EUROPEAN COMMISSION



Brussels, 14.10.2016 C(2016) 6567 final

Dear President,

The Commission would like to thank the Senato della Repubblica for its Opinion on the Circular Economy package {COM(2015) 593, 594, 595, 596 and 614 final}.

The Commission welcomes the Senato della Repubblica's overall support for the Circular Economy package which establishes a concrete programme of measures to help European businesses and consumers make the transition to a stronger, more competitive and circular economy where resources are used in a more sustainable way. It provides incentives and tools to "close the loop" of product lifecycles, ranging from more innovative and efficient ways of producing and consuming to higher levels of recycling and re-use. The transition to the circular economy model has the potential to create many jobs in Europe, while preserving precious and increasingly scarce resources as well as reducing the environmental impacts of resource use.

Furthermore, moving towards a circular economy will simultaneously contribute to a number of EU priorities: job creation, economic growth, investment, industrial innovation, social fairness, climate change and global efforts to secure sustainable development.

To bring about this transition, the new proposals include ambitious yet realistic recycling and landfill reduction targets that are calculated on a clearly defined and consistent basis across the EU. The new proposals also take better account of the differences in terms of waste management across the Member States.

The Commission takes note and thanks the Senato della Repubblica for its recommendations. The legislative proposals are currently subject to negotiations between the European Parliament and the Council, in which your government is represented. The Commission wishes to reassure the Senato della Repubblica that the majority of its recommendations, such as those concerning definitions, calculation methods and separate collection and management of bio-waste are already subject to discussions in the relevant Council working party.

Mr Pietro GRASSO President of the Senato della Repubblica Piazza Madama, 1 IT – 00186 ROME The Commission notes the Senato della Repubblica's concerns with respect to the principle of subsidiarity in relation to the proposed powers to the Commission to adopt implementing and delegated acts. The Commission's approach to the delegation of power is based on the principle that acts adopted through a legislative procedure best ensure the democratic legitimacy foreseen by the Treaty. However, properly used, delegated and implementing powers are an integral tool of better law-making, contributing to simple and up-to-date legislation and its efficient and swift implementation. Therefore, the Commission will further reinforce its Treaty-based practice of proposing empowerments for delegated acts only where they concern non-essential elements and are justified, i.e. when it is not possible or less efficient or effective to include the relevant elements directly in the basic legislative act.

As regards the present proposal, the Commission has proposed that it should be empowered to adopt delegated acts where there is a need to establish technical rules to implement the provisions of the Directive so that the framework legislation can remain relatively simple and stable. This applies, for example, to the adoption of a common methodology for the calculation of the weight of metals that have been recycled in conjunction with incineration and measuring food waste.

As highlighted by the Senato della Repubblica, the transition to a more circular economy will require significant public and private investments. For this reason, the Commission has already earmarked support from EU funding programmes such as Horizon 2020 and the Cohesion Policy funds to facilitate the implementation of the Circular Economy package and waste hierarchy. With regard to the allocation of funding from the Cohesion funds, it has to be reminded that in the current financing programme (2014-2020), specific pre-conditions for funding have been put in place to ensure that new investments in the waste sector are in line with waste management plans designed by Member States to meet their recycling targets. Additionally, the Commission has been encouraging private funding through instruments such as the European Fund for Strategic Investments (EFSI) and is preparing a dedicated platform to help mobilise financial intermediaries together with the European Investment Bank and national promotional banks.

In response to the more technical questions in the Opinion, the Commission would like to refer the Senato della Repubblica to the attached annex.

The Commission hopes that these clarifications address the issues raised by the Senato della Repubblica and is looking forward to continuing our political dialogue in the future.

Yours faithfully,

Frans Timmermans
First Vice-President

Karmenu Vella Member of the Commission

ANNEX

The Commission has carefully considered each of the issues raised by the Senato della Repubblica in its Opinion, in particular those regarding the compliance of the Circular Economy package with the principle of proportionality, and is pleased to offer the following clarifications.

On the EU action plan for the Circular Economy {COM(2015) 614 final}:

With regard to the demand for secondary raw materials, there is a variety of market based instruments that can be applied to dis-incentivise the extraction and use of primary materials and change consumer's behaviour, such as aggregates taxes, packaging taxes, landfill and incineration taxes and fees. The Commission considers that Green Public Procurement, meaning the procurement of goods with a reduced environmental impact by public authorities, can play an important role in promoting an increased use of recycled materials in products by facilitating the access of such products to public markets and improving their economic viability, provided that a producer's claims on recycled content can be easily verified. As the choice between the use of primary or secondary materials is also driven by the quality of those materials, the action plan includes measures aimed at facilitating quality secondary raw materials such as the separate collection of bio-waste, stricter rules on how to calculate recycling rates which will facilitate better sorting of waste and, where appropriate, the development of quality standards for secondary raw materials.

