

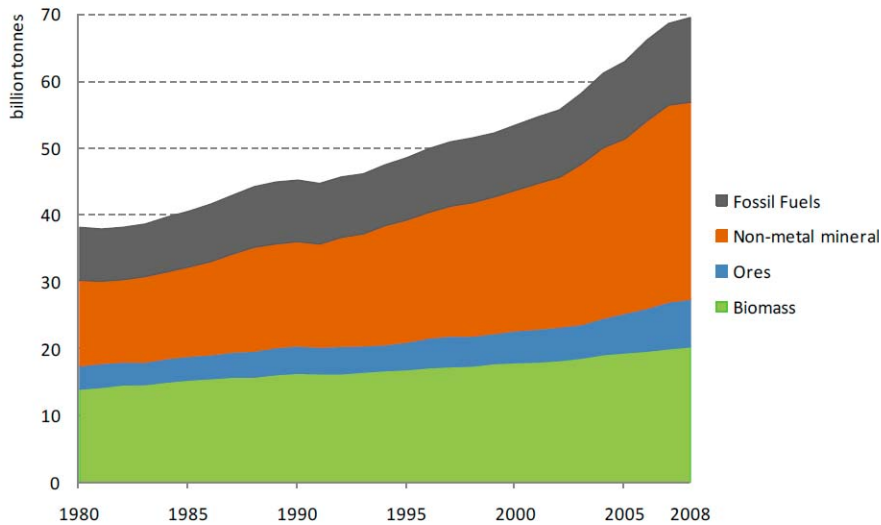


Eco-innovation for European businesses

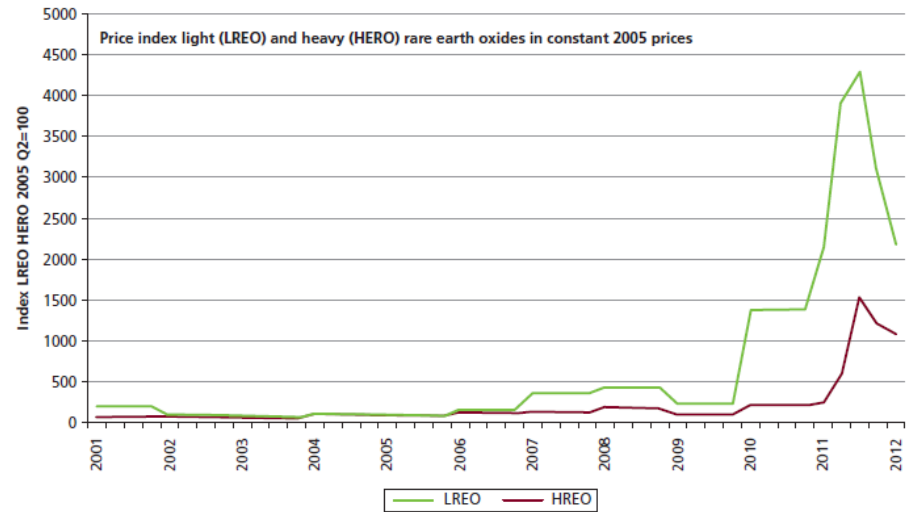
CIP Eco-innovation European
Information Day
8 May 2012

Timo Makela, Director International affairs, LIFE & Eco-innovation
DG Environment, European Commission

Scene Setter



Global use of natural resource 1980 - 2008



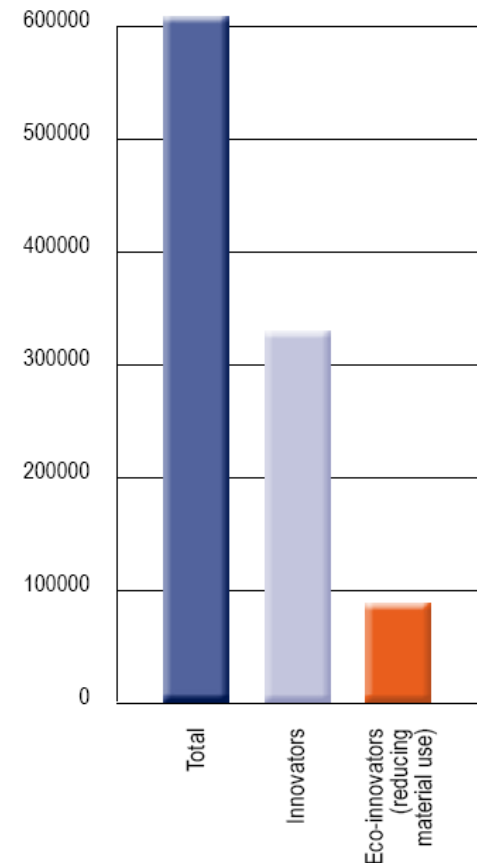
Price trend for selected light and heavy rare earth oxides since 2001

