Reloading the Circular Economy Package: Germany’s perspectives and expectations

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Towards a circular economy: A zero waste programme for Europe
“Resource Efficiency or Productivity“

How to use resources in a rational / economic way

Economic principle: With as few resources (input) a given fixed target (output) to achieve.

or

With given fixed resources (input) maximum benefit (output) to achieve.

Individually
Enterprises
Administrations
National / global Economy
„Circular Economy“

How to turn waste into a resource and bring it back into the economic cycle

- Separate collection
- Preparation for re-use
- Sorting
- Recycling
- Other recovery operations incl. Waste-to energy
- Disposal (i.a. landfilling)
- ...
Resource efficiency

More efficient production
High quality products
Rational consumption

Circular Economy

Recovery and Recycling

Environment

Primary material

Production

Consumption

Wastes

Emissions
Resource efficiency

- **World's population** is increasing rapidly:
  - higher demand for energy and raw materials;
  - Solutions must be found to this growing demand for resources within the planetary boundaries;

- **Resource efficiency** comprises economic, social and ecological aspects which must be addressed together:
  - key field of action for sustainable development policy, both at national level and in European and international cooperation;

- **Resource Efficiency** helps to meet global responsibility for ecological and social impacts of resource use;

- **Resource efficiency** is seen to generate synergies and innovations which also save natural resources, secure jobs and possibly even lower costs; *(In its package of communications on resource efficiency and the circular economy the Commission stresses the economic potential of resource efficiency, referring to impressive studies which indicate that by 2030 resource efficiency measures could create two million new jobs in Europe and boost economic growth by one percentage point.)*

- **Resource efficiency** cuts costs for businesses, limits negative environmental impacts and leads to lower energy consumption.
• German government laid down **targets** for saving natural resources to protect all aspects of the environment, to reduce land sealing, conserve biological diversity and use resources more sustainably -> sustainability as a fundamental principle of German policy!

• **21 indicators** to measure effectiveness
• Targets attached to most indicators
• Bi-annual progress reports

• By 2020 Germany wants to **double raw material productivity** compared to 1994 (target explicitly included in Coalition Agreement);

• National Program on Resource Efficiency (**ProgRess**) since February 2012:
German government is striving:

- to decouple economic growth as far as possible from resource use and environmental impacts,
- to reduce the burden on the environment and to strengthen the sustainability and competitiveness of the German economy,
- thus promoting stable employment and social cohesion;
- to make extraction and use of natural resources more sustainable and
- to reduce associated environmental pollution as far as possible;

Analysis of further potential of prospective measures along the entire value chain;
Exploration of additional indicators and targets;
Evaluation and updated version of ProgRess until beginning of 2016.
Proposal of July 2014:

- No sufficient Impact Assessment
- No previous communication with Member States
- Unpractical and unachievable targets
- Legally insufficient
- No sufficient tools
- Not respecting subsidiarity
- Less duties, but more power to COM
- More bureaucracy for companies and administrations

Nevertheless regret over withdrawal!   Bad political signal!
Two political postulations:

1. Change of Calculation method

2. Increase of target from 50% to 70%

With the new Calculation method it is technically impossible to reach 70%!

(realistic would be 30%)
Indicators are a tool to compare situations in different periods of time or regions!

Indicators and quantitative targets are not a tool to achieve environmental goals!

The right tools to achieve goals are:

• Duties (Polluter-Pays-Principle and BAT !!!)
• Knowledge-transfer
• Support
• Incentives
• Sanctions
Financing of Circular Economy
(in general)

Charges / Fees / Tips

Waste – Generators
Polluter Pays Principle
(Art. 14 WFD)

Producers

Ext. Producer Responsibility

Waste Management

Secondary resources / energy

Markets

State/Municipality
Subsidies (from general taxes)
What we expect

„Waste legislation“

• A better, practical, achievable proposal
• Taking account of the different situations in Member States
• Previous participation / communication with experts from Member states
• Clear definitions
• Duties to implement the Polluter Pays Principle (Fee and price systems)
• Attention to the relation between amount and quality of recycled material (possibly different approaches for different waste streams)
• Strategy for Critical Raw Materials
• Qualitative restrictions for landfilling
• Maintain the existing recycling target / calculation method and supplement it with an efficiency (input-output) indicator (possibly with a voluntary target)
What we expect

„Accompanying program (roadmap)“

- Knowledge transfer (Twinnings, workshops, guidelines)
- Support (incentives, financial instruments, fonds ...)
- Regular involvement of Member states in development of strategies
- Information exchange and constructive discussion between Member states, and Commission
- Development of indicators and targets for Resource efficiency
Thank you very much for your attention