

Community-based Development

How innovations in business models could transform society provided we develop new skills

Prof. Dr. Gunter Pauli
Founder of ZERI
Author of The Blue Economy
Chairman of Novamont SpA

University of Indonesia
Jakarta
26th of June 2015

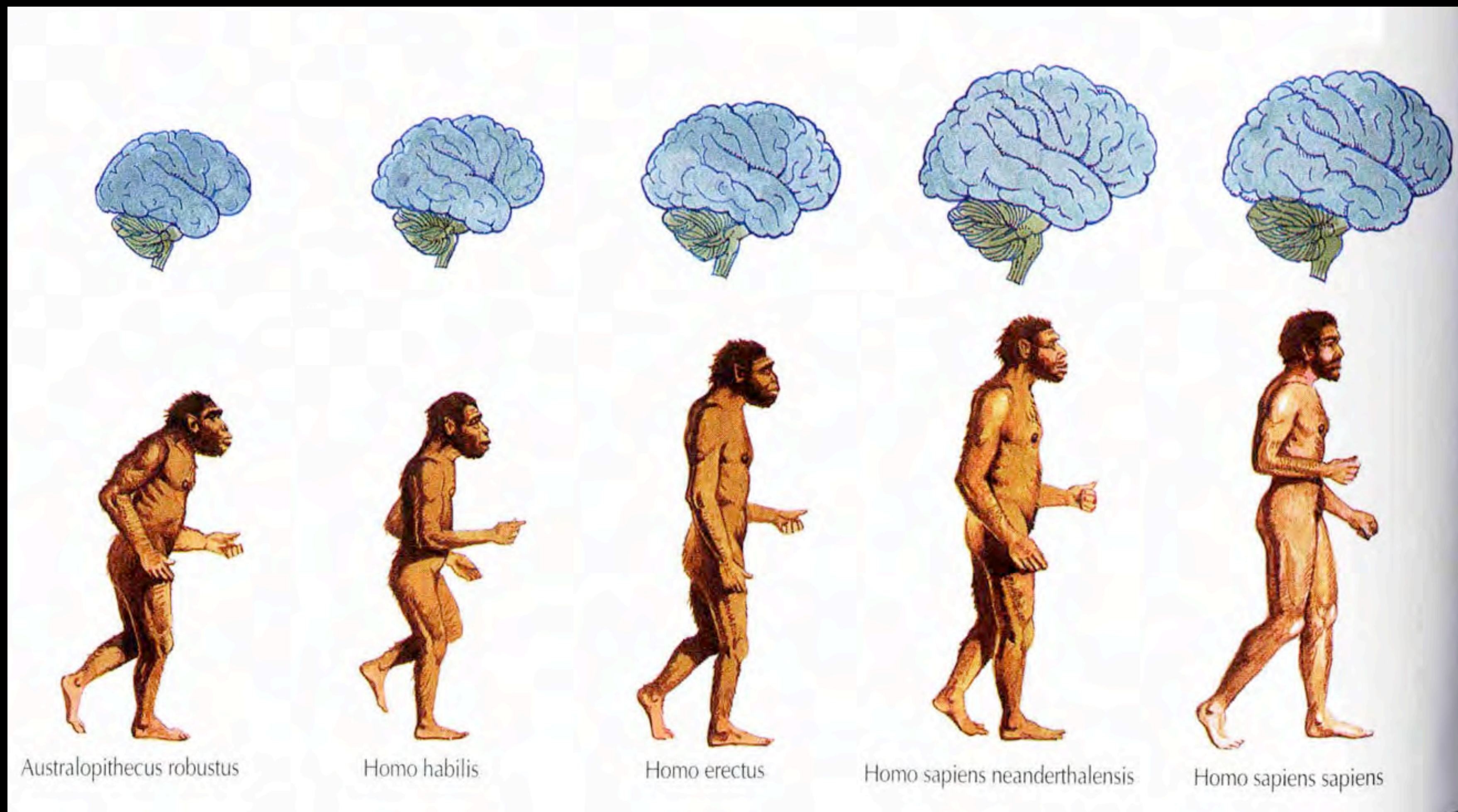
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How innovations in business models could transform society provided we develop new skills

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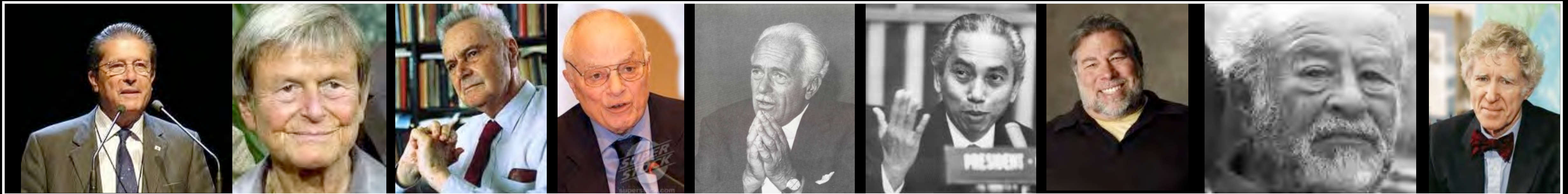








Who?



THE MARKET ECONOMY

THE MARKET ECONOMY

Core Business

THE MARKET ECONOMY

Core Business

Core Competence

THE MARKET ECONOMY

Core Business

Core Competence

Low Marginal Costs

THE MARKET ECONOMY

Core Business

Core Competence

Hi Productivity Cut Labor

Low Marginal Costs

THE MARKET ECONOMY

Core Business

Core Competence

Hi Productivity Cut Labor

Economies of Scale

Low Marginal Costs

THE MARKET ECONOMY

Core Business

Core Competence

Outsourcing

Hi Productivity Cut Labor

Economies of Scale

Low Marginal Costs

THE MARKET ECONOMY

Supply Chain Management

Core Business

Core Competence

Outsourcing

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THE MARKET ECONOMY

Just-in-time

Supply Chain Management

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Outsourcing

Hi Productivity Cut Labor

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THE MARKET ECONOMY

Just-in-time

Supply Chain Management

Distribution centers

Core Business

Core Competence

Hi Productivity Cut Labor

Outsourcing

Economies of Scale

Low Marginal Costs

THE MARKET ECONOMY

Cash flow is king

Just-in-time

Supply Chain Management

Distribution centers

Core Business

Core Competence

Outsourcing

Hi Productivity Cut Labor

Economies of Scale

Low Marginal Costs

THE MARKET ECONOMY

Cash flow is king

Just-in-time

Supply Chain Management

Distribution centers

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Core Competence

Leverage assets

Hi Productivity Cut Labor

Outsourcing

Economies of Scale

Low Marginal Costs

THE MARKET ECONOMY

Cash flow is king

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Globalization

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Cash flow is king

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Outsourcing

massive youth unemployment

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Globalization

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Cash flow is king

Just-in-time

Supply Chain Management

Distribution centers

communities die

Leverage assets

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Hi Productivity Cut Labor

massive youth unemployment

Low Marginal Costs

Globalization

THE MARKET ECONOMY

the only solution is austerity?

Supply Chain Management

Distribution centers

communities die

Leverage assets

Outsourcing

Hi Productivity Cut Labor

massive youth unemployment

Low Marginal Costs

Globalization

Green

Expensive

Subsidized

Taxes

Cut costs

Green

Expensive

Subsidized

Taxes

Cut costs

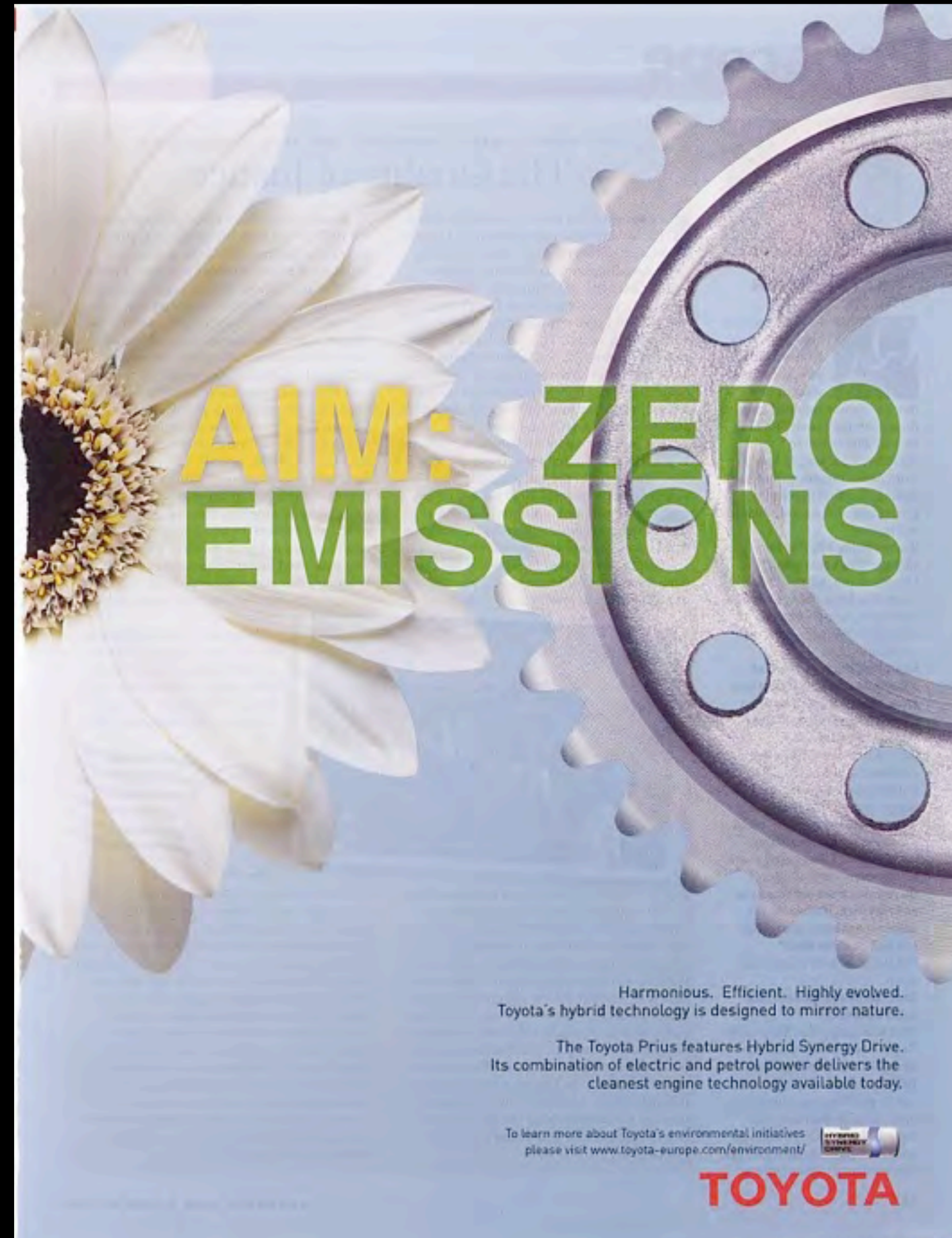
Blue

Innovative

Competitive

Jobs

More Value



AIM: ZERO EMISSIONS

Harmonious. Efficient. Highly evolved.
Toyota's hybrid technology is designed to mirror nature.

The Toyota Prius features Hybrid Synergy Drive.
Its combination of electric and petrol power delivers the
cleanest engine technology available today.

To learn more about Toyota's environmental initiatives
please visit www.toyota-europe.com/environment/

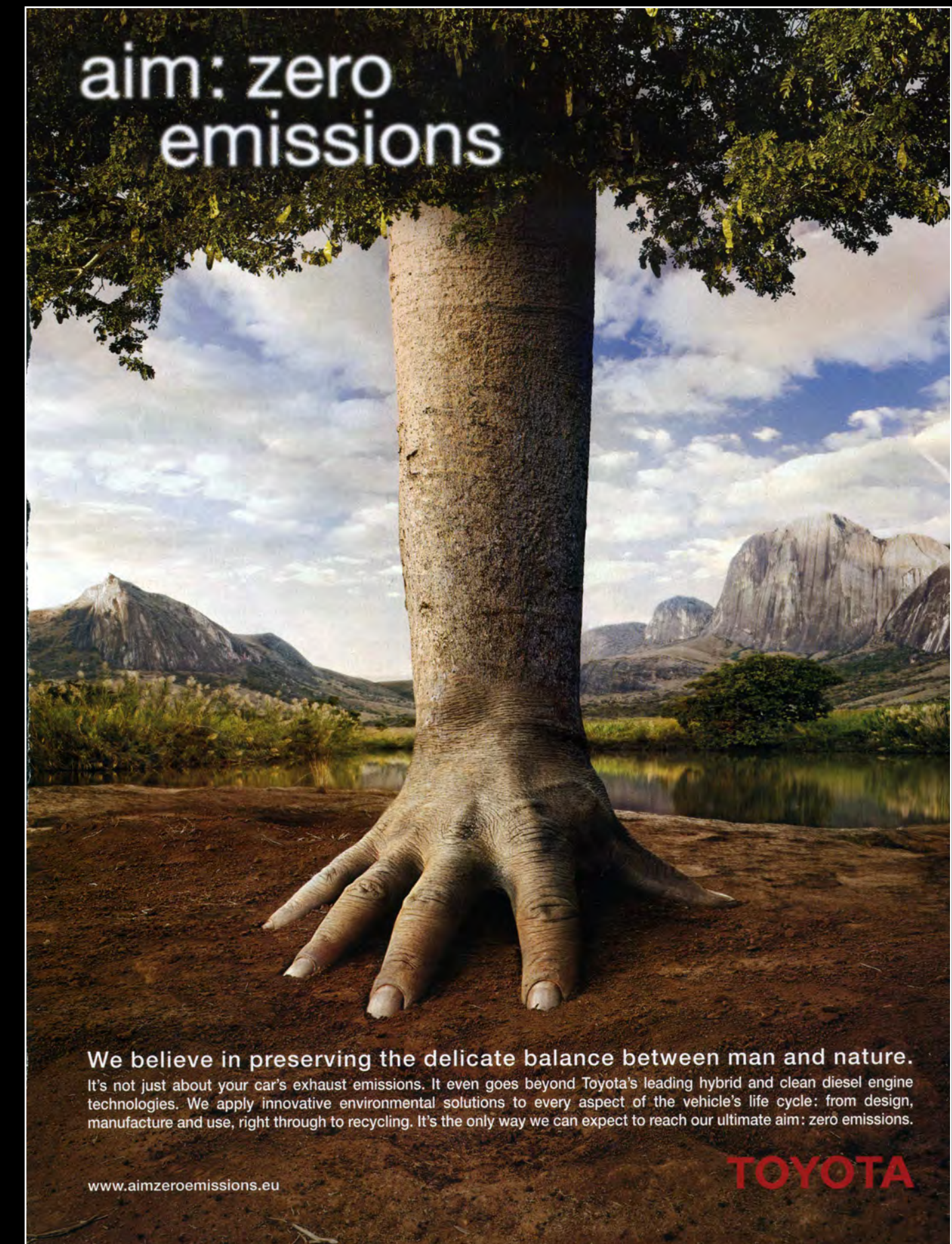
TOYOTA



Jorden finns bara i ett exemplar.

Det är därför vårt mål är nollutsläpp.

