



Political Framework: EU Resource Efficiency Policies

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ENV A.1. Eco-innovation and circular economy

DG Environment

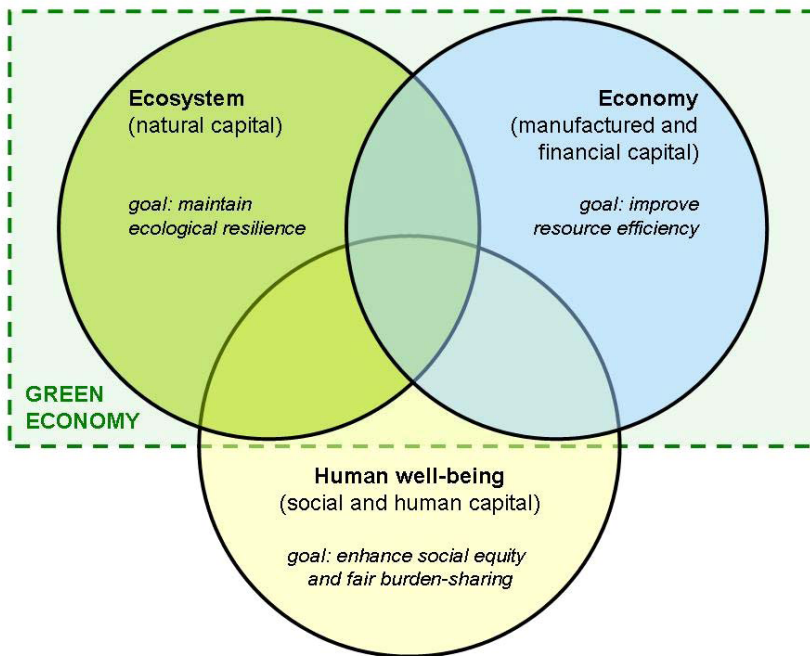
Berlin, 12 November 2014

Overview

- Resource Efficiency in general:
 - Roadmap to a Resource Efficient Europe (2011)
 - Towards a Circular Economy (2014)
- Resource Efficiency at SMEs:
 - Green Action Plan for SMEs (2014)

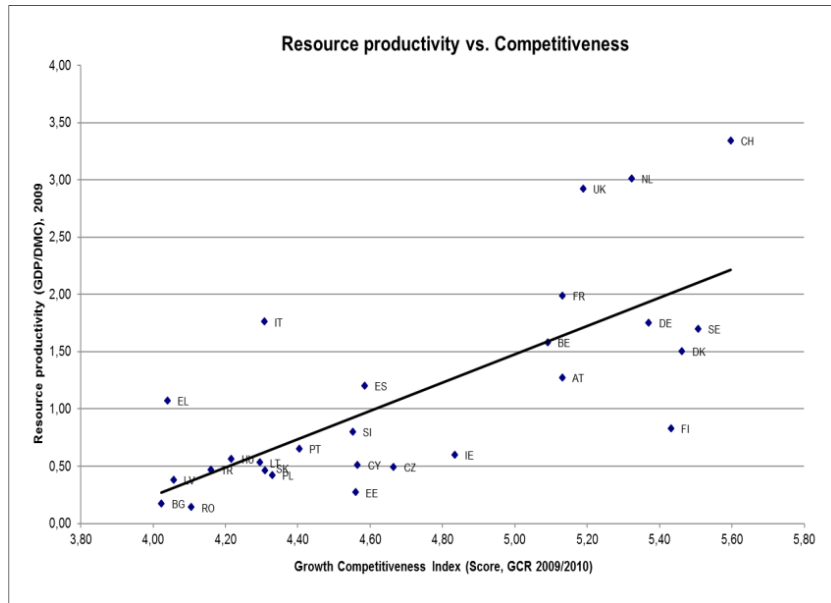
A Roadmap to a resource efficient Europe (2011)

Goal: Decoupling economic growth from resource use and its environmental impacts



- **Three timelines**
 - Short-term actions
 - 2020 milestones
 - 2050 vision
- **Three priority areas**
 - Shifting to a green, circular economy
 - Safeguarding natural capital
 - Tackling key sectors: food, buildings, mobility
- **A shared responsibility of the EU and MS level**
 - Governance and monitoring under Europe 2020

Greening the economy for future competitiveness



- ✓ *Reducing the total material requirements by 17-24% can lead to boosting GDP by up to 3.3% and creating 1.4 -2.8 million jobs*
- ✓ *Potential gains for businesses of between 3 and 8% of turnover by using resources more efficiently*

✓ **EU initiatives:** EU 20/20/20 targets, agricultural, fisheries and cohesion policy reform, Horizon 2020, Industrial Policy Update, EIPs on raw materials, energy performance of buildings, smart cities and agriculture, Eco-design, Eco-labelling, SMEs and green entrepreneurship, Urban Mobility Package, etc.

