DG ENVIRONMENT

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SPEAKING POINTS on Circular Economy in the European Union and energy law

- Ladies and gentlemen, it is an honour for me to close this First European Energy Law Conference. I would like to provide an insight into how the EU Circular Economy developments can positively impact the production and use of energy in the European Union, from product eco-design to energy produced from waste.

Eco-design

- For more than 10 years now, the EU Eco-design policy has proven to be an effective instrument for improving the environmental performance of energy-related products.

- Thanks to the minimum energy efficiency requirements we have put in place, our washing machines, refrigerators, vacuum cleaners, heaters and many other products have become more efficient and better performing.

- As a result of the different measures we have taken, the average European household can save up to €500 per year on their energy bills.

- These measures also bring benefits at macroeconomic level, by reducing Europe's energy bill through energy savings and by reducing greenhouse gas emissions. In this way, they represent a direct contribution to the implementation of the Paris Agreement.

- Furthermore, our industries are encouraged to develop increasingly energy efficient products, thereby strengthening Europe's innovative power and competitiveness, and our leading role in driving energy performance standards for products at global level.

- Another important feature is the contribution of Eco-design to the Circular Economy.
- Decisions taken at the design phase greatly influence what happens during the use and end-of-life phases, not only in terms of energy consumption, but also in terms of maintenance, repair, reuse, recyclability and waste handling.

- In the current Eco-design Working Plan 2016-2019, the Commission makes a strong commitment to contribute to the objectives of the Circular Economy.

- Issues such as durability, reparability and recyclability will be examined in a more systematic way when proposing new regulations and when reviewing the existing ones.

- For example, we are investigating whether a reparability score for domestic appliances could be included in energy labels in the future.

- The core idea is to provide incentives to make products last longer and be easier to upgrade, repair and recycle.

- The European Commission is convinced that we can enhance our existing policy framework and, together with industry, we can drive our markets towards more sustainable products and a truly low-emission, energy efficient and circular economy.

Industrial emissions

- I would like to draw your attention to another important piece of EU environmental law: the Industrial Emissions Directive.

- Industrial activities contribute to our economic wellbeing, as they account for about 24% to the EU's GDP. They, however, have a significant impact on the environment through emissions to air, water and soil, waste generation and resource use.

- Large industrial installations accounts for approximately 23% of all emissions to air and for about 20% of emissions to water. In addition these installations account for around 18% of energy use, 20% of non-hazardous and 50% of hazardous waste generation as well as around a half of all water use.

- Because of these impacts, the largest industries (e.g. power generation, refineries, chemicals) have been regulated at EU level for decades. The Industrial Emissions Directive addresses pollution at source by requiring about 50,000 industrial installations covered by it to operate with permits setting maximum emission concentrations for polluting emissions to air, water and soil.

- Permits must be based on the use of so-called Best Available Techniques (BAT), which the Commission gradually establishes and updates for each sector covered by the Directive,

- By now, the Commission has adopted fourteen sets of BAT conclusions and eight more are currently under preparation. These BAT conclusions are the result of an extensive process of cooperation between the Commission, Member State representatives and stakeholders from industry and civil society.

- In addition to clean air and water the Directive also specifically contributes to energy saving and resource efficiency. In the case of energy, there has been overall about a 15% reduction in industrial energy use since 2008. In terms of resources, the Directive promotes waste recovery, for example, as a fuel, thus replacing fossil fuels.

- A cement plant in Spain shows a best practice by using 70,000 tonnes of waste-derived fuel per year, replacing the use of fossil fuels by one third; avoiding the landfilling of the waste; and considerably reducing pollutant emissions and saving money.

- This and other examples show how the EU rules create incentives for companies to develop symbiosis: "One man's waste is another man's treasure", and how to improve resource efficiency while boosting the circular economy and innovation.

EMAS

- "What gets measure, gets managed; and what gets managed, gets done". The EU Eco-Management and Audit Scheme (EMAS) is a premium management instrument developed by the European Commission for companies and other organisations to evaluate, report, and improve their environmental performance. EMAS is the most credible and robust environmental management instrument on the market. This is a great opportunity for the entire energy sector, as it would be able to enhance its own performance, as well as its credibility and reputation. I would like to encourage all actors and stakeholders in the energy sector to apply to EMAS.

Waste to Energy and Renewable Energy

- Waste to energy processes can play an important role in integrated waste management systems by recovering the energy embedded in waste that cannot be recycled. Such processes can contribute therefore to the energy supply in Member States by producing electricity, heat or cooling and biofuels from a partially renewable source. They also avoid certain fractions of waste from being landfilled.

- Recent legal developments have shaped the EU legal landscape - the Circular Economy waste package, the Plastic Strategy and the revised Renewable Energy Directive. All three have changed the way how we look at waste and using it as a valuable resource for the benefit of our economy and the environment.

- All these developments have in common and as a point of departure the observance of the EU waste hierarchy, the cornerstone of the EU waste legislation. The Waste-to-Energy Communication adopted by the Commission in 2017 also asserted that waste prevention, reuse and recycling should be prioritised over energy recovery and disposal. By increasing recycling over energy recovery and landfilling, we cut our dependence on virgin raw materials. It is better for the climate, better for nature, and it boosts growth and jobs.

- However, we need to bear in mind that today not all waste can be recycled; recycling processes produce about 10% rejects; and there is a limited number of times that waste can be recycled. In such cases, energy recovery with high efficiency can be an optimal solution.

- As part of the waste package, more ambitious recycling targets and a reinforced waste separate collection are setting the bar higher. Political decisions in Member States together with research and innovation programmes should enable more quality recycling for waste streams like plastics.

- Meanwhile, in June this year the European Parliament and the Council reached a political agreement on increasing renewable energy use in Europe - 32% by 2030. Thus, progress and momentum towards completing the "Energy Union" is well under way and the work started by the Juncker Commission, under the priority "a resilient Energy Union and a forward-looking climate change policy" is delivering its promises.

- In this context, we have worked to maximise the synergies between the circular economy and the renewable energy agenda when revising the Renewable Energy Directive.

- This is how:

    - Firstly, Member States are required to design their national renewable policies, including support schemes, with due regard to the principles of the EU waste hierarchy in order to avoid undue distortions of the raw material market. This means, for example, that the authorities should ensure that recyclable waste is no longer routed to incineration.

    - Secondly, Member States shall grant no support for renewable energy produced from the incineration of waste, if the separate collection obligations set out in the Waste Framework Directive have not been complied with.

    - Last but not least, bio-waste and waste edible oils and fats can contribute to the production of advanced biofuels, and biogas, and to the share of 14% of renewable energy supplied for final consumption in the transport sector by 2030.

- All in all, these positive amendments are essential to safeguard and prioritise the separate collection and recycling of waste, in line with the requirement of the EU waste legislation. As being demonstrated by forerunner Member States, separate collection is the precursor of functional waste management systems with high recycling yields and low landfill rate.

Thank you for your attention!