

EUCETSA

Seminar on “Opportunities for environmental  
technology suppliers ”

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Enterprise and Industry

# INDUSTRIAL ACTIVITY CREATES WEALTH AND JOBS... ...BUT ALSO HAS UNDESIRABLE EFFECTS



**Climate change**

**Pollution of  
air, water, soil**

**Resource use**

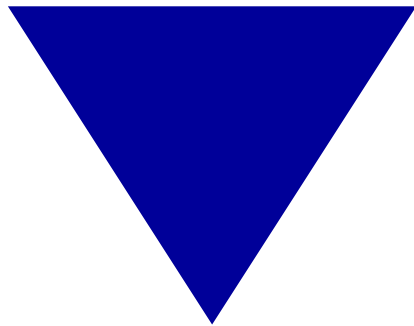
**Traffic congestion**

**Waste**

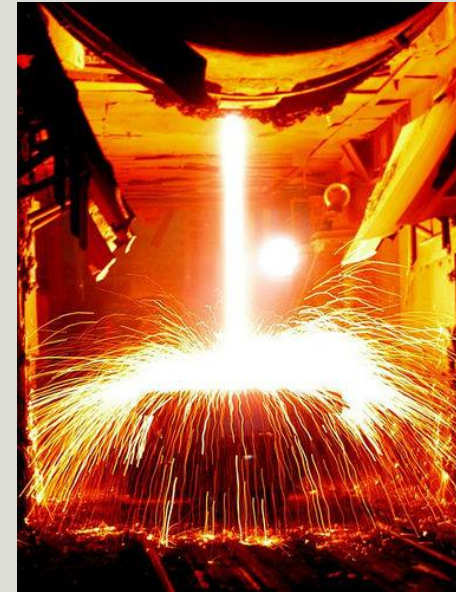
# The Climate Change Challenge...

ENVIRONMENT

COMPETITIVENESS



SOCIAL



- Some sectors are particularly vulnerable
- These sectors represent 80%-90% of CO2 emissions, direct and indirect, of manufacturing industry – excluding electricity sector.
- These industries demand special measures

## EU's CO2 reduction targets

**-20-30% by 2020**

**-60-80% by 2050**

*(ref. 1990)*

**But... Can Europe combine ambitious (unilateral) climate change objectives with strong industrial competitiveness...**

**When global action is not yet certain ...**



- “ Copenhagen falls short of ambitions
- “ Developed versus developing countries
- “ Levelling of the playing field ; sectoral action?
- “ Engage industry in implementation

# The EU's response - Combining industrial policy with sustainability...

## Two lines of action

- “ **Proactively** improve business environment for industry
- “ **Act** at European level to tackle challenges insufficiently addressed at national level

## Three main blocks for win-win opportunities

- “ **Better products on the Internal Market:** A dynamic **life cycle approach** to product policy using labelling, public procurement and other incentives
- “ **Contributing to a global low carbon and sustainable economy:** supporting lower emissions in **energy intensive industries** and the development of sectoral approaches in **international negotiations on climate change**
- “ **An industrial policy for eco-industries:** examining those framework conditions which are crucial for competitiveness of eco-industry with a view to improving them =>**unleash the green potential of industry**

# IDENTIFYING WIN-WIN SOLUTIONS: ACTION PLAN ON SUSTAINABLE INDUSTRIAL POLICY...

## Sustainable Product Policy

- Driving the energy and environmental performance of products upwards through ECODESIGN
- Creating a critical mass of demand through LABELLING and INCENTIVES for the best performing products
- Recast Dec 2009 extended to *energy-related products*; Review by 2012

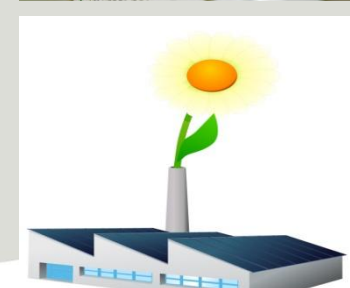


## Global approach for global issue

- Ensuring a level playing field for Energy Intensive Industries and encouraging development of Sectoral Approaches

## Retail Forum & Food SCP Roundtable

- Green supply chains; Share best practice; Wide stakeholder participation; Promote sustainable products; Reduce environmental footprint of retail sector



## Green Public Procurement (16% of economy) ; Energy Labelling...

## Eco-industries

- Boosting the competitiveness of ECO-INDUSTRIES through appropriate framework conditions
- Promoting ECO-INNOVATION through networking, lead markets, clusters etc.



