - 1.allow federated search for datasets across catalogs in multiple sites
 - increase the discoverability of datasets and data services
- Data from different countries can be combined (DCAT-AP-SE and DCAT-AP-GE) as well as nonoverlapping thematic areas i.e. NACE-CPV

```
ex:catalog
a dcat:Catalog;
dcterms:title "Imaginary Catalog"@en;
dcterms:title "Catálogo imaginario"@es;
rdfs:label "Imaginary Catalog"@en;
rdfs:label "Catálogo imaginario"@es;
foaf:homepage <a href="http://dcat.example.org/catalog">http://dcat.example.org/catalog</a>;
dcterms:publisher ex:transparency-office;
dcterms:language <a href="http://id.loc.gov/vocabulary/iso639-1/en">http://id.loc.gov/vocabulary/iso639-1/en</a>;
dcat:dataset ex:dataset-001, ex:dataset-002, ex:dataset-003.
```

The publisher of the catalog has the relative IRI ex:transparency-office.

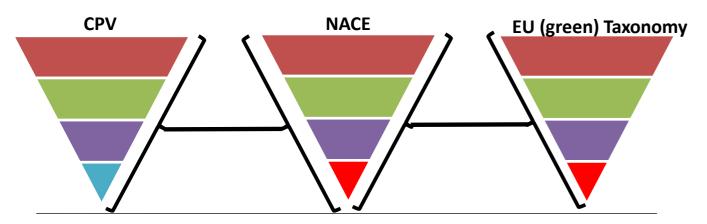
Data Catalog Vocabulary (DCAT) - Version 3 (w3.org)



The EU Public Procurement Taxonomy

The CPV codes

- ▶ The CPV consists of a main vocabulary for defining the subject of a contract, and a supplementary vocabulary for adding further qualitative information.
- Is based on a tree structure comprising codes of up to 9 digits associated with a wording that describes the type of supplies, works or services forming the subject of the contract.
 - The first two digits identify the divisions (XX000000-Y);
 - The first three digits identify the groups (XXX00000-Y);
 - The first four digits identify the classes (XXXX0000-Y);
 - The first five digits identify the categories (XXXXX000-Y);
- ▶ Thanks to the DCAT standard it is possible to combine data from the different taxonomies



CODE	EN				
03000000-1	Agricultural, farming, fishing, forestry and related products				
03100000-2	Agricultural and horticultural products				
03110000-5	Crops, products of market gardening and horticulture				
03111000-2	Seeds				
03111100-3	Soya beans				
03111200-4	Peanuts				
03111300-5	Sunflower seeds				
03111400-6	Cotton seeds				
03111500-7	Sesame seeds				
03111600-8	Mustard seeds				
03111700-9	Vegetable seeds				
03111800-0	Fruit seeds				
03111900-1	Flower seeds				
03112000-9	Unmanufactured tobacco				
03113000-6	Plants used for sugar manufacturing				
03113100-7	Sugar beet				
03113200-8	Sugar cane				
03114000-3	Straw and forage				
03114100-4	Straw				
03114200-5	Forage				
03115000-0	Raw vegetable materials				
03115100-1	Raw vegetable materials used in textile production				
03115110-4	Cotton				
03115120-7	Jute				
03115130-0	Flax				
03116000-7	Natural rubber and latex, and associated products				
03116100-8	Natural rubber				
03116200-9	Natural latex				
03116300-0	Latex products				
03117000-4	Plants used in specific fields				
03117100-5	Plants used in perfumery or pharmacy, or for insecticidal or similar purposes				
03117110-8	Plants used in perfumery				
03117120-1	Plants used in pharmacy				
03117130-4	Plants used for insecticidal purposes				
03117140-7	Plants used for fungicidal or similar purposes				
03117200-6	Seeds of plants used in specific fields				
03120000-8	Horticultural and nursery products				
03121000-5	Horticultural products				
03121100-6	Live plants, bulbs, roots, cuttings and slips				
03121200-7	Cut flowers				
03121210-0	Floral arrangements				
03130000-1	Beverage and spice crops				
03131000-8	Beverage crops				
03131100-9	Coffee beans				
03131200-0	Tea bushes				
03131200-0					



Taxonomies - Summary

- a set of classes of concepts that are organised in a hierarchy,
- usually depicted as a table of content or an organogram
- The further down for more specific words (the number of shared features decreases)
- > Upper classes possess all the features of the lower classes
- data that can be turned into information are made available with their relationships to other data in the taxonomy.
- Organising data in such a hierarchy makes it easier use, reuse, analyse etc.

