REPORT

on the New Circular Economy Action Plan
(2020/2077(INI))

Committee on the Environment, Public Health and Food Safety

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MOTION FOR A EUROPEAN PARLIAMENT RESOLUTION

on the New Circular Economy Action Plan
(2020/2077(INI))

The European Parliament,

− having regard to the Commission communication of 11 March 2020 entitled ‘A new Circular Economy Action Plan: For a cleaner and more competitive Europe’ (COM(2020)0098), and the staff working document ‘Leading the way to a global circular economy: state of play and outlook’ (SWD(2020)100),

− having regard to the United Nations 2030 Agenda for Sustainable Development and to the Sustainable Development Goals (SDGs), including SDG 12 “Responsible consumption and production” and SDG 15 “Life on land”,

− having regard to the Commission communication of 14 October 2020 on the Chemicals Strategy for Sustainability Towards a Toxic-Free Environment (COM(2020)0667)\(^1\),

− having regard to its resolution of 10 July 2020 on the Chemicals Strategy for Sustainability\(^2\),

− having regard to the Commission Communication of 10 March 2020 entitled "A New Industrial Strategy for Europe" (COM(2020)0102),

− having regard to the Commission communication of 20 May 2020 entitled "An EU Biodiversity Strategy for 2030 bringing nature back into our lives" (COM(2020)0380),

− having regard to the IPBES Global Assessment on Biodiversity and Ecosystem Services report of May 2019,

− having regard to the Commission communication of 20 May 2020 entitled ’a Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system’ (COM (2020)0381),

− having regard to the Commission communication of 11 October 2018 entitled “A sustainable Bioeconomy for Europe: Strengthening the connection between economy, society and the environment” (COM(2018)0673),


− having regard the Directive (EU) 2019/904 of the European parliament and of the Council of 5 June 2019 on the reduction of the impact of certain plastic products on the environment,

\(^1\) https://ec.europa.eu/environment/pdf/chemicals/2020/10/Strategy.pdf
\(^2\) Text adopted P9_TA(2020)0201
having regard to its resolution of 14 March 2019 on a European strategic long-term vision for a prosperous, modern, competitive and climate neutral economy,

having regard to its resolution of 28 November 2019 on the climate and environment emergency,

having regard to its resolution of 4 July 2017 on a longer lifetime for products: benefits for consumers and companies,

having regard to its resolution of 9 July 2015 on resource efficiency: moving towards a circular economy (2014/2208(INI)),

having regard to its resolution of 13 September 2018 on implementation of the circular economy package: options to address the interface between chemical, product and waste legislation (2018/2589(RSP)),

having regard to its resolution of 10 July 2020 on a comprehensive European approach to energy storage (2019/2189(INI)),

having regard to Regulation (EU) 2020/741 on minimum requirements for water reuse,

having regard to the proposal for the 8th Environment Action Programme presented by the Commission on 14 October 2020, in particular the priority objective of accelerating the transition to a circular economy set out in Article 2(2)(c) of the proposal,

having regard to the Commission communication of 11 December 2019 on ‘The European Green Deal’ (COM(2019)0640),

having regard to the Intergovernmental Panel on Climate Change (IPCC) special reports on climate change, desertification, land degradation, sustainable land management, food security, and greenhouse gas fluxes in terrestrial ecosystems, and on the Ocean and Cryosphere in a Changing Climate, and the special IPCC report ‘Global Warming of 1.5°C’, its fifth assessment report (AR5) and its synthesis report of September 2018,

having regard to the first Circular Economy Action Plan launched in 2015 (Commission communication of 2 December 2015 entitled ‘Closing the loop - An EU action plan for the Circular Economy’ (COM(2015)0614)) and the actions taken under that plan,

having regard to its resolution of 10 July 2020 on a Chemicals Strategy for Sustainability,

having regard to its resolution of 15 January 2020 on the European Green Deal.
having regard to its resolution of 13 September 2018 on a European strategy for plastics in a circular economy\(^{11}\),

having regard to its resolution of 13 September 2018 on implementation of the circular economy package: options to address the interface between chemical, product and waste legislation\(^{12}\),

having regard to European Parliament resolution of 31 May 2018 on the implementation of the Ecodesign Directive\(^{13}\),

having regard to Directive (EU) 2019/904 of the European Parliament and of the Council of 5 June 2019 on the reduction of the impact of certain plastic products on the environment\(^{14}\),


having regard to the Commission communication of 26 January 2017 on the role of waste-to-energy in the circular economy (COM(2017)0034),

having regard to the Global Resources Outlook 2019\(^{20}\), and Resource Efficiency and Climate Change\(^{21}\) reports by the International Resource Panel,

having regard to the Science publication “Evaluating scenarios toward zero plastic pollution”\(^{22}\),

having regard to Rule 54 of its Rules of Procedure,

\(^{13}\) OJ C 76, 9.3.2020, p. 192.  
\(^{17}\) OJ L 150, 14.6.2018, p. 100.  
\(^{20}\) https://www.resourcepanel.org/reports/global-resources-outlook  
\(^{21}\) https://resourcepanel.org/reports/resource-efficiency-and-climate-change  
\(^{22}\) https://science.sciencemag.org/content/369/6510/1455
− having regard to the opinions of the Committee on Industry, Research and Energy, the Committee on Internal Market and Consumer Protection, the Committee on International Trade, the Committee on Transport and Tourism and the Committee on Agriculture and Rural Development,

− having regard to the report of the Committee on the Environment, Public Health and Food Safety (A9-0008/2021),

A. whereas the International Resource Panel, in its report ‘Global Resources Outlook 2019’, estimates that half of the total greenhouse gas emissions and more than 90% of biodiversity loss and water stress come from resource extraction and processing; whereas the global economy uses the equivalent of 1.5 planets’ worth of resources and whereas 3 planets would be needed already now, if everyone consumed at the rate of the average EU resident, and whereas a significant reduction in our overall use of natural resources and in our waste production should be the overarching objective of the circular economy; whereas this will require a decoupling of economic growth from resource use, keeping in mind the distinction between absolute and relative decoupling;

B. whereas these figures illustrate the central role of sustainable use of resources, in particular primary raw materials and the need to step up action at all levels and across the world; whereas the concept of circular economy is in its nature horizontal and will contribute significantly to the achievement of other environmental objectives including the objectives of the Paris Agreement;

C. whereas the transition to a circular economy plays a crucial role in reducing the EU’s greenhouse gas (GHG) emissions and achieving the EU’s 2030 climate target and the net-zero GHG emissions objective by 2050 at the latest, and requires a profound transformation of value chains across the economy;

D. whereas a shift to a circular economy has the potential to promote sustainable business practices and whereas European companies and economies are expected to be at the forefront in a global race towards circularity, due to the EU’s well developed business models, our circular knowledge and recycling expertise;

E. whereas the principles of circular economy should be the core element of any European and national industrial policy, and of the national Recovery and Resilience Plans of Member States in the framework of the Recovery and Resilience Facility;

F. whereas the overall energy consumption in the EU is significant and the circular economy action should also involve energy efficiency and the sustainable sourcing of energy sources;

G. whereas designing out of waste is one of the principles of circular economy;

H. whereas the circular economy is relevant to various SDGs including Goal 12 “Ensure sustainable consumption and production patterns” as well as Goal 13 on “Climate action”;

I. whereas designing out waste and pollution is one of the principles of circular economy;
J. whereas according to recent studies, the circular economy has the potential to increase the EU’s GDP by an additional 0.5 % and create more than 700 000 new jobs by 2030, while also has the potential to improve the quality of the jobs; whereas between 2012 and 2018 the number of jobs linked to the circular economy in the EU grew by 5% to reach around 4 million; whereas with supportive policies and industry investment, the expectations are that by 2030 the EU remanufacturing could attain an annual value of between around €70bn and €100bn with the associated employment of between around 450,000 and almost 600,000;

K. whereas the sustainable and responsible sourcing of primary raw materials is critical to achieve resource efficiency and meeting the circular economy objectives; thus sustainable sourcing standards for priority materials and commodities need to be developed;

L. whereas up to 80 % of the environmental impacts of products are determined during the design phase and only 12% of the materials used by the EU’s industry come from recycling;

M. whereas the fast rise of e-commerce has significantly increased packaging waste, such as single-use plastic and cardboard waste; and whereas shipments of waste to third countries still remain a concern;

N. whereas it is estimated that 88 million tonnes of food waste are generated in the EU each year and whereas over 50% of food waste is estimated to come from households and the consumer level; whereas food waste has a considerable environmental impact, accounting for about 6% of total EU Greenhouse Gas emissions;

O. whereas plastics create environmental concerns if not properly managed, such as littering, difficulty of reuse and recycling, substances of concern, greenhouse gas emissions and resource use;

P. whereas ECHA has adopted a scientific opinion to restrict the use of micro plastics that are intentionally added to products on the EU/EEA market, in concentrations of more than 0.01% weight by weight;

Q. whereas, according to European Environment Agency (EEA) estimates, between 1996 and 2012, the amount of clothes bought per person in the EU increased by 40%, while at the same time, more than 30% of clothes in wardrobes in Europe have not been used for at least a year. Moreover, once discarded, over half the garments are not recycled, but end up in mixed household waste and are subsequently sent to incinerators or landfill.

R. whereas European companies and economies are expected to be at the forefront of those

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implementing, but also benefiting from, a global race towards circularity, due to the EU’s well developed business models, our circular knowledge and recycling expertise;

S. whereas it has been over two years since the IPCC released its Special Report on Global Warming of 1.5°C, which stated that limiting global warming to 1.5°C would require rapid, far-reaching and unprecedented changes in all aspects of society;

1. Welcomes the Commission’s new Circular Economy Action Plan; highlights the fact that the circular economy, in combination with the zero-pollution ambition for a toxic-free environment, is key to reducing the overall environmental footprints of European production and consumption, respecting planetary boundaries, and protecting human health, while at the same time ensuring a competitive and innovative economy; underlines the major contribution that the circular economy can give to reaching the goals of the Paris Agreement, the Convention on Biological Diversity and the UN Sustainable Development Goals;

2. Calls on the Commission to bring forward all the initiatives under the Action Plan in line with the dates set out in the Annex of the Communication and to base each legislative proposal on a comprehensive impact assessment, underlines the importance of taking into account also the costs of non-action;

3. Underlines that the circular economy can provide solutions to the new challenges caused and highlighted by the COVID-19 crisis by strengthening the value chains within the EU and globally and reducing their vulnerability, and by making European industrial ecosystems more resilient and sustainable as well as competitive and profitable; notes that this will promote the EU’s strategic autonomy and contribute to the creation of jobs; underlines that the COVID-19 pandemic has demonstrated the necessity for an enabling environment for the circular economy; calls on the Member States to mainstream circular economy in their national recovery and resilience plans;

4. Believes that a circular economy is the way for the EU and European companies to remain innovative and competitive in a global market while reducing their environmental footprints; therefore urges the Commission and the Member States to direct investments in order to scale up circular economy initiatives and support innovation; considers that the EU’s economic recovery plan (Next Generation EU) as well as the Just Transition Fund and Horizon Europe should be used to put in place and promote circular economy initiatives, practices, infrastructure and technologies;

5. Underlines improving the functioning of the internal market is a precondition for achieving a circular economy within the EU; stresses in particular the importance of proper implementation and effective enforcement of existing rules for a well-functioning sustainable single market; recalls that the EU is both the world’s second largest economic power and the world’s largest trading power; points out that the single market is a powerful tool that must be used to develop sustainable and circular products or technologies that will become tomorrow’s standards, thus enabling citizens to purchase affordable products that are safe, healthy and respectful of the planet;

6. Underlines the need for an absolute decoupling of growth from resource use; calls on the Commission to propose science-based binding EU mid-term and long-term targets for the reduction in the use of primary raw materials and environmental impacts; calls
for setting the EU targets through a back-casting approach to ensure that policy objectives are on a credible path to achieve a carbon-neutral, environmentally sustainable, toxic-free and fully circular economy within planetary boundaries by 2050 at the latest;

7. Calls on the Commission to propose binding EU targets for 2030 to significantly reduce the EU material and consumption footprints and bring them within planetary boundaries by 2050, using the indicators to be adopted by end of 2021 as part of the updated monitoring framework; calls on the Commission to build on the examples set by the most ambitious Member States while taking due account of differences in starting points and capabilities between the Member States;

8. Urges the Commission to introduce by 2021 harmonised, comparable and uniform circularity indicators, consisting of material footprint and consumption footprint indicators, as well as a number of sub-indicators on resource efficiency and ecosystem services; these indicators should measure resource consumption and resource productivity, and include imports and exports, at EU, Member State and industry levels and be consistent with harmonised life cycle assessment and natural capital accounting methodologies; they should be applied across Union policies, financial instruments and regulatory initiatives;

9. Welcomes the Commission’s commitment to update and review the monitoring framework for the circular economy; regrets that the current monitoring framework does not present a comprehensive and holistic set of indicators allowing to measure the decoupling of economic growth from resource use and environmental impact; highlights that the monitoring framework should cover the above-mentioned circularity indicators and in addition the full range of objectives and concrete actions of the Circular Economy Action Plan in order to provide an effective instrument for measuring circularity and progress towards the achievement of its objectives in a comprehensive way;

10. Also highlights the necessity of scientifically robust measurement to capture synergies between the circular economy and climate change mitigation, including through carbon footprint measurements;

11. Highlights the opportunities that lie in the optimised use of products and services, in addition to measures that extend life-cycles and material use; in this context, stresses in particular the opportunities to combine circular economy solutions and digitalisation; calls on the Commission and the Member States to develop policies to support new sustainable and circular business models, such as product-as-a-service (PaaS) approaches that save resources and reduce environmental impacts while ensuring protection for consumers invites the Commission to facilitate such PaaS approaches in the new Sustainable Products Initiative and calls on the Commission and Member States to remove undue regulatory and fiscal barriers to them and promote the development of infrastructures that enable circularity and a sustainable digital economy; recalls that digitalisation also has considerable climate and environmental impacts, such as a growing energy demand, raw material extraction and the generation of electronic waste; calls on the Commission to assess and address these challenges by establishing a methodology for monitoring and quantifying the environmental impact of digital
technologies, structures and services including data centres, and by proposing measures - including where appropriate legislative measures - to ensure the environmental sustainability of digital solutions putting energy efficiency, reduction of GHG emissions and resource use and the establishment of a circular economy at the centre of a sustainable digital transition;

12. Calls on the Commission to identify regulatory measures and other actions that would be needed to remove the administrative and legal obstacles to a circular sharing and service economy and to incentivise its development; in particular calls on the Commission to explore solutions to challenges such as liability issues and ownership rights related to the sharing and service economy, keeping in mind that improved legal certainty both for producers and consumers is vital to enable these concepts; suggests that the Commission considers developing a European strategy for the sharing and service economy that deals with these questions, while also addressing social issues;

13. Emphasises the need for better understanding of how Artificial Intelligence technologies can support a circular economy by encouraging their applications in design, business models, and infrastructure; Points out the importance of treating digitisation as an enabler of circular economy, notably when it comes to product passports or material information in the context of an EU-wide ‘dataspace’: Stresses that improving data accessibility and sharing will be key while ensuring active collaboration between stakeholders to make sure that new approaches remain fair and inclusive, and safeguard privacy and data security.