# Environmental industries

- “ **Examples** of sectors are environmental technologies, renewable energy, recycling and waste industry
- “ **Environmental impact:** the industry offers opportunities to other industries to reduce CO2 emissions while having a negligible environmental impact themselves; they deliver environmental solutions for all and generate needed growth & jobs
- “ **Economic importance:** Core environmental industries have a turnover of more than ” 300bn and employ nearly 3.5 million people
- “ DG ENTR Study:
- “ [http://ec.europa.eu/enterprise/policies/sustainable-business/eco-industries/index\\_en.htm](http://ec.europa.eu/enterprise/policies/sustainable-business/eco-industries/index_en.htm)



# The window of opportunity...



- “ New markets, in Europe first
- “ Growth in green collar jobs
- “ Lead these markets internationally
- “ But market shares under threat (e.g. photovoltaic)
- “ **Stimulus Packages:**
- “ China >\$200 bn green investments
- “ Korea >80% green; Green New Deal \$93 bn >1 m green jobs
- “ USA \$80bn clean energy investment

# Challenges of policy development..

- “ Diverse and **heterogeneous** identification with sub-sector rather than common eco-industry
- “ Complex range of **representation** and organisation in Brussels and capitals . who do you call !?
- “ Competing for **attention/hearing** with many long established industries and lobbies
- “ Some claim excess attention while others say **punching below their weight** in view of economic importance
- “ What gets **measured** gets done on radar screen ! (e.g. cluster observatory)
- “ Relationship between **core and connected** industries; **upstream** suppliers and **downstream** users



***A lot is already being done...***

Getting from Research to Markets

**ETAP**: Promote eco-innovation and the take-up of Environmental Technologies

**Lead Market Initiative**: The policy instruments deal with **regulation, public procurement, standardisation** and supporting activities. The LMI identified the following markets: eHealth, Protective textiles, Sustainable construction, Recycling, Bio-based products and Renewable energies.

***European Research & Innovation Plan coming in September...***

***From ETAP to an Eco-innovation Action Plan later in Autumn...***

# Overarching Policy Framework for the future...

## Europe 2020: 3 interlinked priorities



1.) **Smart growth**: developing an economy based on knowledge and innovation



2.) **Sustainable growth**: promoting a more efficient, greener and more competitive economy



3.) **Inclusive growth**: fostering a high-employment economy delivering social and territorial cohesion

## Europe 2020: 7 flagship initiatives underpin the targets

Smart Growth	Sustainable Growth	Inclusive Growth
<b>Innovation</b> <i>« Innovation Union »</i>	<b>Climate, energy and mobility</b> <i>« Resource efficient Europe »</i>	<b>Employment and skills</b> <i>« An agenda for new skills and jobs »</i>
<b>Education</b> <i>« Youth on the move »</i>	<b>Competitiveness</b> <i>« An industrial policy for the globalisation era »</i>	<b>Fighting poverty</b> <i>« European platform against poverty »</i>
<b>Digital society</b> <i>« A digital agenda for Europe »</i>		

# 2020 Flagship Initiative: "An industrial policy for the globalisation era"

At EU level, the Commission will work to establish an industrial policy :

- supporting the transition of manufacturing sectors to greater energy and resource efficiency
- reducing the transaction costs of doing business in Europe, promoting **clusters** and improving affordable access to finance
- promoting the restructuring of sectors in difficulty towards future oriented activities, including through quick redeployment of skills to emerging high growth sectors and markets
- promoting technologies and production methods that reduce natural resource use
- improving access to the Single Market and the international market beyond
- supporting the transition of service and manufacturing sectors to greater resource efficiency, including more effective recycling
- to improve the way in which European standard setting works to leverage European and international standards for the long-term competitiveness of European industry

# Future policy development on environmental industries ...



- “ testing the findings and recommendations of the study with stakeholders . *workshop being planned for October 2010*
- “ examining existing policies, actions or instruments affecting these eco-industries in greater depth; identifying any gaps and proposing solutions to bridge these gaps
- “ Avoid duplication, reinventing the wheel, top down recommendations
- “ Achieve bottom-up ideas from operators in the field =>it is companies that innovate, grow and create employment
- “ Industrial Policy Communication in October
- “ need to grow our entire economy in a sustainable way
- “ green growth is not the exclusive domain of certain sectors

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**[http://ec.europa.eu/enterprise/policies/sustainable-business/index\\_en.htm](http://ec.europa.eu/enterprise/policies/sustainable-business/index_en.htm)**

