Decision

approving the opinion on the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions

Closing the loop - An EU action plan for the Circular Economy $COM(2015)\ 614$

Under Articles 67 and 148 of the Romanian Constitution, republished, Law No 373/2013 on cooperation between Parliament and the Government in the area of European affairs, and Articles 160 to 185 of the Rules of Procedure of the Chamber of Deputies, republished,

The Chamber of Deputies has adopted this Decision.

Sole Article - Having regard to Opinion No 4c-19/256 adopted by the Committee for European Affairs at its sitting of 15 March 2016,

- 1. We welcome the importance given to the repairability of electrical and electronic goods, but we would mention that certain categories, such as smartphones, have acquired strong social value as true fashion objects. Therefore, their repairability is less relevant to the circular economy.
- 2. We would point out that taking full advantage of the positive effect of an increase in repairability also requires specially qualified professionals, which implies functional professional training systems. Such systems would be difficult to set up everywhere if this were left to the Member States, without any incentive coming from concerted action at EU level.
- 3. We welcome the encouragement to integrate certain issues into the design process, including repairability, durability, upgradability, recyclability, and the identification of certain materials or substances, but we would point out that this approach should be in coordination with an increase in the product's lifetime, overall or at least for the parts that are critical for the environment. Such design should not discourage the use of the product in question for a longer period of time, at least where the population's purchasing power is lower.
- 4. We would mention that the very technological operations involved in recycling, such as dismantling, also have an impact on the environment, because they require energy and transportation, and we recommend careful analysis of that impact, so as to achieve a positive environmental balance when the loop is closed.
- 5. We would point out that some parts of Europe's industry manufacture goods in Asia or Africa, and such goods are sometimes exported to third countries, and we would express our concern that such arrangements may be used to avoid the rules aimed at consolidating the circular economy in the EU, as a global actor.
- 6. We would stress that the European Resource Efficiency Excellence Centre should be based on good management of financial resources, so as to have as many resources as possible made available for innovation, SMEs and other horizontal policies with high social and economic impact and commensurate lever effect. We would encourage the Commission to show restraint in creating new agencies, centres or other similar bodies, and to make full use of the

existing institutional network.

- 7. We are concerned that improvements in the efficiency and uptake of the EU ecomanagement and audit system (EMAS) and the pilot programme on environmental technology verification (ETV), referred to in the Communication, may become activities for form's sake and generate new administrative burdens on SMEs. We would mention that common sense arising from reasonable information is often sufficient for an SME and in particular for a micro-enterprise to achieve significant environmental results.
- 8. We have reservations that industrial symbiosis is a usable concept with pan-European scope, given the differences in company organisation in the Member States and the issues relating to competitive behaviour, and we call on the Commission to exercise utmost precaution with regard to EU-level measures based on this concept.
- 9. We are concerned that the Horizon 2020 programme is used as a source of research and development funding for many EU-level measures, and we would recommend that the Commission conduct a comprehensive analysis of the capacity of the funds available under that programme to meet the requests arising from the many EU-level measures that depend on funding from the same programme, and remove any factor that could discourage applications for financing due to rigidity or excessive competition.
- 10. We reiterate our concern with regard to preserving the relevance of the ecolabel, and we support combating any abusive use of that label that is likely to mislead. We support the Commission's intention to work with stakeholders to make green claims more trustworthy, to ensure better enforcement of the rules in place, including updated guidance on unfair commercial practices.
- 11. We welcome the fact that one of the Commission's concerns refers to testing the product environmental footprint, and we hope that the methodology used to measure environmental performance will be able to deliver conclusive and useful information, intelligible both to companies and to EU citizens.
- 12. We recommend that the concern to encourage repairs also cover possibilities for users to replace parts themselves, either because they are defective or to enhance a product's functions.
- 13. We welcome the intention to combat planned or forced obsolescence, and we would stress that the persons who are particularly vulnerable to wear and tear and obsolescence practices are disadvantaged European consumers who are poor or less informed. We encourage the Commission to pay special attention to protecting this social category against planned obsolescence practices.
- 14. We would point out that it is important to ensure stable and cost-effective access to secondary raw materials in the circular economy, and to provide for tax relief measures that are harmonised at EU level, for users of recycled raw materials.
- 15. We welcome the revision of the EU regulation on fertilisers, in order to facilitate the recognition of organic and waste-based fertilisers in the single market and to support the role of bio-nutrients in the circular economy. In this context, we recommend that the revision of that regulation be accompanied by an analysis of possibilities to support computerisation and robotisation in agriculture, in order to take full advantage of the measures encouraging the use of organic fertilisers and bio-nutrients.

- 16. We agree that only high-quality recycling can ensure the recovery of critical raw materials, and that it is essential to improve the recyclability of electronic devices through product design, but we would point out that recycling technologies nevertheless have efficiencies that are less than 100 %, varying also with the social and economic conditions in which they are used in each Member State. This aspect should be taken into account both when drawing up differentiated target projections and when devising policies aimed at stimulating the circular economy.
- 17. We welcome the approach that the transition to a circular economy is a systemic change, but we would mention that such change also requires specific improvements in human resources, and we encourage the Commission to support exchanges of experience in the area of education between the Member States, in order to meet this need.
- 18. According to the additional impact assessment, benefits are also expected in areas where there are financial costs. We recommend that this aspect be clarified.
- 19. We agree that SMEs and social enterprises will make a key contribution to the circular economy, but we would stress that social enterprises and SMEs are distinct categories of economic actors that have to be treated separately, and that access to funding is only one barrier affecting them, alongside other issues such as difficult access to complex financial instruments and fiscal red tape.

This Decision was adopted by the Chamber of Deputies at its sitting of 30 March 2016, in compliance with Article 76(2) of the Romanian Constitution, republished.

Valeriu Stefan Zgonea President of the Chamber of Deputies

Bucharest, 30 March 2016 No 28