14. Underlines the need to create economic incentives and the right regulatory environment for innovation in circular solutions, materials and business models, while at the same time eliminating market-distorting subsidies and environmentally harmful subsidies, and calls for support for this in the new industrial strategy for Europe and the SME Strategy; emphasises the specific role that first movers, SMEs (small and medium-sized enterprises) and start-ups are playing in the transition to a circular economy; underlines that research in sustainable materials, processes, technologies and products, as well as their industrial scale-up, can provide European companies with a global competitive advantage; emphasises that policies are needed at the EU and national levels to support the frontrunners in circular economy and circular business models;

15. Highlights the need to engage European industry as a stakeholder in the transition to a more circular economy; recalls the crucial role of circular economy measures in achieving industrial decarbonisation; calls for circularity approaches in industry, at all levels of product design, sourcing of materials, product reuse and recycling, and waste management, and underlines the need to stimulate the development of lead markets for sustainable industrial materials and products;

16. Encourages companies to prepare transition plans as part of their annual reporting describing how and when they intend to achieve climate neutrality, circular economy and sustainability;

17. Calls on Member States to prioritise options which have minimal administrative burdens and to strengthen the development of Research and Development public-private partnerships that deliver systemic and holistic solutions;
18. Calls on the Commission to establish a regulatory framework for certification of all nature-based and technological carbon removal solutions, including carbon capture and storage and utilization (CCSU);

19. Underlines the crucial role of biomimicry as an accelerator of circularity, in promoting biomimetic solutions which by design minimise the use of material, energy and toxic compounds and provide sustainable, regenerative and innovative solutions inspired by nature applicable to a multitude of sectors,

20. Calls for adequate staffing levels and budget for the Commission services tasked with ensuring the successful implementation of the Action Plan; stresses that the allocation of resources must respond to both current and long-term political priorities and thus, in the context of the European Green Deal, expects a significant reinforcement of human resources in the Commission Directorate-General for Environment in particular;

A sustainable product policy framework

21. Emphasises the need to turn the linear “take-make-dispose” economy to a truly circular economy, based on the following principles: reduction in energy and resource use; the retention of value in the economy; waste prevention; the designing out of waste and of harmful substances and pollution; keeping products and materials in use and in closed loops; protection of human health; promotion of consumer benefits; and regenerating natural systems; these objectives should guide the new sustainable product policy framework as well as the Circular Economy Strategy as a whole, and the Industrial Strategy; stresses the need to fully integrate sustainable circular system thinking in all activities including policies, products, production processes and business models;

22. Underlines that sustainable, circular, safe and non-toxic products and materials should become the norm in the EU market and not the exception and should be seen as the default choice, which is attractive, affordable and accessible for all consumers; welcomes therefore the Commission’s plan to propose a legislative initiative on sustainable products to set horizontal principles for product policy and binding requirements on products placed on the EU market;

23. Strongly endorses the broadening of the scope of the Ecodesign Directive to include non-energy-related products and set horizontal sustainability principles and product-specific standards for performance, durability, reusability, reparability, non-toxicity, upgradability, recyclability, recycled content, and resource and energy efficiency in products placed on the EU market, and invites the Commission to present a proposal for this in 2021; at the same time, reiterates its call on the Commission to be ambitious in the implementation of ecodesign for all energy-using products under the current scope the Ecodesign Directive, including with regard to circular economy aspects;

24. Stresses the importance of maintaining a coherent and clear EU legislative framework for sustainable products and highlights the need to strengthen synergies with other policies including the EU Ecolabel; underlines that, in parallel to legal minimum standards for product design, it is important to provide market incentives for the most sustainable companies and sustainable products and materials;

25. Calls on the Commission to propose binding material and environmental footprint
targets for the whole product lifecycle for each product category placed on the EU market, including the most carbon-intensive semi-products; also calls on the Commission to propose product-specific and/or sector-specific binding targets for recycled content, while ensuring the performance and safety of the products concerned and that they are designed for recycling; urges the Commission to establish supporting technological, regulatory and market conditions to achieve these objectives and to take into account the required industrial changes and the investment cycles in each sector; at the same time, urges the Commission to consider mandatory requirements to increase the sustainability of services;

26. Supports the plan to introduce digital product passports in order to help companies, consumers and market surveillance authorities, to keep track of a product’s climate, environmental, social and other impacts throughout the value chain and provide reliable, transparent and easily accessible information about the durability of the product and its maintenance, reuse, repair and dismantling possibilities and end-of-life handling as well as its composition in terms of materials and chemicals used and their environmental and other impacts; calls on the Commission to assess the options for a label in this regard; considers that the product passports should be introduced in a way that avoids undue regulatory burden for companies in particular SMEs; believes that they should be compatible with other digital tools, such as the upcoming Building Renovation Passport and the SCIP database;

27. Underlines the key importance of achieving non-toxic and restorative material cycles for the success of the circular economy and for creating a sustainable single market, and ultimately for ensuring a toxic-free environment for Europe’s citizens; therefore reiterates the positions taken in its resolution on a Chemicals Strategy for Sustainability and its resolution on the interface between chemical, product and waste legislation, and insists on swift actions to implement the Chemical Strategy for Sustainability Towards a Toxic Free Environment;

28. Emphasises the right of consumers to more precise, harmonised and accurate information about the environmental and climate impacts of products and services throughout their lifecycle, including in terms of durability and reparability, and calls for measures against greenwashing and false environmental claims relating to products offered both online and offline; strongly supports the Commission’s intention to make proposals to regulate the use of green claims through the establishment of solid and harmonised calculation methods covering the full value chain, based on harmonised indicators and life-cycle assessments such as environmental footprints, including with respect to waste prevention, raw material use, avoidance of harmful substances, durability and longevity of the product as well as design to be repairable and recyclable; furthermore, stresses the need to enforce the recently amended Directive 2005/29/EC through proactive measures tackling green claims;

29. Calls on the Commission to support the development of digital tools for consumer information to empower the consumer in the digital age; stresses the importance of online platforms and marketplaces for promoting sustainable products and services and notes that they could provide consumers with more clear and easily understandable information on the durability and reparability of the products they offer;
30. Highlights the need to reinforce the EU Ecolabel as a benchmark for environmental sustainability, by increasing market and consumer awareness and recognition, setting of comprehensive standards and further extending the scheme to relevant products and facilitating its use in procurement;

31. Supports the planned initiatives to improve the durability and reparability of products in accordance with the principle of waste prevention in the waste hierarchy, while strengthening consumer rights in both business-to-consumer and business-to-business markets; therefore strongly welcomes the planned initiatives to establish a new 'right to repair', which should cover at least the extended life cycle of products, access to spare parts and to comprehensive information and to affordable repair services for consumers;

32. Calls, in this context, for measures to provide free-of-charge access to necessary repair and maintenance information, including information on spare parts and software updates, to all market participants, while keeping in mind the imperatives of consumer safety and without prejudice to Directive (EU) 2016/943, as well as to ensure access to spare parts without unfair hindrances for all actors of the repair sector, including independent repairers, and consumers, to define mandatory minimum periods of time for the availability of spare parts and/or updates and maximum delivery time limits for an extended range of product categories that would take into account their specificities, and to assess how repair can be encouraged under the legal guarantee regime; stresses that sellers should inform all market participants about the reparability of its products;

33. Calls, in order to facilitate consumer decision-making, for clear and easily understandable harmonised labelling, which could take the form of an index, on product durability (i.e. on the estimated lifetime of a product) and reparability and for the development of a uniform repair score and the introduction of usage meters for certain product categories; calls for minimum information requirements pursuant to Directives 2005/29/EU and 2011/83/EU; asks the Commission, when preparing its review of Directive 2019/771/EU, to consider extending both the legal guarantee rights and the reversed burden of proof rules for some product categories that have a higher estimated lifetime, and introducing direct producer liability;

34. Calls for legislative measures to stop practices resulting in planned obsolescence, also by considering adding such practices to the list in Annex I of Directive 2005/29/EU;

35. Welcomes the Commission's intentions to introduce legislation banning destruction of unsold durable goods unless they pose a safety or health threat; underlines that recycling, reuse and redistribution of non-food items should be the norm and enforced by legislation

36. Underlines the need to boost the internal market for sustainable products and believes that the public sector should lead the way; notes that public authorities still often only apply the lowest price criterion as the award criterion when selecting the best offers for goods, services or works; supports the establishment of minimum mandatory criteria and targets for green public procurement in sectorial legislation;

37. Stresses the role of Green Public Procurement (GPP) in accelerating the shift towards a sustainable and circular economy and the importance of implementing GPP during the EU’s economic recovery;
38. Urges the Commission to come forward with a legislative proposal to green public procurement procedures; considers that reused, repaired, remanufactured, refurbished products and other energy and resource efficient products and solutions that minimise the life-cycle environmental impacts are the default choice in all public procurement, in line with the objectives of the European Green Deal, and if they are not preferred, the ‘comply or explain’ principle should apply; also asks the Commission to provide guidelines to support sustainable corporate procurement; calls for reporting obligations for the Commission and the Member States with regard to the sustainability of their procurement decisions, while respecting the subsidiarity principle.

39. Underlines the need to promote a high quality of material collection flows, reuse and recycling, to maintain materials at their highest value and to achieve clean, non-toxic and sustainable closed material loops; stresses the need to increase the availability and quality of recyclates, focusing on the ability of a material to retain its inherent properties after recycling, and its ability to replace primary raw materials in future applications; in this context underlines the need to stimulate both increased recyclability in product design and measures such as effective separate collection and deposit return systems; calls for support for the creation of recycling facilities and capacities, according to the principle of proximity, where these do not already exist;

40. Urges the Commission and the Member States to support the development of high-quality collection, sorting and material reuse and recycling infrastructures, and to support research into the development of new innovative technologies that minimise resource use and residual waste generation, enhance the yield and quality of recyclable and reusable secondary materials, decontaminate recyclates, and reduce the overall environmental footprint - including energy and climate footprints - in relation to other technologies; believes that chemical recycling, where it fulfils these criteria, has the potential to contribute to closing the material loop in certain waste streams;

41. Calls on the Commission to ensure that the health, environmental and climate impacts of processes and outputs of new recycling and recovery technologies are thoroughly evaluated at the industrial level prior to their incentivisation, and to guarantee transparency throughout the evaluation;

42. Considers that chemical recycling needs to fulfil the definition of recycling pursuant to the Waste Framework Directive to ensure that the reprocessing into materials and substances that are to be used as fuels is not considered to be chemical recycling; urges the Commission to provide legal confirmation in this regard;

43. Urges the Commission and the Member States to enable digital technologies, such as blockchain and digital watermarking, and make them interoperable so that they can support the development of the circular economy through the tracking, tracing and mapping of resource use and product flows through all stages of the life cycle;

44. Emphasises the importance of improving access to funds for research and innovation projects on the circular economy; therefore calls on the Commission to steer the activities of the Horizon Europe programme towards supporting research and innovation for:

- recycling processes and technologies;
– the resource efficiency of industrial processes;
– innovative and sustainable materials, products, processes, technologies and services, as well as their industrial scale-up;
– the bioeconomy, through bio-based innovation encompassing the development of bio-based materials and products;
– earth observation satellites, as they can play an important role in monitoring the development of a circular economy by evaluating the pressure on virgin raw materials and emissions levels;

45. Underlines the important role that sustainable renewable inputs can have in circular processes towards decarbonisation and how the use of renewable energy can enhance the circularity of product lifecycles while driving forward the energy transition;

46. Stresses that “a sustainable product policy framework” legislation should be underpinned by a robust and transparent carbon and environmental accounting system that acts as a catalyst for investment in circular economy products and processes;

47. Stresses the need to take into account the full life cycle of a product, from-cradle-to-grave, and the impact of sourcing, semi-finished products, spare parts and by-products throughout the value chain when setting product standards for climate and environmental impacts; considers that these must be set through an open, transparent, and science-based process, with the involvement of relevant stakeholders; encourages in this context the establishment of common life cycle assessment methodologies and improved data collection;

48. Stresses that standardisation is key to implementing a sustainable product policy by providing reliable definitions, metrics and tests for characteristics such as durability and reparability;

49. Insists that EU standards be developed in a timely manner and in line with real-use conditions, while avoiding administrative bottlenecks for the stakeholders involved resulting in delayed publication of standards;

50. Recalls the Commission communication of 1 June 2016 entitled ‘European Standards for the 21st century’ and the work carried out on the Joint Initiative on Standardisation (JIS); calls on the Commission to further strengthen the JIS and to adopt new actions and projects aiming to improve the functioning of the European Standardisation Organisations;

51. Stresses that effective implementation and enforcement of EU legislation relating to product safety and sustainability requirements is crucial to making sure that products placed on the market comply with such rules in accordance with Regulation (EU) 2019/1020; adds that a very large number of products purchased online and imported into the EU fail to meet the EU’s minimum safety requirements; calls on the Commission and the Member States to step up their efforts to ensure products are compliant, including products sold online, and address the risks counterfeit products pose to the safety of consumers through enhanced market surveillance and equivalent
custom controls standards, as well as through strengthened cooperation in this field and increased budgets and human resources; calls, therefore, for more effective EU oversight, through setting harmonised rules on the minimum number of checks and their frequency, and by empowering the Commission to monitor and audit the activities of national market surveillance authorities;

52. Underlines that voluntary agreements have proven ineffective in achieving a sustainable and common charging solution for mobile radio equipment; reiterates its call on the Commission to implement as a matter of urgency the provisions of Directive 2014/53/EU on radio equipment, and in particular, to introduce a common charger for smartphones and all small and medium-sized electronic devices to best ensure standardisation, compatibility and interoperability of charging capabilities, including wireless charging, as part of global strategy to reduce electronic waste; asks the Commission to prepare, in a timely manner, a decoupling strategy that ensures consumers are not obliged to buy new chargers with new devices to allow for greater environmental benefits, cost savings and convenience for consumers; reiterates the importance for consumers of receiving, through harmonised labelling in an easy-to-read format, trustworthy and relevant information about relevant features of chargers such as interoperability and charging performance, including compliance with USB 3.1 or higher, to enable them to make the most convenient, cost-efficient and sustainable choices;

53. Stresses the need for policy coherence across existing and future measures at EU and Member State level in order to ensure that the objectives of the Action Plan are met and to provide economic and investment certainty for circular technologies, products and services, which will also foster EU competitiveness and innovation; calls on the Commission to address any possible existing regulatory inconsistencies or barriers or legal uncertainties that hamper the full deployment of a circular economy; calls for economic incentives such as CO2 pricing, extended producer responsibility with eco-modulation of fees and tax incentives, as well as other financial incentives promoting sustainable consumer choices; believes that these measures should, where relevant, be in line with the technical screening criteria for circular economy defined in the Taxonomy Regulation; calls on Member States to consider Circular Economy objectives in all relevant national legislation and make sure that it is fully aligned with objectives and measures of the EU Circular Economy Strategy; furthermore, calls on the Commission to focus on the implementation of the legislation related to the circular economy to ensure a level playing field for circular production processes and business models;

**Key product value chains: electronics and ICT**

54. Supports the Circular Electronics Initiative, which should address the shortcomings in durability, circular design, presence of hazardous and harmful substances, recycled content, reparability, access to spare parts, upgradability, e-waste prevention, collection, reuse and recycling; also calls for the integration of issues linked to early [] obsolescence including product obsolescence caused by software changes; calls for the harmonisation and improvement of recycling infrastructure for waste electrical and electronic equipment in the EU;
55. Believes that the collection of electronic waste must be made much easier for consumers; welcomes the Commission’s commitment to explore options for an EU-wide take back scheme for ICT products and believes that such a scheme should cover the widest possible range of products; stresses the importance of designing such a take back scheme, and any other collection model, in a way that safeguards the re-usability of ICT products and provides re-use operators with access to re-useable goods;

56. Underlines the potential of eco-design measures and recalls that the Ecodesign Directive and the Energy Labelling Directive together provided nearly half of the energy efficiency savings target set by the EU for 2020; underlines the need to ensure the swift finalisation of existing eco-design work on electronics and ICT, notably for smartphones, tablets, computers, printers (including cartridges), mobile network stations and subsystems and networking equipment, in order to propose measures no later than 2021;

57. Stresses the importance of promoting more sustainable consumption and production patterns for electronic equipment and ICT, and calls on the Commission to investigate the possibility of providing consumer information on the distinction between corrective and user-driven updates and the carbon impact of data consumption;

58. Calls for establishing a mandatory certification scheme for recyclers of electronics waste to guarantee efficient material recovery and environmental protection;

59. Besides circular electronics initiative, asks the commission to come up with an initiative of circular and sustainable digitalisation, ICT and AI plan;

