



# Circular Economy Action Plan

For a cleaner and  
more competitive  
Europe

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# Need for action: the Consumption Problem

There is only one planet Earth, yet by 2050, the world will be consuming as there were three



➤ 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



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

Source: The International Resource Panel, [Global Resources Outlook](#), 2019



➤ Annual waste generation will increase by **70%** by 2050

Source: [World Bank](#) What a waste 2.0, 2018



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

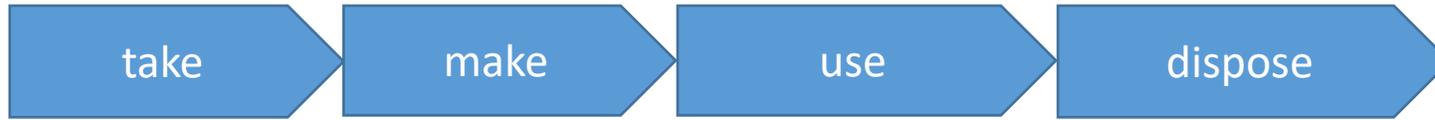
Source: [Eurostat](#), 2016 figures



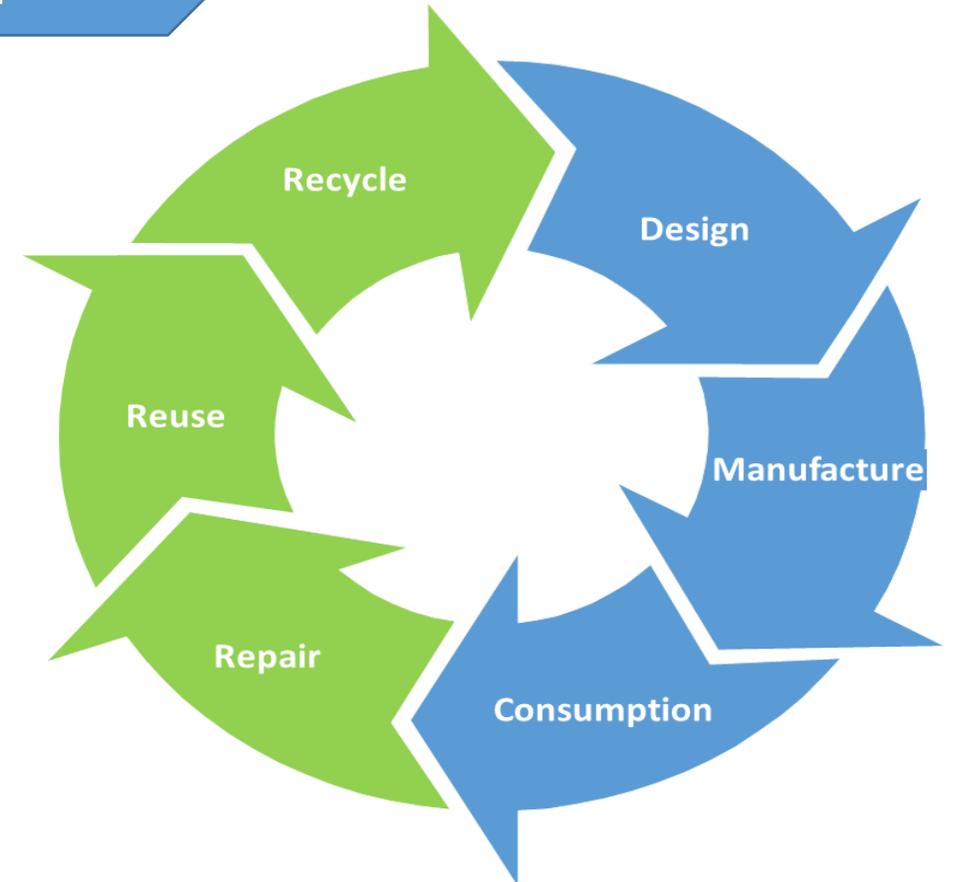
➤ About **50%** of total greenhouse gas emissions come from resource extraction and processing

