

# The Switchers Fund

presents

## THE UNWRAP AWARD

OPEN CALL for the

**Regional Challenge for the Prevention and Reduction of Single-use plastic packaging in the food and beverage sector:**

*Extended deadline for submission for the applications: Sept 10<sup>th</sup>, 2019 at 12PM.*

**Promoted by Innovation NEST and SCP/RAC:**



**Target countries: Albania, B&H, Montenegro (WB3)**

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# The Challenge

According to a material flow analysis commissioned by SCP/RAC, around 278.000 tons of F&B plastic packaging is used in Albania, Bosnia and Herzegovina and Montenegro (WB3) every year. Although figures slightly differ from country to country, an alarming average 20,7% of this material ends up in dumpsites, while only 1,8% is recycled. Likewise, the F&B sector is key in the national economies and offers great opportunities, including exports. The situation calls for action at different levels, and offers entrepreneurship possibilities. We welcome you to join us on this big challenge, to **unwrap the future of food and beverage!**

## The objective of the challenge

The goal of the **‘Unwrap’** challenge is to identify and commercialize existing and new solutions to packaging needs of the F&B sector in WB3. We are seeking solutions that use less plastic in packaging, use alternatives, less harmful materials or that simply avoid packaging. The solutions can be implemented directly by the F&B industry or by packaging industry. Additionally, new business models may reduce the impact generated by plastic packaging waste. Hence, the business challenge aims at finding innovative solutions to reducing the amount of plastic waste generated by single-use packaging or over-packaging in the F&B sector, as well as increasing the circularity of the F&B plastic packaging across the value chain.

## Types and examples of solutions sought

In order to reach the objective, there are several strategies that can be implemented. The challenge looks for ideas, entrepreneurs and SMEs that follow one of these approaches:

1. **Resource efficient plastic packaging.** In this case, the packaging does not really change but it would use fewer raw materials in it (by reducing the weight or volume), and also using less water and energy while manufacturing and transportation, leading to less water and air emissions. The review shall include cases about:
  - Resource efficient and cleaner production applied by plastic manufacturers at the process (factory) level.
  - Eco-design of packaging by plastic producers supplying agricultural producers and F&B processors, particularly in the beverages, cereals, dairy and meat sectors at the product chain level, including resource efficient production and transport.
2. **Single-use, plastic recyclable packaging.** Once the packaging is discarded, it can be taken back for recycling, keeping the packaging material away from the landfill (for a certain number of cycles). Initiatives under this category include:
  - Eco-design of packaging for easier recycling by plastic manufacturers, including polymer compositions simplification.
  - Reward/Refund systems for consumers to increase collection.
  - Collaboration across the value chain to increase recycling rates.
3. **Single-use, alternative packaging material.** The company uses completely different packaging material that is made of renewable, less impactful materials. This shall include:
  - Replacement of the plastic packaging material with a more environment-friendly alternative using eco-design and Life Cycle Analysis methodologies by agricultural producers and F&B processors, particularly in the beverages, cereals, dairy and meat sectors.

4. **Reuse, refill & rewash packaging.** The packaging is simply reusable (regardless of the material) so the service life is extended. Once produced, it can be used over and over again and the company needs to either design it in a way that it can be reused for another purpose or it can be refilled. Thus, the producer or retailer sells the product including the packaging and the ownership is passed on to the consumer at the point of purchase. Additionally, this approach can be considered for secondary, non-consumer packaging. The review shall include cases about:
  - Packaging manufacturers offering the consumer, once purchased, reusable packaging.
  - Good practices in the retail sector offering refillable or reusable packaging.
5. **No-need/zero-waste packaging.** The company provides the service of F&B delivery and does not sell the product in small units. The ownership model has fully shifted and the company takes full responsibility of the product material flows including the packaging. A good example can be vegetable box delivery systems. Other example are consumer cooperatives and outdoor markets that don't use packaging material or utilize some reusable packaging only for transport, or supermarket chains without any packaging material. The review shall include:
  - Business models by agro-food producers, processors, retailers and associations (among others) that avoid use of any kind of packaging and/or have the ownership of the packaging material by taking it fully back once used by the consumer.

### How will the challenge contribute to sustainability in the food and beverage sector;

The challenge addresses directly the food & beverage industry, packaging solutions and business models for tackling plastics packaging value chains in a circular economy, and as a main contribution will reduce negative effects plastic leakage into the environment, while keeping the material plastic in a closer loop. Emerging businesses will receive support to develop further their products and drive F&B industry to a more sustainable development.

This challenge will ensure and gather qualitative ideas on positive impacts on ecosystems, seeing how technology has changed over time and learning about the environment. It will emerge advanced skills and habits that people can use throughout their lives to understand and act on environmental issues. It promotes critical and creative thinking skills that are key in finding solutions.