**Key product value chains: batteries and vehicles**

60. Underlines the importance of a strategic, environmentally sustainable and ethical approach in the new legislative frameworks for batteries and vehicles in the context of the transition to zero-emission mobility and renewable-based electricity grids and the need to ensure sustainable and ethical sourcing of raw materials, including critical raw materials; calls for the creation of competitive and resilient value chains for batteries production, reuse and recycling in the EU;

61. Welcomes the Commission proposal for a new regulation on batteries and waste batteries, and considers that the new EU regulatory framework for batteries should include at least the following: sustainable, ethical and safe sourcing, eco-design including measures to address recycled content, substitution of hazardous and harmful substances where possible, improved separate collection, reuse, refurbishment, remanufacturing, repurposing and recycling - including higher recycling targets, the recovery of valuable materials, extended producer responsibility, and consumer information; the framework should tackle the full life cycle environmental impacts, with dedicated provisions on batteries related to mobility and energy storage;

62. Is concerned about the EU’s heavy dependence on imports of raw materials for battery production; is convinced that enhanced recycling schemes for batteries could deliver a significant share of the raw materials required for battery production within the EU;

63. Expresses its concern about the socio-economic impact of the mineral industry, in
particular within the cobalt industry; requests the Commission to assess options for a viable legislative framework to ensure the ethical sourcing of materials and the introduction of a mandatory due-diligence legislation to address adverse environmental and human rights effects within an international context;

64. Welcomes the Commissions plans to review the End of Life Vehicles directive; Calls on the Commission to update the ELV directive to fully reflect and respect the principles of circular economy, including designing out waste, upgradability, modularity, reparability, reusability, and recyclability of the materials in the highest level of the value, giving the first priority on reuse: calls on the Commission to work to ensure effective reuse chains, with car manufacturers and extended producer liability schemes; Calls on the Commission to improve the reporting of end-of-life vehicles, through a European database; calls on the Commission to clarify, fortify and supervise the principle that dismantling of the car and reuse of the parts must always precede the scrapping and shredding of cars;

65. Underlines the need to further promote research and innovation for recycling processes and technologies under Horizon Europe in order to increase the circular economy potential of batteries; acknowledges the role of SMEs in the collection and recycling sectors;

**Key product value chains: packaging**

66. Reiterates the objective to make all packaging reusable or recyclable in an economically viable way by 2030 and calls for the Commission to present a legislative proposal without delay, including waste reduction measures and targets and ambitious essential requirements in the Packaging and Packaging Waste Directive to reduce excessive packaging, including in e-commerce, improve recyclability and minimise the complexity of packaging, increase recycled content, phase out hazardous and harmful substances, and promote reuse; stresses that food safety or hygiene standards must not be compromised; calls for these measures to aim at the best overall environmental outcomes in line with the waste hierarchy and for a low carbon footprint;

67. While underlining the essential role of packaging for product safety, in particular food safety, and hygiene, as well as for reducing food waste, calls on the industry to complement regulatory measures with additional voluntary actions to further avoid unnecessary packaging and substantially reduce the amount of packaging it places on the market, to develop more resource efficient, circular and climate friendly packaging solutions such as harmonised packaging formats and reusable and refillable packaging, and to facilitate the use of reusable transport packaging; encourages initiatives such as the Circular Plastics Alliance and the European Plastics Pact;

68. Reiterates that high-quality recycling creates real market demand for recycled material and is among the key factors in the drive to increase the total amount of packaging being collected, sorted and recycled, calls for a use of modern and efficient sorting equipment and separation technologies combined with a better eco-design of packaging, including the need to re-design packaging solutions based on improved LCA-criteria;

69. Calls on the Commission to analyse various types of packaging used in e-commerce to determine best practices in optimising packaging to reduce over-packaging; calls on the
Commission to endorse re-use of the packaging materials to deliver several items as an alternative to single-use packaging materials;

70. Stresses the major role that bulk sales can play in reducing the use of packaging, and calls on the Commission and Member States to encourage this type of measure while ensuring food safety and hygiene;

71. Underlines the essential role of innovation funds and programmes for material reduction and recycling innovations;

72. Acknowledges the growth of online sales, with an increase of parcel deliveries; urges the Commission to take measures to ascertain that all online sellers, regardless of their location, comply with the essential requirements and report and contribute financially to the EPR systems in the EU Member States where the products are placed on the market;

73. Calls on the Commission to support the separate collection and sorting of packaging waste as enshrined in Directive (EU)2018/852 of the European Parliament and of the Council of 30 May 2018 amending Directive 94/62/EC on packaging and packaging waste and ensure its timely transposition by Member States; calls on the Commission to assess the possibility to revise the identification system for packaging materials (Decision 97/129/EC) to facilitate separate collection for citizens according to the recyclability of packaging;

74. Calls on the Commission to support and explore the potentials for compatible national deposit return schemes to reach the needed collection rate of 90 % of plastic beverage containers and as a step towards establishing a single market for packaging, especially for neighbouring Member States. Compatible schemes could be reached by serialisation and codified and unified labelling. If a Member State does not have a scheme in place or plans to redesign their scheme, they should be encouraged to choose, by means of best practises and relevant scientific evidence, a scheme that is similar to or compatible with those of other Member States;

Key product value chains: plastics

75. Urges the Commission to continue its implementation of the European Strategy for Plastics in a Circular Economy, notably in driving better design, circular business models and innovative products and product-as-a-service approaches that offer more sustainable consumption patterns;

76. Calls on the Commission to tackle plastics, including microplastics, in a comprehensive way; urges the Commission to adopt a general phase-out of intentionally added microplastics and to reduce, through new mandatory regulatory measures, the unintentional release of all microplastics at source, including for example from tyres, textiles, artificial turf and production of plastic pellets; stresses the need to close the gaps in scientific knowledge on microplastics and nanoplastics and foster the development of safer alternatives and competitive markets with microplastics-free products; insists at the same time on the urgency to take short term actions; underlines that the biggest share of the microplastic pollution originates in the degradation of macro-plastics in the environment and supports that plastic products should be targeted with specific measures such as ecodesign requirements during production phase to
prevent the release of secondary microplastics in the environment; calls on the Commission to look into the sources, distribution, fate and effects of both macro- and micro-plastics in the context of wastewater treatment and storm water management; recalls that 80% of marine litter originates from land and urges Member States to act on marine litter hotspots in rivers and estuaries;

77. Highlights that where single use products are a significant burden on the environment and on resources, single use should be replaced with reusable products where reusable and/or durable alternatives exist, in an environmentally sound manner, without compromising food hygiene or safety; in this regard, calls on the Commission to consider legislative measures, including an extension of the Single Use Plastics Directive in the context of the review of that Directive; calls on the Commission to work on developing standards for reusable packaging and substitutes for single-use packaging, tableware and cutlery;

78. Recognises the potential role of biobased and biodegradable and compostable plastics in the circular economy, but raises caution that bio-based and/or biodegradable plastics alone will not provide a solution to the environmental concerns related to plastics, highlights the importance of raising awareness on the proper use of bio-based and biodegradable plastics;

79. Encourages the proposition of clear global standards of materials, products, design, recycling;

80. Urges the Commission and Member States to create a consistent transparency framework and reporting obligations for all value chain players on the production, trade, use and end-of-life management of plastics;

81. Urges the Commission to develop EPR schemes that hold producers accountable for the end-of-life of plastic products;

**Key product value chains: textiles**

82. Underlines the importance of a new comprehensive EU strategy for textiles to promote sustainability and circularity as well as traceability and transparency in the EU textile and clothing sector, taking into account the global nature of the value chains and the dimension of `fast fashion`; calls for the strategy to present a coherent set of policy instruments and support new business models to address the full range of environmental and social impacts throughout the value chain and to improve the design of textiles to increase durability, reusability and mechanical recyclability and the use of high-quality fibres, notably through a combination of ecodesign type requirements, producer responsibility schemes, and labelling schemes;

83. Welcomes the application of the new product policy framework to textiles, and stresses that it must prioritise waste prevention and durability, reusability and reparability as well as tackling hazardous and harmful chemicals in line with the waste hierarchy; calls for measures at the design and production stage against synthetic microfibre loss, and for other measures such as the development of preventive controlled and non-polluting industrial pre-washing and standards for equipping new washing machines with microfiber filters; calls for specific EU wide end of waste criteria for textiles;
84. Calls for the application of the new product policy framework on textiles to be coherent with other policy instruments, namely the forthcoming proposal for EU Human Rights and Environmental Due Diligence legislation, to ensure workers’ rights, human rights and gender equality issues are addressed at all stages of the textile value chain.

**Key product value chains: construction and buildings**

85. Calls on the Commission to implement the ‘Renovation Wave’ initiative fully in line with the circular economy principles, while taking into account the diversity of the sector; calls on the Commission to set horizontal and product specific requirements; stresses the potential for greenhouse gas savings and environmental gains by prolonging the lifetime of buildings as opposed to demolition; asks the Commission to consider setting reduction targets for the carbon footprint and material footprint of EU buildings and applying the Levels(s) framework on sustainable buildings as a binding framework for construction performance; believes it to be necessary to include minimum legal requirements on the environmental performance of buildings in order to improve the resource efficiency and energy performance of buildings;

86. Recalls the Commission’s obligation under the Waste Framework Directive to consider a revision of material recovery targets set in EU legislation for construction and demolition waste and its material-specific fractions and believes that this should include a material recovery target for excavated soils; suggests to include reuse and recycling targets and the use of secondary raw materials in construction applications while making them more easily traceable; calls the Commission to revise the Construction Products Regulation and welcomes the announcement of a Strategy for a Sustainable Built Environment in 2021; believes that the adoption of digital solutions in the built environment, such as waste tracing, would allow better energy performance of buildings and greater circularity in the construction sector;

87. Stresses the importance of putting in place policies for high-calibre building planning that focus on renovation, conversion and continuing use of buildings, where that is possible, rather than on new builds;

88. Highlights that, as 90% of the 2050 built environment already exists, special requirements should be set for the renovation sector in order to have fully modular, adaptable to different uses and energy-positive buildings by 2050; including deep renovations, on site production, and reusability;

**Key product value chains: food, water and nutrients**

89. Urges the Commission to make a legislative proposal to implement the goal of halving food waste by 2030 in line with the commitments under the Farm to Fork Strategy, and based on data reported by Member States in accordance the Waste Framework Directive; calls on the Commission to integrate the prevention of food loss and food waste along the entire food value chain in relevant EU policies, as set out in the Farm to Fork Strategy, and recalls that these measures should be in line with the waste hierarchy; calls on Member States to take comprehensive measures to significantly limit food waste and encourage food donations;

90. Calls on the Commission to take measures to close the agricultural nutrient loop, reduce
Europe’s dependency on imports of vegetable proteins for animal feed and to increase the use of recycled animal manure and other organic nutrients, such as compost and digestate, instead of synthetic fertiliser while ensuring a high level of protection of health and of the environment and ecosystems;

91. Calls for a circular economy based on an environmentally sound regulatory framework to avoid possible negative toxic effects on aquatic ecosystems; welcomes the newly adopted Regulation on minimum requirements for water reuse and the revision of the drinking water directive and calls for their full implementation; calls on the Commission to fully integrate the water-energy nexus in European policies and recalls that the quality of and access to water resources rely on a good implementation of control at source and the polluter pays principle; supports a circular approach in waste water treatments and management in view of fostering urban wastewater recovery; highlights that resources can be recovered from wastewater, ranging from cellulose via bioplastics to nutrients, energy and water, and by continuing an analysis of potential reuse options while reducing energy and water consumption; supports the planned review of the Urban Wastewater Treatment Directive; calls to the Commission to assess the possibility to take legislative measures to address the water efficiency in buildings;

92. Stresses that increasing access to water to all within the European Union can significantly improve circularity with less reliance on packaged water; calls for full implementation of access to water provisions in the drinking water directive;

93. Highlights the important role of sustainable bio-based products, in particular a better recovery of biowaste and use of residues and by-products, in the transition to a circular and climate-neutral economy;

94. Calls on the Commission and Member States to ensure that the separate collection of bio-waste, as introduced by the Waste Framework Directive, aims at producing high-quality compost to support soil enhancement non-hazardous chemicals and other products and renewable energy, where feasible and environmentally beneficial;

95. Emphasises the potential of a sustainable bio-economy and a sustainable forest-based sector; stresses the importance of the implementation of the EU Bioeconomy and Biodiversity Strategies to improve circularity by the replacement, where environmentally beneficial and sustainable - including for biodiversity, taking into account the increasing demand of bio-materials - of fossil materials with renewable, bio-based materials;

Less waste, more value

96. Underlines the importance of prioritising waste prevention first, in line with the EU waste hierarchy, both in product policy and waste policy; calls on the Commission to propose binding targets for overall waste reduction and for the reduction of waste in specific waste streams and product groups, as well as targets to cap the generation of residual waste, in the review of the Waste Framework Directive and Landfill Directive foreseen for 2024; considers that preparing for re-use and recycling targets should be separate in order to give preparing for re-use the priority it has in the waste hierarchy;

97. Expresses concern about the unequal implementation of the EU waste targets in the
Member States; calls on the Commission to ensure effective and full implementation by all Member States of both the current waste targets and of the 2018 Waste package, and urges all Member States to fully transpose the 2018 legislation without further delay;

98. Believes that non-competitive prices and a lack of high quality secondary raw materials and markets for them are among the barriers to a circular economy; asks the Commission to assess measures to make secondary raw materials more competitive while contributing to a toxic-free environment;

99. Considers the private sector as a strong partner in increasing the demand and customer interest in circular solutions and products, and urges Member States to support companies that have business models, services or products that reduce waste and resource use, and make use of their services;

100. Strongly endorses the ambition to establish a well-functioning EU market for high-quality, non-toxic secondary raw materials - without prejudice to the provisions of the Waste Framework Directive and the Waste Shipment Regulation - and underlines that this will require common quality standards; recalls that the Member States have the possibility to define national by-products and end-of-waste criteria and calls on the Commission to propose harmonised European end-of-waste criteria for key waste streams in line with the Waste Framework Directive, in order to remove market barriers and ensure high-quality material recovery; deplores the fact that the Commission has not defined EU specific criteria for paper, tyres and textiles, as had been required by the Waste Framework Directive;

101. Calls on the Commission to pay attention to the rules on transboundary movements of waste for recovery between EU Member States and to consider adapting them in order to increase their clarity and comprehensibility, remove administrative barriers while maintaining the effectiveness of legislation in protecting human health and the environment, and harmonise their implementation across EU Member States, including through the establishment of a single EU electronic system for recording waste shipments;

102. Supports the Commission’s ongoing work to ensure waste oils’ appropriate treatment; invites the Commission, as defined in the Directive 2008/98 EC, to present a legislative proposal by 2022 with additional measures to promote waste oils regeneration, including the introduction of quantitative targets;

103. Recalls that all Member States have the obligation to ensure that, by 31 December 2023, bio-waste is either separated and recycled at source, or is collected separately and is not mixed with other types of waste; urges the Commission and the Member States to direct investments in order to scale up organic waste collection and composting;

104. Recalls the EU waste targets and underlines that the EU and Member States must strengthen prevention and preparation for reuse, increase high-quality recycling and move away from landfilling waste, while minimising incineration, in line with the waste hierarchy; calls on the Commission to define a common EU-wide approach for the management of residual municipal waste that is non-recyclable to ensure its optimal treatment and to avoid building overcapacity of waste incineration at the EU level that could cause lock-in effects and hamper the development of the circular economy;
considers that where incineration is used this should take place in the most advanced waste-to-energy facilities with a high energy efficiency and low emissions within the EU;

105. Underlines that separate collection of waste is a prerequisite for high-quality recycling and for keeping valuable materials and products in the recycling loop; supports the Commission’s plans to propose measures to improve and harmonise existing separate collection systems, which should consider best practices in the Member States and take into account different regional and local conditions, and should not adversely impact well-functioning existing systems; calls on the Commission to ensure the proper implementation of the provisions laid down in the Waste Framework Directive;

106. Stresses the need to build waste strategies and policies on robust scientific data and methodologies, improving the reliability and comparability of EU statistics; calls therefore on the Commission to further harmonise waste statistics, and to collect the data on recycled materials and waste in three points: collection, entry point to recycling facility, and share of effective reuse of recycled materials;

107. Regrets the lack of focus of The Landfill Directive on the prevention, therefore call for its alignment with the overarching principles of the CEAP and for the 10% landfill target to be set on a baseline year and kg of waste per person per year in order to prevent diversion from landfilling to waste incineration.

