



EUROPEAN COMMISSION

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*Mr Liviu DRAGNEA
President of the Camera
Deputaților
Palace of the Parliament
Str. Izvor nr. 2-4, sector 5
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Dear President,

The Commission would like to thank the Camera Deputaților for its Opinion on the Communication on a monitoring framework for the circular economy {COM(2018) 29 final}.

The Commission welcomes the Camera Deputaților's general support to the Communication. In the transition towards a circular economy, it is important that trends and patterns are monitored in order to understand how the circular economy is developing, and to help identify best practices and areas where additional action is needed.

Together with the monitoring framework adopted in January 2018, the Commission presented a Staff Working Document {SWD(2018) 17 final}, providing relevant information on the criteria used for developing the framework and a clear definition and explanation of the indicators.

With a view to reaching out to different audiences, the Commission also publishes¹ indicators, underlying data and explanatory texts. Data for the individual indicators are regularly updated when new data become available. However, there is some latency from a new policy measure or innovation has been implemented and until the effect can be captured and reflected in the monitoring framework. This would need to be considered when assessing the trends in the different areas of the circular economy.

¹ <http://ec.europa.eu/eurostat/web/circular-economy>

The Commission has taken note of the Camera Deputaților's concerns and recommendations, and is pleased to have the opportunity to provide a number of clarifications regarding the initiative.

As regards the Camera Deputaților's concern about the circular economy indicators, the Commission's approach of selecting 10 relevant indicators allows to track progress towards circular economy and see where additional effort is still needed. The analysis based on currently available data shows that at the European Union level as a whole, progress has been achieved on waste management where there has been a general shift from landfilling to energy recovery and recycling. Further considerable efforts are however needed in line with the European Union waste hierarchy, especially in Member States with the biggest implementation gaps. With regard to consumption and production, in the case of Romania, the picture is somewhat different, as data show an important reduction in both overall waste and municipal waste generation. However, when looking at waste management, Romania has not made notable progress in shifting to recycling.

The Commission has considered the relevance and feasibility of adding a composite indicator, as proposed by the Camera Deputaților, but concluded that the circular economy trends are best captured by having a set of indicators.

With respect to the indicator on innovation, the Commission acknowledges the limits of the patents indicator to address innovation/eco-innovation. The Eco-innovation Observatory regularly publishes the eco-innovation index which covers the different dimensions of eco-innovation. However, the scope of the eco-innovation index is not restricted to the circular economy and covers all types of innovation with positive effects on the environment. There is currently no specific European Union reporting requirement for businesses on innovation in the circular economy.

Regarding critical raw materials, the Commission agrees with the Camera Deputaților and is already implementing a variety of policies, including policies aimed at supporting innovative substitution. The Commission issued a report on critical raw materials and the circular economy {SWD(2018) 36 final} at the same time as the monitoring framework was published.

The Commission hopes that these clarifications address the issues raised by the Camera Deputaților and looks forward to continuing the political dialogue in the future.

Yours faithfully,

*Elżbieta BIENKOWSKA
Member of the Commission*