

[illegible]

ALDERSGATE
GROUP LEADERS FOR A SUSTAINABLE ECONOMY 

MEMBERS

Other members include peers and MPs from all major parties.



ALDERSGATE GROUP & RESOURCE EFFICIENCY



WHAT IS REBUS?



www.rebus.eu.com

- **The REBus initiative:** 26 pilot projects in the Netherlands and the UK, incg businesses of all sizes & government bodies
- Pilot projects in electronics, textiles, construction, furniture, ICT, catering and carpeting industries: sectors worth €350bn to EU economy
- **Purpose:** test new business models to help organisations become more **resource efficient**, less dependent on availability and price volatility of key resources but also **more profitable**

DUTCH MINISTRY OF DEFENCE (MoD)



- The MoD uses a **textile recovery model** for its 42,000 military personnel who return their clothing and equipment at the end of active service.
- The re-use of materials is expected to deliver **savings of over 14,500 tonnes of CO₂, 132,000 GJ of energy** (equal to 4.25 million m³ of natural gas) and almost 2.9 million m³ of water.

UNIGREENSCHEME (UGS)



- UGS collects, stores & sells surplus scientific equipment for UK universities and returns them a share of the profits.
- To date, the service has prevented **36 tonnes of waste**, returned over **£30,000** to universities, sold over 1,000 scientific instruments and generated **£100,000** in revenue.

Across its pilots, REBus has delivered:



LESSONS LEARNT – CHALLENGES & POLICY PRIORITIES

- Importance of eco-design
- Access to funding and technical expertise
- Importance of fiscal incentives
- Improving the waste framework
- Public procurement
- Importance of good data

LESSONS LEARNT – IMPORTANCE OF ECO-DESIGN

- 80% of a product's **environmental impact** occurs during **the design stage**
- Standards that require products to be more **durable, repairable** and **easier to disassemble** are critical to the resource efficiency of the economy
- Eco-design is in the **interest of consumers**, who would benefit from better quality and longer lasting products
- EU move to include resource efficiency in eco-design standards is positive but **list of products will need to broaden** quickly

LESSONS LEARNT – ACCESS TO FUNDING AND TECHNICAL EXPERTISE

- Business case for resource efficiency is clear but **access to technical advice as well as funding is often a challenge** for SMEs
- Funding made available by European Investment Bank & Commission for circular economy innovation is important step forward, but **businesses, including SMEs, need support in accessing that funding**
- The **Commission's** Innovation Deals have huge potential but **should be broadened** beyond the organisations currently planned for

LESSONS LEARNT – IMPORTANCE OF FISCAL INCENTIVES

- REBus trials & some AG members have expressed **frustration** with having a fiscal regime that **doesn't sufficiently incentivise** the use of secondary materials and resource-saving services
- Determining **fiscal incentives is a matter for Member States**, but there are areas where the Commission can help (e.g. VAT)
- EU needs to put more focus on fiscal incentives / provide **flexibility to Member States** on areas such as VAT rates (e.g. Swedish tax rebate)

LESSONS LEARNT – IMPROVING THE WASTE FRAMEWORK

- In 2012, **2.5 billion tonnes** of waste was generated in the EU (higher than 2010) & complexity of waste is increasing
- A key frustration for business is that “**stuff becomes waste too quickly**” under current legislation, undermines re-use of secondary materials
- Progress being made in Circular Economy Package by Commission & EU Parliament **to update the definition of waste**, so that it prevents viable material being classified as waste too early

BREXIT & RESOURCE EFFICIENCY

- i. UK will need a cross-government resource efficiency strategy after Brexit, with clear goals & recognising links with its industrial strategy agenda & climate targets
- ii. In some areas, the UK can adopt its own approach: access to finance, support for innovation, fiscal incentives
- iii. In others, common approach with EU is preferable / makes business sense: product standards, public procurement

Thank you



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LESSONS LEARNT – PUBLIC PROCUREMENT

- Public procurement = 14% of the EU' s GDP or €2tn, **clear lever** to drive demand for resource efficient goods & services
- Can **incentivise greater resource efficiency in supply chains & cut in emissions**: 75% of UK Government emissions come from its suppliers
- Progress being made with Commission' s **handbook on green public procurement** & new criteria expected soon
- Transition to more **resource efficient procurement** ultimately requires clear goals, set in a way that gives the market time to adapt

