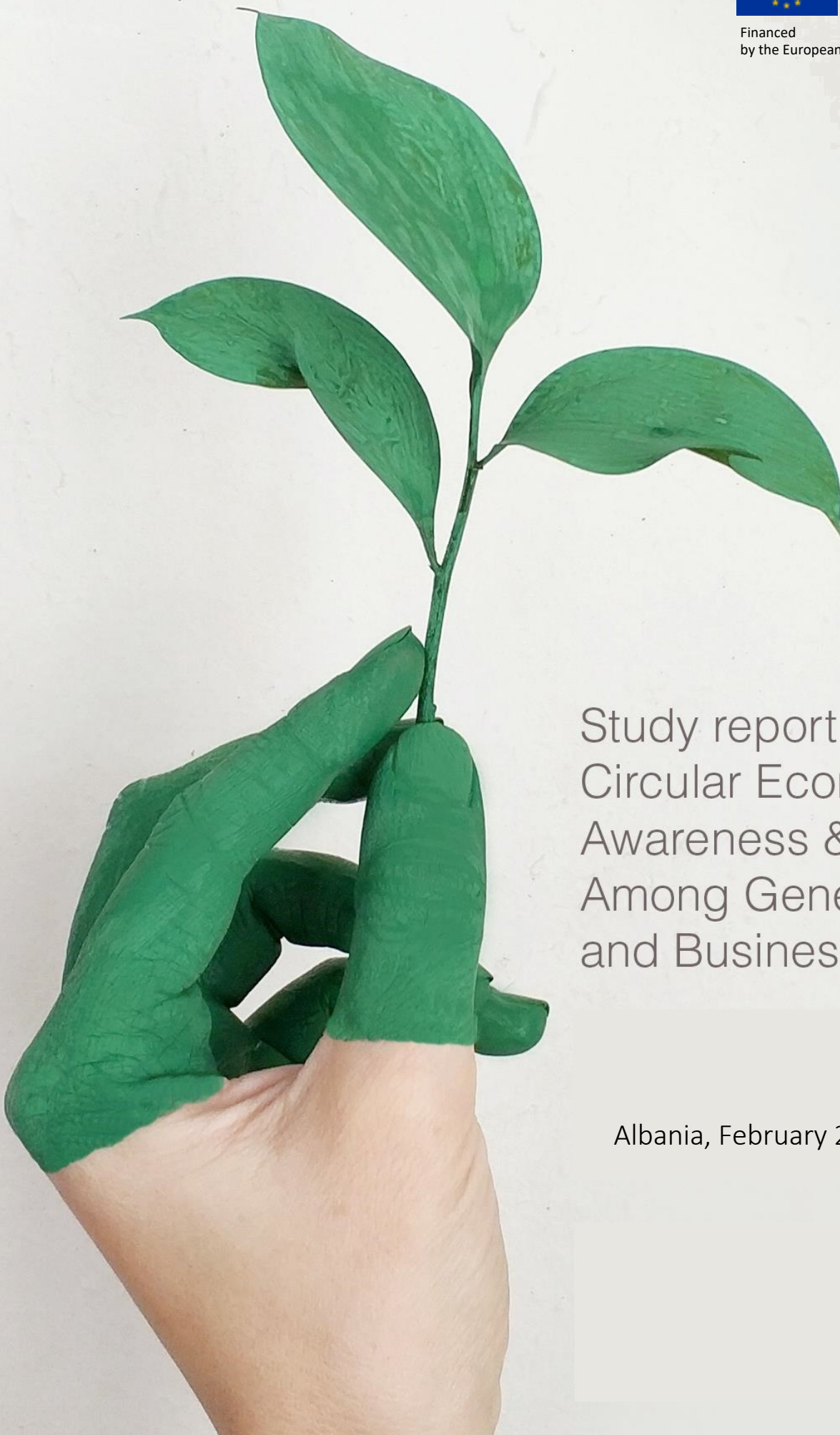




Financed
by the European Union



Implemented by Center
for Competitive Skills



Study report on Circular Economy Awareness & Sensitivity Among General Public and Businesses

Albania, February 2020

Circular Economy Definition

A circular economy is a systemic approach to economic development designed to benefit businesses, society, and the environment. In contrast to the 'take-make-waste' linear model, a circular economy is regenerative by design and aims to gradually decouple growth from the consumption of finite resources. In a circular economy economic activity builds and rebuilds overall system health.

The concept recognizes the importance of the economy needing to work effectively at all scales – for big and small businesses, for organizations and individuals, globally and locally.

Circular Economy is based on three principles:

- Design out waste and pollution
- Keep products and materials in use
- Regenerate natural systems

- **Ellen Macarthur Foundation**

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Project Background

1.1 Introduction

Circular economy has become a topic of relevance among European policymakers. It is a concept associated with sustainability, innovation, and resource efficiency. Embracing the concept of circular economy is a way to work towards green economic growth. In fact, circular economy involves a mixture of policies: environmental, economic, and social policies.

The EU's efforts towards a sustainable, low carbon and resource efficient economy have been incorporated in the EU Circular Economy Package, adopted in 2015. The Circular Economy Package entered into force in July 2018 and it is the EU strategy towards a sustainable low carbon, resource efficient and competitive economy. Closing the loop means that what today we see as waste that needs to be cleaned up has the potential to create more value as a resource that can be reused infinite times.

For Albania - which is at an important milestone, in its path towards European integration - the circular economy gains importance. Albania needs to start working towards a circular economy and green growth. In terms of the legislation approximation process, the Circular Economy – related legislation falls under chapter 27 “Environment and climate change” of the EU acquis. Therefore, as Albania continues its process of approximation of national legislation to the EU acquis (including chapter 27), stakeholders need to be well informed on the benefits and challenges, need to be consulted during the approximation process, and need to know best practices in the EU, in order to finally embrace the concept and to achieve EU standards.

Center for Competitive Skills (CSS) is a nonprofit organization, whose mission is to develop the skills of individuals, organizations, and institutions to be competitive at home and abroad, through innovation, entrepreneurship, and internationalization.

Centre for Competitive Skills (CCS) has been elected by the Central Finance and Contracting Unit of EU, World Bank and Other Donor Funds (CFCU), Ministry of Finance, to implement the project on “Increasing awareness of CSOs and SMEs on the importance of circular economy in line with the EU Circular Economy Package”, funded by the EUIF Program.

This project aims to create awareness and educate, public and stakeholders on the Circular Economy strategy towards a sustainable low carbon, resource efficient and competitive economy.

The results of the survey project shall be used to engage the right stakeholders, SME-s, NGO-s, Academia, local and central government and financial institutions, in order to translate the theory of Circular Economy into practical actions and tangible results.

1.2 Research Objectives

General Public Study

The survey performed among public in Tirana and Durres among more than 700 respondents had the below objectives:

- Measure the existing level of awareness on Circular Economy and other popular concepts included in the environmental agenda.
- Assess the sensitivity level on local and global environmental issues and the level of urgency, against economic growth.
- Identify current behaviors and usages and willingness for positive change to contribute as a force for good in the future
- Assess consumers inclination to pay more for environmentally conscious or eco-friendly, food, products and recycling packages
- Measure the level of priority or urgency, environmental issues are seen by public perception paralleled to the economic growth
- Identify the main barriers for the development of circular economy agenda in Albania from the public perception and perspective

Business Stakeholders Study

The survey performed among businesses in Tirana and Durres among 70 managers had similar objectives in terms of awareness and additional ones specific to the profile:

- Measure the existing level of awareness on Circular Economy and the concrete knowledge around the concept.
- Identify current business processes in line with circular economy principles and the future intention to adopt them within the business.

