Basic information

2014/2208(INI) INI - Own-initiative procedure	Procedure completed
Resource efficiency: moving towards a circular economy **Subject** 3.70.12 Waste management, domestic waste, packaging, light industrial waste	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
ENVI Environment, Public Health and Food Safety	PIETIKÄINEN Sirpa (PPE)	06/10/2014
	Shadow rapporteur PAOLUCCI Massimo (S&D) DEMESMAEKER Mark (ECR) GERBRANDY Gerben-Jan (ALDE) KONEČNÁ Kateřina (GUE/NGL) TURMES Claude (Verts/ALE) PEDICINI Piernicola (EFDD)	

Committee for opinion	Rapporteur for opinion	Appointed
ECON Economic and Monetary Affairs	The committee decided not to give an opinion.	
EMPL Employment and Social Affairs	BEGHIN Tiziana (EFDD)	08/01/2015
ITRE Industry, Research and Energy	JÁVOR Benedek (Verts/ALE)	26/01/2015
IMCO Internal Market and Consumer Protection	The committee decided not to give an opinion.	

European Commission

Commission DG	Commissioner
Climate Action	ARIAS CAÑETE Miguel

Key events

Date	Event	Reference	Summary
02/07/2014	Non-legislative basic document published	COM(2014)0398	Summary
17/12/2014	Committee referral announced in Parliament		
17/06/2015	Vote in committee		
25/06/2015	Committee report tabled for plenary	A8-0215/2015	Summary
06/07/2015	Debate in Parliament		
09/07/2015	Decision by Parliament	T8-0266/2015	Summary
09/07/2015	Results of vote in Parliament		
09/07/2015	End of procedure in Parliament		

Technical information

Procedure reference	2014/2208(INI)
Procedure type	INI - Own-initiative procedure
Procedure subtype	Initiative
Legal basis	Rules of Procedure EP 55
Other legal basis	Rules of Procedure EP 165
Stage reached in procedure	Procedure completed
Committee dossier	ENVI/8/01523

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Committee draft report		PE552.085	24/03/2015	
Amendments tabled in committee		PE557.038	05/05/2015	
Amendments tabled in committee		PE557.117	05/05/2015	
Committee opinion	ITRE	PE549.322	30/05/2015	
Committee opinion	EMPL	PE549.113	01/06/2015	
Committee report tabled for plenary, single reading		A8-0215/2015	25/06/2015	Summary
Text adopted by Parliament, single reading		T8-0266/2015	09/07/2015	Summary

European Commission

Document type	Reference	Date	Summary
Commission document (COM)	COM(2014)0398	02/07/2014	Summary

National parliaments

Document type	Parliament /Chamber	Reference	Date	Summary
Contribution	DE_BUNDESRAT	COM(2014)0398	22/10/2014	
Contribution	CZ_CHAMBER	COM(2014)0398	13/11/2014	
Contribution	IT_SENATE	COM(2014)0398	24/11/2014	
Contribution	RO_CHAMBER	COM(2014)0398	04/02/2015	
Contribution	PT_PARLIAMENT	COM(2014)0398	10/03/2015	
Contribution	IT_CHAMBER	COM(2014)0398	17/02/2016	

Resource efficiency: moving towards a circular economy

2014/2208(INI) - 02/07/2014 - Non-legislative basic document

PURPOSE: to facilitate the transition to a circular economy guaranteeing new jobs and sustainable growth.

BACKGROUND: moving towards a more circular economy is essential to deliver the resource efficiency agenda established under the Europe 2020 Strategy for smart, sustainable and inclusive growth. **Circular economy systems keep the added value in products for as long as possible and eliminate waste.** They keep resources within the economy when a product has reached the end of its life, so that they can be productively used again and again and hence create further value.

Transition to a more circular economy requires changes throughout value chains, from product design to new business and market models, from new ways of turning waste into a resource to new modes of consumer behaviour. This implies **full systemic change, and innovation** not only in technologies, but also in organisation, society, finance methods and policies.