TOYOTA

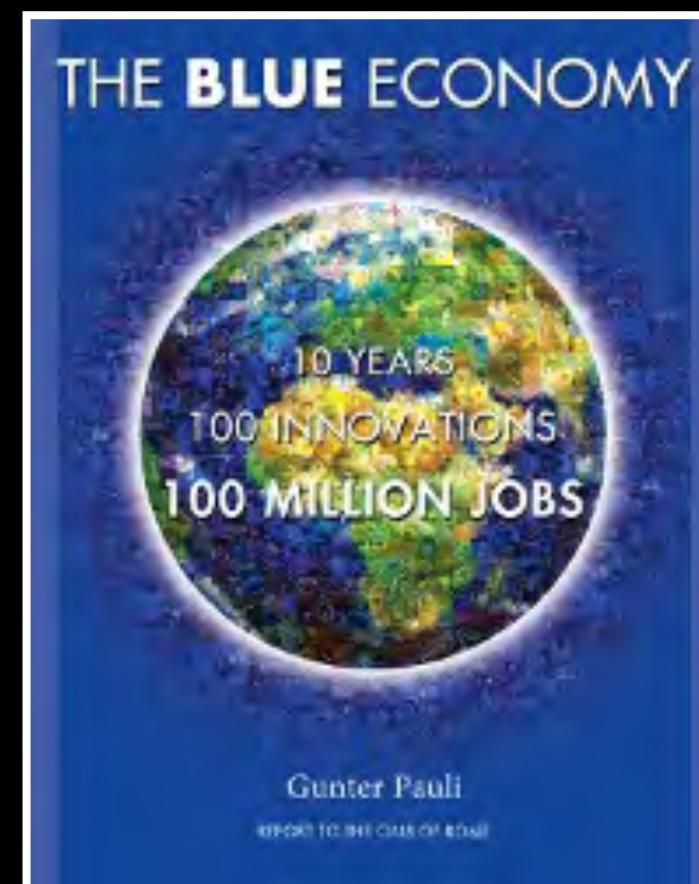


aim: zero emissions

We believe in preserving the delicate balance between man and nature.
It's not just about your car's exhaust emissions. It even goes beyond Toyota's leading hybrid and clean diesel engine technologies. We apply innovative environmental solutions to every aspect of the vehicle's life cycle: from design, manufacture and use, right through to recycling. It's the only way we can expect to reach our ultimate aim: zero emissions.

www.aimzeroemissions.eu

TOYOTA





Use what you have

Create more value

Improve Buying Power

Speed up Circulation of Cash in Local Economy

How Johannesburg plans to eradicate unemployment





1.4 million survive on \$1 per day



1.4 million spend 40% on bread

\$700,000 per day or
\$255,000,000 per year



1.4 million spend 40% on taxi

another
\$700,000 per day or
\$510,000,000 per year

Grow the Local Economy

Producing what is Locally Needed

and

Eliminating what is not Needed









if we reach 50%

\$255,000,000 per year pumped into the local economy

only supplying bread is good for

27,000 direct jobs
(100 jobs lost in the industrial factory)

Radical Social and Economic Transformation

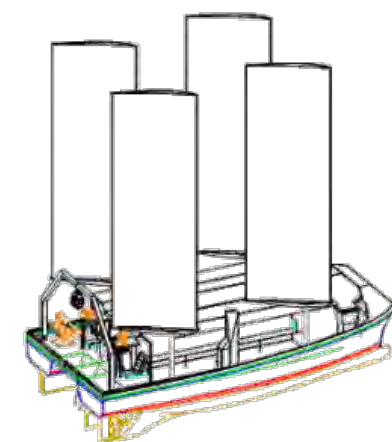
Accelerating, Scaling up and Outcompeting
involving the community and new skill sets

A Portfolio of Opportunities

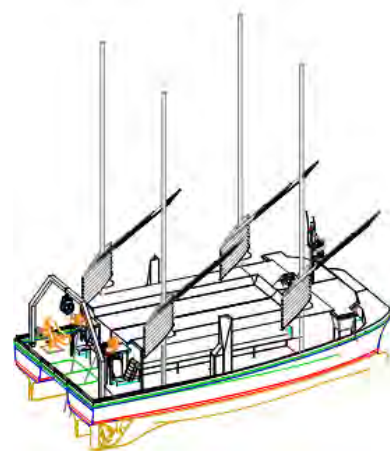


Antoine de St.-Exupéry

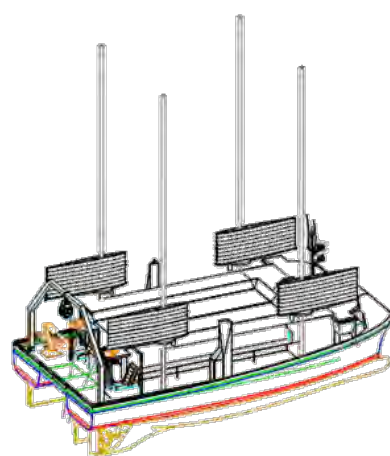
If you want to build a ship ...



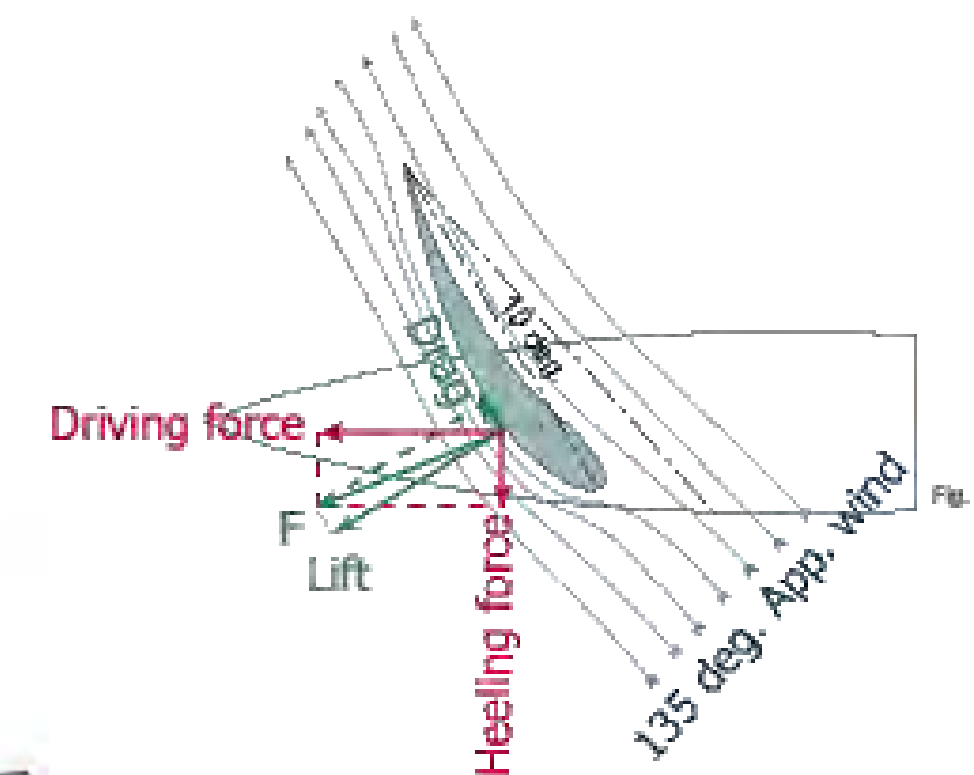
“Wings”

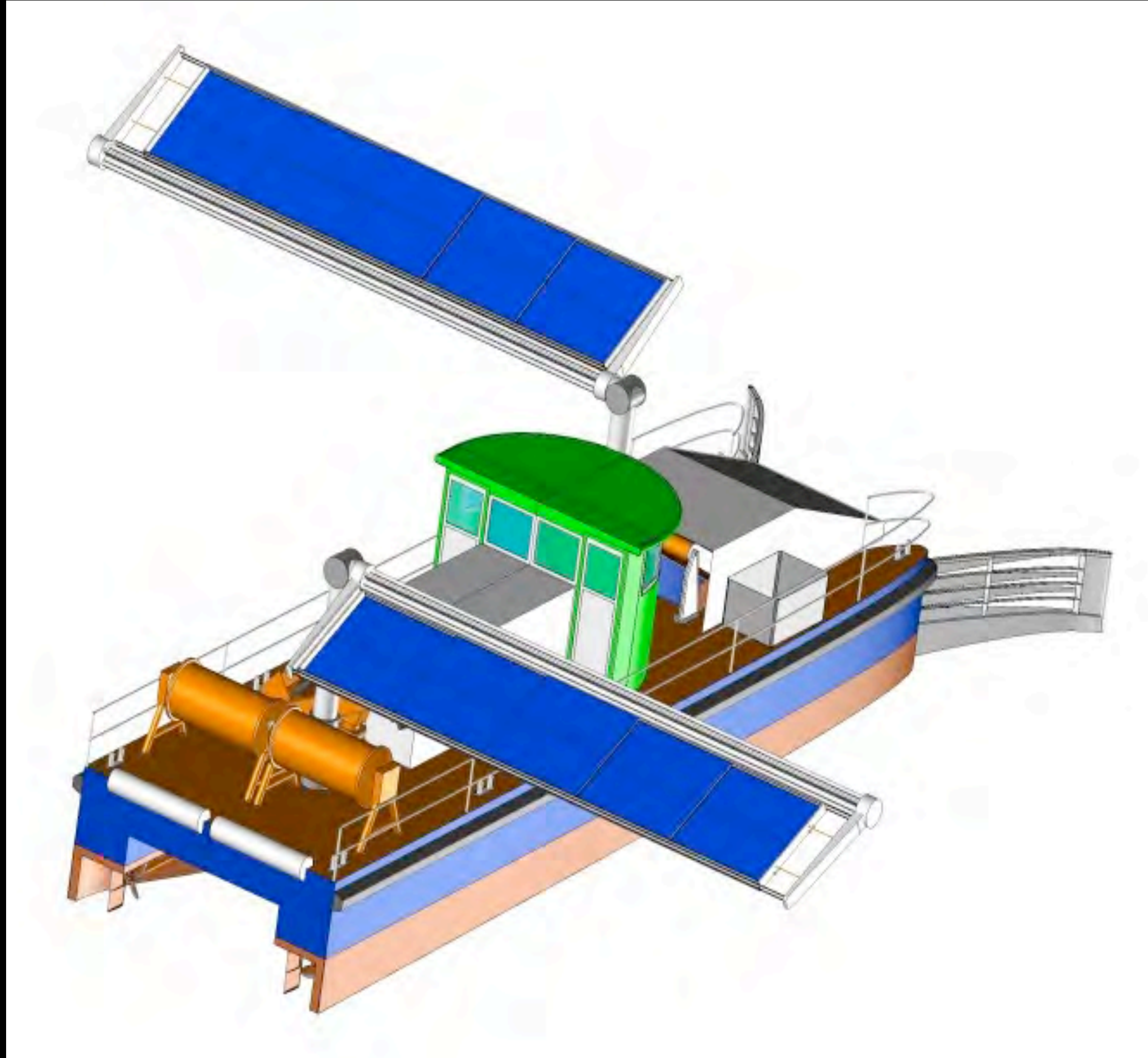


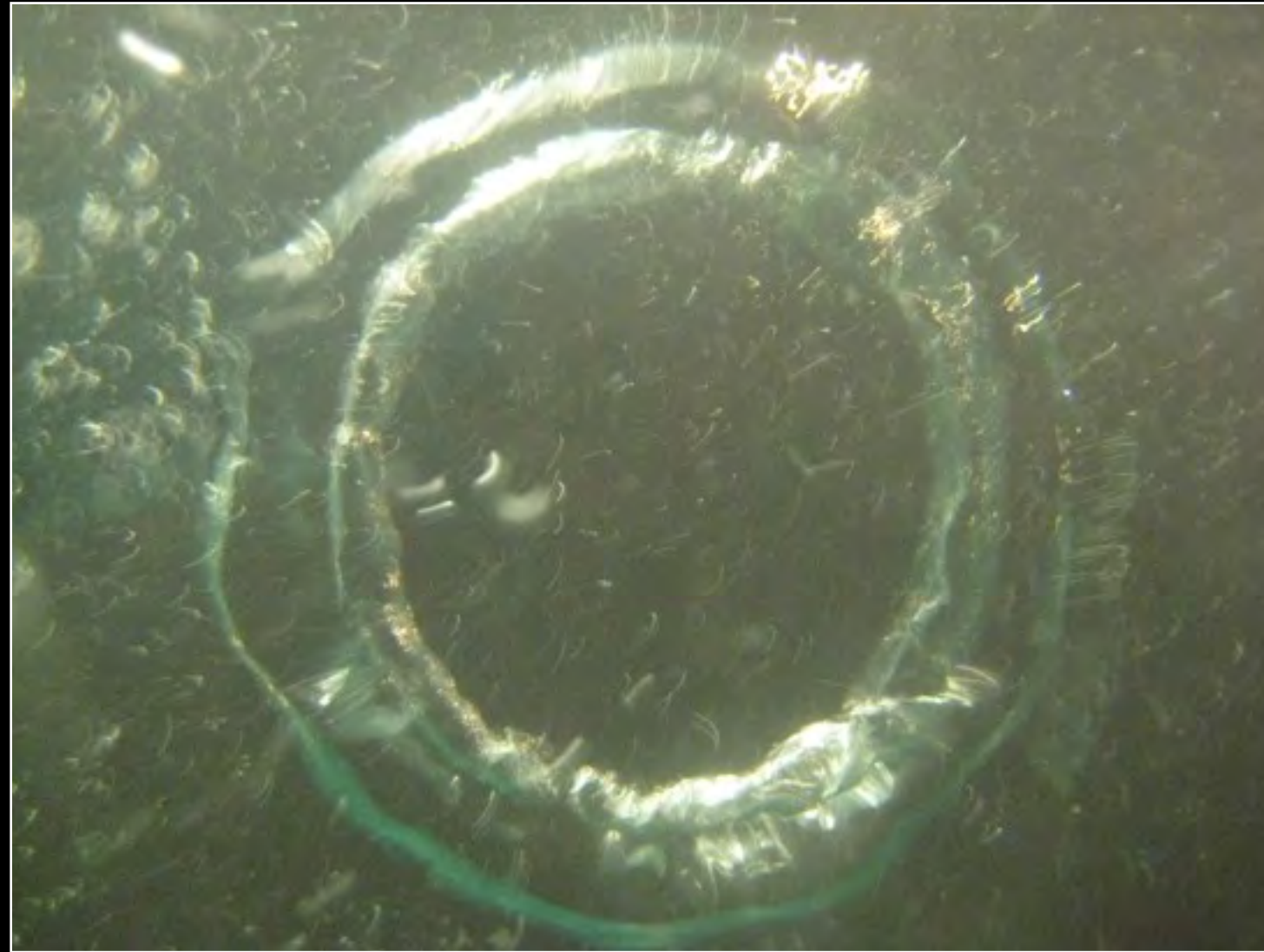
“Solar”

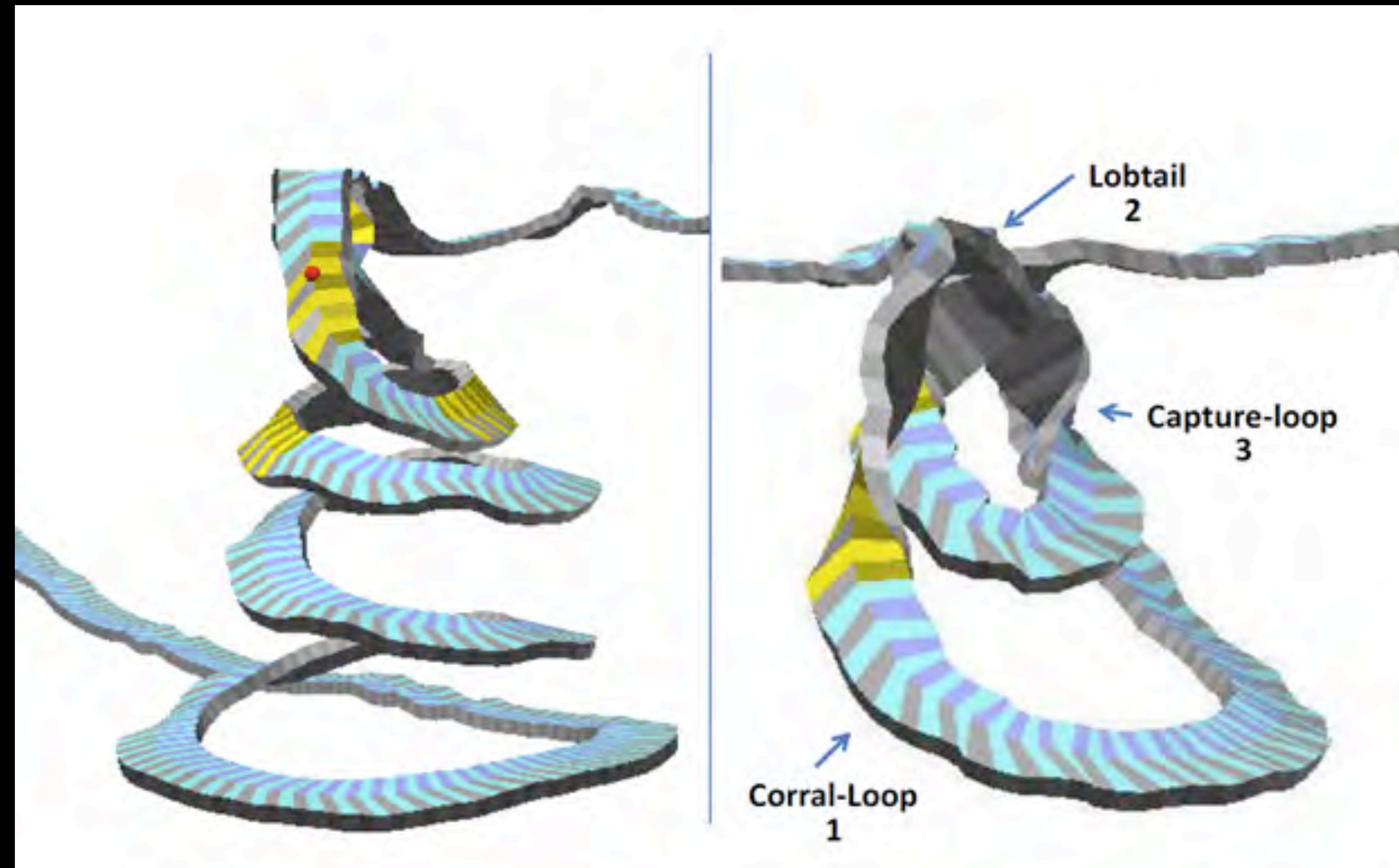


“Harbour”



