Resource efficiency: moving towards a circular economy

2014/2208(INI) - 09/07/2015 - Text adopted by Parliament, single reading

The European Parliament adopted by 394 votes to 197, with 82 abstentions, a resolution on resource efficiency: moving towards a circular economy.

Resource efficiency urgency: the unsustainable use of resources is both causing environmental damage and posing an economic risk. The global economy uses the equivalent of 1.5 planets worth of resources to produce global output and absorb waste. By the 2030's this figure is estimated to reach two planets. Parliament stressed that improving resource use through better design requirements, and through waste legislation that ensures upward movement in the waste hierarchy (thereby fostering waste prevention, reuse, preparation for reuse and recycling), could bring substantial net savings for EU businesses, public authorities and consumers, estimated at EUR 600 billion, or 8 % of annual turnover, while also reducing total annual greenhouse gas emissions by 2-4 %. The resolution recalled that resource efficiency is a priority objective of the 7th Environment Action Programme, which emphasises the need to stimulate production and consumer demand for environmentally sustainable products and services through policies that promote their availability, affordability, functionality and attractiveness.

In this regard, although endorsing the Commission's approach to designing and innovating for a circular economy, Parliament stressed that **legislative measures** are needed to move towards a circular economy, and called on the Commission to come forward with an ambitious proposal **by the end of 2015**.

Indicators and targets: the Commission is urged to propose, by the end of 2015, a **lead indicator and a dashboard of sub-indicators on resource efficiency**, including ecosystem services. The use of these harmonised indicators should be legally binding as of 2018.

It should also propose, by the end of 2015, a target to increase resource efficiency at EU level by 30 % by 2030 compared with 2014 levels. These indicators should be included in the European Semester and in all impact assessments.

Product policy and ecodesign: Parliament stressed the importance of a well-thought-out product policy that increases products' expected lifetime, durability, reusability and recyclability. The Commission is called upon to:

- promote a **lifecycle-oriented approach** in product policies, in particular by establishing harmonised methods for evaluating products' environmental footprints;
- present an ambitious work programme, and to comprehensively and ambitiously implement the ecodesign requirements of the existing Ecodesign Directive in new and updated implementing measures;
- propose a review of ecodesign legislation and other relevant product policy legislation by the end of 2016;
- develop measures against planned obsolescence and to further develop a set of product standards for the circular economy, which include refurbishment and repair, facilitating dismantling, and the efficient use of raw materials, renewable resources and recycled materials in products;
- take relevant actions to ensure that products are durable and easy to upgrade, reuse, refit, repair, recycle and dismantle for new resources;
- propose the extension of minimum guarantees for consumer durable goods;

- **immediately drop its unilateral moratorium** on the processing of recommendations by ECHA with regard to the inclusion of substances of very high concern in Annex XIV to REACH, and instead proceed swiftly with the inclusion of such substances.

For their part, Member States are urged to:

- carry out **effective market surveillance** to ensure that both European and imported products comply with the requirements as regards product policy and ecodesign;
- **advance without delay** in the legislative procedure on the **review of the market surveillance regulation**.

Towards zero waste: Parliament urged the Commission to submit the announced proposal on the **review of waste legislation by the end of 2015**, diligently applying the waste hierarchy. This proposal should, inter alia, set binding waste reduction targets for municipal, commercial and industrial waste to be achieved by 2025.

It also called on the Commission to:

ensure that existing waste legislation and targets are completely and properly implemented, including in particular the obligation of separate collection schemes;

- ensure greater transparency and better controls in order to avoid shipping of waste to countries with lower environmental and social standards than those in the EU;
- propose a target to reduce marine litter by 50 % by 2025 compared with 2014 levels;
- propose, by the end of 2015, targets, measures and instruments to efficiently tackle food waste, including setting a binding food waste reduction target of at least 30 % by 2025 in the manufacturing, retail/distribution, food service/hospitability sectors and the household sector;
- promote the creation in Member States of conventions proposing that the retail food sector distributes unsold products to charity associations;
- evaluate the potential impact on food waste in impact assessments on new relevant legislative proposals.

Sustainable buildings: the report called on the Commission to propose the full implementation of the circular economy principles and requirements in the building sector and to further develop the policy framework on resource efficiency in buildings. Indoor air quality and the well-being and social needs of users should be integrated into the sustainability assessment of buildings.

Other measures: the Commission is urged to:

- propose public procurement procedures in which reused, repaired, remanufactured, refurbished and other sustainable and resource-efficient products and solutions are to be preferred;
- propose measures related to taxation, such as reduced VAT on recycled, reused and resource-efficient products;
- present the communication on sustainable food, which has been postponed several times since 2013, during the first half of 2016;
- ensure that all EU funding, including funding through the European Fund for Strategic Investment (EFSI), Horizon 2020, cohesion funds and the European Investment Bank, is mobilised to promote resource efficiency;
- examine whether existing and envisaged legislation is hindering the circular economy;
- report back to Parliament about all the measures outlined above and to propose next steps by 2018.