

## **From Roadblocks to Roadmaps: Enabling Sustainable Investments in Europe**

On September 24, 2024, GLOBE EU and the EIB brought together speakers from the Commission, Bee Group companies, and GLOBE EU Partner Organization to discuss how access to finance could be improved, and skills shortages and regulatory barriers overcome to facilitate sustainable investments. The panel discussions focused on the need for collaboration among stakeholders to address the challenges posed by the green and digital transitions.

### **Introductory comments:**

In his introductory comments, Vice-President Martin Hojsik emphasized the importance of enabling sustainable investment in Europe, not only through public funding but by leveraging private investments and supporting company growth. He highlights the challenges faced by innovative small and medium-sized enterprises (SMEs) due to the lack of a true single market in the EU, which complicates operations across member states due to varying regulations and certification requirements. Martin advocated for a stronger single market to overcome these obstacles, especially regarding environmental and digital transitions.

### **Keynote Address:**

**Maive Rute** (DG GROW) emphasized her department's role in managing the single market, small businesses, and industrial policy with a focus on sustainable investments. She highlighted the EU's ambition to be a global hub for innovative technologies, referencing Professor Draghi's report on the need for a joint plan for decarbonization and competitiveness. Rute noted the EU's dependencies on third countries for net zero technology components and stressed the urgency of over 620 billion euros in annual investments until 2030 to achieve decarbonization. She detailed the European Green Deal's aim for a climate-neutral continent by 2050 and the supportive initiatives under the Green Deal Industrial Plan, including the Critical Role Materials Act and NetZero Industries Act. These acts facilitate regulatory environments,

strategic project applications, public procurement changes, and the launch of a platform to align financial resources. Rute also discussed the Eco-design for Sustainable Products regulation and funding mechanisms like Horizon Europe and Invest EU, underscoring the need to close the innovation gap and reinforce the EU's industrial base. She concluded by highlighting the relevance of the clean industrial deal in driving growth through decarbonization and expressed hopes for initiating private investments.

## **Panel 1: Financing Innovation and Industry Growth**

As the moderator of the first panel discussion, MEP Bruno Tobback emphasized the importance of addressing governance and regulatory frameworks in the context of sustainability. He highlighted the need for collaboration among various stakeholders, including government, business, and civil society, to navigate the complexities of regulatory environments. Bruno encouraged panellists to share their insights on how to foster innovation while supporting smaller businesses and urged for actionable ideas to facilitate the transition to a sustainable economy. His moderation aimed to create an inclusive and productive dialogue focused on overcoming challenges in achieving sustainability goals.

**Silvia Marca** (European Investment Fund) clarified their focus on intermediated finance for SMEs rather than direct investments. Celebrating their organization's anniversary, Marca noted their innovation financing initiatives since 1994 and the pivotal role of the "Invest EU" program. She stressed the need for long-term funding visibility and ongoing support in three key areas: leveraging existing programs, fostering local innovation through technology transfer initiatives, and addressing the "scale-up gap" to retain European technology champions.

**Rafael Cayuela** (Dow) spoke on the interconnectedness of global challenges like environmental regulation, economic inequality, and digital transformation. He emphasized three major tipping points: reconciling humans with nature, addressing income inequality, and managing emerging technologies. Cayuela criticized the current EU framework, advocating for a comprehensive European Industrial Deal. He warned of a lag in European industry, particularly the chemical sector, compared to the US and China, and concluded with a call for urgent innovation and enhanced competencies for future-ready solutions.

**Sandra Lagumina** (Argos-Wityu) stressed attracting private sector investment in sustainability by ensuring profitability and highlighted five key areas: availability of funds, regulatory frameworks, global competition, SME preparedness, and skill gaps. Despite significant funding for green innovation and infrastructure, more needs to flow to SMEs. She warned of the misconception of Europe leading in sustainability and highlighted the rapid advancements in the US and China.