- Assess the perception on the level of consumers inclination to pay more for environmentally conscious or eco-friendly, food, products and recycling packages.
- Measure the level of priority or urgency, environmental issues are seen by perception paralleled to the economic growth
- Identify the main barriers for the development of circular economy agenda in Albania from the business's perspective.

1.3 Research Methodology

General Public Study

A quantitative research, supported on a survey held online in social medias throughout the January 2020, was the research method adopted to achieve the research objectives and measure awareness on circular economy and the sensitivity of the public around environmental issues.

To better understand the reasoning behind the scores and test the questionnaire level of understanding, the researcher has performed additional qualitative interviews with respondents in Tirana only.

The survey was voluntarily completed by 707 people living in Tirana and Durres both urban and rural areas aged 15-65 years old, of all levels of educations primary to post university level. The gender balance is also maintained during the data collection process.

This report is based only on primary research that has been conducted specifically for this report, due to the lack of prior research exclusively focused on circular economy in Albania.

The questionnaire was prepared and distributed in Albanian language but to avoid any language limitations, the terminology in English was also included for different concepts.

Business Stakeholders Study

Mix methodologies qual quant were applied for the business research. An online survey collected in LinkedIn professional social media throughout February 2020, was the research method adopted to achieve the research objectives and measure awareness on circular economy and the barriers on developing it.

To better understand the reasoning behind the scores and test the questionnaire level of understanding, the researcher has performed additional in-depth interviews with businesses managers specialized in production and retail business sectors.

1.4 Research Contributors

The organization “Centre for Competitive Skills” lead by Mrs. Mirela Andoni in the director function and “Qarkonomia Project” lead by Project Manager Mrs. Ledi Leka, selected Mrs. Silvana Xheka a Market Research Expert, whom administered the implementation of the online study project by drafting the questionnaire, adapting to the SurveyMonkey platform, collecting, monitoring and cleaning data, data analysis and drafting the study report. The experts is an official members of ESOMAR (European Organization for Marketing Studies and Public Opinion Surveys) and in her work strictly adhere to the "International Code of Ethics for Market Studies, Public and Social Opinion Research" drafted by ESOMAR and the International Chamber of Commerce, other standards set by ESOMAR, as well as the Albanian law No. 9887, dated 10.3.2008 "On personal data protection", as amended.

We would also like to thank all the interviewed stakeholders and public for their informative responses.

1.5 Ethical aspects

The online survey was initiated with an introductory statement at the beginning of the questionnaire describing the purpose and average duration of the survey, respect for anonymity and confidentiality of the data, and clarified that respondents could interrupt or pause the survey at any stage. The participation of all subjects was voluntary, and no questions were mandatory. The average time to complete the questionnaire was 6.5 min minutes.

1.6 Quantitative questionnaire

The two quantitative questionnaires were designed in accordance with the research objectives aiming to collect information among public and businesses. Before finalization and massive online distribution of the questionnaires, a pilot phase has been conducted to test the level of comprehensibility and fluency during completion.

The public questionnaire sections are as below:

- Demographics of the respondent
- Awareness on Circular economy and other related concepts
- Sensitivity on local and global environmental issues
- Commitment to personal actions for a better future
- Barriers of Circular Economy in Albania

The business questionnaire sections are as following:

- Type of businesses and role of the respondent
- Awareness on Circular economy and other related concepts
- Current and future intention to work toward Circular Economy principles
- Best directions to develop Circular Economy in Albania
- Barriers of Circular Economy in Albania

**For more information you can find the full questionnaire in appendix of this report.*

This document has been produced with the financial assistance of the European Union. The contents of this document are the sole responsibility of the Center for Competitive Skills (Qendra për Aftësi Konkurruese) and can under no circumstances be regarded as reflecting the position of the European Union.

Research Findings

2.1 Circular Economy Awareness and Knowledge Among General Public

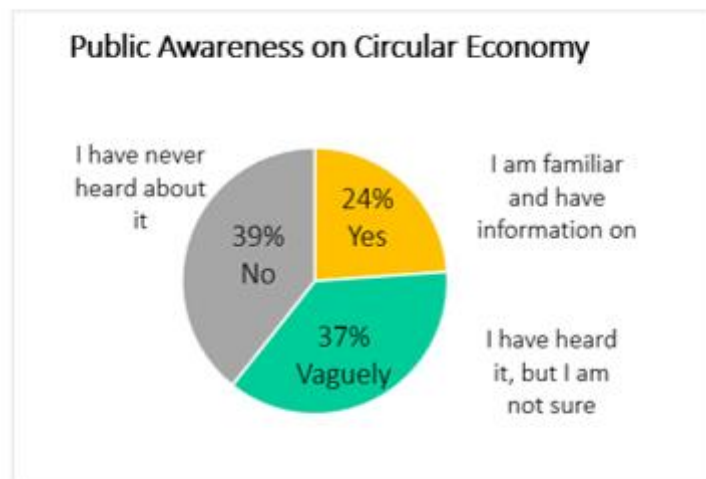
24% of the public and 51% of businesses declare to be familiar with circular economy term however 15% of the public and 44% of businesses have correct knowledge on circular economy as per definition.

The awareness on Circular Economy is 24% among people in Tirana and Durrës, a high rate considering the country is yet at the very latent phase in implementing circular economy processes (figure 1). A second layer of measurement is applied, to understand if the concept is associated with the correct definition of circular economy and as a result the true awareness is measured and identified.

Circular economy awareness among public is slightly higher among female respondents, while it is significantly higher among respondent with higher education. The awareness is higher among urban audience, being more exposed and in touch with the international developments.

Among youths 15-19 years old, the awareness is the lowest but keeps increasing with age up to 50-59 years old. After 60 years of age awareness on circular economy start to decline again.

