

# September 2024 POLICY MONITORING BRIEF

# **POLICY ISSUES**

## CIRCULAR ECONOMY

#### ALL 27 EU MEMBER STATES HAVE MISSED THEIR RECYCLING TARGETS

The <u>European Commission</u> has launched an <u>infringement procedure</u> against all 27 of its Member States. Various legally binding collection and recycling targets have not been met, the Commission says, including mandates laid out in the since-updated Packaging and Packaging Waste Directive.

 By 31<sup>st</sup> December 2008, all Member States were to recycle between 55% and 80% of their packaging waste. Specifically, this constituted 60% of their paper, cardboard, and glass, as well as 50% of their metals, 22.5% of their plastics, and 15% of their wood. Read full article here

Source: Packaging Europe 06/08/2024

#### UNLEASHING THE EU'S CIRCULAR ECONOMY POTENTIAL

Despite consistent legislative efforts and ambitious rhetoric, the EU is still far from reaching its ambition to double its circularity rate by 2030. It's time for the EU to showcase its commitment to competitive sustainability, the ability of an economy to excel relative to international competitors in their transition to sustainable development. Full article here

- Starting with the Circular Economy Act that Commission President von der Leyen highlighted in her recent political guidelines.
- European material consumption far exceeds sustainable levels, contributing to the global triple climate change crisis, biodiversity loss and pollution. Full article here

Source: Euractiv 12/09/2024

#### NGOS PRESENT THE EUROPEAN REUSE BAROMETER

A group of NGOs including Off Plastic and Zero Waste Europe are launching the "<u>European reuse</u> barometer" to keep track of the bloc's progress toward integrating reusable packaging in the economy.

- Tracking economic progress: The aim is to track the economic impacts of reusable packaging solutions available on the market.
- The barometer assessed 90 reusable packaging options in the EU, and looked at criteria such as collection systems, materials used and return rates.
- The study found that 78 percent of these options have return rates higher than 75 percent, which highlights that consumers are willing to make the extra effort even when they are required to return the item to collection points. "

Source: Politico 23/09/2024

# EU AUDITORS SEE CHALLENGING START FOR EU REVENUE BASED ON PLASTIC PACKAGING WASTE

The new own resource generated over €7 billion for the EU budget in 2023, according to the latest report of the EU Court of auditors. Poor-quality estimates of plastic packaging waste lead EU countries to understate their contributions. There is a significant risk that plastic packaging waste is actually not recycled. Read full article here

Source: European Court of Auditors 16/09/2024

## **DEFORESTATION REGULATION**

## **EUDR: BRAZIL ASKS EU TO HOLD OFF ON IMPLEMENTING DEFORESTATION LAW**

Brazil on 11 September asked the European Union not to implement regulations in its deforestation law at the end of the year as scheduled and asked for it to be revised to avoid hurting Brazilian exports. In a letter to the European Commission seen by Reuters, the Brazilian government said the law banning the import of products linked to the destruction of the world's forests could affect almost one third of Brazil's exports to the EU. Read full article here

Source: Euractiv 12/09/2024

#### GERMANY'S SCHOLZ WANTS NEW EU ANTI-DEFORESTATION LAW DELAYED

German Chancellor Olaf Scholz wants to postpone new EU rules aimed at preventing products driving deforestation from being sold on the EU market — and is lobbying Ursula von der Leyen about it. In March, the publishers' lobby wrote to the German government and the Commission criticizing "impractical requirements" and a "drastic bureaucratic burden on companies." It asked the Commission to "mitigate the risks, sanctions and burdens" created by the new law, which is set to apply from Dec. 30. Read full article <a href="here">here</a>

Source: Politico 13/09/2024

# EPP GROUP: DEFORESTATION LAW IS A BUREAUCRATIC MONSTER AND MUST BE DELAYED

The Commission must take enough time to fix the many problems with the legislation," Dorfmann and Liese demand "We call on the Commission to immediately delay the implementation of the Deforestation Law," say Herbert Dorfmann MEP and Peter Liese MEP, EPP Group Spokesmen in the Parliament's Agriculture and Environment Committees, respectively. "Farmers, retailers, small and large businesses and Member State governments are deeply concerned about the jungle of implementing rules that will apply to several production sectors. The bureaucratic monster threatens the supply of animal feed and the trade of many consumer goods.

