

THE 18-MONTH PROGRAMME ON ECO-INNOVATION OF THE EU “SMART AND SUSTAINABLE EUROPE”

(1 JULY 2017 – 31 DECEMBER 2018)

Central to achieving the goals of the Agenda 2030 and the Paris Agreement is the redesign of EU activities in a smart, resource efficient and innovative way, while reducing impacts on the environment.

The EU has committed itself to play the role of a frontrunner in the actions towards **circular economy** and a contributor to the achievement of **Global Sustainable Development Goals (SDGs)**. Eco-innovation is one of the key enabling instruments in achieving these goals. It addresses circular economy and SDGs from a **solution-oriented perspective** and puts a way forward for a cleaner environment, economic growth, healthy lives and social well-being.

EE-BG-AT Trio Presidency highlights the role of eco-innovative solutions for **a sustainable growth**. This will be done in the context of the recently released Commission Communication on implementation of the Agenda 2030 in the EU and on upcoming Commission initiatives of the **Circular Economy Package**. We also need a comprehensive long-term vision for post-2020 EU strategies.

EE-BG-AT Trio Presidency examines the role of **voluntary approaches strengthening transparency of information** related to the use and impacts to the environment, materials and hazardous chemicals in the context of creating favourable conditions and awareness for sustainable consumption and production.

We will also look closely at the production policy perspective with the focus on whether and how policies create favourable conditions for innovative solutions. This includes mainly strategies related to circular economy, the use and recycling of **plastics**, and for implementation, developing of **sustainable finance**.

The trio Presidency aims to identify entry points for promoting eco-innovative solutions across all relevant policy areas and will pursue concrete activities over the next 18 months.

Streamlining Eco-innovation in horizontal and sectoral policies

The European Commission is planning a number of initiatives for the period 2017-2018 in which eco-innovation has a crucial role to play.

First, eco-innovative solutions are an integral part of the **Plastic Strategy** that will be published by the end of 2017. Eco-design of plastic and plastic products, consumption and extended product life-time of plastic as well as end-of-life related issues are areas where eco-innovation can substantially contribute to increase reuse and recycling. Currently a low amount of plastic waste is being reused and recycled. Finding suitable alternatives with lower environmental impact, designed plastics in a better way, extending the life of plastic products and finding new uses for discarded plastics - all require a good policy climate for innovation. Having eco-innovation as an integral part of the Plastic Strategy will drive the search for innovative solutions to address the growing plastic waste problem and keep the raw material in circulation as long as possible.

Secondly, in mid-2017, the **REACH REFIT** will be published. Also in 2017, the communication of the **interface** of chemicals, products and waste legislation will be published. These actions will be followed by a strategy for a non-toxic environment in 2018. Chemicals and their potential long-term health risks are one of the most important aspects that the consumers expect the EU to regulate sufficiently and to share information about. On the other hand, the verification of the content and

toxicity of chemicals in a product can take a long time and be a burden for producers. We will address these issues including how the REACH regulation can hinder or encourage eco-innovative solutions for products with less toxic chemicals content.

In addition, the role of communications on the subjects of **eco-design** (communication published in 2016), **EU Ecolabel and EMAS** (REFIT will be published in 2017) and **green financing** will be assessed together with ongoing **waste package** legislative process. We will focus on their impact on circular economy, the enablers and favourable conditions for eco-innovative solutions to materialize including the role of consumers in it.

At the beginning of the Trio Presidency, a specific focus will be given to the **product environmental footprint** (results of a pilot study will be published in 2017) in the perspective of the consumer role in making informed decisions and setting the direction for the demand for more environmentally friendly products and consumption patterns.

Eco-innovation in the production and consumption perspective

These policies will be assessed of the **potentials and the legislative environment for eco-innovation**. We address the question whether the existing regulations support or hinder innovative solutions and business models, especially in the context of SMEs. There will also be a specific focus on a **comprehensive product and production policy**.

From the sustainable production aspect, improving material and energy productivity along the life-cycle of products are cornerstones of eco-innovations and circular economy. A circular economy aims to keep the value of products and materials for as long as possible, so that after the first use of the material has ended, the resource can be taken into use in a new way either in the same value chain or even in a different production process. This is of **particular importance for the plastics value chain**.

From the sustainable consumption aspect, product longevity is crucially important to address the intensive consumption and disposal of products. Durability is influenced by the resilience of materials and components, design that enables repair and refurbishment, as well as patterns of use and disposal alternatives. It is also an important quality for the consumers that they expect to have guaranteed to them, either by the producer or by regulation. In addition, possible risks for human health due to **hazardous chemicals** in products could be reduced, if the consumers could take informed decisions.

The sustainability and chemical attributes of a product or service are often invisible despite the fact that there is a growing interest in societies in choosing sustainable products and services. Thus, there is a gap between good intentions towards sustainable consumption and opportunity for changed behaviour based on reliable and simple information. Based on this, the central aspect of sustainable consumption and production is **transparency**.

This means firstly, **transparency of materials used for and in products**, so that before becoming waste, a value chain can be built around these by another business who can use this information. Secondly, **transparency of content of hazardous substances in products and impacts to the environment in production** are a prerequisite for consumers in order to make informed decisions

In relation to chemicals, attention should be drawn to approaches summarised as “**green chemistry**”. While the present regulatory tools of European chemicals policy focus on health and environment protection at the production and use stage of chemicals, green chemistry looks at a broader perspective. The focus ranges from sustainable raw materials use over design aspects to materials and energy efficiency. The approach includes as well the developing of appropriate metrics for measuring chemical industries’ sustainability in quantitative terms.

