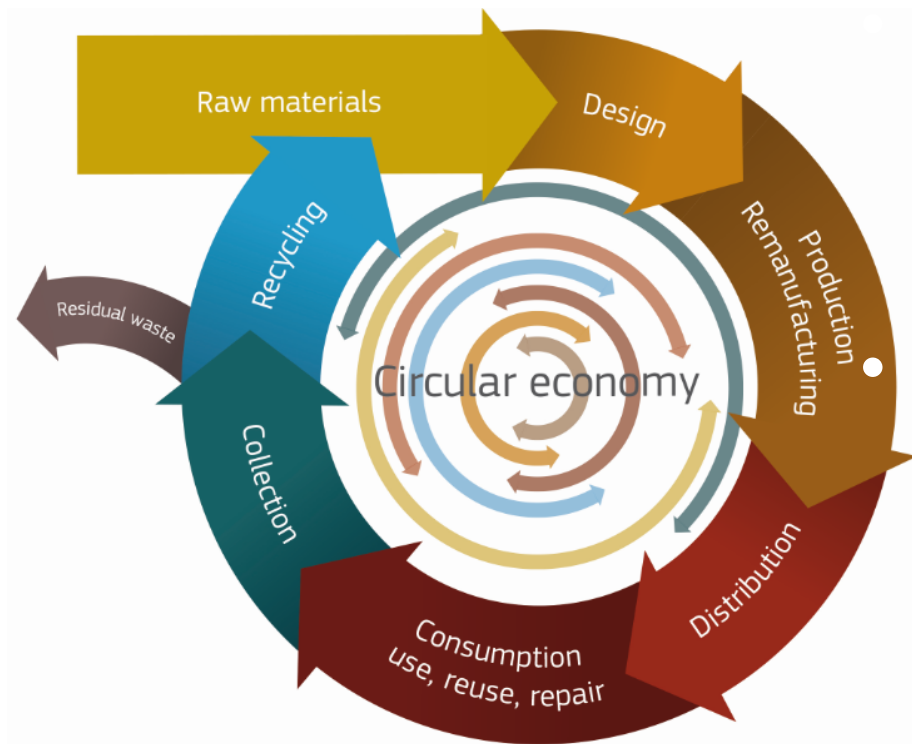




Circular Economy

What is Circular Economy?



Circular economy systems **keep the added value in products** for as long as possible and **eliminate waste**.

They **keep resources within the economy** when a product has reached the end of its life, so that they can be productively **used again and again** and hence create further value.

Source: COM (2014) 398 "Towards a circular economy"

Why do we need Circular Economy?

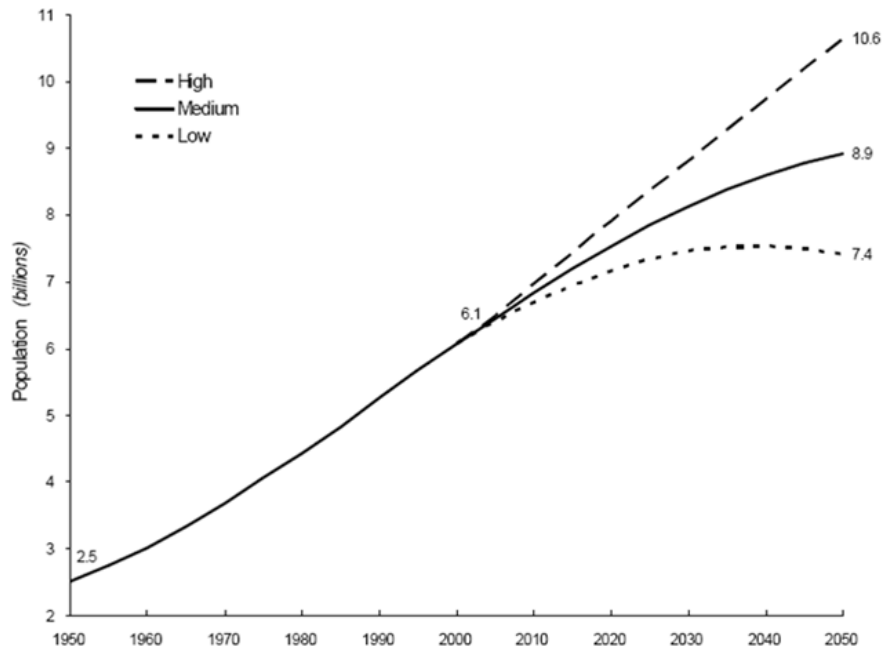
- **Environment:** inefficient use of resources has negative environmental impacts
- **Access to raw materials:** scarcity or depletion of resources, dependence of EU on imports from often politically unstable countries- question of price volatility
- **Societal pressures:** global middle class to double to nearly 5 billion by 2030, which will cause rise in consumption and increase pressure on resources
- **Innovation and growth potential**