As regards to the Senato della Repubblica's comments on Regulation (EC) No 1907/2006¹, the Commission notes that the priorities of the waste hierarchy underpin the policy direction outlined in the Circular Economy Package. The Commission is aware of the need to limit any unnecessary burden on recyclers while also developing the appropriate approach at EU level to address the presence of substances of concern in recycling streams and facilitating the traceability and risk management of chemicals in the recycling process.

Concerning the paper industry, the Commission is of the view that the existing requirement for separate collection of paper and the proposed paper recycling targets of 85% by 2030 will drive quality paper recycling.

On the proposal for a Directive on packaging and packaging waste {COM(2015) 596 final}:

The Commission's proposal to align the definitions across the EU waste Directives means that a number of definitions from Directive 94/62/EEC² are replaced by the definitions in Directive 2008/98/EC³, including that of organic recycling which is fully covered by the definition of recycling because it explicitly includes the reprocessing of organic material.

The proposed targets for the recycling of plastic packaging waste for 2025 were set taking into account what was technically feasible at the time of the Commission's proposal to revise

¹ OJ L 396, 30.12.2016, pp. 1-849.

² OJ L 365, 31.12.1994, pp. 10-23.

³ OJ L 312, 22.11.2008, pp. 3-30.

the Directive. The Commission may propose revised levels of the targets for plastics for 2030 based on a review of progress made by Member States towards reaching those targets, taking into account the evolution of the types of plastics placed on the market and the development of new recycling technologies and the demand for recycled plastics.

On the proposal for a Directive amending Directive 2008/98/EC on waste {COM(2015) 595 final}:

The Commission proposes to harmonise definitions across all EU legislation concerning waste to help ensure a common interpretation, facilitate compliance and enable more effective monitoring of the progress on achieving the recycling and landfill reduction targets.

With regard to the definition of "municipal waste", the proposed definition is based on the definition used for statistical purposes by the European Statistical Office as well as the Organisation for Economic Co-operation and Development and on the basis of which Member States already report data.

With regard to the definition of "final recycling process" and the recycling calculation methods, the Commission proposes to clarify the existing calculation rules with the intention of only taking into account what is genuinely recycled whilst allowing for a certain level of tolerance for impurities. The clarification does not represent a complete departure from the existing rules, but should nonetheless help to substantially improve the reliability and comparability of the reported data.

With regard to the management of bio-waste, the Commission proposes to make the separate collection of bio-waste obligatory in order to facilitate high quality recycling of bio-waste. The condition that separate collection of bio-waste is implemented where technically, environmentally and economically practicable mirrors the provisions providing for the separate collection of other waste streams. These conditions should be applied in the most stringent way, but it is necessary to take account of those cases where, for example, separate collection is economically not feasible due to sparsely populated area. The Commission's proposals to restrict landfilling of all separately collected waste, including separately collected bio-waste, will direct this waste to recovery operations. The action on landfilling is clearly synergetic with and supportive of the proposed long-term targets on recycling.

The Commission proposes to provide a more active role to the competent national authorities in determining the end-of-waste status as a result of a recovery operation to promote industrial symbiosis while at the same time safeguarding the objectives of environmental policy. This means that determining the waste status on the basis of individual permits remains among the methods available to the competent authorities.

The reduction of administrative burden was an important consideration for the Commission in the development of the new Circular Economy package. The Commission proposes to repeal the provisions obliging Member States to prepare implementation reports every three years, as these reports have not proved to be an effective tool for verifying compliance and ensuring a proper implementation of EU rules, thereby creating unnecessary administrative

burden. Instead, compliance monitoring should be based on the statistical data accompanied by a quality check report which Member States already report to the Commission every year.

The Commission also appreciates the Senato della Repubblica's acknowledgment of the measures proposed in the action plan on the Circular Economy to tackle food waste in the EU and welcomes the readiness of national Parliaments to contribute in a proactive and constructive manner to the policy debate at EU level.

On the proposal for a Directive on the landfill of waste {COM(2015) 594 final}:

With regard to the call for regulatory intervention to secure the aftercare of landfills postclosure, the Commission is of the view that the current provisions of Directive 1999/31/EC⁴ allow Member States to take the necessary measures to ensure compliance with the conditions applicable, set out in that same Directive, for the closure of landfills and the guarantees for their after-case.

On the proposal for a Directive amending Directives 2000/53/EC on end-of-life vehicles, 2006/66/EC on batteries and accumulators and waste batteries and accumulators, and 2012/19/EU on waste electrical and electronic equipment {COM(2015) 593 final}:

With regard to the Senato della Repubblica's call to adopt minimum quality standards for the treatment, recycling and preparation for re-use of waste electrical and electronic equipment, the Commission points out that it has mandated the European Committee for Electrotechnical Standardization⁵ to develop such standards that it will then consider within the framework of Article 8 Directive $2012/19/EC^6$.

⁴ OJ L 17, 23.1.1991, p. 20.

⁵ https://www.cenelec.eu/

⁶ OJ L 197, 24.7.2012, pp. 38-71.