EUROPEAN CLUSTER COLLABORATION PLATFORM

Green Transition Support: Energy and resource efficiency in EU businesses

Summary

EU CLUSTERS TALKS

EU Clusters Talks
29 November 2023, 8:30 − 9:45 CET

An initiative of the European Union

Green Transition Support: Energy and resource efficiency in EU businesses

The European Cluster Collaboration Platform organised this EU Clusters Talk on 29 November, 8:30 – 9:45 CET, to present the Green Transition Support service and learn first-hand about green practices by frontrunners from different sectors.

Agenda of the meeting

Moderation: Jennifer Baker

1. News from the European Cluster Collaboration Platform
   Nina Hoppmann, team member, European Cluster Collaboration Platform
2. Circular Economy Action Plan & tools for SMEs to adopt sustainable business models
   Sarianne Tikkanen, Policy Officer, DG ENV, European Commission
   Mirabela Lupaescu, Policy Officer, DG ENV, European Commission
3. Green Transition Support
   Jannis Lambert, Prognos, team member of the European Cluster Collaboration Platform
4. Panel debate
   Adam Priechodský, Project Manager, Autoklastr
   Ander Elgorriaga Kunze, Strategy and Innovation Head, Ihobe - Basque Environmental Agency
   Fabrizio Guarrasi, European Project Manager, Lombardy Energy Cleantech Cluster
   Rita Moura, President, Cluster AEC
5. Funding opportunities
   Nina Hoppmann, team member of the European Cluster Collaboration Platform

Key messages

- There are different support programmes and tools available to SMEs on European, national, and regional level, including the Eco-Management and Audit Scheme (EMAS).
- The sectors handle the green transition differently. Recycling and life-cycle thinking are core concepts.
- There is no one-size-fits-all solution, but we need customised approaches according to sector and size of the company/organisation.
- Digitalisation is critical for conceptualising and implementing solutions to save energy and resources.
- Clusters can support with working groups, exchange of good practices, audits, collaboration with governments, and making connections to different sectors.

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1. News from the European Cluster Collaboration Platform

Nina Hoppmann, team member, European Cluster Collaboration Platform

After the introduction by moderator Jennifer Baker, the following news item were presented:

1. Invitation to apply for the Cluster Booster Academy.
2. Open call to host the next "Clusters meet Regions" events in 2024/2025.
3. Share feedback and topic suggestions for the EU Clusters Talks via the open survey.

2. Circular Economy Action Plan & tools for SMEs to adopt sustainable business models

Sarianne Tikkanen, Policy Officer, DG ENV, European Commission

Mirabela Lupaescu, Policy Officer, DG ENV, European Commission

Sarianne Tikkanen presented the European Union's **Circular Economy Action Plan**, which was adopted in 2020. It aims to reduce the environmental footprint of consumption and production and increase the circular material use rate. It has three focus areas: **Sustainable product policy framework, key value chains, and waste management and reduction**. The sustainable product policy framework involves creating a regulatory environment where sustainable and circular products become the norm. The plan targets specific sectors critical in their use of natural resources and with high potential for circular practices, such as electronics, batteries and vehicles, packaging, plastics, textiles, furniture, construction, buildings, and the food sector. Additionally, it includes actions to create less waste and add more value to products. It total, the Circular Economy Action plan has 35 actions, most of which have been adopted between 2020 and 2023. The goal is to integrate these actions into the key value chains to have a significant impact. The plan also includes legislative proposals and revisions of existing directives.

Sarianne Tikkanen highlighted two specific regulations which are of interest to clusters. The **Eco-design Directive** to make sustainable and circular products the new norm in the EU market by 2030 is expanded to cover more products, setting requirements for durability, repairability, recyclability, and resource use. The **EU Strategy for Sustainable and Circular Textiles**, aiming to make fast fashion outdated and reduce the environmental footprint of textiles, proposes actions for the entire lifecycle of textile products. This involves design requirements, the digital product passport for transparency, and extended producer responsibility.

