

RREUSE's initial reflections on the updated EU's Industrial Strategy

On 5 May 2021, the European Commission updated the EU's Industrial Strategy¹, originally adopted in March 2020. The document seeks to further spur the green and digital transitions and take stock of the impacts and challenges faced by different sectors due to the COVID-19 pandemic. **RREUSE welcomes the updated Industrial Strategy and its reinforced commitment for industries to shift from linear to the circular economy. However, it regrets the lack of concrete actions to advance the social and circular dimensions of the twin transitions.**

To begin with, the updated document includes a number of proposals aimed at addressing the green dimension of the industrial transformation. It contains proposals on energy decarbonisation, fostering innovation, multi-stakeholder partnerships, green public procurement as well as empowering consumers through initiatives such as a 'right to repair'. RREUSE endorses these objectives as significant flagships of the green transition. However, we believe that the strategy's focus on EU resource autonomy and green growth could have been an opportunity to mention the role and importance of re-use and preparing for re-use activities. Indeed, reducing European dependence on imported products starts with consumption reduction, made possible by re-use operators through the extension of product lifetime.

Regarding the social dimension, the strategy succeeds in identifying key problematic areas of the twin transitions. However, it fails to provide details on how exactly these transitions will develop in a fair and inclusive way. To begin with, the document reflects on the radical shifts impacting the future of work in industrial sectors, placing the creation of new skills and jobs in the circular economy at its centre. It stipulates that applying circular economy principles in all sectors and industries has the potential to create 700,000 new jobs across the EU by 2030, many of which in SMEs. In addition, it also emphasises that to achieve this, there is a need to ensure lifelong learning opportunities for EU citizens to pave conditions for their skilling and reskilling.

While RREUSE is pleased that the strategy reflects future transformations in the labour market, it regrets, that the social dimension of the circular economy is overlooked. Despite references to the European Pillar of Social Rights and social market economy as its guiding principles, the strategy fails to propose any concrete actions to ensure that both transitions

¹ European Commission (2021) Updating the 2020 Industrial Strategy. Building a Stronger Single Market for Europe's Recovery - [here](#)

result in quality jobs and create a level playing field for the social economy actors. The strategy seems to favour short-term competitiveness and economic growth, without providing adequate suggestions on how to address structural inequalities, further exacerbated by the

COVID-19 pandemic, and ensure that jobs created in the circular economy across the industrial sectors are inclusive and cater for all skills levels. RREUSE encourages the European Commission to draw closer attention to the social value of the circular economy and recognise social economy actors, including social enterprises, as a driver in the just, green and circular industrial transitions.

Overall, RREUSE considers the updated Industrial Strategy as a step forward to rethink the EU's industrial policy against the backdrop of the current day challenges. However, we point out that the strategy lacks a holistic approach that would result in tangible social and circular industrial transformations.