Source: EPP 19/09/2024

#### NGOS AND INDUSTRY SHARE WORRIES OVER EU ANTI-DEFORESTATION LAW

The looming implementation of an EU law aimed at making European supply chains deforestation-free has united industry, traders, farmers, and NGOs in concern. Repeated delays from the European Commission in releasing enforcement guidelines for the new EU anti-deforestation rules (EUDR), just five months before they kick in, are causing worry across the agri-food sector and among environmental and human rights advocates. Read article <a href="here">here</a>

Source: Euractiv 01/08/2024

## **EU COMMISSION AND PARLIAMENT**

# VON DER LEYEN'S FIRST 100 DAYS: WHAT SHE'S PROMISED, WHAT IT MEANS AND WHAT SHE'LL REALLY DELIVER

On 18 July 2024, European Commission President Ursula von der Leyen, who was elected for a second mandate, presented to the European Parliament her Political Guidelines for the next European Commission 2024-2029. You can find her political guidelines here, and her speech in Strasbourg here

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- President Ursula von der Leyen has <u>vowed to perform</u> no fewer than seven political feats during her own first 100 days. She did something similar at the start of her first term too. <u>Here's how</u> she got on.
- She followed through on the EPP's commitment to prioritise industrial competitiveness in her
  plan, promising to put forth a New Clean Industrial Deal within the first 100 days. This pledge
  parallels the one she made to MEPs in 2019 about tabling an EU Climate Law within 100 days
  of entering office to cement the EU's goal of reaching carbon neutrality by 2050.
- She announced that, if elected, her Commission would champion a new European Competitiveness Fund to support Important Projects of Common Interest (IPCEIs) as well as an Industrial Decarbonisation Accelerator Act to support EU industries and businesses. She also mentioned the extension of the demand-aggregation mechanism to hydrogen and critical raw materials.

Source: Politico September 2024

## COMPETITIVENESS COUNCIL (INDUSTRY & INTERNAL MARKET) 26 SEPT. 2024

Ministers responsible for the internal market and industry will meet in Brussels and will hold three policy debates: the future of European competitiveness, the state aid framework, and SMEs and the benefits of the single market. They will also discuss e-commerce, as requested by the German delegation, and priorities for the single market, at the request of the Czech and Luxembourg delegations. Link here

Source: Council September 2024

# TWENTY EUROPEAN COUNTRIES CALL FOR A NEW PHASE OF DEEPENING THE SINGLE MARKET

Germany, Poland, the Netherlands, Luxembourg, Sweden, and Denmark are among the signatories of this plea, published on September 20th. They present this document as a contribution to the future strategy "for a modernized single market," which the <u>Twenty-Seven have asked the Commission to develop by mid-2025</u>. According to the authors, the key principle is: "The strategy for the single market should outline concrete short- and medium-term actions to facilitate cross-border trade."

"More specifically, the strategy should focus on the core of the single market, namely the freedom of movement, particularly in the areas of goods and services, where there is still significant fragmentation and divergence between national regulations," it states, adding that the "priority" should be simplification and better harmonization of European laws. This text is part of the debate on the future of the European market, fuelled by recent reports from <a href="Enrico Letta">Enrico Letta</a> and <a href="Mario Draghi">Mario Draghi</a>. Like France, Italy and Spain did not sign it.

Source: Contexte, 23/09/2024

## APPOINTMENT EU PARLIAMENT COMMITTEE CHAIRS AND VICE-CHAIRS ELECTED

All of Parliament's 20 standing committees and four subcommittees held their constitutive meetings to elect their Chair and Vice-Chairs. A committee bureau (Chair and up to four Vice-chairs) is elected for a two-and-a-half-year mandate. Committees deal with legislative proposals, appoint negotiating teams to conduct talks with EU ministers, adopt reports, organise hearings and scrutinise other EU bodies and institutions. Link to article here

Next steps: Delegation Chairs and Vice-Chairs will be elected at their constitutive meetings on 30 September and 3 October.

Source: European Parliament 2024

## EU COMMISSIONERS DESIGNATE HEARINGS: ITRE'S QUIZ QUESTIONS

At the upcoming hearings — which all nominated commissioners must pass, lawmakers in the EU Parliament's industry committee will quiz Von der Leyen's green transition commissioners on everything from critical raw materials to state aid's role in the Clean Industrial Deal.

