

ACR+ position paper on the Circular Economy Package

In the current climate of uncertainty regarding the future of the EC Circular Economy Package, ACR+ board of directors reaffirms its position and conviction that circular economy strategies are the way towards resource efficiency. Thus, the following statements have been unanimously approved.

ACR+ welcomes the European Commission's Circular Economy Package and supports the campaign to make all actors of the value chain aware of the need to abandon the current linear economic model. Producers, consumers, retailers, decision-makers and all other stakeholders should aim to accelerate the transition to circular economy, towards a more resource-efficient Europe.

We feel that a **framework supporting circular economy** should be created. Consequently, ACR+ is convinced that:

- The “Multi-R” approach helps structure circular economy;
- Circular economy must be combined with the development of territorial economies (if territoriality is designed at multiple scales, it must first translate into short-circuit actions);
- Efficient circular economy will emerge from the implementation of both bottom-up initiatives and top-down approaches. By bottom-up initiatives we understand concrete activities involving local organisations which look for synergies with partners at the same level or which wish to extend or diversify their activities; the top-down approaches include coordination and planning in order to facilitate connections between lower level actors;
- Local and regional authorities are key actors in this shift and should develop territorial circular economy strategies focusing on measures to promote material resources savings and the safeguard of human well-being;
- Circular economy strategies should be based on a shared governance in which each actor of the value chain should be allowed to be part of the decision-making power.

Furthermore, **ACR+ welcomes the “waste package”** (COM(2014) 397 final) and its legislative modifications aiming to:

- Increase the rates of municipal waste and packaging recycling and reduce the landfilling of certain waste;
- Introduce an early warning system for monitoring compliance with the recycling targets;
- Set minimum legal requirements for Extended Producer Responsibility;
- Standardise definition and calculation methods.

Specifically, ACR+ welcomes the new targets. Ambitious targets give public authorities at national, regional and local level the possibility to better secure their investment, as well as to choose the infrastructure in a more efficient way.

Nevertheless, ACR+ regrets that the first level of the waste hierarchy, i.e. prevention, has not been strongly addressed; no legal binding instrument has been introduced (e.g. a compulsory prevention target or “take-back” schemes for certain products), with the exception of food waste (reduce food waste generation by 30% by 2025). We feel that, in a circular economy system, **prevention both quantitative and qualitative should be a priority.** Examples in certain Member States such as France show that a global prevention target (7% reduction in municipal waste) is in fact feasible.

What is more, it is our opinion that a prevention target limited to food waste should be at least related to a **target for reducing packaging.**

Moreover, the issue of **eco-design of products and services** could also be better addressed, in particular through public procurement and fiscal measures, as it is a key element for more sustainable production and consumption.

We would also like to stress that including **preparation for reuse** in the recycling target is not an incentive for reuse itself.

Economic incentives should be supported, such as close to zero VAT rates for reuse, repair and preparation for reuse or tax allowances for businesses that repair goods and/or promote reuse.

The **PAYT system** should become a standard practice, and it should be promoted as such.

The legislative proposal plans to increase recycling-reuse of municipal waste to 70% in 2030, increase packaging waste recycling/reuse to 80% in 2030, and phase out landfilling by 2025 for recyclable waste. **These targets are crucial** and must be preserved and supported by all actors of the value chain, who, in turn, must find the most effective method of reaching them.

ACR+ welcomes the **phasing out of landfilling** but also draws the attention to the fact that landfilling must not be simply replaced by incineration.

In the perspective of a circular economy, recycling targets should not only relate to municipal waste but also to **commercial and industrial waste** of the same nature.

Finally, it is felt that a separate recycling **target for bio-waste** should be introduced.