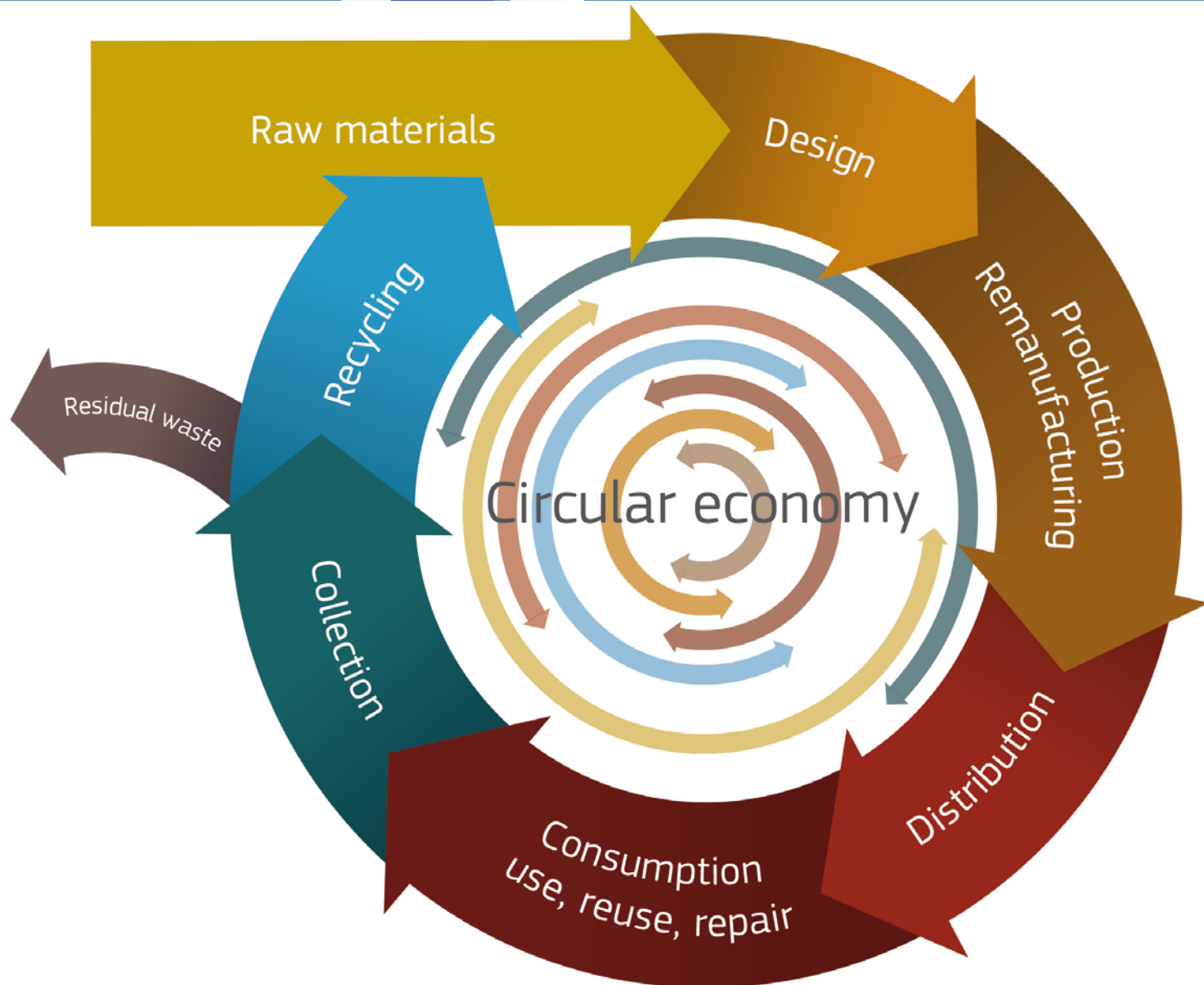
European Resource Efficiency Platform

Recommendations: June 2013

1. Set **objectives**, measure and report progress
2. Improve information on environmental and resource impacts for **decision making**
3. Phase out **environmentally harmful subsidies**
4. Moving towards a **circular economy** and promoting high-quality **recycling**
5. Improve resource efficiency in **business-to-business** relations
6. Taking forward a coherent, resource efficient **product policy** framework
7. Deliver a stronger and more coherent implementation of **Green Public Procurement**
8. Develop instruments for **SMEs**

The circular economy

- A package adopted in July 2014:
"Towards a circular economy: a zero waste programme for Europe"
- To replace the old linear model:
"take-make-consume and dispose"
- With actions like:
"reduce, reuse, recycle, substitute, safeguard, value....."



Circular Economy Package

Specific
waste
challenges

Waste target
review

Enabling
Framework

