

Circular Economy – elements for the new proposal

A fluent transition to a more circular economy calls for the involvement of all economic sectors and improved policy integration and coherence. Sweden welcomes a broader approach of cost effective measures in the forthcoming proposal which should be based on a life cycle perspective, promoting sustainable consumption, non-toxic material cycles and stimulate innovation and business opportunities. The proposal must be ambitious in order to achieve the goals set in the 7th Environmental Action Programme (7EAP).

In this non-paper, Sweden presents some of the key elements that should be considered to stimulate the transition to a green and circular economy, business development including further creation of green jobs as well as protection of health and the environment.

Summary – elements for a new proposal on Circular Economy:

- Prevent and phase out substances of very high concern from material cycles,
- Focus on cost-effective material cycles,
- Improve and promote economic instruments and coordinated funding,
- Promote actions in key sectors; construction/buildings, energy, textiles and food,
- Involve businesses and take the financial sector on board,
- Promote collaborative consumption and product design, and
- Continue work on the Scoreboard for Resource efficiency.

1. Prevent and phase out substances of very high concern from material cycles, by:

- Improved information about recyclability
- Information on content of substances of very high concern
- Further restriction in existing product legislation on substances of very high concern

To gradually approach a circular economy, we need to create markets for reuse and recycled materials. The materials must be of a high quality to make them an attractive alternative to virgin materials. Substances of very high concern ending up in recycled materials are an obstacle to high qualitative material and thereby also to fulfilling the existing recycling targets, e.g. in the construction sector. Therefore, information about the recyclability of the materials and on the content of substances of very high concern in those materials must be made available to actors in the waste and recycling sectors. As REACH (Article 33) already establishes an obligation to disclose information on substances of very high concern, access to this information to the waste and recycling sector would also help to close the gap between chemicals' and waste legislation, and to create synergies between the different legislative sectors. A non-toxic material cycle is one of the main prerequisites for a circular economy.

In existing product specific legislation, there is a need for further restrictions of substances of very high concern. Sweden would like to see continuity in a discussion concerning requirements to provide information on content of substances of very high concern under the Eco Design Directive.

2. Focus on cost-effective material cycles, by

- Measures at EU-level for specific waste streams
- More stringent requirements on waste prevention
- Increase recycling – minimize landfilling of recoverable material

To promote and enhance waste prevention and non-toxic material cycles, measures at EU-level need to be tailored to specific waste streams. Waste streams of particular concern are: food waste, electrical and electronic waste, textiles, construction and demolition waste and plastic items. These streams are a priority for the following reason: they involve large flows of material, which result in substantial emissions of greenhouse gases from extraction, production and waste management processes and some of the streams often contain hazardous substances.

Waste prevention is also clearly linked to policy measures such as resource efficiency, sustainable consumption and production as well as to chemicals' and products' legislation. Waste prevention should therefore be strengthened through the development of EU common indicators for waste prevention and the establishment of more stringent requirements in Member States waste prevention programs.

Clear, binding, waste specific and quantified recycling targets are also essential if we are to increase the recycling amounts. The recycling levels of the circular flow of materials must be specifically targeted and landfilling must be minimized. A ban on landfilling of biodegradable and recoverable waste which is suitable for recycling should be introduced at EU level. For example, waste that contains harmful substances should not be considered as material recoverable waste. Taking the different situation in Member States into account, some Member States could be obliged to fulfil the landfilling ban and the increased recycling targets by 2020, while others could be given more time for transition.

3. Improve and promote economic instruments and coordinated funding

Economic instruments have in many cases proven to be an effective way to reduce a negative impact on the environment. Sweden calls for:

- continued efforts at EU level on principles for internalizing environmental costs and ways to stimulate a resource efficient economy. An analysis of the EU-budget, sector by sector, to identify environmental harmful subsidies with the aim of phasing them out starting with subsidies to fossil fuels, is another important measure.
- actions to foster cooperation in order to identify and facilitate EU funding within existing frameworks of actions for green growth and a circular economy. The European Fund for Strategic Investments should support the transition to a circular and resource efficient economy.

