

Speech of the
Director of Research and Documentation Department
of the Federation of Industries of Greece (SBE)
Dr. Christos Georgiou
to the final conference of the SMEcoMP project

Ladies and Gentlemen, Good morning

First of all, I would like to express my thanks to Professor Sartzetakis for his kind invitation to be here.

Also, I would like to congratulate the whole team of the SMECOMP Project for your perfect job. My colleague at the Federation of Industries of Greece, Dr. Katerina Tzitzinou told me about your fruitful cooperation, for the results and deliverables of your project. So, I wish initiatives like SMECOMP project to have a real contribution in economic development in regional and national level.

I try in the next few minutes to contribute to the debate and public discussion on the transition to the 'circular economy'. All the actions in this direction for the next decade will affect of the future not only for the next generations but for the planet as well.

Ladies and Gentlemen,

Allow me to start my brief speech with a thought. My reflection may deviate slightly from the main objective of this discussion. However, considering the importance of building the Circular Economy and moving towards it, I simply wish to emphasise the fact that a similar debate has been taking place in recent years on another, equally important concept for development, that of innovation. And yet, we have all witnessed how the whole concept of innovation has been rather over-exaggerated. For this reason, and also because of my own personal perspective - of representing the Federation of Industries of Greece which is a crucial stakeholder for the application of Circular Economy principles - I hope that this phenomenon will not be repeated for the Circular Economy and the environment protection as well.

In this point of view I believe that we have to look at the Circular Economy from two perspectives: both from a strategic point-of-view towards exploiting all kinds of resources, but also from a

business point-of-view, especially for Greece, as a potential catalyst for productive investment and the creation of new jobs, especially ones that are highly-skilled and well-paid.

Ladies and Gentlemen,

The European Commission has recently introduced its Green Deal initiative, which explicitly calls for the design and implementation of a new industrial policy based on the Circular Economy, as the cutting edge of policies to achieve climate and environmental objectives.

Of course, the specificity of the policies, actions and measures to be developed in order to achieve these goals, both at European and at member-state level, and the speed at which they are implemented, are the two most vital factors in determining whether we will win the critical stake in creating this new form of economic activity, as well as in supporting our transition to it. Simply put, we are talking about green transition.

The starting point for green transition is to link existing policies, especially policies aimed at supporting and enhancing business competitiveness, with new, planned policies. I wish to draw attention to this point in particular because experience has shown that in the case of new initiatives, there is always the risk of 'competition' with current policies. This could explain the corresponding stagnation observed in member-state performance indicators.

Ladies and Gentlemen,

The green transition of economic activity, the environmental protection and the Circular Economy, is a series of investment opportunities for Greece - with the development of new business - and therefore could be a potential growth pillar for us. This opportunity has been created due to Greece's lagging behind in this area. For example:-

- In Greece we recycle 58.6% of packaging, while the European Union recycles 65%. But by 2030, that figure must be reach 75%.
- Greece recycles a mere 19.3% of municipal waste, while Europe recovers 41.8%. The corresponding target for 2030 is 65%. Let me point out here that in Greece we produce about 5 million tonnes of municipal waste.
- Concerning the very unpleasant area of landfill, the European Union's 2030 target is 10%. Do you know what the percentage is in our country? 79%, while the average in Europe is 28%. This means that 80% of municipal waste is dumped in landfills, while

only 20% is recycled. And of course, for the unnecessary shipment of this waste to landfills, the cost is well over the conservative estimate of € 100 million.

From water conservation, soil care, and actions that could keep important products of our technological culture such as plastic and silicon away from landfills and the sea, to the decarbonization of energy-intensive industries such as the steel industry and the cement industry, there is a wide range of actions that can be integrated into the Circular Economy.

For us at the Federation of Industries of Greece, all of these actions, are not only challenges, but also represent significant investment opportunities. And the scope for business opportunities is expanding in sectors that consume a large number of resources, such as construction, textiles, plastics and electronics. It is no coincidence that at European level these industries are the sectors where the relevant policies will be initially focused.

It is therefore no coincidence that assisting industry in the modernization and exploitation of such opportunities must be a key element of development policies from now on. Modernizing industry and supporting the green transition can be summed up in one word: investment.

However, before we can implement a large-scale policy to promote sustainable and employment-friendly economic activities, we must make sure that we are on the right track. "We need to see where the big levers and interventions lie in the system, which we can target for change," says Marc de Wit, author of the World Economic Forum's annual Circularity Gap Report.

With this in mind, the Federation of Industries of Greece believes that the adoption of Circular Economy and environmental protection actions by our member companies is a great example of the growth strategy our businesses must follow, both in pursuit of sustainability, as well as for their overall contribution to the creation of the country's new development model. We truly believe that adopting successful Circular Economy examples and good practices from the Nordic countries, the United Kingdom, Germany, and the Netherlands, which have been adapted to our country's given situation, can create 'green' benefits for businesses and for our society.

In particular, the Federation of Industries of Greece recognizes the need for immediate pilot application of the principles of the circular economy by manufacturing companies, and therefore is working towards that. Among the actions being taken, let me mention our participation in the European project "Embrace", which is precisely aimed at promoting the adoption of Circular

Economy business models in manufacturing enterprises. The project is being piloted in food businesses in Northern Greece and has already provided us with important insights into the opportunities, problems and challenges that manufacturing companies will encounter when adopting the principles of a Circular Economy.

Ladies and Gentlemen,

But unfortunately, once again, I believe that we have to try to change the behavior of citizens and businesses. In my opinion, this is the greatest challenge we will have to face in the coming years if we are to really implement the Circular Economy and environmental protection.

What do we propose?:

1. We must all admit, (in other words, businesses, public administration and citizens), that the Circular Economy and environmental protection has a very significant potential to be exploited. Consequently, in order to be able to talk about the business exploitation of this important opportunity, we need to create an appropriate, legal environment that will facilitate Circular Economy and environmental protection business initiatives, and not delay them unnecessarily. Prospective investors should also be encouraged in a practical way.
2. To use the Circular Economy as a growth strategy for our country. While Europe has planned to invest in excess of € 550 billion in the Circular Economy, we as a country must adopt this strategy and exploit it in order to put in place constructive investments.

In addition, the Circular Economy is a major development opportunity because by 2027 more than 43 billion euros are expected to flow into the Greek economy from the new NSRF, the "Green Fund" and the "Development Bank". Therefore, the opportunity to invest in the Circular Economy and environmental protection sector seems to be more feasible than ever in the years ahead.

As I have said before, and it is now widely accepted, in the context of the business development of the Circular Economy, there is an urgent need to bring manufacturing back to the heart of development policy.

For the Federation of Industries of Greece, this plan must be based on four axes:



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- In constructive investment, with priority given to investment in business activities in the Circular Economy and environmental protection,
- Creating new jobs
- Innovation
- Internationalization and extroversion.

To conclude, in Greece we have to believe in manufacturing.

But we need to do so based on a plan that will have realistic milestones, and with strategic objectives to be monitored and revised according to the standard of advanced industrial policy in countries such as Germany, France and United Kingdom.

Ladies and Gentlemen, Professor Sartzetakis

Thank you very much for your invitation and for your attention.

Congratulations once again for your successful project SMECOMP.