

RREUSE's feedback on the 2040 EU Climate Target

As the European network of social enterprises active in the circular economy, RREUSE welcomes the opportunity to provide feedback on this consultation and agrees with the necessity of setting up an intermediate climate target for 2040 under EU law.

Through their activities, RREUSE members are already preventing CO₂e emissions equivalent to the annual carbon footprint of 100,000 EU citizens¹. With that in mind we appeal for the consultation takeaways, future climate targets and related policy measures to reflect the crucial role of circular economy, the need to respect the waste hierarchy where waste prevention and reuse activities are the primary objective.

It is well established that the EU is not on track to respect its climate commitments for 2030². Meanwhile the ever-increasing occurrence of extreme weather events such as heatwaves and floods serves as a poignant reminder of the necessity to increase mitigation efforts, to act swiftly and decisively to avoid the worst effects of climate change.

This endeavour can only be successful if a just transition for all is at the basis of all environmental action. Namely, widespread social acceptance is a prerequisite for the effective implementation of ambitious climate policies. The circular economy can play a crucial role in this. It is a way to tap into climate mitigation potential as well as to create new economic opportunities. This can increase both the competitiveness of the European economy and the well-being of EU citizens. The work of social enterprises in the field is a very relevant and concrete example of how progressing towards a more circular economy can also bring social and economic benefits. In 2021, RREUSE members collected 1,200,000 tonnes of waste, supporting 105,000 jobs and generating $\notin 1.1$ billion of total turnover³.

The EU cannot meet its climate targets without combining the renewable energy transition with the transition towards a truly circular economy, transforming the way products are made and used. Although it is estimated that 70% of greenhouse gas emissions are linked to material handling and use⁴, efforts to tackle the climate crisis have mostly focused on decarbonising the energy system.

Current EU circular economy policies have mostly focused on recycling⁵, without sufficient consideration to the upper stages of the waste hierarchy such as waste prevention and reuse activities. This is a major missed opportunity to increase the sustainability of the European economy, including by significantly

¹ Schirru, S. (2023) The Reuse Revolution: how social enterprises are leading the way. OECD Cogito. Available at <u>https://oecdcogito.blog/2023/04/05/the-reuse-revolution-how-social-enterprises-are-leading-the-way/</u>² Climate Action Target (2023) Available at

https://climateactiontracker.org/countries/eu/#:~:text=As%20of%20May%202023%2C%20the,by%202030%20(incl_uding%20LULUCF)

 ³ RREUSE (2021) RREUSE Members Impact 2021. Available at <u>https://rreuse.org/rreuse-member-impact-2021/</u>
⁴ Circle Economy (2022) The Circularity Gap Report, p. 8. Available at

https://www.circularity-gap.world/2022?gclid=EAIaIQobChMIs6i2urbW_wIVI4JoCR1--A9OEAAYASAAEgIT1_D_BwE# Download-the-report

⁵ Baldassarre, B. and Saveyn, H., A Systematic Analysis of EU Publications on the Circular Economy, EUR 31491 EN, Publications Office of the European Union, Luxembourg, 2023, ISBN 978-92-68-03004-2, doi:10.2760/36203, JRC133158. Available at <u>https://publications.jrc.ec.europa.eu/repository/handle/JRC133158</u>

reducing GHG emissions. The 2022 IPCC report recognises the climate mitigation potential of circular economy strategies, but notes that re-use and reduce strategies have not been examined as much as recycling policies and calls for recognising the importance of minimising material use and designing for circular principles as a key driver of climate mitigation policies⁶.

This is consistent with findings from a report by the Ellen MacArthur Foundation.⁷ examining how product lifetime extension strategies enable the conservation of embodied resources in products, thus avoiding GHG emissions and other negative externalities associated with both production and end-of-life treatment, potentially avoiding 1.1 billion tonnes CO_2e per year by keeping products in the economy for as long as possible.

The economy can no longer be driven by the extraction and processing of natural resources. In this context, social enterprises active in the circular economy are essential to promote well-being within planetary boundaries, as they promote inclusive jobs and training opportunities while extending the lifespan of products and thereby reducing emissions and other environmental impacts.

Therefore, RREUSE is in favour of increasing the EU's climate ambitions, which includes setting up a climate target for 2040, bringing the EU's commitment in line with the overarching objective to achieve net-zero emissions by 2050. To achieve this goal, the role of circular economy in climate mitigation should be recognised and new circular economy strategies should focus more on waste prevention and product lifetime extension rather than just recycling.

This could be done cost-effectively and without unduly increasing administrative burden:

- by including the National Waste Prevention Programmes established by Art. 29 of the Waste Framework Directive in the National Energy and Climate Plans (NECPs) that each Member State must submit to the European Commission under the EU Climate Law;
- and by ensuring that the next Circular Economy Action Plan (CEAP) puts product lifetime extension through durability, repair and re-use at the top of the political agenda.

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Co-funded by the European Union

This publication and its contents do not necessarily reflect the position or opinion of the European Commission. Co-funded by the European Union by the EaSI strand of the ESF+ programme.

 ⁶ IPCC (2022) Climate Change 2022: Mitigation of Climate Change, p. 120. Available at <u>https://www.ipcc.ch/report/ar6/wg3/downloads/report/IPCC_AR6_WGIII_FullReport.pdf</u>
⁷ Ellen MacArthur Foundation (2021) Completing the Picture, p. 8. Available at <u>https://ellenmacarthurfoundation.org/completing-the-picture</u>

