

# View from Europe: waste as a resource - *European Green Deal, Recycling Performances & the FEAD Role*

Estonian Circular Economy Industries Association - Annual Conference, Estonia

28 October 2020

*A presentation by Peter Kurth,*

President of the European Federation of Waste Management and Environmental Services (FEAD)

# Introduction to FEAD

## Introduction

# What our industry does for Europe

- FEAD is the EU private waste management association
- Local, innovative, sustainable jobs: up to 400 000 jobs in the waste management sector (EC Commission)
- 5 Bn EUR/year investment in collection and waste management facilities
- Secondary raw materials provided to the manufacturing sector
- A key role in climate protection through prevention of GHG emissions (recycling + W-to-E from non recyclable waste)



**20**

National Waste  
Management federations



**3.000**

Private waste  
management companies



**320.000**

Employees  
In total



**2.400**

Recycling and  
Sorting centres



**900**

Controlled  
landfills



**1.100**

Composting  
sites



**260**

Waste-to-energy  
Plants



**5 billion**

Euros In Investments  
Per year

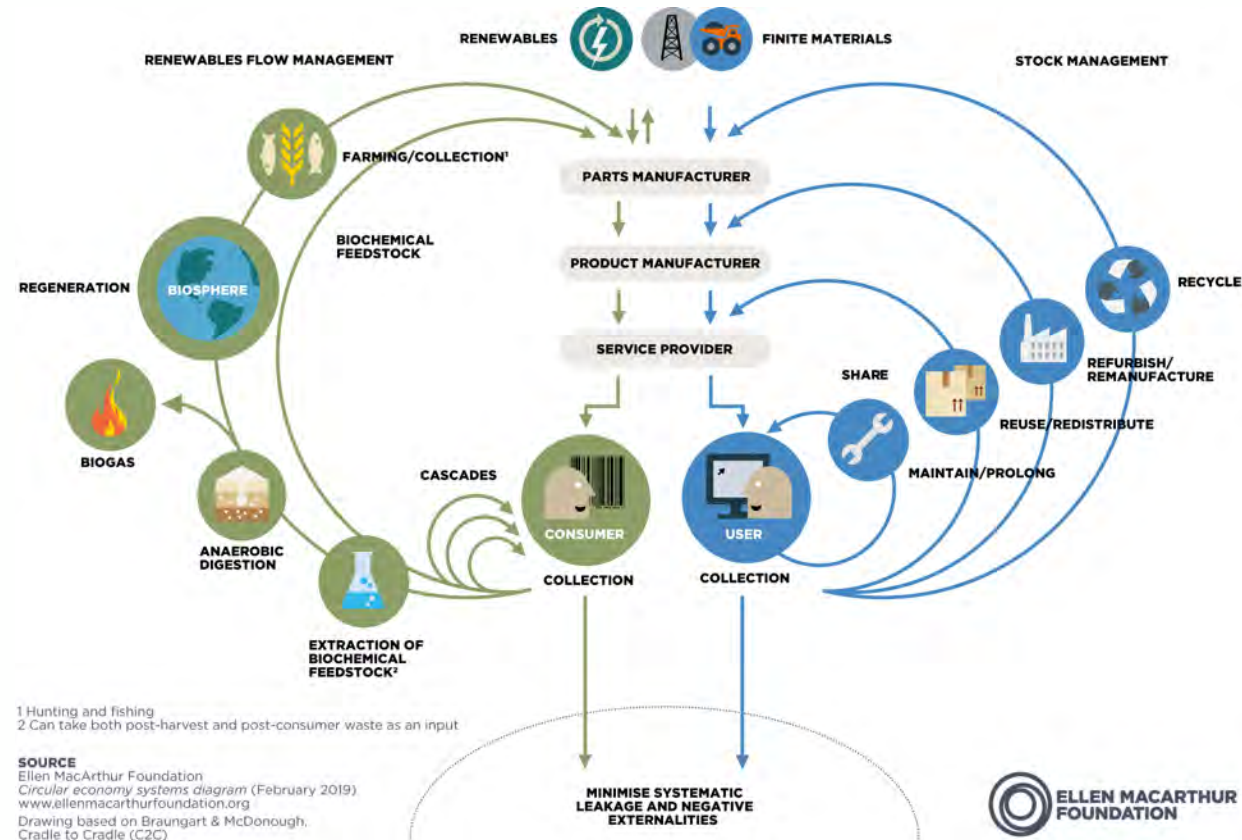
# The EU Green Deal, the Circular Economy Action Plan, the EU Recovery Plan

# Environment and climate protection through circular economy

The transition from the existing linear to the circular economy means environment, resource and climate protection, with extended life of materials and products.