108. Recalls that industrial symbiosis is a key element to achieve circular economy by promoting interconnected networks where the waste of an industry becomes the raw material of another and energy and material can cycle continuously, keeping resources in productive use as long as possible; calls therefore for increased efforts to scale up industrial symbiosis at the EU level and make the industrial value chain more efficient and more competitive;

109. Highlights that developing industrial symbiosis would require territories to better understand and manage their local flow of resources and lead them to implement new strategies of spatial planning in collaboration with industries, stakeholders, local administration and citizens, urges Member States to require local and regional governments to identify industrial symbiosis opportunities through a thorough mapping of economic activities and compulsory flow analysis of resources,

110. Underlines the importance of the implementation of article 8a(1) in the Waste Framework Directive wherein it is clearly stated that Member States are obliged to precisely define the responsibilities and roles for Producer Responsibility Organisations (PROs);

111. Recommends that the development of local value chains based on the recycling of bio-waste for the generation of renewable energy, such as biomethane, is supported to create closer links between rural and urban communities while fully implementing the waste hierarchy;

112. Highlights the need to include product circularity and resource-intensity into cross-border adjustment mechanisms;
Making circularity work for people, regions and cities

113. Acknowledges the important role that regional governments, local authorities and communities and SMEs play in the circular economy, in waste management and in the implementation of the measures included in the Circular Economy Action Plan; calls on the Commission and Member States to support the establishment and cooperation of circularity hubs in all European regions, industrials clusters and local communities in the spirit of the proposed “New European Bauhaus”, providing support to the development of circular models in design, procurement and waste management;

114. Supports the idea of updating the Skills Agenda for the circular economy and calls on the Commission to tailor this Agenda to specific employment needs, including education and training requirements as well as new jobs needed in the transition to a circular economy; calls on the Commission to ensure that the Circular Economy Action plan is linked to implementation of the European Pillar of social right and gender equality strategy and to ensure a just transition; stresses also the crucial role of social partners in work-related and social aspects of the shift to a circular economy;

115. Stresses the key role of consumers in waste prevention and waste management and the need to facilitate the involvement of citizens in separate waste collection; reiterates the importance for Member States and regional and local authorities to raise public awareness about sustainable consumption, including consumption models based on reuse, renting or sharing, and about waste prevention and the efficient sorting and disposal of waste;

116. Calls on the Commission to ensure that circular economy principles are embedded in all practices, and calls on the Commission to support the Member States in sharing knowledge and best practices in relation to different circular economy efforts at regional and local level in the EU;

117. Highlights the importance of cooperation between governments, local authorities academia and businesses, including both producers and buyers, in order to stimulate and scale up circular economy actions; underlines the importance of extending this cooperation to other stakeholders, such as social enterprises, start-ups and NGO’s;

118. Notes that the repair and maintenance services sector has a considerable potential to generate job opportunities, and its development must be supported and promoted, in particular local, grassroots and community repair initiatives, co-operatives and social enterprises;

119. Underlines the importance of Carbon Capture Storage and Utilisation (CCS/U) for reaching the European Green Deal objectives, supporting the circular economy, the evolution of CO2-capture systems, and efforts for tackling climate change; supports an integrated policy context and incentive system to stimulate the uptake of environmentally safe CCS/U applications that deliver a net reduction in greenhouse gas emissions;

Leading efforts at global level

120. Supports the Commission’s ambition to revise the Waste Shipment Regulation in order
to ensure transparency and traceability of intra-EU trade in waste, halt the export to third countries of waste that causes environmental or human health damage and tackle unlawful behaviour more effectively with the aim of ensuring that all waste is treated in accordance with circular economy principles; furthermore, supports the Commission in implementing the recent amendments to the Basel Convention on plastic waste and to act in full respect of EU obligations under this Convention; asks the Commission to also focus on:

- financial incentives to establish a real single market and a level playing field for high-quality secondary raw materials;
- facilitating procedures to promote recycling capacities and infrastructures to treat waste within the EU;
- implementing the Electronic Data Interchange (EDI) system to better monitor waste flows

121. Welcomes the Global Alliance for Circular Economy and Resource Efficiency to accelerate the global transition to a climate-neutral, resource-efficient and circular economy, and invites the Commission to lead the efforts on an international agreement on the management of natural resources to stay within a ‘planetary boundaries’ for natural resource use;

122. Supports the Commission’s efforts at international level to reach a global agreement on plastics, and to promote the global uptake of the EU’s circular economy approach on plastics; underlines the need to ensure that the various commitments made at both the EU and global levels can be tracked in an integrated and transparent manner; calls on the Commission and the Member States to show active leadership to continue working on international responses for combating plastic marine litter and micro-plastics;

123. Underlines the importance of requiring that primary and secondary raw materials imported to the EU comply with human rights, human health and environmental protection standards that are equivalent to EU standards, including through the upcoming legislative proposal of the Commission on sustainable corporate governance and due diligence, and to ensure a level playing field in the key supply chains of the EU; stresses the importance of ensuring coherence between the Union’s internal and external policies with regards to the objectives of the European Green Deal and the Circular Economy Action Plan, including in the Union’s external relations and in foreign trade agreements

124. Calls on European producers to take responsibility when selling products in third countries and proposes that industrial stakeholders commit to extending their producer responsibility to organising or financing the separate collection of their products when becoming waste in third countries; also calls on producers to address inconsistencies in relation to the quality of exported products and products sold in the EU market;

125. Supports the Commission to promote multilateral discussions on sustainable levels of
resource use and planetary boundaries, including the exploration of science-based targets for resource use;

126. Emphasises the urgent need to implement the 2030 Agenda on matters relating to strengthening the international management and protection against the health and environmental harms caused by chemicals; particularly stresses the importance of the ongoing process under the Strategic Approach to International Chemicals Management (SAICM) to decide upon a strong framework for the sound management of chemicals and waste beyond 2020 at ICCM 5 in Bonn July 2021;

127. Urges the Commission to promote the use of resource-efficiency indicators through international conventions in order to allow comparability between industries and economies and to ensure a level playing field, and to support dialogue and cooperation with third countries;

128. Taking into account the premise of the earth’s finite resources, an International Convention on Resource Sufficiency should be established to host discussions on access and implications of resource use with sustainability and equity at its core;

129. Recalls that in addition to adopting measures to reach the EU objective of climate neutrality by 2050, it is necessary to address the carbon footprint in the EU’s demand for imported products; calls on the Commission to identify and abolish barriers to green growth, eco-innovation and those that prevent or restrict market access for circular products and services from outside the EU; calls on the Commission to investigate the possibilities and benefits of reducing tariffs and non-tariff barriers on certain products and services in order to encourage the development of the circular economy, including in the context of the ongoing review of the EU Generalised Scheme of Preferences (GSP); encourages the Commission, in this regard, to add the circular economy dimension to the scope of the negotiations on the Environmental Goods Agreement, which should be stepped up; calls on the Commission to take into account the special needs of the EU’s small and medium-sized enterprises (SMEs), to assist SMEs in integrating the circular economy in their business model, including through incentives, and to support them in the implementation of business strategies to export circular products, in particular through the launch of a risk assessment tool for rules of origin, as currently being considered by the Commission; calls on the Commission to lead the way in the WTO to address products based on their carbon content as a way to level the regulatory playing field;

130. Considers that legally sound provisions are needed in trade agreements in order to safeguard relevant EU legislation on the circular economy from the notion of a trade barrier;

131. Stresses that a strategic trade policy is an essential tool for advancing the transition to the circular economy and the EU’s and UN’s Sustainable Development Agenda globally by 2030, and underlines therefore the importance of ensuring that trade and investment agreements are aligned with circular economy policies;

132. Encourages the Commission to engage in open and transparent dialogues and cooperation with the EU’s trading partners to further support the objectives of the circular economy; calls on the Commission and Member States to further deploy efforts
in international fora (UNCTAD, WTO, G20, G7) to pursue the EU’s agenda on the circular economy and ensure a global level playing field with international partners through the possibility of exploring the concept of digital passports to foster the availability of data related to product’s content and carbon footprint and recyclability, to enable better circularity, promote extended producer responsibility (EPR), as well as sustainable consumer choices; suggests also in this regard that the Commission engages with the relevant multilateral organisations to reach agreement on an international label that is easy to understand for consumers, and indicates whether a product can be recycled; stresses, furthermore, that particular attention must be given to how less developed partner countries participate in and can benefit from the circular economy; calls on the Commission to integrate the circular economy principles in its strategy ‘Towards a comprehensive Strategy with Africa’ in particular; calls on the Commission to use Aid for Trade and GSP+ to help developing countries adopt circular economy practices, including product standards;

133. Instructs its President to forward this resolution to the Council and the Commission.
EXPLANATORY STATEMENT

By 2050, we will be consuming as if there were three planets Earth. As our natural resources are finite and our climate is changing, it is necessary to steer away from our current take-make-waste society and aim for a circular economy. Now, Europe finds itself in the midst of recovery from an unprecedented health and economic crisis, revealing the fragility of our resources and value chains. We should build on the momentum, and address hurdles that are hampering circular solutions from succeeding.

The New Circular Economy Action Plan (CEAP 2.0) is embedded in the climate goals agreed upon in the Green Deal and the Paris Agreement. While the first Circular Economy Action Plan of 2015 focused on the recyclability of products, this second one emphasises the preventive actions to undertake, specifically in waste prevention and management. The benchmark set by the Dutch government to reduce the use of resources with 50% by 2030, could be an inspiration for the EU.\(^{26}\)

Not only will a circular economy decrease EU’s CO2-emissions drastically, it will also stimulate economic growth and create job opportunities which Europe needs in order to recover. Estimated figures display that the CEAP 2.0 could create 700.000 jobs within the entire EU by 2030, and the EU GDP Growth would rise with 0.5%\(^{27}\). The circular economy could underpin the further digitalisation of our - society and the upscaling of a full-fledged lease economy, with the Product as a Service (PaaS) model as one of the key business models in the action plan.

Currently, the production of materials we use every day are responsible for 45% of the CO2 emissions. To transform our economy in a profound way into a circular one, we need a holistic approach, based on appropriate assessments in order to create science-based policymaking. Circularity and sustainability principles need to be ensured in all stages of the value chain to make the CEAP 2.0 a success. At the same time, innovation is key, as the circular model builds on new, often digital, technologies.

**Sustainable product policy framework**

The CEAP 2.0 should strive to reverse the curve of a race-to-the-bottom (down-cycling) to a race-to-the-top (upcycling). We need to look for new technologies to invest in to ensure that the quality of a recycled product has the same quality as a product made out of virgin material.

The report fully supports the target of the Commission to focus on the environmental footprint of the products, as 80% of the products’ environmental impact are determined at the design phase. Therefore, this report focuses not only on resource efficiency targets per product category, but also to introduce product specific targets on recycled content, while ensuring their performance and safety, based on reliable calculation methods.


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In a digitalised society, consumers and producers demand up-to-date and accurate information on the sustainability of their products and its sources. The report supports the Commission’s initiatives to provide digital product passports. The environmental impact assessment should also take into account the spare parts, semi-finished products, recyclability and the life cycle impact of a product.

Empowering consumers and public buyers

Currently, only 14% of EU GDP is representing public authorities’ purchasing power. The Commission should set the standard by having mandatory criteria and targets for green public procurement. In that sense, the Commission and Member States could play the role of the ‘launching customer’. Another key element is the strengthening of consumers’ rights with the initiative ‘right to repair’.

Circularity in the production process

A circular production process should be at the heart of the EU’s industrial strategy and is a key enabler in the transition to a competitive, climate-neutral industrial base. Sustainably sourced materials have a tremendous potential and support the further development of the Bio-Economy Action Plan.

Making the production processes circular, will be heavily dependent on the development of new technologies. The Commission and the Member States must invest in innovative developments, specifically focusing on enhanced recycling and digital technologies in order to support the circular economy and enable the monitoring of resources.

The final product should not be the only focal point of investment, but investments should also be steered in the direction of semi-finished products, as they are important enablers as well.

Key product value chains

This report supports the Commission’s proposal regarding the selection of seven sectors as the key value chains in the CEAP 2.0, namely electronics and ICT; batteries and vehicles; packaging; plastics; textiles; construction and buildings; food, water and nutrients. These sectors have a huge potential and will have a tremendous effect on establishing a full-fledged circular economy.

We see a strong push from SMEs and industry players to transform to a circular economy, although many of them face administrative or legislative hurdles. Furthermore, the ongoing pandemic affected the selected sectors in a profound way. The CEAP 2.0 will be a path towards a resilient recovery and a new period of economic prosperity.

Electronics and ICT

The CEAP 2.0 proposes to set up a Circular Electronics Initiative that will promote longer product lifetime through reusability, reparability and upgradability. A correct implementation of recycling infrastructure will play a key role in the development of a circular ICT industry.

Batteries and Vehicles
This report looks forward to the proposals from the Commission on the Battery Directive and the Alternative Fuels Infrastructure Directive, particularly related to aspects regarding ecodesign, improved collection, reuse and recycling, recovery of valuable materials, consumer information, life-cycle environmental impacts, and sustainable sourcing. There is a need to implement clean mobility and policies on critical raw materials.

**Textiles**

A new comprehensive EU Strategy for textiles will be key to address both the environmental and social impacts of the sector. The Commission should come up with targeted measures in the sustainable products policy framework on textiles to address the presence of microplastics in textiles, as numbers vary between 1-35% in marine litter, as well as harmonised measurement and preventive systems to control the intentionally or unintentionally release of microfiber loss.

**Plastics**

Together with textile, tyres and pellets, plastics are the biggest contributors towards the presence of primary microplastics in the environment, whereas an even bigger share of this pollution comes from the degradation of macro-plastics released in the marine environment.

**Packaging**

Packaging is an essential requirement for product safety and hygiene, especially for the food and drink sector. However, considering the waste hierarchy, the policy focus should shift towards the reuse of packaging. Simultaneously, the packaging should be minimal, while guaranteeing the quality and safety of the product. This report calls also on the industry to commit to a 50% reduction of all packaging, bearing the perspective in mind to replace plastics with sustainable and renewable or recyclable material by 2030.

**Construction and Buildings**

The building sector is facing two challenges, happening simultaneously: rapid urbanisation and population growth will lead to an increasing amount of buildings, while the current buildings are in dire need of renovation and improvements in their energy efficiency and usage. The Commission must prioritise its legislative proposals in the renovation wave and expresses its hopes that it revisits the largest waste streams, while keeping in mind the affordability and feasibility of the proposal.

**Food, Water and Nutrients**

This report supports the legislative initiatives to promote the reuse of wastewater in agriculture processes. The reuse of treated urban wastewater, can address the water scarcity by ensuring this reclaimed water for agricultural irrigation purposes. Besides that, the Commission should also look into the closure of the agricultural nutrient loop, and achievement the goal of halving the food waste by 2030.

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Less Waste, More Value

In 2035, Europe is facing hard deadlines for the recycling target of 65% for municipal waste and a maximum of 10% landfill. The EU should set prevention targets on waste and must move away from landfilling waste where sustainable alternative waste management technologies are present.

Making Circularity Work for People, Regions and Cities

The circular economy will not thrive on a top-down approach and is in need of the local communities, regional authorities as forerunners in the implementation of CEAP 2.0. However, the Commission should promote the sharing of best practices in waste collection and new sorting infrastructure.