Sweden encourages the work already being done by the Commission on promoting resource efficiency, and in particular on the emission trading system (EU ETS), energy taxation and the state aid framework. We believe that the initiative is a good platform for an increased use of market based instruments to ensure a circular and more resource efficient economy. To fulfill the ambition of the EU becoming the world's most energy efficient economy, it is crucial that the review of the guidelines on state-aid rules leads to clarity and simplification as regards the support for biofuels. The CO₂ tax is key for climate policy measures in sectors outside the EU ETS to reach the EU climate ambitions in a cost efficient way. A major challenge ahead is to ensure that the CO₂ tax on fossil fuels and other environmental taxes are not in conflict with EU legislation, notably state aid rules.

4. Promote actions in key sectors

For a circular economy, actions in key sectors, such as construction/building and textiles, as mentioned above are crucial. Additional key sectors are energy and food. Sweden welcomes the review of existing legislation on energy efficiency. The review should take greater account of the energy system perspective. Energy efficiency in buildings should be clearly linked to heating systems, especially the use of district heating, integrated systems using surplus energy from e.g.

industrial processes, computer centers, buildings and sewage water, and increased use of combined heat and power production and local fuels such as bioenergy. Modern district heating systems are key to an integrated management of materials, energy and water etc. It should be followed up by appropriate legislation. Waste which cannot be recycled into new material, depending on for example the content of substances of very high concern or on the complexity of the design of the products, should be used as fuel in the district heating system. This is in line with the waste hierarchy and can minimize emissions from landfilling of the waste.

Sweden welcomes initiatives on sustainable production and consumption of food including to limit food waste throughout the food supply chain.

5. Involve businesses and take the financial sector on board

The new proposal for a Circular Economy should include actions to involve the business sector. Sweden welcomes initiatives on collaborative economy/industrial symbioses and new business models as well as dissemination of best practices including digital solutions.

Promotion of innovative and green public procurement is crucial and should promote the development of sustainable goods and services not yet on the market. Tools for mapping and assessing ecosystem services and that help businesses to evaluate their dependencies and impacts on biodiversity and ecosystem services will also contribute to the circular economy.

The new proposal should also include measures to encourage the financial sector to take action. The financial sector has a good opportunity to steer the development towards a circular economy through i.e. green credit regulations, incorporating sustainability factors into routine credit ratings, pension funds and sovereign wealth funds as well as new investment structures as well as a switch to investor governance and new insurance solutions for collaborative consumption.

6. Promote collaborative consumption and product design

Sweden would like to direct political attention on sustainable consumption and lifestyles, including the role of consumers and their actions. More ambitious measures including education, information economic incentives and infrastructure that supports sustainable operations are crucial to achieve public awareness and citizen involvement. Sweden suggests that the UNESCO Global Action Plan on Education for sustainable development is implemented at EU-level.

Sweden would like to encourage the Commission to analyse the potential of and the prerequisites for collaborative consumption to support a circular economy. Sharing, lending and joint use of products could encourage the use of household and workplace machinery otherwise sitting idle. Collaborative consumption, assisted by relevant requirements and standards on product design and resource efficiency, will provide basis for new business models and thereby business development, including new jobs. Sweden considers that the requirement of product specific producer responsibility regulation should include durability, possibility of disassembly, ability to repair and upgrade the product as well as information on hazardous contents, as appropriate. Sweden advocates that the necessary minimum requirements on the design of extended producer responsibility and recycling targets should be set out in specific directives for each type of waste. Textiles and building products are areas where new legislation should be presented.

In the continued work with the development and revision of eco-design requirements within the scope of the Eco-design Directive, the full potential to establish requirements on other environmental parameters than energy should be used when appropriate, which includes aspects relevant for applying circular economy practices.

7. Continued work on the Scoreboard for Resource efficiency

Sweden supports the development of the scoreboard for resource efficiency and welcomes further development on new main indicators since the current proposed indicators are not suitable for comparison between Member States. The Commission should also consider measures to encourage and support an increased use of well-balanced impact assessments within the Member States.

