Recycling in the Circular Economy

Roles, Opportunities & Challenges

Where is recycling in the circular economy?

European Parliament, 11 October 2016

EP Intergroup on "Climate Change, Biodiversity and Sustainable Development"

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EuRIC – Realising the circular economy

Our Members

The European Recycling Industries Confederation (EuRIC) brings together recycling federations from 20 EU & EFTA Member States and represents:

- 5,500 companies, many of them SMEs.
- 300,000 local jobs.
- 150 million tons of waste recycled/year.
- An annual turnover of about €95 billion.

EuRIC

Our objectives

- Promote the benefits of recycling for the society the economy
  - ✓Massive environmental benefits
  - ✓Local job opportunities
  - ✓A secure source of raw materials for Europe & world's industries
- Support European and National policies fostering recycling
  - ✓Recycling deserves fit-for-purpose policies & regulations
  - ✓Channel the needed expertise supporting the right decisions
  - ✓Foster a holistic approach of recycling activities
- Strive for competitive European recycling industries
  - ✓Advocate for business-friendly measures fostering recycling in Europe

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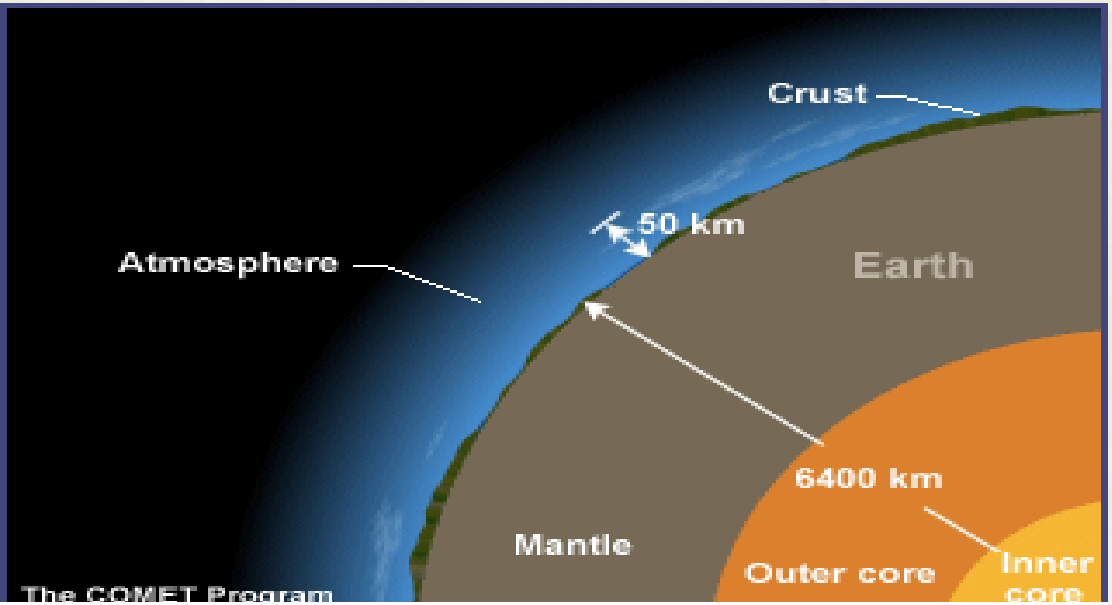
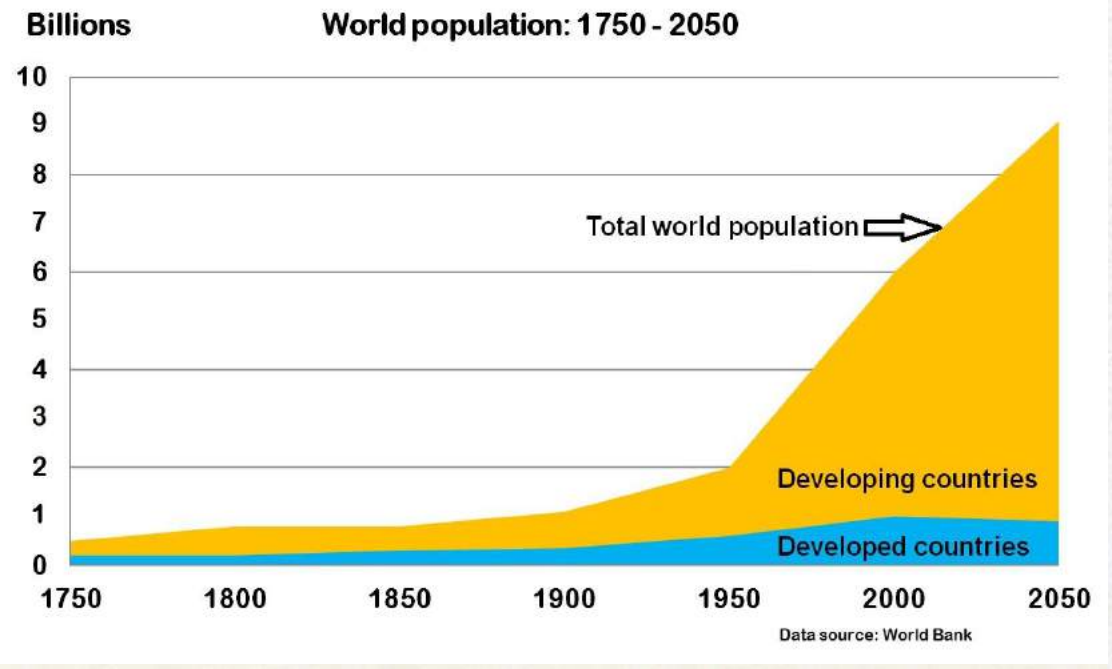
Moving towards a circular economy is a must…