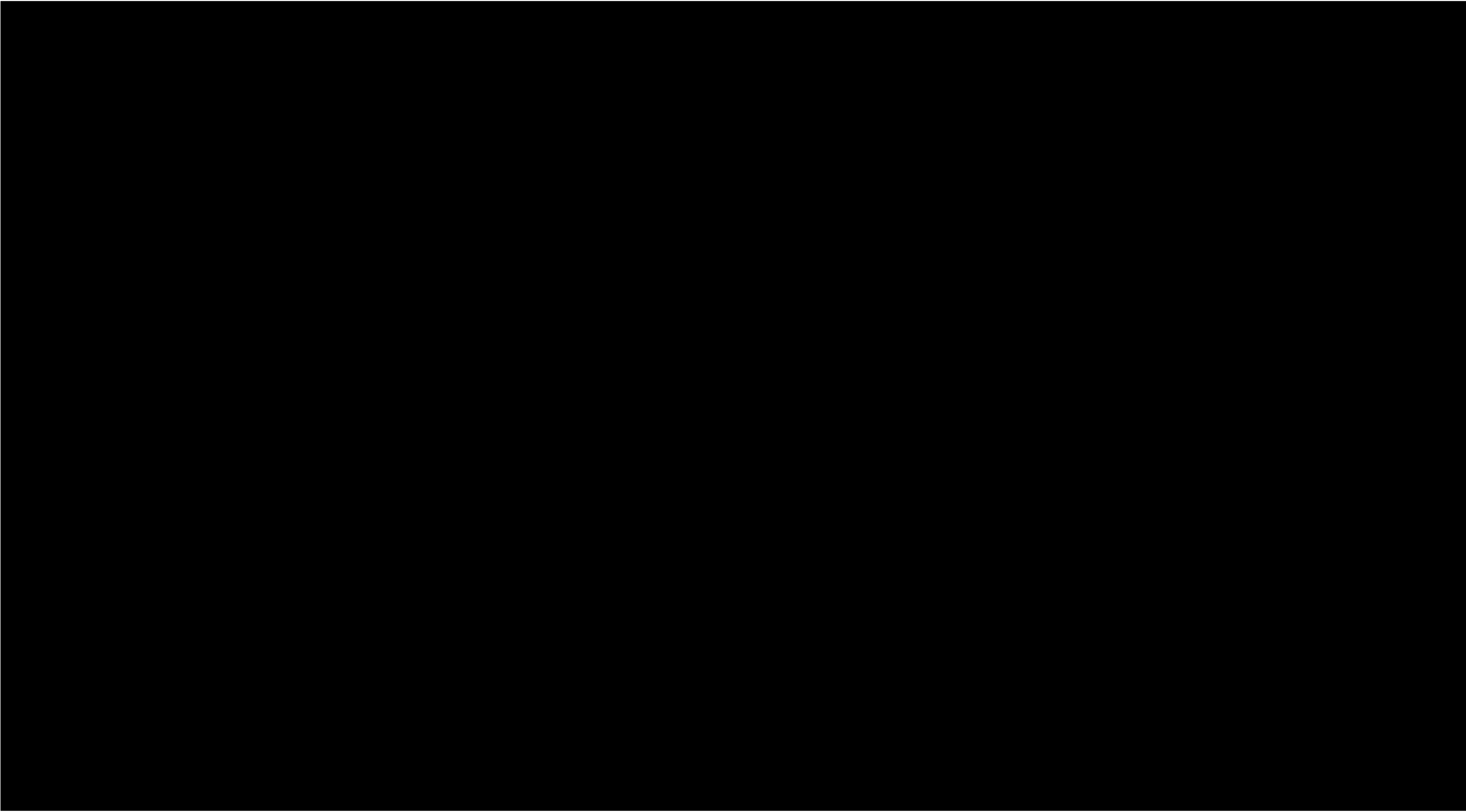




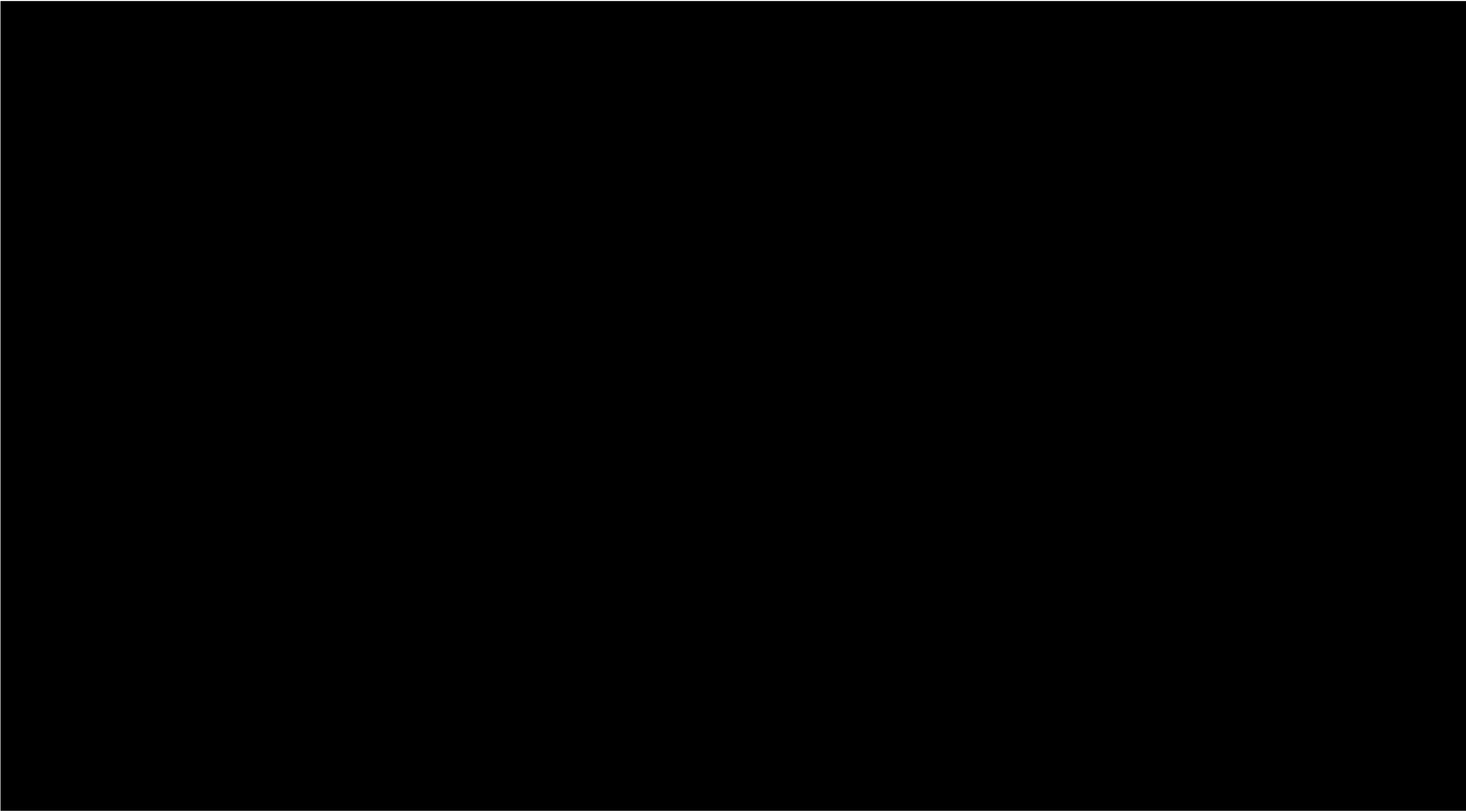












Recover the Mangrove Ecosystem





How to pay the farmer more for milk?









Delicious, Creamy, 100% Goat's Milk Ice Cream.