One of the most known Taxonomy in history is the Linneaus taxonomy of biological classification of animals and plants.

Taxonomies are a cornerstone for how data is organised and processed.

- All data crucially has a hierarchy.
- by following common principles with an ever-increasing amount of data sources → create tangible value.
- principles for how data can be combined is as important.



The importance of AI for CircularPSP

To use taxonomies and standards for open linked data

To build Circular knowledge and wisdom

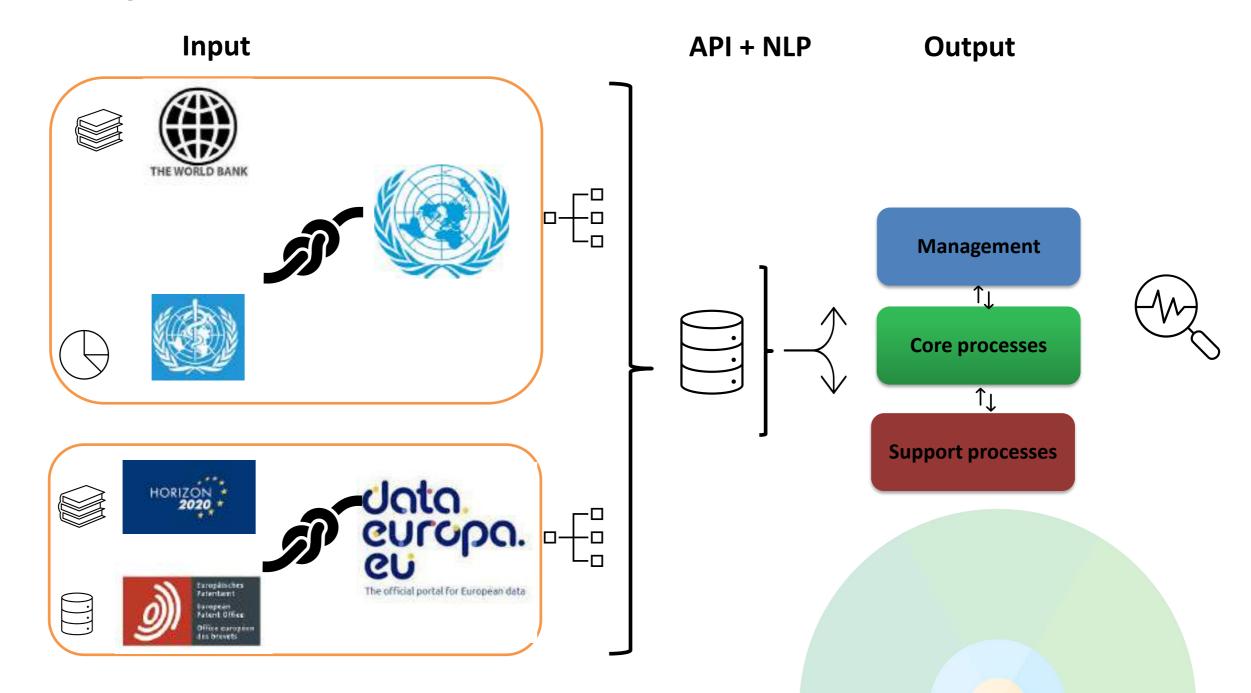
To support workflows







Example of linking data





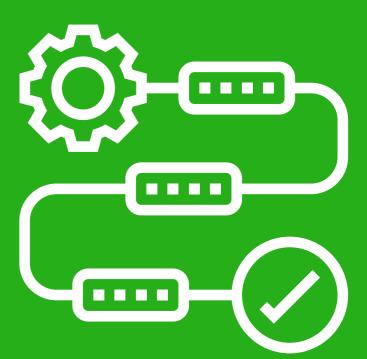
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Co-working on CE TaxonomyLiving documents to be co-edited

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What do we aim to achieve (here)?

