

Closing the Loop: European Circular Economy Package to Improve Waste Management

IN SHORT

The Situation: The European Circular Economy Package ("CEP") was published in the Official Journal of the European Union on June 14, 2018. The CEP's purpose is to ensure the European Union's transition to a circular economy.

The Result: According to the European Commission, the CEP should "help European businesses and consumers to make the transition to a stronger and more circular economy where resources are used in a more sustainable way."

Looking Ahead: The European Union is likely to adopt additional regulations to complete the CEP. Member States' implementation of the CEP by July 5, 2020, should limit existing wide disparities in waste management among Member States.

On June 14, 2018, four amending Directives that constitute the European CEP were published in the Official Journal of the European Union. The European CEP's intent is to ensure the European Union's transition to a circular economy. As opposed to the typical linear economy—in which resources are created, used, and disposed—a circular economy is one in which resources are used for as long and as productively as possible, and at the end of their useful life, their products and materials are recovered and regenerated.

The European CEP includes:

- Directive 2018/849 of May 30, 2018, amending Directives 2000/53/EC on end-of-life vehicles; 2006/66/EC on batteries and accumulators and waste batteries and accumulators; and 2012/19/EU on waste electrical and electronic equipment;
- Directive 2018/850 of May 30, 2018, amending Directive 1999/31/EC on the landfill of waste;
- Directive 2018/851 of May 30, 2018, amending Directive 2008/98/EC on waste; and
- Directive 2018/852 of May 30, 2018, amending Directive 94/62/EC on packaging and packaging waste.



In order to facilitate the move to a European circular economy and reach a high level of resource efficiency, the European Circular Economy Package imposes several ambitious targets.



New Targets

In order to facilitate the move to a European circular economy and reach a high level of resource efficiency, the CEP imposes several ambitious targets:

- Fifty-five percent of municipal waste must be prepared for re-use and recycling by 2025, 60 percent by 2030, and 65 percent by 2035.
- The amount of municipal waste landfilled must be reduced to 10 percent or less of the total amount of municipal waste generated by 2035.
- As of 2030, all waste suitable for recycling or other recovery, in particular in municipal waste, must not be accepted in a landfill, excepted for waste for which landfilling delivers the best environmental outcome.
- The total amount of recycled packaging waste must be at 65 percent by 2025 and 70 percent by 2030. Member States can ask for derogations to the EU Commission under certain circumstances.
- Specific minimum targets for recycling some materials contained in packaging waste (plastic, wood, ferrous metals, aluminum, glass, paper, and cardboard) are imposed.
- By December 31, 2023, Member States must ensure that biowaste is either separated and recycled at source or is collected separately and not mixed with other types of waste.

Development of the Extended Producer Responsibility

According to Directive 2018/852, by the end of 2024, Member States will have to implement an extended producer responsibility ("EPR") for all packaging, not only for household packaging.

The European CEP encourages the development of EPR schemes and provides for harmonized minimum requirements in order to reduce disparities among Member States. Thus, Directive 2018/851 charges Member States to clearly define the roles and responsibilities of producers placing products on the market.

Transition to a Circular Economy

Although the main objective of the circular economy is to cover all phases of the product's life cycle, from production and consumption to waste management, the European CEP is focused on waste. The four Directives have been built on the following principle: "Waste management in the Union should be improved, with a view to protecting, preserving and improving the quality of the environment, protecting human health, ensuring prudent, efficient and rational utilization of natural resources and promoting the principles of the circular economy."

The European CEP sets ambitious targets but does not contain any provision on the planned obsolescence or binding target on food waste, contrary to some Member States' regulation.

For example, in France, the circular economy legislation provides that planned obsolescence is an offense punishable by a maximum two-year imprisonment and a fine of €1.5 million (or up to 5 percent of annual revenue). It also bans supermarkets from throwing away or destroying unsold food, requiring them instead to donate it to charities and food banks.

In United Kingdom, after the Clean Growth strategy (October 2017) and the 25-year plan to improve the natural environment (January 2018), a new waste strategy will be introduced this year to achieve zero avoidable waste strategy by 2050. The strategy will set out the government's approach to reducing waste, promoting markets for secondary materials, incentivizing producers to design better products, and considering how to better manage materials at the end of their useful life.

Germany has comparatively strict recycling laws that include biowaste. In 2017, the European Commission confirmed that Germany has achieved, thanks to its innovative approaches, a high recycling rate of municipal waste. Still, Germany has not yet taken specific regulatory measures to reduce food waste.

It will be interesting to closely monitor the adoption of other similar measures in the pipeline, such as the [proposal of a Directive on Single Use Plastic Products](#) and the implementation of the Member States' implementation of the CEP by July 5, 2020, which should limit the current wide disparities among Member States in waste management.

TWO KEY TAKEAWAYS

1. The European CEP, which encompasses four amending Directives, focuses on waste management strategies, and it should help ensure that European businesses and individuals use resources in a more sustainable way.
2. EU Member States must now comply with ambitious compliance targets, in particular for recycling, and will need to harmonize their approaches to waste management across the European Union.



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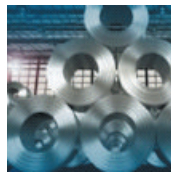
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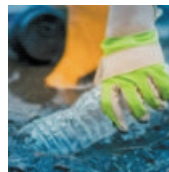
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