



ECO-INNOVATION
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CIP Eco-Innovation Call: Market Replication Projects Overview

**Eco-innovation, EACI, European Commission
Beatriz Yordi, Head of Unit**

Market Replication Eco-Innovation and Intelligent Energy

Green Week – Brussels – 25 June 2009



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A planet in peril

- Greenhouse Gas Emissions
 - ▶ 2,5 – 3 fold increase by 2050
- Metals and minerals consumption
 - ▶ 35% - 40% growth in next 10 years
- Extinction of species from **50 to 1000** times faster than natural processes

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The Challenge

- Towards an energy and resource efficient economy
- Reduce environmental stress in growing economy
- Transfer environmental challenges into economic opportunities

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Global opportunities

- 2 million new jobs in EU in the renewable energy sector alone by 2020
- EU global market share above 30% in environmental goods and services



What is eco-innovation?

- New services: **greening businesses**
- New processes: **cleaner production**
- New management methods
- New technologies and products

« All forms of innovation reducing environmental impacts and/or optimising the use of resources »



Barriers to eco-innovation

- **Economic barriers:** wrong price signals, difficult access to funding;
 - **Regulatory barriers:** technology prescriptive standards, IPR in developing countries
 - **Lack of information, of business and consumer awareness, of training in some sectors**
- **Eco innovation is a policy response to environmental problems, but also contributes to the creation of business opportunities**



Political Momentum

- **REAFFIRMS** the importance of environmental technologies as one of the fastest growing markets ... and **STRESSES the need to integrate eco-innovation into all relevant policies**
- **LOOKS FORWARD TO** an early presentation by the Commission of its review of the Environmental Technologies Action Plan...and **EMPHASISES the importance of targeted actions**, such as the transfer of, and access to, environmentally sound technologies... **ENCOURAGES the Commission to examine regulatory frameworks, as well as regulatory barriers and market failures** that may hamper the uptake of environmental technologies and further innovation;

Environmental Council (March 2nd, 2009)

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EU Action Plan

What is ETAP

- ETAP is the EU “Environmental Technologies Action Plan” to stimulate eco-innovation and the take-up of environmental technologies on a broad scale
- Launched in 2004

Why ETAP

- Environmental Technologies have the potential to reduce pressures on natural resources and boost EU competitiveness
- But barriers hinder their development and uptake (i.e. **financing** and **knowledge barrier**)
- EU action is needed, together with action at national and local levels

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Environmental Technologies Action Plan

- **Focussing R&D programmes and Technology Platforms**
- **Review of state-aids**
 - ▶ Eco-innovation receives special attention
- **Boosting confidence in performance**
 - ▶ Environmental Technology Verification
- **Promoting innovation in promising areas**
 - ▶ Lead Markets in Recycling, Bio-based products, Sustainable Construction, Renewable Energies
- **Funding for technology commercialisation**
- **Cooperation with Member States**

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Recent policy responses

- Energy & climate change package (2008)
- Sustainable Production and Consumption Action Plan and Sustainable Industries Policy (2008)
- Raw Materials Initiative (2008)
- Economic Recovery Package (2008)
- Reviews of Sustainable Development Strategy and Strategy for Growth and Jobs (2009)
- Review of ETAP



Outlook

- **Economic Recovery Package**
 - Speed up the shift towards a low carbon and resource efficient economy
- **Adaptation to Climate Change**
 - Likely aggravation and extension of existing problems – scarcity, floods
 - Opportunity for innovation
- **Review of ETAP**
 - 2009 review of 5 years implementation
 - Assess the mix of instruments – link to Economic Recovery Plans





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Creating demand:

- Public procurement: 16% of GDP, 40% of procurement
- Developing common criteria for green procurement
- *'Aiming to achieve by 2010 an EU average level of Green Public Procurement equal to that currently achieved by the best performing Member States'*



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DG Environment
European Commission



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Leveraging Financing

- CIP: **new funding programme (€3.6 billion 2007-2013)**
- **€433 million to support eco-innovation in SMEs:**
 - ▶ **High Growth and Innovative SME Facilities**
 - ▶ **Pilot and market replication projects**
 - ▶ **Networking of actors**





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Market replication initiative under the CIP

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Who are we?