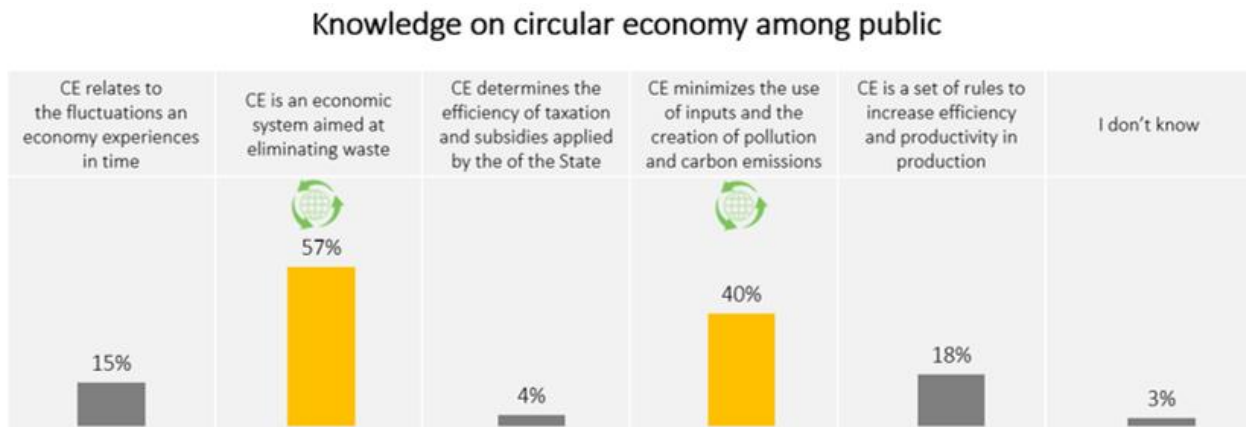
Chart 1



24% declared to be familiar with Circular Economy however 15% had correct information from the total based asked among people in Tirana and Durres. Alternatively, 61% of the public associate the term with the correct definition among different options served to them.

Circular Economy is associated with waste elimination by 57% (figure 2) among respondents familiar with the term and with the use of inputs and the creation of pollution and carbon emissions by 40%.

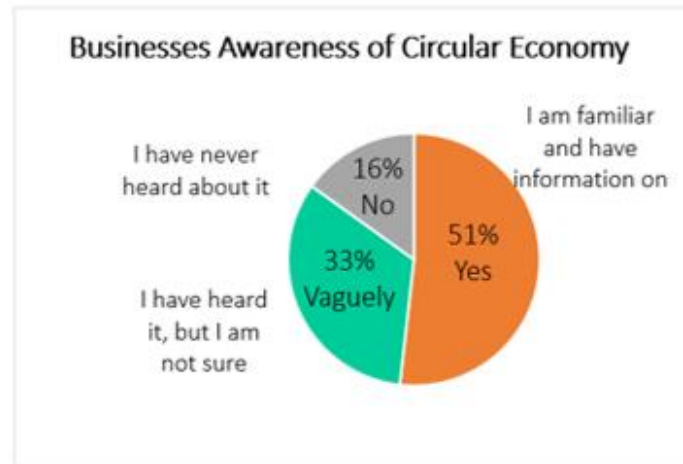
Chart 2



2.2 Circular Economy Awareness and Knowledge Among Businesses

Among businesses 51% % declare to be familiar with circular economy however the real awareness is lower, since 1 out of 5 associate the term with the wrong processes and definition. 44% of the business’s managers asked, had correct knowledge on what circular economy is as per definition however it is worth mentioning the knowledge revealed during in-depth interviews with several businesses managers has been vague and truncated.

Chart 3

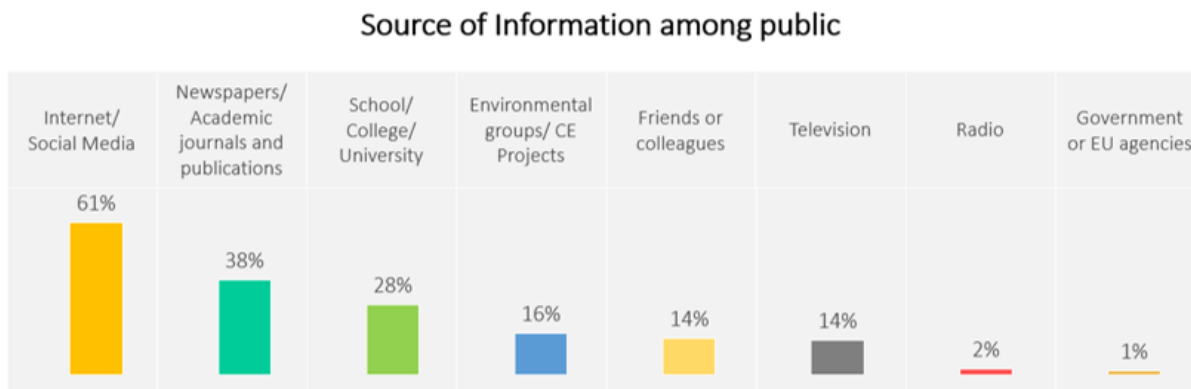


2.3 Circular Economy' Source of Information

Online sources of information, particularly social medias are the main sources of information among Albanians about Circular Economy, a finding which goes in line with the general information behaviors of the country in the last years. Traditional media such as TV and Radio, have little role in the matter due to their low focus on sustainability and international development chronicles, and high focus on local and daily news. Audiences complain on the lack of up to date documentaries about science, technology and new streams of economies in the Albanian TV platforms. Newspapers/magazines/academic journals and publications are an important source of information counting to 38% among the one familiar with circular economy, followed by the educational system and environmental groups.

In depth interviews with business managers show similar patterns in terms of source of information. Online sources through different portals, science and business articles, social media pages are the main sources of information among businesses for circular economy.

Chart 4



2.4 Awareness on Related Concepts among General Public

When respondents were asked how familiar they were with the concepts that contribute to the creation of a circular economy, the results highlighted significant awareness on some of the most well-known concepts, an awareness even higher to that of circular economy. On the other hand on some other concepts the results highlighted significant shortcomings in people's knowledge.

Chart 5, 6, 7



Recycling has the highest awareness among all concepts presented. The term already circulates from many years, it is easier to understand among components of circular economy and could be performed by individual consumers in their everyday life. Additionally, the term has higher awareness following local initiatives already in place.

43% of the respondents are familiar with the **Green Economy** term, which is defined as an economy that aims reducing environmental risks and ecological scarcities, and that aims for sustainable development without degrading the environment. The high

awareness is fueled too, by the green word in the term, immediately associated with nature.

Despite almost half of the respondents are familiar with the Recycling Economy, only 20% do know **Take-Make-Use-Dispose**, the linear model which has been the standard approach to production and consumption for decades. The term is mostly used under circular economy umbrella literature.

Chart 8, 9, 10



The **Biosphere Rules** identifies the principles that facilitate circular processes in nature but interpreted and translated to industrial production systems. During qualitative talks with respondents was noticed they relate the term with natural systems rules rather than industrial ones.

15% of respondents had heard about the **Blue Economy**, which aims to use available resources and ocean resources for economic development and for improving the lives and employment opportunities of people, by protecting the health of oceans and living lives in it.

Only 9% of the surveyed had heard about **Biomimetics**, a new discipline that studies the best ideas from nature and imitates its designs and processes to solve problems and is considered as one of the building blocks of a circular economy. This concept is the least familiar among respondents.