It is estimated that waste prevention, ecodesign, reuse and similar measures could bring **net savings of €600 billion**, or 8% of annual turnover, for businesses in the EU, while reducing total annual greenhouse gas emissions by 2-4%. However, for this to happen the market barriers that prevent these opportunities from being developed need to be overcome.

With the 2011 Roadmap to a Resource Efficient Europe, the Commission proposed a framework for action and underlined the need for an integrated approach across many policy areas and levels. The main ideas of the Roadmap are now developed in the General Union Environment Action Programme (7th EAP). The **high-level European Resource Efficiency Platform**, bringing together selected governments, businesses and civil society organisations, called for action to move to a more circular economy, which relies more on reuse and highquality recycling and much less on primary raw materials.

CONTENT: the Communication shows how a more resource efficient use of resources can offer new perspectives on growth and employment. The expected efficiency gains are innovative product design, more efficient and sustainable products and production processes, future-oriented business models and technical progress which will convert waste into resources.

The Communication underlines the following points:

Supporting design and innovation for a more circular economy: the Commission demonstrates, under the EU Research and Innovation Programme (Horizon 2020), the opportunities for moving towards a circular economy at European level with large-scale innovation projects targeted at cooperation within and between value chains.

Unlocking investment in circular economy solutions: the Commission will examine innovative financial instruments under development, such as the Natural Capital Financing Facility of the Commission and the European Investment Bank, as well as public private partnerships (PPP). It will further integrate circular economy priorities into EU funding and encourage Member States to use available EU funding in programmes and projects on the circular economy, in particular through the European Structural and Investment Funds.

Harnessing action by business and consumers and supporting SMEs: the Commission will assess the results of the Environmental Footprint pilot phase which will run until 2016 and explain how the extent of the environmental impact can be used for product and process design and applied to better inform consumers about sustainable environmental choices.

Defining waste targets for a move to a recycling society: in order to increase the economic, social and environmental advantages of a better management of municipal waste, the Commission proposes the following approaches:

- boost reuse and recycling of municipal waste to **a minimum of 70% by 2030**;
- increase the recycling rate for packaging waste to **80% by 2030**, with interim targets of 60% by 2020 and 70% by 2025, including targets for specific materials;
- ban the landfilling of recyclable plastics, metals, glass, paper and cardboard, and biodegradable waste by 2025, while Member States should endeavour **to virtually eliminate landfill by 2030**;
- further promote the development of markets for high quality secondary raw materials, including through evaluating the added value of end-of-waste criteria for specific materials;
- clarify the calculation method for recycled materials in order to ensure a high recycling quality level.

Setting a resource efficiency target: in the 7th EAP, Member States and the European Parliament agreed that the European Union should establish indicators and set targets for resource efficiency, and assess whether it would be appropriate to include a lead indicator and target in the European Semester.

The EU is already forecast to increase its resource productivity by **15% between 2014 and 2030** under a business-as-usual scenario. Policies that encourage the transition to a more circular economy that promotes the European platform for efficient resource use could lead to doubling this figure (to 30%), whilst stimulating job creation and growth.

The Commission also proposes: i) to simplify and improve the implementation of waste legislation at national level and to reduce the current disparities; ii) to adopt tailor-made approaches to address particular waste challenges (waste prevention, marine litter, construction and demolition waste, food waste, hazardous waste and plastic waste).

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.

Resource efficiency: moving towards a circular economy

2014/2208(INI) - 25/06/2015 - Committee report tabled for plenary, single reading

The Committee on the Environment, Public Health and Food Safety adopted an own-initiative report by Sirpa PIETIKÄINEN (EPP, FI) on resource efficiency: moving towards a circular economy in response to the Commission communication on the same issue.

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. Members 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 %. They 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, Members 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 binding 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: the report 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;
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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 compulsory green public procurement procedures;
- 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.