Source: The International Resource Panel, [Global Resources Outlook](#), 2019

# Transitioning from a linear to a circular model



**The New Circular Economy Action Plan**  
A focus on the entire product lifecycle



# EU Recovery Plan & Circular Economy

Supporting the transition towards a circular economy. Innovation and investment



## *Next Generation EU*

- A new recovery instrument of € 750 billion boosting the EU budget with new financing raised on the financial markets



## *Multiannual Financial Framework*

- A reinforced long-term budget of the EU for 2021-2027 (€ 1.100 billion)



## *Member States*

- To invest on circular economy in their National Recovery & Resilience Plans,  
as well as via Cohesion Funds & REACT-EU, and the Just Transition Fund

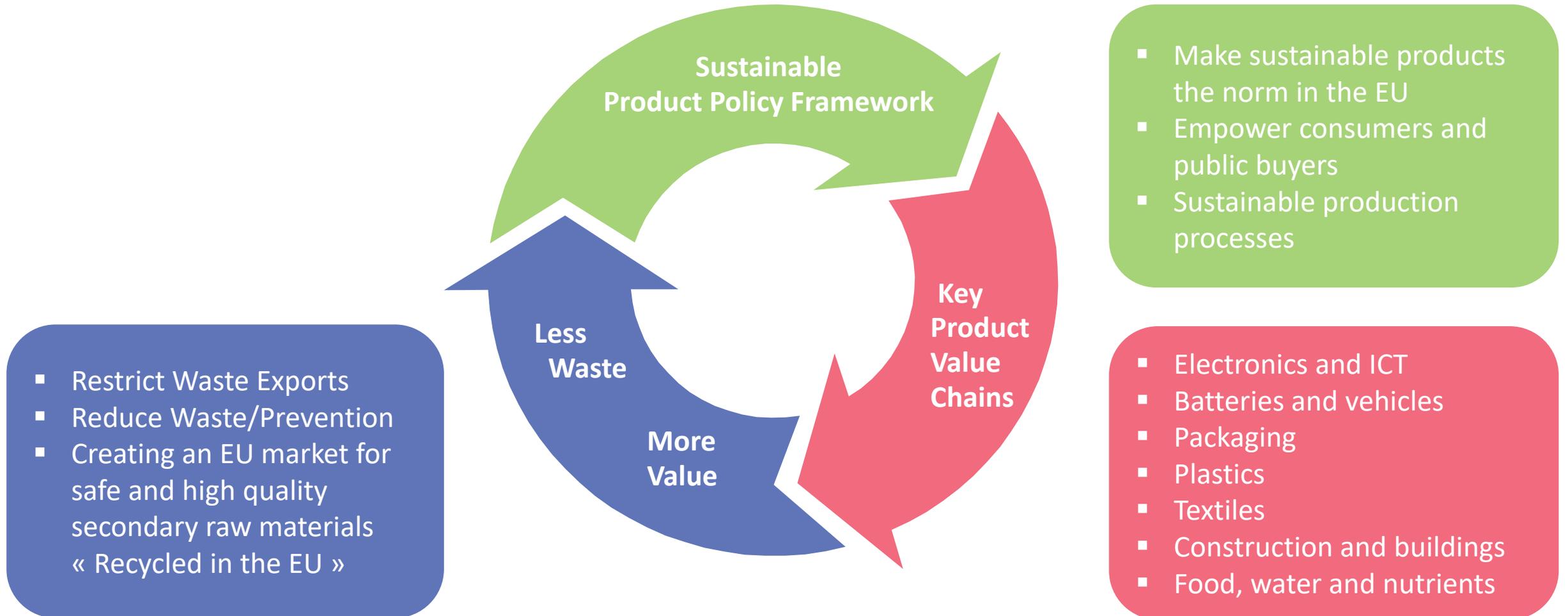


## *Stakeholders*

- To take advantage of the new circular economy funding opportunities within Horizon Europe, LIFE Programme, Investees

# Changing the way Europe produces and consumes

Making circularity work for people, regions and cities, and leading global efforts on circular economy



# Towards a Sustainable Product Policy Framework

A framework that enables stakeholder groups to act differently

## Product Design

Many products break down too quickly, cannot be easily reused, repaired or recycled, and many are made for single use only.

## Circularity in Production Processes

Production processes in Europe are not resource efficient and can pollute our air, water and soil.



## Empowering Consumers

Consumers do not repair products, find too many labels and some green claims are misleading.