Friday for Future Awareness among General Public



Only 13% of the public are familiar with Friday for Future movement

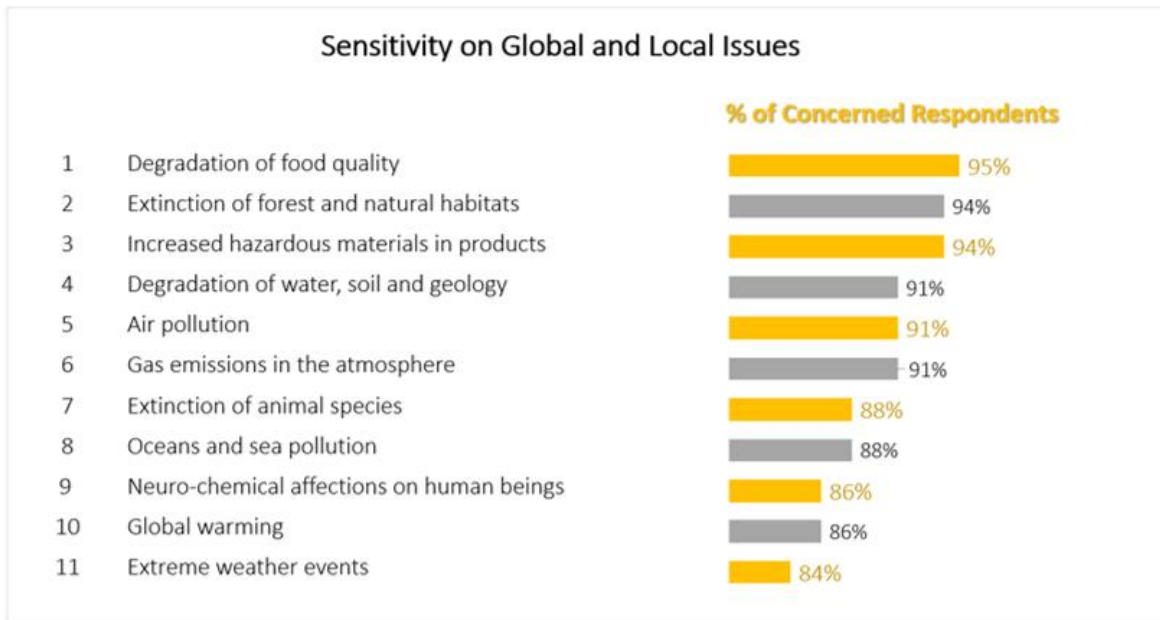
Despite being a climate change global initiative with worldwide media coverage, Friday for Future have low awareness among public in Albania. 13% declare to be familiar and have information on it, 20% have heard it, but are not sure what it refers too and 66% have never heard about it. The movement is highly publicized through the young activist, Greta Thunberg, being the initiator of the movement in her home country in Sweden. The movement label has been eclipsed by the young activist and could be one of the reasons for the low awareness among Albanian public. Efforts to establish a parallel movement in Albania, has resulted in low participation, that reached up to a dozen participants.

2.5 Sensitivity on Global and Local Issues among General Public

People are overly sensitive and concerned for different global or local subjects affecting the quality of human life on earth of other species and the economy too.

Degradation of food quality is the main topic (95%) concerning respondents in Tirana and Durrës. The topic is a very hot topic locally especially during the last years, following food deterioration in quality, lack of control from public institution and different scandals brought by the media such as: expiry dates falsification, usage of damaging chemicals for speedier growth of fruit and vegetables, damaging omg etc.

Chart 11



Extinction of forests and natural habitats is a top concern (94%) following massive illegal deforestation in Albania without regeneration of new ones and damages done to natural habitats. There have been different protests during the last years from the directly affected communities. The last year Amazon and Australia forest's fires concerning the whole international community could have added to the high ranking of this topic among concerns.

Increased hazardous materials in products another topic of corners (94%) has been exposed by media time by time for products originating from far east countries with exceptionally low production quality and cheap prices: toys, cosmetic etc.

Air pollution and gas emissions in the atmosphere are concerns expressed by 91% and of people is an expected result for one the most air population cities in Europe, as it is Tirana.

Global warming and extreme weather events, despite being a high concern for many people respectively 86% and 84% is still lower than other topics since in Albania has not directly felt extreme weather events such a hurricane as in other countries. Degradation of water, soil and geology (91%) extinction of animal species (88%) oceans and sea pollution (88%) neuro-chemical affections on human beings (86%) are other important topics with high sensitivity.

2.6 Eco-friendly Food, Products and Packaging Among General Public

Degradation of the food quality was a high concern among 95% of the respondents and therefore when asked if they are keen to pay more for environmentally conscious or eco-friendly' food, 42% of them expressed willingness.

Figure 1



Of course, the willingness comes with need for assurance and guarantees the food is eco-friendly, cultivated to maintain the best nutrition values for the consumer while protecting the environment.

32% are willing to pay more for environmentally conscious or eco-friendly' products a percentage lower than for the food due to products being not directly correlated with health issues and less information among consume on the matter. 42% of people are willing to pay more for products with recyclable packaging, however from qualitative talks with consumers visibly there is lack of information on recyclable packaging and how to identify them.

2.7 Circular Economy Awareness and Knowledge Among Businesses

The same question on customers willingness to pay more for environmentally conscious or eco-friendly food, product, and packaging, is done to businesses manager. Not only we do measure the businesses perception on the market opportunity in terms of environmentally conscious or eco-friendly food, product, and packaging but we can compare it with the real market potential expressed through people willingness.

Figure 2

Businesses perception on customer's willingness to pay more for better purchases



Business perceptions on customer's willingness to pay more for environmentally conscious or eco-friendly food, product and packaging, is significantly lower and the biggest gap is measured on food. Businesses declare that despite the high concern's customers express, the country economy and purchasing power is quite low and only a niche segment are aware and willing to pay more. The differences might be explained by three factors. First business manager's perception is more pragmatist and based on historical market flexibility of prices versus quality. People's perception on their future willingness and behavior purchases is somehow inflated by their good intention while focused on the topic under discussion, however the factors influencing the purchases might be reweighted during the real experience. Secondly, customer's willingness does not state how much price increase they are willing to pay, and it is a normal predisposition for customers to think about the lower possible increase while businesses for the highest possible increase, thus the different perception on the customers proportion willing to pay more for environmentally conscious or eco-friendly food, product and packaging.

Thirdly it is worth noting than business's managers perception is based on the whole country purchasing power, while the willingness is based on respondents living in Tirana and Durres, the wealthier cities in Albania.

2.8 Willingness to Change Lifestyle Among General Public

In overall 83% of the respondent in Tirana and Durres are willing to change lifestyle to reduce damage they might cause the environment. The level of willingness is quite high, however is not uniform among household's members.

Figure 3



Household members responsible for taking care of the household chores are the keenest to improve their lifestyle in support of the environment followed by those who are responsible for the household core shopping. The results are warming being that there is high predisposition among the key players in household.

High willingness is measured even among those responsible for managing the household financial plan and the ones who have no role in the household duties, despite a slight difference with the two other groups.

