



Circular Economy Action Plan

For a cleaner and
more competitive
Europe

Paola Migliorini
Deputy Head of Unit
Sustainable Production, Products, and Consumption
DG Environment
European Commission

Urgent actions are needed

COVID-19



- From 1970 to 2017, the annual global extraction of materials **tripled** and it continues to grow.

Source: The International Resource Panel, [Global Resources Outlook](#), 2019



- More than **90%** of biodiversity loss and water stress come from resource extraction and processing.

Source: The International Resource Panel, [Global Resources Outlook](#), 2019



- Annual waste generation will increase by **70%** by 2050

Source: [World Bank](#) What a waste 2.0, 2018



- Only **12%** of the materials used by EU industry come from recycling.

Source: [Eurostat](#), 2016 figures



A recovery plan for Europe

To help repair the economic and social damage brought by the coronavirus pandemic, kick-start **European recovery**, and **protect and create jobs**, the European Commission is proposing a **major recovery plan for Europe** based on harnessing the full potential of the **EU budget**.

To mobilise the necessary investments, the Commission is putting forward a two-fold response:

Next Generation EU



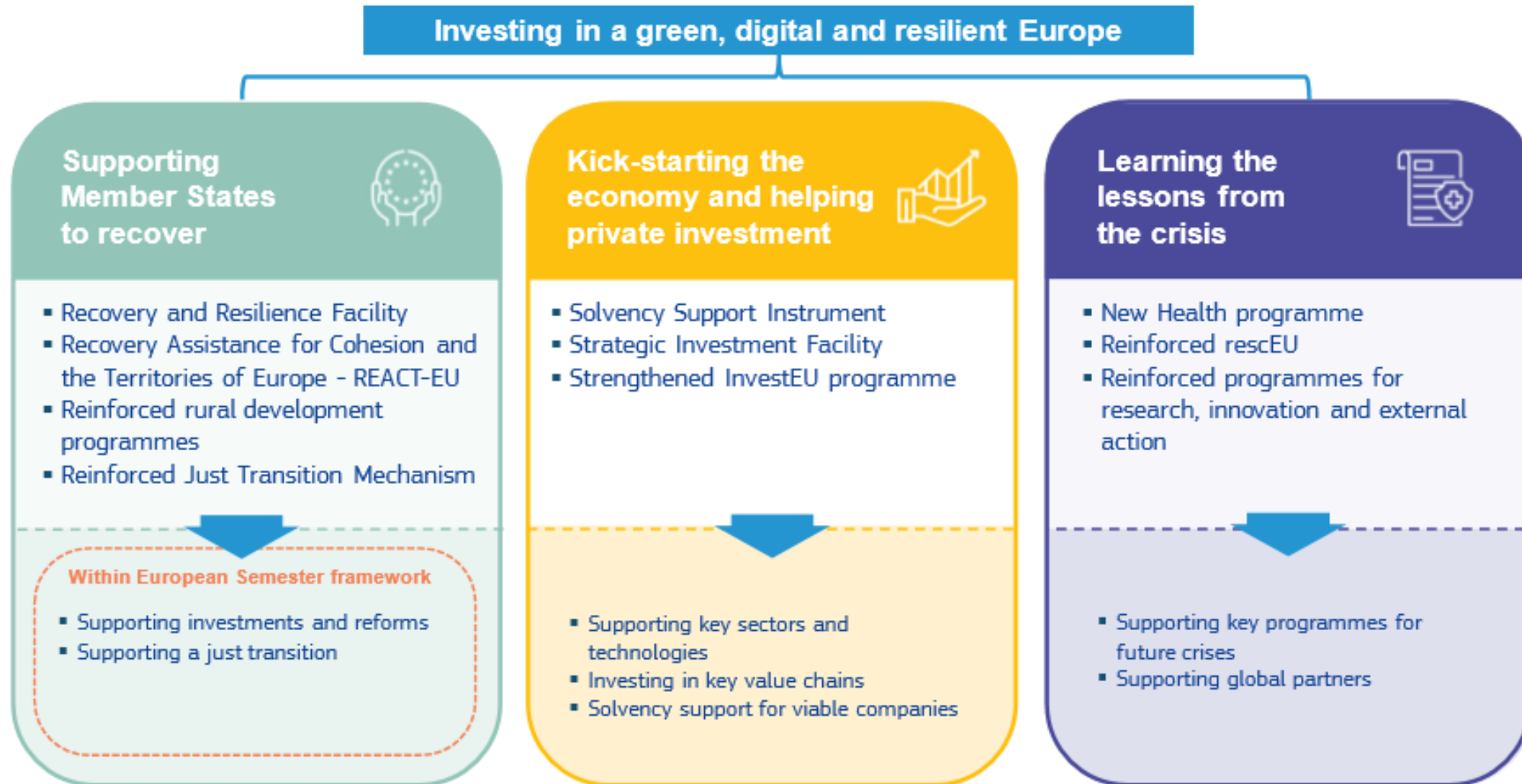
A new recovery instrument of **€ 750 billion** which will boost the EU budget with new financing raised on the financial markets