Annex 1 – Measures for the Revised Waste Package

7th EAP requires *that recycled waste is used as a major, reliable source of raw material for the Union, through development of non-toxic material cycles.*

The legislative proposals below are based on the **first two** waste-specific priorities established in Swedish non-paper on Circular Economy.

1 Prevent and phase out the substances of very high concern from material cycles

In our view legislative amendments on the EU level which addresses the issue of prevention and phasing out of substances of very high concern is a prerequisite for achieving a circular economy.

The revision of the Waste Directives is an opportunity to manage this risk and improve the coherence between waste, chemical and product legislation. It is an opportunity to ensure that objectives, principles and requirements are better interlinked, so that long term synergies are enhanced and high qualitative materials are available in the market and the use of recycled material is safe for human health and the environment. The increasing knowledge and identification of substances of very high concern needs to be considered also in the waste policy to secure that these substances are phased out and not re-circulated.

The EU Waste Framework Directive 2008/98/EC (WFD) should be amended in order for it to play an important role in detoxifying the material cycles. Below are proposals for inclusions/amendments in the WFD¹ in order to serve this purpose.

New preamble – (x) In order to achieve resource efficiency, to secure a high quality of recycling and to move towards a circular economy in the European Union with an aim to protect health and environment, non-toxic material cycles should be promoted.

In addition to this, specific provisions in the WFD are needed in order to prevent the SVHC entering back into the material cycles. Sweden therefore proposes to amend Article 9, 10 and 11 of the WFD:

Article 9 Prevention of waste

9.1 Member States shall take appropriate waste prevention measures in order to facilitate [enabling] resource efficient and non-toxic material cycles.

9.4 The Commission shall before [dd/mm/yyyy] submit a report with proposals if appropriate of possible areas to develop new or amended product legislation in order to aim for resource efficient and non-toxic material cycles, i.e. for textiles and construction products.

The report shall in particular address possibilities to phase out substances of very high concern, according to Regulation (EC) No 1907/2006 of the European Parliament and the Council concerning Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) and endocrine disrupters*.

¹ Other Waste Directives (94/62/EC on packaging and packaging waste, 1999/31/EC on the landfill of waste, 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) should be amended accordingly.

* Commission recommendation [...] of... on criteria for the identification of endocrine disrupters (OJ C..)

Article 10 Recovery - new para 3

In line with our proposed preamble Sweden suggests the following addition to article 10:

10.3 By [1 January 201x] the Commission shall carry out a review to assess how the information generated by the regulation no 1907/2006 of the European Parliament and of the council (the REACH regulation), in particular the information required by Articles 31 and 32, can be made available to establishments recovering waste. On the basis of that review, the Commission may, if appropriate, present a legislative proposal.

Article 11 Reuse and recycling – changed para 3, new para 6 and 7:

11.3 The Commission may adopt implementing acts necessary to ensure a uniform implementation of the target laid down in paragraph 2(b) as regards backfilling and 2 (a, b, c) as regards how the content of hazardous substances shall be handled in order to achieve the targets. Those implementing acts shall be adopted in accordance with the procedure referred to in Article 39(2).

11.6 The Commission shall before 01/01/2017 examine the consequences of the new targets for recycling on the spread of hazardous chemicals in material cycles and in the environment. The report shall provide a basis for consideration of revising the recycling targets from year 2020 and be incorporated in the EU strategy for non-toxic environment that will be developed according to the 7EAP.

11.7 The Commission shall promote, as appropriate, the preparation of European standards relating to methods of measurement, test methods and other procedures in order to assure that recycled materials fulfil [acceptable/high] quality criteria, including e.g. absence of substances of very high concern.

The Commission shall also promote initiatives in order to increase the traceability of materials and its origin.

Sweden sees a need for development of European standards relating to methods of measurement, test methods and other procedures in order to assure that recycled materials fulfil specified quality criteria. These standards would be valuable in order to phase out substances of very high concern as well as providing information in the supply chain, which are prerequisites for success in achieving high quality recycled materials attractive on the EU market and ultimately achieve high targets for recycling of complex materials.

