European Commission

Circular Economy Action Plan

For a cleaner and more competitive Europe

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Need for action

There is only one planet Earth, yet by 2050, the world will be consuming as if there were three

3x

1970 → 2017

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
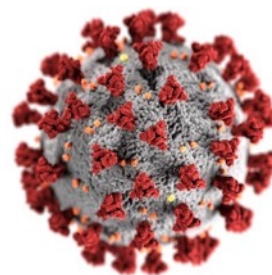
Source: World Bank What a waste 2.0, 2018

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

Source: Eurostat, 2016 figures

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A key to recovery

Disruption of global supply chains

Job insecurity

Circular economy is expected to:

Impacts

A HEALTHIER PLANET

LOCAL GOOD-QUALITY JOBS

SOCIAL COHESION

MORE VALUE FROM AND FOR EU INDUSTRY

NEW BUSINESS OPPORTUNITIES

RESILIENT SUPPLY CHAINS

LESS POLLUTION

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EU Recovery Plan & circular economy

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)

supporting the transition towards a circular economy

Member States

to invest on circular economy in their **National Recovery & Resilience Plans,** as well as via **Cohesion Funds & REACT-EU**, and the **Just Transition Fund**
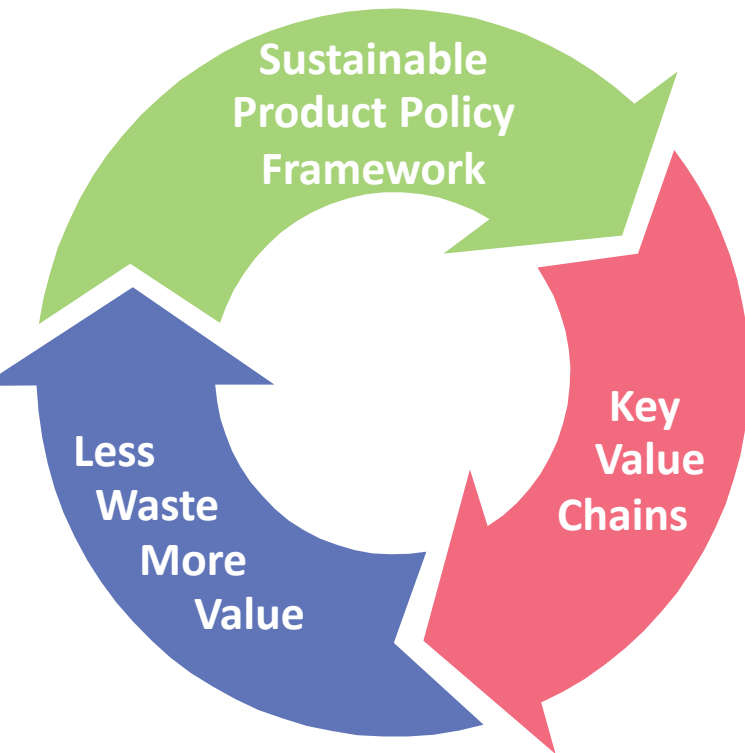
Stakeholders

to take advantage of the new circular economy funding opportunities within **Horizon Europe, LIFE Programme, InvestEU**

ssion

Changing the way Europe consumes and produces

Sustainable Product Policy Framework

Less Waste More Value

Key Value Chains

Make sustainable products the norm in the EU
Empower consumers and public buyers
Sustainable production processes

Electronics and ICT
Batteries and vehicles
Packaging
Plastics
Textiles
Construction and buildings
Food, water and nutrients

Reduce Waste
Reduce Waste Exports
Boost market for high quality and safe secondary raw materials

35 actions

Making circular economy work for people, regions and cities

Circular economy as a requisite for climate neutrality

Getting the Economics Right

Financial Markets

Investments and R&I

Global Level Playing Field

Monitoring

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A shared agenda

EU institutions and advisory bodies, Member States and stakeholders positively welcomed the CEAP's ambition

- Council conclusions "Making the Recovery Circular and Green" adopted on 17 December:

  - *[The Council] CALLS UPON the Commission and Member States to strive for a full circular economy; [par. 4]*

  - *STRONGLY WELCOMES the new Circular Economy Action Plan as a central pillar of the European Green Deal, which is essential for delivering economic recovery and sustainable growth; [par. 5]*

  - *EMPHASISES the importance of focusing the new CEAP on a sustainable product policy, key product value chains and waste prevention; [par. 6]*

European Parliament — Own-initiative Report adopted: Q1 2021

European Committee of the Regions — Opinion adopted on 14 October

European Economic and Social Committee — Opinion adopted on 15 July

The route so far

Adopted:

Biodiversity Strategy for 2030 to protect our fragile natural resources

Farm to Fork Strategy to make food systems more sustainable

Renovation Wave to boost renovation in line with circular principles

Chemical Strategy for Sustainability to ensure chemicals are safe and sustainable

Proposal on Batteries to make batteries sustainable for a circular and climate neutral economy

Launch of the Global Alliance on Circular economy and resource efficiency

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Focus on Batteries

In December 2020, the Commission proposed a new regulatory framework on batteries, to make batteries sustainable for a circular and climate neutral economy.