Going from the policy framework to support tools for SMEs, Mirabela Lupaescu presented the **Eco-Management and Audit Scheme (EMAS)**. It is a voluntary environmental management tool for organisations, including SMEs, to optimise production processes, reduce environmental impact, and use resources effectively. EMAS involves assessing environmental impacts, setting voluntary targets, and publishing an annual environmental statement in the EU register. More than 4,000 organisations are registered all over Europe, of which 70% are SMEs. Mirabela Lupaescu explained that they can **benefit** from energy and resource savings, expanded market opportunities, employee involvement, stronger stakeholder relations, regulatory relief, and publicly available environmental statements.

3. Green Transition Support

Jannis Lambert, Prognos, team member of the European Cluster Collaboration Platform

Jannis Lambert presented the **Green Transition Support**, a service provided by the European Cluster Collaboration Platform. The primary aim of this support is to assist intermediaries, like cluster organisations, resource or energy efficiency support providers, and other multipliers, in aiding businesses to overcome challenges related to the green transition.

He explained that the support tool is embedded in the [ECCP website](#), focusing on key topics such as **energy efficiency, resource efficiency, and emission reduction**. It is designed not directly for businesses but for intermediaries who support the transition at the regional level. It offers **good practices, tools, news and a network**. The good practices database contains over 600 practical examples demonstrating successful implementation of green solutions across Europe. Users can search by keyword, sector, or environmental topic, and find detailed descriptions, including investment costs and payback times.

The Green Transition Support also includes an **industrial synthesis toolkit** offering a step-by-step guide and practical methods for implementing green concepts. Additionally, users can find updates on green topics, news, upcoming events, and open calls related to green initiatives. Jannis Lambert encouraged contributions of examples, news, events, and tools from various regions. This collaborative approach aims to enrich the database and promote regional activities. Members of the ECCP community are invited to make use of the good examples, share their own, and connect to benefit all actors working in the field of green transition in Europe.

4. Panel debate

The speakers discussed how different sectors are engaging with the green transition, emphasising the importance of collaboration, innovation, and the practical application of sustainable practices.

The speakers agreed that the green transition is closely **linked to the digital transition**. Adam Priechodský mentioned how his cluster is helping these SMEs adapt to new technologies, especially AI, to enhance production efficiency and reduce energy consumption. His cluster collaborated with a state government organisation for technology incubation, which helps identify startups that can aid in optimizing production processes. By integrating **AI**, one company managed to save up to 20% of production time on their line, leading to significant energy and CO_2 savings. Fabricio Guarrasi gave the example of a **self-assessment tool** used within their member organisations. This tool serves as a starting point for companies, especially SMEs, to become more aware of their energy usage and identify areas for improvement. Rita Moura discussed the critical role of digital tools in managing the complexity of modern building projects, particularly when multiple organisations and businesses are involved. The **Building Information Modelling (BIM)** allows for the creation of digital representations of physical and functional characteristics of buildings. This modelling facilitates better decision-making throughout the building lifecycle. Additionally, AI and machine learning can predict the outcomes of changes in design or construction processes and their impacts on the building's lifecycle. Companies also implement digital twins for monitoring, maintenance, and facility management. By embedding

sensors in buildings, real-time data can be collected and analysed, further enhancing the efficiency of building management.

The speakers described who **sectors are dealing with the green transition differently**. The automotive industry, traditionally reliant on manufacturing processes, faces challenges in embracing green transitions smoothly. The key areas here are reducing water usage, energy consumption, and waste. Furthermore, the demand patterns for materials have shifted, impacting suppliers at various tiers. For example, there is an **increasing demand for recycled plastic materials** in the automotive industry. This shift poses challenges for SMEs, which find it difficult to understand and adapt to using recycled materials alongside or in place of raw materials. For the construction sector, Rita Moura highlighted the importance of designing buildings with the future in mind, ensuring that components can be reused. Rita stressed the need to use more sustainable materials like biomaterials and wood, energy-efficient designs, and the necessity for the construction sector to **engage with other industries**, such as natural resources and textiles. This collaboration aims to integrate diverse materials and innovative practices from these sectors into construction. A significant focus is on recycling existing constructions. The speaker mentioned the need to repurpose materials from buildings that are being demolished and to use these materials in new constructions. Additionally, we need to rethink the design and planning of buildings, which needs to be done in a way that their components can be reused in their original form in future constructions, much like a modular system.