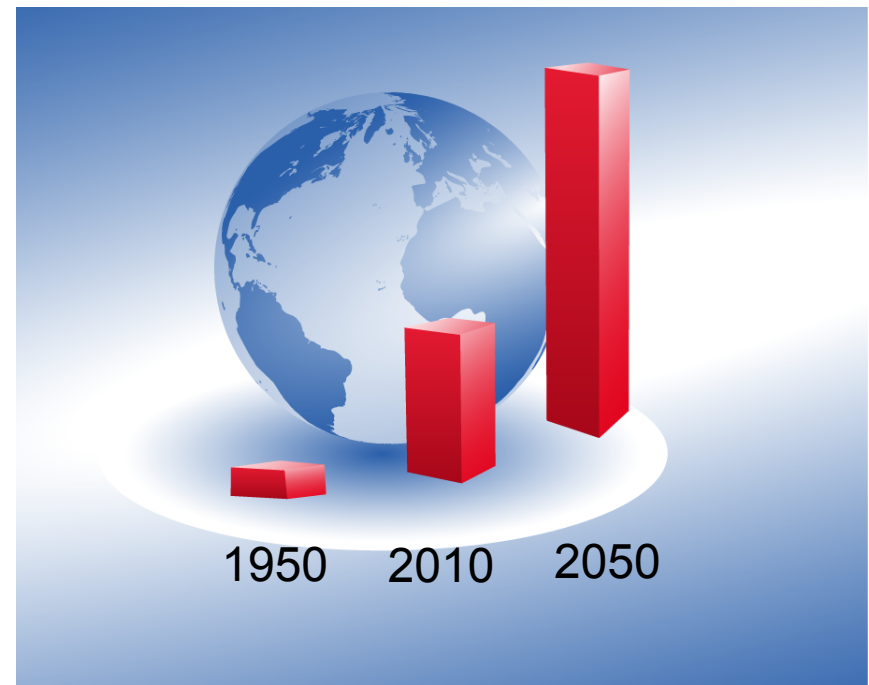
Circular Economy and Green Growth

- **Significant cost saving and job creation opportunities** for EU industry from circular economy approaches:
 - ✓ Potential net benefits for businesses in the EU from improved resource efficiency (waste prevention and re-use, focus on eco-design and similar measures) = in the range €245 billion to €604 billion, representing between 3% and 8% of annual turnover, while reducing total annual greenhouse gas emissions by 24%.
 - ✓ Overall, it is estimated that increasing resource productivity by 30% could boost GDP and create 2 million more jobs by 2030 than under a business as usual scenario.

