Circular Economy Policies and experience from the EU

« Circular economy – Promoting Sustainable Production and Consumption in Vietnam »
Pan Pacific Hotel October 15th, 2020

Speaker: Cécile Leroy, EU Delegation to Vietnam

Context


1 NO POVERTY
2 ZERO HUNGER
3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
6 CLEAN WATER AND SANITATION
7 AFFORDABLE AND CLEAN ENERGY
8 DECENT WORK AND ECONOMIC GROWTH
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
10 REDUCED INEQUALITIES
11 SUSTAINABLE CITIES AND COMMUNITIES
THE GLOBAL GOALS
For Sustainable Development
12 RESPONSIBLE CONSUMPTION AND PRODUCTION
13 CLIMATE ACTION
14 LIFE BELOW WATER
15 LIFE ON LAND
16 PEACE AND JUSTICE STRONG INSTITUTIONS
17 PARTNERSHIPS FOR THE GOALS

Urgent actions are needed

Resources



From 1970 to 2017, the annual global extraction of materials **tripled** and it continues to grow.

Source: The International Resource Panel, Global Resources Outlook, 2019



EU's industry accounts for **20%** of the EU's emissions.

Source: European Commission, EU Climate Action Progress Report 2019

Competitiveness



More than **90%** of biodiversity loss and water stress come from resource extraction and processing.

Source: The International Resource Panel, Global Resources Outlook, 2019



Only **12%** of the materials used by EU industry come from recycling.

Source: Eurostat, 2016 figures

Biodiversity

Climate action

Circular economy

Key EU Actions on Circular Economy



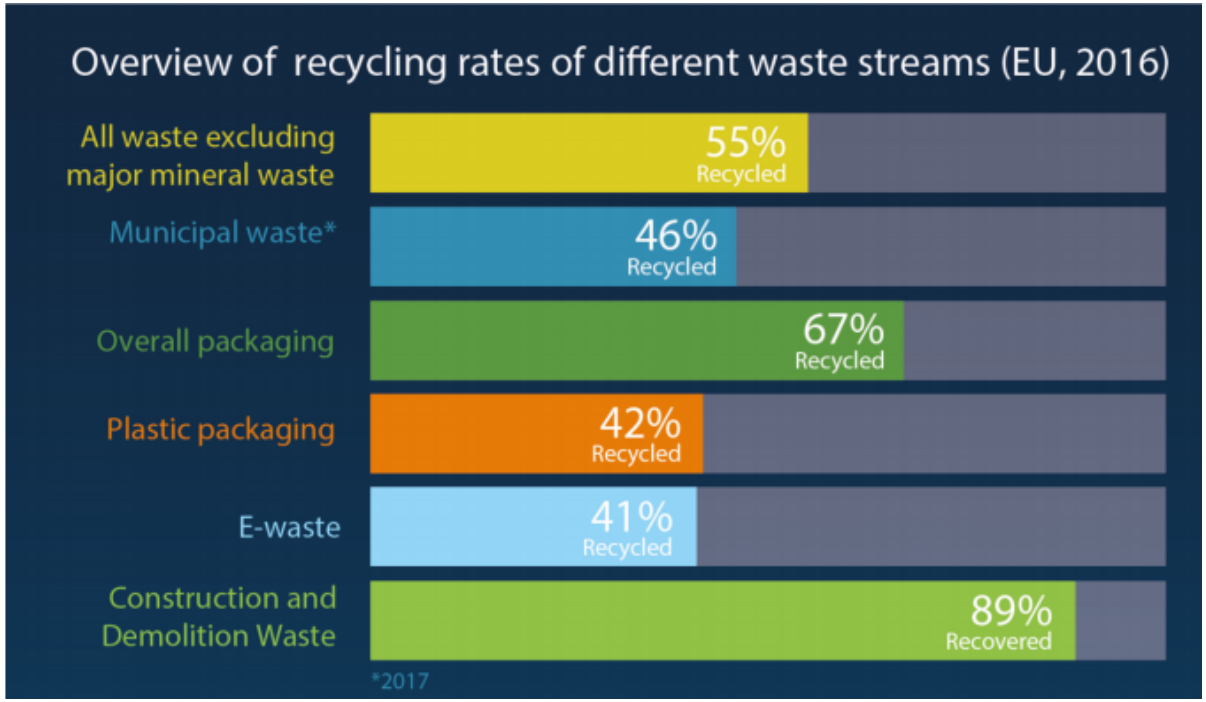
01/12/2019
New Commission headed by

Ursula Van der Leyen

EU Green Deal → New Circular Economic Action Plan (CEAP)


The European Green Deal
Designing a set of deeply transformative policies
Transforming the EU's economy for a sustainable future
Increasing the EU's Climate ambition for 2030 and 2050
A zero pollution ambition for a toxic-free environment
Supplying clean, affordable and secure energy
Preserving and restoring ecosystems and biodiversity
Mobilising industry for a clean and circular economy
From 'Farm to Fork': a fair, healthy and environmentally friendly food system
The European Green Deal
Building and renovating in an energy and resource efficient way
Accelerating the shift to sustainable and smart mobility
Leave no on behind (Just Transition)
"Next Generation EU"
Mobilising research and fostering innovation
The EU as a global leader
Mainstreaming sustainability in all EU policies
A European Climate Pact
European Commission

Achievements (2016)



CAVEAT: above indicators not applied to CEAP2015

In spite of these high recycling rates, on average only 12% of material resources used in the EU in 2016 came from recycled products and recovered materials - thus saving extraction of primary raw materials. This indicator, called circular material use rate, measures the contribution of recycled materials to overall demand. The indicator is lower than recycling rates, which measure the share of waste which is recycled, because some types of materials cannot be recycled, e.g. fossil fuels burned to produce energy or biomass consumed as food or fodder.

