



Field Survey Summary

European industry organizations' position & opinion concerning CEP



Field Survey: Circular Economy Package (CEP) in Europe

- MRI interviewed 6 European industry organizations listed below in the course of field work in Brussels, Belgium as a government project commissioned by Japan's Ministry of Economy, Trade and Industry (METI). The interviews took place between December 7 to December 10, 2015 to explore how the organizations view (analyze) the Circular Economy Package.

Organization	Brief Description
Industrial Minerals Association (IMA)-Europe	IMA-Europe is an umbrella organization which brings together ten European associations specific to individual minerals.
European Organization for Packaging and the Environment (EUROPEN)	EUROPEN is an industry organization presenting the opinion of the packaging supply chain in Europe on topics related to packaging and the environment, without favouring any specific packaging material or system.
EUROCHAMBRES	EUROCHAMBRES is the association of European chambers of commerce and industry.
FEBEM-FEGE	FEBEM-FEGE is a waste management industry association, which is a member of the European Federation of Waste Management and Environmental Services (FEAD)
European Recycling Industries' Confederation (EuRIC)	EuRIC is the umbrella organization for European recycling industries.
European Association of Metals (Eurometaux)	Eurometaux is the association which represents the European non-ferrous metals industry.

**Please note that the following findings are based on what the MRI project members understand from the interviews and not their official position.*

Summary of Findings 1/2

The study found that Manufacturers and SMEs tend to call for voluntary approaches, whereas recycling and waste process companies tend to call for ensuring effectiveness of policies and further incentives.

- a. Position and opinion concerning the CEP
 1. Agree CEP concept basically
 2. Acknowledge there are some issues on CEP effectiveness
 3. Express concern about stricter regulations (primary resource manufacturers, product manufacturers and SMEs)
 4. Call for voluntary policies based on market (primary resource manufacturers, product manufacturers and SMEs)
 5. Welcome product design approach (recycling and waste process companies)
 6. Watch next move over quality standards for secondary materials as well as End-of -Waste (EoW) criteria (recycling and waste process companies)
- b. Possible job creation and increasing competitiveness
 1. Acknowledge that efforts of CEP will create new business opportunities such as sharing economy (each organization)
 2. Indicate job creation in the recycling industry but not other industries
- c. Policy direction for product manufacturing and consumption
 1. Wait for details of Ecodesign Working Plan (2015 - 2017)
 2. Point out that cooperation between manufacturers and recyclers is crucial for recyclability
 3. Recognize pilot project of Product Environmental Footprint (PEF) as a voluntary approach
 4. Indicate that PEF is too complicated as a communication tool to all customers

Summary of Findings 2/2

- d. Efforts to be taken by businesses
 - 1. Have a high recognition that dialogue with stakeholders of value chain is beneficial and will be important .
- e. Considerations regarding waste management & secondary raw materials (SRM)
 - 1. Point out that the term, *secondary raw materials*, does not have a clear definition
 - 2. Have a view that there are different need according to value chain
 - 3. Acknowledge that even EoW contributes to promotion of recycling, but point out that quality management for recycling is important
 - 4. Point out that there is a need for incentives including tax break and public procurement to create the SRM market
 - 5. Appreciate that revised legislative proposal on waste clarifies definition of recycling rate as well as its calculation method
 - 6. Point out that there are challenges in implementing the revised legislative proposal on waste
 - 7. Point out that it is difficult to collect/provide data concerning chemicals management in terms of recycling and waste management
- f. Material security in CEP
 - 1. Wait for the European Commission's proposition on how to ensure critical materials
 - 2. Acknowledge that measures for materials which are difficult to procure from non-EU countries are essential

1. IMA-Europe

- IMA-Europe provides sector-based representation for industrial minerals, especially at EU institutional level.