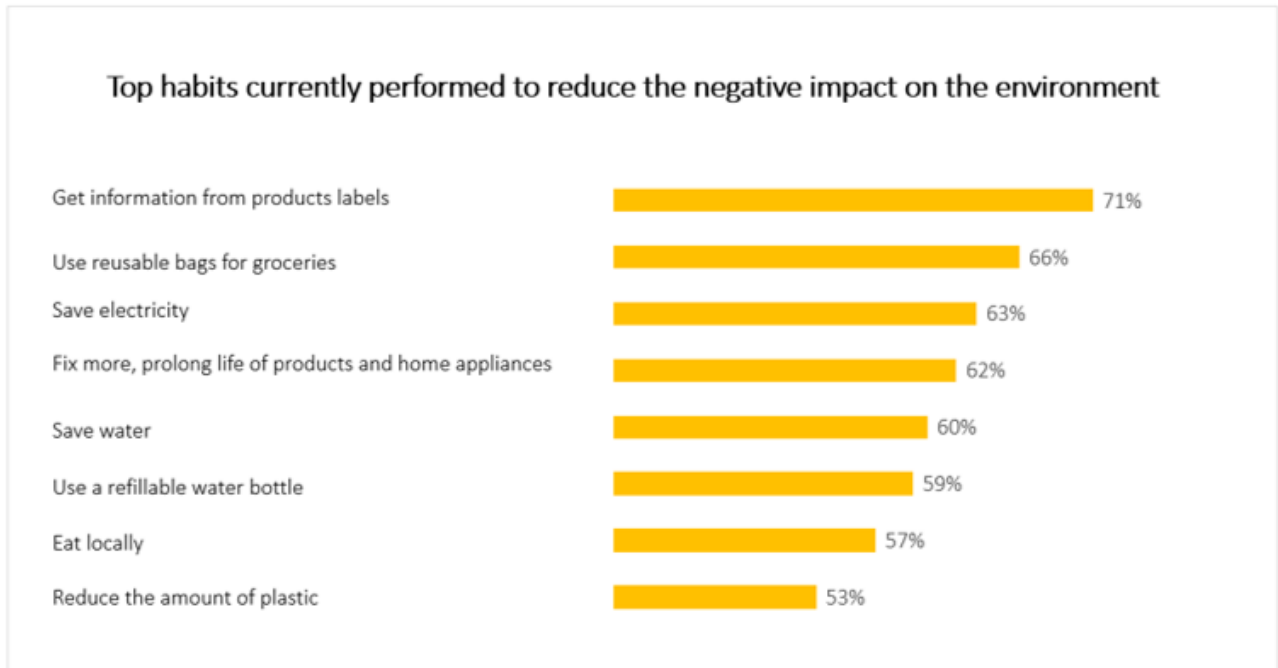
2.9 Habits Already Integrated in Daily Life According to General Public

Respondent were presented with a long list of actions which reduce the potential damage people cause to the environment. Many respondents declare they are already doing or are willing to perform this action in the future.

The most performed action, so already part of people's life are "get information from products labels" in 71% of the cases, "use reusable bags for groceries" in 66% of the cases and "save electricity and water" in 63% and 60% of the cases. "Fix more, prolong life of products and home appliances" is declared by 62% of respondents since has been a typical behavior for Albanian families in generations.

57% declare they currently eat local and despite high suspicions on food quality, when it comes to fruits and vegetables people still trust and prefer local food. 53% declare they already try to reduce the amount of plastic in their life or use a refillable water bottle (59%).

Chart 12



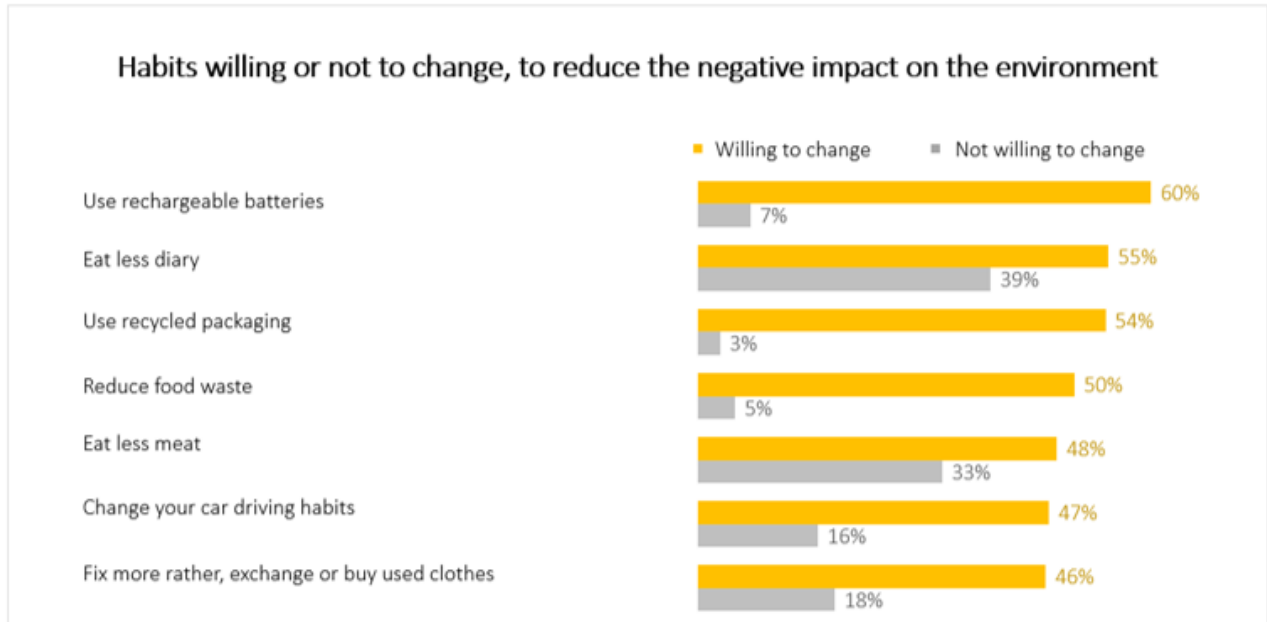
2.10 Willingness to Change Daily Life- General Public

Despite some of the good actions to reduce damage to the environment are already performed by people, in most of the cases people declare they are willing to integrate them into their daily life in the future.

60% are willing to use rechargeable batteries, 55% eat less dairy products, 54% use recycled packaging 50% are willing to reduce food waste. Less than 50% of the respondents in Tirana and Durres declare willingness to eat less meat, change your car driving habits or fix more rather, exchange or buy used clothes.

In lower percentages some of the habits or actions are refused by people. The most refused habits are related to food consumption of dairy and meat which are part of the Albanian cuisine culture and people find more difficult to understand the damage they cause to the environment. Change the car driving and fix more rather, exchange or buy used clothes are also refused by a considerable portion of people.

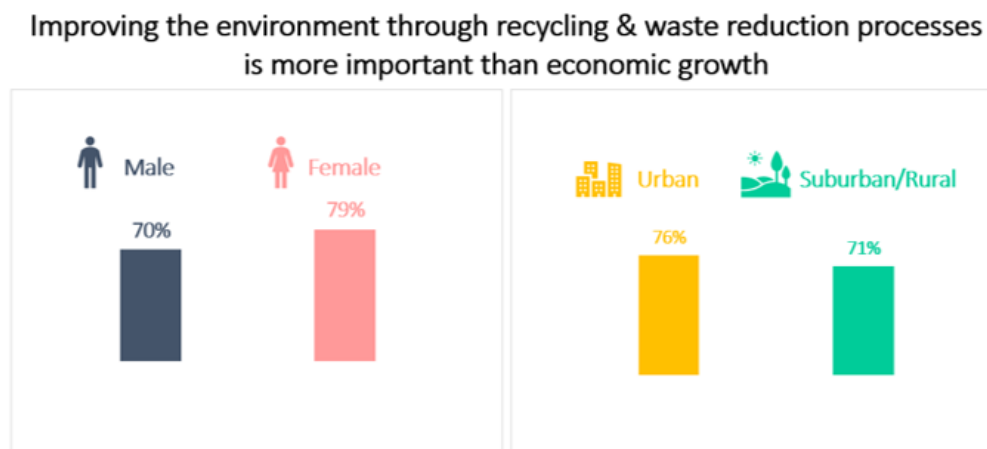
Chart 13



2.11 Circular Economy vs. Economic Growth According to General Public

75% believe that improving the environment through recycling and waste reduction processes is more important than economic growth, however female respondents give even more weight to circular economy compared to males' respondents. People in urban areas feel more exigent on environmental issues and believe that improving it through recycling and waste reduction processes is more important than economic growth, compare to their counterpart in suburban or rural areas.