2 Improved information about recyclability and on content of substances of very high concern (SVHC)

The REACH Regulation generates information on substances and their uses. It is assumed in the REACH Regulation (preamble 14) that the information generated by the regulation shall be used by the relevant actors in the application and implementation of appropriate Community legislation and that Commission, in the review and development of relevant Community legislation, shall consider how this information should be used. REACH (Article 33) already establishes an obligation on

suppliers of articles to disclose information on substances of very high concern to their business-to-business customers. Therefore, the same information should be available to the Establishments in the waste and recycling sectors.

Establishments that undertake recovery of waste need access to the information generated by REACH in order for them to take the appropriate precautionary measures and ensure that the substances, mixtures and articles recovered and placed on the market do not adversely affect human health or the environment. Therefore the WFD should require that the information generated by REACH is made available to the establishments that undertake recovery of waste. Sweden therefore proposes that a requirement is inserted:

New article – Ensuring access to information on recyclability and content of SVHC:

There is a need to ensure that establishments undertaking recovery of waste have access to the information generated by the regulation no 1907/2006 of the European Parliament and of the council (the REACH Regulation) relating to the hazardous properties of the substances that results from the recovery process.

Substances of very high concern ending up in recycled materials are an obstacle to high qualitative material and thereby also to fulfilling the existing recycling targets, e.g. in the construction sector. Therefore, information about the recyclability of the materials and on the content of substances of very high concern in those materials must be made available to actors in the waste and recycling sectors. Sweden proposes that a new para in Article 11 is inserted:

Article 11 Re-use and Recycling – new para 6:

11.6 The Commission shall before 01/01/2017 examine the consequences of the new targets for recycling on the spread of hazardous chemicals in material cycles and in the environment. The report shall provide a basis for consideration of revising the recycling targets from year 2020 and be incorporated in the EU strategy for non-toxic environment that will be developed according to the 7EAP.

Taking the different situation in Member States into account, some Member States could be obliged to fulfil the landfilling ban and the increased recycling targets by 2020, while others could be given more time for transition.

3 Further restrictions in existing product legislation on the SVHC

In existing product specific legislation, there is a need for further restrictions of substances of very high concern. Sweden proposes that Member States in their waste prevention programmes shall include targets and actions in order to reduce the content of hazardous substances in materials and products.

Article 29 Waste Prevention Programmes – amend para 2:

29.2 The programmes provided for in paragraph 1 shall set out waste prevention targets and measures to fulfil those targets.

Member States shall in their Waste Prevention Programmes adopt targets in order to reduce the content of hazardous substances in materials and products and take appropriate measures to promote that articles placed on the EU market do not contain substances of very high concern, according to Regulation (EC) No 1907/2006 of the European Parliament and the Council concerning Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) provided that such measures avoid distortions of the internal market and do not hinder compliance with this Directive by other Member States. Such measures may include public procurement, economic incentives and dialogues with strategic stakeholders.

Focus on cost-effective material cycles

Focusing on measures specific for every waste stream, strengthening waste prevention and increasing recycling are essential to make material cycles more cost-effective.

4 Measures at EU-level for specific waste streams

To promote and enhance waste prevention and non-toxic material cycles, measures at EU-level need to be tailored to specific waste streams. Waste streams of particular concern are: food waste, electrical and electronic waste, textiles, construction and demolition waste and plastic items. One of such measures on the EU-level could be a development of indicators and effective measures for waste prevention at EU-level tailored to specific waste streams mentioned above.

5 More stringent requirements on waste prevention

Waste prevention should be strengthened through the development of EU common indicators for waste prevention and the establishment of more stringent requirements in Member States waste prevention programs. Sweden proposes therefore amendments in Article 9, 29 and 30 of the WFD.

In Article 9 – Commission’s obligation to adopt implementing acts establishing specific indicators for waste prevention and uniform conditions for the monitoring of the implementations of the waste prevention measures taken by the Member States. Accordingly, Article 29.2 should be amended requiring the national waste prevention programs to include prevention targets, measures to fulfil them and the indicators to monitor the progress of fulfilling the set out targets. The latter targets should be evaluated and revised accordingly every six years under Article 30.1.