Category		Position and Opinion
Product design	Ecodesign promotion	<ul style="list-style-type: none"> • IMA-Europe is ready to cooperate with manufactures as their primary raw material supplier in order to ensure better recyclability. <u>Taking a value chain approach is important.</u>
Production process	Best practice promotion	<ul style="list-style-type: none"> • IMA-Europe actively works on resource recovery from waste generated in mining process (mining waste). Our members are interested in mining waste because they can make profits from it.
Consumption	Reliable information (fair business practice)	<ul style="list-style-type: none"> • <u>The outcome of PEF is expected to be harmonized European methodology for existing various labels as well as an integrated approach at the entire value chain.</u> Currently participation in this program is on a voluntary basis as the pilot phase.
	Green public procurement (GPP)	<ul style="list-style-type: none"> • n/a

**Please note that the following findings are based on what the MRI project members understand from the interviews and not their official position.*

1. IMA-Europe

Category		Position and Opinion
Waste management	Higher recycling target	<ul style="list-style-type: none"> • IMA-Europe recognizes that it has no direct impact.
	Voluntary certification for disposal facilities	<ul style="list-style-type: none"> • n/a
	Minimum requirement EPR requirements	<ul style="list-style-type: none"> • n/a
Recyclable materials	Quality standards for secondary raw materials (SRM)	<ul style="list-style-type: none"> • Although standards for SRM are interesting, <u>the SRM market is not working at this stage. Establishing this market is needed.</u> • The recycling industry of certain material will be naturally created if this material has a market. • <u>A level playing field for both primary and secondary raw materials needs to be prepared.</u> • In order for SRM to meet certain standards, primary materials are essential.
	Measures for chemical substances	<ul style="list-style-type: none"> • n/a
Overall	New business models	<ul style="list-style-type: none"> • It is uncertain that how many jobs are created by new models.
	Development & investment promotion	<ul style="list-style-type: none"> • Innovation may not catch up with the market speed. • EU funds will be a bridge between academic researches and market-based ones.
	Monitoring by multiple indicators	<ul style="list-style-type: none"> • IMA-Europe welcomes <u>composite indicators are proposed</u> rather than a single leading indicator.

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2. EUROOPEN

- EUROOPEN is open to any company with an economic and sustainability interest in packaging and packaged products. Its members are comprised of multinational corporate companies spanning the packaging supply chain (raw material producers, converters, packers/fillers and brand owners) plus national packaging associations all dedicated to resolving the environmental challenges facing the packaging supply chain in an active and co-operative manner

Category		Position and Opinion
Product design	Ecodesign promotion	<ul style="list-style-type: none"> • EUROOPEN does not get involved in the mandatory requirements since the scope of the Ecodesign Directive includes energy using products (EuPs) as well as energy related products (ErPs). • As for plastics, light weighting has more economic advantage /incentives rather than recycling (different from metals). <u>While recyclability is placed an emphasis in this discussion, recyclability is only one topic and should not be always focused on.</u>
Production process	Best practice promotion	<ul style="list-style-type: none"> • n/a
Consumption	Reliable information (fair business practice)	<ul style="list-style-type: none"> • There is not a standardized labelling yet.
	Green public procurement (GPP)	<ul style="list-style-type: none"> • n/a

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2. EUROOPEN

Category		Position and Opinion
Waste management	Higher recycling target	<ul style="list-style-type: none"> Waste-related targets are now more realistic. EUROPEN concerns that <u>reuse has been taken into account</u> to meet recycling targets, as reuse is difficult topic for packaging.
	Voluntary certification for disposal facilities	<ul style="list-style-type: none"> n/a
	Minimum requirement EPR requirements	<ul style="list-style-type: none"> Minimum requirement for EPR are key to ensure transparency and accountability in EPR schemes.
Recyclable materials	Quality standards for secondary raw materials (SRM)	<ul style="list-style-type: none"> Establishing standards is essential. End of Waste (EoW) criteria at EU are going to be standardized. In plastics, criteria for PET might be the start of development of criteria.
	Measures for chemical substances	<ul style="list-style-type: none"> n/a
Overall	New business models	<ul style="list-style-type: none"> While new business models expect to be developed in the EU, the sharing economy and other schemes may lead to an employment decline in manufacture side.
	Development & investment promotion	<ul style="list-style-type: none"> n/a
	Monitoring by multiple indicators	<ul style="list-style-type: none"> n/a

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3. EUROCHAMBRES

- EUROCHAMBRES is the association of European chambers of commerce and industry, which represents over 20 million businesses in Europe. More than 93% of these businesses are small and medium sized enterprises (SMEs)

