



## **Closing the loop: Commission adopts ambitious new Circular Economy Package to boost competitiveness, create jobs and generate sustainable growth**

Brussels, 2 December 2015

**Today the Commission adopted an ambitious new Circular Economy Package to stimulate Europe's transition towards a circular economy which will boost global competitiveness, foster sustainable economic growth and generate new jobs.**

Today the European Commission adopted an ambitious new Circular Economy Package to help European businesses and consumers to make the transition to a stronger and more circular economy where resources are used in a more sustainable way. The proposed actions will contribute to "closing the loop" of product lifecycles through greater recycling and re-use, and bring benefits for both the environment and the economy. The plans will extract the maximum value and use from all raw materials, products and waste, fostering energy savings and reducing Green House Gas emissions. The proposals cover the full lifecycle: from production and consumption to waste management and the market for secondary raw materials. This transition will be supported financially by ESIF funding, €650 million from Horizon 2020 (the EU funding programme for research and innovation), €5.5 billion from structural funds for waste management, and investments in the circular economy at national level.

The Package has broken down silos in the Commission and contributes to broad political priorities by tackling climate change and the environment while boosting job creation, economic growth, investment and social fairness. It has been prepared by a core project team co-chaired by First Vice-President Frans **Timmermans** and Vice-President Jyrki **Katainen** with the close involvement of Commissioners Karmenu **Vella** and Elżbieta **Bieńkowska**. Many other Commissioners were also involved in its preparation and helped identify the most effective tools covering a wide range of policy areas.

First Vice-President Frans **Timmermans, responsible for sustainable development, said:** *"Our planet and our economy cannot survive if we continue with the 'take, make, use and throw away' approach. We need to retain precious resources and fully exploit all the economic value within them. The circular economy is about reducing waste and protecting the environment, but it is also about a profound transformation of the way our entire economy works. By rethinking the way we produce, work and buy we can generate new opportunities and create new jobs. With today's package, we are delivering the comprehensive framework that will truly enable this change to happen. It sets a credible and ambitious path for better waste management in Europe with supportive actions that cover the full product cycle. This mix of smart regulation and incentives at EU level will help businesses and consumers, as well as national and local authorities, to drive this transformation."*

Vice-President Jyrki **Katainen, responsible for jobs, growth, investment and competitiveness, said:** *"These proposals give a positive signal to those waiting to invest in the circular economy. Today we are saying that Europe is the best place to grow a sustainable and environmentally-friendly business. This transition towards a more circular economy is about reshaping the market economy and improving our competitiveness. If we can be more resource efficient and reduce our dependency on scarce raw materials, we can develop a competitive edge. **The job creation potential of the circular economy is huge, and the demand for better, more efficient products and services is booming.** We will remove barriers that make it difficult for businesses to optimise their resource use and we will boost the internal market for secondary raw materials. We want to achieve real progress on the ground and look forward to delivering on this ambition together with not only Member States, regions and municipalities, but also businesses, industry and civil society."*

### **An EU Action Plan for the Circular Economy**

The Circular Economy Package gives a clear signal to economic operators that the EU is using all the tools available to transform its economy, opening the way to new business opportunities and boosting competitiveness. The broad measures for changing the full product lifecycle go beyond a narrow focus on the end-of-life stage and underline the Commission's clear ambition to transform the EU economy and deliver results. Innovative and more efficient ways of producing and consuming should increasingly emerge as a result of the incentives we are putting in place. The circular economy has the potential to

create many jobs in Europe, while preserving precious and increasingly scarce resources, reducing environmental impacts of resource use and injecting new value into waste products. Sectoral measures are also set out, as well as quality standards for secondary raw materials. Key actions adopted today or to be carried out under the current Commission's mandate include:

