

## EU Circular Economy Action Plan – 11<sup>th</sup> March 2020

### Introduction

The Circular Economy action plan published by the EU on 11<sup>th</sup> March 2019 is one of the cornerstones of the European Green Deal, Europe's new agenda for sustainable growth announced by the Von der Leyen Commission in December 2019. It is the second version of the Circular Economy Package.

### Key points affecting our sector

The action plan highlights the following policies and areas that will impact our sector

- A sustainable product policy framework including designing sustainable products and focusing on circularity in production processes
- The Plastics and Construction and buildings sector as priority areas
- Creating less waste and gaining more value from waste. This includes a waste policy that supports waste prevention and circularity, creating a market for secondary raw materials addressing the issue of waste exports from the EU

### Sustainable product policy

The Commission will propose a sustainable products policy legislative initiative, which will essentially help to broaden the Eco Design directive. This legislative initiative and any other complementary regulatory or voluntary approaches are aimed at **increasing recycled content in products**, introducing a ban on the destruction of unsold durable goods, incentivising various business models such as product as a service or producer keep the ownership of the product, digitalisation including digital passports, tagging and watermarks and in particular rewarding products based on their sustainability performance for example linking high environmental performance with incentives.

To police this initiative, they are planning to step up on enforcements of applicable sustainability requirements for products placed on the EU market through inspections and market surveillance.

Empowering consumers and buyers to participate in Circular economy.

The EU want to revise consumer law to make sure that consumers receive trustworthy information on products at point of sales such as information on lifespan and availability of repair services. They want to protect consumers from greenwashing by setting minimum requirements for sustainable labels/logos and information tools

EU will support public authority buyers by supporting minimum mandatory GPP criteria and targets in sectoral legislation and introducing compulsory reporting on uptake of GPP

### Encouraging circularity in production processes

The EU will strive to enable greater circularity in the production process via a review of the industrial emissions directive, by facilitating industrial symbiosis, i.e. by brokering cross



industry collaborations encouraging different sectors to work together in innovative collaborations and by promoting the use of digital technologies for tracking, tracing and mapping resources.

Priority areas: *Plastics and Construction and buildings sector*

The Commission mentions that it will cooperate closely with stakeholders in key value chains to identify the barriers to the expansion of markets for circular products and ways to address these barriers. The policies most likely to have an impact on ERFMI members are the policies on Plastics and Construction and Build environment as detailed below.

#### *Plastics*

The plastics policy will focus on:

- Increasing uptake of recycled plastic and contributing to sustainable use of plastics
- Mandatory requirements for recycle content and waste reduction measures for key products inclusion construction materials taking into account activities of the Circular Plastics Alliance
- Addressing microplastics in the environment by
  - Restricting intentionally added microplastics
  - Developing labelling and regulatory measures on unintentional release of microplastics
- Developing a policy framework on biobased plastics based on assessing where the use of bio-based feed stock results in genuine environmental benefits.

#### *Construction and built environment*

The new strategy for a sustainable built environment includes:

- Revision of the Construction Products Regulations including requirements on recycled contents for certain construction products
- Digital logbook for building
- Using Levels to integrate lifecycle assessment in public procurement
- Revision of material recovery targets for C&D waste
- Renovation wave initiative to provide improvements in energy efficient in the EU

#### *Waste*

The Commission mentions that the sustainable products policy and its translation into specific legislation will be the key to progress on waste prevention. In addition, they plan to build on and further strengthen and better implement EU waste laws

The Commission plans to enhance the implementation of the requirement for Extended Producer Responsibility schemes (EPR) and provide incentives and encourage sharing of information and good practices in waste recycling.

Further steps include:

- Aiming to halve the amount of residual non recycled municipal waste by 2030
- Proposing harmonised separate waste collection systems



- Encouraging separate waste collection models
- Increasing collaboration with member states regions and cities to ensure that they can reach recycling targets.

### Toxic free environment

Measures to achieve a toxic free environment include

- Supporting development of high-quality sorting and removing of contamination from waste
- Harmonising systems to track and manage information on Substances of Very high concerns

### Developing a single market for Eu market for secondary raw materials.

- Introducing standards requirement for recycled content in products
- Enhancing the role of Standardisation based on ongoing assessment of existing standardisation work at national and international levels
- Assessing feasibility of establishing a market observatory for key secondary materials

The document also covers focusing on getting economics right by integrating the Circular Economy objectives in the EU Taxonomy regulations and carrying out work on Eu Ecolabel criteria for products. It also mentions the Circular Economy Finance Support Platform to offer guidance to project promoters on circular incentive and capacity building.

### Summary – Circular Economy Action plan and ERFMI's work programme as agreed in our 2019 Roadmap

In conclusion, the Circular Economy Action plan provides few surprises and basically covers what was expected. The Circular Plastics Alliance, increased use of recycled content, implementation of mandatory Green Public Procurement requirements are all processes that will affect our members. ERFMI's roadmap developed in 2019 is well placed to deliver the work needed for our sector to be able to contribute to the Circular Economy and to meet the requirements being developed by the Commission. In particular our work with the Circular Plastics Alliance, our work within ERFMI's Circular Economy Platform as well as our increased visibility and working with the Commission will help us meet the requirements. Nonetheless we will review the road map to ensure that it is fit for purpose with regard to the direction the Commission is taking both in its Industrial Strategy and regarding the Circular Economy Action Plan. Discussions within ERFMI's working groups could include a focus on standards with regard to Circular Economy, such as standards that define what recycled content and Circular Economy mean for our sector. Another potential work item would be to investigate proactively what an Extended Producer Responsibility for construction products should look like for our sector so that it works to our advantage and we can proactively lobby for the best possible outcome should it be necessary.

These are all points that we will add to the agenda for discussion at the next TC and Plenary meeting.