Category		Position and Opinion
Product design	Ecodesign promotion	<ul style="list-style-type: none"> • Although the requirements applicable are energy-related under the current Ecodesign Directive, if the scope of the Directive <u>extends to <i>recyclability, durability</i> and <i>reparability</i> of the products, SMEs will have a hard time to deal with it.</u>
Production process	Best practice promotion	<ul style="list-style-type: none"> • As for industrial symbiosis, participation of big businesses will have an impact. Although SMEs will benefit from it, the large corporation's initiative is still needed.
Consumption	Reliable information (fair business practice)	<ul style="list-style-type: none"> • EUROCHAMBRES agrees the PEF if participation of the measure is <u>on a voluntary basis</u>. • There is concern that all value chain analysis done by large corporations may call for SMEs' involvement.
	Green public procurement (GPP)	<ul style="list-style-type: none"> • The association is skeptical about the green procurement. Setting mandatory requirements for <u>public procurement could lead to market distortion</u>. However, to make information provision mandatory is fine.

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3. EUROCHAMBRES

Category		Position and Opinion
Waste management	Higher recycling target	<ul style="list-style-type: none"> Recycling and landfill targets became more practical levels.
	Voluntary certification for disposal facilities	<ul style="list-style-type: none"> n/a
	Minimum requirement EPR requirements	<ul style="list-style-type: none"> EUROCHAMBRES is concerned about the minimum requirement for EPR because the it has not taken a concrete shape yet.
Recyclable materials	Quality standards for secondary raw materials (SRM)	<ul style="list-style-type: none"> The association is in favor of the description concerning secondary raw material and asks European Commission to formulate the quality standards.
	Measures for chemical substances	<ul style="list-style-type: none"> n/a
Overall	New business models	<ul style="list-style-type: none"> n/a
	Development & investment promotion	<ul style="list-style-type: none"> EUROCHAMBRES welcomes the EU research and innovation funding program such as Horizon 2020.
	Monitoring by multiple indicators	<ul style="list-style-type: none"> n/a

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4. FEBEM-FEGE

- FEBEM-FEGE represents Belgian soil cleansing companies, private companies that collect, sort, treat, recycle or process waste and also companies creating energy out of biomass-waste, whose member companies are approximately 200 companies.

Category		Position and Opinion
Product design	Ecodesign promotion	<ul style="list-style-type: none"> • Even if FEBEM-FEGE has been working on promotion of recyclability, it should be reminded that <u>it does not make sense if used products/wastes can not be collected</u>. Logistics for separate collection of waste are also essential. • More awareness at design phase needs to be raised.
Production process	Best practice promotion	<ul style="list-style-type: none"> • Multiple industrial symbiosis projects are being implemented. In the most cases, involvement of a third party who connects waste treatment companies and manufacturers can be seen.
Consumption	Reliable information (fair business practice)	<ul style="list-style-type: none"> • While the idea of PEF and other initiatives are fine, member states' governments need to decide on which issue will be put their priorities on.
	Green public procurement (GPP)	<ul style="list-style-type: none"> • GPP scheme should be utilized in order to increase the use of SRM.

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4. FEBEM-FEGE

Category		Position and Opinion
Waste management	Higher recycling target	<ul style="list-style-type: none"> • Although lower recycling targets are disappointing, the targets became more realistic for member states whose recycling are not progressing. • <u>Since a goal setting is a push policy, it is necessary to consider along with pull market to promote recycling. It would have been better if rate of recycled material use were set.</u>
	Voluntary certification for disposal facilities	<ul style="list-style-type: none"> • n/a
	Minimum requirement EPR requirements	<ul style="list-style-type: none"> • n/a
Recyclable materials	Quality standards for secondary raw materials (SRM)	<ul style="list-style-type: none"> • <u>Quality, quantity and price are key to create a market for secondary raw materials.</u> Quality management and stable supply are also required. • Utilization of GPP and tax system to promote recycled SRM is needed. The entire value chain needs to work together.
	Measures for chemical substances	<ul style="list-style-type: none"> • One of challenges in the waste management field is traceability of chemicals. Discussions on how to handle them in the circular economy are still underway because there are a number of issues to be addressed.