Growth in population and the world economy

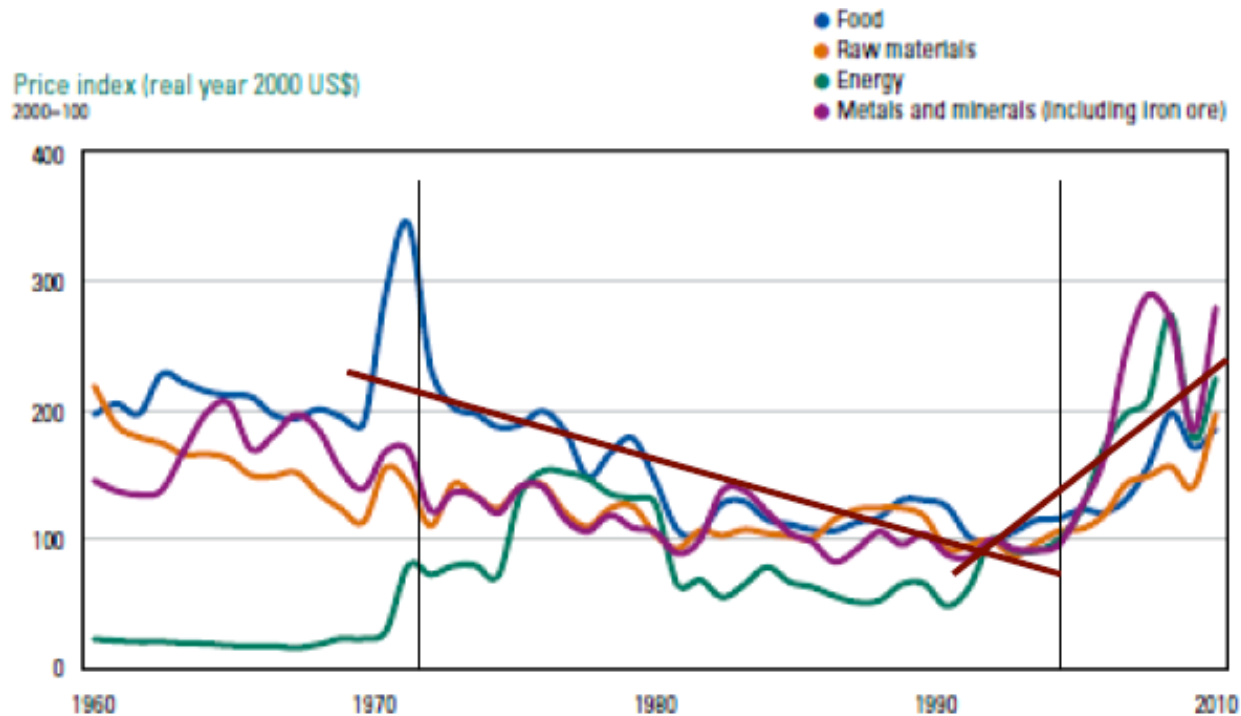


Estimated world population, 1950-2000, and projections: 2000-2050 (UN)



Growth of the World Economy

Volatile resource prices



Source: World Bank Commodity Price Data (Pink Sheet), historical price data, available from <http://blogs.worldbank.org/prospects/global-commodity-watch-march-2011>



What are we up to :

Waste policy: Driving real change on the ground

Looking at whole 'circle': Exploiting synergies and overcoming barriers across the whole value chain

Focus on EU added value: concrete priorities for actions that bring added value to foster a transition towards circular economy

Areas for intervention

Extraction and production processes



Mining and industrial waste represent more than 50% of waste generated in the EU

Product design



Product design predetermines the longevity of the useful phase, and future re-use, recycling and recovery opportunities.

