



European
Circular Economy
Stakeholder Platform



EU Policies related to the European Green Deal – an SME perspective

Dr. Arthur ten Wolde

Member of the European Circular Economy Stakeholder Platform (ECESP) Coordination Group on behalf of Ecopreneur.eu, the European Sustainable Business Federation



ecopreneur.eu

European Sustainable Business Federation



Contents

1. About the European Circular Economy Stakeholder Platform (ECESP)

2. EU Policies related to the European Green Deal

Overview, relevance for SMEs, examples of sustainable SME frontrunners, what is urgently needed for SMEs to mainstream sustainable business in the EU.



1. What is the ECESP?





ECESP Coordination Group members





2. EU Policies related to the European Green Deal

Perspective and examples from the membership of Ecopreneur.eu





EU Policy making

European
Commission



European
Parliament



European
Council



Proposed Commissioners linked to sustainability





EU Policies: Current situation (1)

- European Green Deal sustainability legislation adopted on emission trading, reporting, design, transparency, due diligence, deforestation, trade
- Strong resistance from political surge to the far right and conventional businesses
- EU not on track to meet the Green Deal, Paris and Sustainable Development Goals
- More is needed





EU policies: entered into force

- Ecodesign Sustainable Products Regulation (ESPR)
- Corporate Sustainability Due Diligence Directive (CSDDD)
- Corporate Sustainability Reporting Directive (CSRD) & European Sustainability Reporting Standards (ESRS)
- Nature Restoration Law
- Empowering Consumers for the Green Transition (ECGT)
- EU Deforestation-free Products Regulation (EUDR) - with 1 Year Delay
- Sustainable Consumption of Goods / Right To Repair Directive
- Ban on combustion cars by 2035
- Ban on intentionally added microplastics
- Duty on fast fashion from China
- Electricity Market Reform Regulation





Examples of sustainable SME frontrunners

From the Ecopreneur.eu membership



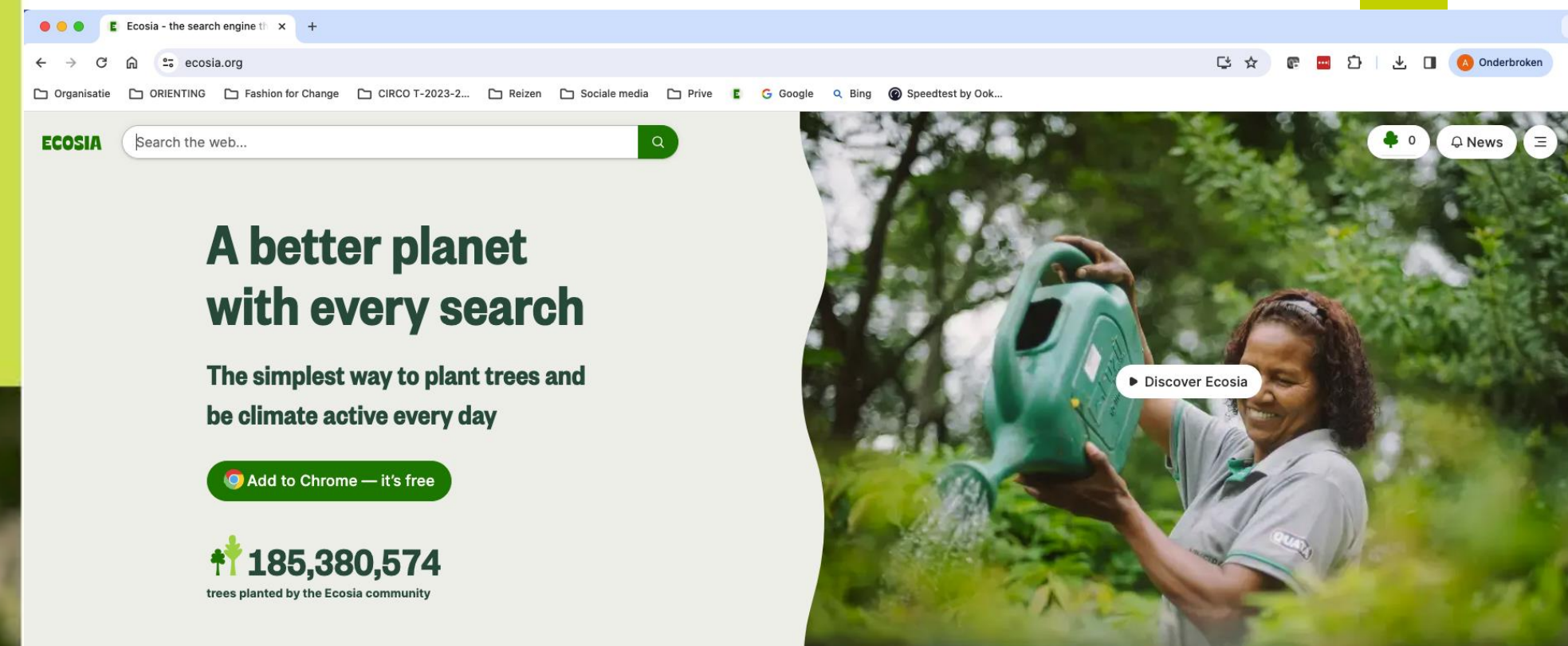
“If used clothes could be sold for low or zero VAT on a temporary basis, second hand fashion market companies would finally be rewarded for their efforts. Meanwhile, the unfair competition from fast fashion should be permanently eliminated by adding taxes and levies to these polluting products”

