

EU Recovery needs a resilient Single Market, Circular Economy and digitalisation

Brussels, 29 May 2020 – Covid-19 has led to an unprecedented health and economic crisis, showing that a European problem needs a European solution. On 27 May the European Commission proposed a Recovery Package to repair and revitalise the Single Market and to support investments in a green and digital future. The European Furniture industries welcome the focus on these three key elements and is completely aligned with the European Commission on the green recovery.

EU Single Market

The EU Single Market has been seriously affected by the coronavirus outbreak in the context of measures put in place to prevent the virus from spreading. The flow of goods, services and movement of people have been interrupted, causing major supply chain disruptions and leading to uncertainty and financial losses for businesses in the furniture sector. This episode has revealed the interdependence of Member States and the importance to repair, revitalise and preserve the Single Market, to avoid future disruptions and an unlevel playing field, as well as to enhance the competitiveness and resilience of the EU economy and industry.

Circular Economy

A truly circular and low-carbon economy has an enormous potential to boost competitiveness and increase resilience of supply chains through new business models offering repaired, reused, refurbished and remanufactured products. These circular loops decrease reliance on new materials, increase affordability and offer opportunities for the creation of new jobs in the EU. To increase resource efficiency and boost new business models, circular economy rules must accelerate the use of waste as a resource – prolonging thus the life of products, and address chemical content and waste management at the end-of-life of products (especially bulky waste such as furniture). It is crucial that a coordinated approach is taken at EU level with regard to the classification of hazardous substances and the interface between product, chemical and waste legislation, to avoid that decisions taken at substance level can potentially threaten the circular economy and in particular the recycling of products (example: TiO2, whose reclassification could have a serious impact on waste classification and recycling possibilities). An enhanced Green Public Procurement would also strengthen the demand for circular products, boosting the take-up of circular business models.

"Businesses in the furniture sector have been steadily investing in the circular transformative path and truly believe in its potential. The Green Deal must be the compass of the EU's recovery. This is the time to choose a green economic reboot and to reinforce sustainable business practices. Resources should be channeled towards the right green solutions, materials and technologies. Investment and economic support for research projects on competences, new technologies, infrastructure and circular business models is key," said Markus Wiesner, EFIC President.

Digitalisation

Increased digitalisation will impact the transition to a circular economy and has the potential to reinforce the EU Single Market. The coronavirus crisis has for example shown the importance of adapting to digital tools for customer management and online furniture sales. A reflection is needed on how to maintain the retail channel open in the future and to ensure an enhanced digital experience for customers. 3D printing models are also foreseen as a future development by the furniture industries. Research and investment opportunities in this context are needed.

See also EFIC position 'The Furniture Sector and Circular Economy 2.0'.

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