

ACR+ position paper on the New Circular Economy Action Plan

The Association of Cities and Regions for sustainable Resource management (ACR+) welcomes the European Commission's landmark "New Circular Economy Action Plan" (CEAP). The present position paper summarises our network's stance on the proposed plan and our interpretation of its implications for local and regional public authorities.

General observations concerning the new CEAP

ACR+ commends the fact that the new CEAP stresses the importance of the producer responsibility principle as an instrumental approach to managing product value chains across the board.

We also appreciate the emphasis that the plan places on prevention, which should underpin all circular economy efforts, and the right to repair. For instance, we applaud the recommendations regarding the setting of waste reduction targets for complex waste streams and the revision of the existing legislation concerning specific product value chains to place more importance on prevention. In order to put these suggestions into practice, we encourage the European Commission to set ambitious, yet feasible prevention targets in the near future. Common measurement tools and a strong monitoring framework need to be established alongside circular economy targets in order for them to be meaningful.

As far as production is concerned, we praise the fact that the proposed plan covers a wide range of product value chains. ACR+ supports the proposal to have mandatory recycled content rules where applicable (e.g.: for vehicles, batteries, construction material, packaging, plastics, etc.) in order to encourage secondary raw material markets. We also recommend that adequate binding targets be specifically set not only for municipal waste, but also for industrial and commercial waste, together with clear calculation methods.

The importance of digitalisation to the development of circular business models and of materials and product databases is another welcome addition to the plan. However, ACR+ recommends that the decision-making process about its incorporation into circular economy solutions take into account the environmental impact of digital platforms and similar services. In order for this to be possible, the environmental impact of digitalisation needs to be clearly measured and communicated.

The new CEAP makes manifest the fact that consumers need to be empowered to make sustainable choices through access to clear information (e.g. green labels), repair kits, and other tools. ACR+ is convinced that important work remains to be done on embedding systems thinking and sustainability in education and training in order to sensitise consumers in general and the young generation in particular to these topics.

Green public procurement (GPP) is a very good instrument to nudge businesses towards circularity, yet remains very difficult to apply in a competitive market. ACR+ insists on the need to have minimum

mandatory criteria and hopes that the European Commission will soon incorporate minimum mandatory GPP criteria and targets in the legislation governing different economic sectors.

Looking ahead

While the new CEAP is a meaningful step in the right direction, the plan will only be as strong as the sum of its parts, all of which are to be agreed upon in the coming months and years.

ACR+ welcomes the clear connection that the CEAP makes with the European regional and social funds, as well as with the cohesion policy, which are some of the main levers that local and regional authorities have to steer local economies. Our *raison d'être* has always been to empower decentralised public authorities to take advantage of their unique position in society in order to act as 1. facilitators and pioneers of best practices and behaviours in resource management and circular economy; and 2. regulators that can steer markets and citizens towards sustainable production and consumption.

Through the new CEAP, the European Commission is giving a new sense of urgency to the importance of upscaling best practices in circular economy. There are many examples of innovative solutions that save money and resources at the local level in the EU. It is now time for these practices to become standard practices throughout the bloc.

The measures stipulated in the new CEAP are promising. As ACR+, we encourage the European Commission to enshrine them into binding rules as soon as possible.