6 Increase recycling – minimize landfilling of recoverable material

Emissions of methane from landfills represented 30% of the global anthropogenic emissions of methane to the atmosphere when the landfill directive was adopted. As methane is a much stronger climate gas compared to carbon dioxide, the minimisation of landfilling of biodegradable waste is crucial from a climate perspective.

A ban on landfilling of biodegradable and recoverable waste which is suitable for recycling should be introduced at EU level. Sweden has very good experiences on such a measure. Sweden sees a need for definitions of recyclable waste and material recoverable waste. Waste that contains harmful substances should not be considered as material recoverable waste. Taking the different situation in Member States into account, some Member States could be obliged to fulfil the landfilling ban and the increased recycling targets by 2020, while others could be given more time for transition.

Sweden proposes adding textiles in the target and formulating the target in order to clarify that metal and glass are not considered as biodegradable whereas paper and cardboard is.

New para in Article 5 of the Directive (1999/31/EC) on the landfill of waste:

5.x Member States shall from the 1st of January 2021 not accept the following waste types in landfills for non-hazardous waste: recyclable waste, including plastic, metal, glass, ~~paper and cardboard~~, textiles and biodegradable waste.

Clear, binding and quantified recycling targets are essential if we are to increase the recycling amounts. The recycling levels of the circular flow of materials must be specifically targeted and landfilling must be minimized. Without specifically targeting the level of recycling, the circular flow of materials cannot be secured. One of such measures is the re-introduction of the waste specific recycling targets. Binding recycling targets for food waste and textiles should be established.

Sweden sees the need for a separate target on recycling of food waste through biological treatment and would support the Commission in developing such target. The target should focus on the environmental benefits of biological treatment and clarify that food waste in the manufacturing, retail/distribution, food service/hospitality and household sectors should be sorted out and biologically treated in a way to utilize the nutrients and energy in the waste.

If the bio-waste is anaerobically digested, another benefit is the production of biogas. If the biogas is upgraded to bio methane it can be used as vehicle fuel, which in turn contributes to the creation of sustainable cities.

In line with a separate target on recycling of food waste in article 11, Sweden for systematic reasons also proposes a requirement on biological treatment in article 22 in the WFD:

22.x In order to minimize contamination of waste materials, Member States shall ensure separate collection of bio-waste by 2025. The separated collected bio-waste shall be biologically treated in a way to utilize the nutrients and energy in the waste.

Derogations may be justified by the overall impacts of such management.

Annex 2 to the Swedish non-paper on circular economy – concrete measures

Sweden would like to propose the following concrete measures for the new circular economy package, in addition to the non-paper and its Annex 1, that were presented in May. Part of these measures have been introduced and enforced in Sweden and we recommend introducing these measures at European Union level to facilitate the transition to circular economy.

The Eco-design Directive 2009/125/EC

- Use the full potential of Annex I of the directive and consider including additional parameters and requirements under Annex I into the revised implementing acts, when reviewing the existing implementing measures under the Eco-design directive.
- Develop harmonised standards or other methods, to measure compliance with the environmental parameters in Annex I of the Eco-design Directive to ensure market surveillance and manufacturers feasibility to fulfil the established requirements.

New Product-design Legislation

- Use the Eco-design directive approach for other groups of products, while taking into account existing EU legislation.

The REACH Regulation (EG) 1907/2006

A risk based approach to a circular economy is not the way forward – most substances of very high concern (SVHC) are so toxic that limiting the risk of exposure is not sufficient. They must be removed from material cycles in order to ensure that recycled materials are of the same standard and as non-toxic as virgin materials.