Multiannual Financial Framework



A reinforced long-term budget of the EU for 2021-2027 (**€ 1.100 billion**)

The money raised for Next Generation EU will be invested across **three pillars**:



European Green Deal



A new vision for Europe



35 actions along the entire life cycle of products, to:

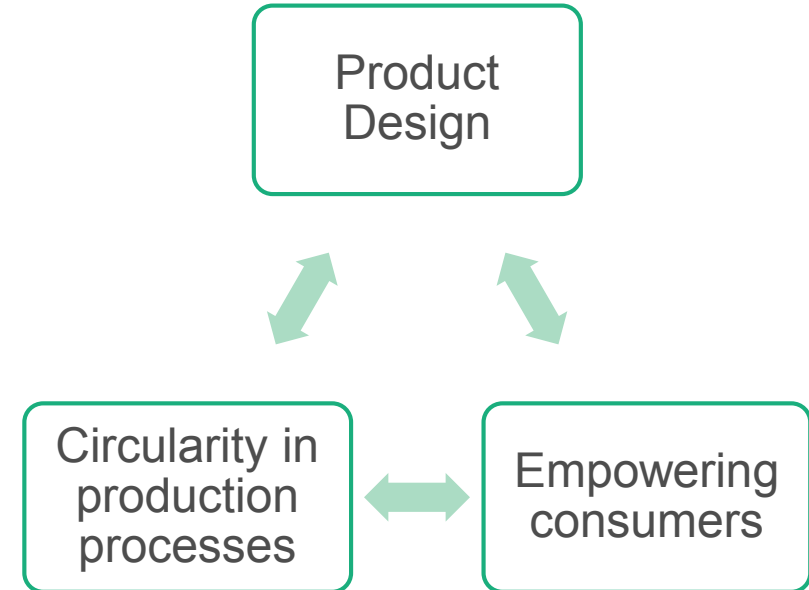
- Make **sustainable products** the norm in the EU
- **Empower** consumers and public buyers
- **Focus also on key product value chains:** electronics and ICT; batteries and vehicles; packaging; plastics; textiles; construction and buildings; food; water and nutrients
- Ensure **less waste**
- Make circularity work for **people, regions** and **cities**
- **Lead global efforts** on circular economy

Towards a Sustainable Product Policy Framework

- Many **products** break down too quickly, cannot be easily reused, repaired or recycled, and many are made for single use only.
- **Consumers** do not repair products, find too many labels and some green claims are misleading.
- **Production processes** in Europe are not resource efficient and can pollute our air, water and soil.



Our response



A new **overarching framework** addressing all products placed on the EU market, supporting more sustainable patterns of consumption and cutting waste by e.g. promoting better design


Sustainable Product Initiative - “Green Products”

Widening the scope of the **Ecodesign Directive** to the broadest possible range of products

Establishing **sustainability principles** and setting **product requirements** on:

- Improving product **durability, reusability, upgradability and reparability**
- Increasing **recycled content** in products and facilitating **remanufacturing**, including possible measures on **production processes**
- Restricting **single-use**, countering **premature obsolescence**, banning the destruction of **unsold durable goods**
- Incentivising **product-as-a-service**
- Mandatory labelling a/o provision of information in the form of a **digital product passport**
- **Rewarding** sustainable products by linking incentives to sustainability performance levels; minimum sustainability requirements on **public procurement** of products
- Addressing **social aspects** throughout the lifecycle of products where feasible

Up to
80%
of products' environmental impacts are determined at the design phase



Empowering consumers and public buyers

- Revision of the **consumer law**: consumers to receive trustworthy and relevant information on products at the point of sale
- Establishing a new “**Right to repair**”
- Legislative proposal to ensure companies substantiate their **environmental claims** using Product and Organisation Environmental Footprint methods
- Include more systematically durability, recyclability and recycled content in EU Ecolabel criteria