We have to set a scope for this working group / project

Identify what terms, data sources are of importance for municipalities (i.e. municipal workers)

Clarify whether or not terms/sources are already defined in existing taxonomies

Iterate the CE Taxonomy

Begin to test CE
Taxonomy with early
CE-solution
prototypes,
prototypes and

(Assess whether extensions are possible regarding indicators/benchmarks)

Continue to test CE
Taxonomy in
prototypes

Prepare documentation for / delegate to EU regulation

Apply the CE
Taxonomy across
Demonstration sites

Specialised groups may emerge from the wider group and will receive support / infrastructure



How to contribute?

All work will be public with intermediate results curated by the CircularPSP consortium

TENDERERS TO CIRCULARPSP

NOT expected to disclose input on terminology and data sources here and now

CAN provide (optional) input in proposal

Input will be made public upon discretion of CircularPSP

CE-solution will have to use most recent terminology and data sources*

CE-solution can use any own taxonomy as long it does not "contradict" important public / CE Taxonomy **EVERYONE ELSE**

We will work in two living documents

WORD

Terminology Standards **EXCEL**

Data Sources

A look into the drafts



CircularPSP and CE Taxonomy Timelines

Working group activities are in sync with the PCP

Jan. 23 Nov. 23 **Apr. 24** Sep. 24 May. 25 **Mar. 26 Call for** Phase 0 Phase I Phase II **Phase III** Phase IV PCP-**Tenders Research and Open** Solution design **Prototype development Pilot systems** Deployment of Phase (5 months) (8 months) (11 months) Market commercial volumes of Consultations Call open for end-products [outside industry (10 months) of project scope participation (5 months) **Kick-off Working Group** No meetings 1-2 meetings 2-3 meetings 2-3 meetings Working Maybe follow-up studies – we will lobby group Suppliers (optionally) **Suppliers test Taxonomy** Suppliers test the Suppliers, Procures and for it develop content in in AI mock-ups. **Taxonomy in operational** Followers use the activities proposal CE-solution. Taxonomy at demonstration sites. **Preliminary White Paper Working Files: Reference Working Files: Initial Working Files: Final Working Files:** CE release after call for version for Phase I version for Phase III Intermediate version for **Taxonomy** development development + update tender **Phase II development Updates** White Paper: White Paper: Draft for **Submission to EC** submission to EC



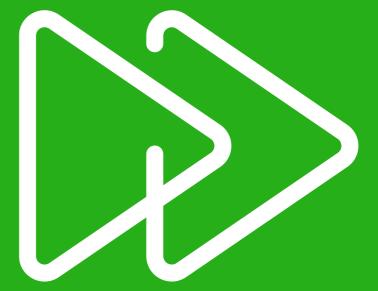
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Matchmaking + Follower Network

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Suppliers are invited to create a consortium

Search of partners is supported with the Matchmaking Platform

MATCHMAKING

- ▶ Become visible among other suppliers looking for partners
- Steps, describe:
 - What you are looking for
 - What you are offering
 - Some basics + contact information
- ▶ Completing the form takes only ~5 minutes
- We encourage companies that cannot cover the whole CircularPSP solution to team up with other companies and apply together with international partners in a joint tender (consortium).

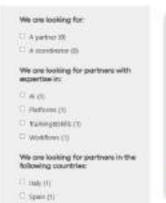
We will organise a matchmaking and training events in October / November

PLATFORM

Location: https://circularpsp.eu/matchmaking/



Add your profile, offerings and partner requests here











Procurers: Become part of our Follower Network

Follower network

BECOME A FOLLOWER

- If you are interested in solutions and suppliers:
 - Simply state your interest via mail to <u>CircularPSP@empirica.com</u>
 - We only need a brief description and a logo
 - We invite you to events and aim to allow testing by Followers



CURRENT FOLLOWER NETWORK

- ▶ Location: https://circularpsp.eu/follower-network/
- ▶ Cities and regions, for instance:







- Networks and other Followers:
 - CIRCULÉIRE (Ireland)
 - KEINO (Finland)
 - Helsinki Region Environmental Services (Finland)
 - BUILD (Horizon Europe project)
 - InvestCEC (CCRI project EU)
 - Circular and Fair ICT Pact (Public Buyers Community)
 - Procurement of AI Community (Public Buyers Community)
- In discussion
 - CCRI Initiative (31 cities and regions)
 - C40 (40 large cities)

















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