



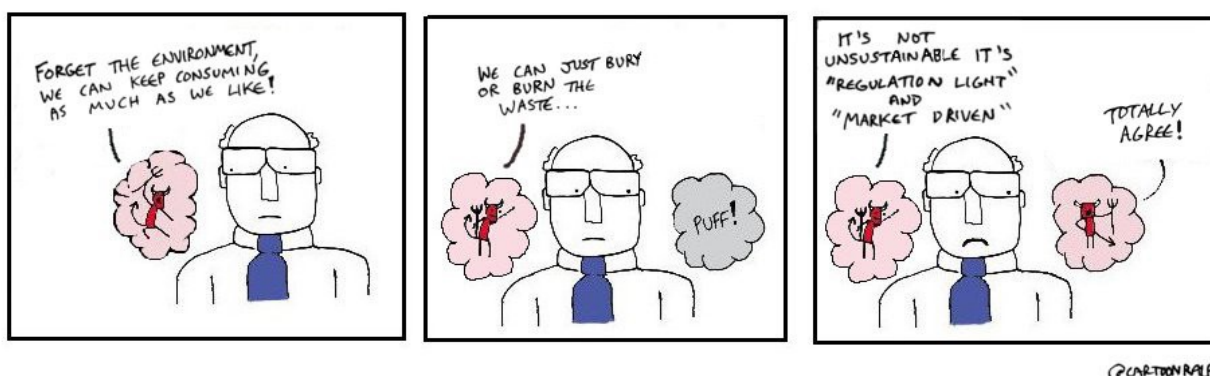
**Friends of
the Earth
Europe**

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Circular Economy leaks: an analysis

Based on leaked drafts of the European Commission's new Circular Economy Package, set to be launched on 2nd December 2015, Friends of the Earth Europe has analysed and outlined key points below.

TIMMERMANS' CIRCULAR ECONOMY DILEMMA



Background

After last year's Package was [controversially shelved](#), First Vice-President of the Commission, Frans Timmermans, promised a new "more ambitious" Package this year. What will this new Package address and will it really pave the way to a true circular economy for Europe?

As with last year's Package, six key pieces of EU legislation on waste will be modified:

1. Waste Framework Directive
2. Landfill Directive
3. Packaging and Packaging Waste Directive
4. Waste Electrical and Electronic Equipment Directive
5. End-of-Life Vehicles Directive
6. Batteries and Accumulators and Waste Batteries and Accumulators Directive

New to this year's proposal is an accompanying Action Plan, containing fifty-two action points (all to be embarked upon in some way prior to 2019) under seven areas:

1. Production
2. Consumption
3. Waste management
4. Market for secondary raw materials
5. Priority areas (plastics, food waste, critical raw materials, construction and demolition waste, biomass and bio-based products)
6. Innovation and investments
7. Monitoring

Overview

Overall, the Package looks likely to fall short in delivering the solid foundations required to transition to a true circular economy. Of notable significance is the absence of any action on resource efficiency and concrete measures to slash Europe's absolute consumption of natural resources. Despite the European Parliament having [endorsed plans to tackle these areas](#) as part of the relaunched Package in July, the new proposal instead closely mirrors [BusinessEurope's recommendations regarding the previous CEP proposal](#), which include scrapping the resource productivity headline target and indicator altogether, and retabling the Package as a purely economic, rather than environmental, piece of legislation.

Despite some relevant improvements in clarity, more specific measures on waste prevention, promotion of reuse and repair, and pricing of waste treatment aligned with the waste hierarchy, we are likely to see more worrying elements such as the reduction in the recycling target, the dropping of food waste and marine litter targets, and the allowance for Member States to allege technical, environmental or economic reasons not to collect bio-waste.

This lowering of environmental aspirations further confirms concerns about the Commission's so-called 'Better Regulation' Agenda, which is considered by NGOs and public interest organisations to provide a way for businesses lobby groups to weaken and undermine essential regulations.

What needs to be included to make this Package truly ambitious?

In order for this year's Package to match, and go beyond, the ambition of last year's Package, there needs to be:

- A binding EU material reduction target based on the Total Material Consumption indicator
- Harmonised measurement methodologies and binding reduction targets for land, water and carbon footprints
- A zero residual waste target by 2025
- Binding waste prevention targets
- Separate preparing for reuse targets (at the moment these are combined with recycling targets)
- Recycling target to be kept at at least 70% by 2030, using one clear methodology for all Member States. Overall packaging recycling target of 80% and plastic recycling target of at least 75%
- Obligatory separate collection of waste by 2020
- The design out of single-use, non-recyclable products and toxic materials
- The promotion of economic instruments that support full implementation of the waste hierarchy e.g. EPR, pay-as-you-throw schemes
- Binding food waste reduction target of at least 30% by 2025
- Binding quantitative marine litter reduction target of 50% by 2025
- Guidance to tax landfill and waste to energy incineration and removal of EU financing for these

Analysis of legislative proposal

Recycling targets:

Target is 65% by 2030. This has been weakened from 70% by 2030 in last year's Package. This is bad, as even the Commission's own impact assessment shows that a 70% target is the most beneficial one financially, socially and environmentally.

