



## A circular economy at the heart of climate action: how materials connect the dots in the EU Green Deal



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**Hosted by MEP Maria Spyraiki**

Co-Chair of the European Parliament Intergroup on 'Climate Change, Biodiversity & Sustainable Development'

**& MEP Mohammed Chahim**

Vice-Chair of the European Parliament Intergroup on 'Climate Change, Biodiversity & Sustainable Development'

### Speakers:

- **Maria Spyraiki**, MEP
- **Mohammed Chahim**, MEP
- **William Neale**, Adviser for Circular Economy, DG ENV, European Commission
- **Erika Mink**, Vice-President Public Affairs, Tetra Pak
- **Veronika Safrankova**, Head of Brussels Office, UN Environment
- **Iain Gulland**, President, ACR+
- **Stephane Arditi**, Policy Manager on Circular Economy, EEB

## Welcome message

*MEP Maria Spyraiki*

**MEP Maria Spyraiki** began her intervention with the presentation of some data on EU and worldwide recycling, highlighting that only a small proportion of materials is reinserted in the economy. **Ms. Spyraiki** additionally commented that, following the COVID-19 pandemic, the situation has worsened with reference to the increase of infectious waste and the disruptions in the recycling industry regarding safety preoccupations of its manual workers. **Ms. Spyraiki** also explained that there was an expansional growth of the production of single-use items, designed to minimize exposure. On the other hand, **Ms. Spyraiki** reported the public's willingness to change their daily behaviour, alongside a growing awareness of environmental impacts, as a study established that waste was one of the three most important issues that concern EU citizens. From a policy and political perspective, **Ms. Spyraiki** explained that the second version of the Circular Economy Action Plan showed many promising elements, as it aims at scaling up circular economy to reduce EU's consumption footprint while boosting economic growth. To do so, **Ms. Spyraiki** underlined that the full cooperation of stakeholders will be essential, as well as consumers' education when it comes to the complex concept of circularity. Therefore, major initiatives are needed to promote new business models as well as to encourage training and research, according to **Ms. Spyraiki**. To illustrate her point, **Ms. Spyraiki** mentioned the recently announced Recovery Plan that includes several green options, such as a passport for buildings, eco-friendly technologies for plastics and innovations in the clothing sector. Finally, **MEP Maria Spyraiki** highlighted that the goal of a circular economy could be achieved through the removal of unessential materials, the realignment of incentives and educational campaigns.

*MEP Mohammed Chahim*

Within his opening remarks, **MEP Mohammed Chahim** stressed the importance of circular economy in Europe, as it can contribute significantly to the achievement of climate targets. However, **Mr. Chahim** explained that the transition to more circularity must be managed with impact studies and a mechanism which assessed and monitored progress. Moreover, two key elements were the promotion of research and the increase of resource efficiency according to **Mr. Chahim**. At the same time, **Mr. Chahim** underlined the lack of transparency of the supply chain which made it difficult to identify possible product and process changes. On the role of the European Parliament, **Mr. Chahim** added that policy-makers must not only create new regulations but also get rid of regulations which prevent actions contributing to circular economy. In this regard, **Mr. Chahim** highlighted that there is still a need to better identify reasons and obstacles for investments and innovation in specific circular economy solutions, such as life extension, carbon footprint reduction, or material reuse. **MEP Mohammed Chahim** concluded his

address by explaining that transparency and data will be essential to make sustainable products become the norm in the EU.

