

## Key comments on the European Commission's "Roadmap to a resource efficient Europe"

In a world of finite resources with a rapidly growing population, efficient use of resources is a crucial aspect of sustainable development. The chemical industry is instrumental in using natural resources efficiently and providing solutions to other sectors such as buildings, automotive and food. Cefic supports the efforts of the European Commission to propose a vision for a resource-efficient Europe<sup>1</sup>. We welcome the EU Resource Efficiency Transition Platform proposed in the roadmap, and request a seat at the table to ensure the chemical industry can play an active and constructive role.

From the industry perspective, resource efficiency means an efficient use of raw materials and other resources to manufacture products, which in turn allow for resource-efficient consumption and efficient recovery of resources, including energy. The chemical industry favours a resource strategy which largely relies on the market for creating the necessary innovations and for steering scarce resources towards their most efficient use. EU resource efficiency policies can support the economy on its way towards a sustainable use of resources by:

- Providing incentives for the development of innovative, resource-saving processes and products and eliminating obstacles that impair their application and dissemination;
- Ensuring that resource efficiency policies do not lose sight of the need to secure the international competitiveness of the European industry;
- Adopting a bottom-up approach and, when appropriate, applying the subsidiarity principle to account for the diversity of resource challenges. Prioritisation is needed to address the constraints and opportunities in light of the diverse economic contexts throughout the EU.

### Key comments:

#### A. Support to roadmap's aims and focus on life cycle approach:

- Cefic supports the roadmap's aim to create systemic change in the way we use resources and its strong focus on a life cycle approach and circular economy. We appreciate the idea of a long-term vision for a resource-efficient Europe while emphasising the need for a feasible, cost-effective and practical pathway towards this vision.
- The boost to resource efficiency can only be achieved by working along value chains from the material provider to the end-user sector and "closing the loop".
- Cefic considers the efficient use of natural resources as a key element of the chemical industry's contribution to sustainable development within the EU27.

#### B. Competitiveness proofing in the global context:

- It is important to consider the impacts of the proposed policy measures on the competitiveness of European industry. In line with the Commission's Communication on Integrated Industrial Policy<sup>2</sup> and the conclusions of the Competitiveness Council on resource efficiency<sup>3</sup>, Cefic calls for an in-depth impact assessment of the roadmap focusing on competitiveness and job creation opportunities across the EU (competitiveness proofing).<sup>4</sup>

<sup>1</sup> European Commission Communication "Roadmap to a Resource Efficient Europe" (COM(2011)571, 20.9.2011)

<sup>2</sup> European Commission Communication "An Integrated Industrial Policy for the Globalisation Era – Putting Competitiveness and Sustainability at Centre Stage", COM(2010)614, 28.10.2010

<sup>3</sup> European Council "Conclusions on a competitive European economy : Industrial competitiveness in the light of resource efficiency", 29.9.2011

<sup>4</sup> See also the recommendations of the High Level Group on the Competitiveness of the European Chemicals Industry (2009): [http://ec.europa.eu/enterprise/sectors/chemicals/competitiveness/high-level-group/index\\_en.htm](http://ec.europa.eu/enterprise/sectors/chemicals/competitiveness/high-level-group/index_en.htm)



- For policy proposals aimed at transforming the European economy, sectoral impact assessments and transition periods in a global economic context are essential.
- Cefic advises not to create policies generating new unilateral costs for the EU economy. Potential EU measures for the costing of ecosystem services, as discussed in the roadmap, would risk distorting the level playing field if other regions did not introduce similar measures. To be conducive to growth and job creation, shifting taxation towards taxing the use of natural resources should not result in an increase of chemical companies' overall tax burden.
- Access to raw materials under fair conditions and at predictable and affordable prices is a vital issue for the competitiveness of European industry. These challenges are not only key for rare earths, but for a wide variety of raw materials and resources.
- The EU should use its influence to work with international institutions towards the harmonisation of appropriate global standards (e.g. for product design) and promote resource efficiency internationally, in particular in the context of Rio+20.

### **C. Holistic approach to resource efficiency along the value chain:**

- Resource efficiency initiatives should consider the full life cycle of products and all three pillars of sustainability: environmental, economic and social. An integrated approach is needed when implementing concepts such as circular economy, recovery and recycling, and eco-design.
- We would like to see a stronger boost to resource efficiency that can be achieved by working along the entire value chain. This would foster more consistency in the way environmental impact assessments are carried out. Cefic calls for a standardised approach to life cycle analysis (LCA) that is accessible to businesses of all sizes and includes the development of specific guidelines per product category or sector.

### **D. Smart regulation to ensure consistent implementation and market orientation:**

- A wide range of EU policy instruments exist (waste legislation, eco-design directive, eco-labelling, green public procurement, end-of-life vehicles directive, WEEE directive, etc.), to promote resource efficiency. The efforts should first concentrate on fully implementing the *acquis* and evaluating its effectiveness before, if appropriate, modernising and simplifying it or proposing new legislation and instruments.
- On the way towards a 2050 vision, it is important to find the right mix of implementation tools, including market-based instruments and soft tools for information, awareness-raising and behaviour change – in particular appropriate incentives. The implementation of the roadmap should be a cross-cutting activity in Commission DGs and Parliament Committees.

### **E. A resource-efficient Europe is an innovative Europe:**

- Reaching the roadmap's objectives requires innovation efforts. Optimised production processes, innovative processes for recycling, recovery and substitution, innovative business models, products and advanced materials are vital to a smart, sustainable and inclusive European economy and society. Through these, the chemical industry continues to further enhance its own resource efficiency and provide solutions for resource efficiency in key sectors, such as mobility and housing, and throughout the economy.
- The role of public-private partnerships needs to be strengthened to bridge the gap between research and market exploitation and to gain the critical mass Europe needs in global competition.
- The European chemical industry is ready to transform its innovation potential into practical, sustainable solutions. As an example, a concrete research and innovation agenda on resource efficiency has been put forward through the European Technology Platform for Sustainable Chemistry (SusChem) and in collaboration with several European process industry sectors. This is complemented by our industry's vital contributions to the candidate European Innovation Partnerships on Raw Materials, Water Efficient Europe and Smart Cities.

**Cefic is ready to play a key role and requests a seat at the table in the upcoming EU Resource Efficiency Transition Platform.**