



EMU Newsletter - 1st Semester 2019

SAVE THE DATE: NEXT EMU GENERAL ASSEMBLY IN EINDHOVEN ON 19-20 AND POSSIBLY 21 SEPTEMBER 2019

The 2019 EMU General Assembly will take place in Eindhoven, The Netherlands, on 19-20 September and possibly also on 21 September 2019. More practical information will follow.

Circular economy: launch of an expert platform for SMEs in the construction sector

The European Builders Confederation (EBC), which represents SMEs in the construction sector, recently launched an expert platform for circular materials, products and buildings.

The construction sector produces construction and demolition waste accounting for 25-30 % of all waste created in the EU, making it one of the most significant waste streams. This is a challenge that all the signatories of the declaration "Construction in the circular economy: Towards circular materials, products and buildings" want to address, by joining forces to promote the objective of the European Commission's Circular Economy Action Plan which aims to make the EU economy circular.

The European Union and relevant stakeholders have already joined forces to better promote the sustainability of buildings and raise awareness on recycled/reused construction materials.

However, in order to make the circular economy a reality in the construction sector, a comprehensive strategy is required, that includes an expert platform within the future construction policy initiative (currently "Construction 2020"). In calling for this, the signatories of the declaration have also put forward guiding principles for a coherent approach on circular construction and sustainable buildings, which can engage all stakeholders.

Eugenio Quintieri, EBC Secretary General, will make a presentation of the platform at the next EMU General Assembly.

Read the full declaration [HERE](#).

FACE urges EU to lift import tariff on aluminium

The Federation of Aluminium Consumers in Europe (FACE), which represents SMEs in the aluminium transformation sector, launched a campaign to request European authorities to lift import tariffs on primary and more generally unwrought aluminium, the industry's raw material. Europe is a growing net importer of unwrought aluminium, fulfilling over 74% of its demand through imports. However, the import tariffs range between 3 and 6%.

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When unwrought aluminium is imported in the EU from dutiable sources, the duty-paid price includes the import duty and is collected by customs officials. Nevertheless, when unwrought aluminium is produced in the EU or is imported from duty-free origins, a market premium reflecting the value of the 6% import tariff level is embedded in the price. Producers cash that difference. FACE denounce this phenomenon as a de facto "hidden subsidy mechanism."

In support of this campaign, FACE published a study which calculates that maintaining the import tariffs on unwrought aluminium has resulted in an extra cost of up to EUR 18 billion to the EU's downstream aluminium sector between 2000 and 2017. The import tariff is devastating for a low-margin industry. The thousands of SMEs making up the sector are already suffering from fierce and too often unfair competition, notably from China.

The 6% import tariff structure has not prevented the structural decline of the continent's smelting base through closures and disinvestments by big producing groups. Since 2008, Europe has lost 30% of its primary aluminium production capacity. At the same time, EU demand for aluminium products has grown by around 3% annually and is now over 12 million tons per year. FACE calls on the European Commission and the Council of the European Union to decide on the total suspension (zeroing) of the import tariffs on unwrought aluminium.

Roger Bertozzi, in charge of multilateral and European Affairs at FACE, will make a presentation at the next EMU General Assembly.

See the FACE Study here:

<https://face-aluminium.com/aluminium-tariff-suspension-campaign-luiss/>

Draft report of the Industry 2030 high-level industrial round-table backs EU efforts to tackle skills shortage

Industry 2030 is a new expert group from the industry established by the Commission to help shape the vision for the future of European industry. The group published a draft version of its report, which EMU secretariat received through SME United. The report highlights a series of future orientations in line with EMU priorities, especially in the area of anticipating and developing skills.

Our society requires knowledge in relation to complex problems (like those at the nexus of technology, innovation and sustainability). Europe needs to support the adoption of digital technologies and to spread digital expertise in the workforce, with special measures to tackle the digital gender gap and address the varying levels of digitisation among Member States.

Nevertheless, our education and training systems need the capacity to anticipate the precise skills and adapt to new qualification needs. They also need to be challenged and market driven. It is necessary to enhance collaboration between the education & training, research and the business sector. This cooperation should lead to a life-long learning approach to lower entry barriers to skills development, by making career models and work environments more flexible.

With new technologies, young generations can easily learn to create, e.g. through vocational training programmes in companies. Inclusivity and diversity in education are required for a new societal deal based on European values, which incorporates the social dimension of industrial policy as a tool for social economic progress.

To better facilitate knowledge transfer and sharing between different actors, Europe needs to build on regional ecosystems that embrace their own smart specialisation and provide the platform where all actors combine their knowledge and co-create the content, context and learning experiences. Those ecosystems should create technological platforms or hubs to pull together resources for technical, digital and soft skills acquisition. This should be the direction of our innovation and business ecosystems. Otherwise, we cannot live up to the commitment to implement the Paris Agreement aiming at climate-neutrality by 2050.

During the EMU General Assembly, participants will experience the Katapult project, an example of public-private partnership in Eindhoven to enhance innovation in education and smart sustainable growth.

You will find the Draft Report [HERE](#).

Summer reading: Global and regional value chains: Opportunities for European SMEs' internationalization and growth

The European Parliament published a comprehensive short document on the role of European SMEs in the global and regional value chain. Though not specifically targeting the metal manufacturing sector, the paper insists on the role of standardisation processes, which should not remain in the hands of multinationals. By linking with international supply chains, SMEs can take a first step up the ladder, which – through spill-overs and knowledge transfers – can often give them access to assignments of higher benefit. The magnitude and nature of the benefits will critically depend on the SMEs' entry point and position in global production networks and the links they can develop within those networks.

For more information, see the European Parliament Briefing [HERE](#).

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