We have no option – we must change the way we think, generate growth and grow our economy

The Eco-innovation Challenge

The eco-innovation challenge is twofold.

- It is to further improve the resource efficiency performance of the EU by promoting eco-innovation and by ensuring that the benefits of new solutions are widely disseminated.
- It is to ensure that the efficiency gains are not offset by growth in the total consumption of natural resources



Source: Eurostat (CIS), own calculations

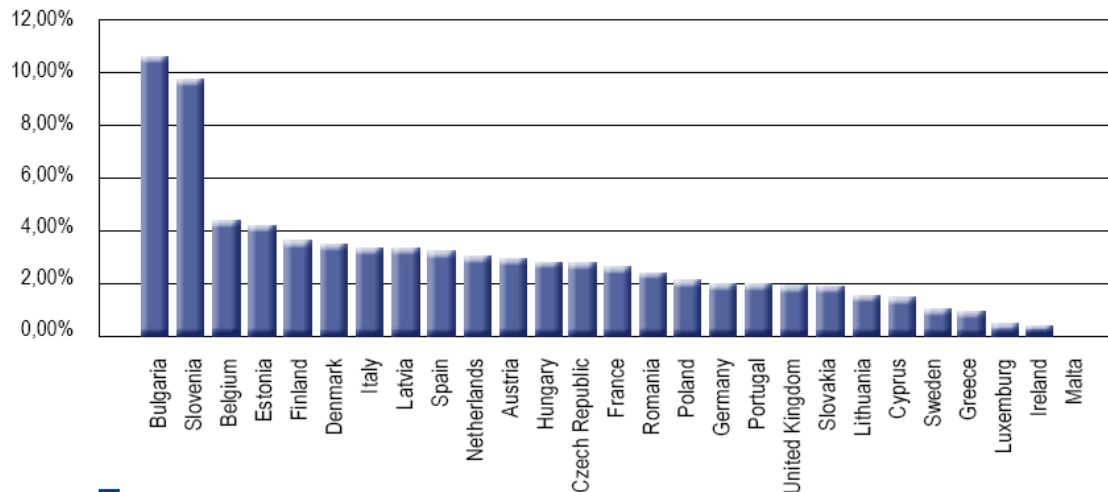
Note: only includes Member States reporting eco-innovation (all excluding the UK, Denmark, Slovenia, Greece and Spain)

Eco-innovation Market Potential

Eco-industries

- Estimated turnover of ~ €227 billion
- 2.2 % of EU GDP
- Employs ~ 3.4 million people directly

Share of eco-industry turnover across the EU, 2008



■ Eco-Industry turnover % of GDP 2008

Source: own calculation based on Ecorys 2009

Eco-innovation is an opportunity for business



Policy Context – Europe 2020

- The course for the EU economy for next 10 years and beyond: aims to support the transition towards a resource-efficient, low carbon economy
- 3 thematic **priorities**
 - Smart growth
 - Sustainable growth
 - Inclusive growth
- Environmental considerations integrated into economic policy
- 7 flagship initiatives: **Innovation Union**, Youth on the move, A Digital Agenda for Europe, **Resource efficient Europe**, An industrial policy for the globalisation era, An Agenda for new skills and jobs, European Platform against Poverty



The Eco-innovation Action Plan

- **Action 1: Environment policy and regulation for promoting eco-innovation**
- **Action 2: Demonstration projects and partnerships for eco-innovation**
- **Action 3: Standards and performance targets for key goods, processes and services to reduce their environmental footprint**
- **Action 4: Finance and support services for SMEs**
- **Action 5: International cooperation**
- **Action 6: New skills and jobs**
- **Action 7: European Innovation Partnerships**

Competitiveness and Innovation Programme (CIP)