## **Panel 2: Bridging Education and Industry Needs**

As the moderator of the second panel discussion, Roland Meijer (GLOBE EU) encouraged panellists to discuss strategies for enhancing industry involvement in educational initiatives and to explore targeted training programs that can effectively bridge the skills gap necessary for a sustainable economy.

**Alessandro Senesi** (DG EAC) praised Erasmus Plus and noted the panel's focus on bridging education and employment gaps, citing statistics on skills shortages and training participation from the Draghi Report and PISA. He called for the educational system's evolution supported by the Commission's political guidelines to enhance the Erasmus Plus program and advance the European Skills Agenda.

**Katrien Maes** (LERU) underscored the challenges in aligning education with industry needs and the importance of lifelong learning and broad skills for graduates. She highlighted the role of research-intensive universities in integrating international and interdisciplinary approaches to address sustainability challenges. Maes emphasized the necessity for private sector involvement in driving educational changes and stressed the development of innovative teaching and micro-credentials to meet industry demands.

**Veerle Vanderweerd** (GeSI) emphasized the pressing need for skilled labor and urgent educational reforms, advocating for practical skills training in response to rapid technological changes, particularly highlighted by the COVID-19 pandemic. She stressed the importance of digital education and micro-certifications for job market readiness and called for immediate, practical partnerships to produce the skilled workforce required by the private sector.

## **Panel 3: Governance and Regulatory Frameworks:**

As the moderator of the third panel discussion, Vice-President Martin Hojsik expressed enthusiasm for the diverse expertise of the panellists, representing administration, business, and civil society. Martin emphasized the need for effective regulatory policies that support innovation while addressing climate challenges. He encouraged panellists to share their insights on the current regulatory landscape and to propose solutions that could enhance collaboration among stakeholders.

**Yvon Slingenberg** (DG CLIM) discussed the evolution of climate policy, from initial challenges to long-term commitments, including the European Climate Law's binding obligation for climate neutrality and resilience. She highlighted the comprehensive policy package for 2030 targets and the importance of long-term perspectives for investment cycles, acknowledging broader societal and governmental challenges while maintaining focus on environmental targets.

**Marlies van Driel** (Sherwin-Williams) discussed the impact of regulations on the company, emphasizing the need for specific chemicals in their products to meet performance demands. She called for effective and enforceable legislation to ensure fair competition and referenced the "one substance one assessment" initiative to simplify regulatory compliance.

**Eline Boon** (Ellen MacArthur Foundation) stressed the importance of a circular economy, rethinking needs, and value retention to drive sustainability and economic prosperity. She highlighted the potential of circular strategies in the built environment and called for harmonization across sectors and legislative bodies. Boon urged for tax and fiscal reforms to scale circular solutions and advocated for collaborative efforts to achieve a circular economy.

### **Comments and Responses to Questions:**

Throughout the conference, speakers engaged in discussions and responded to questions from the audience:

**On the skills gap:** Many speakers acknowledged the urgent need for a skilled workforce to support the green transition. They discussed the importance of targeted training programs and partnerships between educational institutions and industries to ensure that graduates possess the necessary skills.

**On regulatory challenges:** Speakers agreed that while regulations like the European Green Deal are essential for promoting sustainability, they can also be complex and challenging for businesses to navigate. They emphasized the need for clear guidelines and support to help companies comply with these regulations.

**On financing sustainable projects:** The discussion highlighted the critical role of innovative financing solutions in driving sustainability initiatives. Speakers emphasized the need for public-private partnerships to attract investment and support sustainable projects.

**On stakeholder engagement:** The importance of engaging various stakeholders in sustainability efforts was a recurring theme. Speakers stressed that effective solutions to sustainability challenges require input and cooperation from government, business, and civil society.

**On digital transformation:** Several speakers discussed the potential of digital technologies to enhance sustainability efforts. They encouraged stakeholders to embrace digital solutions as part of their strategies to reduce environmental impact and improve efficiency.