Resource
Efficiency
target

Resource Efficiency Platform recommendations

- Marine litter
- Sustainable buildings COM
- Sustainable food – incl. impact assessment

- Legislative proposal
- Impact assessment
- Fitness check (packaging)

- Green employment initiative
- SME's green action plan
- Progress report on RE Roadmap

- Analysis of the impacts

An enabling framework

- ***Design and innovation***

Horizon 2020: large scale innovation projects, skills development, market application and partnership; a coherent product policy, Eco-design; cascading use of biomass

- ***Unlocking investment***

Environmental taxation, innovative financial instruments, accounting rules, fiduciary duties; resource stress tests, potential of the bonds market , GPP and European Funds

- ***Harnessing the role of business and consumers***

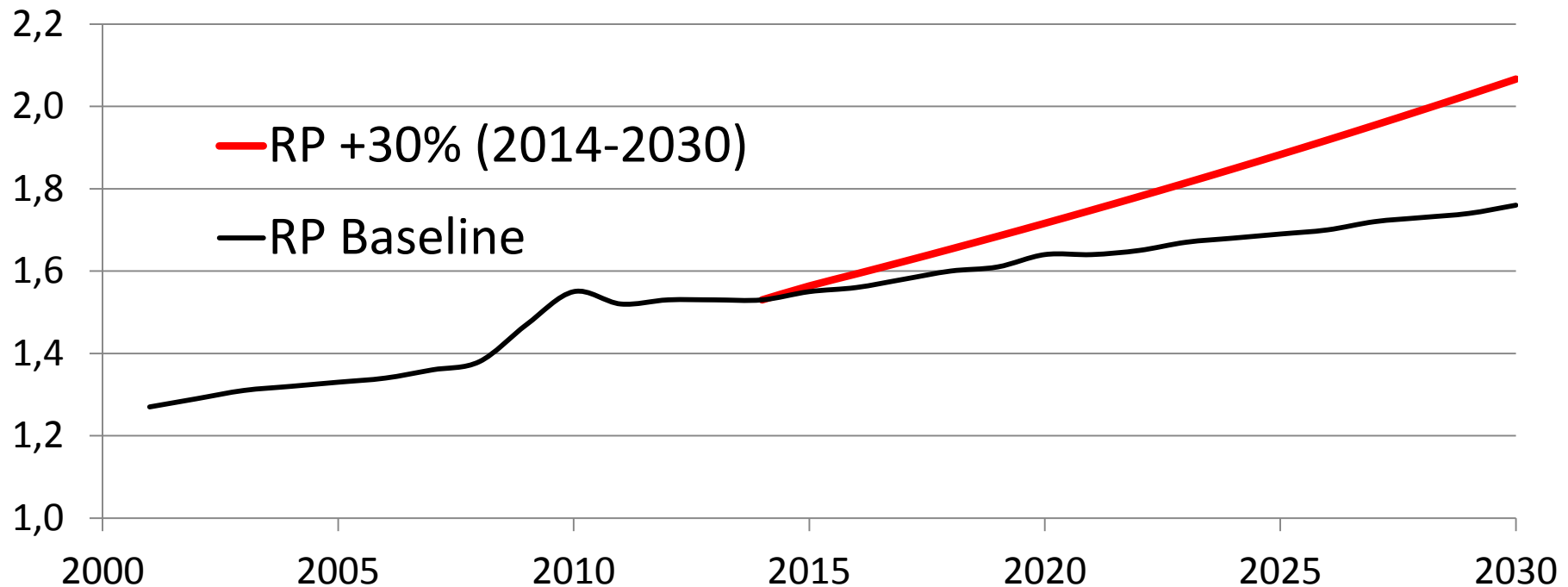
Building on the Environmental Footprint pilots, broad stakeholder cooperation under Horizon 2020, action on SMEs and green employment