Chart 14



Younger generations feel more exigency on environmental issues and have stronger believes than improving the environment through recycling and waste reduction processes is more important than economic growth

Chart 15



2.12 The Main Barriers of Circular Economy in Albania According to General Public

When asked about the main barriers that slow down the development of circular business processes in Albania, most of the respondent in Tirana and Durres, identified the lack of awareness and knowledge in general (58%) by all parties, as the main barrier. The second most important barrier is perceived the lack of pressure and awareness from consumers side (54%) despite high willingness from their side to change lifestyle to reduce the damage caused to the environment.

Lack of governmental incentives that stimulate circular economy is believed to be an important barrier by 41% while 35% believe Albania lacks law framework and regulations for circular business processes.

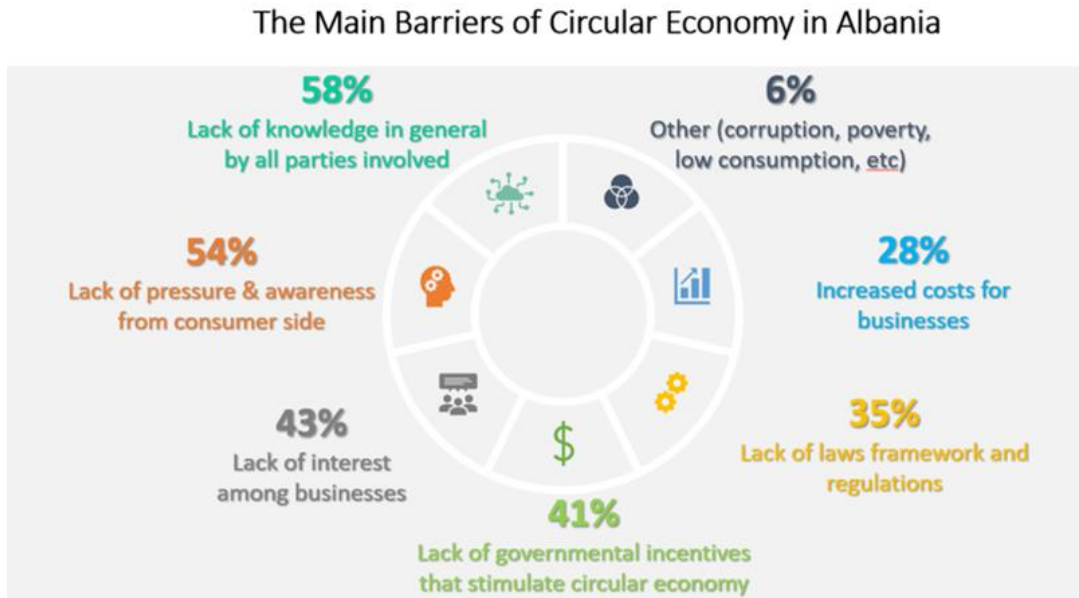
Qualitative comment related to governmental lack of actions are related to poor knowledge from government an institution has on the matter, narrow interests of politics and lack of a national strategy.

Only 28% of the respondent in Tirana and Durres identified increased costs for businesses as a barrier slowing down the development of circular economy and introduction of recycling business processes in Albania. The main barrier from businesses side is perceived to be the lack of interest among businesses (43%).

Other reasons spontaneously mentioned by respondents are related to the small size or Albania which means very low consumptions, corruption, poverty, lack of knowledge

from the lawmaker's side, the interest and the interests on businesses related to pollution.

Figure 4



2.13 The Main Barriers of Circular Economy in Albania According to Businesses

When asked about the main barriers that slow down the development of circular business processes in Albania, most of the business managers identified legislation. 62% believe there is absence of governmental incentives and subsidy, 51% lack of legal regulatory framework and 28% absence of governmental pressure.

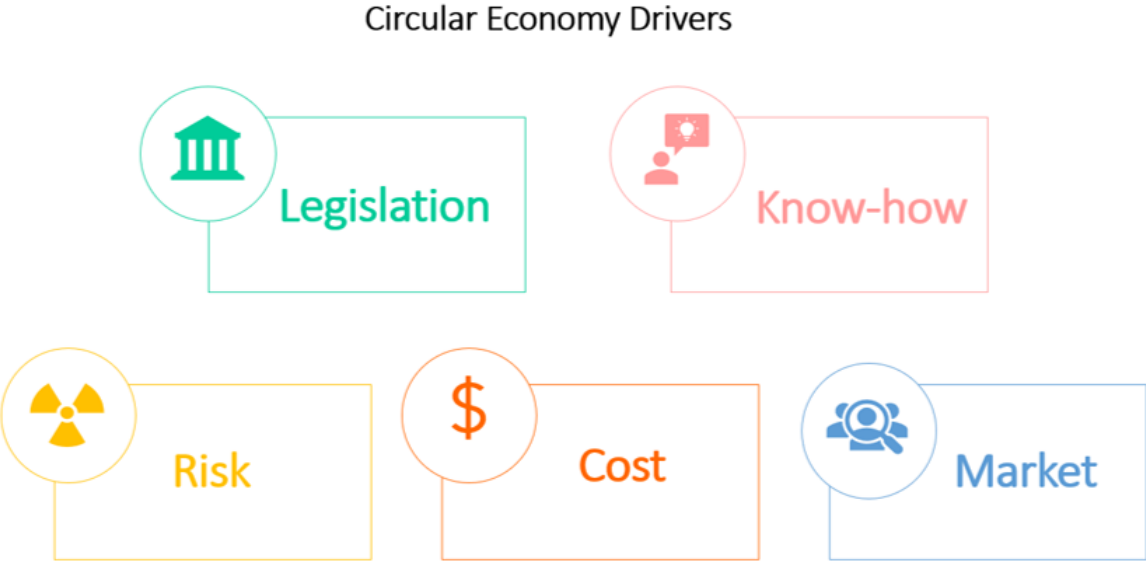
The second barrier is the Know-how regarding circular economy and 53% believe there is lack of knowledge on circular businesses costs and benefits, 42% lack of specialized human resources for this business model and 38% lack of business experience.

Another barrier relates to costs as 36% believe it might involve added costs for the business. Low cost of virgin materials (not recycled ones) is mention by 21% as a barrier and difficulty accessing suitable financing by 19%.

