

Circular Business Check

A self-diagnostic tool for Small and Medium Enterprises

The Circular Business Check (CBC) aims to support East Asian Small and Medium Enterprises (SMEs) to advance Circular Economy in a business-oriented, strategic and comprehensive manner, and monitor their progress over time.

Background

Circular Economy (CE) is about moving towards zero discharge of wastes (materials, energy, water) from the economy and as low as possible use of virgin materials and other natural resources. Businesses, including Small and Medium Enterprises (SMEs) contribute to CE through improvement and (re-)design of products, services and business processes.

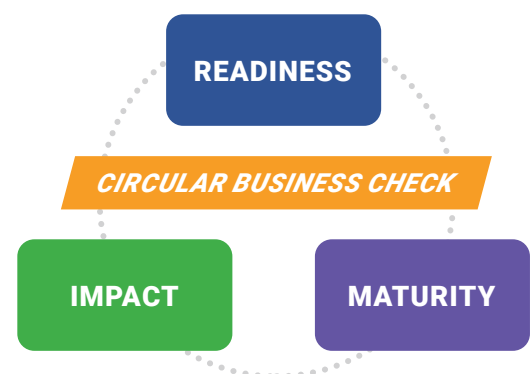
A growing number of business cases, including from East Asian SMEs, illustrate that business can benefit through the reduction of materials, energy and water costs, introducing new products and services, and entering and securing markets, whilst doing good for environment and society.

Despite such compelling CE business cases, SME awareness and adoption of CE practices and principles remain uneven and limited. It is necessary to assist SMEs to recognise the importance of CE to their business and identify opportunities and gaps for starting with CE in a systematic and strategic manner.

Objective and overview

The Circular Business Check (CBC) aims to support East Asian SMEs to advance their adoption of CE in a business-oriented, strategic and comprehensive manner, and monitor their progress over time. It encourages ambition, meaning doing CE activities that are first of all good for business, taking a comprehensive view on business success in the rapidly changing world and market contexts. This includes, but is not limited to, achieving and exceeding current regulatory requirements, industry standards and market expectations.

The CBC is structured as a composite assessment on three main elements or pillars, respectively: readiness; maturity; and impact, as shown below. Each pillar is assessed on its own 100-point scale, providing a balanced scorecard. The pillars are principally independent, however, to an extent, sequential. Higher readiness is expected to drive both maturity and impacts, whereas higher maturity is expected to reflect higher readiness and drive higher impact.



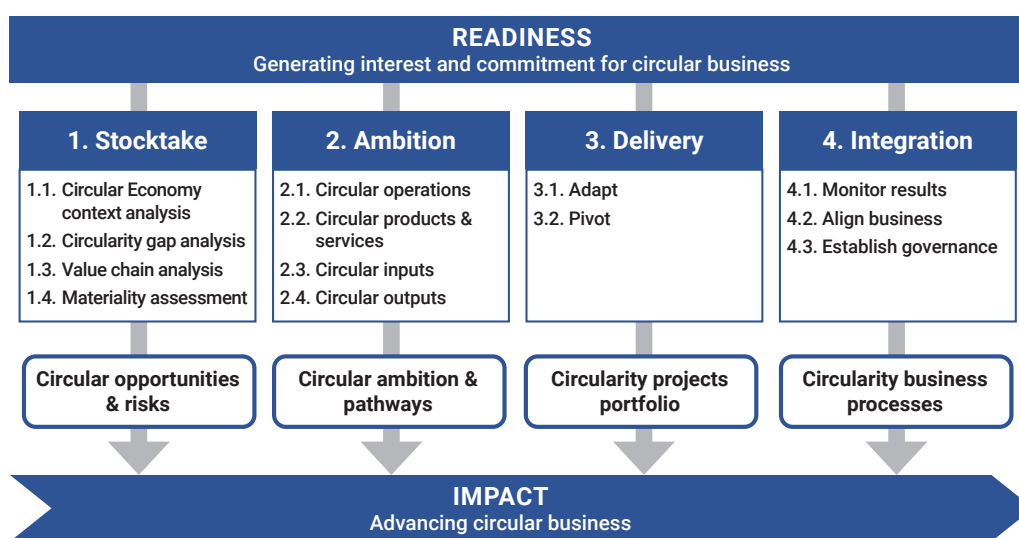
Readiness Assessment

The readiness assessment assesses whether prerequisites or capacities for CE adoption are in place. It considers five elements: awareness; understanding; mapping; connections; and capabilities, as depicted below.

Awareness	Understanding	Mapping	Connections	Capabilities
My business is aware that the circular economy is being discussed by and considered relevant for businesses	My company understands key circular economy principles and practices in relation to our products, services and activities	My business has identified and considered key circularity opportunities and/or challenges in our supply chain and market	My business is informed and connected, and engages regularly with different organisations working on sustainable business and circular economy	My business has - or could - access the strategic, managerial, technical, design and other expertise and resources to initiate, steer and oversee the adoption of circular economy in our business

Maturity Assessment

Under maturity, the CBC assesses the status and comprehensiveness of undertaking of CE-enabling activities by the SME, using the ACEBA Circular Economy implementation guidance as a reference (as shown below). It thus assesses each of the total of 13 activities in the four clusters of Stocktake, Ambition, Delivery and Integration.



Impact Assessment

The impact assessment focuses on the benefits achieved by the SME through its CE activities. The CBC assesses impact on the basis of achievements and trends in key proxy indicators.

- The impact towards circular business development is focused on the share of business generated by products and services that have circularity designed-in and incorporated.
- The impact on natural resource use and management is captured in terms of circularity (of materials and water use), efficiency (in use of materials, energy and water) and substitution (towards using renewable materials and energy).

Status

The CBC has been fully developed, operationalised and released in July 2026 for piloting by interested SMEs. Please contact secretariat@aceba.co to express your company's interest to pilot the CBC.

The Circular Business Check was developed by ACEBA in partnership with the East Asia Business Council, with the support of SWITCH-Asia.



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