The market of WB3 involved in this important challenge will increase the knowledge, the awareness of the plastic issue in particular in F&B sector will be developed from a solution point of view, by giving concrete business ideas and answers from the business entities in WB6. The socio-economic and cultural impact will be visible and also supported from INN PR communication until the end of the year, especially at the **INN Festival**, taking place **on October 24&25<sup>th</sup> in Tirana** that will connect all the actors across start-ups/SME's, investors, policy makers and the market.

# Why do you need to apply?

## The Switchers Fund Unwrap Award

- INN will provide a tailored 4-month incubation process integrating 2 main modules with specific technical assistance and mentorship for Start-Up development and with Circular Economy experts.
- The winner will be provided with seed funding of 3.000 euros to invest in the selected solution, upon the completion of the incubation process.
- The selected awardee will have the chance to work with professional consultants and trainers from INN.
- The winner will hold a privilege position at the Innovation Fest, providing for access to markets and financing.
- As an added value to the process, the awardee will have the opportunity to benefit from Innovation Nest Bootcamp which are more than 5 mentors and speakers, professionals from across sectors that, although do not offer direct technical training they provide knowledge and hands-on expertise in supportive sectors that aid business development through increased capacities, visibility and outreach.

## Eligibility Criteria

- The challenge is open to everybody, be it an individual, a university, a governmental / regional or local organization, a for-profit organization (limited liability company, partnership) or a not-for-profit organization (foundation, NGO, association ...).
- Individuals must be above 18 years of age and have the available legal documents/status to receive the award funding
- No individual or entity may register more than once (for example, by using a different username/email). Multiple registrations for an applicant using multiple identities are not allowed.
- Ineligible persons or entities: Neither SCP/RAC / Innovation Nest team members nor Jury members are permitted to participate either directly or indirectly with any candidate submitting a project; any such participation will disqualify the related application.
- Be operating in Albania, B&H and/or Montenegro, or have a positive impact in packaging needs of the F&B sector in these countries.
- The solution must be targeted at the national context in Albania, B&H and/or Montenegro, aware of national priorities and limitations such as the current legal framework, awareness among retailers and consumers and identifying opportunity areas such as the products/places that require innovation;
- The initiative or business idea must tackle the issue of plastic packaging by applying the circular economy principles, including prevention and reduction of plastic consumption and production
- The proposed solution must be feasible and viable in the regional context

# How to apply

Applicants must submit their applications in English. The application consists of:

## The online registration

The online registration includes an online form that needs to be submitted with all the information required in the guidelines, summary of the project or business idea and a profile or bio of the company or the business developer. Registrations that are not fully completed will not be considered. Only registrations that contain all the necessary information will pass the first eligibility check and be brought in front of the selection committee. Participants shall provide a technical overview of their solution. Please do not submit confidential information as part of your application to the **Unwrap Challenge**. Submissions will not be considered confidential.

Innovation Nest and SCP/RAC, will not retain intellectual property rights of the proposals submitted.

The online application can be filled out automatically via the [INN website](#).

**Applications will be accepted until: Extended deadline: 10<sup>th</sup> September 2019**

## The pathway to glory!

There will be between 3 to 5 shortlisted applicants with the top business ideas, which will go to the incubation process and will be announced by July 31<sup>st</sup>, 2019. The selected candidates will receive the incubation in the form of a boot camp training during September 25<sup>th</sup> and 26<sup>th</sup>, 2019.

Then, these candidates will perform a pitch, which will be assessed by a jury that will decide on the winning candidate. The winner will be announced on the 24<sup>th</sup> October, 2019 at Innovation NEST Festival where the award will be handed out.

Milestones	Timing
Call for proposals	5 July- 10 <sup>th</sup> Sept-19 (extended deadline)
Review of applications	11-15 Sept-19
Announcement of 3-5 shortlisted applicants	17 Sept-19
Incubation Process: <b>2 tailored modules &amp; INN Bootcamp mentorships</b>	25-26 Sept-19
Pitches of top shortlisted ideas	1-4 Oct-19
<b>Announcement of final Awardee at INN Festival: Pitching of the awarded idea in the special session &amp; networking.</b>	<b>24-25 Oct-19</b>
Incubation Process: <b>Mentorship and technical assistance</b>	1-Nov-19

# Evaluation criteria

Applications will be examined and evaluated by the selection committee with the possible assistance of external assessors. All solutions submitted by applicants will be assessed according to the following criteria, listed in order of most valued;

1. **Effectiveness of the solution:** The relevance of the project with regard to the theme of the challenge: the better the project prevents plastic packaging (following the progression in the approaches described in “Types and examples of solutions sought”), the higher the mark
2. **Impact of the proposed solution:** The solution contributes to the development of knowledge and critical understanding of circular economy model opportunities with high impact in the region.
3. **Added value to the region:** The solution stimulates business models that incorporate other sectors and stimulate job creation with high emphasis on youth employment and gender balance; It may also favour national and regional aspects such as economic, ecological, social, information and awareness, technological, or community added value
4. **Innovative nature** and originality of the solution: The innovation in terms of concept, use, technology or application will be highly valued.
5. **Replicability and scalability:** The relevance of the economic model and potential for development (scalability) as well as the potential to replicate the solution across countries or regions will be valued positively.

