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From:	General Secretariat of the Council
To:	Permanent Representatives Committee (Part 1)/Council
No. prev. doc.:	13291/19 ENT 236 MI 730
Subject:	Council Conclusions on Circular Economy in the Construction sector - Adoption

1. In view of the possible revision of the Construction Products Regulation the Finnish Presidency presented a set of Draft Council Conclusions to the Working Party on Technical Harmonisation (Construction Products). These draft conclusions were discussed at meetings of this Working Party on 3 July, 24 September, 15 October and 5 November 2019. In this context, the Presidency was drawing inspiration from an informal meeting of the Working Party "Circular Economy and Construction Products Regulation in Future" held on 3 and 4 September 2019 in Helsinki and from the Council Conclusions on "More circularity - Transition to a sustainable society".¹ Inputs from Member States experts had also been given in written form.

¹ These conclusions were discussed by the WP on Environment and finally adopted by the Council (Environment) on 4 October 2019.

2. At its final meeting on 5 November, the Working Party on Technical Harmonisation (Construction Products) reached full consensus on the text of the Draft Conclusions. The text of the conclusions can be found in Annex to this note.
 3. The Committee of Permanent Representatives is therefore invited to submit to the Council the draft conclusions as set out in the Annex to this note for adoption as an "A" item on the agenda of the Council (Competitiveness) on 28 November 2019.
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**Circular economy in the construction sector
- Draft Council conclusions -**

THE COUNCIL OF THE EUROPEAN UNION,

RECALLING:

The Council conclusions on

- More circularity – Transition to a sustainable society²
- 1. NOTES that half of the Earth’s raw materials are used for construction³, that 40% of the final energy consumption is used during the service life of buildings⁴, that the embodied carbon of construction products represents 10–20% of total embodied carbon in buildings in the EU⁵, and that construction and demolition waste accounts for a third of waste generated in the Union⁶, and ACKNOWLEDGES the increasing share of embodied energy with respect to the reduction of the energy demand of the service life of buildings;
- 2. RECOGNISES the large potential for enhanced resource efficiency and circularity of the manufacturing, use and end-of-life treatment of construction materials and products;
- 3. HIGHLIGHTS the need for a transition in line with the Paris Agreement⁷, to a climate neutral and more circular economy in the sourcing and manufacturing of construction products and their sustainable use in construction works;

² Council doc. 12791/19.

³ Herczeg, McKinnon, Milios, et al. (2014). *Resource efficiency in the building sector*. Final report to DG Environment.

⁴ Cao, Dai & Liu (2016). ” Building energy-consumption status worldwide and the state-of-the-art technologies for zero-energy buildings during the past decade”, *Energy and Buildings* 128: 198-213.

⁵ Material Economics, 2018 ‘Circular Economy – A Powerful Force for Climate Mitigation’

⁶ Eurostat (2019). *Waste Statistics*. Available at: https://ec.europa.eu/eurostat/statistics-explained/index.php/Waste_statistics#Total_waste_generation

⁷ An agreement within the [United Nations Framework Convention on Climate Change](#) (UNFCCC), dealing with [greenhouse-gas-emissions mitigation](#), [adaptation](#), and [finance](#), signed in 2016. Available online: https://unfccc.int/sites/default/files/english_paris_agreement.pdf

4. NOTES that existing buildings and infrastructure form a materials' bank which should be exploited;
5. POINTS OUT that buildings are the single largest energy consumer in Europe, that construction is highly material and carbon intensive and that the maintenance and renovation of existing buildings and infrastructure, and new circular construction, can play a role in striving towards a climate neutral and green transition;
6. ACKNOWLEDGES the potential a circular economy can offer to the creation of jobs and the overall EU economy. The further transition into a circular economy has the potential to generate up to 60 million new jobs worldwide during the next two decades.⁸ In the EU, the construction sector is estimated to benefit the most, with a possible addition of 6.5 million new jobs by 2030⁹;
7. STRESSES the importance of promoting and funding research, development and innovation actions as well as promoting commercialisation of research results in order to develop more sustainable construction products and materials, including recycled materials, which, for example, reduce lifecycle impact of buildings, enhance the possibility of multiple lifecycles of buildings, increase energy efficiency, reduce CO₂ emissions or absorb CO₂;
8. URGES the Commission to facilitate the circularity of construction products when revising the Construction Products Regulation (EU) No 305/2011 (CPR) and to do the utmost to include corresponding required essential characteristics into (Harmonised) Technical Specifications so as to ensure that such products respect all applicable requirements of the CPR;

⁸ International Labour Organization, "A just transition to a sustainable future - Next steps for Europe," ILO-Brussels, Brussels, 2017.

⁹ G. Montt, J. Capaldo, M. Esposito, M. Harsdorff, N. Maitre and D. Samaan, "Employment and the role of workers and employers in a green economy," in *Greening with Jobs - World Employment and Social Outlook 2018*, 2018.