## Opening remarks

*William Neale, Adviser for Circular Economy, DG ENV, European Commission*

First and foremost, **Mr. William Neale** acknowledged the importance of connecting the dots in the Green Deal and the breakthrough achieved by the European Commission which aims at integrating the environment in all policies. **Mr. Neale** then underlined that the climate objectives should be included in industrial strategies, mostly through circular systems. Indeed, **Mr. Neale** detailed that extraction of materials accounted for about 50% of GHG emissions and 90% of biodiversity loss. In consequence, **Mr. Neale** indicated that disconnecting material extraction from growth was part of the solution to deliver on climate goals. At the same time, **Mr. Neale** pointed out that 45% of GHG emissions are generated by the production of goods and management of lands, and therefore, the current focus on energy efficiency and renewable energies only addressed partially the problem. As highlighted by UN estimations, driving up resource efficiency could reduce the use of virgin materials, and make economic sense for individual companies. Furthermore, **Mr. Neale** claimed that recycling receives a lot of attention today, whereas material flows are at least as important, and must be slowed down by making sure that materials last. As circular approaches can have a major impact on climate, **Mr. Neale** focused on three key elements; the integration of circular techniques into material processing for the energy-intensive materials, the extension of product life, and the embedded carbon in buildings. Firstly, **Mr. Neale** outlined that applying circular economy measures to four energy-intensive sectors: steel, plastics, aluminum and cement, could already have significant results. In regards with product life, **Mr. William Neale** emphasized that circular processes could maximize product value and utility, while creating jobs and avoiding the extraction of primary materials for new products and its related impacts. Thirdly, **Mr. Neale** brought to light that materials accounted for about one quarter of global emissions and buildings contributed to nearly half of those emissions. However, material-efficiency strategies were being overlooked in climate policies according to **Mr. Neale**. Finally, **Mr. Neale** addressed the renovation wave and the Circular Economy Action Plan 2020, underlining that the application of circular principles could even result in negative GHG emissions.

## ‘The road to a carbon neutral circular economy’

*Erika Mink, Vice-President Public Affairs, Tetra Pak*

**Ms. Erika Mink** began her intervention by introducing *Tetra Pak* and their position on circularity. *Tetra Pak* is one of the largest suppliers of food packaging and aims at playing a significant role in steering the market towards climate neutrality and circularity. **Ms. Mink** also presented *Tetra Pak’s* objectives in terms of net-zero GHG emissions and its strategy that focuses on climate neutral and circular packaging.

With responsibly sourced materials, recycling, and material efficiency, *Tetra Pak* wants to phase out from fossil fuels' plastic and aluminium packages. In line with the previous intervention, **Ms. Mink** underlined the need to address the 45% of emissions generated by the products and food sector. Moreover, **Ms. Mink** pointed out to the need of additional measures to address embedded carbon in materials and to drive markets' segments to adopt alternatives to fossil fuels materials when available. Indeed, an outcomes-based policy framework must be established according to **Ms. Mink**. Specifically, she detailed that this new policy framework must assure that any new legislation works towards climate neutrality, as well as set material decarbonization targets and economic incentives for front-runners. Lastly, **Ms. Mink** stated that two key elements were transparency on achieved progress and a solid database, providing information also to consumers. Through the packaging lens, **Ms. Mink** admitted that there was still room for improvements on climate aspects.

## Panel discussion

*Veronika Safrankova, Head of Brussels Office, UN Environment*

**Ms. Veronika Safrankova** made 5 key points; the first one was that there were strong connections between climate change and resource-efficiency. In detail, **Ms. Safrankova** explained that, without materials' management improvements, it will be nearly impossible and very expensive to keep global warming under 1.5 degrees Celsius. The second message that **Ms. Safrankova** shared with the audience was that work on material efficiency must immediately begin to reduce embedded GHG emissions. Thirdly, the panelist underlined that material efficiency widened the possibilities in terms of mitigation solutions. Moreover, her two last points highlighted the significant opportunities to reduce GHG associated with residential buildings, as well as with passenger cars. Indeed, **Ms. Safrankova** demonstrated that a large reduction could be attained on the latter by changing patterns of vehicle use, taking as examples the possibilities of ridesharing, car-sharing and of switching to smaller vehicles. Quoting the [International Resource Panel's last report](#), **Ms. Safrankova** explained that the actions needed can be summarized into three streams; rethink growth creation, recreational activities and transport systems, as well as food systems. **Ms. Safrankova** concluded that business as usual was not an option anymore, as all necessary data was available and the European Green Deal was a very good tool to meet the challenge of the transition.