There is also an extended time for compliance for 7 Member States - Estonia, Greece, Croatia, Latvia, Malta, Romania and Slovakia. They may obtain 5 additional years to reach the target. In the event of extension, these MS shall take the necessary measures to increase preparing for re-use and recycling of municipal waste to a minimum 50% and 60% by weight, by 2025 and 2030 respectively.*

*Comment – this means commitment for these countries is even weaker than what is in current legislation (50% recycling by 2020)!

Recycling calculation:

This year's Package looks set to use a looser, more flexible definition of what constitutes recycling - leading to a danger that this may allow more lenient recycling. Up to 10% of the output material that doesn't end up in final recycling (becoming a residue to be disposed or burned) will be allowed to be accounted as recycling (as opposed to just 2% last year).

Packaging and packaging waste targets:

The leak does not specify. Again, there is extended time for compliance with targets to be achieved by 2030, not 2025.

Landfill ban:

A gradual limitation of the landfilling of municipal waste to 10% by 2030, with some Member States to be allowed five extra years to reach this. Last year's Package contained a complete ban by 2025 for recyclable waste, and by 2030 only accepted residual waste in landfills for non-hazardous waste. This a positive change as in many cases, as putting in place a landfill ban would actually drive long-term investment in incineration/waste to energy and thus away from investment in reuse, repair, reducing consumption etc.

Waste prevention:

Last year's Package stated that Member States "*shall take the appropriate waste prevention measures*". However, the new Package looks set to specify what these should be e.g. "*encourage the use of products that are resource efficient, durable, repairable or recyclable*". Member States would now likely also have an obligation to quantify and progressively reduce residual waste, with the Commission potentially adopting implementing acts to establish indicators to measure the overall progress.

Pricing:

Absent from last year's Package, the leak indicates that Member States shall ensure that pricing of waste treatment operations are in line with the waste hierarchy, i.e. there must be greater incentives provided to waste treatment higher up the hierarchy like waste prevention and reuse measures, and less incentives to those lower down the hierarchy like waste to energy incineration. Member States must report on this.

Reuse and repair networks:

Absent from last year's Package, the leak indicates that Member States shall take measures to encourage the establishment of and support for reuse and repair networks and access to waste collection points, however it is noted that there is no further concrete details/promises on this.

Bio-waste collection:

The previous package stated "*Member States shall ensure separate collection*" of bio-waste. This has changed to "*Member states shall ensure the separate collection of bio-waste where TEEP* and appropriate*". This leaves the door open for Member States to waive the obligation to ensure separate collection, although with recycling targets, they must act regardless. *Technically, Environmentally and Economically Practicable.

Food waste:

The previous package had a target on food waste reduction of 30% between 2017 and 2025. In the new leak we have no target. There is still a commitment to establish common methodologies to measure and monitor food waste, but the date to implement acts on this has gone (was 2017).

Extra note on incineration:

There is nothing precise on incineration in the leak, but here are some ways it may be influenced:

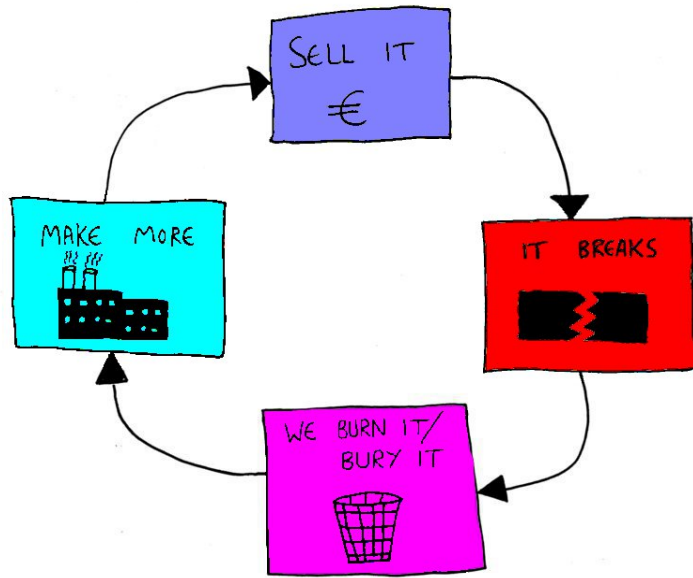
- the inclusion that there must be pricing according to the waste hierarchy means there must be less incentives for measures lower down the hierarchy i.e. landfilling and incineration
- there is less "push" or incentives for incineration thanks to a looser restriction on landfilling
- however, there is less "pull" for recycling (65% minus 10% residues), so more waste remains for incineration
- because of the different times to reach targets between countries, incineration may increase in some (the ones with more time to reach targets) and decrease in others, but is difficult to assess at this stage

Action Plan

The 52 specified actions are a welcome addition to pave the way to a more circular economy. However, we fear that given their open, flexible language and non-binding nature, many of these actions may fall off the wayside or not be implemented in the best way possible. Furthermore, it is noted that many of these actions are in fact recycled from previous promises in various other areas by the Commission.

Some welcome measures include the potential to open up the Ecodesign directive to include material efficiency and not just energy efficiency; the examination of policy options to address the links between chemicals, products and waste legislation; the development of core indicators for the assessment of the lifecycle environmental performance of a building; and measures on cascading biomass and coherence between the circular economy and bioeconomy.

THE CIRCULAR ECONOMY
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