Distribution and consumption



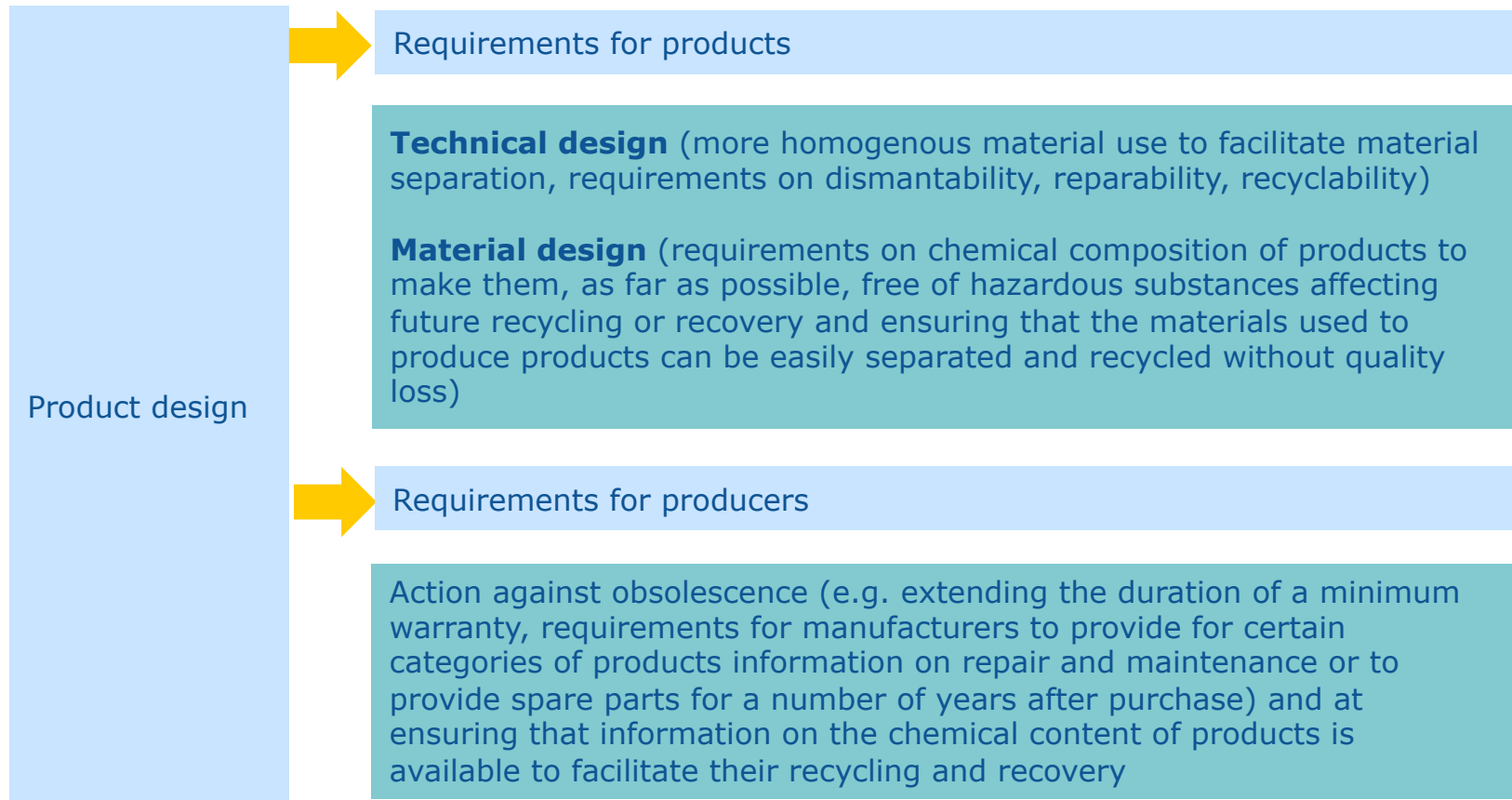
Consumers choices impact the design and marketing of products. However, consumers face confusing information about products and services.

Waste



All waste management measures must aim at bringing materials and energy used back to the economy.

Focus on products





Product Design

Manual dismantling allows recovery of over 90% of the precious metals in waste flat screens

For manual dismantling to remain economically viable, one should be able to dismantle a small screen in less than 11 minutes.