CIP objectives

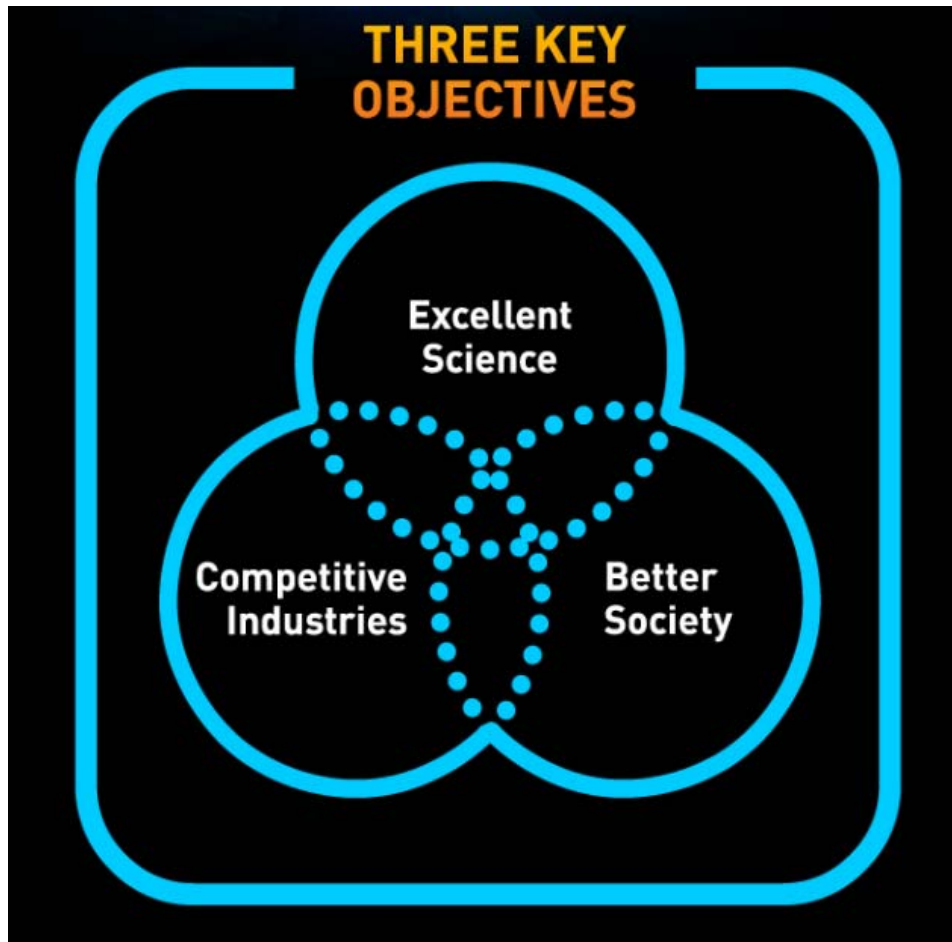
- Foster the competitiveness of enterprises, in particular of SMEs;
- Promote all forms of innovation, including eco-innovation;
- Accelerate the development of a sustainable, competitive, innovative and inclusive information society;
- Promote energy efficiency and new renewable energy sources in all sectors.



CIP Eco-innovation Market Replication Projects

	Call 2008	Call 2009	Call 2010	Call 2012
Number of proposals	134	202	287	280
Number of participants	444	614	895	860
Total requested funding (M€)	110	150	264	199
Average funding requested/proposal (k€)	830	770	921	712
SME (%)	74	70	66	67

Horizon 2020



Supporting our excellent science base

- Supporting world leading scientists in blue sky research
- Providing training and career development opportunities
- Development of future and emerging technologies
- EU research infrastructures

Building industrial leadership in Europe

- Boosting job creation
- Increasing market uptake
- Stimulate private investment in R&I
- Strengthening participation of innovative SMEs

Tackling societal challenges for a better society

- Resource Efficiency, Climate, Raw Materials
- Longer and healthier lives
- Reliable, clean, efficient energy
- Smart green transport

Role of DG ENV

To cover environmental needs both in the area of research but also commercialisation through:

- providing financing options for early stage eco-innovative enterprises through grants, equity and also smaller scale type of financing and risk-sharing conditions in order to engage enterprises and financial intermediaries
- dealing with a clear oversubscription of the eco-innovation SME oriented market replication projects.