- Proposal for **mandatory Green Public Procurement (GPP)** criteria and targets in sectoral legislation
- Phasing-in **mandatory reporting** on GPP

Empowering consumers - Legislation on green claims

- Requiring companies to **substantiate their green claims with the Product and Organisation Environmental Footprint methods** (PEF/OEF). Substantiation via PEF category rules/ OEF sector rules (if existing) or the PEF/ OEF method (if no product- or sector-specific rules)
- **Only claims covered by the method** or product-/ sector-specific rules (e.g. claims on climate change covered, repairability not covered)



- Proposal planned for Q2 2021
- Public consultation opened! feedback period until 3 december
<https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12511-Environmental-claims-based-on-environmental-footprint-methods>
- Analysing policy options (impact assessment)

Circularity in production processes

- Options for further promoting circularity in industrial processes in the context of the review of the **Industrial Emissions Directive**
- **Industrial symbiosis:** reporting and certification system
- EU **Environmental Technology Verification** scheme as a new EU certification mark
- New **SME Strategy** (circular industrial collaboration among SMEs)

In synergy with:



Key product value chains



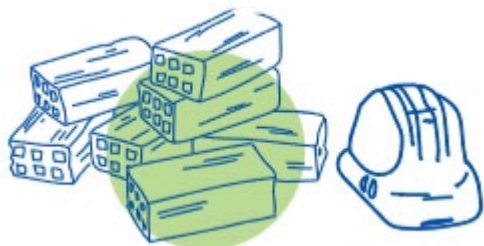
Food, water & nutrients



Electronics and ICT



Batteries & vehicles



Construction & buildings



Packaging



Textiles



Plastics

Key product value chains



Circular Electronics Initiative

Regulatory measures including mobile phones, tablets and laptops under the Ecodesign Directive

Implementing the new "right to repair" and update obsolete software

Introducing a common charger

Explore EU-wide take back scheme to return or resell old phones, tablets & chargers

Restrictions of hazardous substances in electrical & electronic equipment

Key product value chains



New regulatory framework for batteries

Rules on recycled content

Measures to improve collection & recycling, recovery of materials and provide guidance to consumers

Phase out non-rechargeable batteries

Sustainability and transparency requirements for batteries

Revision of the rules on end-of-life vehicles

Collection and treatment of waste oils

Key product value chains



All packaging on the EU market to be reusable or recyclable by 2030

Reinforce the mandatory essential requirements for packaging

EU-wide labelling that facilitates the correct separation of packaging waste

Rules for the safe recycling into food contact materials of plastic materials other than PET

