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FEAD Feedback on the Mid-term review of the 8th Environment action programme (8EAP)

FEAD, the European Federation for Waste Management and Environmental Services, representing the private waste and resource management industry across Europe, **welcomes** the Commission's mid-term review of the 8th Environment Action Programme (8EAP), which established as a supportive tool to speed up the transition to a climate-neutral, sustainable, non-toxic, resource-efficient, renewable energy based, resilient and competitive circular economy.

FEAD sustains the importance and the value of the Monitoring report on progress towards the 8th EAP objectives for the year 2023, published by the European Environment Agency (EEA) that focuses on:

1. the progress achieved and the outlook towards meeting the 8th EAP's thematic priority objectives for 2030;
2. the progress made in setting up and fully using the enabling conditions described in Article 3 of Decision (EU) 2022/591;
3. the progress made in establishing a robust monitoring framework capable of assessing systemic change.

Circular material use rate in Europe

The Circular Material Use Rate (CMUR) indicates the circularity of materials in the economy and refers to the share of the total amount of material used in the economy that is accounted for by recycled waste. In 2021, the CMUR was evaluated at 11.7%, which represented a decrease of 1.1 percentage points compared to 2020. In order to double the CMUR, the EU would need to reach a rate close to 25% by 2030, meaning a 15-fold increase in the average EU CMUR growth rate of the previous decade. This rather slow progress, together with projections for increased material demand in the EU by 2030, signify that currently the EU is not on track to double the circular material use rate by 2030. Clearly, a step change needs to occur. **FEAD urges policymakers to close the legislative loop for recyclates.** The demand side and uptake of European recycled material is essential for the waste management industry to play a role in contributing to the overall targets as set by Europe.

FEAD **fully supports** the European Union's **ambition to double its Circular Material Use Rate (CMUR)** between 2020 and 2030, because increasing the use of secondary materials would reduce the extraction of primary raw materials and related adverse environmental impacts. Indeed, FEAD's mission is to supply the European economy with secondary raw materials and energy, while managing waste in a safe and environmentally responsible way. **FEAD's vision is to shift Europe's overall material use towards recycled materials through industrial excellence in waste management.** Our goal is to boost the EU's domestic capacity to supply its industry with high quality raw materials from recycling. Therefore, we need to urgently accelerate the uptake of secondary raw materials into the economy, and to do this, we strongly support the European Union's ambition to double its Circular Material Use Rate (CMUR) in this decade. **Our target is to achieve a 75% target for the recycling of all waste (not only municipal) in the EU by 2035.**

By setting such an ambitious target of recycling 75% of all waste, FEAD is signaling to policymakers and the whole circular economy value chain that concerted and ambitious action is required to boost the uptake of secondary raw materials into the economy. With the right policy and regulatory framework, our sector can ensure that products, components and materials that become waste are effectively recycled. However, for the share of materials that do not meet the quality requirements for recycling, or where recycling does not deliver the best overall environmental performance, other solutions exist for waste management. In particular, recovering the energy contained in the waste complements recycling as a means to achieve the EU's climate goals of becoming climate neutral by 2050.

To achieve ambitious targets, FEAD has identified the following asks and actions:

1. **Circular Economy Value Chain Partnerships**

FEAD believes that boosting the uptake of secondary raw materials into the economy will require **Circular Economy Value Chain Partnerships** that connect the waste management sector with industrial production. In particular, Circular Economy Value Chain Partnerships will need to focus on some major principles:

- developing specifications on industrial quality requirements that allow to uptake secondary raw materials in industrial production;
- identifying demand-driven measures, such as recycled content targets on certain material streams or product categories;
- improving the eco-design of products to enable recycling and restrict the presence of hazardous substances in waste;
- developing joint R&D programmes to optimize the use of secondary raw materials in production and find new outlets for the recycling of certain waste streams.

2. **Full implementation of waste policy targets in all EU Member States**

In order to manage waste in a safe and environmentally responsible way, FEAD believes that **the full implementation of waste policy targets in all EU Member States is paramount, together with the industrial excellence and professionalism in all waste management operations.**

We urge policymakers at all levels of governance to implement, in any event, existing European waste legislation, in particular in relation to the separate collection of different waste streams. Large-scale collection systems are paramount to prevent materials from ending up in the environment and ensure the availability of waste materials to be recycled back into the economy. Likewise, recycling obligations support the development of relevant waste management infrastructure to recycle and recover those waste materials.

3. **Industrial excellence and professionalism in waste management**

FEAD and its members stand for industrial excellence in all waste management operations. **Our technical, technological and professional know-how are vital to the circular economy, conserving natural resources, minimising greenhouse gas emissions and preserving a clean environment.** It should be remembered that waste management services are also the foundation of a well-functioning society, ensuring that natural and urban environments are safe, clean and hygienic.

Our activities make a valuable contribution to all aspects of the circular economy:

- Waste collection and adaptive logistics, either on behalf of municipalities or for commercial, industrial and other waste streams;

- Optimisation of waste materials through recycling systems and advanced technologies for the uptake of secondary raw materials into the economy;
- Production of energy from non-recyclable waste with waste-to-energy plants, which contributes to phasing out fossil fuels and decarbonising the electricity and heat sector while eliminating pollutants from the material cycle and enabling the recycling of valuable materials from the incineration ashes;
- Production of Refuse Derived Fuels from non-hazardous, non-recyclable waste to substitute fossil fuels;
- Decontamination techniques for hazardous waste;
- Reduction of greenhouse gas emissions through Carbon Capture Utilisation and Storage;
- Landfill management systems that preserve soil quality, protect underground water and limits the emission of greenhouse gases.