Risk is also perceived as an important barrier by business managers. 36% believe there is lack of evidence the model is profitable and lac of successful examples, 19% of shareholder promotes linear thinking and traditional models and 9% perceive circular economy of high business risk.

Another very important barrier is perceived around the market itself. Lack of recycling industry in the country is seen as a barrier by 43% of the managers while the absence of consumer demand and pressure by 25% of them. 21% believe the dominant position of key market players, is a barrier for the small players, which cannot break the competition barriers.

Figure 5



2.14 Circular Economy Drivers According to Businesses

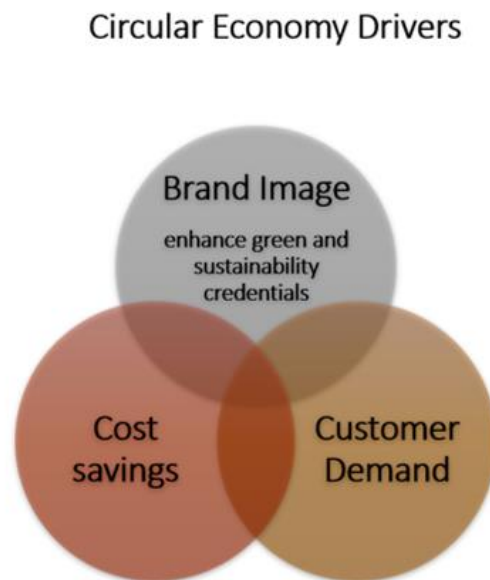
The main motivation to introduce new business models, designed around circular economy principles is to enhance companies' green/sustainability credentials and brand image thus making companies more competitive in the market and increase customer base and sales.

Saving cost and respond to explicit customer demand/preferences are other strong motivation to introduce new business models.

Other secondary motivator mentioned by managers are to respond to competitors' actions, to respond to downward pressure on revenue or profit margin and respond to competitors' actions.

Legislation and state rule enforcements is another stimulus to introduce a new business model, designed based on circular economy principles

Figure 6



2.15 Circular Economy as an Opportunity

9 out of 10 businesses see circular economy as an opportunity

The majority of the business managers perceive circular economy as an opportunity for different reasons gathered as below by their own verbatim, while a small part of business managers feel circular economy could be a threat for their business mostly due to potential cost increase or high expertise and investment needed for new business models.

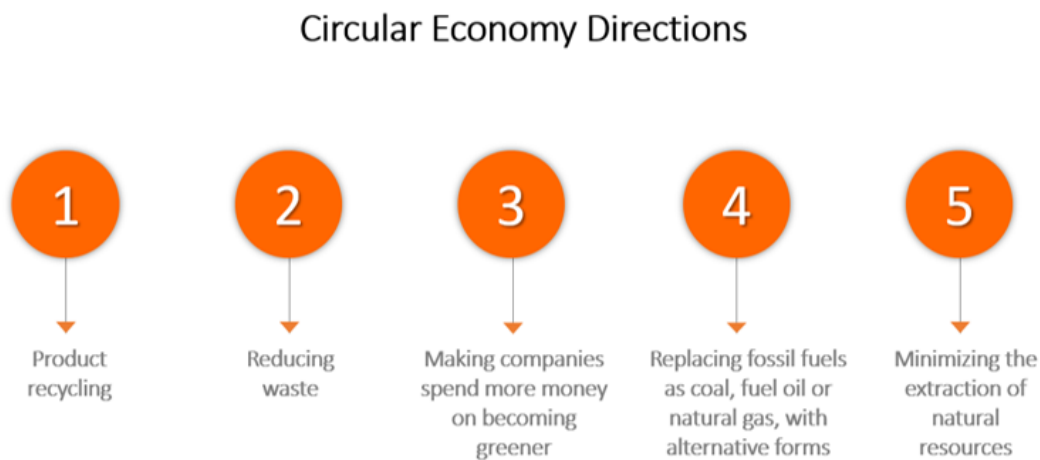
- Long-term development and strategy optimization as restoration of natural systems affects the entire economic cycle
- Contributing to the creation of an attractive environment for the development of business and the economy
- An opportunity to utilize and recycled waste, in the production of alternative products and in conformity with analogue products in other markets
- Renewable energy, recycled packaging materials, are good opportunities for lowering the costs for consumers and improve living conditions for the society
- Possibility of maximum utilization of resources

- Contribution to the protection of nature and society to live in a healthy environment
- Contribution to increasing the efficiency and productivity of the companies
- Creation of a close circle in the production of agricultural products in combination with the farming sectors
- Recycling auxiliary materials such as cardboard, Pe, plastic and fabric, is the key to reducing costs in fasonery sector
- An opportunity to improve environmental and operating conditions at work and opening of new jobs

2.16 Circular Economy Directions According to Businesses

When asked on the most suitable and effective directions for developing circular economy, most of the managers consider recycling the best long-term direction Albania could capitalize on. Reducing waste through more effective production and usage of environmentally friendly inputs and outputs is the second direction suggested followed by stricter rules to make companies spend more money on becoming greener. Alternative forms of energy while minimizing the extraction of natural resources are the least prefers as courses for developing circular economy in Albania.

Figure 7



APPENDIX A- LISTS OF FIGURES AND CHARTS

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APPENDIX B- GENERAL PUBLIC QUESTIONNAIRE

This questionnaire needs approximately 7 minutes to be completed. The data collected at the respondent level, will be kept strictly confidential and in accordance with ESOMAR International Code of Ethics.

1. Are you familiar with the term Circular Economy?

- Yes- I am familiar and have information on the term
- Vaguely- I have heard it, but I am not sure what it refers
- No- I have never heard about it
- I am not sure/I don't know

2. Please select which of these statements applies to the Circular Economy? Please select all that apply:

- Circular Economy is an economic system aimed at eliminating waste
- Circular Economy relates to the fluctuations an economy experiences in time
- Circular Economy determines the efficiency of taxation and subsidies applied by the of the State
- Circular Economy minimizes the use of inputs and the creation of pollution and carbon emissions
- Circular Economy is a set of rules to increase efficiency and productivity in production
- Other (please specify)
- I don't know

3. On which of the following platforms, have you heard about circular economy? Please Select all that apply:

- Television
- Radio
- Newspaper
- Internet/Social Media
- Academic journals/special publications
- Environmental groups
- School/college/university
- Government agencies/information
- Friends or colleagues

- Other

4. Are you familiar with the following terms?

- Yes- I am familiar and have information on the term
- Vaguely- I have heard it, but I am not sure what it refers too
- No- I have never heard about it
- I am not sure/I don't know

- Green Economy
- Recycling Economy
- Biomimicry
- Blue Economy
- Biosphere Rules
- Friday for Future
- Take-Make-Dispose

5. How concerned are you about the following issues?

Scale:

- Extremely concerned
- Very concerned
- Somewhat concerned
- Not so concerned
- Not at all concerned

- Air pollution
- Oceans and sea pollution
- Extinction of endangered animals
- Extinction of forest and natural habitats
- Increased hazardous materials in products
- Degradation of food quality
- Neuro-chemical affections on human beings
- Degradation of water, soil and geologic resources
- Gas emissions in the atmosphere
- Extreme weather events
- Global warming

6. Is improving the environment through recycling processes in the economy more important than improving the economy, less important or equally important, with improving the economy?