— Jolijn Creutzberg, Van Hulley



“ Ecosia is the internet search engine that plants trees. When it comes to sustainable SMEs and Green Public Procurement, I ask from the EU to put its money where its mouth is by being among the first — and not the last — to buy our products and services ”

— Wolfgang Oels, Ecosia



Make the switch to Ecosia

“ We sell reusable plastic-free lunchboxes from stainless steel. The public sector should set a good example with green public procurement by demanding sustainable products and services ”

— Violaine Dupuis, Tiffin



“ Our glass products for buildings are produced with consideration for the environment and people. Strict ecological criteria determining the award decision should be implemented in public tenders and procurement, both at national and EU level. Also, economic criteria putting SMEs at the disadvantage should not be allowed ”

— Franz Baumann, Baumann Glas



“Kalani’s household linen is both organic and fair trade. Ethical and ecologically responsible entrepreneurship deserves economic incentives and due diligence legislation to eliminate unfair competition”

— Bruno Van Steenberghe, Kalani



“ Our toothpaste tablets are 100% plastic-free, ecological and free from preservatives, artificial stabilisers and any other unnecessary ingredients. SMEs need a sustainable regulatory framework, but adapting to it needs to be as unbureaucratic and affordable as possible. Also, SME need easier access to funding from programmes such as EU LIFE ”

— Axel Kaiser, DentTabs





EU policies: continued proposals

- Green Claims Directive (GCD)
- Packaging and Packaging Waste Regulation (PPWR)
- Registration, evaluation, authorisation and restriction of chemicals (REACH) Regulation (Revision)
- Waste Framework Directive (Revision)
- Bioeconomy Strategy and Action Plan (Revision)





EU policies: new proposals

- Clean industrial Deal – within 100 days
- New Circular Economy Act – announced by Ursula von der Leyen
- Bioeconomy Strategy and Action Plan (Revision)
- European Sustainable Carbon Policy Package for the Chemical Industry

