

Recommendations on the Circular Economy Package

Position Paper

April 2016

Introduction

European Aluminium believes that the new Circular Economy Package offers a solid basis to accelerate the transition from a linear to a true circular economy and to scale it up beyond Europe. We support the improvements in the EU waste legislation to enhance real recycling (definition, point of measurement, reporting methods) and measures to fight scrap exports. However, there is a need to invest more in the Circular Economy by using innovative and thus more efficient collection, sorting and related treatment technologies.

European Aluminium's strategic priorities for an effective Circular Economy

- Maximise the collection of available aluminium and phase out landfilling of recyclable materials.
- Innovate and invest in more efficient sorting and treatment technologies and (re-)melting processes. Improving the quality of sorting will increase the added value of the entire recycling chain.
- Measure real recycling and therefore set the calculation point for Member States recycling targets after the final mechanical sorting phase, just before the final recycling process (in the case of metals, this is the remelting phase).
- Minimise leakage of aluminium scrap out of Europe and ensure a level playing field with global competitors. When recycled outside Europe, certification schemes should be considered in order to ensure that recycling facilities apply equivalent health, safety and environmental standards as in Europe.

Key recommendations and amendments to the EU Commission's revised waste legislation

1) Improved recycling definitions

- The proposed definition of "final recycling" rightly defines the final recycling step after mechanical sorting operations. The reference to the input into this final recycling step as the point of measurement for the recycling targets for Member States will duly steer the recovery of valuable materials from waste and end-of-life products and not simply their collection. We suggest to clarify that the three conditions mentioned in the definition are cumulative.
- The new definition for "backfilling" makes it clearer that "backfilling" is not "recycling". The backfilling definition could however be further improved, to make it more different than landfilling. Indeed, in several Member States, old sand mines areas are used for waste landfilling.
- There should be a recognition of multiple recycling in addition to multiple use of products and to extend it to materials on top of products. Endlessly recyclable materials such as aluminium should be acknowledged as being suitable for multiple recycling.

2) Harmonised calculation and reporting methods

- We support an input-based measurement point to measure real recycling for targets set for Member States under the waste framework directive, i.e. directly after the sorting phase (including some pre-treatment) and before the sorted material goes into the final recycling phase (thus input based).
- In order to ensure a harmonized implementation of the new calculation methodology for packaging waste by all Member States, it is strongly recommended to refer to the existing CEN Standard EN 13440 of 11 March 2003 – Rate of Recycling – Definition and Method of Calculation as basis.

3) A balanced approach for packaging recycling targets

- The new split aluminium packaging recycling target is only achievable if all our recovery options are considered. Member States should also take into account the recycling of metals that takes place in conjunction with incineration provided that the recycled metals meet certain quality requirements. Even though recovery of metals from the bottom ashes is the “second best” option, incineration with energy recovery and additional bottom ash treatment should find their place in the circular economy.
- Quality requirements already exist for various types of metal scrap, including metal scrap recovered from the incinerator bottom ashes. The Waste Framework Directive should refer to similar maximum impurity levels as defined for end of waste criteria to the metal fraction finally derived from the incineration bottom ash treatment process in accordance with the Council Regulation (EU) no 333/2011 of 31 March 2011.
- The joint “preparing for reuse and recycling” target should be neutral and not favour any particular products. The proposal should clarify the impact and the implicit advantage for refillable containers as “put on the market for final consumption” could be replaced by “brought back into circulation” as reporting basis.

4) Targets for other waste streams

- To trigger the market towards more recycling and reuse of construction and demolition waste (C&DW), there should be a specific “reuse and recycling” target of C&DW, i.e. clearly excluding backfilling. We welcome the proposed separate reporting of the amount of waste used for backfilling operations from the amount of waste prepared for re-use and recycling. However, it won't be sufficient to stimulate the circular economy and ensure a level playing field among construction materials.
- We regard making vehicles lighter and recyclable as compatible goals and therefore recommend that the end of life vehicle (ELV) Directive stays focused on the end-of-life stage without weakening targets.

5) Phase out landfilling of recyclable waste and waste prevention

- Landfilling of post-consumer recyclable waste should be phased out as soon as possible across the European Union, preferably by 2025 the latest.
- Member States are encouraged to take measures to implement the Sustainable Development Goals (SDGs) of reducing food waste by 50% by 2030. There is a substantial potential in Europe for food waste reduction, in particular throughout the whole supply chain and with households. Therefore a specific

Recommendations on the Circular Economy Package

European food waste reduction target should be tabled, based on an effective and uniform measurement of the levels of food waste in the EU Member States.

6) Better performance and transparency of Producer Responsibility schemes

- Inclusion of general requirements for Extended Producer Responsibility (EPR) scheme is a positive step towards a better performance and transparency of the various national EPR systems. However, the proposal should clarify the scope of those schemes, in particular as regards “treatment operations” and “optimized cost” to avoid extra and undefined costs for business.
- Introducing modulated EPR fees as suggested, based on the reusability and recyclability of individual products/ groups of products might be an extra incentive to improve design for recycling. Yet, if Member States are entitled to decide which products or groups of products are considered reusable and recyclable, this could end up with new trade barriers within the Internal Market.
- Moreover, it is important to ensure the proper functioning of the Internal Market for waste and secondary raw materials and to promote their reuse and recycling within the European Union, either in the Member State concerned or in any neighbouring Member State which might have more state-of-the-art facilities.

7) Ensure free and fair trade of secondary raw materials

- We should encourage free movement of waste for recycling within the EU and thus the removal of remaining Internal Market barriers, in order to make optimal use of existing and modern recovery facilities in neighbouring countries.
- „Quality recycling“ should be defined in a clearer way so as to support level playing field conditions for quality processes and plants throughout Europe, and worldwide/globally. The reference to process standards is a clear way to define the conditions under which the waste must be treated and recycled.
- When recycled outside Europe, recycling facilities should apply equivalent health, safety and environmental standards as in Europe. “Equivalent requirements” should be defined through an implementing act laying down the EHS standards and specify for which waste streams the requirements would apply. On top, certification of treatment facilities for key waste/recyclate streams should be encouraged.

Why recycling aluminium matters

The demand for aluminium is growing worldwide, as aluminium is a material of choice for low carbon mobility, resource-efficient packaging and energy efficient buildings.

Aluminium is durable and endlessly recyclable without losing its properties: 75% of all aluminium ever produced is still in use today.

Recommendations on the Circular Economy Package

Increasing recycling contributes to reducing Europe's energy consumption and greenhouse gas emissions. Recycling aluminium saves 95% of the energy needed for the primary production.

Europe enjoys high end of life aluminium recycling rates: over 90% in the construction and automotive sectors and 60% in the packaging sector.

In 2015, 10.5 million tonnes of recycled aluminium were produced. Europe's aluminium recycling industry already has an infrastructure that is well spread out across Europe with around 220 plants.

In 2014, almost 1 million tonne of aluminium scrap was exported to non-European countries. This is equivalent to the energy consumption of countries like Luxembourg or Latvia. If the European industry had access to the exported aluminium scrap, recycled aluminium within Europe could be close to 10% higher than current levels.