Innovative eco-technologies are a long-term growing business sector providing a high potential for green and decent jobs. We will put a specific focus on the policy framework for fostering the innovation capabilities and competitiveness of **green tech industries**, including in the aspects of **sustainable financing**. We will explore the possibilities and capabilities of the concept of open innovation to be implemented in the green tech industry.

In addition, **smart and digital solutions** in relation to environmental information, new business models and eco-innovation will be shared via best practice between member states and stakeholder engagement.

The role of the post-2020 Multiannual Financial Framework and Sustainable Finance

For the implementation of the necessary policies, financing will also be addressed. When planning any kind of goal or action, business as usual can only be changed with additional resources. This implies also to circular economy, eco-innovation and sustainable growth. Since the EU has set its goals for the environment and SDGs in a long-term view, it is important that the financial planning in the EU level and also country level sees forward resources for achieving these goals. Sustainable financing for structural changes will be the focus for this topic.

The post-2020 MFF should provide for the **adequate support** to promote the transition towards a resource-efficient and circular economy in which eco-innovative solutions are recognized as significant drivers for progress. This needs to be mirrored in related processes, such as the post-2020 Framework Programme for Research and Innovation.

Related to this, the mid-term review of the **LIFE programme** will be published by the European Commission in 2017 in preparation for the new LIFE programme post-2020. In these discussions we will focus on which role the programme should play in facilitating smart, innovative and environmentally friendly solutions, especially in the context of SME's.

The outcome

EE-BG-AT Trio Presidency will take the opportunity to guide the further development of a **comprehensive product policy**. By the end of the Trio period in 2018, we expect to have an integrated view and guidelines for a coherent product policy in relation to **chemicals and plastics** with a specific focus on enabling eco-innovative solutions and highlighting the role **of transparency of environmental information**. In addition, throughout the presidency period, we will emphasise the importance of implementing the **sustainable development goals**.

Action plan

Nr	European Commission	Publishing	EE	BG	AT	Result by the end of 2018
1	2030 agenda implementation	2016 IV	X	X	X	Comprehensive view for additional actions in EU policies
2	Eco-design	2016 IV	X	X	X	Policy creates favourable conditions for eco-innovative solutions and the driving aspects of innovation are defined
3	Evaluation of the LIFE programme	2017 I	X	X	X	Eco-innovative solutions have a focus in the new period
4	Environmental Implementation Review	2017 I	X	X	X	MS implementation supports the use of eco-innovative solutions
5	Monitoring and indicators for the Circular Economy	2017 II	X	X	X	Results of eco-innovative actions for raising resource efficiency are monitored effectively
6	Circular Economy package review	2017 I	X	X	X	Policy creates favourable conditions for eco-innovative solutions and the driving aspects of innovation are defined
7	REACH REFIT	2017 II	X	X	X	Policy creates favourable conditions in order to strengthen existing provisions on consumer information about chemicals.
8	Product Environmental Footprint	2017 II/III	X	X		Consumer information to be made available in relation to environmental impacts
9	Ecolabel and EMAS REFIT	2017 II/III	X	X	X	Recognised and used purposefully as drivers of eco-innovation
10	Informal environmental ministers council	13.- 14.07.2017	X	X	X	A starting point for the trio period with the focus on eco-innovative solutions that have proven themselves and how to enable a wider use for them with policy
11	Roadmap for Interface of Chemicals, Products and Waste legislation	2017 III	X	X	X	Eco-innovative aspects in product policy pointed out, also with relation to consumers' role
12	A hackathon for developing eco-innovative prototypes	6.- 8. 10.2017	X			A hackathon for developing innovative solutions to problems in transition towards circular economy and demonstrating the opportunities from innovative formats of co-operation
13	Circular Procurement Congress	19.10.2017	X			A congress with interactive sessions to exchange ideas, experiences, concepts and opinions, including conducting wider demand for eco-innovative solutions
14	"Nature based solutions" conference	24.- 26.10.2017	X			The first conference in trio period with the focus on eco-innovative and nature inspired solutions bringing together 500 people, including scientists, policy makers, business representatives
15	Climathon	27.10.2017	X			A 24 hour global hackathon on food waste
16	Environmental ministers council	19.12.2017	X	X	X	Environmental ministers council conclusions on actions and focus to be taken during the trio period in policy development and research
17	A seminar on eco-innovation	2017 January		X		To continue the discussions on eco-innovation policies and best practices
18	Plastics Strategy	2017 IV		X	X	Policy creates favourable conditions for eco-innovative solutions and the driving aspects of innovation are defined, eco-innovative solutions are shared about the use of recycled plastics
19	Post 2020 Multiannual Financial Framework	2018		X	X	Policy creates favourable conditions for eco-innovative solutions and the driving aspects of innovation are defined in the framework

20	Comprehensive Product Policy and Strategy to detoxify the EU	2018			X	Policy creates favourable conditions for eco-innovative solutions. The driving aspect of innovation are highlighted in all relevant areas of product policy,
21	Post 2020 EU	2018?			X	Policy creates favourable conditions for eco-innovative solutions and the driving aspects of innovation are defined. Implementation of the sustainable development goals is integrated in the policy.
22	Informal environmental ministers council	2018			X	Together with transport ministers
23	Growth in Transition conference	2018			X	International Conference on exploring other forms of economic growth with regard to innovative, less harmful solutions
24	Green Chemistry conference	2018			X	Conference bringing together over 200 entrepreneurs, scientists and policy makers from all over the world to display the most promising approaches for eco – innovative approaches and solutions with regard to chemicals in products and processes