- **Funding** of over **€650 million** under Horizon 2020 and **€5.5 billion** under the structural funds;
- **Actions to reduce food waste** including a common measurement methodology, improved date marking, and tools to meet the global Sustainable Development Goal to **halve food waste by 2030**;
- Development of **quality standards for secondary raw materials** to increase the confidence of operators in the single market;
- Measures in the **Ecodesign working plan for 2015-2017** to promote reparability, durability and recyclability of products, in addition to energy efficiency;
- A **revised Regulation on fertilisers**, to facilitate the recognition of organic and waste-based fertilisers in the single market and support the role of bio-nutrients;
- A **strategy on plastics in the circular economy**, addressing issues of recyclability, biodegradability, the presence of hazardous substances in plastics, and the Sustainable Development Goals **target for significantly reducing marine litter**;
- A series of **actions on water reuse** including a legislative proposal on minimum requirements for the reuse of wastewater.

The Communication adopted today includes a clear timeline for the actions proposed and a plan for a simple and effective monitoring framework for the circular economy.

### Revised Legislative Proposals on Waste

The revised legislative proposal on waste sets clear targets for reduction of waste and establishes an ambitious and credible long-term path for waste management and recycling. To ensure effective implementation, the waste reduction targets in the new proposal are accompanied by concrete measures to address obstacles on the ground and the different situations across Member States. Key elements of the revised waste proposal include:

- A common EU **target for recycling 65% of municipal waste** by 2030;
- A common EU **target for recycling 75% of packaging waste** by 2030;
- A binding landfill target to **reduce landfill to maximum of 10%** of municipal waste by 2030;
- A ban on landfilling of separately collected waste;
- Promotion of economic instruments to discourage landfilling ;
- Simplified and improved definitions and harmonised calculation methods for recycling rates throughout the EU;
- Concrete measures to **promote re-use and stimulate industrial symbiosis** –turning one industry's by-product into another industry's raw material;
- Economic incentives for producers to put **greener products on the market** and support recovery and recycling schemes (e.g. for packaging, batteries, electric and electronic equipment, vehicles).

### Background

In December 2014, the Commission decided to withdraw a pending legislative proposal on waste, as part of the political discontinuity exercise carried out for the first Work Programme of the Juncker Commission. The Commission committed at that time to use its new horizontal working methods to present a new package by the end of 2015 which would cover the full economic cycle, not just waste reduction targets, drawing on the expertise of all the Commission's services. The comprehensive package adopted today represents a set of tangible, broad and ambitious actions which will be presented during the Commission's term of office.

As part of the process to develop the circular economy package, the Commission organised a circular economy conference in Brussels on 25 June 2015, attended by around 700 stakeholders. Participation in this conference was open to all stakeholders wishing to contribute to shaping European economic policy making. The conference followed a twelve-week public consultation from 28 May to 20 August 2015 which received over 1500 submissions. In addition, the Commissioners, their Cabinets and the services held intensive and collaborative consultations with key stakeholders.

The Commission is now calling on the European Parliament and Council to build on this important preparatory work and prioritise adoption and implementation of today's legislative proposals. The

Package will be immediately presented in a Plenary session of the European Parliament on 2 December by First Vice-President Timmermans and Vice-President Katainen.

### **For more information**

[MEMO](#): Circular Economy Package: Questions & Answers

[General Factsheet](#): Closing the Loop: An Ambitious EU Circular Economy Package

[Factsheet](#): Closing the Loop: Helping consumers choose sustainable products and services

[Factsheet](#): Closing the Loop: The Production Phase of the Circular Economy

[Factsheet](#): Closing the Loop: Clear Targets and Tools for Better Waste Management

[Factsheet](#): Closing the Loop: From Waste to Resources

[Communication](#): Closing the loop - An EU action plan for the Circular Economy

[Annex to Communication on Circular Economy](#)

[Proposed Directive on Waste](#)

[Proposed Directive on Packaging Waste](#)

[Proposed Directive on Landfill](#)

[Proposed Directive on electrical and electronic waste](#)

[Public consultation results](#)

IP/15/6203

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