Leading Efforts at Global Level

At the time of writing, there are other legislative proposals that will play a key role in the rollout of the CEAP 2.0. Firstly, there is the need to implement the Basel Convention recent amendments for plastic waste trade. Secondly, the report supports the Commission’s ambition to revise the Waste Shipment regulation wherein a limitation on waste shipment is considered. The Commission should consider financial incentives to halt the export. This report proposes also a new idea towards the industry to commit to waste compensation programmes in order to ensure the flow of secondary materials.
4.12.2020

OPINION OF THE COMMITTEE ON INDUSTRY, RESEARCH AND ENERGY

for the Committee on the Environment, Public Health and Food Safety

on the New Circular Economy Action Plan
(2020/2077(INI))

Rapporteur for opinion (*): Patrizia Toia

(*) Associated committee – Rule 57 of the Rules of Procedure
The Committee on Industry, Research and Energy calls on the Committee on the Environment, Public Health and Food Safety, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

A. whereas the principles of the circular economy should be the core element of any European and national industrial policy, as well as of Member States’ national Recovery and Resilience Plans in the framework of the Recovery and Resilience Facility;

B. whereas the Commission communication entitled ‘A new Circular Economy Action Plan’ (COM(2020)0098) acknowledges the pioneering role of social economy enterprises in the creation of jobs linked to the circular economy;

C. whereas a circular economy has proven to be essential during the COVID-19 pandemic, in particular in sectors such as food and pharmaceutical packaging, and waste collection and treatment;

1. Welcomes the Commission’s new Circular Economy Action Plan which will contribute to achieving climate neutrality by 2050 at the latest and which decouples economic growth from resource use; underlines that a truly circular economy is built on the zero pollution agenda and on the waste hierarchy; stresses that prioritising waste prevention, the ‘design out of waste’, the reduction of resource and energy use, as well as consumer benefits, should guide the new sustainable product policy framework and must help the Union further decouple economic growth from environmental impact; underlines that nearly half of the energy efficiency savings that will be achieved by 2020 are due to the application of Directive 2009/125/EC (‘Ecodesign Directive’); stresses that a number of products, which are highly relevant from the point of view of their energy use, have not yet been subject to ecodesign rules; notes further that a number of other products covered by ecodesign rules are outdated and should be updated; welcomes, therefore, the Commission’s intention to review the Ecodesign Directive; believes that a wider ecodesign policy can be one of the core elements of European action in the field of the circular economy and can play an important role in the green recovery; stresses, nevertheless, that broadening its scope should be coupled with measures aimed at achieving further energy efficiency gains through energy-related products and services; insists that the expansion of the scope to cover not only products, but also structures, such as data centres and services, such as those used to provide cloud services, gaming or streaming; asks the Commission to explore the introduction of reusability targets;

2. Underlines that research into safe and circular materials, chemicals, processes, technologies and products, and innovative business models, as well as into their industrial scale-up and societal take-up, can provide European companies with a worldwide competitive advantage, reducing their dependence on scarce natural resources and generating new revenue streams, while benefiting people and the environment; believes that strengthening, diversifying and making more sustainable as many value chains as possible would make European industrial ecosystems more resilient, competitive and profitable, and enhance the EU’s strategic autonomy; stresses the great potential for complementarity between a truly ambitious European industrial strategy, in particular regarding the modernisation and strengthening of a strong European industrial base, and the establishment of a genuine circular economy; stresses
that significant greenhouse gas (GHG) emissions reductions could be achieved in the industrial sector by increasing material efficiency, developing recycling and the use of recycled products, and producing durable goods with high added value; in this context, stresses the importance of significantly increasing the prioritising and funding of research into waste prevention, the reuse, reparability, upgradability and remanufacturing of products and value chains, as well as circular business models and product infrastructures;

**Research**

3. Emphasises the importance of improving access to funds for research and innovation projects on the circular economy; therefore calls on the Commission to steer the activities of the Horizon Europe programme towards supporting research and innovation for:

   – recycling processes and technologies;
   
   – the resource efficiency of industrial processes;
   
   – innovative and sustainable materials, products, processes, technologies and services, as well as their industrial scale-up;
   
   – the bioeconomy, through bio-based innovation encompassing the development of bio-based materials and products;
   
   – earth observation satellites, as they can play an important role in monitoring the development of a circular economy by evaluating the pressure on virgin raw materials and emissions levels;

4. Emphasises the role played by the Knowledge and Innovation Communities within the framework of the European Institute of Innovation and Technology (EIT) through bringing together universities, research organisations and businesses, in particular SMEs, in developing innovative solutions and initiatives on the circular economy, which should be one of the key tools to reach the European Green Deal’s goals;

5. Supports the Commission’s initiative to ensure that the EIT’s Knowledge and Innovation Communities are more open to SMEs and to enhance their opportunities to participate in local innovation ecosystems to benefit the digital and green transitions;

6. Stresses the importance of further research efforts in the field of climate- and environmentally friendly and energy-efficient chemical recycling which, paired with organic and mechanical recycling, will complete a technology-neutral framework; stresses that such efforts should focus on upcycling and aim at improving energy efficiency, reducing GHG emissions and removing hazardous substances, and on ensuring non-contaminated recyclate and the proper treatment of residues from chemical recycling technologies; considers that waste-to-energy processes must not be regarded as chemical recycling;

7. Notes that almost a quarter of SMEs in Europe are already enabling the transition towards more sustainable business models, but, on the other hand, a third of them have reported that they face complex administrative and legal procedures when trying to
make their business more resource-efficient; calls on the Commission to step up its efforts to make more SMEs and micro-enterprises fit for the circular economy, by supporting them through adequate incentive schemes and financing tools, capacity building, also in terms of managerial skills, exchange of best practices and technical assistance, as well as by reducing their administrative and legal burdens; points out that, among other things, new circular business models, as well as the ‘right to repair’, as envisaged by the Commission communication entitled ‘A new Circular Economy Action Plan’, will be beneficial to consumers, prevent the production of new material products and spur SMEs on to enter the repairs market;

8. Calls on the Commission to develop and promote an SME toolbox for sustainable company policies, including corporate social and environmental responsibility, sustainable accounting and reporting, and tools for implementing low-waste and circular production and consumption models, sustainable supply chains and energy audits;

9. Believes that the positive role played by social economy enterprises, which are paving the way to circular economy models, should serve as an inspiration to other companies, and that such best practices should be both made more visible and adequately supported through targeted incentives;

Digital transition

10. Recognises that digitalisation has an important role to play in enhancing the application of circular economy principles; urges the Commission and the Member States to maximise and fully exploit the synergies between digitalisation and the circular economy in sectors where a digital economy can offer solutions to reduce their environmental footprint, while also boosting the green transition and, in this context, calls on the Commission to establish a methodology for monitoring and quantifying the increasing environmental impact of digital technologies and data centres, and to propose measures to ensure the environmental sustainability of digital solutions, putting energy efficiency and the circular economy at their centre, as well as to deal with the short- and medium-term costs of the twin digital and ecological transitions, and to make them just and more inclusive; highlights the importance of the internet of things (IoT), predictive maintenance, servicification and product-service systems for accelerating new circular business models; considers that the early development of digital tools in the context of the circular economy will help the EU to become the global leader in using digitally enabled solutions; stresses that artificial intelligence can be a facilitator and accelerator of the transition to a circular economy, helping to unlock circular economy opportunities by improving design, operating business models and products, and optimising infrastructure;

11. Asks the Commission to support an environmentally sustainable digital transition that builds on maximising the value of data, while ensuring personal data protection, and deploying digitally enabled solutions to permit the sustainable use of resources and to maintain the value, durability, reusability and reparability of products and materials for as long as possible;

12. Welcomes the Commission’s goal of achieving highly energy-efficient, sustainable and climate-neutral data centres by 2030 and of establishing a common European data space for smart circular applications; urges the Commission, therefore, to put forward the
corresponding regulatory and other necessary measures without delay, and to implement governance and market instruments to support the creation of standardised documentation and transparency about the circularity, environmental and climate footprint of data centres and communication networks; insists that these new measures and instruments should promote energy and resource efficiency, and the use of renewable energies; advises that these measures and instruments should also aim to mitigate the impact of data centres on the electricity network and the GHG footprint caused by network congestion;

13. Asks for the introduction of digital product passports, accompanied by appropriate platforms for the collection and maintenance of data in the context of the European data space; stresses that such passports and platforms should contain data in interoperable and re-usable formats, and that the information should be clear, trustworthy and easily available to all market players; asks the Commission to introduce digital product passports indicating the material and chemical contents, the circularity performance, such as the product lifespan, the reparability and availability of spare parts and the carbon, environmental and social impact of products and materials, including secondary raw materials, placed on the EU market;

**Secondary and critical raw materials**

14. Highlights that the availability of critical and secondary raw materials is a strategic issue for European industries and a tool to ensure the Union’s strategic autonomy and competitiveness, and to keep jobs in the manufacturing sector; strongly endorses, therefore, the Commission’s ambition to create a properly functioning EU market for secondary raw materials; stresses that the achievement of clean and safe material cycles is a prerequisite for the creation of a credible secondary raw materials market in the EU; believes that the database on substances of concern in articles as such or in complex objects (‘SCIP Database’) established by the European Chemicals Agency (ECHA) will stimulate innovation in the industry;

**Wood and the bioeconomy**

15. Recalls that the forest-based sector can significantly contribute to the development of circular bio-based economies; encourages the Commission to explore different mechanisms, including market-based mechanisms, in order to incentivise the use of renewable raw materials, including wood and wood products, thereby offering climate benefits while promoting the most efficient use of wood and respecting the cascading use principle; highlights the need to stimulate investments in the development of a sustainable and local circular bioeconomy; stresses, therefore, the importance of aligning the EU’s industrial and bioeconomy strategies with the circular economy action plan;

**Buildings**

16. Recalls that mineral waste, including excavated soil, from the construction and demolition sector represents the largest category of total waste generated in Europe by all economic activities and households; stresses the need for the adequate management and reduction of construction and demolition waste; notes that improving the transparency and traceability of construction and demolition waste is necessary to improve waste identification, build trust in the quality and safety of the reused or
recycled materials, ensure the appropriate and safe handling of all construction waste and the substitution of hazardous substances in waste streams in order to protect the health of occupants and workers, as well as the environment; recalls, in this regard, the importance of the EU Construction and Demolition Waste Management Protocol;

17. Also underlines that construction is a key area of complementarity between the circular economy and emissions reductions; highlights the overall need for a transition to a sustainable and more circular economy in the sourcing and manufacturing of construction products and materials, and in their use in construction works;

18. Stresses that construction is among the least automated and digitalised sectors, and that the use of innovative and future-oriented technologies on construction sites would increase the degree of digitalisation of the sector while also increasing resource efficiency; calls on the Commission to explore the incorporation of efficiency and reusability criteria in its revision of Regulation (EU) No 305/2011;29

**Green public procurement (GPP)**

19. Underlines the importance of acting to boost the EU internal market via the establishment of criteria for GPP, which will not result in excessive administrative burdens being put on businesses and public administrations, to enable users to choose sustainable and climate friendly materials; calls on the Member States to maximise and promote the reuse, recycling, and recuperation of materials, including in their procurement strategies and publicly financed renovation and construction projects, by reviewing GPP targets and through streamlining the energy efficiency, environmental and social criteria for building renovations;

**Batteries**

20. Is convinced that enhanced recycling schemes for batteries could deliver a significant share of the raw materials required for circular battery production within the EU; endorses the Commission’s plans for legislative proposals to ensure a safe, circular and sustainable battery value chain for all batteries, although the rules should differentiate between the type and/or usage of batteries, and incorporate ecodesign for batteries in order to enhance their replaceability and recyclability by design, and should include socially and environmentally responsible sourcing; underlines the need to create a strong and sustainable battery and storage cluster in Europe;

21. Is concerned that the classification of used batteries as waste in the Batteries Directive, independently of reuse, can act as a barrier to such reuse; recognises that reused batteries are not returned for recycling and that safety standards are not monitored when a battery is repurposed for uses with different characteristics than they were originally designed for; calls on the Commission to apply extended producer responsibility, with performance and safety guarantees, to the remanufacturer reintroducing the battery onto the market; calls on the Commission to propose ambitious collection, reuse and recycling targets for batteries and, after careful evaluation, a phase-out on primary batteries where alternatives exist, when revising the Batteries Directive and to establish

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a European-wide deposit system or sell-back for old batteries in order to enhance the circularity and sustainability of the battery value chain;

22. Underlines the need to further promote research and innovation for recycling processes and technologies under Horizon Europe in order to increase the circular economy potential of batteries; acknowledges the role of SMEs in the collection and recycling sectors;

**Industry**

23. Indicates that a circular economy approach that would eliminate waste and keep assets, products and components in use, while making productive and efficient use of resources, could reduce global CO$_2$ emissions from key industry materials such as plastics, steel and cement by 40%; insists, therefore, on the introduction of long-term roadmaps for the reduction of waste and for the reuse of raw materials with clear targets for improving the circularity of carbon-intensive industries and materials such as plastic, steel and cement; asks the Commission to explore the introduction of waste reduction targets for industrial and commercial waste streams, and to assess how industrial and commercial waste going to landfills could be reduced, in particular by means of material circularity;

24. Considers that the implementation of a circular economy has great potential for the future of the European steel industry; stresses the great potential for an increase in the material efficiency of steel; insists on the need to significantly extend the lifetime of steel-based products in the fields of household appliances, automotive industry products and mechanical and electrical equipment; stresses that an extension of the lifetime of these products could lead to a reduction in steel production and therefore in GHG emissions; points out that the EU has a substantial scrap metal reserve which can be used in a circular economy; stresses that its better use would allow for a reduction in the quantities of iron ore and coke imports needed for production in the primary sector;

25. Stresses that the implementation of a truly circular economy and better ecodesign could contribute to the decarbonisation of the cement industry by increasing the material efficiency of cement, in particular by optimising the use of concrete and its composition;

26. Recalls that the resource gains from circularity are particularly large for aluminium, as re-melting aluminium requires only 5% of the energy needed for new production, thereby sharply reducing CO$_2$ emissions; stresses that, while aluminium collection from buildings and cars is already very high, the rates are much lower for consumer products; calls on the Commission to explore regulatory options to ensure better separation of aluminium components on dismantling;

**Health and safety of workers, and consumer awareness**

27. Underlines that the transition to a truly circular economy must be negotiated with the trade unions to guarantee that the health and safety of workers are protected; stresses that insufficiently safe working conditions for workers can expose our whole society to health and safety risks, and believes, therefore, that circular economy policies and practices must be developed with risk assessments which take workers’ health into account;
28. Underlines the crucial role that consumers play in the transition towards the circular economy and highlights the importance of awareness-raising and consumer education; stresses that the product information about recycling and repairing provided to consumers must be easily understandable.
**INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION**

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### FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

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**Key to symbols:**
- **+**: in favour
- **-**: against
- **0**: abstention
10.11.2020

OPINION OF THE COMMITTEE ON THE INTERNAL MARKET AND CONSUMER PROTECTION

for the Committee on the Environment, Public Health and Food Safety

on the new Circular Economy Action Plan
(2020/2077(INI))

Rapporteur for opinion: Anna Cavazzini

SUGGESTIONS

The Committee on the Internal Market and Consumer Protection calls on the Committee on the Environment, Public Health and Food Safety, as the committee responsible, to incorporate the following suggestions into its motion for a resolution:

A. whereas the transition to a resource-efficient and climate-neutral economy based on the principles of a circular economy respects the planetary boundaries by shifting away from dependency on resources and raw materials, mass consumption and waste production;

B. whereas a circular economy aims at closing and slowing material, product and resource loops by reusing, sharing, repairing, upgrading, recycling, fostering interoperability and extending the life of products;

C. whereas closed material loops and shorter supply chains will eventually create added value within the EU’s internal market and boost innovation, employment and competitiveness while ensuring a high level of consumer protection and sustainability;

D. whereas the single market is a powerful tool that must be used to develop sustainable and circular products and technologies and should reflect environmental, economic, social and ethical considerations;