In a closed-loop system, products are **designed**, **manufactured**, and **used** in a way that ensures the sustainable use of natural resources and reinforces the recycling and/or reuse of parts or materials, while taking into consideration the need to enhance the **sustainability performance** of the products. **This chain is interlinked with the waste management activities.**

E.g.: The carbon footprint of recycled PET is 90 % less than of the virgin one, for textiles it is 98%, for steel up to 85%, for aluminium 92%, and for paper 18% (Bureau of International Recycling (BIR)).



# The European Green Deal

The European Green Deal(December 2019) as a green growth strategy

- The European Green Deal is an **overarching EU Strategy**, proposed by EC Commission, to transform the european economy into a sustainable one
- A **new Circular Economy Action Plan**, and the **EU Recovery Plan**, will be two crucial pillars for this strategy
- **Circular economy is expected** to reduce CO2 emissions, reduce the use of material resources, combat biodiversity loss, bring production home, reduce foreign dependencies, create 700 000 of thousands of new jobs by 2030
- Waste management is recognised a key industrial sector for producing secondary raw materials for the manufacturing industries, and for reducing EU CO2 emissions





# Circular Economy Action Plan

- 11 March 2020: **new Circular Economy Action Plan** published in the context of the Green Deal. The Circular Economy action plan will encompass **a series of legislative actions**, such as the revision of the Waste Shipment Regulation rules, a new Batteries Directive,. a Products Policy (eco design, mandatory recycled contents).
- April-May 2020: **FEAD** has provided its input in the Commission's public consultation



# Circular Economy Action Plan

- June 2020: rapporteurs appointed in the Parliament
  - ENVI Rapporteur: Jan Huitema (NL)
- Timeline for the Parliament's initiative report:
  - **12 October:** exchange of views in the parliamentary Committees
  - **22 October:** deadline for amendments for the draft report
  - **30 November:** vote in the parliamentary Industry Committee
  - **7 December:** vote in the parliamentary Environment Committee





# EU recovery Plan

SURE / ESM Pandemic Crisis Support / EIB Guarantee Fund for Workers and Businesses	€540 billion
Next Generation EU	Temporary reinforcement €750 billion
Multiannual Financial Framework	€1 100 billion

- EC proposes 25 Billion for investing in **waste recycling infrastructures** and activities in 2021 – 2020
- On **21 July 2020**, the EU leaders agreed on this recovery plan and the multiannual financial framework for 2021-2027. Ongoing negotiations.

## May 2020

Commission proposal for the revised Multiannual Financial Framework 2014-2020 & 2021-2027 and Own Resources Decision + sectoral legislation

## By July 2020

European Council: Political agreement on Multiannual Financial Framework 2014-2020 & 2021-2027 and Own Resources Decision

## By summer 2020

European Parliament's consultation on Own Resources Decision

## Early autumn 2020

Adoption of the revised Multiannual Financial Framework 2014-2020 + corresponding sectoral legislation

## October 2020

European Council

## December 2020

Adoption of the revised Multiannual Financial Framework 2021-2027 (European Parliament's consent)

Adoption of the Own Resources Decision (Ratification by all Member States in line with their constitutional requirements)

## January 2021

Multiannual Financial Framework 2021-2027 implementation starts

# Current recycling performances in Europe: where do we stand?

# EU municipal waste recycling targets and reporting

- The **Waste Framework Directive 2008-98** requested Member States to achieve the following targets by the end of 2020:
  - Preparing for reuse or recycling: **50% by weight** for paper, metal, plastic and glass from **households**/ similar to waste from households,
  - Preparing for **re-use, recycling and other material recovery**: **70% by weight** for non-hazardous **construction and demolition waste**.