Achievements today (CEAP 2015)

- CEAP 2015 has established 54 actions, all implemented as of today, mainly on regulatory framework (eco-design, labelling, waste regulation, fertiliser regulation, plastic strategy, consummer empowerment, public procurement, Enterprise technical audit etc…)

- CEAP has accelerated the transition towards CE circular economy in Europe

- a stronger, shared vision of the circular economy is boosting ongoing efforts to modernise the EU industrial base and preserve and restore the EU's natural capital.

Challenges

- Boost life-style change
- Need to broaden areas and sector
- life-cycle assessments of products should become a norm and eco-design
- Generalise sustainable public procurement
- Further develop waste legislation develop markets for secondary raw materials
- Artificial intelligence and digitalisation have the potential to optimise energy and resource use and make information available in support of circular business models and responsible consumption choices. However, a circular digital economy must have a positive net resource impact and address substantial challenges, including the risk of fuelling unsustainable consumption patterns, shortening durability of smart products and compromising security of sensitive business data.
- Ensure that circular economy transition reinforces social and territorial cohesion and favours a balanced distribution of jobs meeting health and safety standards, enabling generation of fair and sustainable growth.

The European Green Deal

A New Circular Economy Action Plan

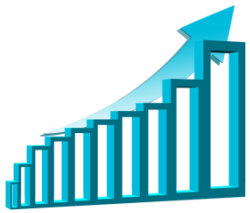
What do we want to achieve?

The Industry of the future

Smart

Innovative

Sustainable



ECONOMIC OPPORTUNITIES



SOCIAL INNOVATION



PROTECT THE ENVIRONMENT

European Commission

A New Circular Economy Action Plan



- **Sustainable product policy framework**
  - product design and producer responsibility
  - empowering consumers
  - sustainable production processes
- **Key product value chains**
  - plastics, textiles, electronics, batteries, construction
- **Less waste, more value**
  - waste policy, toxic-free environment, SRMs
- **Circular economy for people, regions and cities**
- **Horizontal issues**
  - climate neutrality, economics, R&I
- **Global circular economy**
- **Monitoring**

Sustainable product policy framework

- **Changing the way we make and consume products**
  - product design and producer responsibility
  - empowering consumers
  - sustainable production processes

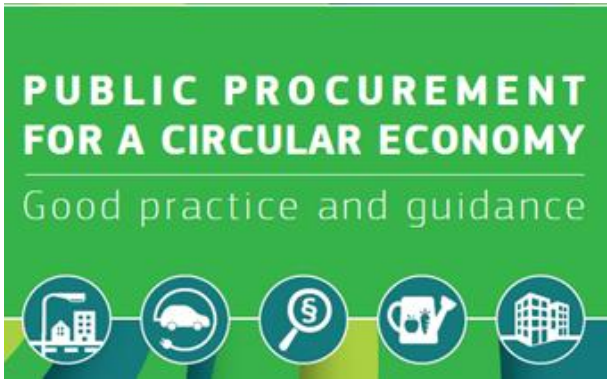


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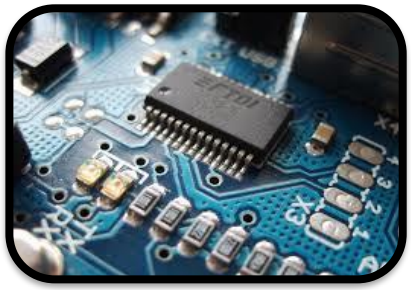


EU Ecolabel
www.ecolabel.eu



Key Product value chains

➢ Boosting the circularity potential



Electronics and ICT



Batteries and vehicles



Packaging



Plastics



Textiles



Construction and buildings



Food, water and nutrients

Less waste, more value

- **Boosting Waste Prevention**
  - exploring setting reduction targets
- **Circularity in a toxic-free environment**
  - Chemical Strategy for Sustainability
  - facilitating the flow of information
- **EU market for Secondary Raw Materials**
  - removing barriers to the uptake of recycled materials
- **Reducing Waste exports**
  - revision of the EU Shipment Regulation
  - increasing EU high quality recycling capacity



Circular economy
for people, regions and cities

- **Skills and job creation (Social Fund+)**
  - update Skills Agenda
  - a new Pact for Skills
- **Cohesion policy – Just Transition Mechanism**
  - funds to implement circular economy
- **Stakeholder engagement**
  - scaling up the European Circular Economy Stakeholder Platform



