



European
Commission

CIRCULAR ECONOMY

Closing the loop

AN AMBITIOUS EU CIRCULAR ECONOMY PACKAGE

The European Commission is supporting the EU's transition to a Circular Economy with a broad set of measures to maintain the value of products, materials and resources for as long as possible, while minimising the generation of waste. The aim of today's package is to give clear signals to economic operators and society on the way forward. Action at EU level can drive investments, create a level playing field, and remove obstacles in the single market.

The EU currently loses a significant amount of materials that are discarded instead of being reused or recycled. The circular economy package includes specific proposals to amend the EU's waste legislation and turn waste into valuable resources.

WHAT IS THE CIRCULAR ECONOMY?



The Circular Economy, a win-win situation:

- Savings of €600 billion for EU businesses, equivalent to 8% of their annual turnover
- Creation of 580,000 jobs
- Reduction of EU carbon emissions by 450 million tonnes per year

BOOSTING THE ECONOMY & CREATING JOBS

A number of crucial raw materials are finite, and can be difficult or expensive to acquire in Europe. The circular economy will retain the value of the resources we use in products, returning them into the product cycle at the end of their use. New jobs will be created in innovative design and business models, research, recycling, re-manufacturing and product development.

REDUCING OUR ENVIRONMENTAL FOOTPRINT

The less products we discard, the less materials we extract, the better for our environment. Long-term targets and measures to optimise waste management will boost recycling and reduce landfill.



A MORE AMBITIOUS PACKAGE

Last year the Commission withdrew proposals for waste reduction targets, because the approach was not comprehensive enough to transform the EU economy to a truly circular model. The old proposal simply set targets to reduce waste output, but it didn't take into account the entire circle and what is needed to 'close the loop'. The new structure of the Juncker Commission enabled us to come forward with a comprehensive approach that can address the whole product cycle. By pooling work from all different policy areas and seeing the circular economy as a possibility to improve sustainability and competitiveness, and as an agenda with relevance beyond environmental policy, this proposal provides incentives and tools to reach the end goal of less waste production, whilst boosting the European economy and creating jobs.

WHAT ARE THE BENEFITS OF THE CIRCULAR ECONOMY PACKAGE?

The Circular economy offers an opportunity to reinvent our economy, making it more sustainable and competitive. This will bring benefits for European businesses, industries, and citizens alike. With this new plan to make Europe's economy more sustainable and more competitive, the Commission is delivering ambitious measures to cut resource use, reduce waste and boost recycling.

- We will preserve resources that are increasingly scarce and subject to mounting environmental pressure or volatile prices, and reduce costs for European industries.
- We are supporting a new generation of European businesses which make and export more efficient and sustainable products and services around the globe, and create innovative, more resource efficient ways to provide services or products to customers.
- We are helping to create jobs for European citizens and opportunities for social integration and cohesion.
- We could create more than 170,000 direct jobs by 2035 through the measures on waste management alone,
- We are providing consumers with more durable, sustainable and less toxic products that save money and their increase quality of life.
- We will continue to deliver ambitious energy efficiency for products, which by 2020 will bring savings of 465 EUR per year per household on their energy bills
- We will contribute to preserving the environment and our planet, bring a substantial cut in carbon emissions and preserve threatened resources.
- We are taking measures which can reduce greenhouse gas emissions by more than 500 million tons between 2015 and 2035
- We are increasing the competitiveness of key industry sectors including manufacturing, waste management and recycling, as well as reducing the dependency of the EU on raw material imports.
- Through long terms targets on waste and landfill, backed by clear supportive measures, we create incentives for action by Member States and investment certainty for businesses.

WHAT'S NEXT?

This action plan establishes a concrete and ambitious programme of action, with measures to be carried out during the current Commission's term of office.

The proposed actions support the circular economy at each step of the value chain – from production to consumption, repair and remanufacturing, waste management, and secondary raw materials that are fed back into the economy.

Action on the circular economy ties in closely with a number of other EU priorities, including jobs and growth, the investment agenda, climate and energy, the social agenda, industrial innovation and with global efforts to secure sustainable development.