

FEAD Press Release

The Sustainable Finance Platform to positively consider recycling and energy recovery from waste

Brussels, 5 October 2020 – In the past few years, FEAD has been following the work of the European Institutions in the field of Sustainable Finance, and has actively contributed in the different consultations. To transition to a climate neutral continent, the European Union must ensure that investments are properly channeled towards those activities that can truly lead to systemic change.

Considering that the circular economy has a crucial role to play in the fight against climate change, the whole waste value chain should be positively taken into account while discussing investments in “green activities”, since each link of the chain is indispensable to the final result, namely saving CO₂ and materials.

FEAD welcomes the publication of selected organisations and experts to work in the Platform on Sustainable Finance over the next two years. Nevertheless, we would like to highlight that more actors from within the circular economy sector would have been more appropriate. We call for our expertise to be taken into consideration by the experts in charge of defining “technical screening criteria” for activities related to circular economy, as these experts will have the task to adequately cover all economic sectors.

FEAD president, Peter Kurth, comments: “we have confidence in the work of the Platform on Sustainable Finance and we remain available to provide our expertise. Yet, I cannot stress enough how important it is that recycling activities, and waste-to-energy recovery from waste are properly described and positively considered with regards to the circular economy, on the basis of technical screening criteria to reflect best environmental/emission solutions”.

In particular, FEAD would like to remind the European Commission that:

- Energy recovery represents the best environmental option for closing the loop in the circular economy, as far as non-recyclable, residual waste are concerned. It also avoids the use of fossil fuels in the production of heat and electricity.
- Rather than just “recycling” activities, the future Taxonomy should cover more widely all *material recovery* solutions, and include hazardous as well as non hazardous waste, complying with environmental rules and future technical screening criteria.

The future delegated act to be adopted by the end of 2021 definitely needs to take this into consideration.

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