It foresees the following measures (among others):

- Increase the share of **rechargeable** batteries on the market
- Targets on the content of recycled materials and collection, treatment and recycling of batteries at the end-of-life
- Increase **removability** and **replaceability** of batteries
- EPR measures: **producer take-back** and **recycling schemes**
- Establish a **battery dataspace** & **battery passport** for exchange of information on batteries

First measure of the Action Plan adopted

What to expect in 2021: highlights

- Start roll-out of the **Sustainable Product Policy Framework**:

  - Sustainable Products Initiative

  - Legislative proposal on substantiating **green claims** & Legislative proposal **empowering consumers** in the green transition

- Apply the framework to:

  - EU **Textiles** Strategy

  - Circular **Electronics** Initiative

  - Review of **Packaging** and Packaging Waste Directive

  - Review of the **Construction Products Regulation**

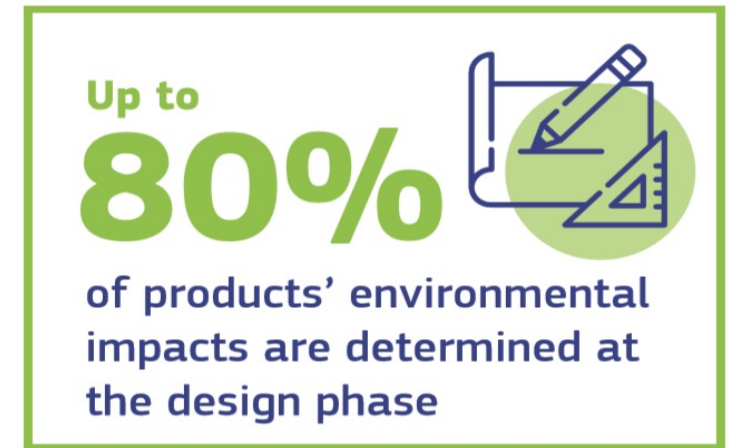- Revision of the rules on **waste shipments**

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Designing sustainable products

Sustainable Products Initiative

How?

- Legislative initiative to ensure products placed on the EU market become increasingly more sustainable

- Widen the Ecodesign Directive beyond energy-related products

- Establish a set of sustainability principles (*via Ecodesign Directive or other instrument*)

- Adoption of the proposal planned for Q4 2021

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

« Sustainable products should be the norm, not the exception »

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Designing sustainable products

Sustainable Products Initiative

What?

- Improve **durability, reusability, upgradability and reparability**

- Address presence of **hazardous chemicals** and i**ncreasing recycled content**

- Restrict **single-use** and counter **premature obsolescence**

- Incentivise **product-as-a-service**

- **Digitalisation**, including digital product passport

Implementation in key product value chains is priority: these include electronics, ICT, textiles, furniture and intermediate products such as steel, cement, chemicals

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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 **green claims** using Product and Organisation Environmental Footprint methods (2021)

- Include more systematically durability, recyclability and recycled content in EU Ecolabel criteria

Public authorities' purchasing power represents

14%

of EU GDP

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

- Phasing-in **mandatory reporting** on GPP

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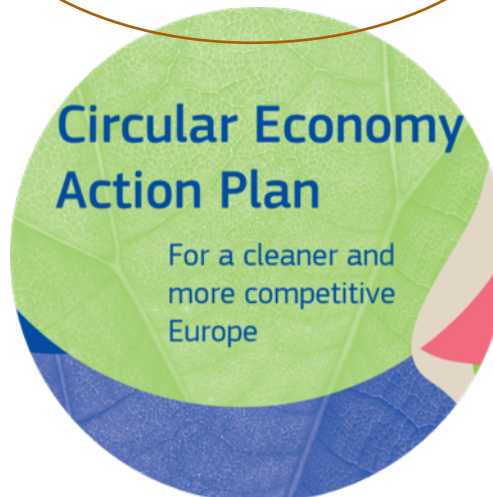# Key product value chains

Food, water & nutrients

Electronics and ICT

Batteries & vehicles

Construction & buildings

Circular Economy Action Plan

For a cleaner and more competitive Europe

Packaging

Textiles

Plastics

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Towards a global circular economy

Leading efforts at global level to:

Keep resource use within planetary boundaries

Decouple global economic growth from resource use

Promote jobs creation within and outside the EU

An agenda to promote CE at bilateral, regional and multilateral level, including through development & international cooperation programmes

Kick-start negotiations for a Global agreement on plastics

Global Circular Economy and Resource Efficiency Alliance

CE in free trade agreements

Outreach activities – i.a. Circular Economy Missions

Initiate discussions for a global agreement on natural resource management

'Safe operating space' for natural resource use

2022 (UNEA 5)

Q1 2021 (UNEA 5)

Ongoing

'Leading the way to a global circular economy: state of play and outlook'

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Monitoring progress

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

European Semester

Monitoring Framework for the Circular Economy

Indicators on resource use

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Stakeholder engagement

#CEstakeholderEU

European Circular Economy Stakeholder Platform

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

- **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!

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

Thank you