the farmer gets 10% of the consumer price

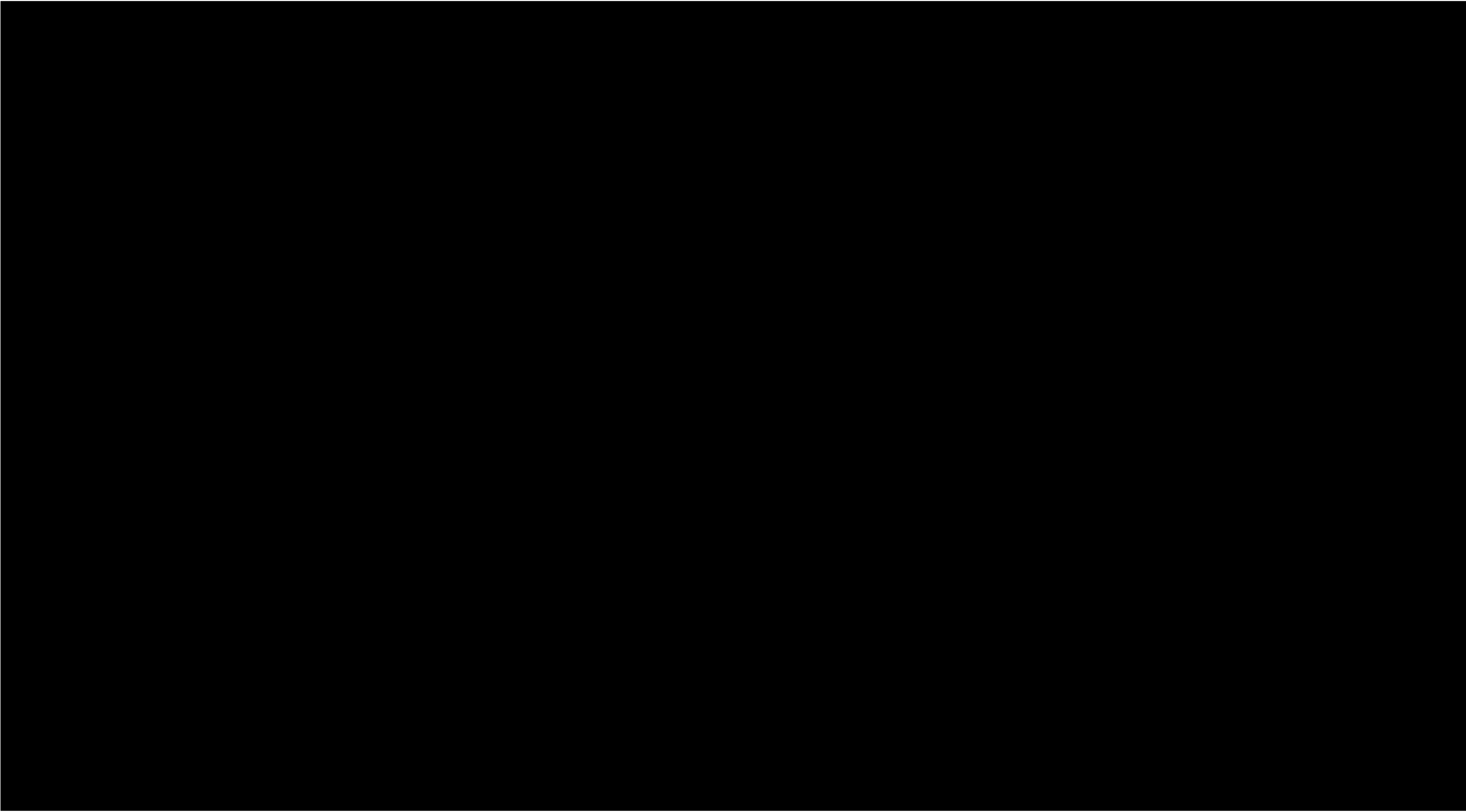


a diet of protein



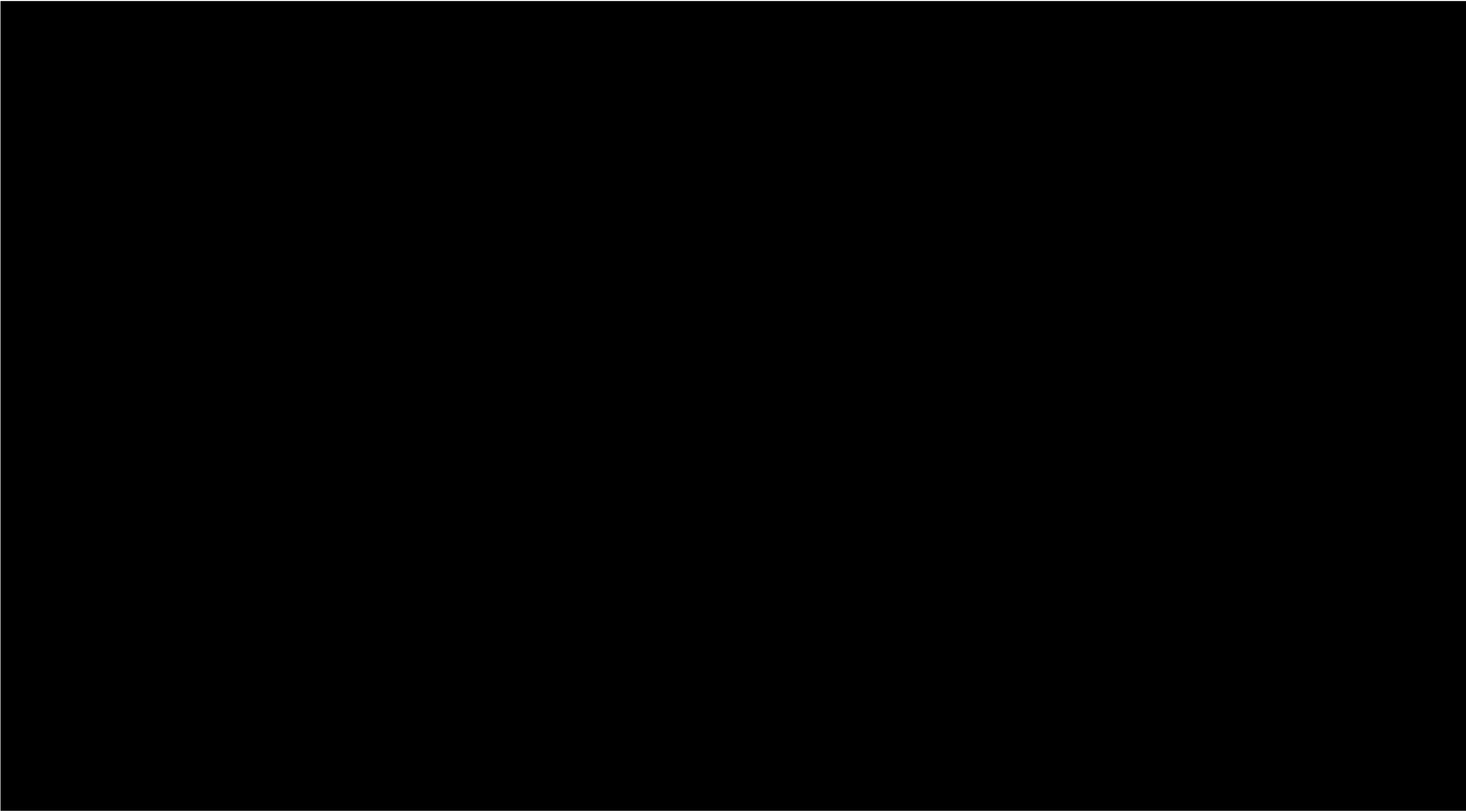


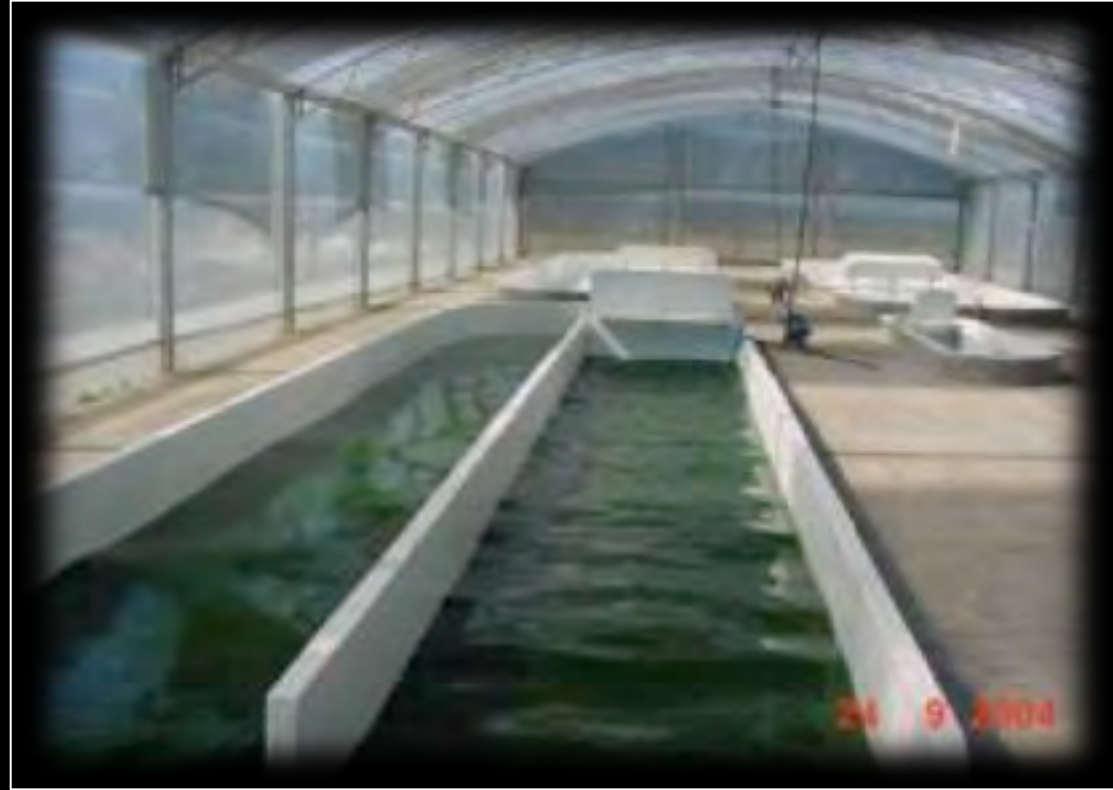


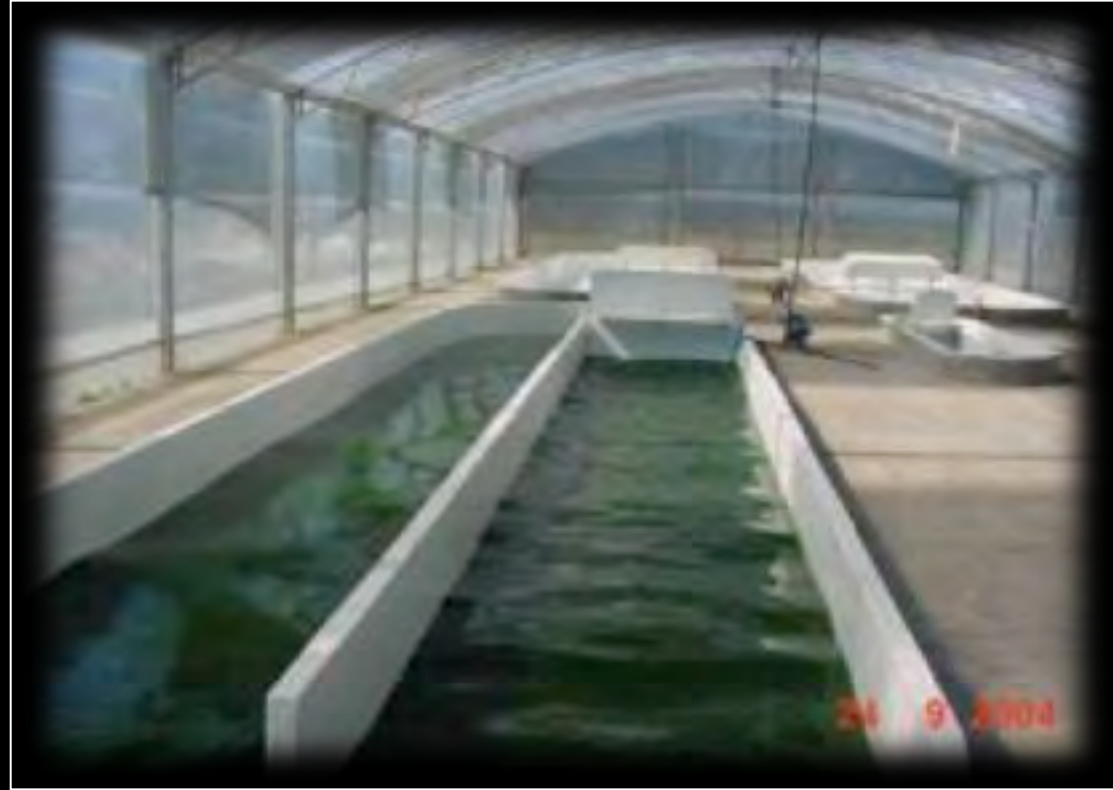


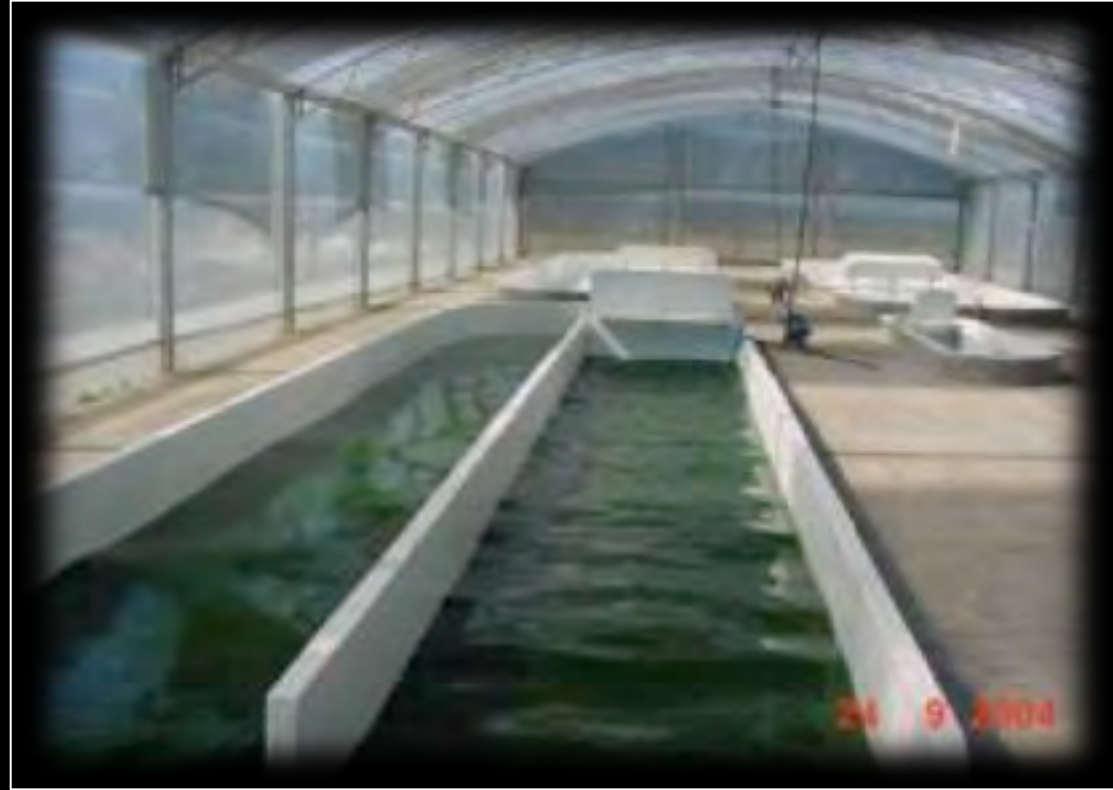


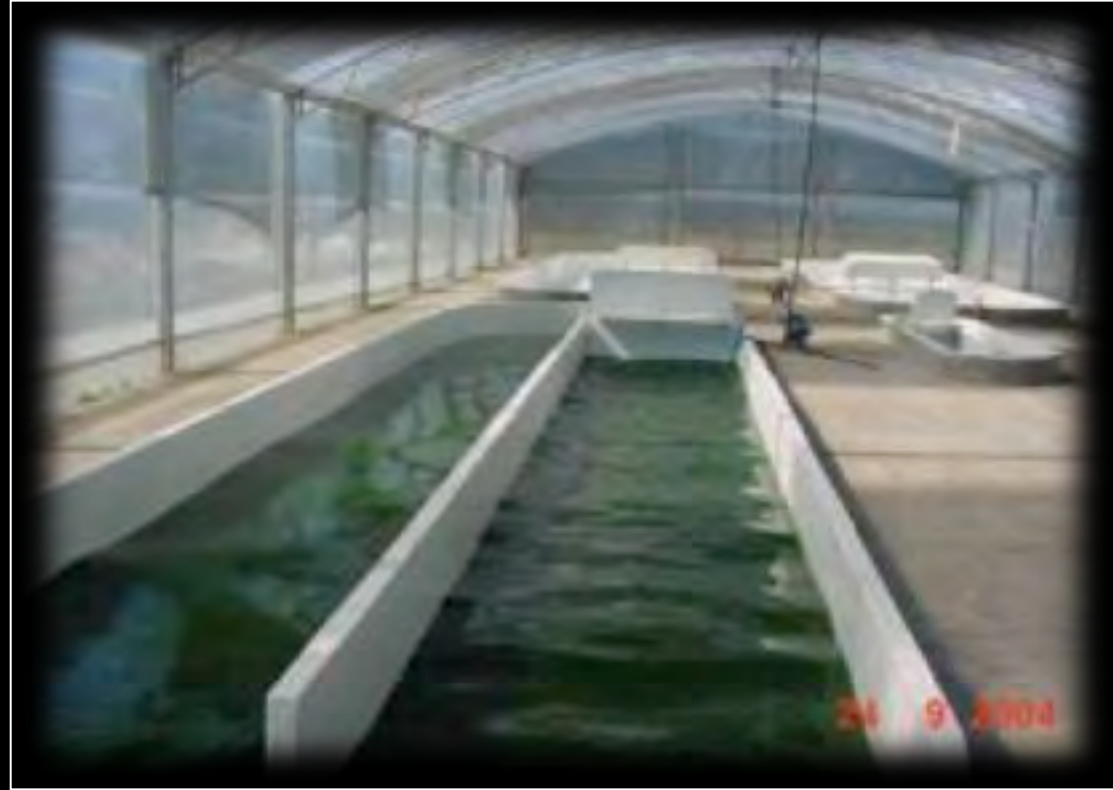


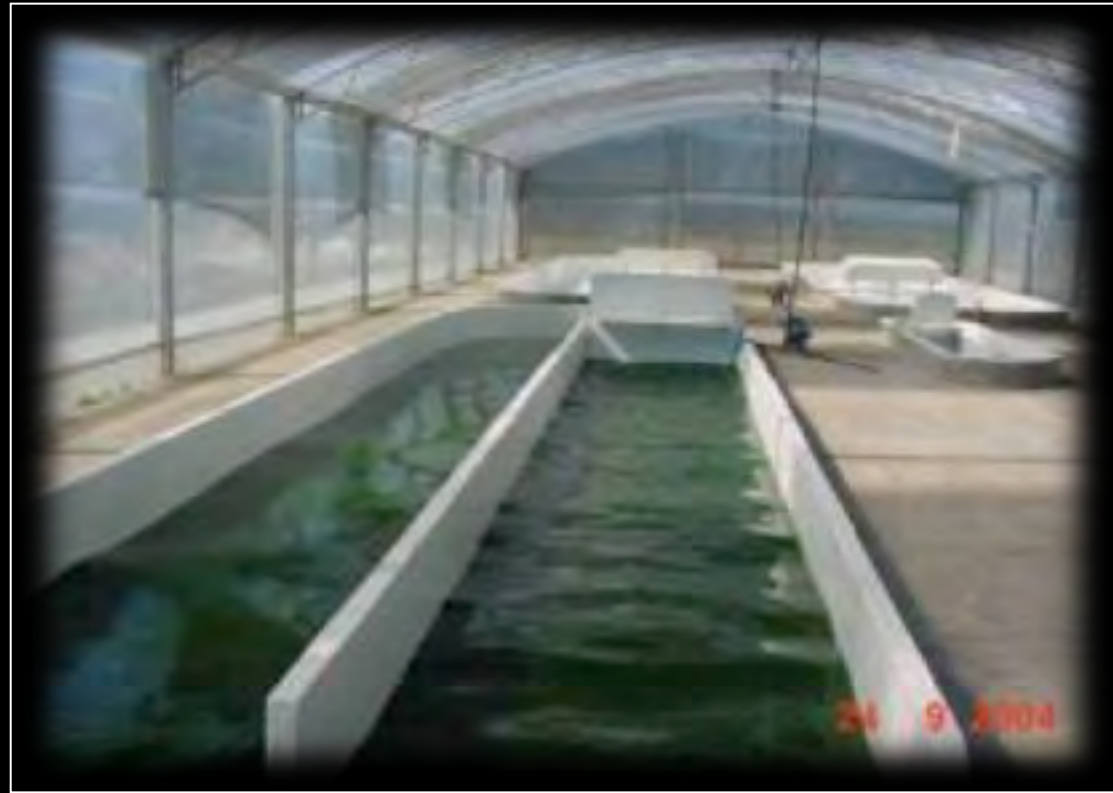


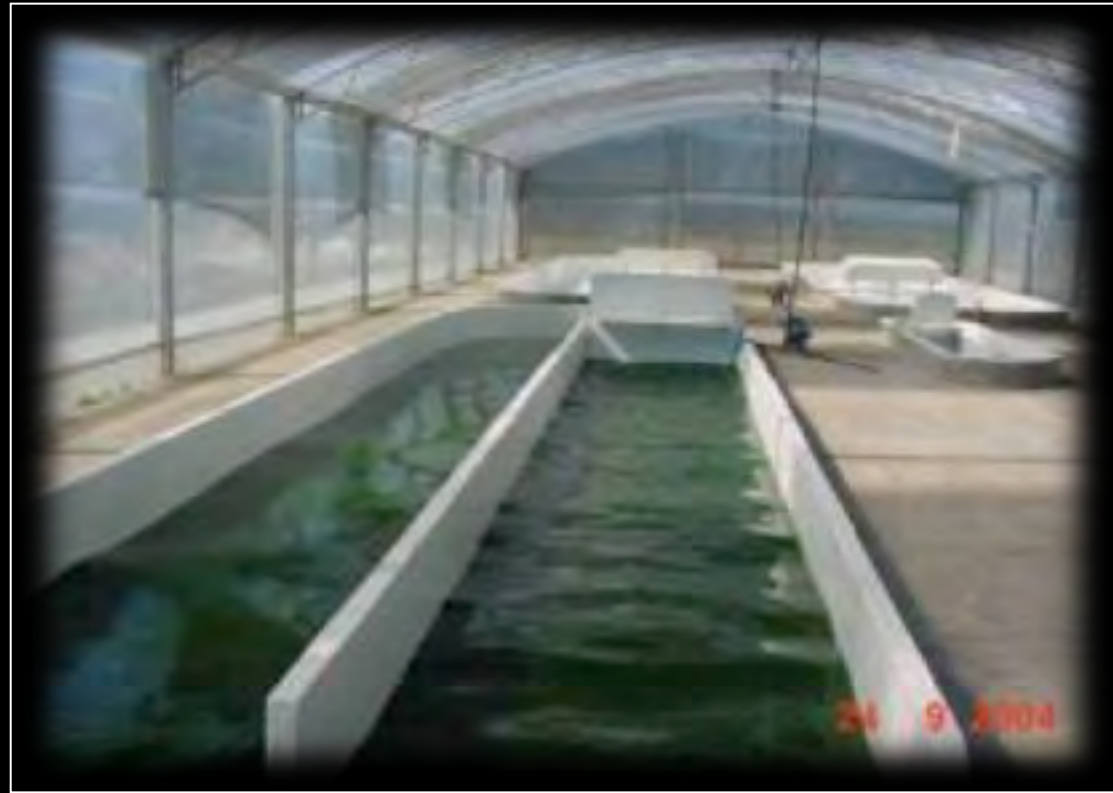