According to draft questions seen by Politico. MEPs will ask Stéphane Séjourné, the new commissioner for prosperity and industrial strategy, how he intends to implement the EU's Critical Raw Material Strategy, as well as about his "concrete plans to make speed, coherence and simplification key political priorities in order to reduce administrative burden and simplify implementation, reporting and permitting.

Spain's Teresa Ribera, the new commissioner of a clean, just and competitive transition will, among other things, be asked how a "new approach to state aid, as part of the Clean Industrial Deal, would enhance the roll-out of renewable energy, industrial decarbonisation and sufficient manufacturing capacity of clean tech, and strengthen EU competitiveness."

Source: Politico September 2024

# HUNGARIAN PRESIDENCY PRESENTS COMPETITIVENESS-DRIVEN ENVIRONMENTAL PRIORITIES TO EUROPEAN PARLIAMENT

We want to strengthen the competitiveness of the EU, this is our priority," said Anikó Raisz, at a meeting of the Environment Committee in the European Parliament on Monday, September 23. The Hungarian Secretary of State was invited to present the priorities of the Hungarian Presidency. The objective of competitiveness is associated with the simplification of European legislation, in order to *reduce the "burden"* 

Source: Agence Europe, 24/09/2024

#### MAIN RESULTS - AGRICULTURE AND FISHERIES COUNCIL. 23 SEPTEMBER 2024

Agriculture ministers assessed the second year of implementation of the strategic plans of the common agricultural policy, in order to identify possible improvements for the post-2027 period. The Council also discussed the situation of agricultural markets and commodities, based on information provided by the member states and an update from the Commission. Furthermore, during an informal lunch discussion, ministers exchanged views on the strategic dialogue on the future of EU agriculture. Link to article here

Source: Council of the European Union, 24/09/2024

# IN THE EUROPEAN PARLIAMENT, THE ECR GROUP DIVIDES PENDING FILES BETWEEN PIETRO FIOCCHI AND BEATRICE TIMGREN

According to our sources, Italian MEP Pietro Fiocchi has been appointed shadow rapporteur for the regulation on microplastics and the draft directive on water pollutants, which is expected to enter trilogue negotiations soon. Swedish MEP Beatrice Timgren will take on the same role for the "one substance, one assessment" legislative package, as well as for two forest-related proposals: the regulation to harmonize forest monitoring and the decision to establish a permanent expert group.

Source: Contexte, 23/09/2024

## **PRODUCT SAFETY**

## EU - BAN ON PFHXA IN THE EU TO TAKE EFFECT IN EARLY OCTOBER

<u>Published in the Official Journal of the EU on September 20</u>, this ban aims to limit the sale and use of perfluorohexanoic acid (PFHxA), a subgroup of "forever chemicals" (PFAS).

- The ban will take effect in early October, it won't be fully enforced until 2026 at the earliest.
   PFHxA, its salts, and related substances will still be permitted for use in certain firefighting foams until 2029.
- textiles, leather, fur, cosmetics, food packaging, and other consumer products containing these substances can still be marketed over the next two years.

MEP Peter Liese, leader of the EPP in the Environment Committee, praised the ban as a "reasonable approach." Meanwhile the NGO Heal considers these transition periods to be too "long," warning that

"PFAS continue to accumulate daily in our bodies and in the environment." Several NGOs have raised concerns about the decisions made by the European Commission throughout this process.

Source: Contexte 23/09/2024

#### REACH REGULATION UNDER SCRUTINY

The <u>European Commission has acknowledged issues raised by the European Ombudsman</u> about delays in regulating hazardous chemicals under the REACH Regulation. The inquiry focused on the time the Commission takes to adopt measures based on the European Chemicals Agency's (ECHA) recommendations and the transparency of the decision-making process. The European Commission's <u>comments</u> were published on August 26, following the initial inquiry on June 8, 2023.

In response, the Commission recognizes these concerns but highlights the complexity of REACH, describing it as one of the world's most comprehensive chemical regulatory frameworks. The Commission explained that internal negotiations, technical challenges, and the need for thorough analysis often lead to delays. It also emphasized that ECHA's recommendations are not binding, requiring additional assessments by the Commission before adopting measures.