# EU municipal waste recycling targets and reporting

- The revised Waste Framework Directive 2018-851 is now requesting the recycling of **municipal waste at 55 % in 2025 60% in 2030 and 65% in 2035** (targets 2020: 50% for plastic, metal, glass, paper from municipal origin)
- A new reporting method requests to **calculate the recycling performance at the final point of reincorporation** (instead of 4 possibilities based on the output of the sorting plant)
- The EU implementation programme is delayed: the Delegated Act on Average Loss Rate is not yet adopted!



## Municipal Waste Reporting

- **Implementing act on rules to:**
  - calculate recycling of municipal waste
  - calculate landfilling of municipal waste
  - count biowaste separated and recycled at source
  - count recycled metals from incinerated municipal waste
  - establish reporting formats for the data and the quality check report
- **Delegated act:** average loss rates
- **Guidance:** municipal waste and backfilling definitions
- **Exchange of good practice:** separate collection, calculation rules & traceability

**Deadline:**  
**31 March 2019**

6

# Packaging waste recycling Targets

Revised **Packaging Waste Directive** 2018-852:

- By **31 December 2030**, at least **70%** of packaging must be recycled. The recycling targets for each material are:

55% plastic  
30% wood  
80% ferrous metals  
60% aluminium  
75% glass  
85% paper and cardboard





# WEEE

- Revised WEEE (Waste of Electronic and Electrical equipment) Directive 2018-849: collection of **65%** of the equipment put on the market or **85%** in weight by 2019.