<http://ec.europa.eu/eaci>



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What do we do?



MARCO POLO
NEW WAYS TO A GREEN HORIZON



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Business Support on Your Doorstep



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First Application and Market replication projects ~€195 million (2008-2013)

Good for business, good for the environment

- Support the first applications and market uptake of innovative products, processes and services
- Aim at bridging the gap between Research & Development and commercialisation
- Remove obstacles to the wide application of eco-innovation
- Create and enlarge markets, with a strong emphasis on SMEs
- It is run by the EACI in close cooperation with DG Environment

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Main client: SMEs



- **23 million SMEs in the EU**
- **The backbone of the European Economy**
- **Causing 60-70% of the EU's industrial pollution**

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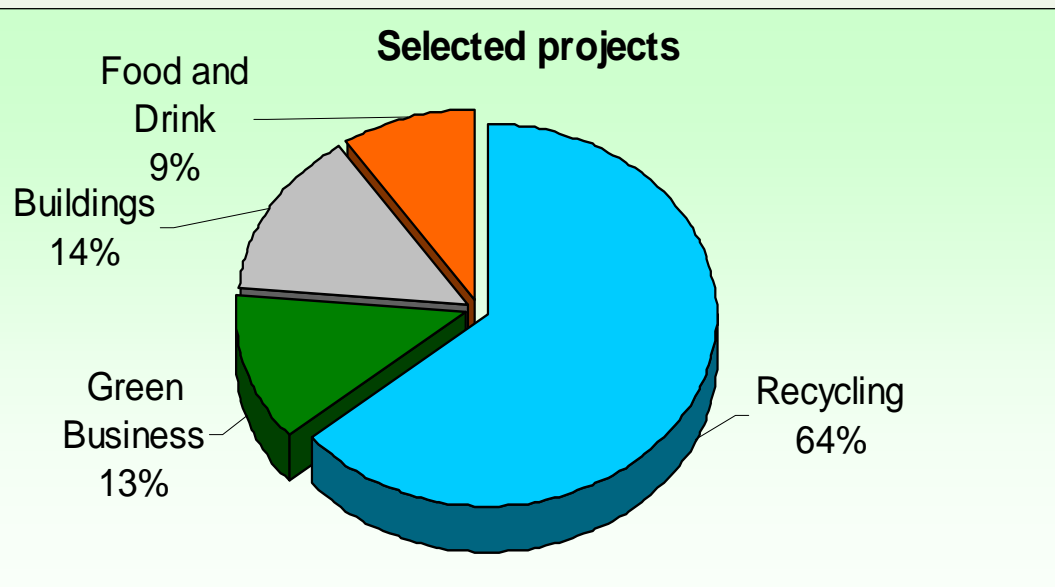


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2008 call by sector



- 44 out of 134 project proposals selected
- €28 million EU funding to mobilise €60 million

