

# CASI

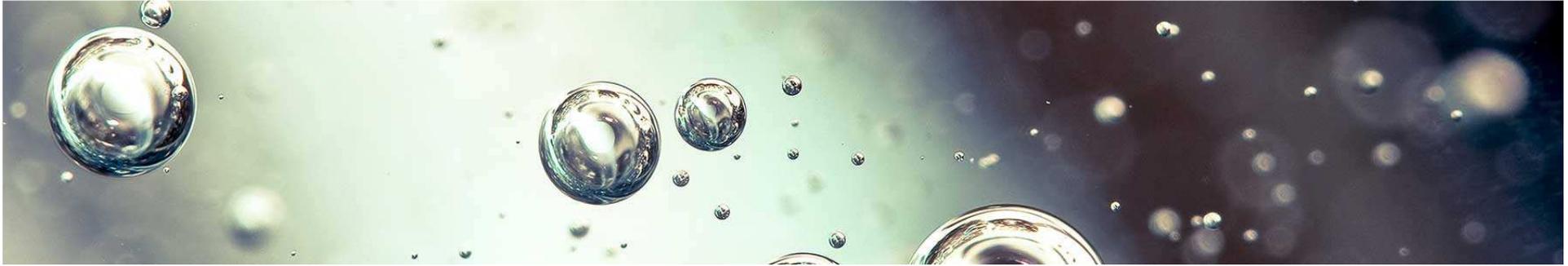
## **Why is Sustainability a Driver for Innovation?**

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## Introduction

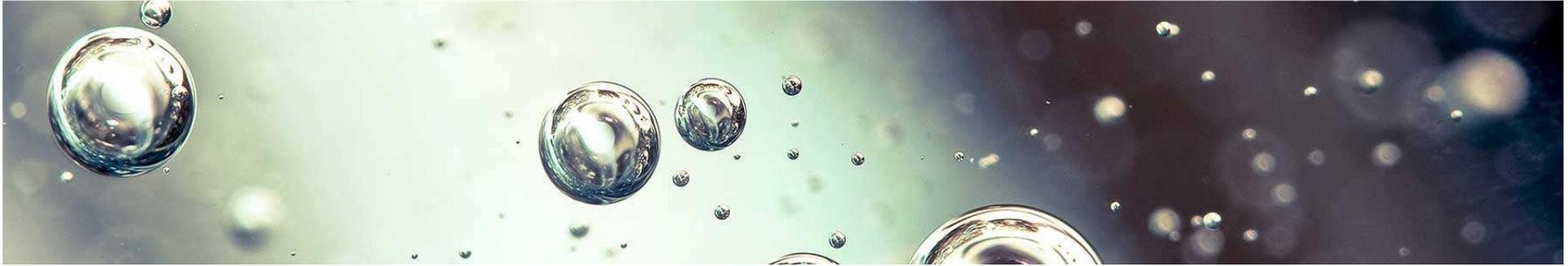
**92%** of the time cars are parked

In the remaining **8%** → **1.5** of **5** seats are occupied

**1/3** of food is wasted along the value chain

European offices are used less than **half** of the time

→ Annual costs = around **7.2 trillion Euro** for mobility, food and housing sectors.



## Sustainability challenges

- Environmental challenges – doing more with less resources
- Social and financial limitations define the landscape of opportunities and threads across industries.
- Global trends: growing global population, growing demand in the emerging economies, aging population in many parts of the world

→ **Opportunities & challenges** for businesses, citizens, civil society, academia and policy makers



## Sustainable Innovation (SI)

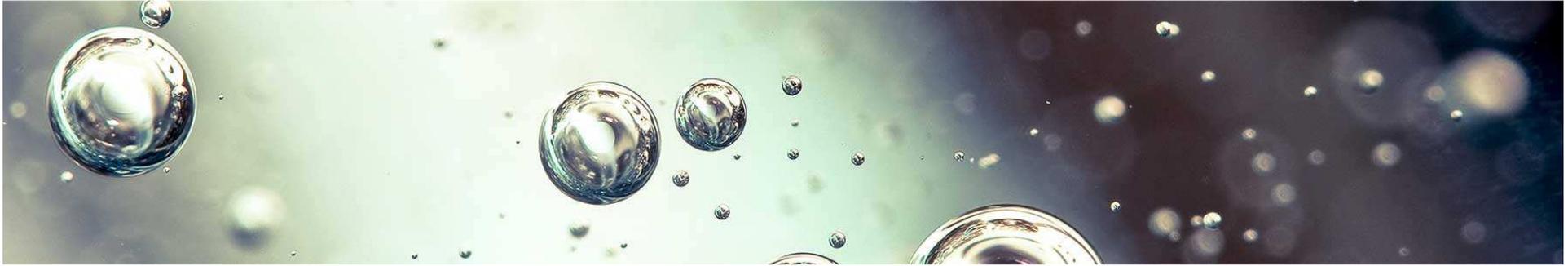
- **SI** ~ creating new or improved products, services, technologies, processes and management techniques that produce environmental or social benefits along with economic value.
- **SI** = business oriented (product, service, process, organisational/business model, marketing) and socially oriented (i.e. social innovation)



## **Innovation in the business sector**

Sustainability-related factors that drive innovation:

- Complying with existing regulation or anticipating future regulations → more time for experimentation & competitive advantage over rivals
- Cost savings generated by improving resource efficiency → reduced material and energy use per unit output
- Social pressure → pressure from environmentally conscious consumers
- Supply chain pressure → inducing suppliers to become environmentally conscious by offering them incentives



## SMEs

- SMEs in the EU: **~99%** of all enterprises in Europe, **~85%** of new jobs, **2/3** of the total private sector employment
- Sustainable development can be a major catalyst for innovation in SMEs.
- **Competitive advantage** over larger firms: flexible firm structure, specialisation of activities, the ability to react to new opportunities
- **Connection with local communities** is of great importance to their success.



## Social innovation

- Sustainability concerns are driving social innovation
- Social innovation defined as “the development and implementation of new ideas - products, services and models - to *meet social needs* and create *new social relationships or collaborations*” (EC)
- Social innovation addressing social issues, e.g. poverty, limited access to good quality education



## **Circular economy**

- Environmental, social and economic benefits from moving towards circular economy: improving the resource productivity of the EU with up to 3% on an annual basis, decreasing CO2 emissions with 83% by 2050, reducing primary material consumption with up to 32% by 2030. ~1.8 trillion Euro; new jobs
- Growth which maximises the value extracted from the existing stock of products and materials (“growth within)
- Fostering system effectiveness by revealing negative externalities and inefficiencies



## Instead of conclusion





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**Thank you for your attention!**

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