A	B	C	D	E	F	G	H	I	J
---	---	---	---	---	---	---	---	---	---

1 **EU Green Deal Legislation overview** COPYRIGHT Ecopreneur.eu

2 *Disclaimer: no claims can be based on the information in this overview.*

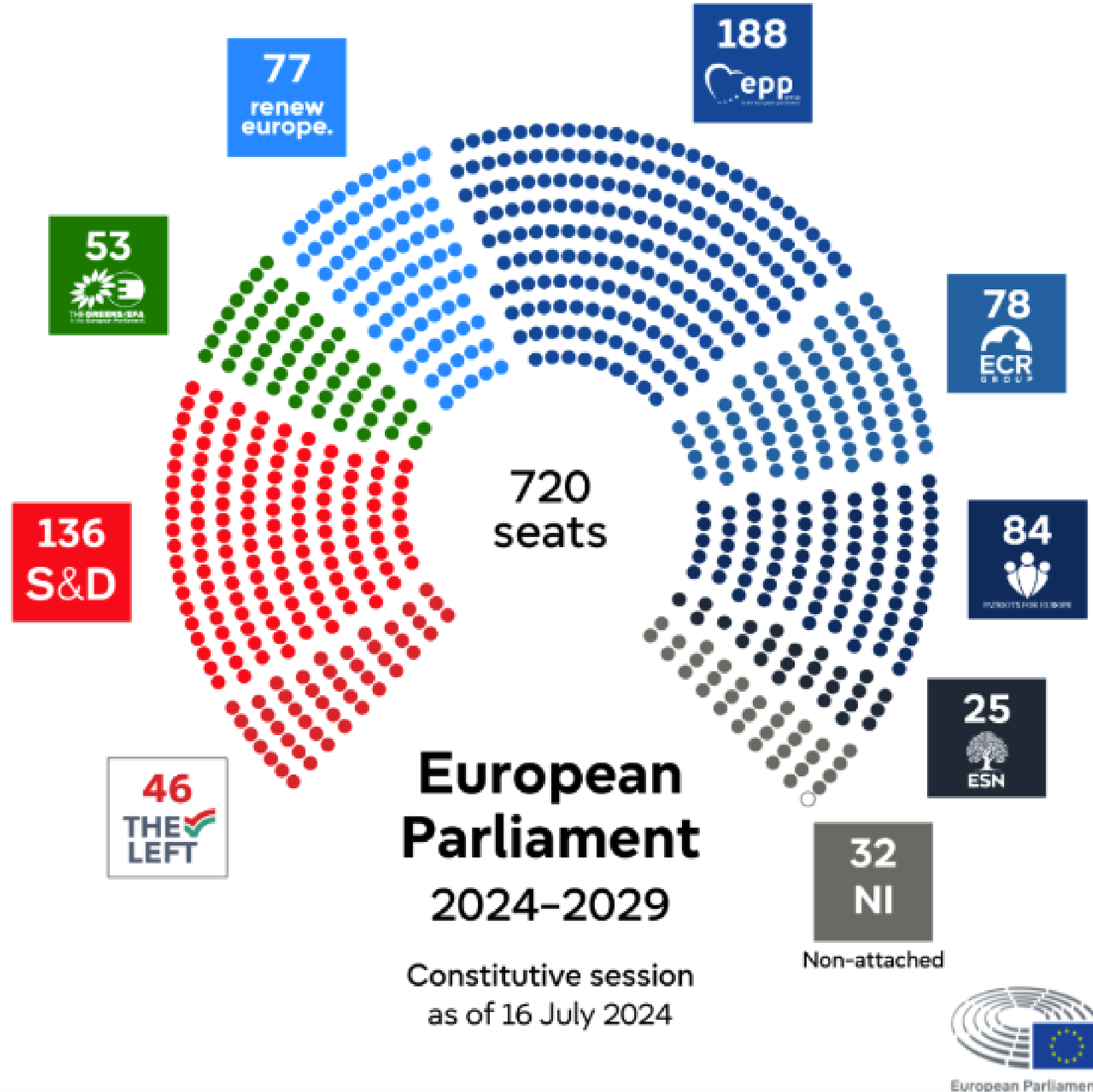
Abbreviation (if any)	Name	Type	Summary	Status	Last updated	Implementation year	Situation	Next steps / Timeline	Further information
-----------------------	------	------	---------	--------	--------------	---------------------	-----------	-----------------------	---------------------

15	CSRD	Corporate Sustainability Reporting Directive	Directive	Successor of the NFRD (Non-Financial Reporting Directive). EU law that requires all large companies and all listed companies (except listed micro-enterprises) to disclose information on what they see as the risks and opportunities arising from social and environmental issues, and on the impact of their activities on people and the environment.	In force	20240619	2024	Being implemented via ESRS and with support of the European Financial Reporting Advisory Group (EFRAG). Implementation will take place 2 years later for oil, gas & mining. The EFRAG Committee is finalising a draft standard for listed SMEs (LSME) and a voluntary reporting standard for non-listed SMEs Exposure Draft (VSME ED). EFRAG issued its first three non-authoritative ESRS Implementation Guidance (IG) documents: IG1 Materiality Assessment Implementation Guidance, IG2 Value Chain Implementation Guidance, and IG3 List of ESRS datapoints. EFRAG also issued new non-authoritative technical explanations on ESRS to respond to stakeholders' questions received through its Q&A platform.	To be transposed by all Member States into their national law by 6 July 2024. EFRAG will publish the LSME and VSME ED.	https://efrag.org/news/public-522/EFRAG-Releases-New-ESRS-Q-and-A-Technical-Explanation?mc_cid=0f32b883bd&mc_eid=891483f1da https://efrag.org/news/public-524/Finalization-of-Three-EFRAG-ESRS-IG-Documents-(EFRAG-IG-1-to-3)?mc_cid=0f32b883bd&mc_eid=891483f1da https://www.efrag.org/lab9 https://finance.ec.europa.eu/publications/reports-development-eu-sustainability-reporting-standards_en https://www.consilium.europa.eu/en/press/press-releases/2024/03/18/strategic-autonomy-council-gives-its-final-approval-on-the-critical-raw-materials-act/?utm https://www.globalreporting.org/search/?query=CSRD+Essentials
----	------	--------------------------------------------------------------	-----------	-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	----------	----------	------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