E. whereas investment in circular production patterns and in the reuse and repair sector generates economic and social opportunities, creates jobs and drives industrial competitiveness;

F. whereas the COVID-19 crisis has demonstrated the need for a resilient economy based on sustainable and shorter supply chains;

G. whereas the ambitious legislation outlined in the Circular Economy Action Plan of March 2020 within the framework of the European Green Deal should aim to reduce the
total environmental and resource footprint of EU production and consumption, with resource efficiency, zero pollution, non-exposure to harmful and toxic substances, and waste prevention as key priorities;

1. Welcomes the Circular Economy Action Plan and the intention of the Commission to propose specific measures to address the need to improve product durability, recyclability, reusability, upgradability and reparability, as well as the intention to tackle planned obsolescence; stresses that improving the functioning of the internal market is a precondition for the success of the EU’s transition to a sustainable and toxic-free circular economy by providing reliable and clear information to consumers on the estimated lifespan, reparability and environmental performance of products, based on harmonised and research-based standards, to help them to make sustainable choices; recalls that the circular economy strategy must be consistent with the EU’s climate targets and environmental objectives and must ensure overall consistency with other EU policies, with a view to contributing to a sustainable economic recovery and strengthening the competitiveness of companies in the EU; asks the Commission to consider possible synergies by reviewing the overall consistency of the different policy tools;

2. Calls on the Commission and the Member States to create framework conditions that would advance the development of sustainable products, breakthrough technologies maximising resource efficiency and circular economy business models to foster the transition to a circular economy and to improve sustainability and the long-term resilience of supply chains; stresses that the EU’s recovery plan represents an opportunity to initiate an ambitious economic transition towards sustainable production methods;

3. Considers that producing and placing sustainable products on the internal market should progressively become the norm and welcomes the Commission’s intention to propose a comprehensive sustainable product policy framework; calls on the Commission to consider setting mandatory minimum requirements, while differentiating between different categories of products and taking into account market and technological developments, for strengthened energy efficiency, durability, interoperability, reparability, upgradability, reusability, and recyclability; calls on the Commission to work closely with the Member States and stakeholders and calls for measures to be delivered in a timely manner; stresses, furthermore, the importance of proper implementation and effective enforcement of existing rules for a well-functioning sustainable single market;

4. Stresses that standardisation is key to implementing a sustainable product policy by providing reliable definitions, metrics and tests for characteristics such as durability and reparability and that it is instrumental for setting product design market requirements according to product categories; insists that EU standards be developed in a timely manner and in line with real-use conditions, while avoiding administrative bottlenecks for the stakeholders involved resulting in delayed publication of standards; highlights the need to develop quick and viable solutions to improve the current standardisation process in order to ensure the participation of all relevant stakeholders is more inclusive and transparent, while safeguarding the ability of companies to innovate and develop technologies in a sustainable way, and highlights the need to consistently mainstream,
where applicable, sustainability and reparability in standard-setting;

5. Recalls the Commission communication of 1 June 2016 entitled ‘European Standards for the 21st century’ and the work carried out on the Joint Initiative on Standardisation (JIS); calls on the Commission to further strengthen the JIS and to adopt new actions and projects aiming to improve the functioning of the European Standardisation Organisations;

6. Underlines that voluntary agreements have proven ineffective in achieving a sustainable and common charging solution for mobile radio equipment; reiterates its call on the Commission to implement as a matter of urgency the provisions of Directive 2014/53/EU on radio equipment, and in particular, to introduce a common charger for smartphones and all small and medium-sized electronic devices to best ensure standardisation, compatibility and interoperability of charging capabilities, including wireless charging, as part of global strategy to reduce electronic waste; asks the Commission to prepare, in a timely manner, a decoupling strategy that ensures consumers are not obliged to buy new chargers with new devices to allow for greater environmental benefits, cost savings and convenience for consumers; reiterates the importance for consumers of receiving, through harmonised labelling in an easy-to-read format, trustworthy and relevant information about relevant features of chargers such as interoperability and charging performance, including compliance with USB 3.1 or higher, to enable them to make the most convenient, cost-efficient and sustainable choices;

7. Welcomes the Commission’s intention to empower consumers to further engage in sustainable consumption practices and with circular business models to avoid over-consumption; calls, in order to facilitate consumer decision-making, for clear and easily understandable harmonised voluntary labelling, which could take the form of an environmental performance index, on product durability (i.e. on the estimated lifetime of a product) and reparability and for the development of a uniform repair score based on an impact assessment demonstrating its relevance and effectiveness; calls for minimum information requirements pursuant to Directives 2005/29/EU and 2011/83/EU; calls for an enhanced dialogue with relevant stakeholders to develop such information schemes; asks the Commission, when preparing its review of Directive 2019/771/EU, to consider extending both the legal guarantee rights and the reversed burden of proof rules for some product categories that have a higher estimated lifetime, and introducing direct producer liability following a Commission impact assessment; calls for legislative measures to stop practices resulting in planned obsolescence, also by considering adding such practices to the list in Annex I of Directive 2005/29/EU;

8. Warns against false environmental claims, including those relating to eco-labelling and products offered both online and offline; proposes that clear guidelines and standards be developed for green claims that translate into eco-labels; stresses the need to enforce the recently amended Directive 2005/29/EC through proactive measures tackling green claims and looks forward to the planned legislative proposal on substantiating green claims to tackle misleading information before a product is placed on the market;

9. Stresses the importance of online platforms and marketplaces for promoting sustainable products and services and notes that they could provide consumers with more clear and
easily understandable information on the durability and reparability of the products they offer; calls for proactive measures to tackle misleading practices regarding products and services offered online, including false environmental claims;

10. Highlights the role of the service sector in increasing the accessibility of repairs, leasing and product-as-a-service for consumers and the need to ease its cross-border activities by fully implementing and enforcing single market rules in these areas; asks the Commission to assess the existing barriers to the repair, resale, donation and reuse of products and to propose measures to address those barriers, such as binding measures to prevent the destruction of unsold goods in working order, quantified targets for reuse and the introduction of usage meters for certain product categories based on cost-efficiency analyses; calls for the development of consumer awareness campaigns and relevant mechanisms that encourage new sustainable models based on evolving behaviours such as renting and sharing goods and services, and shopping at packaging-free shops, and calls for support for the development of repair and maintenance services and the use of reconditioned or second-hand products;

11. Calls on the Commission to assess the need to strengthen the internal market and harmonise rules for secondary raw materials, without prejudice to the provisions of Regulation (EC) 1013/2006, through targeted efforts to identify and remove barriers to trade; encourages increased standardisation of the processing of secondary raw materials to facilitate the implementation of circular business models;

12. Supports the establishment of a new ‘right to repair’ that ensures cost-efficient and attractive repairs for consumers; calls, in this context, for measures to provide free-of-charge access to necessary repair and maintenance information, including information on spare parts and software updates, to all market participants, while keeping in mind the imperatives of consumer safety and without prejudice to Directive (EU) 2016/943, as well as to ensure access to spare parts without unfair hindrances for all actors of the repair sector, including independent repairers and consumers, to define mandatory minimum periods of time for the availability of spare parts and/or updates and maximum delivery time limits for an extended range of product categories that would take into account their specificities, following an impact assessment, and to assess how repair can be encouraged under the legal guarantee regime through adequate incentives; stresses that sellers should always inform consumers about the option to have a product repaired and the associated right of guarantee;

13. Stresses that effective implementation and enforcement of EU legislation relating to product safety and sustainability requirements is crucial to making sure that products placed on the market comply with such rules in accordance with Regulation (EU) 2019/1020; adds that a very large number of products purchased online and imported into the EU fail to meet the EU’s minimum safety requirements; calls on the Commission and the Member States to step up their efforts to ensure products are compliant, including products sold online, and address the risks counterfeit products pose to the safety of consumers through enhanced market surveillance and equivalent custom controls standards, as well as through strengthened cooperation in this field and increased budgets and human resources; calls, therefore, for more effective EU oversight, through setting harmonised rules on the minimum number of checks and their frequency, and by empowering the Commission to monitor and audit the activities of
national market surveillance authorities;

14. Underlines the importance of clear, transparent and reliable information on product characteristics for consumers, businesses and market surveillance authorities; welcomes the Commission’s intention to develop a digital product passport; calls, in this regard, to improve traceability along the value chain and access to information on conditions of production and on aspects such as durability, reparability and, where relevant, energy efficiency; calls for these requirements to be developed in close collaboration with industry and other relevant stakeholders and for them to be based on an impact assessment that takes into account proportionality and costs for businesses, especially small and medium-sized enterprises (SMEs), micro-enterprises and the self-employed;

15. Notes that public authorities still often only apply the lowest price criterion as the award criterion when selecting the best offers for goods, services or works; stresses the need to ensure the uptake of green, social and innovation public procurement in order to foster the transition to a circular economy by supporting demand for sustainable and circular products; welcomes, in this respect, the Commission’s commitment to propose further sector-specific measures and guidance introducing sustainability criteria and minimum targets for public tenders with a view to boosting the sustainability of public purchasing choices; calls, furthermore, for effective reciprocity in public procurement with third countries and for measures to improve the access of SMEs, micro-enterprises and the self-employed to public procurement;

16. Calls for priority in public tenders to be given, where relevant, to second-hand, re-used and recycled goods, low-energy consumption software programmes and equipment; also asks public authorities to lead by example by not purchasing single-use products;

17. Calls for reporting obligations for the Commission and the Member States with regard to the sustainability of their procurement decisions, while respecting the subsidiarity principle.
# INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

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| Substitutes present for the final vote | Marco Campomenosi |
### FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

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Key to symbols:
- + : in favour
- - : against
- 0 : abstention
12.11.2020

OPINION OF THE COMMITTEE ON INTERNATIONAL TRADE

for the Committee on the Environment, Public Health and Food Safety

on the New Circular Economy Action Plan
(2020/2077(INI))

Rapporteur for opinion: Svenja Hahn

SUGGESTIONS

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

1. Stresses that a strategic trade policy is an essential tool for advancing the transition to the circular economy and the EU’s and UN’s Sustainable Development Agenda globally by 2030, and underlines therefore the importance of ensuring that trade and investment agreements are aligned with circular economy policies; considers that legally sound provisions are needed in trade agreements in order to safeguard relevant EU legislation on the circular economy from the notion of a trade barrier; underlines that increased re-use, repair, remanufacturing and recycling can reduce the EU’s reliance on imports of raw materials; points to the need to decouple economic growth from resource use in order to ensure the long-term sustainability and resilience of global value chains while maintaining fair competition, and recalls the need for waste reduction; calls on the Commission to adapt the EU’s Raw Materials Strategy accordingly; underlines that the transition from a linear to a circular economy needs to be inclusive and collaborative in all its aspects;

2. Acknowledges the need for a comprehensive legal framework on the circular economy which will give the EU an advantage in developing relevant standards, including at the international level; calls on the Commission to strengthen the control of transboundary movements of hazardous wastes and their disposal according to the Basel Convention, including its 2019 amendments with regard to transboundary movements of plastic waste; regrets the lack of international and European standards on waste quality, secondary raw materials, and on recycled, remanufactured and repaired goods, as well as the lack of end-of-waste criteria, as this hinders a viable trade policy that is conducive to the circular economy; believes that the harmonisation and standardisation of international and European norms on these would greatly contribute to integrating circular economy objectives into trade policy; calls on the Commission, therefore, to present harmonised standards on waste quality, recycled materials, recyclability, reparability, end-of-waste criteria, and standards on recyclable waste, to include these in future FTAs, and introduce them on an international level along with new initiatives on proper infrastructures that ensure high quality separate collection; recalls the
Commission’s commitment within the EU Green Deal for the EU to stop exporting its waste outside the EU; believes therefore that a revision of the Waste Shipment Regulation would provide an opportunity to put an end to the export of the EU’s waste problems, and therefore welcomes the Commission’s announced revision of this Regulation;

3. Notes that in the transition to a circular economy particular attention must be given to key supply chains where the EU’s dependence on uncertain sources of raw materials is particularly high, and value chains where the EU’s environmental footprint is significant and should be reduced; believes that the circular economy could be a tool to maximise EU competitiveness; recalls that undue regulatory burdens should be avoided, and that the level playing field should be guaranteed for EU companies; stresses that improving Europe’s recycling rates for metals and minerals required in green and digital technologies could help Europe to improve its resilience in line with the drive for strategic open autonomy;

4. Underlines the need for transparency and increased traceability in these key supply chains, and calls on the Commission to tackle in particular the efficient use of resources and sustainable production and consumption patterns in the garment sector under its future ‘EU Strategy for Textiles’;

5. Stresses in this regard the need to integrate the aspect of resilience into the Circular Economy Action Plan, and to address increasing resilience in production chains with our trading partners, as well as a resilient labour market, and ways to increase resilience in our environment; calls for an approach to public procurement in our trade policy which provides for preference for durable, repairable and recycled or recyclable materials in public tenders, and that accommodates decentralisation strategies because of their contribution to resilience;

6. Welcomes the planned ‘Circular Electronics Initiative’, and underlines the need to in this context define how e-waste can be exported for re-use and recycling; deplores the fact that electronic waste from the European Union is often sorted in developing countries where health and safety standards are not always respected; stresses that the European circular economy should better contribute to improving working conditions in other parts of the world; recalls that if there is uncertainty as to whether exported waste is recycled in third countries respecting high social, health and environmental standards, improving waste recycling within EU borders should be prioritised;

7. Recalls that in addition to adopting measures to reach the EU objective of climate neutrality by 2050, it is necessary to address the carbon footprint in the EU’s demand for imported products; calls on the Commission to identify and abolish barriers to green growth, eco-innovation and those that prevent or restrict market access for circular products and services from outside the EU; calls on the Commission to investigate the possibilities and benefits of reducing tariffs and non-tariff barriers on certain products and services in order to encourage the development of the circular economy, including in the context of the ongoing review of the EU Generalised Scheme of Preferences (GSP); encourages the Commission, in this regard, to add the circular economy dimension to the scope of the negotiations on the Environmental Goods Agreement, which should be stepped up; calls on the Commission to take into account the special
needs of the EU’s small and medium-sized enterprises (SMEs), to assist SMEs in integrating the circular economy in their business model, including through incentives, and to support them in the implementation of business strategies to export circular products, in particular through the launch of a risk assessment tool for rules of origin, as currently being considered by the Commission; calls on the Commission to lead the way in the WTO to address products based on their carbon content as a way to level the regulatory playing field;

8. Welcomes the inclusion of various aspects of the circular economy in existing trade agreements through sustainable development chapters, as well as the inclusion of an explicit mention of the circular economy in future agreements currently under negotiation; urges the Commission to ensure that all available trade instruments, including FTAs, reflect the objectives of the circular economy by including robust, binding and enforceable sustainable development chapters - keeping in mind impact assessment mechanisms on sustainability being compatible with WTO standards - and competitive business models that encourage trade in recycled rather than in primary materials; calls on the Commission to evaluate how to balance enhancing trade in recycled goods with upholding high quality standards and consumer protection; suggests that the circular economy should be addressed in a cross-cutting manner in all relevant FTA chapters; underlines the need for the effective enforcement of trade agreements as a priority task for the Chief Trade Enforcement Officer; calls on the Commission to engage in a dialogue with our partners in current FTAs on whether these agreements support the transition to a circular economy; stresses the opportunity to use the cooperative mechanisms of trade and sustainable development (TSD) chapters to work together with third countries on promoting the circular economy; calls on the Commission to make progress at the WTO on the recognition of processes and production methods (PPMs) as an element to distinguish between products, with a special focus on circular production methods;