For this purpose, we are committed, together with our members, to continuously improve the quality and the availability of the recyclates in order to provide industry with a reliable supply of secondary raw materials. With more waste materials becoming available and an increased demand for recyclates, **the waste management sector is set to invest 60 BN€ over the next 12 years in innovation and capacity-building.**

Our investments will:

- Support the continuous improvement of our own processes, including through digitalisation, making machines more sustainable and saving energy within business processes;
- Accompany the development of recycling, treatment and recovery techniques, and we call upon the EU to actively engage R&D spending on waste management and recycling, e.g. through the Horizon Europe or LIFE programmes;
- Provide technical assistance to municipalities and public authorities, to ensure that all waste management infrastructure is extracting maximum value out of waste materials and treats waste for the best possible environmental outcome. The waste management sector therefore is willing to invest in the implementation of EU waste legislation in all Member States, with the support of public authorities, as well as the European Investment Bank, Cohesion Policy and other EU funding instruments.

To reach these objectives clear and uniform rules as well as simplified and accelerated permitting procedures are crucial across the EU. Procedural times must be reduced and made certain, in order to allow for a transparent and fast administrative process. Investments to accelerate the development of all necessary infrastructure for the circular economy need strong signals from the institutions and streamlined, simple and clear procedures.

4. Fair and transparent markets for waste

To encourage further private sector investment in the circular economy, we call upon **all policymakers to ensure the full implementation of a European internal market for waste:**

- Opening up household waste markets to competition and guaranteeing a level playing field for all private operators;
- Enforcing Single Market rules on state aid, in particular with regard to public undertakings;
- Eradication of unequal treatment of public and private waste management companies;
- Creating a level playing field for the primary materials industry and the recycling industry, e.g. avoiding introducing more restrictive limits than for raw materials, or through equal treatment in the exemption of costs and burdens for energy purchases;

- Stimulating demand for secondary raw materials by making use of green public procurement, to prioritise the purchase of goods that are produced using secondary raw materials; and by establishing specifications on minimum recycled content for further product groups;
- Avoiding legislation that establishes ownership or restricted access over specific waste streams, thereby restricting the free market and competition.

5. Enhanced communications on the value of waste

Unlike any other sector of the economy, waste management is the mirror image of the whole economy: it operates across all product categories, from what's consumed and discarded in households, to industrial, commercial, construction and demolition waste, as well as hazardous waste.

To be successful, the circular economy transition will need to go hand-in-hand with public and industrial acceptance of waste management as an intrinsic part of a well-functioning society and a key pillar of a more independent raw material supply for the EU economy, and our role is to demonstrate its local, economic and environmental value. This will require enhanced communications, education and awareness raising on the value of waste and the importance of supporting waste management infrastructure.

We will work alongside public authorities to ensure that citizens trust that the materials they sort for recycling are effectively recycled, providing benefits to the environment and bringing jobs & growth to their local areas. Likewise, it is **our role to ensure that industries view the waste management sector as a reliable supplier of raw materials**, and for policymakers to trust that waste collection is the starting point for a highly professional, capable and valuable economic activity that keeps materials in the loop, provides energy, and maintains a clean and healthy living environment for all.

Employment in the environmental goods and services sector

Employment in the EU's green economy increased by 23% from 2010 to 2020. This clearly shows that pursuing environmental objectives has the potential to create jobs in the EU.

In particular, by 2020, the environmental goods and services sector employed 5.1 million people (in Full-Time Equivalents (FTEs)) in the EU, accounting for about 2.5% of total EU employment.

As reported by EEA¹, the increase in green employment between 2010 and 2020 is driven largely by an increase of 503,000 FTEs in the number of jobs related to **the management of energy resources**. The second largest contributor to the increase in green employment is **waste management**, with the number of jobs in this domain increasing by 238,000 FTEs over the period.

FEAD **fully endorses the idea** that the steps taken to support the **green transition will create more green employment in the EU by 2030**, mainly through applying circular economy principles and moving towards a low-carbon economy.

A job plays an essential role in our development as human beings, and it is a growth driver of our society. In particular, job in green economy is durable and local, since it creates employment opportunities that last for a sector which is developing and it creates employment evenly across Member States. A regular employment increase in the environmental sector will require cooperation between businesses, research institutes, citizens and political decision-makers to develop a coherent

¹ <https://www.eea.europa.eu/publications/european-union-8th-environment-action-programme/compilation-of-the-8th-eap/view>

and ambitious waste policy, from local to European level. Such a commitment paves the way for a resilient and sustainable future.

Conclusions

Since the presentation of the 8 EAP in April 2020, the worldwide geopolitical situation has much deteriorated. We are experiencing both an energy and a raw material crisis. In such times, the transition to a climate-neutral and circular economy has become even more urgent. The acceleration of the production of renewable energy and the increased recycling of strategic raw materials are not only indispensable for the protection of our climate and environment, but also for strengthening the EU's independence on a global scale and for maintaining acceptable prices for raw materials and energy in the long term.

FEAD will implement its vision and the points outlined above through a strategy for the new parliamentary term that will be presented next summer.

FEAD is the European Waste Management Association, representing the private waste and resource management industry across Europe, including 19 national waste management federations and 3,000 waste management companies. Private waste management companies operate in 60% of municipal waste markets in Europe and in 75% of industrial and commercial waste. This means more than 320,000 local jobs, fuelling €5 billion of investments into the economy every year. For more information, please contact:

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