# Designing Sustainable Products

## Sustainable Products Initiative: product principles and requirements

Up to  
**80%**

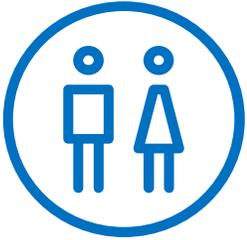


of products' environmental impacts are determined at the design phase

- Improve **durability, reusability, upgradability and reparability**
- Eliminate **hazardous chemicals** and increase **recycled content**
- Restrict **single-use** and counter **premature obsolescence**
- Incentivise **product-as-a-service**
- Digitalise, including a **digital product passport** (traceability)

# Empowering Consumers and Public Buyers

## Proposals



- Revision of **consumer law**: consumers to receive trustworthy and relevant information on products at the point of sale
- **Right to repair**



- Companies to substantiate their **green claims** using Product and Organisation Environmental Footprint method



- **Minimum mandatory green public procurement** criteria and targets

Public authorities' purchasing power represents

**14%**  
of EU GDP



# Key Product Value Chains



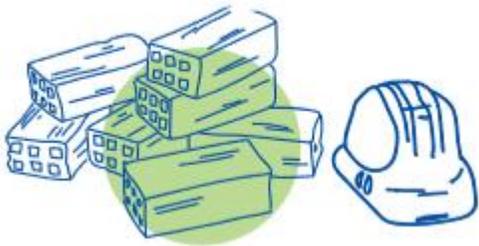
**Food, water & nutrients**



**Electronics and ICT**



**Batteries & vehicles**



**Construction & buildings**



**Textiles**



**Plastics**



**Packaging**

# Less Waste, More Value



Preventing waste from being created in the first place is key

## Boosting Waste Prevention

- Explore reduction targets

## Circularity in a toxic-free environment

- Chemical Strategy for Sustainability

Once waste has been created, it needs to be transformed into high-quality resources

## EU market for Secondary Raw Materials

- Remove barriers to the uptake of recycled materials

## Reducing Waste exports

- Revise the EU Shipment Regulation
- Increase the EU high quality recycling capacity

# Circular Economy Package of 30 March 2022

## **Sustainable Products Initiative:**

- Proposal for a **new Regulation on Ecodesign for Sustainable Products (ESPR)**
- **Ecodesign and Energy Labelling Working Plan 2022-2024**
- **EU Strategy for Sustainable and Circular Textiles**
- Proposal for a revision of **the Construction Products Regulation**
- Proposal to **Empower Consumers in the Green Transition**

# Proposal for a Regulation on Ecodesign for Sustainable Products

- Part of the **Circular Economy Package of March 2022**
- **Broadening the Ecodesign Framework**
- Regularly updated **multiannual working plans** setting out priorities
- **Framework legislation + Product-specific measures** based on dedicated impact assessments

## New features:

- **Broader scope:**  
Making sustainable products the norm
- **Ecodesign requirements:**
  - Circularity, life-cycle environmental sustainability & energy efficiency
  - Performance & information requirements
- Incentives for **Best Performing Products**

## Examples of product aspects & parameters:

- Durability ► **Guaranteed lifetime**
- Reusability
- Upgradability
- Reparability ► **Availability of spare parts**
- Recycled Content
- Energy Use & Efficiency ► **Consumption of energy**
- Resource Use & Efficiency ► **Consumption of water & other resources**
- Presence of Substances of Concern
- Possibility of remanufacturing & recycling, waste generation
- Environmental impacts ► **Carbon & environmental footprint, emissions, microplastics release**

# Circular Economy – What's next?

- Commission Communication on a policy framework **for biobased, biodegradable and compostable plastics**
- Revision of **Packaging and Packaging Waste Directive** to reinforce the essential requirements for packaging to be placed on the EU market
- Review of the **Waste Framework Directive** and repealing certain Directives

# Moving towards a Global Circular Economy

An agenda to promote circular economy at bilateral, regional and multilateral level, including through development & international cooperation programmes



EU-Japan Green Alliance  
27 May 2021

- Global Agreement on Plastics
- Global Alliance on Circular Economy and Resource Efficiency (GACERE)
- Free Trade Agreements
- Outreach activities – Circular Economy Missions

# Thank you



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