- Much more important
- Somehow more important
- About as important
- Somehow less important
- Much less important

7. How willing are you to pay more for...?

Scale:

- Extremely willing
 - Very willing
 - Somewhat willing
 - Not so willing
 - Not at all willing
-
- Environmentally conscious or eco-friendly' food
 - Environmentally conscious or eco-friendly' products
 - Products with recyclable packaging

8. How willing are you to change your lifestyle to reduce the damage you might cause to the environment?

- Extremely willing
- Very willing
- Somewhat willing
- Not so willing
- Not at all willing

9. What behaviors are already doing in your life, to reduce the potential damage you cause to the environment?

10. What behaviors are you willing to change in the nearby future in your life, to reduce the potential damage you cause to the environment?

- Reduce food waste
- Use reusable bags for groceries
- Eat less dairy
- Eat less meat
- Eat more locally
- Get more information from products labels
- Reduce the amount of paper in your life
- Change your car driving habits
- Start pedaling
- Walk more
- Save electricity
- Save water
- Use recycled packaging
- Use a refillable water bottle
- Use rechargeable batteries
- Fix more rather, exchange or buy used clothes
- Fix more prolong life of products and home appliances
- Other, please specify
- None

11. What are the main barriers according to you that slow down the development of circular economy and introduction of recycling business processes in Albania?

- Lack of knowledge in general
- Lack of pressure from consumer side
- Lack of interest among businesses
- Increased costs for businesses
- Lack of laws framework and regulations
- Lack of governmental incentives that stimulate circular economy
- Other, please specify

12. How old are you?

- Up to 15
- 15-18
- 19-24

- 25-34
- 35-44
- 45-54
- 55-65
- 65+

13. Gender

- Male
- Female

14. What is your highest qualification?

- Elementary school
- High School
- University
- Post-university

15. What is your role in your household?

- I am responsible for taking care of the household cores
- I am responsible for the household core shopping
- I am responsible for managing the household financial plan
- Other, please specify
- None

16. Where do you live?

- Rural Area
- Urban Area
- Suburban Area
- Please write down where do you live_____

Thank you for your responses!

APPENDIX 2- BUSINESS STAKEHOLDERS QUESTIONNAIRE

This questionnaire is conducted by Center for Competitive Skills and it takes about 8 minutes to be completed. The data collected at the business level, will be kept strictly confidential and in accordance with ESOMAR International Code of Ethics.

1. Are you familiar with the term "circular economy"?

- Yes- I am familiar and have information on the term
- Yes- I have heard it, but I am not sure what it refers too
- No- I have never heard about it

2. If you are familiar with the circular economy, please select which of these statements applies to it?

- Circular economy relates to the fluctuations an economy experiences in time
- A circular economy is an economic system aimed at eliminating waste
- The circular economy determines the efficiency of taxation and subsidies applied by the of the State
- Circular economy minimizes the use of inputs and the creation of pollution and carbon emissions
- A circular economy is a set of rules to increase efficiency and productivity in production
- I don't know
- Other, please specify

3. If you are familiar with the circular economy, on which of the following platforms, have you heard about it?

- Television
- Radio
- Print Newspaper/Magazines
- Online Newspaper/Magazines
- Internet sources /Social Media
- Academic journals /special publications

- Environmental groups
- Business environment (workshops, gatherings etc)
- School/college/university
- Government agencies/information
- Friends or colleagues
- None
- Other, please specify

4. Which option better describes your involvement in the business strategic decisions, within your company?

- I am the final decision-making authority
- I have significant decision-making or influence (individually or as part of a group)
- I am involved in the process but have minimal decision-making or influence
- I have some information but have no role

5. Which of the following best describes the sector your company operates in?

- Mining and quarrying
- Manufacturing and processing
- Electricity, Gas, Steam
- Water supply, sewerage
- Construction
- Retail, wholesale, Repair
- Transportation and storage
- Accommodation and food
- Information and communication
- Financial and Insurance
- Real Estate Activities
- Professional, scientific, technology activities
- Administrative and support activities
- Arts, entertainment, sports, recreation
- Other service activities
- Other, please specify

6. How many people are employed in your company?

- 1 employee
- 2-9 employees
- 10-49 employees
- 50-200 employees
- 200+ employee

7. What best describes the ownership type of the company you work for?

- Albanian owned
- Joint (Albanian + Foreign)
- Foreign company established in Albania (branch, representative office, Shpk etc)
- Engagement with circular economy

8. Before continuing with the last set of questions, please read the below definition of the circular economy:

A circular economy system is based on the principles of 1. designing out waste and pollution 2. keeping products and materials in use 3. and regenerating natural systems

In the below questions the term circular economy refers to the above definition.

- Yes, I read and understood the definition of circular economy
- No, I did not read and understood the definition of circular economy

9. Which of the following most closely describes your organization's approach toward the circular economy model?

- Not considering this
- Trying to learn more before deciding whether to implement
- Moving toward this is part of our business strategy
- Already implemented as a business model, in all or some of our processes
- I don't know/ I am not clear
- Other, please specify

10. Do you consider the circular economy to be more an opportunity or a threat for your business in the long term?

- Opportunity- Why?
- Threat- Why?

11. Which of the below directions do you believe the Albanian economy could capitalize toward a circular economy?

- Reducing waste
- Replacing with alternative forms of fossil fuels (coal, fuel oil or natural gas)
- Product recycling
- Making companies spend more money on becoming greener and reduce the negative impact on the environment
- Minimizing the extraction of natural resources
- Reducing carbon footprint
- Any of them
- I don't know
- Other, please specify

12. What is/could motivate your organization to introduce a new business model, designed around circular economy principles?

- Respond to downward pressure on our revenue or profit margin
- Respond to concerns about the scarcity of natural resources
- Respond to competitors' actions
- Respond to explicit customer demand/preferences
- Achieve cost savings
- Enhance our green/sustainability credentials and brand image
- I don't know/ I am not clear
- Other, please specify

13. According to your perception, how willing are Albanian consumers to pay more for the below categories?

- Extremely willing
- Very willing
- Somewhat willing
- Not so willing

- Not at all willing
- Environmentally conscious or eco-friendly' food
- Environmentally conscious or eco-friendly' products
- Products with recyclable packaging

14. What are the primary barriers to the adoption of circular economy practices in your industry?

- Lack of legal regulatory framework
- Absence of governmental pressure
- Absence of governmental incentives and subsidy
- Lack of business experience
- Lack of recycling industry in the country
- Lack of knowledge on circular businesses costs and benefits
- Shareholder pressure promotes linear thinking and traditional models
- Perception of high business risk
- The dominant position of key market players
- Low cost of virgin materials (not recycled ones)
- Added costs for the business
- Difficulty accessing suitable financing
- Absence of consumer demand and pressure
- Lack of evidence the model is profitable and successful examples
- Lack of specialized human resources for this business model
- I don't know/I am not clear
- Other, please specify
-

15. Thank you for your responses. If you are interested to get a copy of the report based on the insight gathered, please leave your name, company, and email address below.

- Name Surname
- Company
- Email Address

Thank you for your responses!