- Develop general guidance or templates to be used to fulfil the requirements according to article 33, to facilitate that the flow of information required according to article 33 reaches the waste and recycling sector.
- Ensure that the same level of protection for health and environment applies to restrictions and authorisations of virgin and recycled materials respectively, i.e. no exemptions for recycled materials.
- Recycled materials re-entering the economy should be fully compliant with the REACH Regulation, e.g. if the conditions for exemption from registration in Article 2.7d are not fulfilled, recycled substances must be registered.
- Removal of SVHC should be done in the design phase. This can partly be achieved by speeding up the process of adding substances to annex XIV of REACH Regulation.
- Speed up the process to consider applying Article 68.2 in the REACH Regulation, to regulate the substances that are carcinogenic, mutagenic and toxic for reproduction (CMRs) in textiles. Other categories of articles should be considered as well.
- Take actions to limit other very hazardous substances currently used in the manufacturing of textiles, such as allergenic substances, substances hazardous to the environment and endocrine disruptors.

The Waste Framework Directive 2008/98/EC (WFD)

Clear, binding, waste specific and quantified recycling targets are essential if we are to increase the recycling amounts of biodegradable and recoverable waste. Some material streams, e.g. paper/cardboard, cannot be produced only from the recycled materials, i.e. a steady flow of primary materials is required during a production process in order for the material to be recycled. This aspect needs to be taken into account when formulating targets, indicators and eco-design requirements.

- Revise the recycling targets in order to take into account the different situation in the MS. Recycling targets based on progression rates or performance levels of the MS could be an option. This would take into account the different starting positions of the MS and would still allow keeping an overall high recycling ambition level in the EU.
- Propose targets for reuse and recycling of textiles in the WFD at the latest by 01/09/2016 in order to increase the levels of reuse and recycling under the waste hierarchy.
- **Adopt** implementing acts to establish indicators for waste prevention measures under Article 29.4 of the WFD and enable the Commission to establish uniform conditions for the monitoring of the implementation of prevention measures taken by MS, in particular regarding food waste and textiles.
- Extended producer responsibility (EPR) should be established on EU-level for specific groups of articles or waste-streams, however not as an overarching requirement in the WFD. Minimum requirements under the EPR should be individualized to specific waste streams and they should ensure finance transparency, as well as, a level playing field amongst the producers.
- Introduce a requirement on mandatory separate collection of bio-waste, construction and demolition waste and textiles in the WFD. It is essential to go forward with legislation for textiles as separate material stream as textiles is a large product group with high impact on the environment and human health.
- Introduce a requirement in the WFD to ensure that the separately collected bio-waste is biologically treated in a way that both the nutrients and the energy is utilized (digestion).

The Landfill Directive 1999/31/EC

Introduce a requirement in the landfill directive which limits landfilling to non-recyclable materials. Waste materials which are suitable for recycling or recovery should not be landfilled. At the same time, an increase of incineration should be avoided. Waste that contains substances of very high concern should not be considered as a recoverable waste. In this context the definition of non-recyclable materials should be carefully considered.

The Packaging and Packaging Waste Directive 1994/62/EC

Work towards establishing separate targets for recycling of composite packaging to provide a legal incentive for MS to recycle the growing stream of composite packages.

Revision of the Energy Tax Directive 2003/96/EC

In December 2014 the Commission announced its intention to withdraw the proposal from 2011 of revising 2003/96/EC, the Energy Taxation Directive. The withdrawal of the proposal is inconsistent with our shared ambition of fighting climate change by using cost-effective measures. The Commission is encouraged to as soon as possible present a new adjusted proposal aiming to the same objective and taking into account the progress already achieved, e.g. enabling taxation as a cost effective tool in the promotion of sustainable renewable fuels.

Revision of the Guidelines on State Aid for Environmental Protection and Energy 2014-2020 (2014/C 200/01)

Sustainable food-based biofuels that are produced in such a way that they do not interfere with other policy priorities, play an important role in combating climate change and contribute to decarbonising the transport sector. The Commission is therefore encouraged to present a new and adjusted proposal of the Guidelines on State aid for environmental protection and energy 2014-2020 (2014/C 200/01) that to a greater extent allows for sustainable food-based biofuels to receive state aid.