9. Encourages the Commission to engage in open and transparent dialogues and cooperation with the EU’s trading partners to further support the objectives of the circular economy; calls on the Commission and Member States to further deploy efforts in international fora (UNCTAD, WTO, G20, G7) to pursue the EU’s agenda on the circular economy and ensure a global level playing field with international partners through the possibility of exploring the concept of digital passports to foster the availability of data related to product’s content and carbon footprint and recyclability, to enable better circularity, promote extended producer responsibility (EPR), as well as sustainable consumer choices; suggests also in this regard that the Commission engages with the relevant multilateral organisations to reach agreement on an international label that is easy to understand for consumers, and indicates whether a product can be recycled; stresses, furthermore, that particular attention must be given to how less developed partner countries participate in and can benefit from the circular economy; calls for an assessment of the impact of increased intra-EU recycling rates on countries heavily reliant on waste imports; calls on the Commission to integrate the circular economy principles in its strategy ‘Towards a comprehensive Strategy with Africa’ in particular; calls on the Commission to use Aid for Trade and GSP+ to help developing countries adopt circular economy practices, including product standards;

10. Highlights that when waste streams are exported from the EU in a socially just, clean
and manageable way, opportunities can be created for third countries, and economic efficiency gains can arise when manufacturing hubs are in close proximity to recycling plants, leading to recycling ‘champions’ with first rate quality sorting and processing infrastructure, boosting global recycling volumes and quality;

11. Emphasises the risk of environmental dumping when secondary raw materials or second-hand goods are traded because environmental standards in Europe are higher than in a third country, which would undermine global climate and environmental actions and hinder sustainable transition in third countries;

12. Stresses the importance of promoting and facilitating the consumption of agricultural products and foodstuffs from local farms.
INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

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**FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION**

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Key to symbols:
+ : in favour
- : against
0 : abstention
10.11.2020

OPINION OF THE COMMITTEE ON TRANSPORT AND TOURISM

for the Committee on the Environment, Public Health and Food Safety

on New Circular Economy Action Plan
(2020/2077(INI))

Rapporteur for opinion: Jutta Paulus

SUGGESTIONS

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

A. whereas the transport, tourism and logistics sectors and their supply chains have a high potential for improved resource efficiency through optimisation of the logistical and value chains, including by developing digital and AI solutions; whereas an increasing volume of transported goods and goods used in the tourism sector are packaged in single-use materials;

B. whereas the circular economy has an important role to play in achieving climate targets, also extending to mobility; whereas a closed-circuit economy means retention of maximum value of raw materials and products is maintained throughout the chain; whereas a recent study\(^1\) has nevertheless concluded that current mobility arrangements apply to the transport of materials rather than people, and are in fact continuing to operate on a linear basis in the absence of any real circular mobility policy at present;

C. whereas recovery and resilience plans should support the transition to the circular economy, including in transport;

D. whereas incorporating the principles of the circular economy and eco-design into tourism products and services will improve the quality of the tourism experience, reduce its environmental impact, and promote access to sustainable and eco-design products or services for consumers;

E. whereas the collection of qualitative data is of great importance for the proper

monitoring and evaluation of policies pursued;

F. whereas in its 2011 White Paper on Transport the Commission set the ambition of reducing greenhouse gas (GHG) emissions from transport by at least 60% by 2050 compared with 1990 levels, and by 20% by 2030 compared with 2008 levels; whereas emissions from transport (including international aviation but excluding international shipping) in 2017 were 28% above 1990 levels; whereas the Commission, following the related impact assessments and consultations with all relevant stakeholders, should take the necessary initiatives for reducing GHGs in EU transport sector legislation as a whole, as the sector is crucial for achieving the EU’s decarbonisation ambitions; whereas more than half of GHG emissions are linked to the extraction and use of raw materials, and whereas a reduction in the use of primary raw materials and commodities and increased recycling offer an opportunity to safeguard our prosperity and sustain our economy;

1. Welcomes the Commission’s Circular Economy Action Plan; highlights that the carbon and resource footprint of goods due to mobility and transport could be reduced through a circular economy approach, promoting, in particular, optimisation and standardisation in order to increase vehicle occupancy rates, as well as the re-conception of efficiently and sustainably managed logistics processes; highlights that the circular economy offers great opportunities for the mobility sector, such as collaborative economy initiatives, zero or low emission vehicles, and the reuse of components; stresses that multimodal transport is important for the circular economy, with an emphasis being placed on those that use the least resources;

2. Calls on the Commission to focus more on the transport sector stronger in their circular economy initiatives, and to step up efforts to reduce GHG emissions from transport; stresses the need to decouple GDP growth from an increase in transport emissions and resource consumption, as envisaged by the Commission in its 2001 White Paper on European transport policy, by a shift from road to rail, water and public passenger transport, and accompanied by a combination of circular options such as car sharing, carpooling and reductions in travel distances; looks forward with particular interest to the announced comprehensive European strategy for sustainable and smart mobility;

3. Stresses the need to promote eco-design in transport products, and to improve the environmental performance of transport services; stresses that a European strategy should be developed to promote monitoring technologies embedded in goods and vehicles in order to improve the information available and apply it to design, life forecasting, cycle extension, recycling efficiency and planning of use cycles;

4. Calls on the Union to increase the share of renewable energies in the various modes of transport, which accounted for 7.2% of energy in 2017, well below the 10% target set for 2020 in Directive 2009/28/EC, aiming to achieve at least the 14% target set for 2030 in Directive (EU) 2018/2001; emphasises the importance of EU-wide CO₂ target levels for passenger and freight transport in order to further promote the use of renewable energy; calls on the Commission to adopt additional measures to move towards a lower carbon electricity mix in the EU, given that life-cycle emissions of battery electric vehicles (BEVs) charged in a hypothetical scenario with electricity generated purely from wind power and other renewable sources could be significantly
lower than those of an equivalent internal combustion engine vehicle (ICEV); calls on the Union to take action to improve the design of vehicles, leading to lower demand for raw materials, fuel consumption and CO₂ emissions; calls on the Commission to support the creation of potential new job opportunities;

5. Calls on the Commission to look into the effects of bio-based alternative fuels, with particular attention on land use, to prevent alternative fuels from being produced at the expense of food crops;

6. Urges the Commission and Member States to internalise the external costs of transport, raise awareness of transport users, promote cleaner transport solutions by establishing GHG certification schemes, and to enable consumers to choose climate-friendly transport options; urges the Union to take measures to make production chains less transport-intensive; stresses the importance of innovation and fiscal policies, and points to European labelling as a critical tool for helping consumers distinguish and choose the most sustainable services; actively encourages producers to use their brand identity and market influence to promote sustainable and circular consumption and transport; calls on the Commission to develop indicators to make it possible to analyse and ensure the development of the circular economy in transport;

7. Calls on the Commission to present possible ways for transport contractors and operators of computerised reservation systems to best provide information about CO₂ equivalent emissions, compared with data on the best alternative train, ship or bus connection; calls on the Union to lower GHG emissions from shipping by promoting clean and sustainable technologies, such as the uptake of sail technology, and measures such as slow steaming and speed optimisation; urges the Commission and the Member States to support the most resource-efficient modes of transport, and to define adequate incentives and pricing models, including via tax incentives, and VAT on tickets;

8. Recalls that the transport sector in the EU still depends heavily on oil, and thus on imports, for its energy needs; insists therefore that, apart from including alternative fuels in the forthcoming Comprehensive European Strategy on Sustainable and Smart Mobility, the Union should improve the relevant legislation on sustainable and renewable alternative transport fuels based on life-cycle assessment and optimising synergies at European, national and regional level; encourages the Commission to incentivise the harmonisation of fiscal stimulus policies for the consumption of these types of fuel and the purchase of vehicles that use them; calls on the Commission to ensure that, for each mode of transport, all alternative fuels – including hydrogen, sustainable biofuels and used cooking oil – have been considered with a view to their development possibilities and their impact on the environment;

9. Encourages the Commission to follow up on Directive 2014/94/EU and of the Council of 22 October 2014 on the deployment of alternative fuels infrastructure by setting more ambitious objectives and revising the relevant legislation to guarantee the availability of charging and maintenance infrastructure for electric vehicles throughout Europe, and by extending this Directive to all modes of transport, as well as guaranteeing sufficient EU financing and human resources for an efficient provision and implementation of the latter; notes that this legislation should take into account the particular needs of islands, outermost regions, peripheral regions, and mountainous and depopulated areas;
10. Calls on the Member States and the Commission to prioritise, in the recovery and resilience plans and the various EU financing instruments, initiatives relating to the circular economy and the use of renewables in transport, in particular by the swift provision and use of appropriate infrastructure;

11. Calls for the creation of a coherent European network of combined transport terminals and intermodal logistics hubs to further promote the circular economy;

12. Notes the need to increase occupancy rates and load factors; highlights that shared mobility services can benefit the circular economy, and reduce the environmental impacts from transport; highlights that there could be fewer, but more intensively used vehicles, thus saving resources in production, provided that they form part of a broader circular and multi-modal transport strategy; calls, therefore, for the promotion of smart transport systems that help to promote intermodality, including for the ‘last mile’, and to provide users integrated information for purchasing and procurement decisions, paying particular attention to data on the origin of products and services, and on operating costs and their relationship to GHG emissions detailed by option;

13. Believes that shared mobility can lead to the use of smaller electric vehicles with a shorter range and less energy demand, allowing for lighter batteries produced with lower GHG emissions; calls on the Commission and the Member States to promote the most sustainable shared-mobility services and initiatives via a long-term strategy, for example by reducing vehicle registration tax; highlights the potential benefits of using shared vehicles, while meeting the current needs of users; calls for the creation of online platforms for the digitalisation and pooling of transport requests; underlines the need to distinguish between non-professional shared mobility and commercial transport services in EU terminology, so as to lower barriers for shared mobility;

14. Stresses that shared mobility services decrease congestion and contribute to solving urban transport density problems; urges cities to take the initiative of rethinking their transport systems and transport flows; calls for local and regional authorities to take into account the participation of civil society and main stakeholders (such as transport operators, distributors, employees, research and investigation centres, universities) in achieving this aim; stresses the need for innovation and the development of new technologies in the transport sector; emphasises the importance of keeping knowledge, value and jobs created through innovation within the Union; urges further research on vehicle use, using data from national travel surveys and periodic roadworthiness tests, as robust evidence on annual mileage, trip purpose and lifetime mileage is currently limited, hindering full efficiency and carbon saving potential;

15. Believes that the European Union should support circular initiatives, innovative technologies and circular business models that offer sustainable services - often on a local level and implemented by micro, small or medium-sized mobility enterprises or cooperatives - which have great potential for innovation and resource-saving sustainable services; calls on the Commission and the Member States to promote compliance with circular economy requirements in the regulation and supply of public transport and public transport concessions and in their vehicle fleets, as well as in public procurement procedures for transport infrastructure; stresses the importance of circular procurement in general and its potentially exemplary nature at national, regional and local level;
16. Notes that environmental impacts caused by the extraction and processing of raw materials for vehicles can be reduced through short supply chains and material efficiency, as well as through enhanced eco-design, increasing the service life of vehicles, repairs, preparation for re-use, a shift to less critical materials, the phasing out of harmful substances in vehicle equipment, and improved recycling; highlights that the design phase is crucial for the subsequent reuse and recycling potential; calls on the Commission and the Member States to strictly monitor the entire life cycle of vehicles, and to limit the export of end-of-life and second-hand vehicles to third countries in order to prevent critical raw materials leaving the European economy; draws attention to laudable projects to bring scrap vehicles from third countries back to the EU for recycling;

17. Calls on the Commission, when reviewing Directive 2000/53/EC on end-of life vehicles, to assess the possibility of including appropriate measures to improve waste collection systems and creating a system to guarantee the quality and reliability of products from the circular economy, and to ensure that information on the materials and potentially problematic compounds used is maintained throughout the value chain by technological means;

18. Urges the Commission to introduce producer liability, product passports, longer guarantee times and a right to repair for vehicles, particularly those using new technologies; emphasises that a considerable proportion (15-50 %) of a car’s GHG emissions are produced during its manufacture; encourages exploration of the potential benefits for repair processes of an efficient combination of scanning and 3D printing; calls on the Commission to look into the impact of the growth of digital technologies and applications on the service life of vehicles, and to update digital equipment and obsolete software at a reasonable price;

19. Welcomes the Commission’s ambition expressed in the CEAP to progress swiftly on the sustainability and circular potential of batteries for electro-mobility, and to propose a regulatory framework for batteries in 2020 ensuring circular management of material flows and maximum reuse; calls on the Commission to phase out non-rechargeable batteries used in transport systems, where an alternative exists, and to define an increasing share of recycled content in batteries, as well as longer life-cycles, which can save up to 50 % of GHG emissions in production; underlines that standardisation of battery design can be key for enabling future battery reuse and recycling, including market based systems; highlights the potential of a cascaded reuse of batteries in alternative applications, such as for the storage and supply of energy; emphasises the need for more research on these applications: asks the Commission to take into account the carbon footprint of battery production; highlights that a key factor affecting energy consumption of BEVs and plug-in hybrid electric vehicles (PHEVs) is the extent to which regenerative braking can be used to recover energy, making it another crucial area for research; calls on the Commission to step up the development of European standards for recharging;

20. Stresses the relevance of BEV charging patterns for sector integration and greenhouse gas performance, as charging during times when the supply of renewable electricity
exceeds demand can help stabilise the grid, thus decreasing the GHG emissions of the grid mix as a whole, while on the contrary charging during peaks in other energy use in the evenings can exacerbate peak electricity demand; calls on the Commission to promote smart charging technologies, which should include EU standards, that are able to control the timing of charging, thus contributing to grid stability, low energy costs and the use of renewable energy; notes the potential for users to become energy prosumers by feeding energy from their vehicle batteries into the grid in return for a financial reward or by using self-generated electricity from solar panels for charging their vehicle;

21. Calls on the Commission to restrict exports of waste to third countries, and to review Regulation (EC) 1013/2006 on shipments of waste, as announced in the new CEAP; points out that waste exports result in negative environmental and health impacts in destination countries, lead to the loss of valuable materials, particularly raw materials, and compounds, have negative effects on job creation in the EU, and increase the life cycle emissions of products due to this additional transport; calls for recycling sites to be relocated in order for there to be full control over the cycles of the circular economy, while emphasising recycling and reuse; calls, therefore, for the development of capacities to combat illegal exports and fraud, in particular the disguising of waste exports as second-hand vehicles; calls on the Commission to ensure the implementation of the Port Reception Facilities Directive;

22. Urges the Commission to make reusable packaging and containers for transport compulsory, though this solution should not be used for food when it is contrary to food safety rules; asks the Commission to perform an impact assessment on the harmonisation of deposit return schemes for standard industrial packaging; urges Member States to make it compulsory to take back standard industrial packaging for reuse and recycling purposes as well; calls for these measures to come into force within a reasonable timeframe;

23. Calls on the Commission to include the tourism sector in their ambitions for a circular economy, in order to make progress in promoting innovation in the sector, as well as its sustainability and resilience; recalls the Commission’s 2010 Communication on a new political framework for tourism in Europe, where a sustainable tourism was envisaged and tourism businesses were called on to reduce their use of drinking water, GHG emissions and environmental footprint, to use clean energy, and in general to use natural resources responsibly; urges the Commission to support Member States with the implementation of European environmental legislation and the goals of the new CEAP in their national tourism strategies and individual projects; emphasises that tourism businesses should be encouraged, stimulated and incentivised to participate in the EU Eco-label and the EU Eco-Management and Audit Scheme (EMAS); highlights the importance of further incentivising and encouraging the application of eco-design principles through new tourism services, both from the perspective of the goods used to provide them and the processes and environmental impact of their supply;

24. Underlines the importance of developing a comprehensive circular infrastructure, which encourages tourism businesses such as hotels to produce and procure renewable energy; calls on the Commission to develop a strategy to enhance the use of recycled water; highlights the significance of a robust infrastructure, especially for SMEs, which do not
have the financial and organisational means to develop such infrastructure themselves; encourages initiatives such as the European cycle route network that support the tourism experience on the basis of promoting healthy activities and contact with the environment: calls on the Commission to encourage the establishment of biodiversity-friendly and small-scale tourism networks, which are inclusive, beneficial to the local communities, and linked to territorial tourism development centres, that make it possible to forge links between tourism professionals, local producers, public authorities, local businesses and craftspeople;