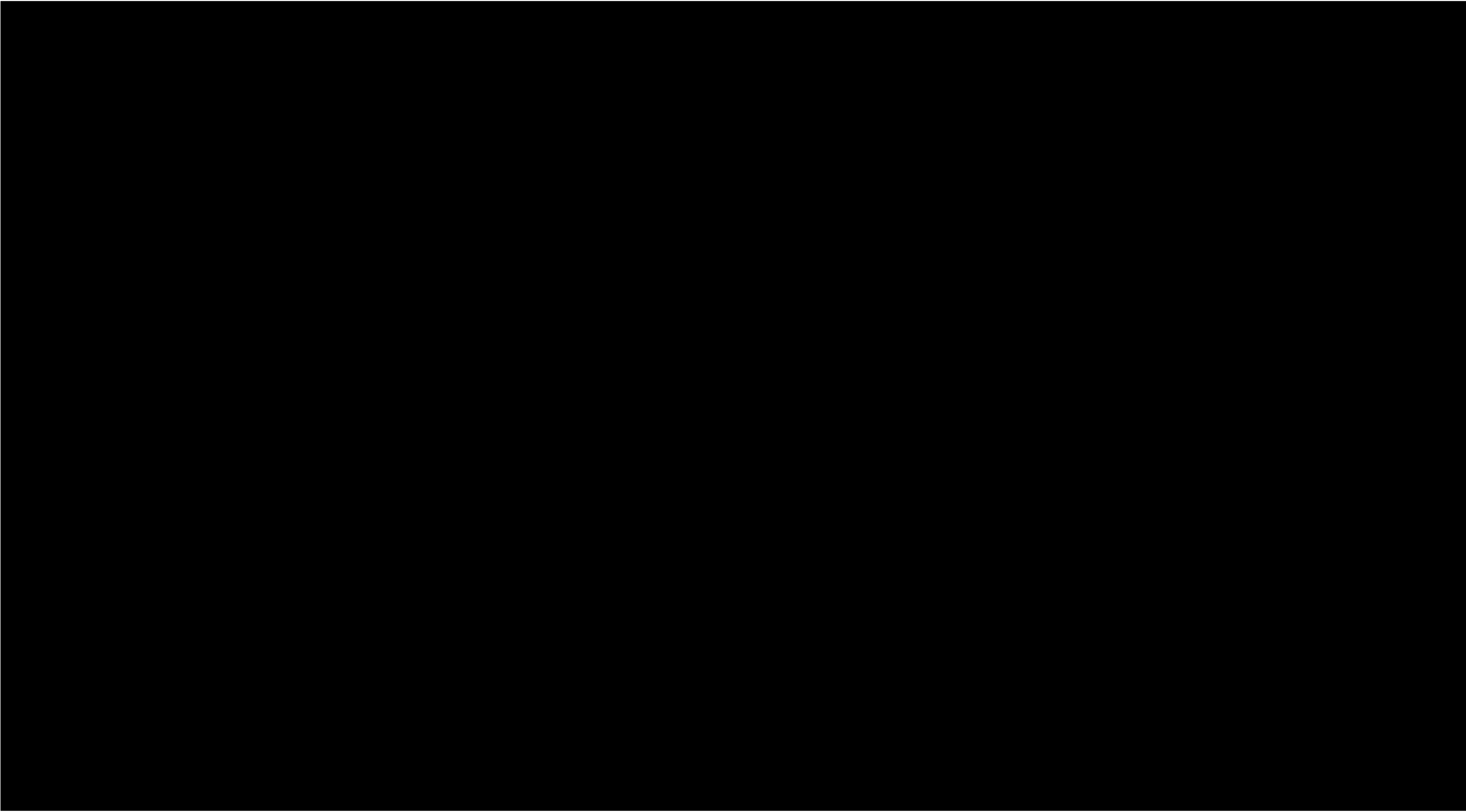








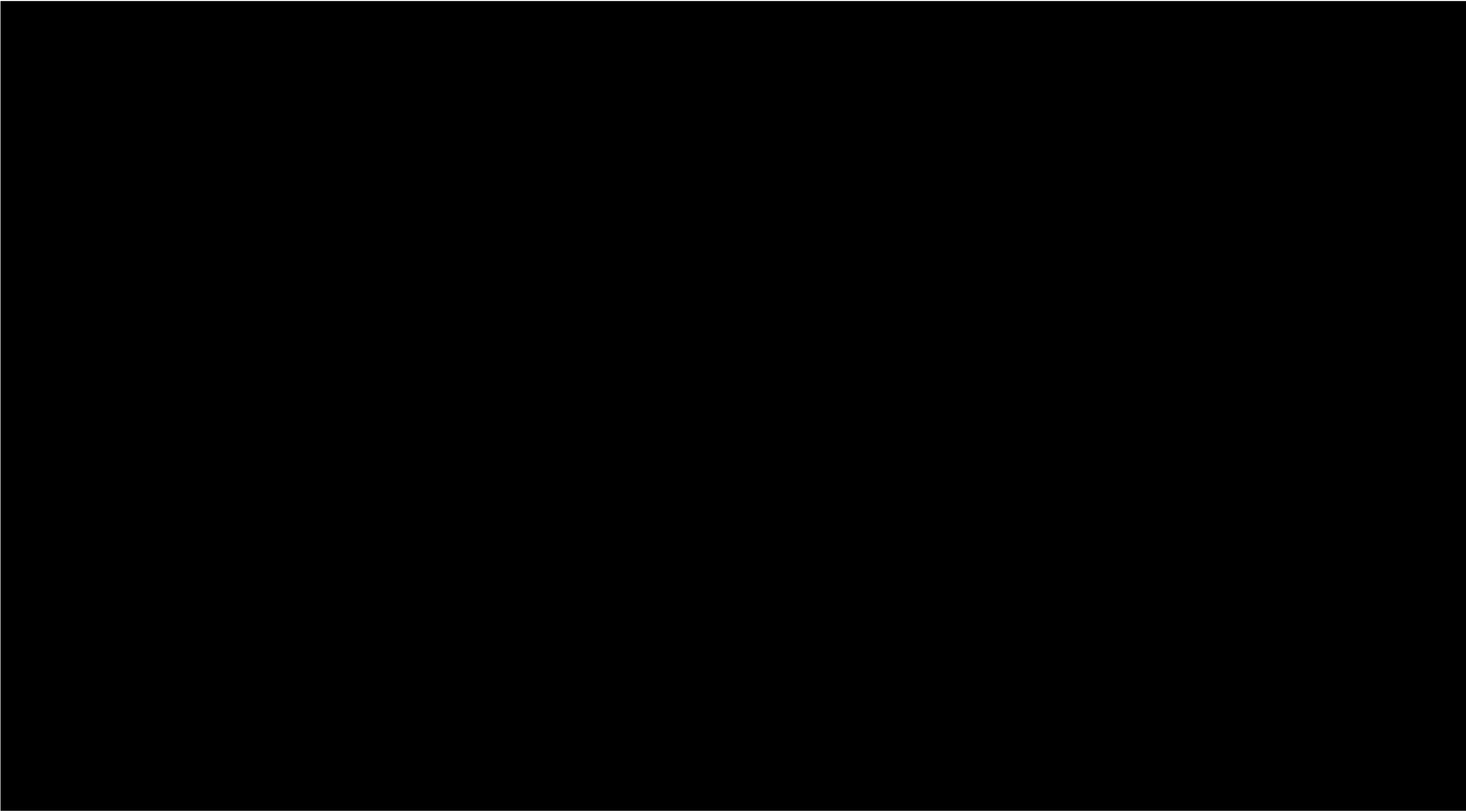






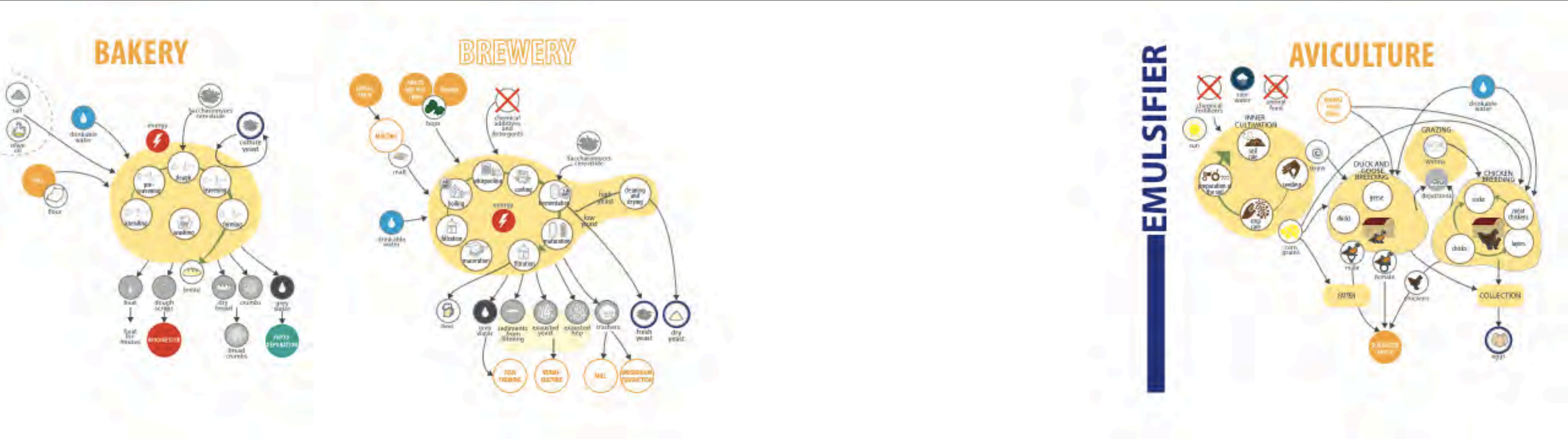
50 spirulina rooftop farms

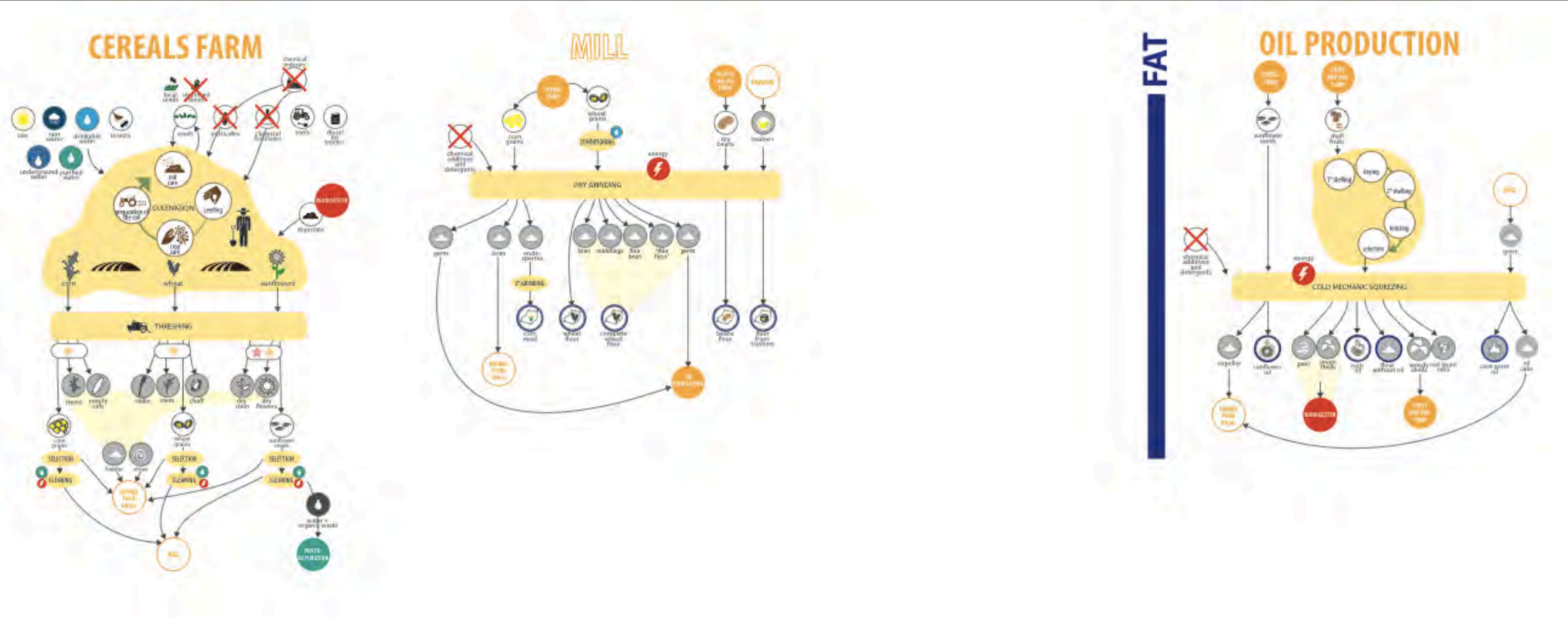
stamping out malnutrition while generating jobs
(and sequestering CO₂)



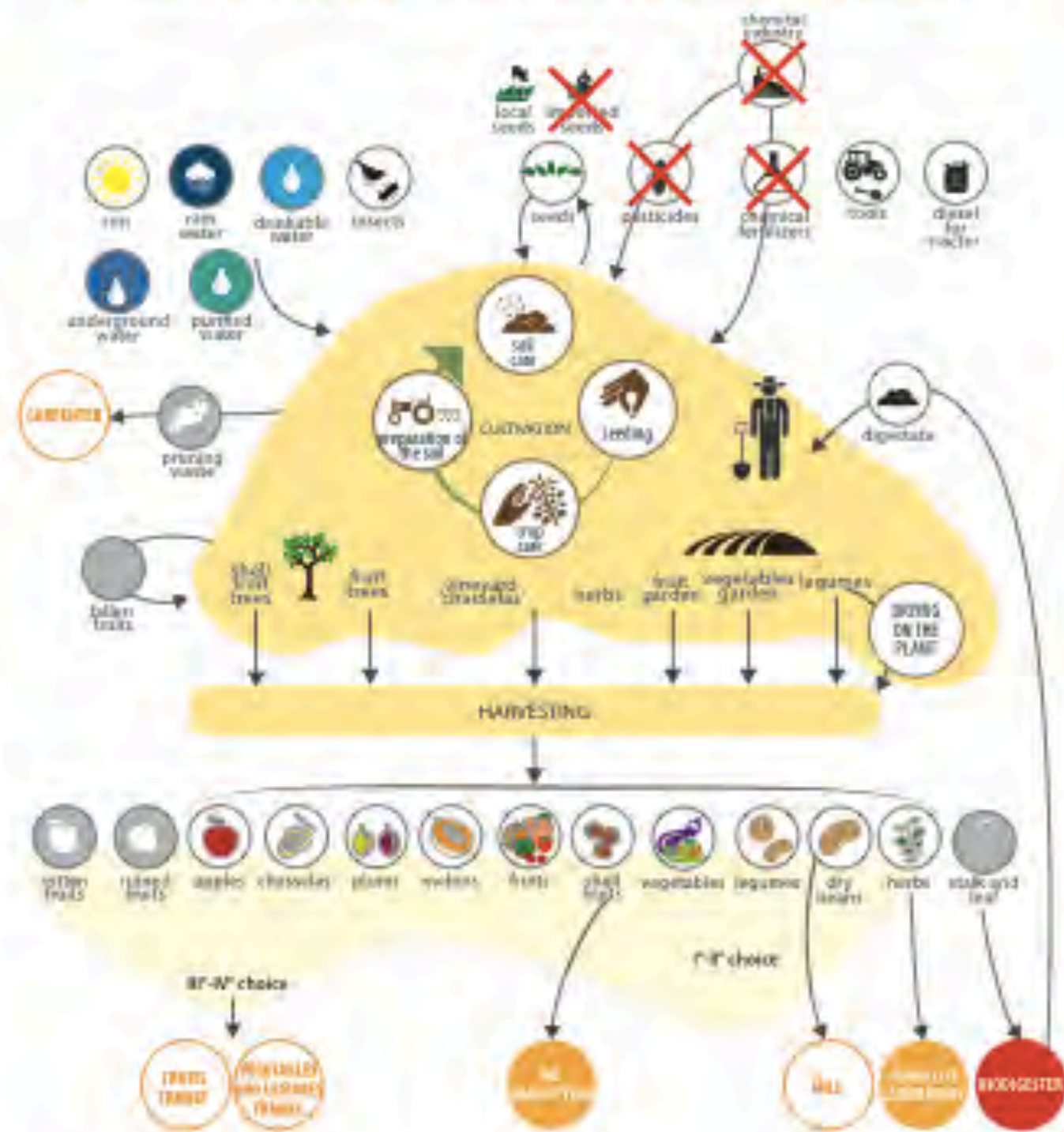
Put the local economy on
a growth trajectory