Rising World Population, Rising Middle Class
Finite resources



...fully endorsed by recyclers *since* :

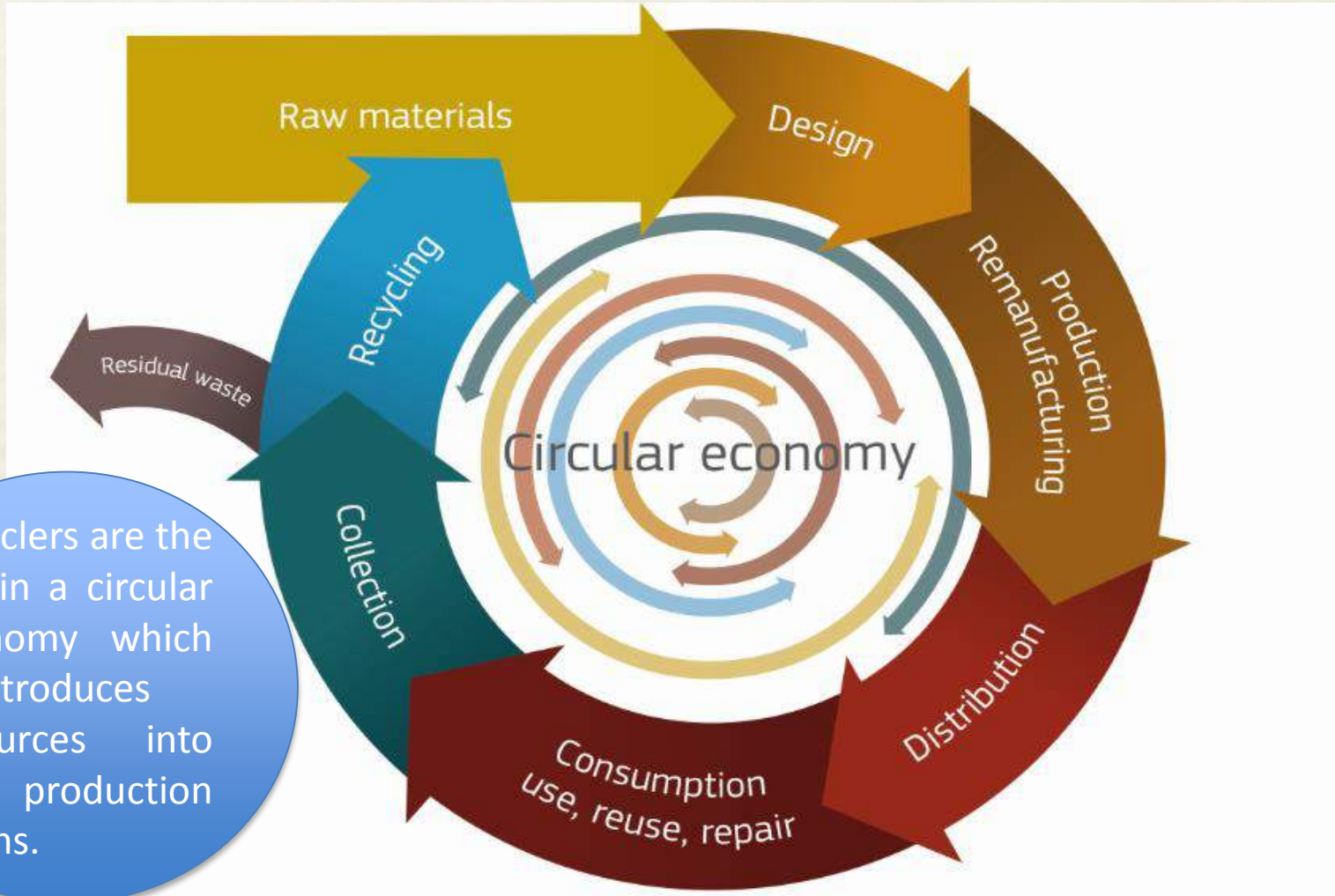
Enabling factors of the circular economy

