

Brussels, 10 September 2019

WK 9583/2019 INIT

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# **WORKING PAPER**

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#### **WORKING DOCUMENT**

From: To:	Presidency Working Party on Technical Harmonisation (Construction Products)
Subject:	Information on the Informal meeting of Working Party on Technical Harmonisation: Circular Economy and Construction Products Regulation in Future

## **Conclusions**

Informal Meeting of Working Party on Technical Harmonisation: Circular Economy and Construction Products Regulation in Future

3-4 September 2019, Helsinki

Participation in the informal meeting was good, 20 Member States were represented (not represented: ES., IT; BE; LT; UK; GR. MT; SI) two associated countries (Switzerland, Norway) and on the first day also three representatives from Industry (SMEs, Finnish Construction Industry, Construction Europe). The Commission and Council Secretariat participated.

### Tuesday the 3<sup>rd</sup> of September 2019

1) Opening of the meeting / Director General Helena Säteri

Director General Helena Säteri opened the meeting and presented the summary of answers by delegations on the questionnaire from July. Some of the key findings from Member States were:

- 1) Nobody accepts to jeopardize safety at the cost of enhancing circular economy and preserving environment.
- 2) There is a clear need to incorporate principles of circular economy in the CPR once it is revised. The regulation should offer possibilities to deliver information about the properties of a re-used product and to increase the use of re-used construction products even if such characteristics are missing from hEN.
- 3) Durability should be integrated as an essential characteristic into the Standard Requests.
- 4) Re-use of construction products should not be made mandatory in the CPR.
- 2) The Potential of Circular Economy in the Built Environment / Senior Adviser, Adjunct Professor, Matti Kuittinen

Dr. Matti Kuittinen stressed the imperative of circular economy in the construction sector. The main barriers to adopt circular economy in construction sector consist of economical, organizational, technical and legal obstacles.

Circular economy has been an integral part of European construction since time immemorial. Without enabling circular economy in today's construction sector, the goals of the Paris Agreement will become extremely difficult to achieve. Circular construction products can bring considerable  $CO_2$  savings and possibly increase jobs. However, the business is not yet there and industrial investments are required.

Regarding to the circular economy and employment it can be noted that the production routes of circular economy may be more labour-intensive than in the current linear models. This may lead into net increase in jobs. Transition into new economies can generate up to 60 million new jobs worldwide. If production can be ensured to stay in EU, this has a positive feedback to overall economy and tax income. Country-level estimations of additional jobs in a circular economy:

- Sweden + 100.000
- Finland + 75.000
- The Netherlands + 200.000
- France + 500.000
- Spain + 400.000
- Czech Republic + 150.000

In construction sector projected job demand is likely to grow in reprocessing of secondary steel, wood, copper, lead and aluminium. Projected job demand is likely to decrease in production of iron, steel, alloys and glass in mining of ores<sup>1</sup>.

#### 3) Greetings from the Minister of the Environment and Climate Change Krista Mikkonen

The Minister Krista Mikkonen gave her greetings to the Informal Meeting. She told about the very ambitious government program of Finland and saw that we need to think that climate policy should set the framework for the economy, not the other way around.

Because half of all of the Earth's material is used for construction, the internal market is an important EU policy sector in fighting the climate change. Therefore, EU legislation concerning the functioning of the internal market must offer solutions instead of creating barriers.

The Minister stressed that the time for action is now, there is no planet B and challenged all participants to make all that it takes to involve construction sector to fight against the climate change.

#### Discussions during the morning

Experts exchanged their views quite openly and were interested in best practices of other Member States, Cion representatives were especially eager to safeguard a unified internal market for Construction Products.

The CPR was seen as a good tool to deliver information and not limiting the use of recycled material as raw material. Concerning the circular economy some ideas were: obligation on producers to take products back, obligatory life cycle assessment of construction products, facilitating a market for high-value materials from recycling, creating a European interface for recycled products, promoting a buildings passport to

<sup>&</sup>lt;sup>1</sup> Sources: Wijkman & Skanberg, 2016; ILO 2017; Material Economics, 2019.

mention all materials used in a very long-term time horizon and extended producer responsibility. One possibility could be having an alternative for FPC, for example to test 1/100. Several delegations mentioned the need to incorporate BWR 3 and 7 into mandates and hENs. Regulation should be practical and guidelines would be helpful.

It was agreed that recycling in the Construction Sector has a large potential for the circular economy and also for reaching the CO<sub>2</sub> emission reduction goals.

#### 4) Overall picture regarding to other legislation

The Presidency introduced the current situation in the preparations of DWD and how there seems to be misunderstandings what the people drafting article 10a had meant and how people with CPR background read the article. The Presidency tries to make minor elaborations to wording in order make the article better understandable. The Cion saw the article 10a difficult to implement.

The Presidency told about the link between the Waste Directive and CPR. The criteria for End of Waste needs to be determined. The Presidency told also that the ones implementing Waste Directive would find it helpful if hENs included possibility to use recycled material as well as virgin material. The Cion was mainly listening and open for influence.

Also resource efficiency, Level(s) and Ecodesign directive as of example of overlapping legislation were mentioned in discussions.

In conclusion, it was evident that not all problems of re-use and recyclability were actually a topic for the CPR revision and that finding solutions is very important.

#### Wednesday the 4th of September

In the beginning of the day the Presidency told about IMCO hearing which took place on Monday 2<sup>nd</sup> of September. Our Working Party had not risen up in discussions. The Presidency told also that ENVI is preparing Council Conclusions regarding to circular economy in all sectors and also CPR is shortly mentioned. The Presidency tries to make sure that preparations for both of these Council Conclusions will be done so that the outcome of ENVI will be in line with discussions in this Working Party.

The Commission introduced parameters and questions to be decided upon in a CPR possible revision. Discussions focused in standards, the role of Member States and STD.