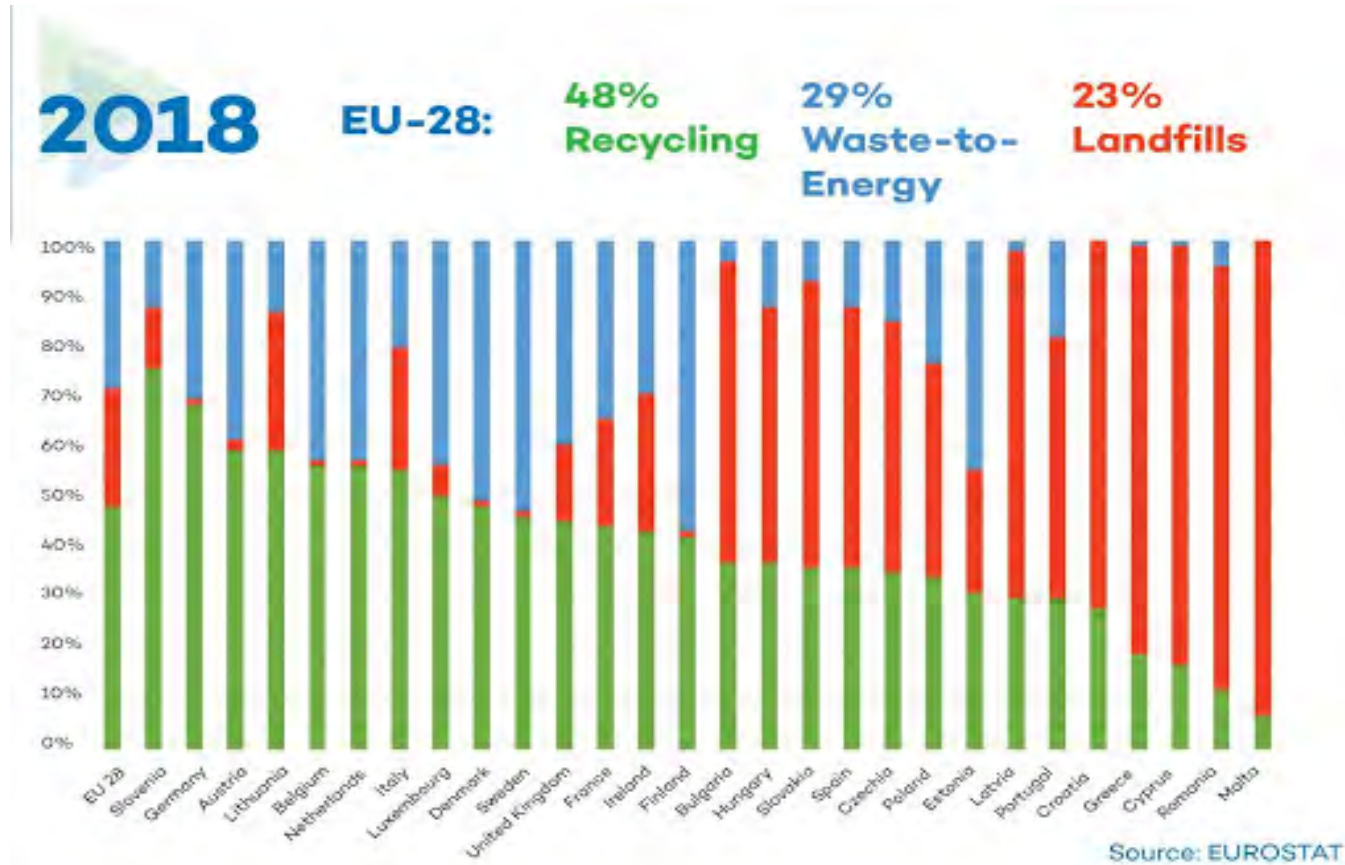


# Landfill targets

- The revised Landfill Directive (2018/850EC) obliges Member States to reduce the amount of municipal landfilled waste to a **maximum of 10% of generated municipal waste by 2030**