Audits can help identifying opportunities for energy, water, and waste reduction. Autoklastr conducted an "environmental scan" in companies, which involves experts visiting companies and, after a day of evaluation, providing actionable recommendations for improvements in areas like water use, energy, waste management, and the use of recycled materials.

The speakers agreed that **start-ups** can bring agility and new solutions to the industry that can help with the green transition. Fabricio Guarrasi highlighted the importance of connecting research with business, and the critical role startups play in bringing innovative solutions to larger enterprises. Rita Moura made the case for **long-term partnerships** between companies. For the construction sector, she suggested a shift in building design from a product-based approach to a service-based approach. This would mean that suppliers are responsible for the circular maintenance and eventual replacement or upgrading of components. This approach means engaging in long-term service relationships where suppliers are responsible for the lifecycle management of the building components they provide. Ander Elgorriaga Kunze highlighted the importance of considering the **full lifecycle of components** in the supply chain, giving the example of from the white goods sector. Companies have started reusing functional discarded components in new production. By salvaging parts like induction hubs, which contain valuable materials, companies can repurpose them instead of purchasing new materials.

Fabricio Guarrasi empashsised that good practices to save energy and resources can vary depending on whether the business is a large enterprise, an SME, a late-stage business, or a startup. The approach to energy efficiency is not a one-size-fits-all but rather involves a **combination of different actions tailored to the needs of each business**. Therefore, the cluster has an internal working group focused on areas like energy communities and energy efficiency. These groups comprise municipalities, companies, startups, and research institutions, facilitating knowledge sharing and learning from each other's experiences. Ander Elgorriaga Kunze agreed that for large companies, especially multinationals, the primary role in sustainability is through green supply chain management. These companies have been encouraged to integrate lifecycle thinking into their policies and strategies. SMEs

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often require a clear and immediate need before taking action. He defended a **customised approach for different sectors and company sizes**. The effectiveness of programmes and strategies to promote sustainability varies based on the company's size and the sector in which it operates.

Ander Elgorriaga Kunze discussed the importance of translating EU circular challenges into regional drivers that are easy for companies to understand and the need for close dialogue and collaboration between the public and private sectors to make meaningful progress in sustainability. He described **various support programmes and instruments** developed by his government. The Green Supply Chain Management initiative involves collaboration with 18 large multinational corporations to drive SMEs towards a circular economy and improve efficiency. By integrating green practices into the supply chain, these multinationals are playing a pivotal role in influencing and enabling smaller companies to adopt sustainable practices. Another support programme is designed to be fast, flexible, and closely aligned with the needs of SMEs. With funding caps at around €30,000, these one-year projects are tailored to be accessible and practical for smaller companies. He also explained the tax deductions for clean technologies, which exists in the Basque Country. They developed a clean tech list, inspired by similar initiatives in the Netherlands, which offers tax deductions of up to 30% on clean technologies, focusing primarily on energy, emissions, and the broader circular economy. Fabricio Guarrasi also advocated for the collaboration with major industrial associations to communicate and distribute subsidies at national and regional levels. This helps businesses, particularly SMEs, access financial support to implement energy-efficient practices. Ander Elgorriaga Kunze concurred on the necessity of **public-private partnerships** and the critical role of clusters in facilitating these collaborations.

5. Funding opportunities

Nina Hoppmann, team member of the European Cluster Collaboration Platform

Closing the EU Clusters Talk, Nina Hoppmann shared the following examples of funding opportunities:

1. [Breakthroughs to improve process industry resource efficiency (Processes4Planet partnership)](); deadline 7 February 2024.
2. ['Innovate to transform' support for SME's sustainability transition](); deadline 7 February 2024.
3. [Technologies/solutions to support circularity for manufacturing (Made in Europe Partnership)](); deadline 7 February 2024.
4. Opportunities for SMEs: Calls from Euroclusters; published on [European Cluster Collaboration Platform]()

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