

RREUSE feedback on the New Circular Economy Action Plan

[RREUSE](#) is an international network representing social enterprises active in re-use, repair and recycling. RREUSE members currently divert around 1 million tonnes of goods and materials on an annual basis from landfill through re-use, repair and recycling, generating a combined turnover of 1,2 billion EUR¹. In 2018, RREUSE members active in re-use extended the lifespan of 214 500 tonnes of products, counterbalancing the average CO2 emissions of approximately 108 000 EU citizens². Environmental services, including those of re-use and repair, enabled 850 social enterprises federated by RREUSE's wider network to fulfil their social mission, which for the most part includes the provision of work opportunities, training and support services for disadvantaged individuals. There are approximately 95,000 employees, volunteers and trainees engaged in the activities of RREUSE's 27 members spanning 25 European countries and the USA.

RREUSE welcomes the roadmap on a New Circular Economy Action Plan and supports the idea that, to speed up the transition, we must take into account impacts associated with "the lifecycle of products". The strengthening of circular economy related policies is very much needed to change our consumption patterns, create local jobs and achieve the objectives set out by the European Green Deal. While the roadmap identifies a number of solutions to help drive the European economy towards circularity, RREUSE would like to highlight some shortcomings and suggest policies to ensure the New Circular Economy Action Plan not only saves more resources but also creates a significant number of jobs, especially for those in need. These proposals, including some of [those suggested by the Prevent Waste Coalition](#) of which RREUSE is a member, are:

- Setting separate quantitative targets for re-use and preparation for re-use rates, as well as clear targets on reducing resource consumption
- Developing positive taxation measures to make buying second-hand and repairing products more attractive than buying new
- Advertising in favour of repair activities and second-hand as well as controlling the advertisements encouraging the purchase of new products
- Setting clear prevention and preparing for re-use objectives and financial support measures where Extended Producer Responsibility (EPR) is implemented
- Supporting social enterprises involved in circular economy related activities, for example through the expansion of the scope of the Just Transition Fund and orienting EU funding mechanisms to rewarding social and circular activity proposals

¹ RREUSE (2019), Activity report (available [here](#))

² Calculated via a tool developed by AERESS (for which the consumer friendly option is available [here](#)), as well as data from [Eurostat](#) and our [2018 Activity Report](#)

- Developing circular ecodesign requirements for increasing numbers of products such as mobile phones and laptops, as well as non-energy related products such as textiles and furniture, in line with a right to repair
- Fully implementing the often neglected top of the EU waste hierarchy in high environmental impact sectors, notably textiles, construction and electronics.
- Supporting measures to buy less new products beyond simply buying more sustainable products

Based on suggestions already presented by the Commission in the roadmap, the following sections will detail these proposals.

1. Reducing waste generation and increasing the amount of waste treated domestically

RREUSE is a strong supporter of local re-use and, therefore, agrees with the Commission's commitment to reduce waste generation and increase the amount of waste treated domestically. Because creating jobs for people at risk of socio-economic exclusion is at the core of social enterprises, prioritising local re-use and repair over exports and recycling is key to local territorial cohesion, inclusion and local material cycles.

According to the updated [Waste Framework Directive](#), the European Commission must, by 2024, look into the feasibility of setting separate quantitative targets for re-use and preparation for re-use activities. Re-using or preparing for re-use only 2% of waste generated in the EU could help reduce CO2 emissions within the EU by 5%³ while supporting around 400 000 jobs⁴. RREUSE strongly encourages the Commission to seriously consider this option and look to [countries and regions where such targets have already been set](#). At the time of writing, French lawmakers have decided to set a combined re-use and preparing for re-use target of which the level will be set for the period between 2021 and 2025 and then renewed every five years⁵.

2. An internal market for second-hand goods and repair services

The first Circular Economy Action Plan contained policies on developing a market for secondary raw materials, but lacked policies on supporting a market for second-hand goods, highlighting the limits of the plan to actually apply the waste hierarchy. Given that "between 13% and 16% of waste electric and electronic equipment (WEEE), furniture and leisure goods disposed of at household waste collection centres are in excellent working condition and could easily be prepared for re-use"⁶, this is clearly a missed opportunity.

³ Calculated via a tool developed by AERESS (for which the consumer friendly option is available [here](#)), as well as data from [Eurostat](#) and our [2018 Activity Report](#)

⁴ RREUSE (2015), Briefing on job creation potential in the re-use sector (available [here](#))

⁵ Projet de loi relatif à la lutte contre le gaspillage et à l'économie circulaire, texte élaboré par la commission mixte paritaire (available [here](#))

⁶ European Commission (2019), Waste potential: more of our refuse electronics, furniture and leisure goods could be re-used, suggests German study (available [here](#))

Today's consumers are ready to buy second-hand products. Thred Up, the American online thrift store, estimated that the [second hand textiles market will grow to nearly 1.5x the size of fast fashion by 2028](#). Concerning smartphones, the sale of new ones is currently decreasing while the [sale of second-hand ones is increasing](#).

According to the roadmap, products put on the market will be increasingly re-usable and repairable, and consumers will be better informed about their sustainability. However, there is no mention of encouraging consumers to buy second-hand or repair their products, which is essential to make both our consumption patterns more sustainable and reduce waste generation. Through appropriately designed communication campaigns and preferential taxation (such as zero VAT), buying second-hand goods or repairing products should be promoted throughout Europe⁷. Should Extended Producer Responsibility (EPR) schemes be applied to a given waste stream, this could also be a solution to finance re-use, preparing for re-use and repair activities, but under the strict condition that these schemes are developed with clear quantitative targets associated with these activities.

