



The European Committee for Surface Treatment

**CETS Working Breakfast in the European Parliament on the
19th of March 2014 on: “Surface Engineering – European SMEs for a Global
Sustainable Manufacturing Future”**



On the 19th of March 2014, MEP Paul Rübiger and SME Europe hosted a breakfast briefing in the European Parliament on the topic of “*Surface Engineering – European SMEs for a Global Sustainable Manufacturing Future*”. The event was organized by **the European Committee for Surface Treatment (CETS)** and **SME Europe**, an organization with the purpose of supporting EU policies for SMEs. Speakers included **Dave Elliott**, President of the European Committee for Surface Treatment (CETS), **Malcolm Harbour** MEP, **Joanna Drake**, Director, SMEs and Entrepreneurship, DG Enterprise and Industry European Commission and **Rosalinde van der Vlies**, Deputy Head of Cabinet of Janez Potočnik, European Commissioner for Environment.

The event attracted a near-capacity audience and was attended by various stakeholders from the European Commission, the European Parliament, the EESC, industry and relevant European Associations and SMEs as well as by members of the Permanent Representations in Brussels.



Austrian MEP Paul Rübiger, Member of the Parliament’s Committee on Industry, Research and Energy and a key driver of the ITRE study on the consequences of REACH for SMEs, moderated the event and welcomed the guests with a reminder that the EU wants an industry participation in the GDP of 20% by 2020. He also pleaded for a Europe which is more attractive for investments and proclaimed that the future of Europe is highly dependent on the wellbeing of



SMEs. Furthermore, Dr. Rübiger highlighted the importance of innovation within Europe and the important role SMEs, in technologically advanced sectors such as the Surface Engineering have on the environment as well as on the overall growth and wealth of Europe. For the closing remarks **Dr. Paul RÜBIG MEP** emphasized the need for a win-win situation for industry and environmental protection to achieve the industrial renaissance as well as a sustainable environmental future.

Dave ELLIOTT, President of the European Committee for Surface Treatment (CETS), also the keynote speaker, opened his speech by introducing surface engineering and the activities of CETS. Mr. Elliott explained how surface engineering is vital to the success of almost every commercial and industrial product: from aero engines to



automobiles, from iPods to surgical implants and from razor blades to racing cars. Surface engineering is a critical enabling technology that underpins every industrial and manufacturing sector. During the speech a number of examples of the contribution that surface engineering already makes to a sustainable future were given, citing for example the use of surface treatment in renewable energy. Moreover, as a European association representing thousands of SMEs, CETS is concerned with current global issues such as energy efficiency and sustainability and with more technical legislations affecting the sector such as the burdensome REACH with its upcoming authorization.

In his conclusion Mr. ELLIOTT warned that without surface engineering, sustainable component manufacture would not be possible, surface engineering and manufacturing go hand in hand and one you cannot have one without the other. However, surface engineering industries are suffering from mounting environmental legislation that always assumes the worst case scenario, such as REACH, and this threatens the very survival of many surface engineering companies in the EU and reduces the global competitiveness of the EU manufacturing sector as a whole. SMEs need certainty from the Commission that they will still have businesses in the future and that they will not be negatively impacted by future, short term political actions. Finally, he called for action and cooperation between the various stakeholders and the people present at the event.



The next speaker, **MEP Malcolm HARBOUR**, Chairman of the EP Committee on the Internal Market and Consumer Protection, and recently elected MEP of the Year 2014, continued the discussion and reinforced Dave Elliott's message by elaborating further on the importance of EU rules affecting chemical components and their impact on surface engineering. Mr Harbour, spoke about his engineering background and his recent visits to various surface treatment plants in the UK.



He then explained that chemical components have always played a very important role in industry and underlined that the processes are very complex. Mr Harbour stressed that the problem industry faces is the uncertainty about which substances will be declared hazardous in future EU legislation. Mr Harbour argued that this seriously limits investment activity, given that industry investments span over about three parliamentary election periods: The necessary investments are not worth risking if, over the investment cycle, uncertainty remains about returns because of potential changes to the EU rules. Furthermore, Mr Harbour urged the Commission to take this issue very seriously and called for further cooperation between the Parliament and the Commission on finding the best possible solutions to achieve the 2020 objectives and to support SMEs and Industry.



Following, **Joanna DRAKE**, Director of SMEs and Entrepreneurship in the DG Enterprise and Industry of the European Commission, provided the Commission's view for the discussion. She repeated the need for more clarity, stability and certainty for legislation in this area, especially in connection to industrial renaissance and green economy. She pointed out the important role of the Commission in that

process as a support and help to the Entrepreneurs facing difficulties implementing new standards. Her discussion was timely, since the day before the European Commission published an overview on contributions received in response to a public consultation on the Green Action Plan for SMEs. The Green Action Plan presents the SME oriented actions proposed at European level to build on the enormous potential that improvements in resource efficiency represent in terms of productivity gains, competitiveness and business opportunities for SMEs. She explained how the Commission's new green action plan for SMEs focuses on better use of waste considering the fact that 60% of the waste today is not recycled and also added that SMEs are fundamental in the process needed to establish a green circular economy.



Rosalinde VAN DER VLIES, Deputy Head of Cabinet of Janez Potočnik, European Commissioner for Environment, added her inputs as regards what the Commission is doing together with other DG's to support SMEs while keeping in mind the goals set by 2020 in relation to the environment. She highlighted her experience in the Commission and clearly stated that dialogue between all stakeholders is of utmost importance in order to fulfil the goals set by 2020.



Ms Van Der Vlies carried on by emphasizing the steps that have been taken by DG Environment and DG Enterprise and Industry to reach common goals. Some of the key goals such as environmental protection and industrial growth as well as innovation are strongly interconnected to the healthy growth of SMEs and industry in Europe. One of the aims of the European Commission is, including regarding environmental legislation, to reduce unnecessary burdensome administrative rules and to support SMEs and European citizens in living a healthier lifestyle and providing the tools for a more sustainable future. Commenting on the pledge for more clarity, stability and predictability she mentioned the current co-leadership model, where the DG Enterprise and Industry and DG Environment coordinate their decisions regarding REACH which is one of the top ten most burdensome legislations for SMEs.

A lively debate followed the speeches, with some comments and questions from the audience. In particular **Mr. Johannes LUSSE**r, Head of Board of the Collini group, gave a practical example of the difficulties entrepreneurs in Europe are currently facing with regards to REACH and other environmental related issues. Mr. Lusser explained how years of research and funds have been wasted due to the uncertainty and lack of clarity on specific use of substances and industrial processes with the EU. He called for a strong collaboration between the decision makers and SMEs and Industry and offered to support the Commission by organizing visits to his research labs and to answer any questions the Commission officials may have as regards to new technologies and the important balance between the environmental legislation and the work of Industries and research and development initiatives.

The debate ended with a few closing remarks by MEP Malcolm Harbour and Mr. Elliott who both called for closer cooperation among the stakeholders for the sake of a brighter future with more clarity and certainty for European SMEs.