

**Position Paper
EU Circular Economy Package
April 2015**

General remarks

The European Aluminium Association strongly supports the overall direction of the EU Circular Economy Package (CEP), initially launched by the European Commission on 2nd July 2014. After the withdrawal of the initial proposal, the aluminium industry looks forward to a more simplified, less prescriptive but still ambitious proposal. This should help achieving a true European recycling society and a resource efficiency based economy in which industries re-use end-of-life materials that might have become waste streams as a valuable resource, resulting into enhanced growth and jobs.

However we would like to clarify a few key issues in view of a new, revised version of the CEP, expected in the 2nd half of 2015.

The European Aluminium Association would like to stress the following ten priorities:

1) Need for ambitious but realistic recycling targets

- We support a general minimal household waste and packaging waste recycling target of 70% for all EU Member States – based on common recycling definitions and calculation methods. Timelines for reaching those targets should be defined in view of the ability of Member States to catch up with those who already have a sufficient and high quality collection and sorting infrastructure in place.
- We strongly recommend that the recycling definitions and calculation methods are clarified and harmonized before setting future recycling targets (see also under points 3) and 4). Member States should report their recycling and recovery results to Eurostat, using a common reporting format.
- However, ambitious targets are only realistic insofar they are accompanied by adequate investments in more and better collection schemes, using advanced sorting systems and separation technologies.

2) Sectorial and material based recycling targets

- We are in favour of sectorial and material based recycling targets for packaging waste. The main materials should meet ambitious recycling & recovery targets, in order to guarantee a level playing field. Although we still favour an overall metal recycling target we can imagine that the originally proposed split between ferrous and aluminium packaging waste is maintained but at more realistic levels and under the condition that adequate investments are made in the collection and sorting of the metal fraction. In this respect it is essential that metals retrieved from the incinerator bottom ashes are taken into account for the reported recycling results.
- We recommend a specific reuse and recycling target for construction and demolition waste (CDW), clearly excluding 'backfilling'. Whilst this recovery option is better than landfilling, it definitely belongs to the 'linear' economy. For the same reason

'backfilling' of materials derived from any kind of waste should not be considered as being recycled and should be excluded from the calculation of any recycling target.

- We regard making vehicles lighter and recyclable as compatible goals and therefore recommend that the ELV Directive stays focused on the end-of-life stage in any future revision.

3) Improved recycling definitions

- We are in favour of measuring 'true recycling' instead of 'collection for recycling', providing that the measuring of all recycling results is done at the same point in the waste management chain. Usually this is done shortly after the collection and sorting phase including some additional pre-treatment before the sorted fractions go into the final recycling process.
- We recommend valuing multiple recycling in the same way it values multiple reuse. There is no need to specify multiple recycling targets as today, both for refillables as well as for recyclables a singular 'one off' reuse or recycling trip is enough to meet the targets. Aluminium is a material with 'permanent' characteristics which means that it can be recycled endlessly without losing its properties. Fully recyclable aluminium beverage cans are in this context at equal 'eco-footing' with refillable packaging systems.

4) Harmonized calculation and reporting methods

- In order to facilitate a level playing field between Member States and industries it is essential to measure recycling and recovery results in a harmonized but pragmatic way. Most recycling processes can deal with small impurities and usually these are processed directly. For example, the EU 'end of waste' criteria for aluminium scrap allow for 5% impurities and additional pollution (e.g. other materials, moisture) can be easily removed during the recycling process.
- We fail to understand the need for reporting separately each and every component in a composite packaging. This will result into a very bureaucratic and costly exercise, without any guarantee that each Member State will be able to do this in a transparent way. Instead, the existing 'pre-dominant' material methodology should be applied.

5) Phase out landfilling of recyclable waste

- Landfilling of post-consumer recyclable waste should be phased out as soon as possible across the European Union, preferably by 2025 the latest. However, we can imagine that some Member States need more time to meet this ambitious goal as they have to invest in building up an effective recycling and recovery infrastructure.
- Member States should avoid 'jumping' from landfilling solely to incineration and should be encouraged (via EU subsidies) to invest in efficient collection and sorting systems in accordance with the waste hierarchy.
- Incineration of the remaining household waste fraction with energy recovery and advanced bottom ash treatment is a helpful 'second best' waste management option but collection and sorting at source for material recovery should remain the preferred option.

6) Eco-design criteria under the waste and packaging directives should be defined at European level if and when needed

- Any further step, if and when needed, should be taken at European level in order to avoid 28 different sets of criteria, hampering the functioning of the Internal Market.

- Due to their strong recycling characteristics aluminium products and packaging are already actively contributing to Eco-design.
- Eco-design also means taking into account the concept of ‘resource efficiency’, using as little material as possible for protecting valuable foodstuff and drinks. For example, laminated foil packaging uses less material but can still be recycled or recovered (energy recovery) with additional metal recovery from the incinerator bottom ashes.
- The end-of-life recycling method is – instead of measuring ‘recycled content’ - the preferred way to calculate progress on aluminium recycling. This should also be recognized in EU methodologies including the future ‘Product Environmental Footprint’ (PEF) methodology.
- Financial instruments such as eco-taxes should not be used to favour one recyclable material or product over another one.

7) Producer Responsibility schemes cannot take the full cost burden

- Extended producer responsibility schemes for tackling specific waste streams are effective instruments in reaching for a circular economy. Common performance criteria and the exchange of best practices between the various schemes should be encouraged. Incentive driven schemes using the high scrap value of metals such as aluminium should be encouraged.
- However, these industry driven schemes cannot take the full cost burden, certainly not if they depend on existing publicly driven collection and sorting systems for household and packaging waste. In these situations transparent and fair cost-sharing is required as well as direct industry influence on how these systems are organized.

8) Better monitoring of exports of raw materials

- The leakage of valuable secondary raw materials (e.g. aluminium scrap, ELV’s) to third countries should be addressed via a better monitoring of illegal and legal exports of those materials. Legal exports of ‘end-of-waste’ aluminium fractions should be better registered; today Eurostat only lists exports of ‘aluminium waste and scrap’.
- Recycling facilities in third countries should meet at least the same social, environmental, health and safety conditions as in Europe. In this respect certification and validation schemes should be considered.

9) Move towards a true Internal Waste Market

- In order to obtain a true Internal Waste Market shipments of hazardous and non-hazardous waste fractions between Member States should be further simplified. National barriers should be removed to further optimize the treatment of waste fractions in modern recycling facilities. Socio-economic assessment and a risk based approach should be used to facilitate the metal uptake for recycling in waste fractions with traces of hazardous substances. This should generate extra secondary materials and limit the export of unsorted waste fractions to third countries.

10) Innovation and R&D Programmes key in achieving ambitious objectives

- Intelligent EU funding and other non-discriminatory fiscal incentives respecting the waste hierarchy should be used for stimulating the European Circular Economy. This should trigger further investment to drive resource efficiency at the product level, with a particular focus on prevention of food waste and on innovative sorting technologies and collection systems (including in advanced bottom ash treatment) and promote industrial symbiosis, thus generating direct waste management synergies at European level.