Looking Ahead: A Closer look at Targets in Europe's Circular Economy Package

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On December 2, 2015, the European Commission released its long-awaited Circular Economy Package (CEP), a package of actions and legislative amendments intended to stimulate Europe's transition to a stronger and more circular economy. This follows the Commission's withdrawal of the original CEP in December 2014, with the promise to put forward a proposal that was "more ambitious" than its predecessor.

It is debatable as to whether this new legislation has actually achieved that. While the new package has some positive elements, the legislative part amending various directives on waste has clearly been weakened compared to the 2014 proposal, and is actually *less* ambitious on waste management, prevention, reuse, and recycling targets – to name a few.

For example, the new package has lower 2030 targets for recycling municipal and packaging waste. For municipal waste, the target has been cut from 70% to 65%, and for packaging from 80% to 75%. On top of that, the 2030 target for a complete ban on landfill of recyclable and compostable waste has been dropped in favour of a target to reduce landfill to a maximum of 10% by 2030. Also scrapped from the new package is the parliament's specific call to reduce food waste by 30% between 2017 and 2025.

One element in particular that is considered problematic is the preparation for reuse targets, which at the moment are combined with recycling targets. Aside from doing little—if anything—to incentivize improved preparation for reuse, combined targets for reuse and recycling runs completely counter to the EU's commitment to the waste hierarchy (not to mention that these two activities are completely different by definition). This may lead to lock-in of recycling over reuse and other waste management options further up the hierarchy (i.e. prevention), since targets could be met purely by recycling activities.

In her role as Managing Director of Reloop—a European organization which focuses specifically on issues relating to waste and diversion policy at the EU level—Clarissa Morawski has met with Members of Parliament and other key decision makers in the EU to discuss this issue, and based on those meetings, expects things will change in the final negotiated draft. According to Clarissa, most agree that this is a flaw that needs to be rectified through clear and separate targets for preparation for re-use and recycling. In addition to helping ensure that the re-use potential of products and material is preserved, separate targets would help guarantee re-use centers access to the waste stream and may offer significant opportunities to develop the re-use sector further.

Despite its shortcomings, it is worth noting that the new CEP does include specific rules on data collection, verification, and reporting, including a provision to account for downstream losses in the recycling process. It is clear to the EU that reliable data on recycled quantities are a necessary part of achieving a circular economy, and that the reporting of recycling targets must be based on the input to the final recycling stage. These measures are very much in line with the

Ontario Waste Management Association's (OWMA) <u>CSA guideline initiative</u>, which had similar objectives regarding mass balance accounting.

Looking ahead, it is up to decision makers in the Council of the EU and the European Parliament to ensure that Europe's transformation to a circular economy becomes a reality. The challenge now is to increase the overall ambition of the CEP, so that *resources remain resources* and continue to circulate in the economy for as long as possible. Reloop believes that a key part of this will be to introduce clearer and separate targets for preparation for reuse and recycling.