25. Notes that various studies indicate a disproportionally high level of food waste from the hospitality sector, and the role that the tourism sector must play in public policies against food waste; encourages the integration of its professionals in improving data collection on this issue and in raising awareness, disseminating and implementing measures to prevent it; highlights the sector’s potential to lead the creation of solidarity networks that transform the risk of food waste into an opportunity for solidarity and the promotion of the circular economy; advocates training schemes for chefs in order to reduce food waste; calls for more reuse of food waste as animal feed or for the production of biogas; believes that SMEs in the hospitality food sector have high potential for innovation and development of new circular solutions; calls on the Commission to work with the Member States to remove institutional barriers which prevent circular food applications, such as regulations against food surplus distribution from the tourism sector;

26. Highlights the importance of defining and designing innovative training and upskilling projects on the circular economy for workers in all sectors, including transport, taking into account the needs of the sector and the skills required; stresses the importance of coordination between the Commission, Member States and regional and local authorities to advance in the achievement of the new CEAP goals, and to further invest in education and awareness-raising campaigns about the benefits and advantages of circular economy actions in transport; calls for the exchange of good practices and projects at all levels;
INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

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| **Substitutes present for the final vote** | Angel Dzhambazki, Roman Haider, Jutta Paulus, Anne-Sophie Pelletier, Kathleen Van Brempt |
### FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

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Key to symbols:
+ : in favour
- : against
0 : abstention
7.12.2020

OPINION OF THE COMMITTEE ON AGRICULTURE AND RURAL DEVELOPMENT

for the Committee on the Environment, Public Health and Food Safety

on the new Circular Economy Action Plan
(2020/2077(INI))

Rapporteur for opinion: Claude Gruffat

PA_NonLeg

SUGGESTIONS

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

1. Considers that the agricultural, food and forestry sectors and rural areas are important components of the circular economy and bioeconomy; believes that since it is closely based on natural cycles and processes, sustainable agriculture is fully compatible with the properly functioning circular economy model, helping to produce healthy and affordable food;

2. Considers that in order to reap its full potential, the bioeconomy must continue to be a priority for the EU and the measures available and funding must therefore be coherent; underlines that the circular economy and bioeconomy can provide solutions to the challenges facing the agricultural sector, including those brought to light by the COVID-19 crisis;

3. Considers that the circular economy approach has the potential to enhance not only the sustainability of our farming sector, but also its long-term competitiveness; stresses the important role that young farmers and generational renewal in agriculture, as well as small and medium-sized agri-food enterprises (SMEs), can play and are already playing in the transition to a circular economy;

4. Underlines that the circular economy and the move towards a more inclusive, sustainable, environmentally- and climate-friendly food supply chain can foster business creation and entrepreneurship among SMEs;

5. Welcomes the Commission communication on the new Circular Economy Action Plan, as it fully reflects the changes required of an economy as it evolves to meet the needs of sustainable development, making it possible to create jobs while protecting the climate, the environment and biodiversity;
6. Stresses that the circular economy approach could offer more opportunities to make the entire agri-food value chain more resource efficient, by reducing the amount of external inputs and the leakage of excess nutrients, thereby helping to close nutrient cycle loops, reduce negative discharges to the environment, diminish price volatility, lower production costs and achieve sustainability;

7. Notes that in 2015 the bioeconomy represented a market estimated to be worth over EUR 2.3 trillion, providing 20 million jobs and accounting for 8.2 % of total employment in the EU;

8. Takes the view that the announcement of the action plan is a clarion call for qualitative change to reorient and optimise farm production models towards more sustainable production practices, new concepts and systems, such as agroecology, organic farming, integrated production, low-till and topsoil conservation, using inter alia precise and smart techniques to address the degradation and scarcity of natural resources and the subsequent need to improve production;

9. Notes that the action plan points the way towards a more sustainable, resource-efficient, self-sufficient and resilient type of farming; stresses that the circular economy model and the changes involved will also have an impact on the food processing and retail sectors and the whole agricultural bioeconomy;

10. Considers that the principles of the circular economy entail, inter alia:
   – better use of energy resources, such as fuel use and the thermal efficiency of buildings;
   – retaining and saving water, such as via water-saving irrigation systems, by recovering and recycling water from closed systems, and water storage and retention, especially in the soil, soil biota and vegetation;
   – more efficient use of resources used for feed, such as relocalising and rationalising animal feed and nutrition, and shortening transport distances;
   – greater use of organic bio-sourced products derived from natural processes (biofertilisers, biostimulants and biocontrols), replacing non-renewable chemical inputs (e.g. synthetic fertilisers and pesticides) where possible;
   – allowing farmers and groups of farmers to develop collaboration and synergies, enabling equipment and facilities to be used more effectively and preventing the excessive accumulation of equipment, which is often associated with investment management based on tax planning;
   – greater cooperation between stakeholders, including promoting cooperative models and pursuing more synergies on the ground, underpinned by collective and shared commitments;

11. Underlines that the circular economy can provide solutions to the challenges brought to light by the COVID-19 crisis, notably by reducing the vulnerability of agri-food value chains;
12. Considers that the EU’s economic recovery plan – Next Generation EU – should provide support to create and strengthen local and regional agri-food value chains and increase their resilience, establishing new sustainable farming practices and circular economy initiatives;

13. Calls for a strategic EU plan for the supply of plant proteins to be implemented as soon as possible through Member States’ strategic plans, preferably no later than the entry into force of the next common agricultural policy (CAP);

14. Considers that such a plan should advocate the production and consumption of legumes, including grain proteins as nitrogen-fixing crops, and of own-grown forage crops, which offer a number of agronomical and environmental advantages and can cut import dependencies from distant countries, including those with no regard for the environment, biodiversity or human rights;

15. Underlines that this plan should prohibit the import of products that breach EU health, environment and climate standards or contribute to deforestation; considers, moreover, that growing more protein crops in Europe could provide opportunities for farmers; underlines the essential role of research and innovation in reducing the EU’s dependency on protein imports and calls on the Commission to ensure adequate support through Horizon Europe and the European Innovation Partnership (EIP) under the CAP for agricultural productivity and sustainability;

16. Considers that the circular economy and bioeconomy offer potential for farmers and their cooperatives in the transition towards climate neutrality; recalls the opportunity of enabling farmers to use agricultural waste and residues on farms and the production of recycled organic fertilisers as alternatives for imported phosphorous, whose global resources are dwindling, or synthetic nitrogen;

17. Takes the view that the production of these organic fertilisers must adhere to strict health and environmental standards and to traceability rules set at EU level;

18. Notes the general need for farmers, especially those producing for certification schemes such as organic schemes, to ensure that such fertilisers are free from soil-polluting contaminants¹;

19. Highlights the need to explore with further research the value-added use of agricultural residues and the potential of bio-based innovation to deliver new value chains, technologies and processes, economic activities and employment, with the potential for revitalising regional economies and local and rural areas;

20. Notes the opportunities of manure management for promoting organic fertilisers, improving soil carbon content and thus contributing to carbon sequestration;

21. Stresses that European biofuel production can only be consistent with the principles underpinning the circular economy if it is generated from by-products and the recovery and use of waste or residues, if it takes up a small share of agricultural land and if it is

¹ Heavy metals, pharmaceutical residues, hormones, microbial pathogens, microplastics, glass, etc.
not responsible for an increase in the price of foodstuffs;

22. Notes, in this context, the potential for regional development and employment of locally-sourced agricultural waste, food waste and green municipal waste used in biogas production plants; highlights the role of sustainable, renewable and climate-friendly energy production as an effective substitute for fossil fuels;

23. Underlines that it is essential that forestry is sustainably managed so that wood-based materials can function as carbon stores and substitute fossil-fuel derived or non-renewable materials in industrial applications such as construction, fibre products, textiles, composites, bioplastics and chemicals;

24. Calls for the promotion of sustainable wood products storing carbon in the long term in order to substitute greenhouse gas-intensive substances and production; notes, furthermore, that increasing forest areas under the appropriate conditions may increase carbon sinking, while also providing jobs and boosting incomes in rural and urban areas; believes that achieving a sustainable forestry sector and compensating for public goods and services rendered through nature conservation can help to strengthen the EU-wide bioeconomy;

25. Highlights that developing circular bioeconomies would require business incentives to be aligned with policy goals and require new skills and the acquisition, sharing and application of knowledge gained by training and education in order to meet the needs of the sector and ensure that skills and jobs are better matched;

26. Stresses that the uptake of the circular bioeconomy must be promoted through strong research and innovation policies; notes that every euro invested in bioeconomy research and innovation under Horizon 2020 would generate about EUR 10 in added value;

27. Notes the potential of the circular economy to contribute to a more efficient use of resources, to promote regional and local food systems which ensure a fair price for producers, to strengthen short supply chains and the link between food products and their origin, to develop rural areas, rural economies and thus social and territorial cohesion, and to encourage diversification and crop complementarity on and between farms;

28. Notes, in addition, the potential of the circular economy to strengthen the position of farmers in the food system and society; emphasises the role of national, regional and local administrations in building these short supply chains;

29. Calls for biodiversity and the environment to be fully respected within the wider circular economy incentives regarding carbon sinking; calls for the Commission to look into devising a regulatory framework including robust and transparent carbon accounting to monitor and verify the authenticity of carbon removals;

30. Supports the Commission in its efforts to better inform consumers on nutritional and ecological claims and by improving origin labelling; calls for voluntary labelling highlighting the sustainability credentials of products;

31. Emphasises the rights of EU citizens to precise and accurate information about the
environmental impacts of food, feed, forestry and other bio-based products; calls for solid, accurate and harmonised calculation methods to evaluate those impacts based on reliable peer-reviewed science; underlines that those calculation methods/weightings should incentivise sustainable production methods and should take account of the efforts made by first movers;

32. Calls on the Commission and the Member States to invest in new circular economy initiatives in order to develop better infrastructure for the circular economy;

33. Calls for a hierarchy of measures in the fight against food waste which first prioritises prevention, then explores the possibilities for donating or processing food waste, and lastly examines the possibility for converting food waste into animal feed or fuel;

34. Calls for prevention measures to be stepped up in all parts of the food chain, both through intensified awareness-raising among EU citizens and through suitable measures and initiatives for food producers, processors and traders;

35. Calls for further measures to help shorten the food chain and thus reduce the number of stages at which food waste is produced; stresses that food wastage has huge environmental consequences, contributes to climate change and represents a waste of limited resources such as land, energy, water and biodiversity; urges the Commission, therefore, to use the Farm to Fork Strategy to swiftly introduce proposals to implement the goal of halving food waste by 2030;

36. Highlights the need to strike the right balance between food packaging that is tailored to individual needs but that also prevents food from spoiling and thus food production resources from being lost;

37. Calls on the Commission to consider the distinction between avoidable waste and unavoidable losses due to unforeseen circumstances;

38. Calls for recognition for agricultural sectors that already work within the principles of the circular economy, such as those using agricultural waste streams and food waste;

39. Points out that food packaging performs important functions, as it improves hygiene, quality and shelf life and provides useful product information;

40. Calls on the Commission to propose new legislation to tackle over-packaging and waste generation and to provide support for the creation of an integrated single market for secondary raw materials and by-products;

41. Calls on the Commission to take account of the functions of food packaging when taking steps to realise the objectives of the new Circular Economy Action Plan;

42. Notes the potential within the circular economy for optimising the use of food that is unavoidably lost or discarded and of by-products from the food chain; stresses the opportunities to reduce wastage at the production stage by using innovative techniques and technologies to convert products that do not meet market standards into processed goods;
43. Notes the benefits of cooperation between producers and innovations in digitalisation that facilitate access to data, demand forecasts and advance production programmes for farmers, thereby enabling them to adapt their production to demand, better coordinate with other sectors in the food supply chain and minimise wastage;

44. Calls for a multi-stakeholder approach for the purposes of collecting unsold, unconsumed and inedible food and redirecting it to feed manufacture; calls on the Commission, in consequence, to analyse legal barriers to the use of old foodstuffs in feed production and to promote research in this area, while also stressing the need for greater traceability and compliance with biosecurity standards and for separation and treatment processes that completely nullify food safety risks;

45. Highlights the importance of research and development for sustainable agricultural technologies, which should be adapted to the needs of farmers and broader society; notes, in particular, the specific needs of small- and medium-scale farmers and the need to focus research and development on access to scale- and cost-appropriate technologies;

46. Considers that all innovations in the circular economy should be covered by EU legislation, should be consistent with the principles of the European Green Deal, and should do no harm to the environment, biodiversity or health, in accordance with the precautionary principle;

47. Calls on the Commission to carry out impact assessments of all the measures proposed under the new Circular Economy Action Plan in order to protect companies’ existing and future economic interests and to ensure a do-no-harm approach, in the interest of all EU citizens;

48. Highlights the role of Cluster 6 of Horizon Europe for advancing knowledge, building capacities and developing and demonstrating innovative solutions that will accelerate the transition to a circular economy and, in so doing, create attractive jobs in rural communities and enhance value creation, sustainability and competitiveness;

49. Considers that agricultural land is primarily destined for food and feed production and that bio-sourced materials for plastics should be produced from waste material other than food;

50. Calls for farm waste collection, sorting and recycling facilities to be set up throughout Europe, drawing on the collective responsibility of all actors, farmers, distributors and industrialists;

51. Considers, moreover, that the Commission’s draft plastic waste strategy is particularly relevant to agriculture, since the challenges and costs involved in recycling agricultural plastics entails huge challenges for the sector;

52. Calls for oxo-fragmentable plastic films to be phased out and advocates the use of bio-sourced and biodegradable materials which degrade within a short period of time into CO₂ and water under natural environmental conditions and meet EU requirements on curbing waste, soil pollution and bioaccumulation in particular; underlines the need for clear labelling of plastics that are fully biodegradable under normal conditions and
plastics that are merely bio-sourced and non-biodegradable;

53. Welcomes the intention to develop a policy framework for sourcing, labelling and using bio-based plastics; highlights that waste products and side streams of agricultural production and the agro-food industry which cannot be used for food, feed or compost should be the main source for bio-plastics;

54. Calls on the Commission and the Member States to invest in new recycling technologies in order to optimise and promote the technological development of sorting and recycling plants and their infrastructure, as well as re-use procedures and techniques; calls on the Commission, in this context, to develop a uniform labelling scheme for recycling systems;

55. Welcomes all initiatives which seek to incorporate waste management and prevention principles into the specifications of products with EU and national quality marks;

56. Highlights the presence of old, disused agricultural buildings which pose serious problems in terms of their removal costs (asbestos, etc.), even before new uses can be made of them or the space they occupy; underlines, moreover, the overall need for a transition to a sustainable and more circular economy in the sourcing and manufacturing of construction products and materials used in the agricultural sector; stresses that any efforts undertaken in this regard must be made in line with ISO standard TC 323 on the circular economy;

57. Calls for the blue bioeconomy to be integrated into Member States’ strategies on the Circular Economy Action Plan.
INFORMATION ON ADOPTION IN COMMITTEE ASKED FOR OPINION

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| Substitutes present for the final vote | Petros Kokkalis, Ruža Tomašić |
### FINAL VOTE BY ROLL CALL IN COMMITTEE ASKED FOR OPINION

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| Substitutes present for the final vote | Hildegard Bentele, Manuel Bompard |
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<td><strong>Verts/ALE</strong></td>
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<td><strong>The Left</strong></td>
<td>Malin Björk, Manuel Bompard, Petros Kokkalis, Silvia Modig, Mick Wallace</td>
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<td>Simona Baldassarre, Marco Dreosto, Teuvo Hakkarainen, Sylvia Limmer, Luisa Regimenti, Silvia Sardone</td>
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<td><strong>ECR</strong></td>
<td>Sergio Berfato, Pietro Fiocchi, Joanna Kopcińska, Rob Rooker, Alexandr Vondra, Veronika Vrecionová, Anna Zalewska</td>
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**Key to symbols:**
+ : in favour
- : against
0 : abstention