

## **AGENDA 2030: CHALLENGES FOR THE PROMOTION OF A COMPETITIVE AND SUSTAINABLE BUSINESS IN EUROPE**

### **Speakers**

**Crispin Waymouth**, Deputy Head of Unit, Enterprise Europe Network and Internationalisation of SMEs Unit, European Commission.

**Arnaldo Abruzzini**, Chief Executive Officer, EUROCHAMBRES.

**Jesús Casado Navarro-Rubio**, Secretary General, European Family Business.

**Alessandro de Luca**, Director, Deloitte EU Policy Centre.

**Daniele Olivieri**, Senior Advisor Entrepreneurship and SMEs Department, Business Europe.

**Neil McMillan**, Director Advocacy and Political Affairs, EuroCommerce.

**Jerome Debrulle**, Head of the Belgium IP Office and Chairman of the European Patent Office.

**Eduardo Lanza**, Regulatory Affairs Manager, Telefonica.

**Philip Torbol**, Partner, K&L Gate.

**Amrit Constanze Rescheneder**, Head of European Affairs, (Austrian Savings Bank) Sparkassenverband.

**Delphine Roulland**, Director Policy and Government Affairs, European Confederation of Pharmaceutical Entrepreneurs (EUCOPE).

**Christopher Gosau**, Director European Economic Policy, Association of German Chambers of Commerce and Industry (DIHK).

**Roberto Zangrandi**, Secretary General, E.DSO for Smart Grids.

**Flavio Burlizzi**, Delegate in Brussels, Union Camere Italiana.

**Benedikt Blomeyer-Bartenstein**, Manager European Affairs, Allied for Startups.

**Luca Selva**, President of Engaging Society for Sustainability (ES4S).

### **Content**

Europe is undoubtedly very welcoming to new ideas and ventures. This is reinforced by the European Union's strong focus on Small & Medium Enterprises (SMEs). Nevertheless, as in life, there are always obstacles to overcome. During the round table discussion, the majority of the speakers agreed on the following hurdles: (i) existing barriers to the Single Market (SM), (ii) low employment rate and, (3) various challenges stemming from the "fifth revolution": the Environmental Revolution.

The third obstacle transforms sustainability into entrepreneurial goals, which can only be achieved if the following are present:

- (i) willingness from entrepreneurs to exploit the field

- (ii) suitable circumstances for sustainable enterprises and projects to prosper (i.e. right ecosystem including the bureaucratic and administrative conditions, incentives & penalties, innovation capacities, and more)
- (iii) adequate financial flow and capacity to attract investments
- (iv) opportunities within and outside the European market

More specific comments from the participants:

Meeting the needs of SMEs is not the only problem; they have other issues to be solved too. Mr **Gosau** exemplifies with the 10% increase in energy costs despite the SMEs investments in new technologies. In addition, the European Green Deal exerts further pressure on SMEs for whom the targets are too high.

A positive experience is presented by Mr **Lanza** within the communications sector. At Telefonica, the customer base has tripled in the past 10 years, whereas the amount of energy spent has not altered.

Mr **Zangrandi** notes his belief that Europe already possesses the tools needed to achieve sustainability within the energy industry, however an overall approach is lacking. There are efforts to remedy this, with membership organisations like E.DSO Smart Grids representing more than 40 companies from 25 European countries aimed at bringing energy reliably to European consumers.

Ms **Rescheneder** points out that the EU has requested for 180 billion EUR to be directed towards sustainable investments annually, while at the same time require full risk assessment and transparency. In the banking sector, the ability for banks to disclose information on risks is entirely dependent on the SMEs willingness to disclose their information to the bank. Asking this from SMEs could become overburdening without sufficient incentives for the loans and investments to be oriented for sustainable endeavours.

Overall, there are several requirements to be met, above all the understanding of sustainability's taxonomy. Indeed, the SDGs and the Paris agreement have been designed for countries and government, whereas there are no indicators available for SMEs. The participants of the round table call for an Europe's institutional effort to develop and establish indicators as well as regulatory and spending rules. Companies can follow and achieve SDGs only if provided with training and education programs, public policies, regulation of the supply chain and digital transformation. Internally too, SMEs are employed to consider their own sustainability in terms of environmental, social and governance (ESG) criteria.

The event closed with a presentation of Engaging Society for Sustainability, a newly founded organisation with the vision of making the world more sustainable by engaging every member of the society. Their premise is based on the belief that the world (both planet and people) can be sustainable once again and it is up to human beings to transform their behaviours to be more conscious towards the environment and society.