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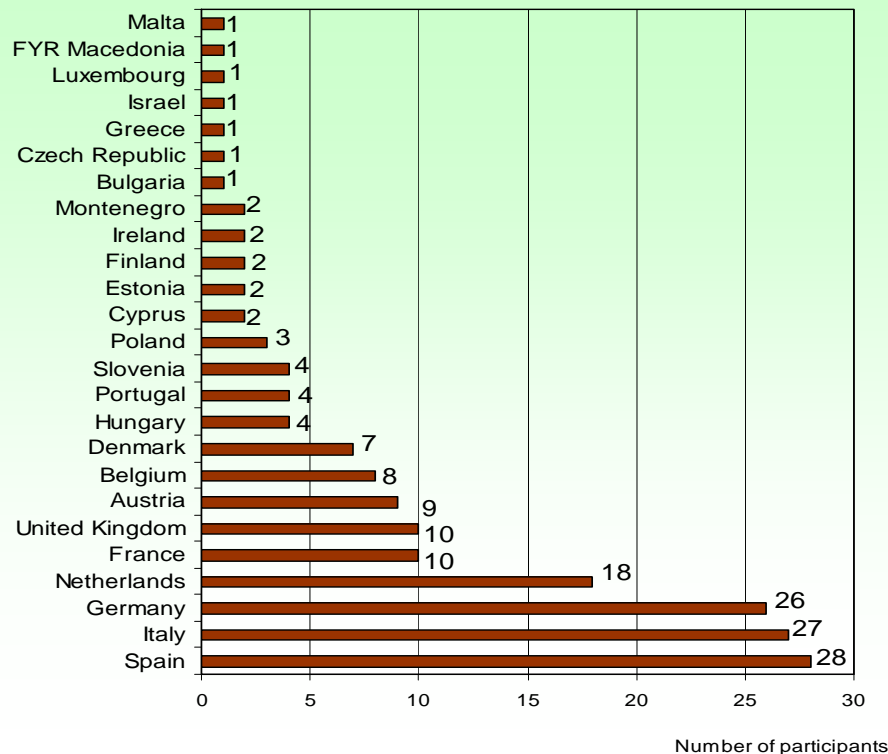
<http://ec.europa.eu/environment/etap/ecoinnovation>



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2008 call by country and organisation type

Countries involved in approved projects



- 175 partners in total
- 75% SMEs
- 90% private sector participation
- 26 countries involved

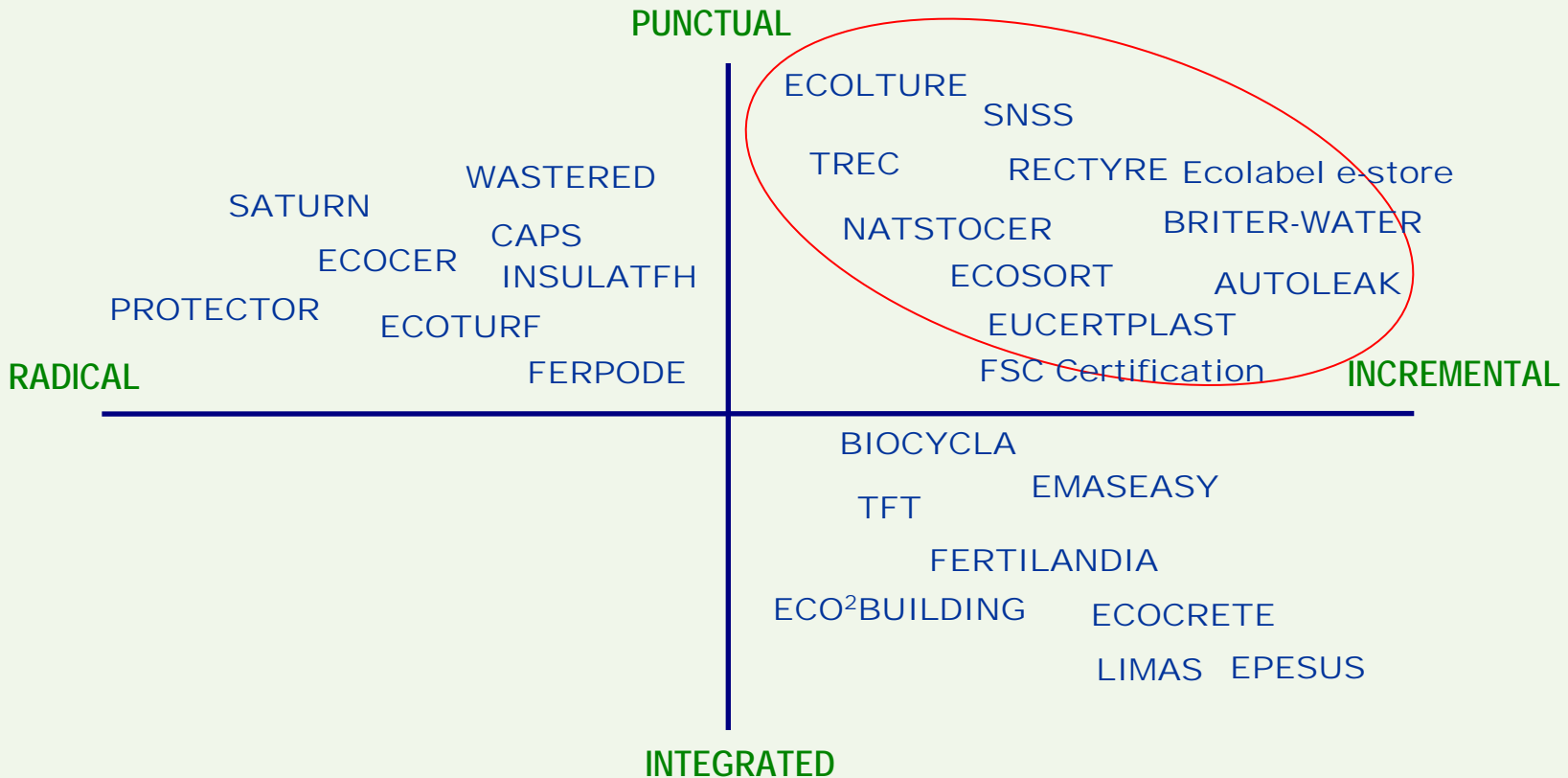
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Typology of Innovation – Selected Sample