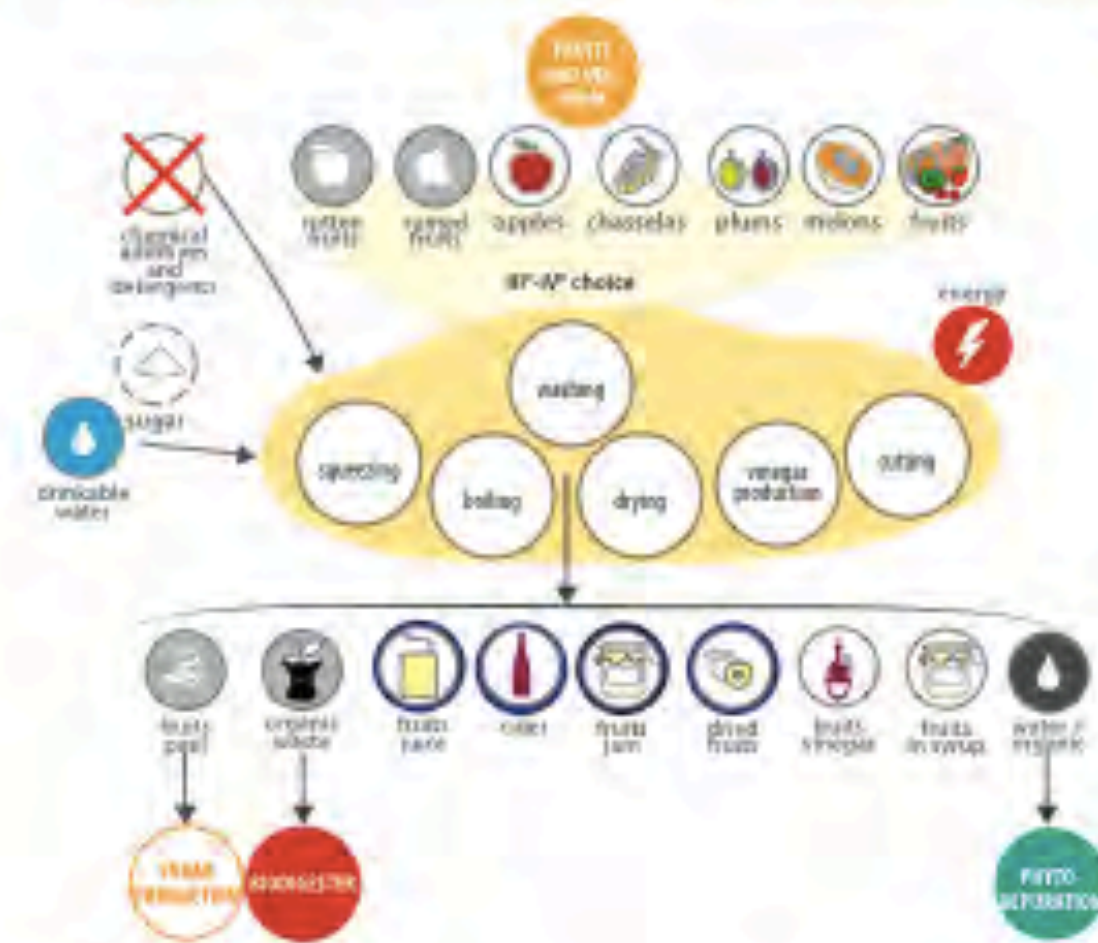




FRUIT AND VEGETABLE FARM



FRUITS TRANSFORMATION



SUGAR PRODUCTION





LIQUIDS

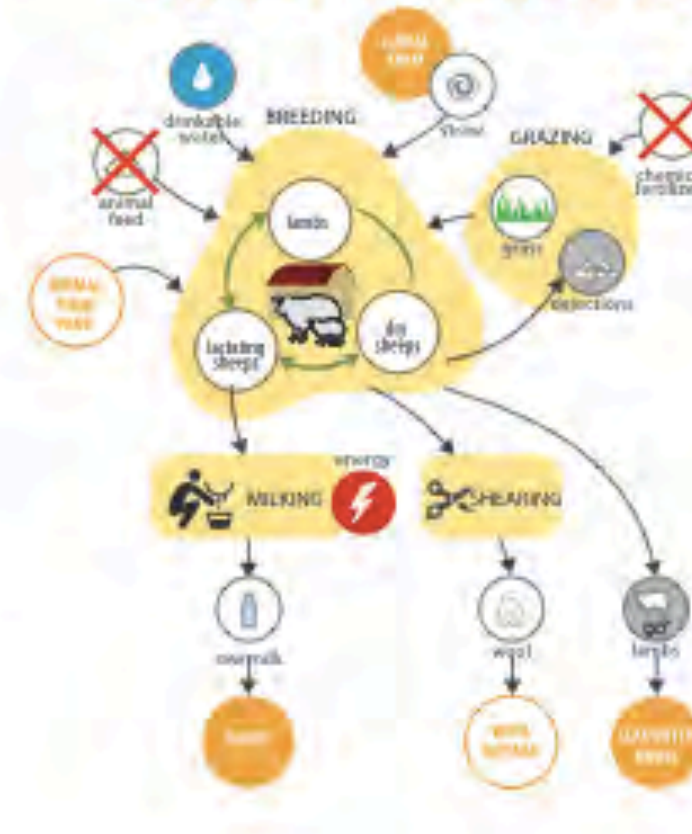
COW BREEDING FOR MILK



GOAT BREEDING



SHEEP BREEDING



DAIRY



OTHER ACTIVITIES

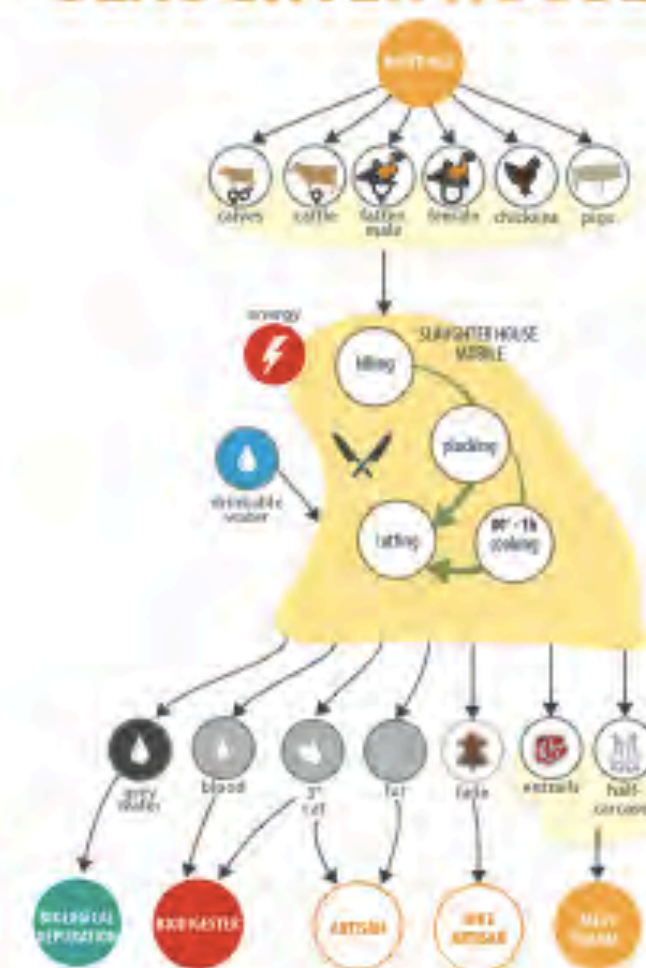
COW BREEDING FOR MEAT



PIGS BREEDING



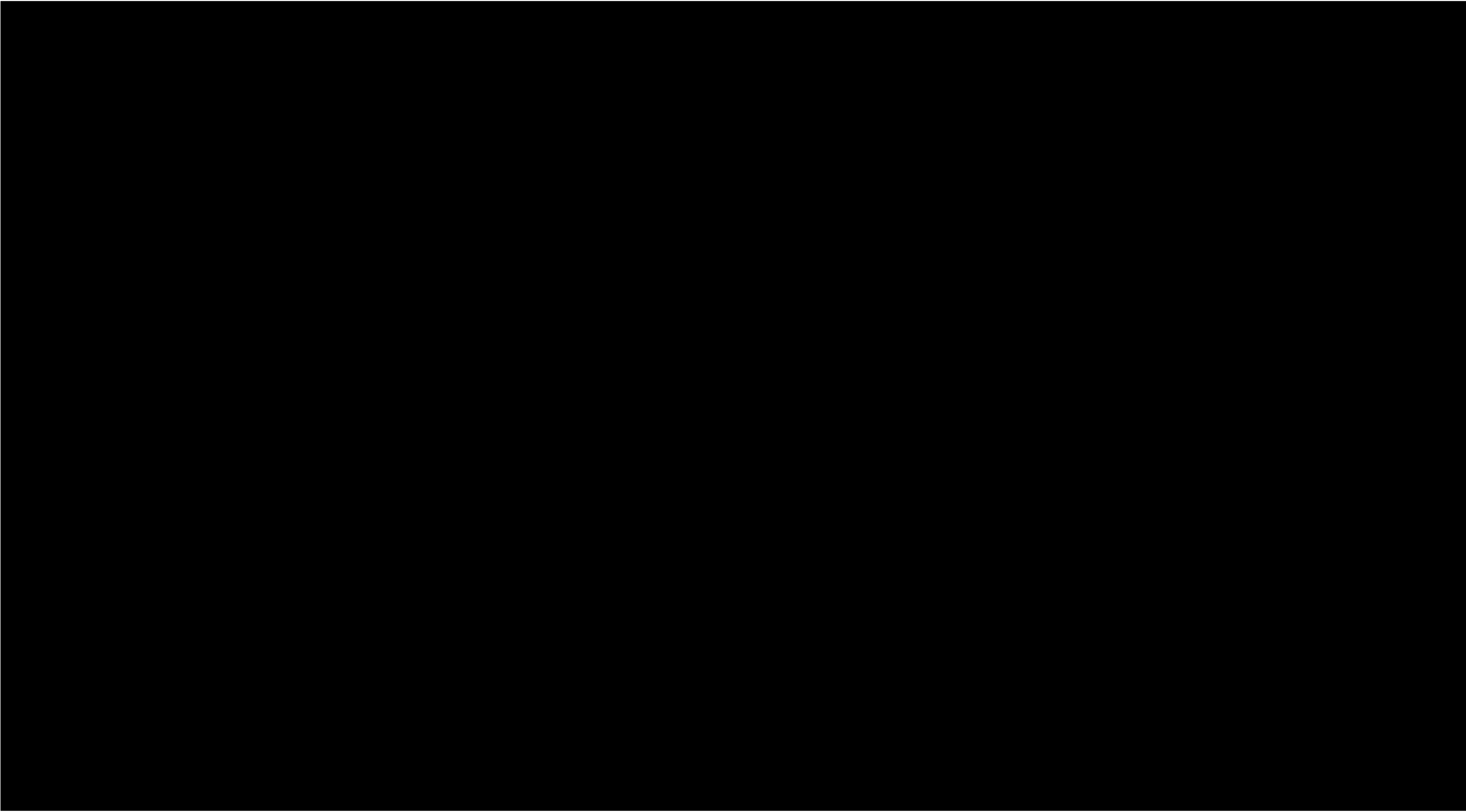
SLAUGHTER HOUSE



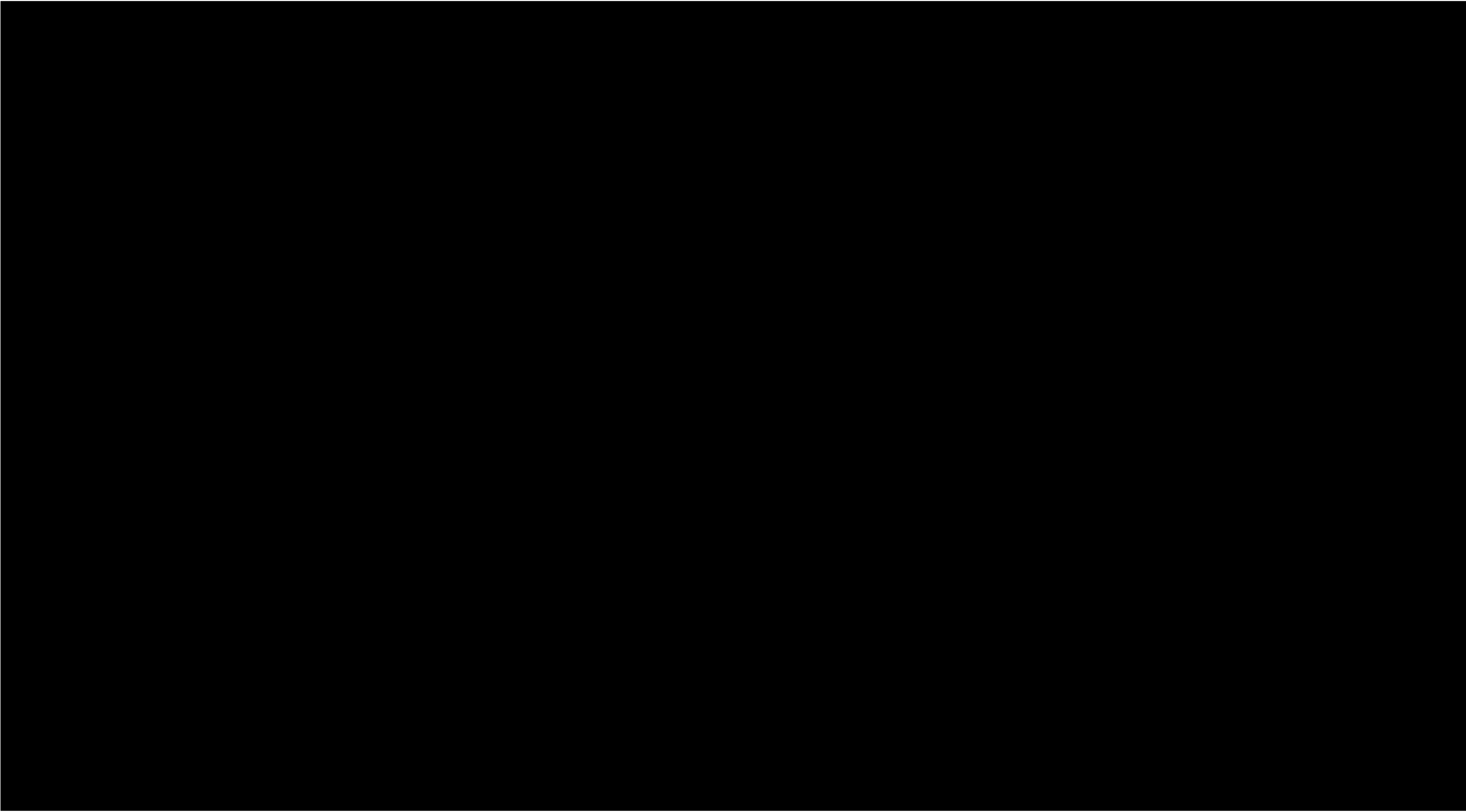
BUTCHER







How many local jobs does a cookie generate?



From a Cost to a Freeby



Every day 104 babies born in Berlin



2012

35.000 babies 1 years old

2013

36.114 babies 1-2 years old

2014

38.320 babies under 1 year old

2015

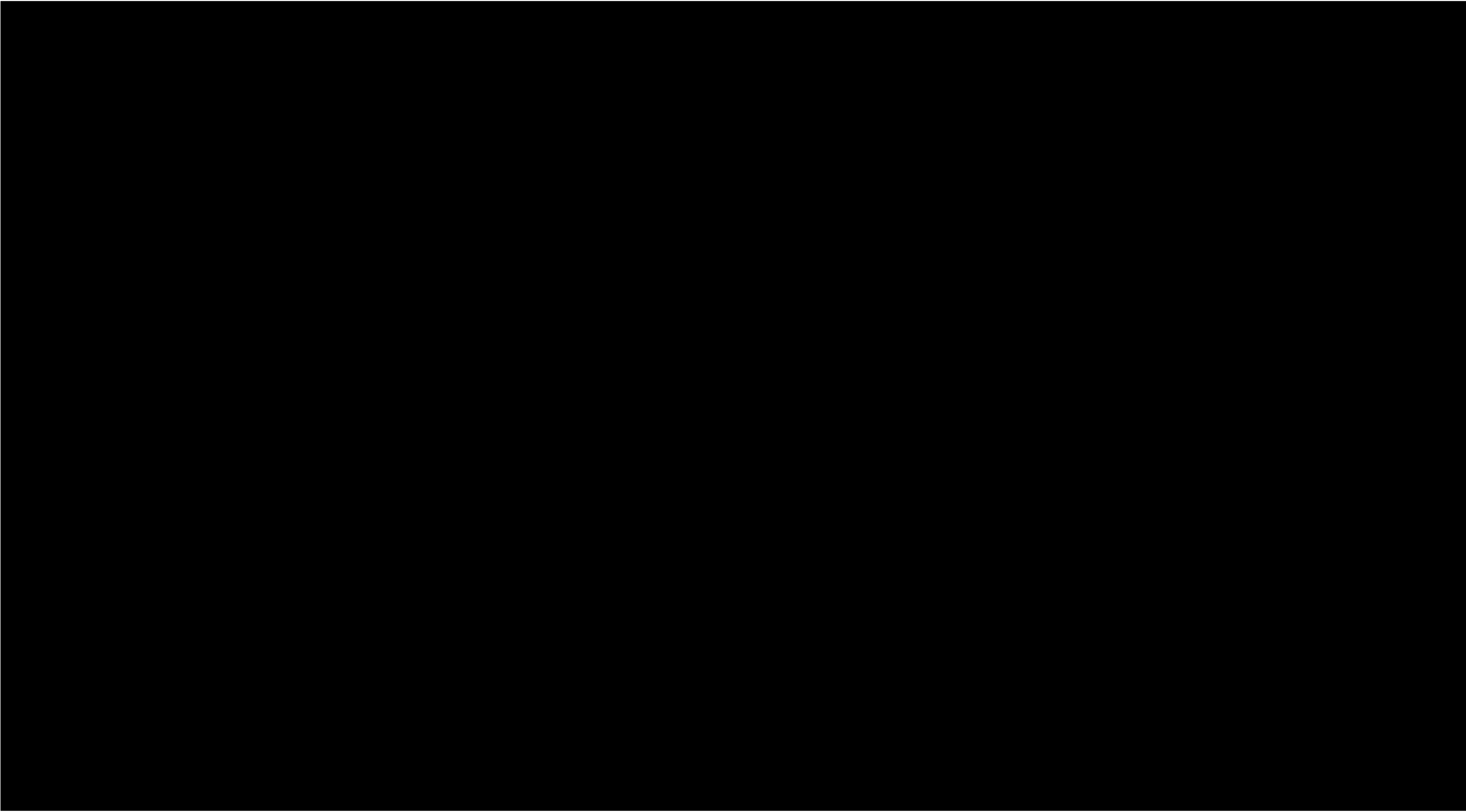
109.434 babies







3.000 Liters



A baby produces enough humus for 1,000 fruit trees

SYSTEMIC FLOWS
nutrients cycle



SYSTEMIC FLOWS
nutrients cycle



SYSTEMIC FLOWS
nutrients cycle



SYSTEMIC FLOWS
nutrients cycle



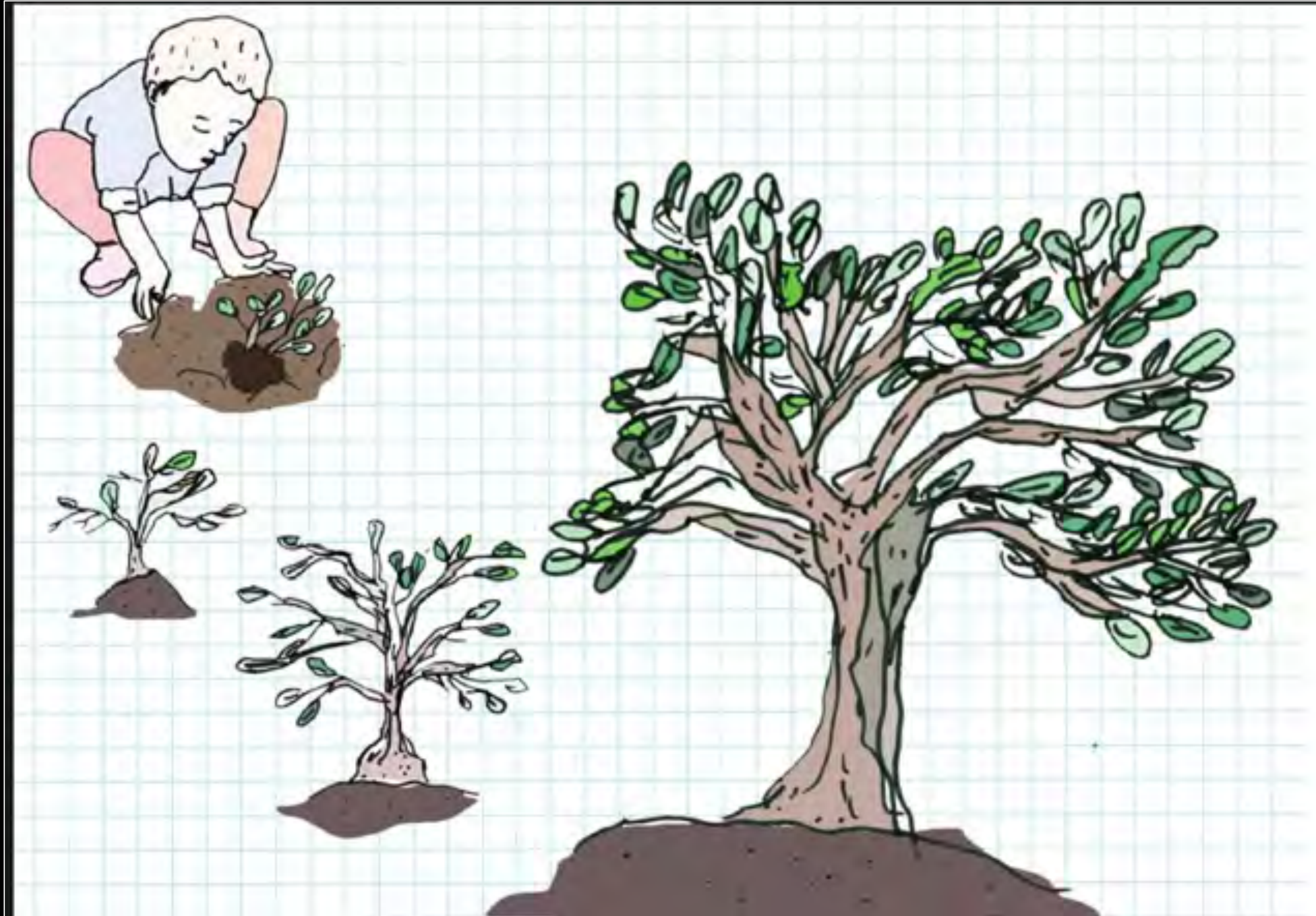
SYSTEMIC FLOWS
nutrients cycle



SYSTEMIC FLOWS
material cycle



One fruit tree is sold for €5





How much do you charge for the diapers?