	PEF & OEF	Product and Organisation Environmental Footprint Methods (PEF en OEF)	Method	The methods, called Product Environmental Footprint (PEF) and Organisation Environmental Footprint (OEF), were published as an Annex to the Commission Recommendation on the use of common methods to measure and communicate the life cycle	Adopted	20240619	2021	In December 2021, the Commission adopted a revised Recommendation on the use of Environmental Footprint methods, helping companies to calculate their environmental performance based on reliable, verifiable and comparable information. PEF Category Rules (PEFCR) for	COM plans to launch a first public consultation on PEFCR for Hotel accommodation services in January 2025.	https://www.marinefishpefcr.eu/
--	-----------	---------------------------------------------------------------------------------------	--------	----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------	----------	------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------------------------------------------------------------------------------------------------------------	-------------------------------------------------------------------------------



EU Policies related to the European Green Deal – an SME perspective



Current situation (2)

- The centre has held: EPP, S&D and Renew still have a majority
- Shift to the far right: Patriots for Europe, Europe of Sovereign Nations (ESN)



EU policies: Current situation (3)

- Major shift from ‘green’ to ‘competitiveness and innovation’
- But within Clean and Green framework context
- Draghi report : need to invest €750 – 800 bn a year
- Implementing acts, infringement letters from European Commission





EU policies: Current situation (4)

Council: Hungarian presidency

- Green Claims Directive, Packaging Regulation, Waste Framework Directive Revision on agenda, SME Assembly in Budapest

Parliament:

- Grilling new Commissioners
- Rapporteurs Ms. Delara BURKHARDT (SD/DE) and Mr. Sandro GOZI (Renew/IT) for Green Claims Directive
- Renew asked for revision of Green Public Procurement Directive



Source : EP Philippe Buisson

MAIN BARRIERS

FOR ALL SMEs:

Lack of:

- Demand for sustainable products/services
- Transparency throughout the value chain
- Access to funding
- Awareness
- Collaborative networks
- Circular metrics
- Green Business advocacy

As well as:

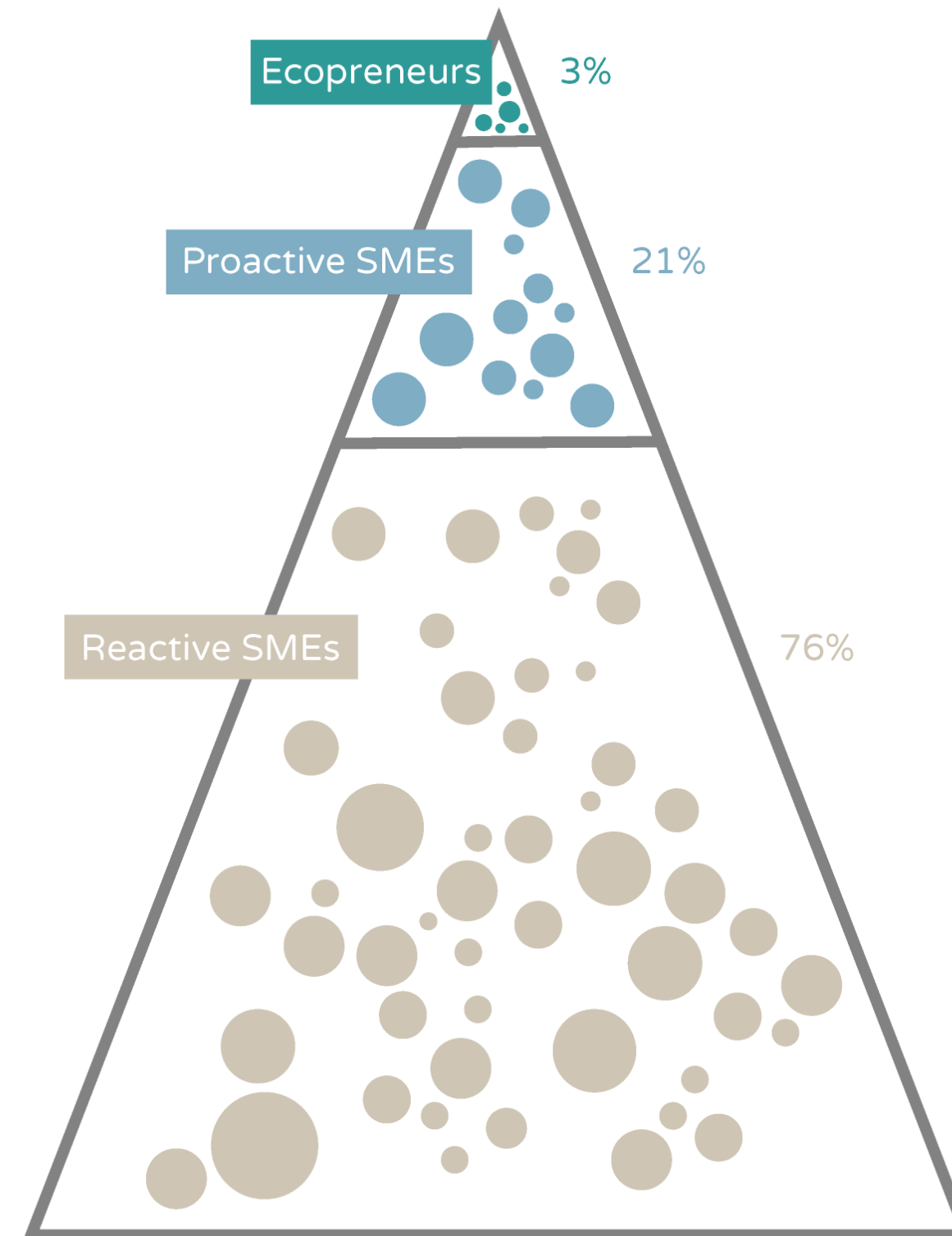
- Unlevel playing field: fierce competition from unsustainable products/services
- Complexity of circular design
- Regulatory barriers

FOR PROACTIVE SMES:

- Lack of successful national examples

FOR REACTIVE SMES:

- No obvious cost reductions



MAIN ENABLERS

FOR ALL SMEs:

- Regional Circularity Hubs to support SMEs
- Economic incentives: carbon pricing, extended producer responsibility, fiscal
- Green procurement by large companies
- Green public procurement
- Carbon border adjustment levy
- New standards
- Transparency policies
- New trade policies
- Voluntary actions

FOR ECOPRENEURS:

- Joint ventures
- Corporate venturing
- Co-creation

FOR PROACTIVE AND REACTIVE SMES:

- 2-3 years to innovate and comply with new rules and standards





What is urgently needed to mainstream sustainable business models in SMEs? (1)

Ecopreneur.eu Input for new Commission:

- Support for the Draghi report
- Integrate the circular economy for all sectors
- Ambitious implementation of the European Green Deal
- Level playing field: Green Public Procurement + Economic incentives based on True Pricing (end fossil fuels subsidies, Extended Producer Responsibility, VAT, Tax Shift, Carbon Pricing)
- Regional Circularity Hubs for SME capacity building, including free vouchers



What is urgently needed to mainstream sustainable business models in SMEs? (2)

ECESP Joint Declaration asks the EU for:

1. Maintaining ambitious commitments to a circular economy
2. Expressing commitment to contribute to meeting the current targets
3. A just transition
4. Analysing and overcoming unintended barriers in existing legislation
5. Rolling out an enabling framework for sustainable competitiveness, particularly for SMEs;
6. Devising ambitious targets for the circular economy and resource consumption;
7. Measures to boost green industries, including SMEs and social enterprises
8. Using circular economy indicators to measure progress
9. Investing in circular economy projects and solutions
10. Circular economy solutions to promote innovation and competitiveness in all EU countries.





THANK YOU FOR YOUR ATTENTION

