

CIRCULAR ECONOMY PACKAGE

DESCRIPTION:

THE SPIRE sectors are the heart of the material circularity concept. The European Commission Circular Economy Package is the main policy initiative to drive society towards a waste-to-a-resource. Since its launch, the European Commission has been examining options and actions for a more coherent policy and regulatory framework in this direction. The Circular Economy Communication COM (2015) 614 lacks an implementation plan with clear priorities.

Type of barrier: **THEMATIC**

Sectors involved: **ALL SPIRE SECTORS**

Challenges

The European Commission has proposed actions to support the circular economy in each step of the value chain – from production to consumption, repair and remanufacturing, waste management, and secondary raw materials that are fed back into the economy. However, the investments in waste management must have a payback and current market signals appear insufficient to boost the circular economy.

In order to improve this, policy should address, amongst others, the following issues:

- The waste legislation focuses, in many cases, on quantities (weight-based collection or recycling targets) and less so on the quality of recycled materials;
- Closed-loop recycling, although in many cases technically feasible, is not always the most sustainable and/or economical solution, e.g. due to the energy intensity of processing;
- Movement of waste across borders;
- Access to sorted waste material;
- Cost reduction of recycling, and technical performance of recycled products;
- The proposed Circular Economy Monitoring Framework does not address durability. A new indicator needs to be developed to measure this feature.

Definition of Waste and lack of harmonized EU regulation: Inconsistencies between existing regulations, e.g. related to REACH or the end-of-waste criteria, underpin the use of certain potential secondary materials. Moreover, classifying some valuable materials as waste creates hurdles to circularity (see Waste Definition Fiche).

Innovation as a trigger for Circular Economy implementation: There is a drive towards the circular economy and low carbon economy, but legislation is not totally fit for the implementation of innovative solutions. This is a hurdle that risk to delay market deployment of innovative technologies, materials, and processes. In parallel, regulation should also touch upon how the market embraces new circularity solutions. To this end, technology development and legislation must go hand in hand. A holistic legislative approach is necessary to cover all stages of technology developments (see the Holistic approach fiche).

Potential solutions

It is necessary to move towards a full product life cycle definition of circularity and focus on the interfaces between different steps of the value chain (extraction/production, production/production internal loops, production/use, collection, waste-management/recycling/production).

On the other hand, it is clear that in view of the large number of regulations, the role of associations is instrumental, and so is the coordination between different stakeholders from different sectors. It is strongly encouraged to set up round tables in which authorities, technology providers and final users meet so as to shape the regulatory legal texts to the industrial reality.

List of related legislation and TCs and standardisation