Dycle
diaper cycle

Ayumi Matsuzaka



Dycle
diaper cycle

Ayumi Matsuzaka

Using abundant yet unused resources







Novamont - Mater-Bi







animal feed



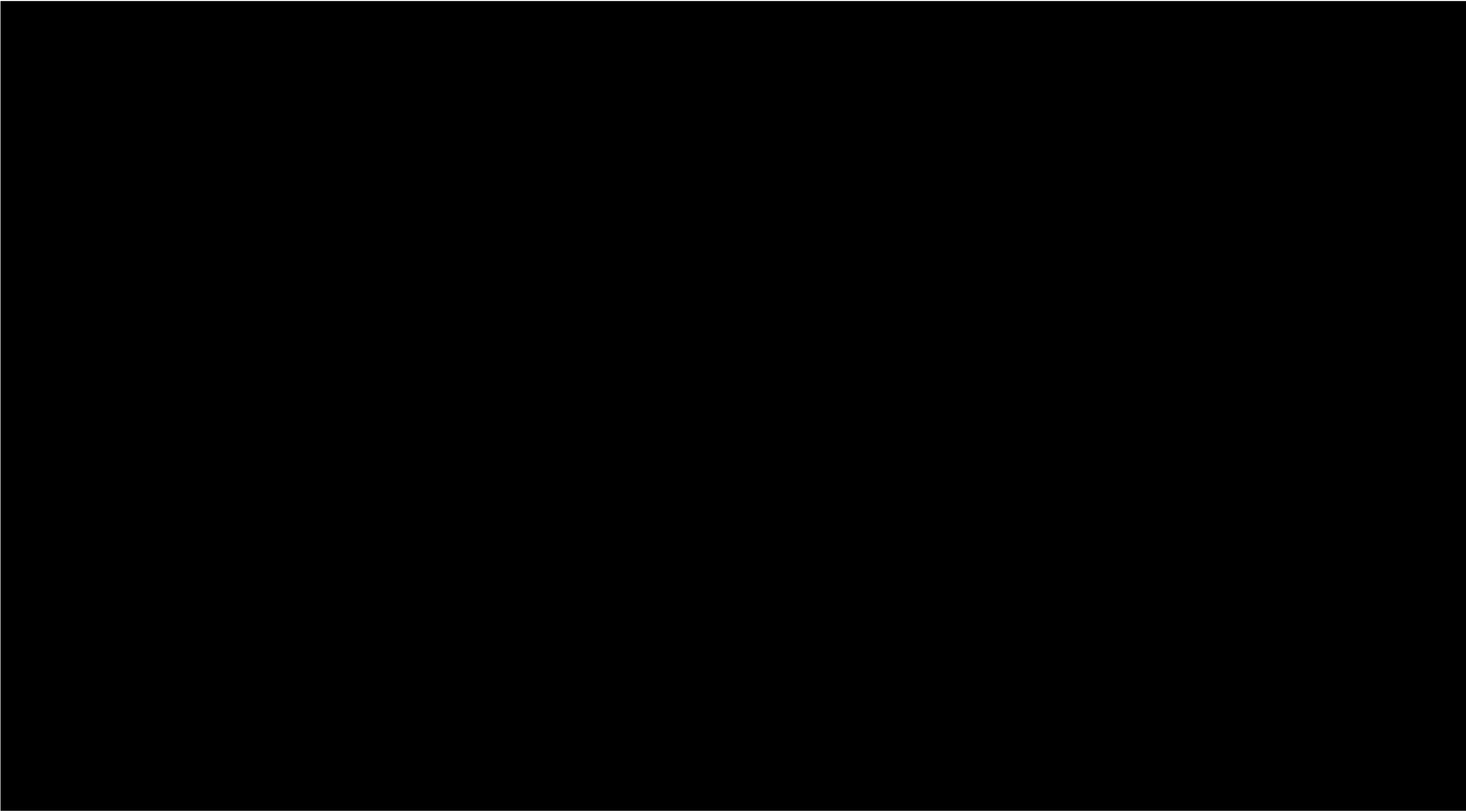
enzymes for cheese











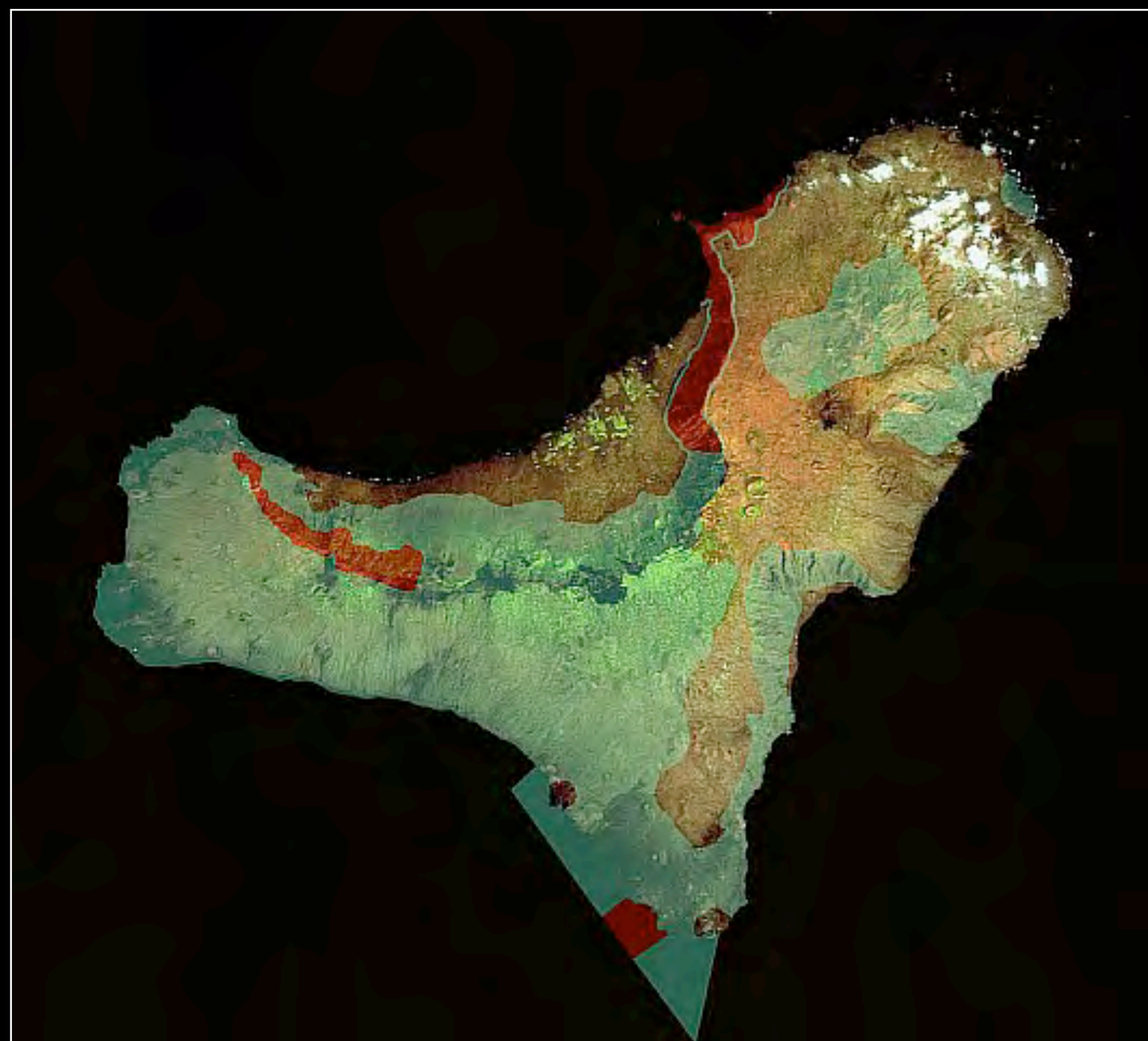
Create Power for Local Communities







Five Challenges



Five Challenges

water

energy

jobs

mobility

subsidies

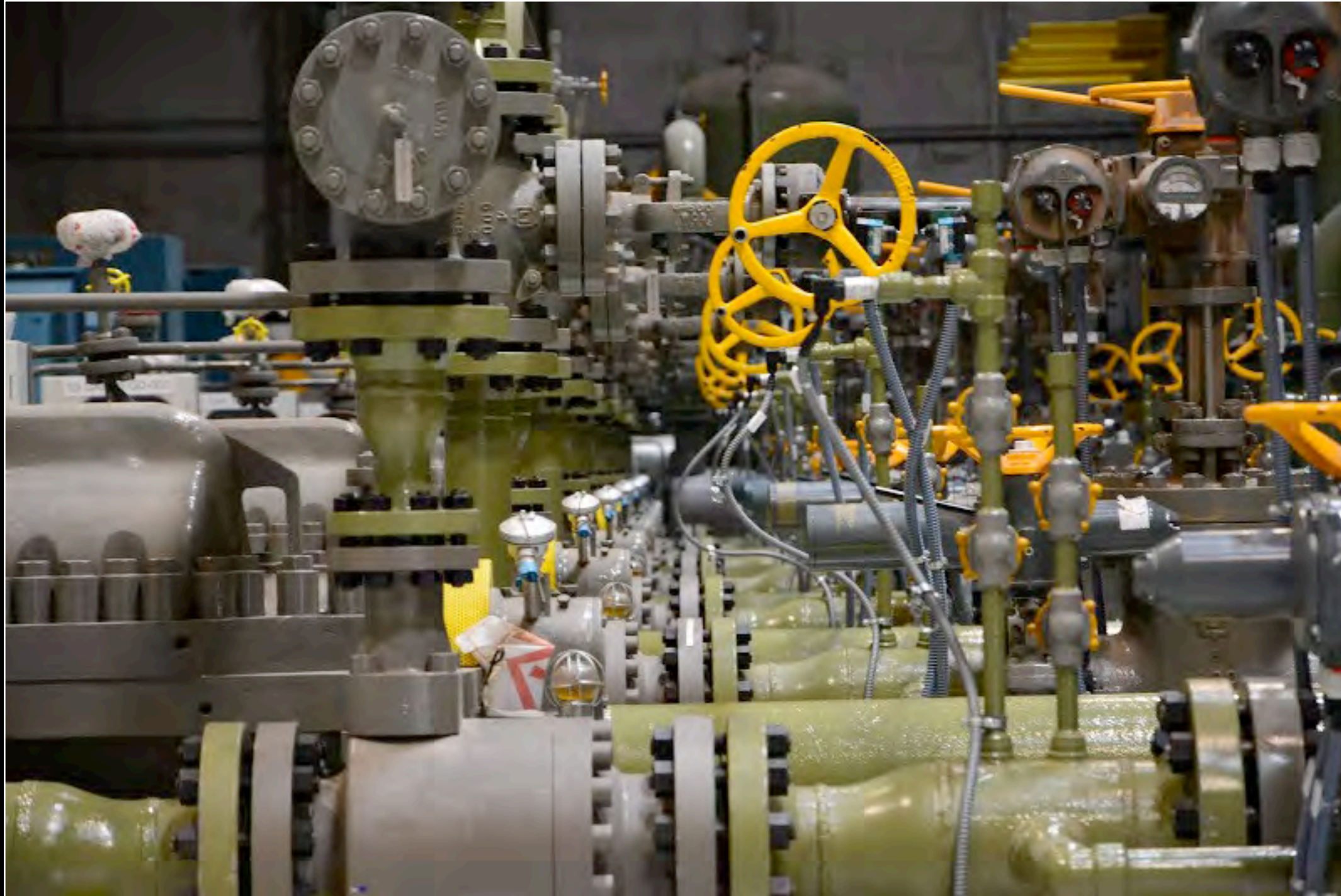


11.5 MW Wind Park & Hydro Power











CAPEX €83M

savings 10 years €80M

convert subsidies to capital

convert management fee into capital



2x water 1/2 price

renewable energy

organic agriculture

re-industrialize

sustainable fisheries

scientific tourism

a community with a future

Correct the Errors of the Past









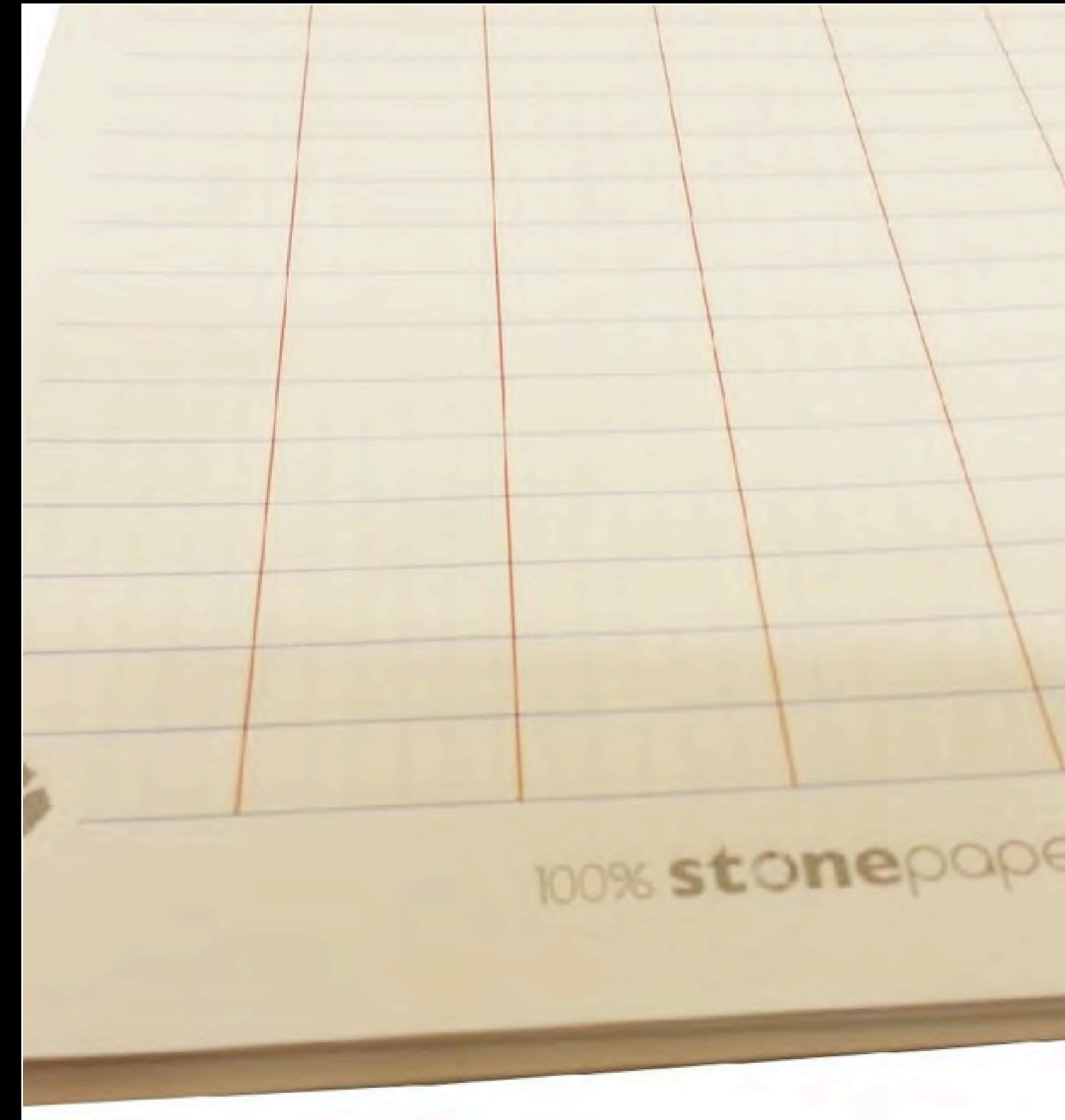
Paper made from Stone

produced without water or the use of toxic bleaching chemicals,

TerraSkin® will degrade back into its source:

the powder of stone.