# Recycling: where do we stand now?

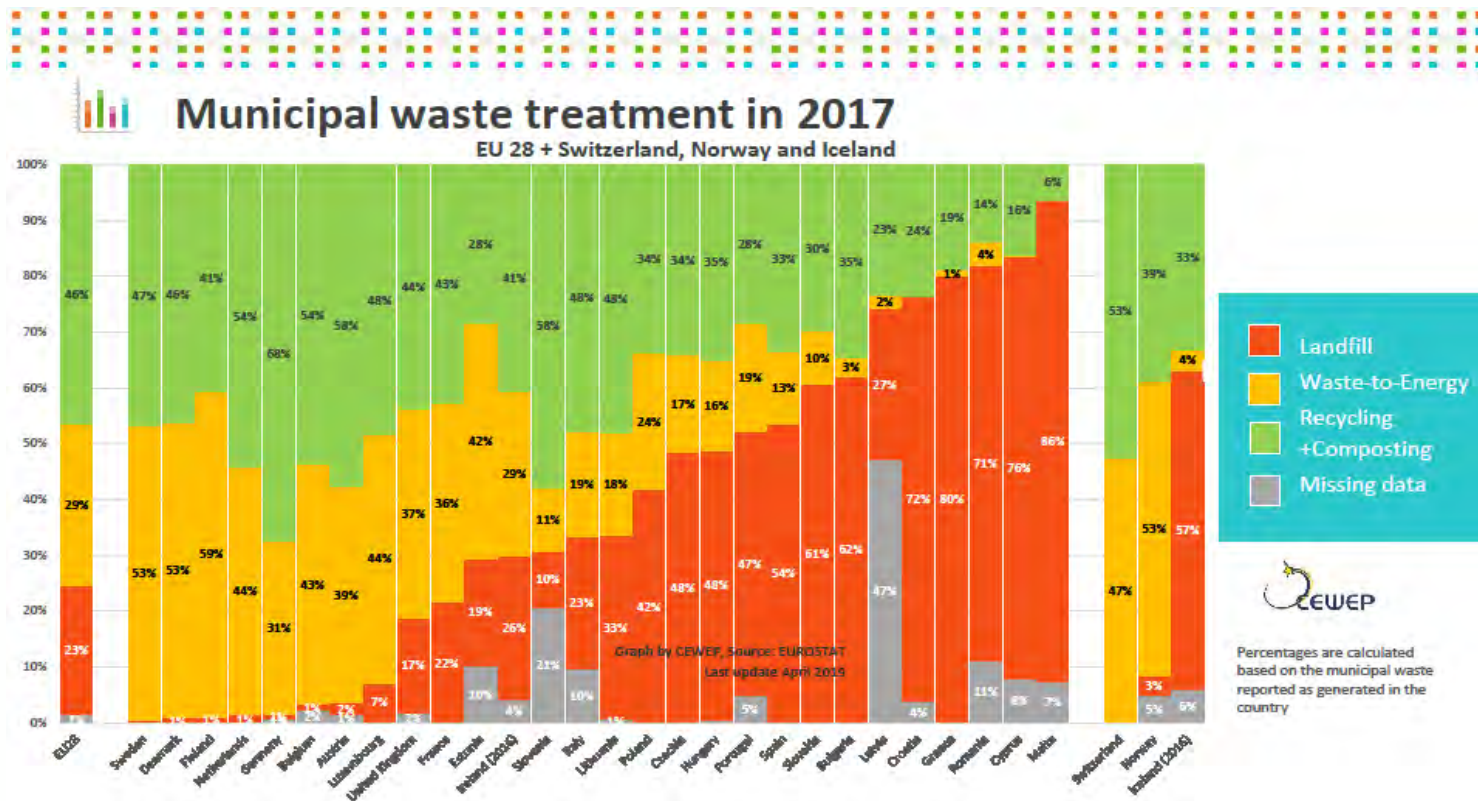


- 48% in 2018 for municipal waste (31% in 2004)
- 67% for packaging waste (33% in 2004)
- 41% for WEEE (28% in 2010)
- 14 MS still not “on track” in 2020 and, probably in 2025

# Recycling: where do we stand now?

- In 2018, 28 countries recycled 55 % or more of their packaging waste and 15 countries recycled 65% or more of their packaging waste.
- 17 EU MS (Estonia, Croatia, Bulgaria, Austria, Hungary, Ireland, Portugal, Czechia, Luxembourg, Latvia, Belgium, Spain, the Netherlands, Poland, Denmark, Slovakia, France, Finland) achieved the 45 % WEEE collection target in 2017. Estonia (81.9 %), Croatia (81.6 %), Bulgaria (79.4 %) surpassed it. Austria (62.4 %) and Hungary (60.6 %) also came close to meeting the 65% 2019 target of 65% already in 2017.

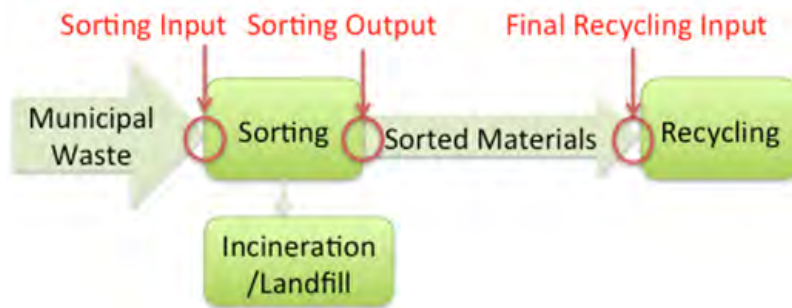
# Landfilling: where do we stand now?



- Latvia, Greece, Romania, Croatia > 70%,
- Slovakia, Bulgaria > 60%,
- Spain > 50%,
- Poland, Czech Republic, Portugal > 40%

# The way forward for more recycling

- Focus on MS that are not on track
- New recycling performance for municipal waste recycling will result in downgrading official performance of all MS, even if progress is made, because the new calculation point is no more the output of the sorting plant, but the last point before reincorporation into the manufacturing process





# The way forward for more recycling

- Deploy the right tools:

- **Massive public support** for more selective collection and sorting infrastructure
- A strong EU product policy: **mandatory recycled content (example of the Single Use Plastics Directive, with 25% mandatory recycled content in PET bottles in 2025, 30% in all plastic bottles in 2023/eco-design**
- **Examine recycling targets for industrial and commercial waste**
- Recognise the role of exports, facilitate export of waste for recycling/for recovery within and outside EU
- Recognise the role of **W-to-E** for residual waste
- Take strong measures (landfill ban for recyclable waste) to divert waste from massive landfilling
- Support the EU Green deal and the new Circular Economy Action plan as an opportunity for a Green Economic Recovery in the context of Covid-19 pandemic





# Market demand for recycled material – plastic & metals

# Market demand for recycled plastic

The worldwide markets for recycled material will grow by 2024 and focus mostly on PET, HDPE, PP, LDPE.