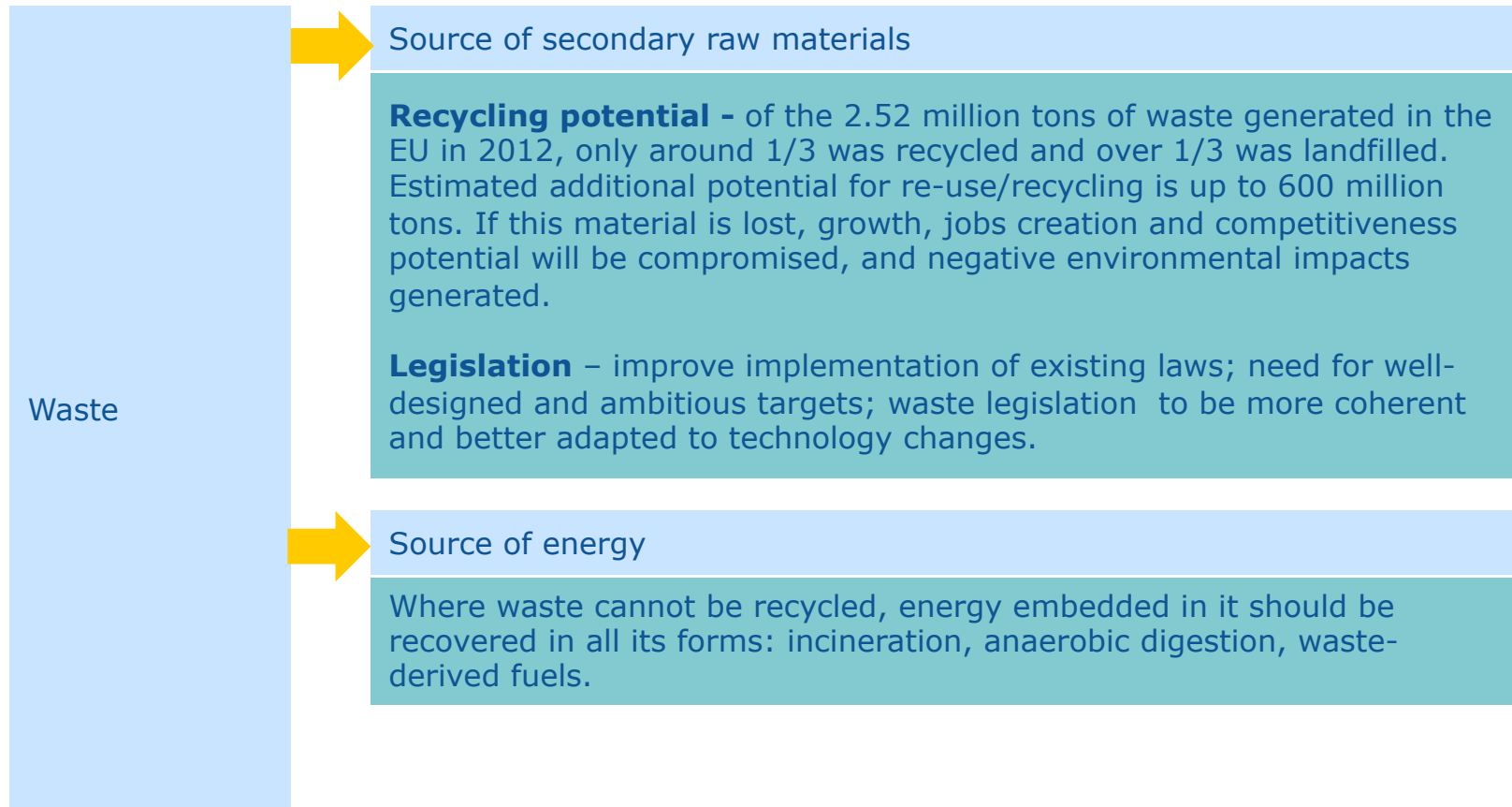


Chemicals

Link between EU rules on chemicals and achieving higher recycling rates

Example - DEHP in PVC now covered under REACH: raises questions for SMEs active in plastic recycling

Focus on waste





Financing Circular Economy

- **Support from the European Structural and Investment Funds**
- **Full integration into the European Fund for Strategic Investments (EFSI) proposed by the Commission in the framework of its new investment plan**
- **In addition, need to make it more attractive for private investors to contribute**

Next steps

- **Withdrawal of the Waste Proposal**
- **New proposal by end 2015**
 - Reflection on the proposal involving all relevant Commission services
 - Stakeholder consultation planned for May – July 2015
 - Conference with stakeholders planned for 25th June 2015
 - Proposal planned for Q3/Q4 2015



What could this include ?

1) Chapeau Communication

2) Revised legislative proposal on the WFD

2) Roadmap/Action Plan on " the other part of the circle " focussing on actions that can be implemented/adopted during the mandate of this Commission