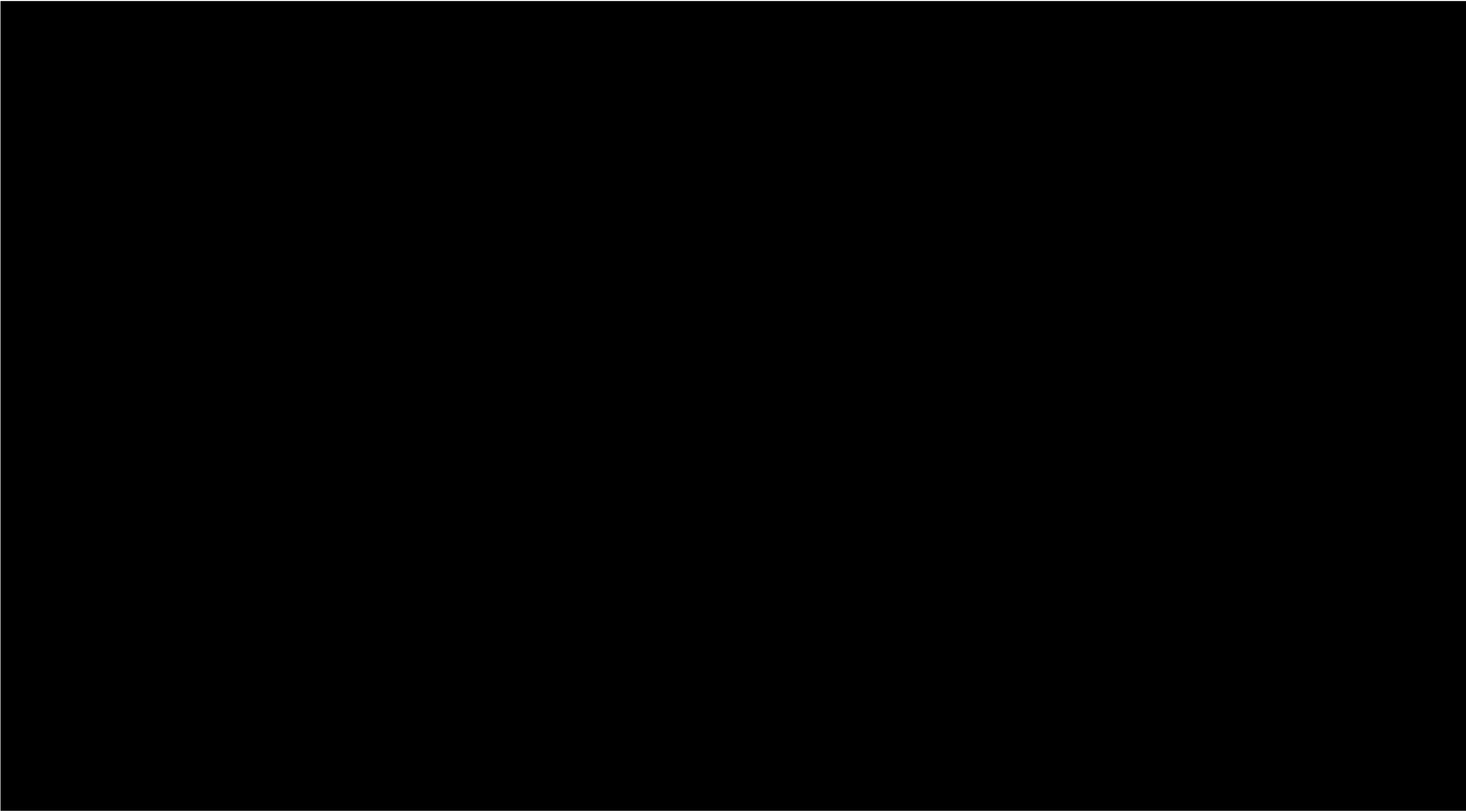
Lung Meng Technology Co.Taiwan



Lung Meng Technologies Factory in Benxi City, Shenyang (China)



Lung Meng Technologies Factory in Benxi City, Shenyang (China)



From a Cost to Multiple Cash Flows

If we only teach our children what we know ...



Gunter's Fables

"To never stop dreaming"



Fábulas de Gunter

"Para nunca parar de sonhar"

Gunter Pauli
Illustrated by Katherine Bach



"to never stop dreaming"

"para nunca parar de sonhar"

Paper From Stone



O Papel a Partir da Pedra

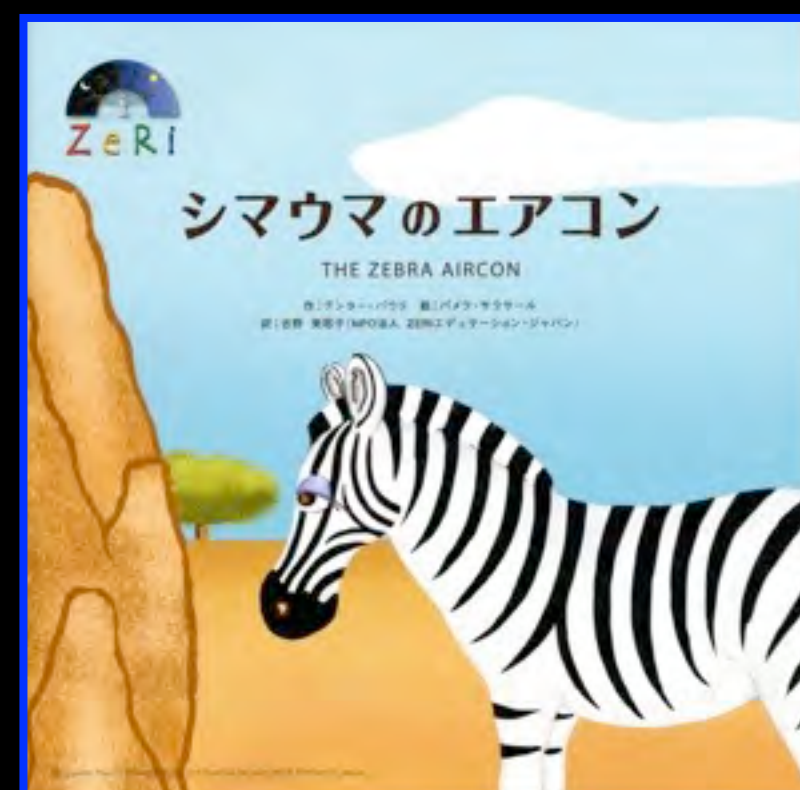
Fábulas de Gunter

Gunter Pauli
Illustrated by Katherine Bach

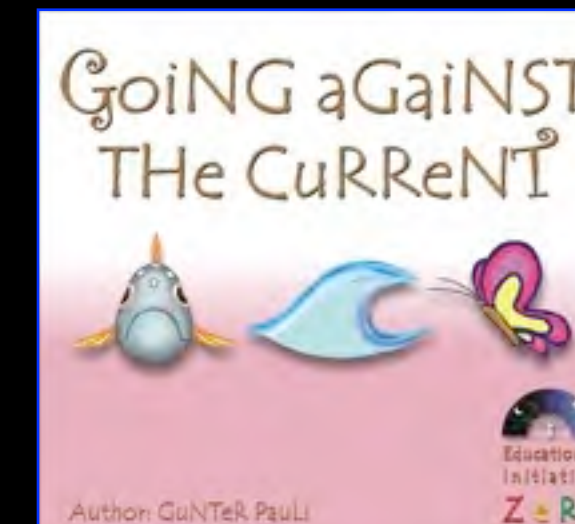
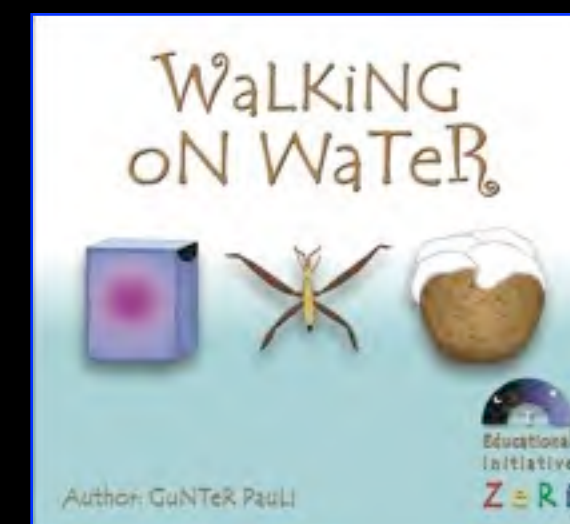
365 Fables based on 365 Realities

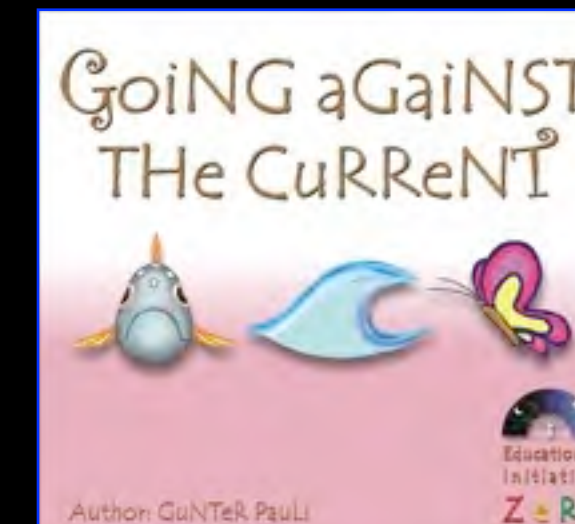
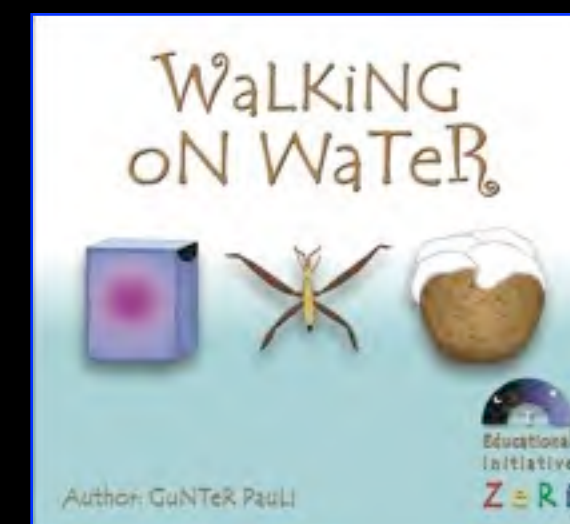


Chinese Government distributes to all children

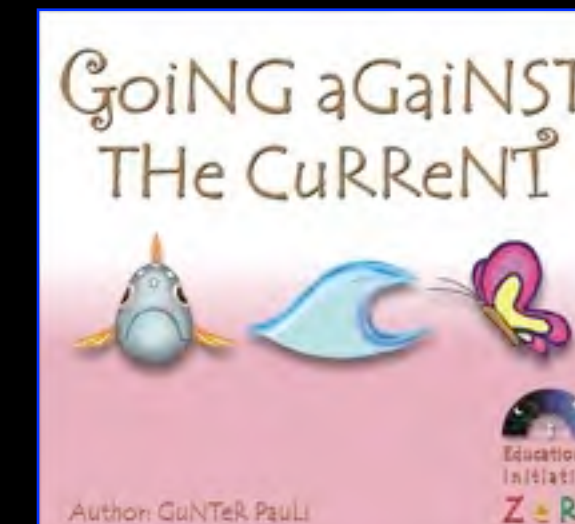
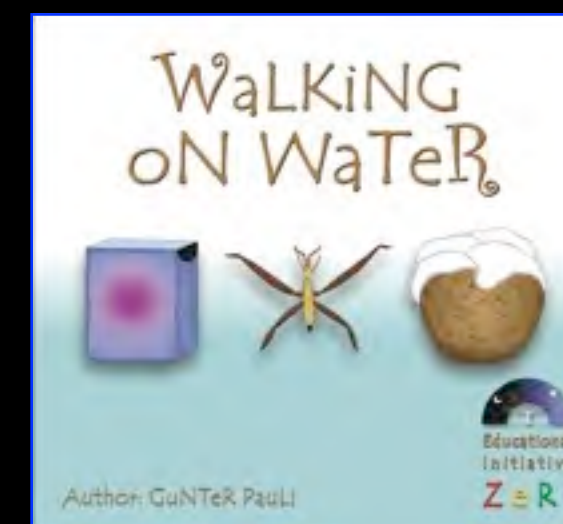
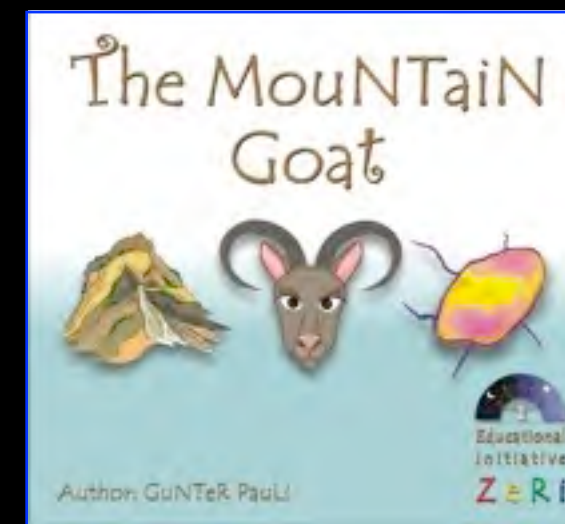






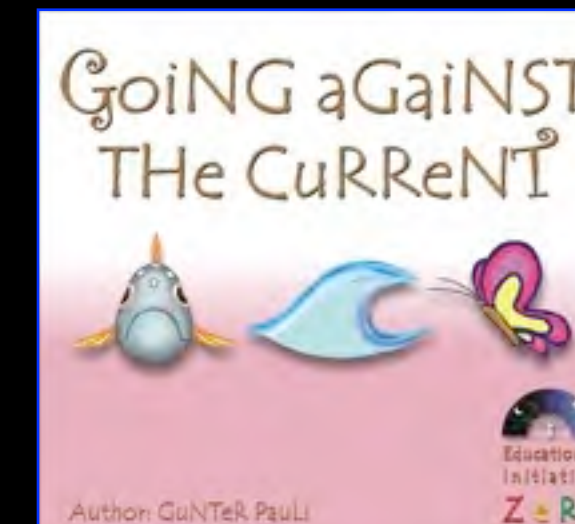
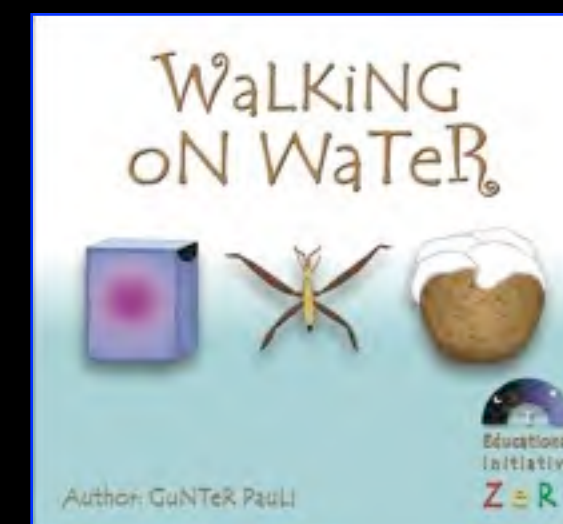
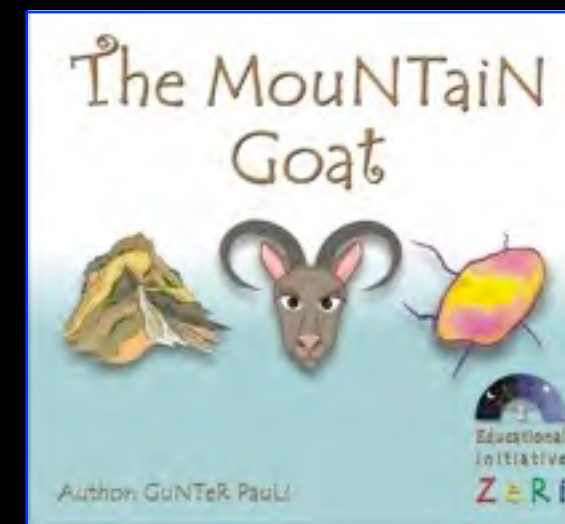


set targets



set targets

define strategies



set targets

define strategies

inspire children



Kiss Tibor

Blue Economy Summer School in July
at the University of Pécs, Hungary



Luigi Bistagnino

Graduate Course on Systems Design
at the Politecnico di Torino



Kiss Tibor

Blue Economy Summer School in July
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Maybe in the future the Blue University

A profile photograph of Nelson Mandela, looking towards the left. He is wearing a dark jacket over a light-colored shirt. A small red ribbon is pinned to his lapel. The background is a solid dark color.

**“IT ALWAYS SEEMS
IMPOSSIBLE
UNTIL IT’S DONE.”**

- Nelson Mandela



www.TheBlueEconomy.org

Thank you!

 [@MyBlueEconomy](https://twitter.com/MyBlueEconomy)