3. Sensitivity to social impact

The roadmap states that the action plan will be “sensitive to social and geographic impacts”. RREUSE welcomes this commitment which, we fully recommend be materialised through supporting social enterprises involved in circular economy related activities. Currently, social enterprises active in the circular economy, are experts in their field, impact-driven, understanding of local needs, consumption trends and waste management as well as contributors to social impact. Initiatives such as the [impact calculator](#) from AERESS, a Spanish member of RREUSE highlights the social impact of re-use in an accessible way.

As circular business models are set to be supported via policies, it is very likely that activities currently considered not beneficial enough will quickly be more appealing to the private sector. We see this already happening for textiles, electronics and furniture where important industry actors try to develop re-use activities of their own, sometimes in cooperation with social enterprises. Even though the participation of producers and retailers is essential to achieve a truly circular economy, it is also important to safeguard the activity of social enterprises ensuring that disadvantaged groups continue to have opportunities to find employment and access training (often circular-related across the RREUSE wider membership). Additional safeguards such as ensuring special mention and clearer guidance in social procurement by including social clauses and reserved contracts in public tendering need further commitment. Potential solutions to support social enterprise can be considered in the forthcoming Just Transition Mechanism as well as opportunities in the improved ESF+.

4. Sustainable product policies

Consumer goods are now less durable and repairable than in the past. RREUSE has investigated the increasing difficulties associated with attempting to repair modern electronic equipment including lack of access to and high costs of spare parts, lack of appropriate repair information, as well as

⁷ RREUSE (2017), Position paper on Reduced taxation to support re-use and repair (available [here](#))

product design preventing repair. Not only is this a serious environmental issue but not being able to repair an appliance also puts at risk the economic viability of re-use and repair organisations⁸.

Therefore, RREUSE particularly approves of the statement that the new action plan will “set minimum requirements to prevent environmentally harmful products from being placed in the EU market and identify options to prioritise reuse and repair before recycling”. The work made by the Commission over the last mandate on ecodesign for certain types of products is laudable⁹ and should be extended to other products. Design for durability, repairability, reusability and upgradability is essential to improve the quality of products, which is an essential factor to the development of the market for second-hand goods.

High environmental impact sectors identified by the Commission are where efforts on ecodesign must be focused. These should include textiles, construction materials, furniture and ICT products (such as smartphones and printers) as streams to be covered.

5. Identification of high environmental impact sectors

RREUSE agrees that the sectors identified (textiles, construction and electronics) need particular attention. These three waste streams all have re-use potential, making it necessary for the Commission to apply the waste hierarchy thoroughly when drafting related policies. RREUSE recently developed a [Vision for a New Fashion Season: Social and Circular](#) detailing what policies should be set up to make the textiles industry more sustainable and social. Examples of policies helping the re-use of [construction](#) materials have been applied in Austria and the re-use of [electronics](#), already targeted via the WEEE directive, still needs extra support to thrive.

Two tools might be identified by the Commission as useful to decrease the environmental impact of these sectors: EPR schemes and Deposit refund schemes. Should this be the case, RREUSE urges caution concerning potential unintended consequences that the implementation of these instruments could have on the re-use sector.

EPR schemes can be a useful instrument to both send a price signal to consumers about which products are the most sustainable and produce a source of funding for waste prevention and management activities, but only if the EPR schemes are designed correctly. Historically in practice, however, they risk prioritising the financing of recycling over re-use and prevention in order to decrease direct costs. A certain proportion of the EPR fee, fixed legally and not decided by producers, should also be earmarked to help support waste prevention, re-use and preparation for re-use. For example, the latest version of the [French waste framework directive transposition law](#) guarantees that, for the EPR schemes related to re-usable products, at least 5% of the EPR fee collected has to be dedicated to re-use and preparing for re-use activities.

Deposit refund schemes could be helpful to help collect and retrieve more reusable products from consumers, especially mobile phones, small electronics and textiles. However, if set up and controlled

⁸ RREUSE (2019), Easy product repair (available [here](#))

⁹ RREUSE (2019), Opinion: Repairing electronics shouldn't be rocket science (available [here](#))



by producers and retailers themselves, they might end up only serving the collection of waste for recycling. If there is re-use potential for a product covered by a deposit refund schemes, it needs to be guaranteed that related collection points will be set up in a way which safeguards reusability and that they will be accessible to re-use operators.

6. Empowering consumers

It appears that the circular action plan will “include measures to empower consumers” by facilitating access to “reliable, verifiable and comparable information on products’ sustainability features”. These measures present a good step towards healthier consumption patterns, especially if combined with minimum requirements for sustainable products.

However, RREUSE wants to draw the Commission’s attention to risks associated with the rebound effect and ensure that the idea of consuming less is also promoted. Buying new products, no matter how sustainable, will remain harmful for the environment. Buying second-hand or repairing products instead of replacing them is, most of the time, greener than buying green products. We need policies strongly focussed on reducing consumption in the first place and this is what is missing in the roadmap. Developing policies on the [right to repair](#) or setting a resource consumption cap in order to truly decouple the EU’s growth to our resource consumption are two solutions to concretely reach that goal.

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RREUSE is an independent non-profit organisation representing social enterprises active in the field of re-use, repair and recycling, with 27 members across 25 countries in Europe and the USA.

Our main vision is for Europe to support the role of social enterprise in a circular economy, providing meaningful work opportunities to thousands of vulnerable members of our community through innovative economic, social and environmentally beneficial activities.

RREUSE’s primary mission is to help tackle poverty, social exclusion and a throwaway culture by promoting policies, best practices and partnerships that support the professionalism and development of social enterprises working in environmental services with high potential for local and inclusive job creation, notably re-use and repair.