Key product value chains



Implementation of the EU Strategy for Plastics in a Circular Economy

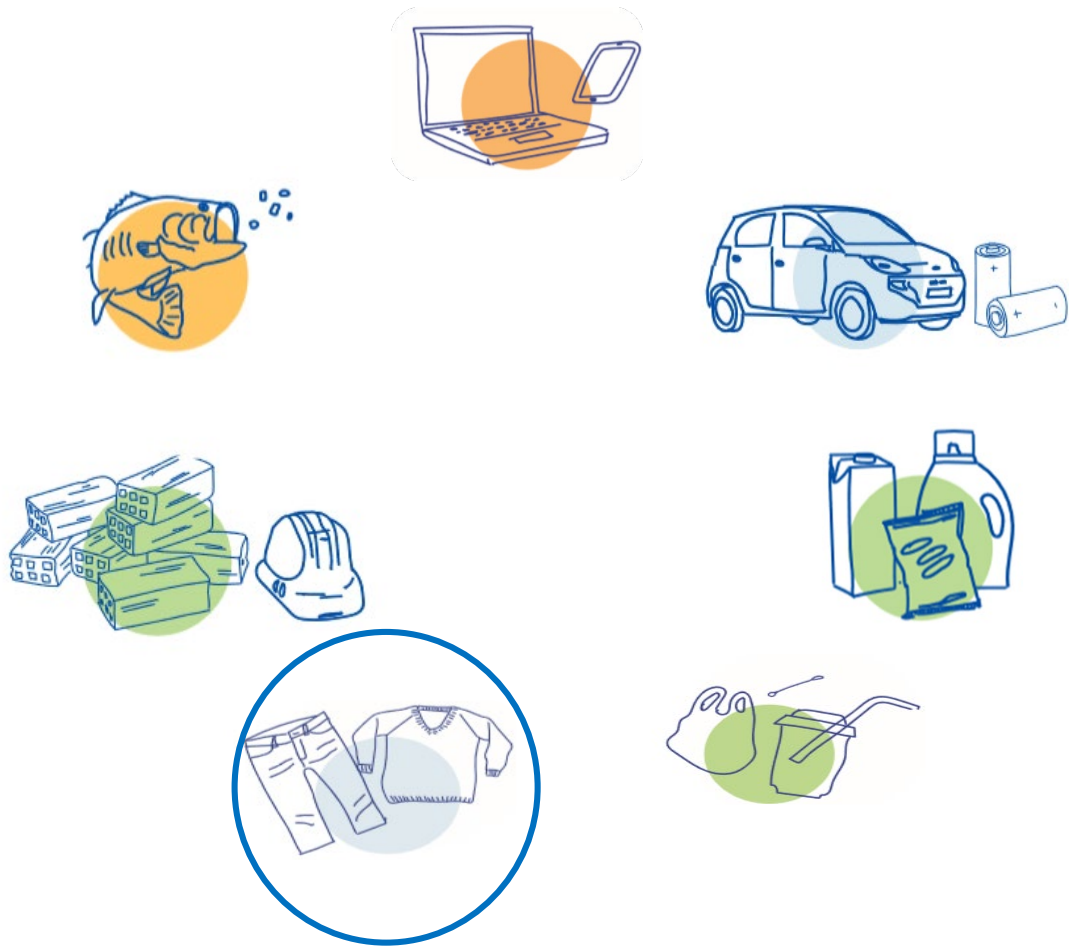
Mandatory requirements for recycled content and waste reduction measures

Address the presence of microplastics in the environment

Policy framework on biodegradable and biobased plastics

Implementation of the new Directive on Single Use Plastic Products

Key product value chains



A comprehensive EU Strategy for Textiles

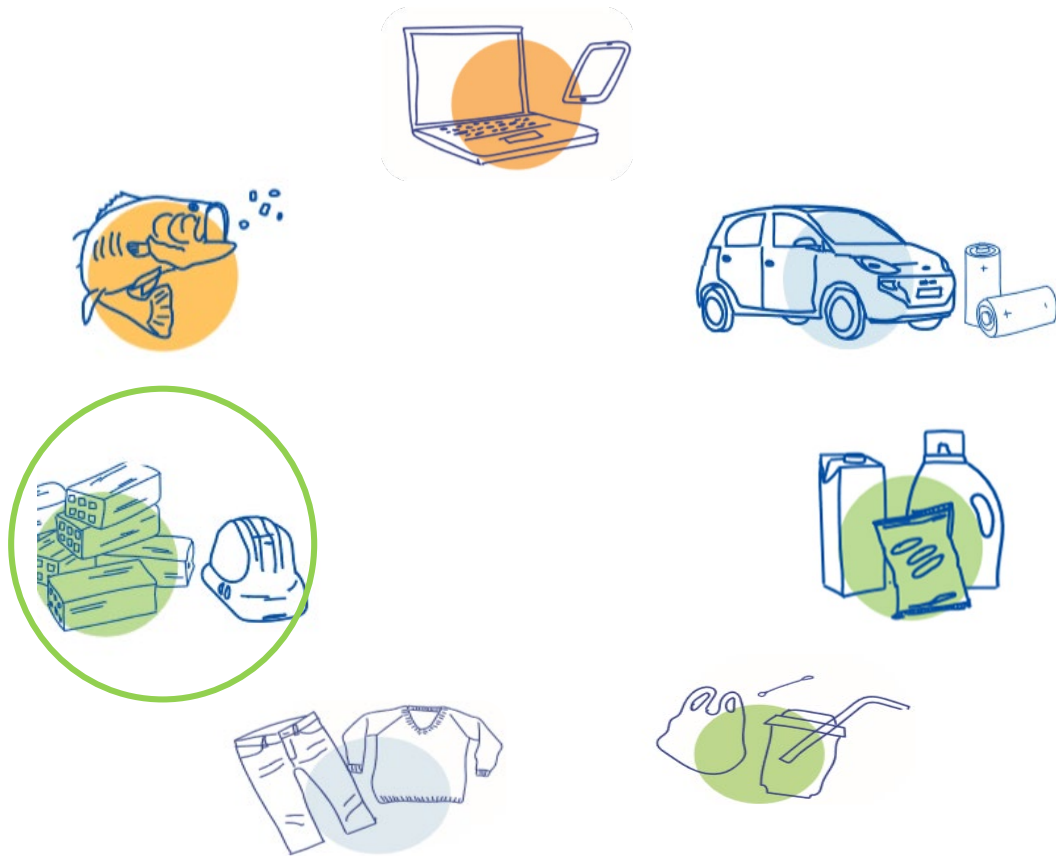
Applying the new sustainable product framework including Ecodesign measures