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Call for proposals 2009: Main priority areas

- **Materials recycling: (Please see call text for further details)**
- Better sorting processes and methods for waste materials, construction waste, commercial/industrial waste, potential recyclables or recyclable waste from electrical and electronic equipment and end-of-life vehicles.
- Innovative products using recycled material or facilitating material recycling, matching international products' standards, advanced design requirements and high quality consumer needs.
- Business innovations to strengthen the competitiveness of recycling industries, such as new market structures for recycling products, supply chains or harmonised manufacturing and recycling processes.

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Call for proposals 2009: Main priority areas

- **Buildings: Please see call text for further details)**
- Innovative building products aimed at a more rational use of natural resources and a reduced environmental impact, including materials and manufacturing processes.
- Reusing and recycling of construction and demolition wastes that significantly reduce the need for landfill sites and further mineral extraction.
- Innovative water systems, including water saving, re-use of natural waters, rain water collection and re-use, or green roofs.

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Call for proposals 2009: Main priority areas

- **Food and drink sector: (Please see call text for further details)**
- **Packaging methods and materials, processes and services aiming at higher resources efficiency.**
- **Full raw material utilisation in the food sector, which increases resource efficiency and productivity, reduces bio-degradable waste, and supports the transition to a bio-based economy.**
- **Improved efficiency in the water consumption of a process or improved eco-efficiency of water management.**
- **Services aiming at reducing the environmental impact of consumption of food and drinks, such as services addressing packaging, distribution and purchasing decisions.**

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Call for proposals 2009: Main priority areas

- **Greening business and smart purchasing: (Please see call text for further details)**
- **Innovative approaches to EMAS including increased resource and energy efficiency and biodiversity aspects or simplifications (such as EMAS Easy) in industrial clusters or districts of SMEs, using specific cluster or supply chain approaches.**
- **Supporting and implementing products and services that will decrease environmental impacts, following the principles of Integrated Product Policy and on the basis of the life cycle approach.**
- **Implementing and enhancing the use of environmental criteria (based on the European Eco-label or other accredited label/certification) for purchasing decisions of enterprises (i.e. greening supply chains; implementing innovative approaches to procurement)**
- **Greening of production, supporting environmental, innovative processes with a high replication factor.**

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