Horizontal Issues

- **Circular Economy as prerequisite for climate neutrality**
  - measuring circularity contribution on climate
  - strengthen circularity in Member States (**National energy and climate plans** (NECPs))
  - consider certification of carbon removals

- **Getting the economics right**
  - integrating CE in EU Taxonomy Regulation
  - EU Ecolabel criteria for financial products
  - CE solutions in State Aid, business strategies, financial instruments and data

- **Research, Innovation and digitalization**
  - funding CE via European Regional Development Fund ERDF, EU's funding instrument for the environment and climate action LIFE and Horizon Europe
  - large-scale CE initiatives by European Institute of Innovation and Technology
  - reshape IP via an Intellectual Property Strategy that will promote CE

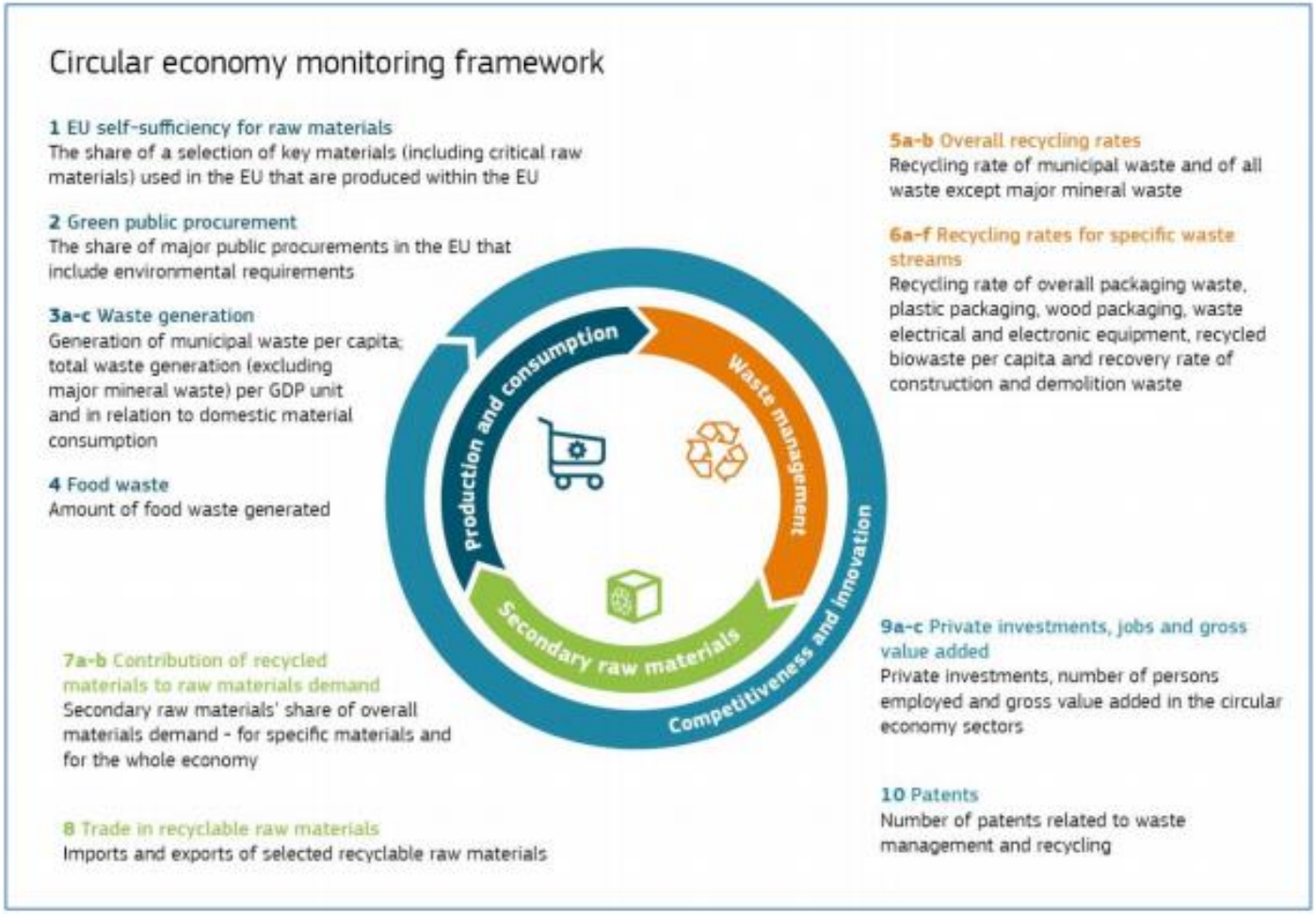
Global circular economy

- **Global agreement on plastics**
- **Global Circular Economy Alliance**
- **Free trade agreements**
- **Outreach activities – Circular Economy Missions**



Monitoring

- **Align the Monitoring Framework to new policy needs**
  - consumption and material footprints
  - environmental impacts (consumer footprint)



Learn more about the circular economy

http://ec.europa.eu/environment/circular-economy/index_en.htm



THANK YOU FOR YOUR ATTENTION