- ***Towards a recycling society – waste as a resource***

Waste targets review, phasing out landfilling of recyclable waste, work with Member States on implementation, extended producer responsibility, marine litter, food & construction waste

- ***A resource efficiency target***

A possible EU resource efficiency target



- ✓ Improving resource efficiency by 30% can create 2 million jobs and boost GDP by 1% vs. business-as-usual (+15%)
- ✓ Potential gains for businesses of between 3 and 8% of turnover by using resources more efficiently



A New Commission: a new Agenda for Jobs, Growth, Fairness and Democratic Change

Commission President Juncker's letter to Commissioner Designate Vella:

- "Ensuring the sustainability of our environment, the preservation of our natural resources [...] are key policy objectives requiring action at all levels. [...] Protecting the environment and maintaining our competitiveness can go hand-in-hand, and environment policy also plays a key role in creating jobs and stimulating investment"



Green Action Plan for SMEs (2014)

Draws together **new or revised EU level action** that promote resource efficiency and circular economy among SMEs (information, capacity building, promoting cooperation and networking, direct financing, facilitating access to finance, etc.)

Positive agenda: focus on **competitiveness and business opportunities**

- To improve SME resource efficiency as a driver of companies' competitiveness.
- To enable SMEs to turn environmental challenges into business opportunities by improving productivity and reducing costs.