Circular economy approach

Sweden finds that the digitalization and sharing economy have a great potential to reduce environmental impact and would recommend the following:

- Further analyse in what particular areas collaborative consumption could be/be proven to be most beneficial and resource efficient and what areas related to the shared economy would need action in order to meet new needs from business and households and to facilitate the uptake.
- Identify legislative and other instruments that hinder the development of circular business models and innovation, such as financial legislation for calculating profit.
- Develop guidelines for the financial sector on transparent and green investments as drivers for a circular economy, including how companies shall report their share of renewables and/or recycled materials placed on the market in their corporate (financial/general accounting) report.
- Take measures targeting public procurement, e.g. through criteria for Green Public Procurement including innovation procurement and pre-commercial procurement especially to support the use of renewable resources and responsible sourcing of raw materials.
- Develop guidelines in order to make full use of the broadened scope in the new EU Directive on Public procurement (2014/24/EU), specifically the possibility to include life cycle-based information on the environmental performance of products and Life Cycle Costing in the tendering process, and also to include the possibility of using Public Innovation Procurement as a tool for further strengthening the environmental performance of products and systems.
- Use the potential of developing standards at preferably global level or EU-level to: 1) support the use of materials from renewable or recycled resources, 2) ensure that raw

materials are sourced under social, economic, and environmental conditions meeting EU requirements 3) promote sustainable product design on a voluntary basis for product groups not covered by the existing EU legislation. Ensure that standardization is in line with legal and technological development.

- Improve effective communication between the various information communication technology (ICT) digital components (such as devices, networks, among actors and countries) and increase interoperability between 5G, design processes, e-Health and e - Transportation.
- Use trade policy to facilitate the reuse of products and recycle of materials in the global market ensuring that environmental and social conditions are achieved.
- Continue the multi-stakeholder process of pilot tests, in order to develop a common methodology for environmental foot printing including the planned evaluation and policy discussion. A common methodology can contribute to “greening” of the internal market and increase transparency in policy making.
- Make the EU Eco-label system more efficient and more attractive. Public authorities, non-governmental organizations and business operators should be encouraged to contribute in activities aiming at increasing brand recognition. Ways of making both the criteria development and licensing activities more efficient should be sought and further focus should be put on defining the task of different bodies within the system.

Horizontal issues - Coordinated funding, research, collaboration and information

- Use the European Fund for Strategic Investment, EFSI, (as stipulated in the preamble of the regulation) Horizon 2020 and the Structural funds to support the transition to a green resource efficient economy. Develop systems needed for monitoring and reporting regarding these instruments and support MS in need of assistance in the application procedures.
- Promote the waste hierarchy in funding of waste treatment, i.e. and reduce financial support from the EU funds to incineration and landfill.
- Secure research on circular economy aspects as set out in the proposal for the Societal Challenge no 5 on Climate action, environment, resource efficiency and raw materials in Horizon 2020. Ensure the EU funding for research and innovation on the use of renewable resources within Horizon 2020.
- Stimulate development of innovative methods for recycling, reuse and recovery of rare earth metals and other critical raw materials within the Industrial Challenge in Horizon 2020 (first draft dated 2015-02-09).
- Develop basic and common information material to be used in information campaigns in MS with the purpose to reduce food waste from private consumption.
- Support research and development of processes and technology to identify substances of very high concern in, and to remove SVHC from waste materials.
- Further explore and propose WTO-compatible measures facilitating that consumers can receive relevant information on substances of very high concern and sensitising/ allergenic substances in textile consumer articles. This can be done in REACH or through other measures.

- Promote the development of circular business models by pilot tests, experimental and business close research that further evaluate aspects of organizational shifts, such as commercial risks and future profits.
- Establish an EU-platform to be used for dissemination of best practices and experiences on new business models, shared economy and consumption, industrial symbiosis and digital solutions, based on the assessment of the role of platforms in the follow up of the communication on the digital single market (COM 2015) 192.
- Establish an EU-platform for supporting responsible sourcing of raw material; by rewarding business frontrunners, identify actions for disseminate existing good examples. Business must be supported to switch to responsible sourced material and yet stay competitive.