



EUROPEAN PARLIAMENT

2014 - 2019

Committee on Employment and Social Affairs

2014/2208(INI)

1.6.2015

OPINION

of the Committee on Employment and Social Affairs

for the Committee on Environment, Public Health and Food Safety

on resource efficiency: moving towards a circular economy
(2014/2208(INI))

Rapporteur: Tiziana Beghin

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SUGGESTIONS

The Committee on Employment and Social Affairs calls on the Committee on Environment, Public Health and Food Safety, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

1. Regrets the withdrawal of the circular economy legislative package, the provisions of which would have contributed to creating up to 180 000 jobs in the EU waste management sector alone, and urges the Commission to present a balanced new proposal by the end of 2015 which is at least as ambitious as the initial one, accompanied by a thorough impact assessment and with a focus on the issue that waste would not be created in the first place;
2. Points out the fact that the environmental services sector has shown strong resilience even in the years of the economic crisis, and stresses that a well-developed circular economy has the potential to generate millions of new non-relocatable jobs across Europe requiring different levels of skills, while respecting workers' rights and collective agreements; points out that in order to achieve its full potential, this requires a shift in societal understanding as regards the crucial importance of resource efficiency; stresses that governments need to ensure a coherent and integrated policy approach to support this change, and that opportunities to acquire the new skills needed for the circular economy should be created;
3. Emphasises that a circular economy will lead to sustainable and inclusive growth and have lasting beneficial effects on the labour market, enabling the creation of quality and sustainable jobs and stimulating innovation; considers that a genuine European industrial policy, based on economic and environmental sustainability and aimed at overcoming the 'take-make-consume-throw away' business model, is an essential achievement;
4. Insists that a circular economy produces dispersed, non-centralised jobs, thereby supporting SMEs, helping to tackle the issue of high unemployment in poor regions which have been affected by globalisation and deindustrialisation, reducing inequality and achieving the objectives of EU cohesion policy; stresses the importance of the role of local and regional authorities in planning for and supporting such development;
5. Recognises the important role played by social enterprise, not least in terms of improving work opportunities for those excluded from the labour market, for example in the repair and reuse sector; believes that eco-design which assists repair, reuse and recycling is an integral part of the circular economy;
6. Stresses that while circular economy activities are not intensive in their use of resources, they are intensive in the use of labour compared to a conventional economy, and thus have a high potential for job creation; calls on Member States to provide for comprehensive protection of employees' occupational health, particularly in sectors where products containing particularly hazardous constituents are recycled; notes that these activities ought therefore to be assigned priority in European investment, particularly from the European Fund for Strategic Investments (EFSI);
7. Believes that investing in landfills and waste incineration diverts resources that could be invested in job-creating activities such as waste prevention, reuse, repair and preparation

for reuse; calls on the Commission to ensure that funding under EU cohesion policy targets circular economy activities and is not assigned to landfills and waste incineration;

8. Believes that a circular economy is one of the main elements which will offset the decline in skilled jobs and mid-level occupations and create lasting jobs requiring high levels of professional skill, for example in research and development and in planning work throughout a product's life cycle;
9. Stresses that an effective and job-rich transition to the circular economy requires anticipation (i.e. identification of skills gaps), proactive transformation management and long-term planning, also in a reindustrialisation context, especially in the areas most hit by the economic crisis; notes, therefore, the importance of education, vocational training and requalification of workers, especially in resource-efficient sectors, and the importance of social dialogue on the circular economy agenda; calls for measures that will improve the quality of information, advice and guidance available on careers and the skills needed to capitalise on employment opportunities provided by the circular economy;
10. Notes that, in a transition towards a circular economy, internal transformation and redefinition of jobs may affect sectors with a high share of emissions; calls, in consequence, on the Member States and the Commission to work in conjunction with the social partners and develop the necessary roadmaps and appropriate solidarity mechanisms (i.e. financial support, financial incentives for entrepreneurial initiatives, and use of existing EU funds for retraining and up-skilling) to offset the adverse impact of the transition on all the parties involved, mainly on certain categories of workers and socially vulnerable groups;
11. Strongly believes that the shift to a circular economy requires decisive action and incentives by both the Member States and the Commission; calls on the Member States and the Commission to put in place a sound regulatory environment and establish appropriate policies for reuse, repair and preparation for reuse; encourages Member-States to put in place fiscal incentives that stimulate the development of a circular economy, such as shifting the tax burden away from labour and differentiating VAT rates in accordance with the waste hierarchy, thus making resource efficiency, recycling, renovation and reuse more attractive and contributing to generating job-rich growth; stresses that the actions undertaken must on no account result in cuts in employees' social insurance coverage and must respect workers' social protection rights;
12. Calls on Member States to promote the circular economy among local, regional and municipal authorities, which represent the most relevant scale on which to perform the associated activities on a long-lasting basis;
13. Stresses the need to reduce the administrative burden for businesses, particularly SMEs and micro-enterprises, which constitute 99 % of businesses in the Union and create more than 85 % of jobs on the continent, whilst maintaining the same social rights for workers; recalls that, as part of a proactive approach, tax incentives and facilitation of access to credit for undertakings in the sector may be important levers;
14. Highlights that a transition towards a sustainable and circular economy should combine ambitious environmental goals with strong social requirements, including the promotion of decent work and healthy and safe working conditions (i.e. ensuring that workers are not

exposed to harmful substances at their workplace);

15. Recalls the importance of simplifying reporting obligations for Member States, including streamlining calculation methods for municipal, landfill and packaging waste targets;
16. Calls on the Commission to ensure that social and environmental issues are taken into consideration in public procurement procedures, which is vital in order to promote sustainable development and the transition to a circular economy;
17. Calls on the various operators to develop public-private partnerships to optimise the establishment of a circular economy on several fronts;
18. Recalls that the appropriate management of hazardous waste remains problematic, particularly for the health and safety of workers; welcomes in this connection the desire to enhance record-keeping and traceability through the setting-up of hazardous waste registries and identifying capacities and bottlenecks in Member States' management systems; calls on the Member States and the Commission to introduce all necessary instruments to protect workers who come into contact with dangerous substances.

RESULT OF FINAL VOTE IN COMMITTEE

Date adopted	28.5.2015
Result of final vote	+: 50 -: 0 0: 0
Members present for the final vote	Laura Agea, Guillaume Balas, Brando Benifei, David Casa, Ole Christensen, Agnes Jongerius, Jan Keller, Agnieszka Kozłowska-Rajewicz, Zdzisław Krasnodębski, Jean Lambert, Jérôme Lavrilleux, Patrick Le Hyaric, Jeroen Lenaers, Verónica Lope Fontagné, Javi López, Thomas Mann, Dominique Martin, Anthea McIntyre, Joëlle Mélin, Elisabeth Morin-Chartier, Emilian Pavel, Georgi Pirinski, Terry Reintke, Claude Rolin, Anne Sander, Sven Schulze, Siôn Simon, Jutta Steinruck, Yana Toom, Ulrike Trebesius, Marita Ulvskog, Tatjana Ždanoka, Jana Žitňanská, Inês Cristina Zuber
Substitutes present for the final vote	Amjad Bashir, Heinz K. Becker, Lynn Boylan, Mercedes Bresso, Deirdre Clune, Tania González Peñas, Eduard Kukan, Edouard Martin, Evelyn Regner, Csaba Sógor
Substitutes under Rule 200(2) present for the final vote	Marco Affronte, Andor Deli, Norica Nicolai, Urmas Paet, Pavel Telička, Marco Zanni