*Iain Gulland, President, ACR+*

As the president of ACR+, **Mr. Iain Gulland** introduced the organization as an international network of cities and regions with almost 100 members in 23 countries. ACR+ was presented mainly as a support network for stakeholders on the ground, representing the voice of decentralized authorities at the EU and global stage and contributing to shape the EU policy as well, by providing insights of local and regional levels and sharing technical knowledge. In particular, ACR+ supported projects aiming at EU waste

reduction and joined international initiatives working with key sectors. **Mr. Gulland** also represented *Zero Waste Scotland*, where he holds the position of Chief Executive. According to **Mr. Gulland**, *Zero Waste Scotland* played a vital role in helping Scotland deliver results from policies on circular economy and low-carbon infrastructure, as Scotland cut almost half of its emissions since 1988. Furthermore, as carbon footprint is not only a national issue but a global issue, *Zero Waste Scotland* created a tool which measures the whole carbon impact of waste, the carbon metric. **Mr. Gulland** explained that the carbon metric helped target high-intensity carbon waste and efficient reductions, and made industries understand the wider impact of a product. **Mr. Gulland** added that this tool provided a practical opportunity for local authorities to implement strategies which are more carbon-relevant. Finally, **Mr. Gulland** emphasized that the carbon metric also enables the regional actors to compare footprints and can be used to measure waste generation and identify the priority sectors to target.

*Stephane Arditi, Policy Manager on Circular Economy, EEB*

**Mr. Stephane Arditi** presented the European Environmental Bureau as an umbrella organization of 160 members in Europe and beyond. To begin with, **Mr. Arditi** outlined that it was important to connect climate objectives to circular economy, as one of the best ways to tackle climate change emissions was to use fewer primary materials. **Mr. Arditi** insisted that preventing waste was far better for the climate than recycling waste. In addition, **Mr. Arditi** emphasized that, while we had the tools, instruments, and policy experience, changes were not always granted, mentioning cars' batteries as an illustration. **Mr. Arditi** added that the revision of the construction's regulation was also a key element as building was responsible of 50% of the materials' use., **Mr. Arditi** argued that as products are like material banks, they should be designed to last and to be reused, disassembled, repaired and ultimately recycled. **Mr. Arditi** also noted that the idea of a material passport has been first advanced 6 or 7 years ago and was not moving as quickly as needed. Finally, **Mr. Arditi** mentioned that circular economy was also a way to distribute wealth and, in consequence, part of the social agenda. Concluding his intervention, **Mr. Arditi** called for material-related targets set at the EU level and to promote material use prevention over plastic material substitution. Additionally, **Mr. Arditi** recommended incentives for low impact and carbon neutral material in order to secure investments into more circular solutions.

## Discussion with the audience

The first question on the design of products, was addressed to **Mr. Stephane Arditi** who responded that there was too often the idea of a trade-off between sustainability and robustness, whereas both could be combined. **Iain Gulland** agreed with **Mr. Arditi's** response and added that we must focus on better understanding of the life-cycle of materials rather than just making products recyclable. To do so, **Mr. Gulland** underlined the role of educating campaigns and the carbon metric tool in making people realize the impacts of waste. **MEP Mohammed Chahim** also emphasized that the terminology of recycling could be misleading, and life-time extension of products must be preferred over recycling. On the same topic,

**Mr. Arditi** called for a change of mindset when it comes to justify choices, rendering the non-sustainable choices the ones that require justification, rather than when derogating from cheapest option. When asked about the replacement of plastic straw by paper straw, **Stephane Arditi** replied that it was better to choose a material which is reusable, like metal in the case of straws or just stop using straw. Secondly, **MEP Mohammed Chahim** addressed a couple of questions to **Ms. Mink** representing Tetra Pak; on subsidies **Ms. Mink** explained that it would be important to identify the materials and solutions needed to meet the objective of climate neutrality and underline which are the most expensive and therefore require significant investments. On circularity assessment, **Erika Mink** mentioned that the circularity of the material source was as important as the recyclability of materials. The last question on landfill waste limitations was replied by **Mr. William Neale**, who underlined that landfill waste has already been largely tackled within the last Circular Economy Action Plan with a limitation of 10% of landfill and the prohibition of recyclable material. However, **Mr. Neale** admitted that there was still a lot of work on the full implementation of the waste legislation. Last but not least, **Mr. Neale** addressed the products' passport, as it was indeed in discussions for several years, stressing that it will finally be brought into reality with the current Circular Economy Action Plan.