LESSONS LEARNT – IMPORTANCE OF GOOD DATA

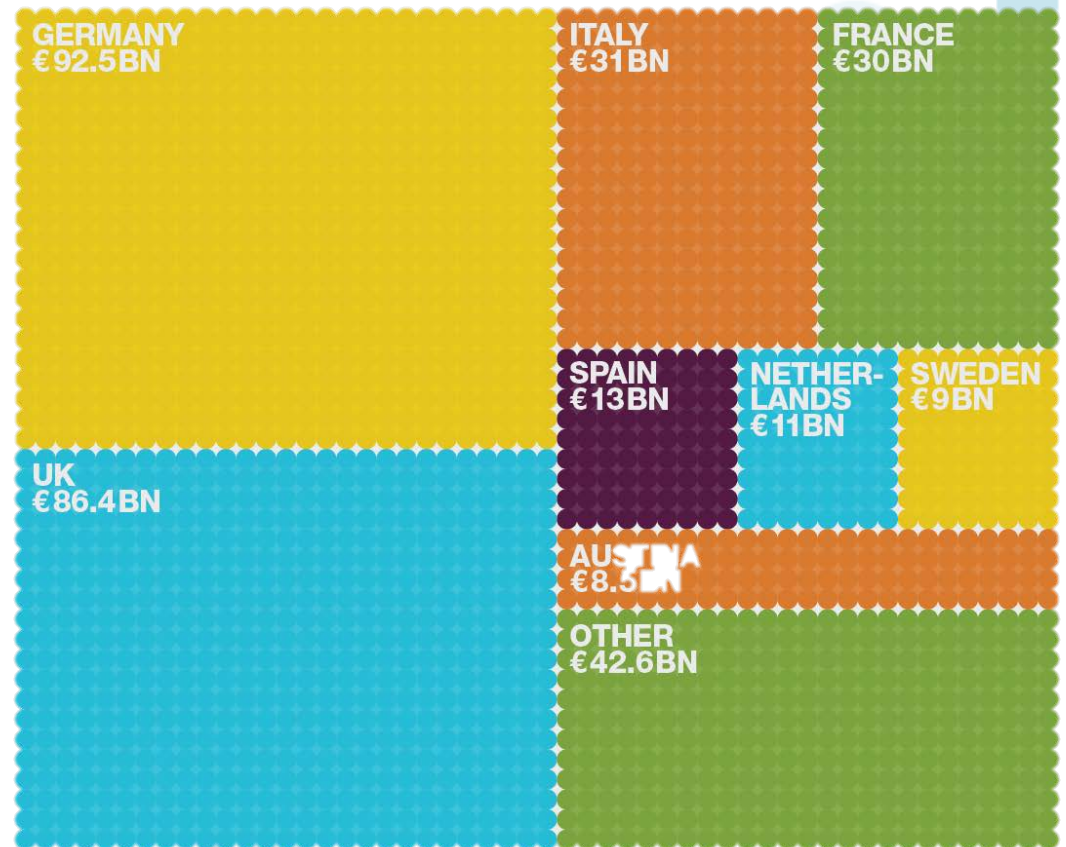
- Beyond economy-wide statistics, there is a **lack of practical and reliable information** at “the business level” on resource efficiency
- The drive to embed **resource efficiency** into public **procurement** could provide more market confidence, especially if the benefits were reported on by Eurostat
- EU **should adopt an e-doc system** to track the collection, transport, treatment and disposal of non-hazardous waste to cut waste crime & encourage material re-use within EU

When REBus results are scaled up across the EU economy, it shows that by 2030, the adoption of resource efficient business models could deliver:



GAINS ACROSS THE EU

The EU could reap
€324bn of net GVA from
adopting resource
efficient activities.



IPOWER OUTPERFORMS PROJECTED ENERGY GENERATION

- iPower is focused on **reducing energy bills & carbon emissions** through BlueGEN installations (small scale fuel cells) in social housing to make **clean energy affordable** to all.



- With the help of REBus expertise, the pilot has generated **3156 kWh** in its first **85 days**. Estimated **net savings** for the pilot will amount to **19.96%** in Year 1, rising to **36.4%** by Year 10. CO2 mitigation is estimated as **3 – 4 tonnes** per year.