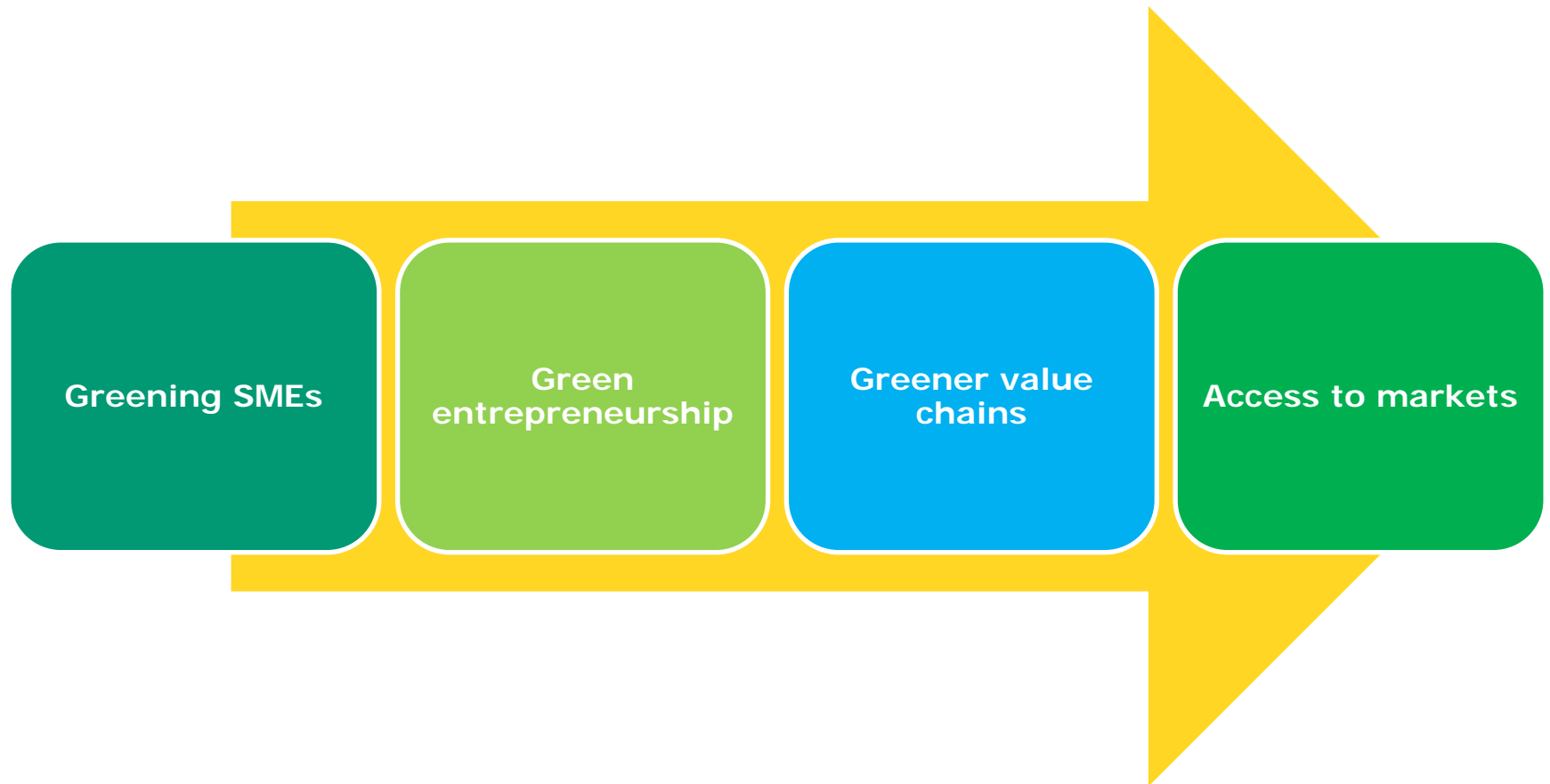
Context

- SMEs are aware and practice resource efficiency action and present in green markets but less than large companies (or less than US SMEs)
- 93% are taking at least one action to be more resource efficient which, in most cases, is a low-cost action
- 25% are using an environmental management system in comparison to 48% of large companies
- 26% report that they offer green products or services
- 12% have bid for a public procurement tender that included environmental requirements, with 7% successful in their bids.
- 87% of SMEs that sell green products /services do so only on their national market

Eurobarometer Survey 2013: "SMEs, Resource Efficiency and Green Markets"

http://ec.europa.eu/environment/resource_efficiency/index_en.htm

Structure of the Green Action Plan





Action for capacity building:

- Establishment of a **European Resource Efficiency Excellence Centre** (COSME Work Programme 2015) and development of a resource efficiency **self-assessment tool**
- Information on drivers and obstacles through further **Eurobarometer** surveys and study into the SME aspects of circular economy
- Reinforce the resource efficiency element in the **Enterprise Europe Network** (EEN): e.g. European Resource Efficiency Campaign, awareness raising activities, advisory services, technology transfer database, transversal Resource Efficiency Sector Group, etc.)
- Strengthen environmental issues in the workstream on **clusters**, e.g. through the Cluster Excellence Programme (COSME 2014-2020), European Cluster Observatory, European Strategic Cluster Partnership, cluster matchmaking sessions, alliance building on internationalisation, etc.



Action on finance:

- **Horizon 2020** funds eco-innovative SMEs to develop, grow and internationalise including through collaborative R&D actions.
- The **LIFE programme** will promote the uptake of the circular business models and resource efficiency practices in SMEs.
- The financial instruments under **COSME** will support SMEs to eco-innovate, introduce energy and resource efficiency actions and internationalise.
- The **European Investment Bank** (EIB) will provide financing through financial intermediaries for resource efficiency improvements linked to ecosystem services and climate change adaptation with the Natural Capital Financing Facility (NCFF).
- **Private Finance for Energy Efficiency instruments** (PF4EE) can support SMEs undertaking small energy efficiency investments.
- A **network and community of public and private financiers and investors** that support eco-innovation will be established.
- **European Regional Development Fund** (ERDF) includes possibilities for investments in competitiveness, energy efficiency and renewable energy use in SMEs.
- Guide for Managing Authorities of the **European Structural and Investment** Funds to support resource efficiency in SMEs



More information

http://ec.europa.eu/environment/resource_efficiency/index_en.htm

<http://ec.europa.eu/environment/circular-economy/>

http://ec.europa.eu/enterprise/policies/sme/public-consultation-green-action-plan/index_en.htm