The global Recycled Plastics market was valued at USD 40.26 Billion in 2018. It is estimated that by 2024 it will reach 50.5 billion US-Dollar, growing at a CAGR of 6.1 percent during the period 2019-2024, and by 2026, it will reach USD 66.74 Billion at a CAGR of 6.5%.

The demand for plastic material has been continuously increasing in several sectors and industries, including food & beverage, automotive, packaging and healthcare.

Plastic scrap is available everywhere in various forms, so there is hardly ever a lack of raw materials for processing and recycling plastics.



Note: e- Estimated year, p- Projected year.

Source: Investor Presentation, Secondary Literature, Expert Interviews, and MarketsandMarkets Analysis

# China's ban as a wake-up call for Europe

Prompting for:

recycling **innovations**

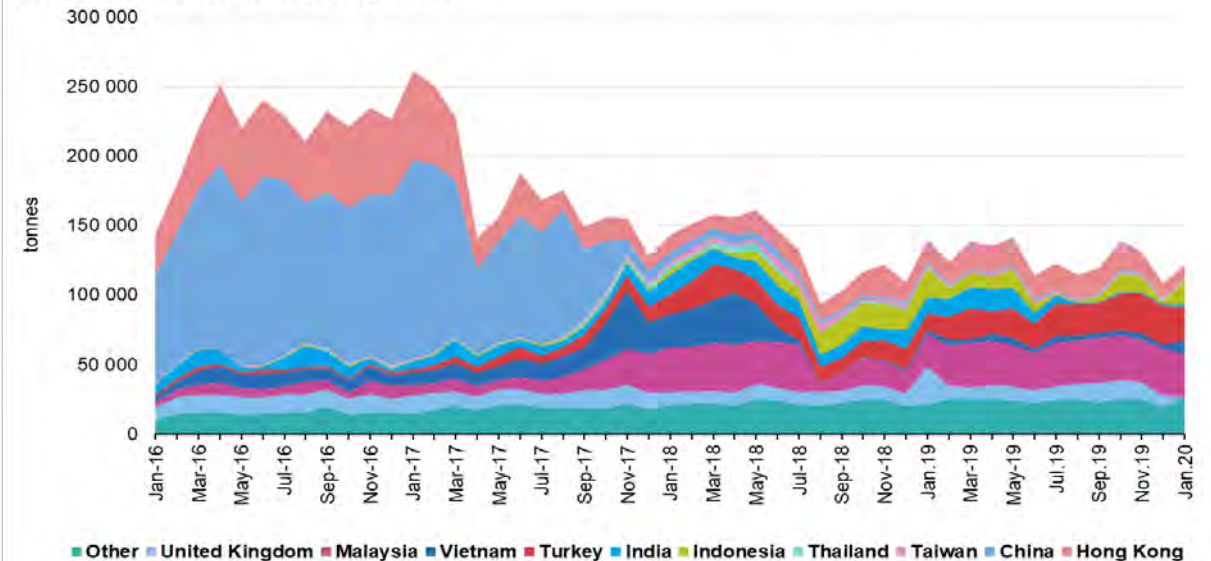
strengthened and integrated **closed-loop system** within the EU

increase of the **demand** for secondary raw materials within the EU

making high use of the **available stock** of recyclates in Europe

minimising the **export** of Europe's waste problems to third countries

Export of plastic waste for recycling from the EU to receiving countries, 2016 to January 2020



Source: Eurostat COMEXT

eurostat

# Market demand for recycled metals

Global recycled metal demand was estimated at 787.5 million tons in 2018 and is expected to reach 1,042.3 million tons by 2025. It is estimated to develop by a CAGR of 4.1% during the period of forecast.