Guidance to ensure by 2025 a high level of separate collection of textile waste

Boosting the sorting, re-use and recycling of textiles through innovation

Providing incentives and support to create new circular business models

Key product value chains



Strategy for a Sustainable Built Environment

Revising the Construction Product Regulation, including considering recycled content requirements for certain construction products

Considering a revision of material recovery targets set in EU legislation

Integrate life cycle assessment in public procurement and in the EU sustainable finance framework: Level(s)

Key product value chains



Legislative initiative to substitute single-use packaging, tableware and cutlery in food services

Facilitate water reuse and efficiency,

Develop an Integrated Nutrient Management Plan

Review directives on wastewater treatment and sewage sludge

Less waste, more value



- *Preventing waste from being created in the first place is key*
- *Once waste has been created, it needs to be transformed into high-quality resources*

- **Specific waste reduction targets** for more complex streams
- Enhance the implementation of the requirements for **EPR schemes**
- Continue **modernising EU waste laws** (e.g. batteries, packaging, end-of-life vehicles, hazardous substances in electronic equipment)
- Propose to harmonise separate **waste collection systems**
- Review rules on **waste shipments** facilitating recycling or re-use within the EU; with also the aim to restrict exports of waste that cause negative environmental & health impacts

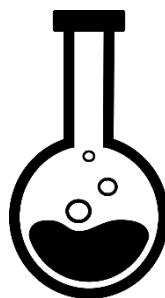


Less waste, more value



- **Enhancing circularity in a toxic-free environment**
- **Working to create a well-functioning EU market for secondary raw materials**

- Methodologies to track and minimise the presence of substances of concern in recycled materials and articles made thereof
- The forthcoming **Chemicals Strategy for Sustainability** will further address the interface between chemicals, products and waste legislation
- Assess the scope to develop further EU-wide end-of-waste criteria for certain waste streams



Making circularity work for people, regions and cities

A joint agenda, a transition where no one is left behind



Main actions:

- Revision of the Skills Agenda
- A new Pact for Skills
- Cohesion policy funds
(to help regions implement CE strategies & reinforce their industrial fabric)
- Just Transition Mechanism
- Urban initiatives



4 million jobs

linked to the
circular economy
in the EU



Crosscutting actions

Circular economy as prerequisite for climate neutrality



Measuring circularity contribution to climate mitigation

Strengthening the role of circularity in future revisions of the National Energy and Climate Plans

Certification of carbon removals

Getting the economics right



Integrating CE in EU Taxonomy Regulation

EU Ecolabel criteria for financial products

CE solutions in State Aid, business strategies, financial instruments and reporting

Research, innovation and digitalization



European Regional Development Fund/LIFE /HorizonEurope

Monitoring progress

Measuring progress at EU and national level in the transition to a circular economy



Stakeholder engagement

#CEstakeholderEU

European Circular Economy Stakeholder Platform

A joint initiative by the European Commission and the European Economic and Social Committee

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- **Advancing the circular economy concept on the ground**
- **Strengthening cooperation among stakeholders' networks**

representatives of networks of businesses, civil society and local, regional and national public authorities



Submit your own good practices, knowledge, strategies and voluntary commitments!

Link to website: <http://circulareconomy.europa.eu/platform/>

Leading efforts at global level



Need to drive efforts at global level:

- Global agreement on plastics
- Global Circular Economy Alliance
- 'Safe operating space' for natural resource use
- Initiate discussions on int'l agreement on natural resource management
- Promote CE bilaterally, regionally and multilaterally, incl. through development and international cooperation programmes
- Regional focus: Africa, Western Balkans
- Free trade agreements to reflect enhanced CE objectives
- Outreach activities through European Green Deal diplomacy, circular economy missions and enhance coordination with EU MSs



Thank you

Learn more here:

https://ec.europa.eu/environment/circular-economy/index_en.htm



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