



GreenEcoNet Annual Conference Brief

“Growing a sustainable EU economy through SMEs: Boosting jobs, growth and entrepreneurship”

Brussels, CEPS, 27 May 2015

Keynote speech by Mr Kurt Vandenberghe

Following the introduction by the chair (Vasileios Rizos, Researcher, Centre for European Policy Studies - CEPS), Mr Kurt Vandenberghe (Director, DG Research & Innovation of the European Commission) underlined the importance of reinforcing the existing synergies between economic growth and the decarbonisation of the economy: "the greening of economy and growing go together". This process is already taking place considering that resource management sectors rose by 5% even during the economic crisis, while nine out of ten SMEs have undertaken resource efficiency measures and 42% of them have one full time or half “green” employee.

Higher levels of resource productivity and efficiency are indispensable for a sustainable growth, especially in the wake of megatrends such as the ever-growing middle-class. Hence, one of the key questions of the 21st century will be the progress made in resource efficiency and eco-innovation - an area in which the EU is a leader.

The question today for policy makers at European level is what can we do to accelerate the transition to green growth? It would be crucial to give a reasonable perspective on returns for those SMEs (and public authorities) which invest in green innovation. To achieve this, the availability of EU funds (such as the Horizon2020, which dedicates around 20% of its fund to SMEs) should be coupled with innovative financial mechanisms (the EIB is set to play a key role).

Moreover, a broader, systemic approach is needed, including:

- Governance and regulatory innovation;
- Technological and skills innovation;
- Social innovation.



In this context, it is crucial to have projects such as GreenEcoNet, which helps to identify and disseminate business opportunities to SMEs and raises awareness among policy makers and politicians.

Achievements so far and priorities for the third year of the GreenEcoNet project

The GreenEcoNet project coordinator, Mr Corrado Topi (Senior Research Fellow, University of York – Stockholm Environment Institute), presented the project's background and achievements during the first two years. The main achievements have been: mapping of SME stakeholders in partner countries, a classification of potential users of the platform as well as of actors, practices and initiatives towards the green economy, collection of best-in-class case studies and other information to populate the website, and development of the website launched in June 2014. He furthermore emphasised the importance of connecting SMEs with policy makers and research centres. In this context, project, Mr Topi announced the preparation, during the next project year, of Policy Briefs addressed to European policy makers. He also discussed the widening of the geographical scope of GreenEcoNet, and the launch of a new functionality on the website through which SMEs will be able to market their green services and products; but also to partner with other green SMEs to supply large procurement contracts from public contractors and large corporations in need of green solutions.

Thematic topic: Growing a sustainable EU economy through SMEs: Boosting jobs and entrepreneurship

Summary of discussion held

Following the introductory comments made by Mr Corrado Topi, Mr Patrice Liauzu (Senior adviser, European Investment Bank - EIB) underlined that SMEs are becoming the priority for EIB and the European Investment Fund as altogether the EIB Group contributed around € 28 billion for SMEs in 2014. In his opinion, a diversification of financial instruments for SMEs including green SMEs, through a product mix of loans, risk-sharing instruments (e.g: guarantees) and equity would contribute to narrow the financial gap hindering the development of SMEs in the EU. Funds for smaller SMEs is of special importance for SMEs involved in energy efficiency and renewable energy projects and he referred to a facility blending EIB loans at attractive rates channelled through participating intermediaries with grants from the European Commission¹. Mr Peter Czaga (Policy Officer, DG Environment, European Commission) was keen to highlight the importance of creating "an enabling environment", i.e. a range of policies and regulatory frameworks easing the development of green SMEs. The Green Action Plan for SMEs and the new Circular Economy Package are important steps towards this direction. Mr Czaga highlighted that the new Circular Economy Package will further widen its areas of intervention to focus besides waste management on issues such as products and product design, material and technical designs. Mr Czaga also remarked that the GreenEcoNet platform is a very good tool to disseminate information among green SMEs. Mr Franz Brudl (Advisor, Austrian Economic Chambers) shared with participants

¹ <http://www.eib.org/projects/priorities/climate-action/green-initiative.htm>.



the experience of green SMES in the Austrian economy; and discussed the possibility to measure through indicators the "greenness" of SMEs. Mr Brudl highlighted the role of GreenEcoNet as an important support mechanism for the transition to the green economy. Finally, Mr Daniel Coulon (Managing Director, Techniwood International) presented Techniwood International, a French SME founded in 2010. Techniwood builds new factory-prefabricated construction panel systems from wood, minimizing waste during construction works. The SME created 40 jobs directly and 180 jobs indirectly. Mr Coulon emphasized that the two major barriers for their further development are the access to capital on the one hand and regulation on the other hand. For instance it took 3 years for Techniwood to obtain the necessary certifications in France.

Key messages

- There is a need to create an "enabling framework" both at the EU and the Member States level to ease the development of SMEs;
- Financial innovation and diversification of financial instruments should be top priorities to narrow the financial gap hindering the development of SMEs;
- The development of indicators measuring the "greenness" of SMEs could be a useful tool both for policy makers and the SMEs themselves;
- Regulation should not be a barrier but rather a facilitator for the development of SMEs;
- Information and dissemination - through platforms such as GreeEcoNet - is crucial.