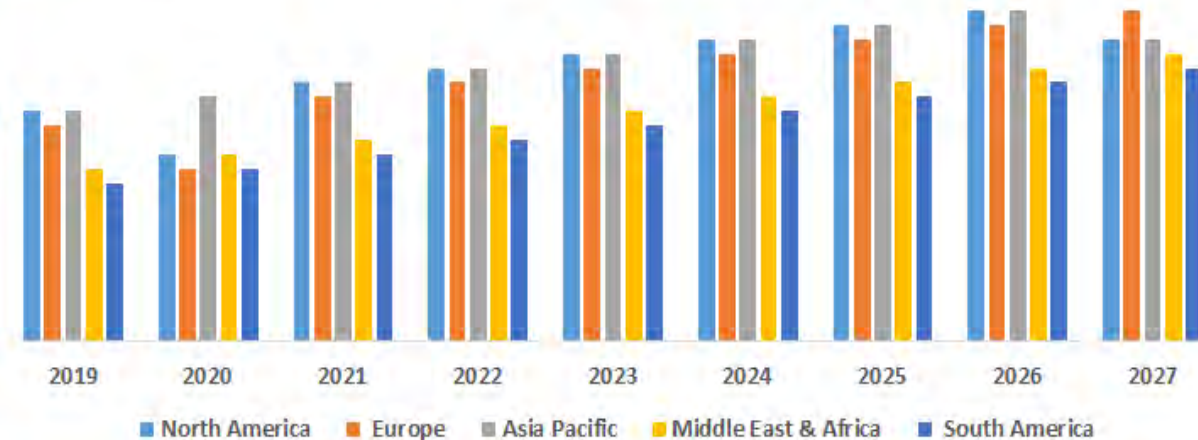
In 2018, **Europe** detained the biggest share of the market by means of capacity, as it is **the most important end user of recycled copper and recycled steel**.

It is estimated that nearly 50% of copper consumed in Europe originates from recycling.

According to the World Steel Association, Europe manufactured 210.1 million tons of basic steel in 2018. According to APEAL, 79.5% of steel packaging was recycled in Europe. The proportion is likely to touch 80% by the completion of 2020.



Global Metal Recycling Market, By Geography  
2020-2027



# The role of the private sector in the transition to the circular economy

# The role of the private sector in the transition to the circular economy

The circular economy is **restorative or regenerative** by design and intent: products, components, and materials are kept at their highest value for as long as possible.

The transition towards a circular economy can help reduce environmental impacts, but also bring major economic benefits, contributing to innovation, growth and job creation.

The private sector provides business solutions to society's challenges, by leveraging the environmental, economic, and social opportunities the circular economy provides.





# How FEAD interacts with the EU legislator

# FEAD work

## ● Participation in almost all the 2020 EU Green Deal consultations:

- Circular Economy Action Plan
- Sustainable Investment and Taxonomy
- POPs & Batteries & Hazardous Waste
- Waste Shipments
- Packaging Waste
- Methane Strategy & Sewage Sludge Directive
- Energy Taxation Directive
- New Industrial Strategy
- Industrial Emissions Directive
- Renovation Wave & Construction Products
- Carbon Border Adjustment Mechanism & Smart Sector Integration Strategy
- Waste water sludge



# FEAD major topics

- ◉ Circular Economy Package: focus on EU Funds/recovery Plan
- ◉ Waste Shipment Regulation: focus on restrictions/bans of exports within or outside EU
- ◉ Energy recovery from waste & Taxonomy
- ◉ Batteries
- ◉ Circular Plastic Alliance
- ◉ Waste Management and Chemicals

## FEAD main topics: Waste Shipments

- The Commission will propose a revision of the waste shipment regulation at the end of 2020
- FEAD has submitted its position to the relevant public consultations and stakeholder consultations
- 22 June 2020: FEAD discussed waste shipments with the European Commission (online)
- FEAD participates in the discussions of the Basel Convention

# FEAD main topics: Energy Recovery from Waste

- June 2020: after the official approval of the Council, the Parliament has approved the final text of the Sustainable Investment Regulation
- In the meantime, the Commission is starting the process on classification of « green » activities – the “Taxonomy”
  - FEAD’s challenge: change the Commission’s view on W-t-E, ensure recycling of all kind of waste be positively considered
- To set up the Taxonomy, the Commission will organise a Platform for Sustainable Finance to consult stakeholders  
FEAD applied on 16.07.2020!

