



## EU Circular Economy Package: Questioning the reasons for withdrawal

The proposal by the European Commission to withdraw the Circular Economy Package from its 2015 Work Programme has produced a worrying climate of uncertainty. The arguments given for proposing the withdrawal call into question the legality, substance and democracy of the decision<sup>1</sup>.

In short, we call on the European Commission to:

- 1) allow the current version of the circular economy package to follow the democratic co-decision process and address any improvements needed. **Considering the loud condemnation of the withdrawal by both the Parliament and the Council, a withdrawal of this proposal by the Commission would be undemocratic.**
- 2) Increase the level of ambition in a potential new proposal, should it unilaterally decide to withdraw the current one: increase number of jobs created, the environmental benefits to be gained, the cost savings to the public purse and the revenue to the repair and recycling sector. **Any new proposal must provide nothing less than the benefits of the current proposal.**

Furthermore, in the absence of any final formal decision by the Commission on its work programme, or any clear announcement on when it will do so, we **present below the reasons given by the Commission for its withdrawal along with our counter-arguments.**

### ***1. The Circular Economy Package does not fit with the new jobs and growth agenda.***

The **current waste proposal** has clear economic, social and environmental benefits at its core. The impact assessment estimates the creation of **580,000 jobs**, the increase in annual turnover of the EU waste management and recycling sector by €42 billion, savings of **€72 billion** a year in waste management costs and a **27.5% reduction in marine litter** by 2030. This would improve competitiveness of EU waste management and recycling sectors, and provide greater resource security with secondary raw materials being re-injected into the economy<sup>2</sup>. In addition, between **146 and 244 million tons of GHG emissions could be avoided** by 2020 through reinforced application of the waste hierarchy, representing between 19-31% of the 2020 EU target<sup>3</sup>.

These changes lead on from the Commission's 2011 Raw Materials Communication and Resource Efficiency Roadmap, which highlight that, as worldwide demand for raw materials increases, greater

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<sup>1</sup> Avosetta Group: The True Face of Better Regulation Regarding Environmental Policy available online [here](#)

<sup>2</sup> <http://ec.europa.eu/environment/circular-economy/>

<sup>3</sup> [http://ec.europa.eu/smart-regulation/impact/planned\\_ia/docs/2014\\_env\\_005\\_waste\\_review\\_en.pdf](http://ec.europa.eu/smart-regulation/impact/planned_ia/docs/2014_env_005_waste_review_en.pdf)

efforts are necessary to boost recycling, reuse and repair in order to reduce the pressure on demand for primary raw materials, and reduce energy consumption and GHGs from extraction and processing.

Finally, the streamlining of present legislation would allow for increased legal certainty and make recycling legislation more easily enforceable, lifting regulatory and administrative burdens for SMEs as stated in a previous analysis by the Commission<sup>4</sup>.

## ***2. There would be 'no foreseeable agreement' between the European Parliament and the European Council.***

The Circular Economy Package fulfils obligations already agreed upon in the 7<sup>th</sup> Environmental Action Programme (EAP), adopted by the Council, the Parliament and the Commission in 2013. Within the 7th EAP the three institutions call for full implementation of existing waste legislation, the need for additional efforts to reduce waste generation and limiting landfilling and energy recovery to residual waste, while moving towards a lifecycle-driven 'circular' economy, with residual waste close to zero.

The reactions from MEPs and member states opposing the withdrawal, suggests that an agreement would have been reached, and that **both institutions were eager to work further on the proposal**. The threat of withdrawal has led a group of leading EU lawyers to state that "from a democratic point of view, **it would be odd that an executive agency is able to depart so easily and so significantly from the Union lawmaker's 2013 policy goals**" and that "a definitive withdrawal from existing proposals would run counter to the general legal principle of loyal cooperation."

## ***3. EU law needs to be simplified***

One of the stated objectives of the proposal is to simplify waste legislation. The proposal as it stands simplifies definitions, identifies one methodology instead of four and combines several directives into one in order to avoid confusion and administrative burdens. Therefore, any new circular economy proposal must not halt the already-started streamlining exercise of the current package.

## ***4. European citizens want change as demonstrated by the election results. Therefore, the EU needs to focus on the big things that matter: jobs, growth and fairness in our societies.***

It is true that the European election results signalled a desire for things to be different. However there is no evidence that citizens want a cut back on environmental laws. The Eurobarometer poll 416<sup>5</sup> conducted over the period Europe was going to the elections (mid 2014) showed that 74% of Europeans believe that environmental protection can boost economic growth, and 56% believe that the EU is not doing enough to protect the environment. The more recent Flash Eurobarometer 388<sup>6</sup> from June 2014 also highlighted that 86% of people think that the impact of more efficient resource use would be positive on the quality of life, bring economic growth (80%), as well as on employment opportunities in their country (78%). Most of them consider that reducing waste and sorting recyclable waste at home (51%) and in industry and construction (50%) would make the biggest difference.

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<sup>4</sup> [http://ec.europa.eu/smart-regulation/impact/planned\\_ia/docs/2014\\_env\\_005\\_waste\\_review\\_en.pdf](http://ec.europa.eu/smart-regulation/impact/planned_ia/docs/2014_env_005_waste_review_en.pdf)

<sup>5</sup> [http://ec.europa.eu/public\\_opinion/archives/ebs/ebs\\_416\\_sum\\_en.pdf](http://ec.europa.eu/public_opinion/archives/ebs/ebs_416_sum_en.pdf)

<sup>6</sup> [http://ec.europa.eu/public\\_opinion/flash/fl\\_388\\_en.pdf](http://ec.europa.eu/public_opinion/flash/fl_388_en.pdf)

**Withdrawal of the Circular Economy Package from the current co-decision process makes no sense and constitutes a huge waste of the Commission's, Council's and Parliament's resources.**