Enabling factors of the circular economy	Current situation
A well-functioning **MARKET**	
A **seller** (recycling) and a **buyer** (manufacturing) industry	'Common' resource streams (metals, paper, etc.) traded for decades - - - **Degraded market conditions** (Prices: Virgin vs. Recycled / Threat posed by CN Steel)
A **market** where resources can « circulate » freely	**Recyclers operate on a global market** Yet, no well-functioning internal market for secondary resources Waste Shipment Regulation (WSR) procedures hinder the free movement of resources for recycling
Legal certainty (is it a waste, a product? / is current legislation suited for circular flows)	Progress needed on EoW status Gear up chemical legislation to circular flows
Quantity, **quality** and **prices**	**Pull mechanisms needed** to correct market failures & reflect in **prices** the environmental Benefits of recycling

Where is recycling in the circular economy?

Circular economy Chart - ***2014***

European Commission Communication (COM/2014/0398 final)



Recyclers are the link in a circular economy which re-introduces resources into the production chains.

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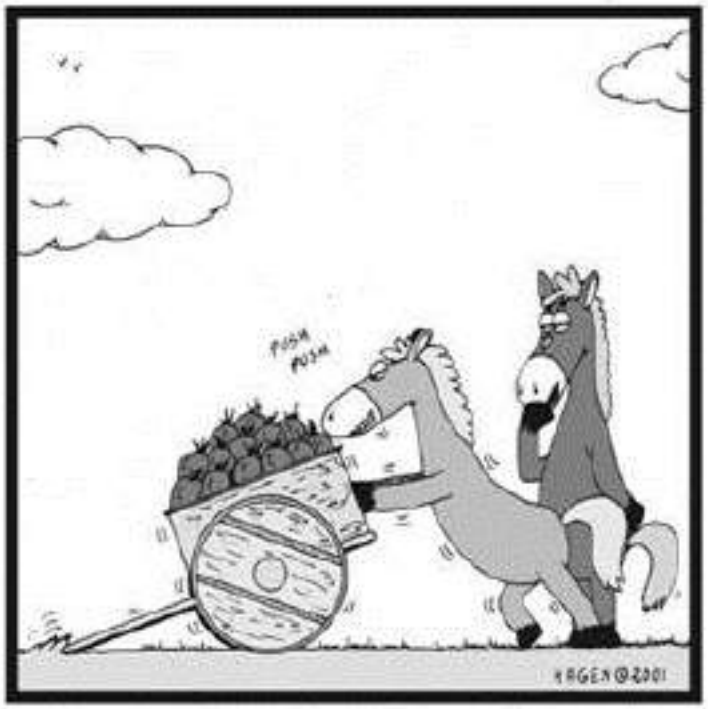
Turning challenges into opportunities

- Measure **recycling** at the point where waste is turned into a new resource able to substitute virgin materials

- Amend the definition of "**final recycling**" wrongly defined by reference to production processes where both virgin and recycled materials can be used

- **Safeguard competitive neutrality** between private and public operators in the field of municipal waste by preserving the "quantity" criterion

Turning challenges into opportunities



Hang on... We must be doing something wrong...
How does the saying go again?

Push measures – Supply side

Pull measures – Demand side

Turning challenges into opportunities

Correcting market failures

Thinking circular at the design stage

⇒ Eco-design

⇒ **Eco-modulation** of fees as a requirement for EPR Schemes

To support products' recyclability as well as enable economical and efficient reuse, dismantling and recycling of end of life products (WEEE, complex packaging)

Pulling the demand

Stimulating market demand for recycled materials

⇒ Green public procurement

⇒ **Pull measures rewarding environmental benefits of recycled materials** (Tax/VAT rebates, etc.).

⇒ Recycled content (e.g. for plastics)

Ex: In France, 40% of recycled paper in public procurement by 2020.

Material	Energy Savings (achieved by industry against Primary Benchmark) (TJ/100,000t)	Annual Worldwide Secondary Production* (Mt)	Estimated Savings in Annual CO_2 Emissions (Mt)
Aluminium	4434	18	63.3
Copper	1033	6	4.8
Ferrous	206	580	503.9
Total Estimated Savings in Annual CO_2 Emissions for the Production of the Secondary Metals Studied [Current Study]			**572.0**

* Annual worldwide secondary production (Mt) as quoted in 2014 for Aluminium and in 2013 for Copper and Ferrous

Thank you for your attention

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