Source: FPF 13/09/2024

#### EEB PUBLISHES CHEMICALS COMPASS GUIDE FOR MEPS

On 18 September, the European Environmental Bureau (EEB) <u>released a comprehensive document aimed</u> at MEPs, designed to guide them through the key chemicals policy issues that the European Parliament will tackle during this mandate.

To steer the EU towards a toxic-free, socially just green transition and empower European industries to lead in creating non-toxic products and innovative practices, the EEB emphasized the need to:

- Strengthen the Early Warning and Action System (by streamlining evaluations via the One Substance One Assessment package);
- Advocate for a robust REACH revision;
- Back the PFAS Action Plan;
- End the export of hazardous substances;
- Empower the European Chemicals Agency;
- Phase out harmful chemicals

Source: OPP 18/09/2024

# US FDA DEVELOPING POST-MARKET ASSESSMENT PROCESS FOR CHEMICALS IN FOOD

U.S. Food and Drug Administration (FDA) developing assessment process for chemicals already on the market; covers food and colour additives, generally recognized as safe (GRAS) substances, food contact chemicals, and non-intentionally added substances; process will be structured based on risk, divided into 'focused' and 'comprehensive' assessments; informational meeting on the proposal September 25, 2024; public comment period until December 6, 2024.

Source: FPF 13/09/2024

## STAKEHOLDERS POSITION

- EACA Meets with the European Commission to Address Green Claims in Communications
- How the EU Green Claims Directive will transform the reusable packaging industry
- TIC Council Recommendations on the Green Claims Directive Trilogue By TIC Council
- EU Anti-Deforestation Talks Shouldn't Sideline Frontline Communities Human Rights Watch
- Zero Waste Europe 42 civil society organisations call on EU leaders to secure funding for the just transition in the next EU budget
- Zero Waste Europe: Waste Framework Directive: food waste reduction sidelined while Council agrees to textile reforms, says Zero Waste Europe

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- EEB: Member States advance on textile waste, fall short on food waste and greenwashing
- <u>RREUSE</u>: Council upholds the recognition of social economy in the Waste Framework Directive but raises new concerns
- EuRIC: WFD trilogues poised to begin; EuRIC urges swift deal and no EPR for second-hand

#### STUDIES AND REPORTS

# BRUEGEL: A EUROPEAN CIRCULAR SINGLE MARKET FOR ECONOMIC SECURITY AND COMPETITIVENESS

"If the European Union is to achieve a sustainable net-zero economy, resources need to be used much more efficiently. Extraction from nature and processing of materials are the principal causes of biodiversity loss and are also major sources of pollution, water stress and greenhouse gas emissions" – Bruegel Policy Brief.

Source: Bruegel, 12 September 2024

#### EEA RELEASES REPORT ON THE USE OF PFAS IN TEXTILES

On 18 September, the European Environment Agency (EEA) <u>issued</u> a briefing highlighting the need to reduce the use of PFAS in clothing, furniture and other textile products and to enhance safe and sustainable alternatives. EEA stresses the importance of building the capacity to effectively destroy PFAS at scale within the EU and warns against unregulated waste management practices, such as uncontrolled landfilling and open burning, in Europe and beyond. Link <u>here</u>

Source: EEA, September 2024

# AMBITIOUS CLIMATE ACTION WOULD GROW EUROPE'S ECONOMY – AGORA ENERGIEWENDE

Investments in line with Europe's expected 2040 climate target would create important economic opportunities across sectors, according to a <u>new report by Agora Energiewende</u>. Building on these findings, the think tank outlines how public funding can help unlock the necessary private investments and overcome the 'climate funding cliff' after the EU's recovery fund ends in 2026.

Source: Agora September 2024

#### DLD NATURE CONFERENCE: KEYNOTE SPEECH BY PRESIDENT VON DER LEYEN

We need a fundamental rethink of the relationship between our economy and the natural world. All of us have grown up with the idea that nature is invaluable. Waking up to the song of birds, drinking water from a mountain spring, staring at the endless blue of the sea and the ocean. How could you possibly put a price tag on any of this?" – Ursula von der Leyen - link to speech here

Source: European Commission 2024