# Background

This **Unwrap** challenge is part of the overall portfolio of activities led by SCP/RAC with support from the Italian Ministry of Environment and Land and Sea Protection, with the objective of Improving the policy framework and engaging with the food & beverage industry in Albania, Bosnia and Herzegovina and Montenegro (WB3) for tackling plastics packaging value chains in a circular economy. This set of activities aims at contributing to the identification and prioritization of preventive measures that tackle plastic packaging in the food and beverage industry, by improving the relevant policy framework, strengthening the engagement of businesses and business support organizations. In order to conduct the challenge in the region SCP/RAC has joined effort with Innovation NEST in order to boost circular packaging solutions in the food and beverage sectors of WB3.

## About Innovation NEST

Innovation Nest (IN) was introduced as a flagship project of TOK digital Agency with the objective to create a platform for the first Balkan Business Angle Network whereby ideas are introduced, developed and supported through an integrated approach. This initiative has provided for two consecutive successful years an environment of support to entrepreneurship, innovation and business development focusing on job creation through knowledge, research and new technology. We believe the Western Balkan countries have a lot to offer because untapped talent and lack of knowledge and opportunities to show the vast talent and product intuition many young entrepreneurs have.

Our mission is to bridge communication and collaboration between start-ups/SME's, investors, policy makers and the market with the main goal of being prevention and reduction of plastic consumption and production. Innovation Nest is open to all start-ups, entrepreneurs, investors, SME's that have the ambition and the will power to get engaged in digital transformation. Our vision is made stronger with principles of equality, open opportunities for all, gender balance, and support for the youth and environmental awareness. These are intersecting pillars that we feed into all collaboration we develop. Innovation NEST goals are to:

1. To prevent and reduce plastic consumption and production in WB3
2. IN provides potential areas in priority products/places that require innovation;
3. Collaborate and promote eco-friendly entrepreneurship
4. Positively impact the job market by infusing talented youngsters vision
5. Create long-term social and environmental impact
6. Bring commercially viable technologies and business to regional and global markets.

More information: [www.innovationnest.org](http://www.innovationnest.org)

## About SCP/RAC and The Switchers Fund

The Regional Activity Centre for Sustainable Consumption and Production (hereinafter SCP/RAC) is a centre for international cooperation on development and innovation based on the sustainable consumption and production approach. The Centre is one of the Regional Activity Centres established in the framework of UNEP/Mediterranean Action Plan (UNEP/MAP), the programme of UN Environment established to support the member countries of the Barcelona Convention. Under that institutional framework, SCP/RAC has an official mandate from the countries as centre that engages in international cooperation with Mediterranean countries on development and innovation

in the business sector. The Switchers Support Programme, the flagship initiative of the centre, provides support to green entrepreneurs in North Africa and Middle East through tailored incubation, support in access to market and finance, among others. Through this programme, the Switchers Fund was set up allowing for boosting green entrepreneurs in the Mediterranean. **The Unwrap Award** is part of this initiative.

More information: [www.scprac.org](http://www.scprac.org) and [www.theswitchersfund.eu](http://www.theswitchersfund.eu)

### Overview food and beverage sector and related packaging in WB3

Generally, according to the initial project studies and consultation with stakeholders, the F&B producers in the target countries is structured through SMEs operating mostly in the domestic market due to high competition at the regional market and difficulties to export. This makes difficult for companies to invest in optimizing processes, increasing resource efficiency or marketing, among others. Despite these obstacles for growth, in terms of packaging it has a positive effect since shorter production and distributions chains require less packaging.

Plastic packaging sector does not seem well developed in the countries, and most packaging products are being imported. In addition, there is little production of non-plastic or reusable packaging for F&B products, neither of business models promoting the reusability of packaging.

In the three countries there are important retail companies. However, sales through small shops and open markets are very significant, especially when compared with EU countries.

The WB3 in F&B industry is a key stakeholder in providing innovative and transformational solutions to the problem of plastic waste, while also affecting the policy set-up within and around their operations.