11 April 2024 Brussels, Belgium CLEANTECH CONFERENCE: DRIVING SUSTAINABLE INNOVATION

> How to boost cleantech manufacturing in the EU

#### **INNOVATION FUND** Funded by the EU Emissions Trading System

## MADE IN EUROPE: HOW TO BUILD A SUCCESSFUL MANUFACTURING BUSINESS IN THE EU

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## DRIVING SUSTAINABLE INNOVATION WITH SUCCESSFUL MANUFACTURING BUSINESSES

#### Sustainable - the object

- Products and services that deliver reductions in emissions and waste
- Products and services that themselves have a minimal impact on the environment

#### Sustainable – the subject

- An enterprise that is long-term economically viable
- An enterprise committed to fair practices of social equity and ethics throughout its field of activity



## A SUCCESSFUL MANUFACTURING BUSINESS -THE DANISH WIND INDUSTRY

## How did the successful manufacturing business of the Danish wind industry get established, and what made it long-term sustainable?

- 1. The government wanted it to happen
- 2. Long-term frame conditions were established
- 3. Selected demonstration projects received specific subsidies
- 4. Strong links were established between industry and research



#### The government intents

 The EU Institutions continue to demonstrate dedication and support to sustainable innovation



#### The establishment of long-term frame conditions

- ? Significant gaps in the chain of ambition planning execution, creating chicken-and-egg situations and supply chain constraints
- ? Geopolitical challenges, including but not limited to unfair competition and critical materials



#### **Project-specific subsidies**

- Well-established support mechanisms in the EU, including but not limited to the Innovation Fund
- ? Cumbersome and very resource-demanding application processes compared with competition



#### The establishment of strong links between industry and research

The EU Institutions continue to demonstrate dedication and support to the establishment of the necessary links between industry and research



## WHERE DOES THIS LEAVE US REGARDING NEW CLEANTECH MANUFACTURING IN THE EU?

#### Suspended on a strong chain with weak links

- $\checkmark$  Dedication and support to sustainable innovation from the EU Institutions
- **?** Significant gaps in the chain of ambition
- ? Geopolitical challenges
- ✓ Well-established support mechanisms in the EU
- ? Uncompetitive support application processes
- Dedication and support to the establishment of industry-research links



## **STRENGTHENING THE WEAK LINKS**

#### In principle it is simple

- Close the gaps in the chain of ambition focus on planning and execution
- Face the fact that the market may not be up to the task
- Reconsider the countermeasures to the IRA and unfair industrial competition
- Reconsider (once more) the support application processes

#### In practice it is not that simple, of course!

 Nevertheless, the challenges and threats to present and new sustainable manufacturing businesses are real and need to be acted on



# THANK YOU!

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