# FEAD main topics: Waste Management and Chemicals

- **More information** from producers needed to apply legislation
- **Need for guidance** on what can be found in different waste streams and how to treat in a safe and environmentally sound manner
- **Decrease of the use of Substances of Very High Concern** (ecodesign)
- **Mandatory eco-design** -> We call for true dismantlability and recyclability of products
- **Enforcement and implementation** of EU legislation
- **Legacy substances** - Because legacy substances are a barrier to recycling we call for a specific decision-making methodology



# FEAD main topics: Batteries

Main issues:

- **Harmonization of definitions** (WFD, WSR, Basel Convention, Batteries Directive)
- **Increase collection**
- Improve **eco-design** (dismantling, easy to discharge, etc.)
- Use of **dangerous substances** not easy to recycle, e.g. Cadmium
- Thinking of a **second-life for Li-ion**
- **Mandatory recycled** content **also for imported** batteries
- **Revitalize** EU batteries' industry (less transport for recyclates, more control)

## FEAD main topics: Circular Plastic Alliance

- FEAD participates with experts in a number of CPA working groups, including Agriculture, Packaging, Automotive, Monitoring.
- Ongoing discussion on the definition of “recycled content” as well as “collected and sorted waste”.

# FEAD's main positions

- Strengthen recycling markets with an ambitious **product policy**, introduce **mandatory recycled content** rules on certain products: packaging, automotive, construction products, paper.
- Set up **mandatory green public procurement** rules
- Examine **recycling targets** on industrial and commercial waste
- Develop binding rules on **eco-design** and appropriate **eco-labelling**
- Build a balanced policy for **chemicals**
- EU waste exports rules** to ensure exports of quality recyclates/waste for recycling and recovery (a market approach to match user's needs) while ensuring environmental protection. Enhance enforcement to fight illegal activities.
- Recognise the role the **waste management** sector plays in climate mitigation, and Waste-to-Energy
- Need for a strong signal to divert recyclable waste from landfill (landfill ban)



Press release

*State of the Union: the von der Leyen Commission one year on*

Brussels, 16 September 2020 – In her State of the Union address, President of the European Commission von der Leyen has presented her vision for a stronger EU emerging from the recent COVID-19 health crisis.

Among the proposed initiatives, to enable Europe to become green, digital and more resilient, the European Commission puts forward an ambitious plan to reinforce the building blocks of the European Green Deal, by raising the Union's ambition.

FEAD stands by the European Institutions in strengthening those crucial pillars to build more resilient and sustainable economies. We believe that the 55% emission reduction target is an ambitious but reachable objective. In particular, we welcome the intention of the European Commission to align all climate policies to these targets.

Despite mentioning the circular economy as the way forward for our economies, FEAD strongly encourages the European Commission to propose the needed policies and economic instruments to concretely facilitate the process.

Peter Kurth, FEAD President, highlights: "our members, the private waste management companies, are ready to take up the challenge. Their contribution is essential to achieve the circular economy and fight climate change. Now we need concrete actions from the European legislator to ensure a very much needed shock on demand for recyclates: mandatory recycled content rules in certain key products, while keeping positive waste export rules to allow the offer in recyclates to meet the demand where it is, ensuring proper functioning of secondary raw materials' markets. The EU recovery plan will be determinant to support and boost investments in selective collection and recycling".

FEAD Secretariat  
[info@fead.be](mailto:info@fead.be)

FEAD AISBL / Rue Philippe Le Bon 15 - 1000 Brussels | +32 2 732 32 15 | [info@fead.be](mailto:info@fead.be) | [www.fead.be](http://www.fead.be)

Facebook | Twitter | LinkedIn | YouTube | Instagram | FEAD AISBL | [www.fead.be](http://www.fead.be) | [info@fead.be](mailto:info@fead.be)



# FEAD: affiliated membership

- Since 2020 possibility for waste management companies to become affiliated members at FEAD
- The aim is to increase FEAD's means to have a positive impact on the success of the Green Deal
- The additional resources will be used for FEAD activities in face of the expected major changes and possibilities on the EU- level brought about by the Green Deal.
- Affiliated members benefit from visibility: use of their logo in FEAD actions/website, ad hoc actions
- A 2-year partnership, with 3 levels of contributions
- National member association to give their consent on the companies likely to become an affiliated member from their country



# Thank you for your attention

## **Contact**

president@fead.be

## **Website**

www.fead.be

## **Social media**

