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ioreSME Newsletter

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TOWARDS RESOURCE

How the EU's action on sustainable products leads to the continent's self-sufficiency.

The second iteration of the Circular Economy Action Plan, launched in March 2020, proposed measures across the entire life cycle of products. Building on the foundation measures undertaken as part of its predecessor plan (launched in 2015), this Plan focuses on the whole life-cycle of a product with the objective that resources used are kept in the EU economy for as long as possible.

The measures in the Plan seek to:

- Ensure the ubiquitous availability of sustainable products across the EU. Products on the EU market are made of recyclable materials and are easy to reuse, repair and recycle. Single-use is discouraged, while destruction of unsold durable goods is banned;
- Consumers to have access to information on the repairability and durability of products;
- Promote measures in sectors that use most resources, including electronics and ICT; batteries and vehicles; packaging, plastics, textiles, construction and buildings and food;
- Ensure less waste including through the (potential) launch of an EU-wide harmonised model for the separation of waste and labelling.

In principle, the EC rules seek to make all physical goods more environmentally friendly and energy efficient from the design phase to their use and end-of-life. For example, in the production of textiles, the objective is to reduce waste and the destruction of unsold textiles while ensuring that production takes place in full respect of social rights.

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Towards Resource Independence The Railroad to Sustainability

Latest Industry News

In the construction industry, the EC seeks to have a regulatory framework that promotes sustainable buildings and positively contributes towards the interim and final climate objectives. This is a huge impactful initiative since buildings are responsible for around 50% of resource extraction and consumption and more than 30% of the EU's total waste generated per year. Buildings are responsible for 40% of the EU's energy consumption and 36% of energy greenhouse gas emissions[1].

The tangible initiatives championed by the European Commission to reach the objectives of the circular economy seek to reduce the EU's dependence on third-party resources, thus increasing the resilience of EU member states while respecting nature and people's health. By 2030 this new framework of measures will lead to energy savings that are the equivalent of EU's import of Russian gas[2].



New proposals to make sustainable products the norm (europa.eu)
New proposals to make sustainable products the norm (europa.eu)

THE RAILROAD TO SUSTAINABILITY

The Green Deal is considered a catalyst for the revival of railways. Transport contributes 27% of CO2 emissions. Trains contribute only 1% of transportrelated pollution, making them an essential contributor in the fight against climate change. There is currently no better environmentally friendly mode of transport for transporting goods and passengers over long distances.

The target is that by 2030, thirty per cent of road transport will be shifted to rail. Currently threequarters of freight in the EU is by road while only 18% is by rail. Yet, there are pertinent decisions that need to be taken at a policy level. The monetary subsidies given to freight transport are much higher than those given to rail transport, while fuel is tax-free in most countries and air tickets are exempt from VAT. These inequalities need to be addressed. Travelling by train is still relatively expensive when compared to the cost of travelling by car or plane.

Yet, at an individual level, train travel is increasing every year. The effort to liberalise the market is bearing fruit. New operators are entering the market, and new routes are coming up. There is also a new appetite for travelling at night using trains. The EC has announced its support for several projects across Europe. This year, new night trains were launched linking Berlin to Stockholm, Brussels, Antwerp, Rotterdam and Amsterdam. From 2024, Dresden will be linked to Prague. In December this year, a new night service daily connecting the cities of Paris, Berlin, Brussels and Vienna, will be launched. Yet, the expensive operations of a night train are hindering a wider-scale deployment of routes across Europe. Small operators are taking risks in launching new routes, often with seasonal and uncertain demand.

The industry is still disjointed and an effort that needs to be undertaken is to simplify train travel across the EU, including through transparent pricing mechanisms.

This Summer the EC presented proposals on how to make freight more sustainable. The improvement of rail infrastructure management is a key enabler in this effort. The proposed regulation seeks to optimise the use of already existing rail tracks, improve coordination, increase punctuality and reliability and attract freight companies to rail. The consumer will benefit from these measures with more frequent trips and synchronised booking systems.

References:

<u>Trains for a green future – a possibility? | Investigate Europe</u> (investigate-europe.eu)

<u>New Night trains in Europe - Everything you need to know (greens-</u> <u>efa.eu)</u>

European cross-border train travel is still 'quite complex'. This company is on a mission to fix it | Euronews

LATEST NEWS

2023 is the European Year of Skills. Check how to train your employees through the various EU-funded initiatives available to help micro and small companies.

Read more Skills (europa.eu)

In a post-Covid effort, the EU attracted key semiconductor players to set up manufacturing plants in a few countries. Yet, although well-crafted businessfriendly incentives helped to seal the deals, the lack of skilled workers will delay the projects. Read how chip manufacturers scramble to staff their European factories – The EU has won lucrative semiconductor factories, but they need skilled workers.

Read more Politico

It's all about the re-upskilling of the workforce. Lack of skills proves to be the Achilles heel of Europe's climate change efforts. EU Green Deal's weak point, exposed – To meet clean-energy targets, Europe needs to train a whole new workforce.

Read more Politico



This newsletter is part of the loreSME project and seeks to provide information pertinent to the business community on the EU Green Deal and European Pillar of Social Rights.

loreSME project aims to raise awareness of and give visibility to the activity/function/responsibility of SME employer organisations in the EU and foster their role as social partners. IoreSME seeks to understand the expectations of the members of the Social Partners (SPs) while providing the opportunity for the SPs to raise awareness of their services and their role in the social dialogue discourse in their country.

The Partners of the Project are <u>Malta Chamber of SMEs (smechamber.mt)</u>; <u>About | GSEVEE: Hellenic Confederation of</u> <u>Professionals, Craftsmen, and Merchants; CNA | Confederazione Nazionale dell'artigianato e della Piccola e Media Impresa;</u> <u>Home | UNIZO; home - Confartigianato Imprese; SMEunited | Crafts & SMEs in Europe; About us (ozs.si)</u>

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