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4. FEBEM-FEGE

Category		Position and Opinion
Overall	New business models	n/a
	Development & investment promotion	n/a
	Monitoring by multiple indicators	n/a

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5. EuRIC

- EuRIC was founded in 2014 by three long-standing European Federations, namely: the European Ferrous Recovery and Recycling Federation (EFR); the European Recovered Paper Association (ERPA); the European Metal Trade and Recycling Federation (EUROMETREC). EuRIC represents 5,500 recycling companies active in Europe.

Category		Position and Opinion
Product design	Ecodesign promotion	<ul style="list-style-type: none"> • EuRIC continues to work closely with manufacturing industry since recyclability is important for recycling companies. Calculation methods applied to all products are impractical so categorized ones will be prepared.
Production process	Best practice promotion	<ul style="list-style-type: none"> • n/a
Consumption	Reliable information (fair business practice)	<ul style="list-style-type: none"> • Segregation of waste is crucial at the consumption stage.
	Green public procurement (GPP)	<ul style="list-style-type: none"> • GPP scheme should be utilized in order to increase the use of SRM.

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5. EuRIC

Category		Position and Opinion
Waste management	Higher recycling target	<ul style="list-style-type: none"> • Targets are still challenging for some EU member countries. • Recycling rate should be calculated after first sorting at recycling plants.
	Voluntary certification for disposal facilities	<ul style="list-style-type: none"> • n/a
	Minimum requirement EPR requirements	<ul style="list-style-type: none"> • It is an issue that member states have various EPR schemes. Transparency, costs and targets should be harmonized. • EPR is valuable. Therefore, each waste stream should have different requirements.
Recyclable materials	Quality standards for secondary raw materials (SRM)	<ul style="list-style-type: none"> • Incentives including a tax cut and green public procurement are important as a measure to expand the secondary raw materials market. • In addition to simplified waste transfer procedures, it is important for EU to make its standards and criteria global ones.
	Measures for chemical substances	<ul style="list-style-type: none"> • n/a
Overall	New business models	<ul style="list-style-type: none"> • n/a
	Development & investment promotion	<ul style="list-style-type: none"> • Although there are EU funding programs, taking an initiative by private companies is the best way.
	Monitoring by multiple indicators	<ul style="list-style-type: none"> • n/a

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6. Eurometaux

- Eurometaux is the association of the European non-ferrous metals industry. Its policy priority issues are sustainable material procurement as well as consumption, recycling, climate change, energy and trade.
- The association is comprised of 12 nations' non-ferrous metal industry organizations, metal industry organizations and 21 non-ferrous smelting companies.

Category		Position and Opinion
Product design	Ecodesign promotion	• Among others, <u>increasing recyclability</u> is important.
Production process	Best practice promotion	• Eurometaux expresses concern about increased workload in the production processes of recyclable materials resulting from possible EU risk management legislation.
Consumption	Reliable information (fair business practice)	• Communication with consumers is important. Their understandings on how to use products and how to recycle are necessary.
	Green public procurement (GPP)	• n/a

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6. Eurometaux

Category		Position and Opinion
Waste management	Higher recycling target	<ul style="list-style-type: none"> Recycling targets are not very ambitious. Eurometaux applauds EU clarification of when to calculate recycling rates.
	Voluntary certification for disposal facilities	<ul style="list-style-type: none"> <u>Mandatory EU certification scheme applicable to certain waste streams such as WEEE and batteries needs to be addressed.</u>
	Minimum requirement EPR requirements	<ul style="list-style-type: none"> Rules need to be clarified and standardized and how to set them will be an issue.
Recyclable materials	Quality standards for secondary raw materials (SRM)	<ul style="list-style-type: none"> In order to ensure a fair competition, requirements for quality standards need to be standardized. <u>Eurometaux has an interest in quality standards for WEEE's SRM.</u>
	Measures for chemical substances	<ul style="list-style-type: none"> Stricter chemicals management rules could discourage the progress of management of complex composition of waste.
Overall	New business models	<ul style="list-style-type: none"> n/a
	Development & investment promotion	<ul style="list-style-type: none"> Although there are EU funding programs, taking an initiative by private companies is the best way.
	Monitoring by multiple indicators	<ul style="list-style-type: none"> n/a

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