9. HIGHLIGHTS the major stakes of the basic requirement for construction works (BWR) 7 for the circular economy, and the necessity that BWR 7 take into account the specificity of the technical specifications designed for the environmental product declaration, and ENCOURAGES the Commission, jointly with the Member States, to consider the already existing standards, in particular EN 15804 and EN 15978, in order to enable the use of the data declared for the assessment of the environmental performances of buildings;
10. STRESSES the importance of enabling the delivery of performance information regarding characteristics in relation to BWR 3 (Hygiene, health and the environment) and BWR 7 (Sustainable use of natural resources) of Annex I to the CPR, also for construction products covered by harmonised product standards where such characteristics are missing;
11. UNDERLINES the voluntary nature of the re-use of construction products;
12. STRESSES the importance of ensuring the health and safety aspects of a construction product also when it is being re-used or manufactured from recycled material; especially considering potential contaminations, reduced sustainability and decreased durability of the recycled or re-used material, and the possibility of excluding the recycling of some materials for certain hygienic and environmentally relevant applications;
13. UNDERLINES the need for awareness-raising through actions for strengthening general public confidence in safety and quality of construction products made from recycled materials and of the re-used construction products, and actions on the possible use of those products;
14. ACKNOWLEDGES that not all aspects relating to the re-use and recycling of construction products and materials they contain can be solved in the possible revision of the CPR alone and INVITES the Commission together with the Member States and stakeholders to develop a policy for the re-use and recycling of construction products and materials based on life-cycle assessment and to integrate sustainability goals and targets;

15. STRESSES the importance of the integration of circularity principles, life-cycle thinking and modular design into construction by further elaborating and promoting the use by the Member States of tools, such as Level(s)¹⁰, Green Public Procurement criteria for construction works¹¹, and the EU Construction and Demolition Waste Management Protocol¹² where feasible, and providing guidelines for waste audits before demolition and renovation works of buildings;
16. ENCOURAGES the Commission to explore with the Member States measures such as:
- a) clarification of the relationship between the CPR and other EU legislation, such as the Waste Framework Directive (2008/98/EC¹³) including end-of-waste criteria as regards re-usable construction products and materials recovered from construction waste,
 - b) clarification of the relationship between EU product-related legislation, such as the Eco-design Directive (2009/125/EC¹⁴) and the Energy Labelling Regulation (Regulation (EU) 2017/1369¹⁵), and the CPR as regards requirements for declarations,
 - c) clarification of the relationship between EU environmental legislation, such as the Drinking Water Directive (98/83/EC¹⁶), and the CPR, with a view to avoiding possible contradictions and problems in implementation,

¹⁰ European Commission's voluntary reporting framework for sustainability of buildings.

Further information: <https://ec.europa.eu/environment/eussd/buildings.htm>

¹¹ European Commission's criteria for green public procurement of office building design, construction and management. Available online:

https://ec.europa.eu/environment/gpp/eu_gpp_criteria_en.htm

¹² European Commission's non-binding guideline proposal for the industry. Available online:

https://ec.europa.eu/growth/content/eu-construction-and-demolition-waste-protocol-0_en

¹³ as last amended

¹⁴ as last amended

¹⁵ as last amended

¹⁶ as last amended

- d) clarification on how the relationship between chemicals legislation, such as REACH (Regulation EC No 1907/2006¹⁷) and the CPR, can be better developed,
- e) more consistent use of the existing definitions and terminology for “re-use” and “recycling” in the CPR and related standards on the one hand, and the use of definitions and terminology for “recovery” existing in the waste legislation, on the other hand,
- f) possibilities facilitating provisions for a market for high quality materials from re-use, in priority, then recycling,
- g) possibilities to facilitate the wider use of modular structural elements and modular construction products,
- h) conditions for creating and financing systems such as digital platforms for the marketing of recycled and re-used products,
- i) digitalisation as a tool to facilitate the circular economy on construction,
- j) conditions promoting a life-cycle assessment of construction products, where relevant,
- k) measures aimed at limiting the surplus of construction products and materials, which may involve incentives for economic operators to take back such surplus,

¹⁷ as last amended

- l) provisions promoting a documentation (such as logbook at construction work level including products or material passport or pre-demolition audit) to list all construction products and materials used in a construction work to enable traceability of substances or materials and to increase the overall knowledge of the content of a construction product and work; this collection of data is essential for the development of digital instruments, such as the Building Information Modelling (BIM)¹⁸, sustainable long-term building management and recycling,
 - m) provisions promoting an alternative for factory production control (FPC) for re-used construction products, also taking into account the 'Think Small First' principle;
17. ACKNOWLEDGES the work undertaken by the Member States in developing pilot projects, and INVITES the Commission to examine the possibilities of scaling up effective projects and their feasibility in terms of the specificities in different Member States;
18. INVITES the Member States to make further efforts in developing and strengthening their national roadmaps and strategies in relation to a circular economy in the construction sector, taking into account national assessment systems for sustainable building or systems for a circular economy of buildings, where applicable, or relevant technical specifications within the Internal Market of the European Union as far as such exist;
19. RECALLS the importance of better regulation principles as a prerequisite for having a future-proof and evidence-based regulatory environment. In this regard, STRESSES the key role of the Member States and stakeholders in the preparatory phase of the possible CPR revision. ENCOURAGES the Commission to enhance the coherence of the European product-related legislations.

¹⁸ Digital representation of physical, functional and other characteristics of a building or built environment.