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FEAD feedback to the European Commission's Sustainable Products Initiative

FEAD fully supports the Commission's Sustainable Products Initiative and its main objectives of reducing the negative life cycle environmental impacts of products, and the improvement of the internal market through a harmonised ecodesign approach. A holistic approach to sustainability through mandatory ecodesign and strong ecodesign requirements is essential as it allows to integrate environmental sustainability criteria in the whole value chain of a product, promoting closed circular life cycles.

FEAD notes the following points and highlights that recycling activities should be more clearly addressed in this initiative.

Mandatory ecodesign

FEAD strongly supports the mandatory ecodesign approach taken in the Commission's proposal. As mentioned in the Commission's Communication from 30 March 2022 (COM(2022) 140 final), product design dictates up to 80% of its life-cycle environmental impact. In addition, sustainable products by definition are an integral part of the circular economy, which is embedded in the waste management activities.

We estimate that most products currently placed on the market are designed without any, or not enough, consideration for their recyclability and end-of-life stage. The increasing complexity of products placed on the EU market can be effectively considered as a crucial barrier to increased (high-quality) recycling, as well as barriers to scaling up the waste hierarchy. The ecodesign requirements to be established in terms of recyclability should limit the placement of hard-to-recycle products and materials on the EU market as well as the use of substances of concern. The ease of recovery of energy from products should also be considered in Article 5(1)(I) as an ecodesign requirement.

Mandatory recycled content

To tackle the increasing amounts of waste produced and achieve the EU circular economy objectives and recycling targets, measures that boost the supply and demand for secondary raw materials are greatly needed. **Product-specific ecodesign requirements should determine as much as possible mandatory recycled content according to realistically deployable recycling technologies and capacities**. To ensure compliance, harmonised monitoring and calculation methods are needed. The setting up of such monitoring and methods should closely associate waste management professionals.

A hierarchy for materials to reflect avoided CO2 emissions

Proper waste management and use of recycled materials in products avoids significant CO2 emissions,¹ improving products' footprints and materials' efficiency, and allowing the recirculation of high-quality secondary raw materials in the market.

To establish ecodesign and performance requirements in relation to the environmental footprint of a product, those aspects, and especially the avoided CO2 emissions, need to be taken into consideration. By ranking materials (primary and secondary raw materials) according to the carbon footprint of their production, a hierarchy for materials would be an additional effective tool to boost the reincorporation of recyclates. With recycled materials ranked higher than their virgin counterpart, these will be positively treated in the EU market, resulting in additional investments and pushing towards circular economy models.

Information requirements

To ensure transparency and traceability, but also to improve products' durability, reusability, dismantlability, upgradability reparability, recyclability and end-of-life management, whilst empowering consumers in the green transition, information flows through labels, a digital product passport and unique product identifiers are essential. At the same time, substantial information on the composition of materials used in products increases the trust on the quality of recyclates.

Labels should contain the following information:

- presence of substances of concern;
- energy use or energy efficiency;
- recycled content;
- possibility of remanufacturing and recycling (design for recycling);
- possibility of recovery of materials;
- performance related information (e.g. performance rating);
- environmental impacts, including carbon and environmental footprint.

To ensure a safe and high-quality recycling and end-of life management of products it is crucial that the treatment facilities are fully recognised as part of the life cycle of a product and among the actors to have access to the relevant product's information. This is especially the case for information in relation to substances of concern under Article 7(5) of the Regulation.² Recycling must be included in the definition of 'life cycle' in the new Ecodesign Regulation, which the Commission failed to do in its proposal. In addition, also end-of-life treatment facilities need to be listed among the actors to have access to information in the product passport under Article 8(2)(f) and both, recyclers and

¹ See a study by Prognos and CE Delft on the CO2 reduction potential in European waste management <u>here</u>.

² Disposal should be included in Article 7(5)(d) so that not only relevant instruction for the use of products containing substances of concern are given, but also instructions on their disposal. Also under Article 7(5)(e), not only information relevant for disassembly of products containing substances of concern is needed, but also for recycling or end-of-life treatment.

end-of-life treatment facilities, have to be included in Article 8(3)(a) and Article 10(b) as relevant actors to have ensured access to the products information and digital passport. The following information is key:

- Relevant information for disassembly, recycling, material recovery and end-of-life disposal according to the existing and available facilities and technologies
- Relevant information on material composition in coordination with existing instruments (e.g. the SCIP database). This should mainly concern the presence of substances of concern potentially hindering recycling processes, but also the presence of critical raw materials which could be recovered and further reutilised.

Ecodesign Forum

The waste management sector plays an essential role in the products' life cycle. More so in a circular economy, where valuable secondary raw materials from recycling are re-looped into the value chain. It is therefore also **essential that recyclers and end-of life treatment facilities are included among the parties to the proposed Ecodesign Forum** to contribute to the preparation of strong ecodesign requirements.

<u>Green public procurement</u> should become the default choice with a "comply or explain" clause, allowing for exemptions only on objective and justified grounds. **Ecodesign** requirements applicable to public contracts should be established to favour front-runner products.

<u>Financial or fiscal tools</u> in form of reduced levies (e.g. reduced VAT) should be established for front-runner products or those exceeding established ecodesign requirements.

FEAD is the European Waste Management Association, representing the private waste and resource management industry across Europe, including 19 national waste management federations and 3,000 waste management companies. Private waste management companies operate in 60% of municipal waste markets in Europe and in 75% of industrial and commercial waste. This means more than 320,000 local jobs, fueling €5 billion of investments into the economy every year. For more information, please contact:

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