



## SUSTAINABLE PRODUCTS INITIATIVE

Wednesday 15 June 2022

17h00 – 18h30

*Virtual Meeting*

Antony Fell, EUROPEAN FORUM FOR MANUFACTURING, Secretary General

I am very pleased to welcome the European Commission, Members of the European Parliament and European Manufacturers to this timely debate on the Sustainable Products Initiative. This is an issue high on the European Commission and Parliament agenda.

This initiative will revise the Ecodesign Directive. It will propose additional legislative measures as appropriate. These will aim to make products placed on the EU market more sustainable. Citizens, the environment and the climate will therefore benefit from products that are more durable, reusable, repairable, recyclable, and energy-efficient.



The presentations are on the record and the discussion is off the record.



Stefano Soro, EUROPEAN COMMISSION, DG GROW, Head of Green and Circular Economy

It is really good to “knock” together with such an audience on a subject which will keep us busy for the foreseeable future in effective with the structure of the proposed legislation.

It is important for me to underline that we do not lead, we co-lead together with other Commission Directorates General and an array of Cabinets on this strand of work.

I am happy to say this because, I have been with the Commission for longer than I care to remember, for twenty eight years now and this is an example of really good cooperation between departments.

DG GROW is doing this together with the Environment and the Energy Directorates General.

My Commissioner, Mr. Breton is obviously involved, Commissioner Sinkevičius is involved and obviously this initiative been one of the flagships of the European Green Deal and of the Circular Economy Action Plan executed, by President Timmermans, who is also very much involved.

In the next minutes, I will try to give you a flavour of why we think that the Proposal for a Regulation Establishing a Framework for Setting Ecodesign Requirements for sustainable products, [ESPR] is so timely and important.

And important in particular to achieve the “Twin Digital” and even more so Green Transition of the EU economy.

I will try to give an outline of its main elements and of work in the Internal Market DG, of the highlights of its business case.

I would like first of all to highlight the very cooperative attitude of the stakeholders in general, and in particular, giving the Forum that we are in, of the EU Manufacturing Industries during the preparation phase of the proposal.

Industry had provided input, comments and ideas on several occasions from the feedback on the very first document shares - what we used to call “inception impact assessment”. A couple of years ago it contributed in the public consultation and in other opportunities for consultation along the way. I would like also to thank them for the broad support expressed on the proposal itself after adoption.

This means that the dialogue between stakeholders – the whole range of the stakeholders – and the Commission, in this case, has been effective. And we intend to keep it that way and to an extent when it is possible to strengthening it because the work, as I was saying before, is far from over.

We will need further important support, starting from today’s event. And I have my notebook here to take notes for later.

As you might know the adoption of the Circular Economic Package by the Commission at the end of March is just the first step in the legislative journey for the ESPR.

The Commission is ready and eager to start negotiations with the Parliament and the Council to refine and where necessary to improve the proposals to ensure that the proposal is able to deliver in the line with the goals and also the Green Deal and also in our industrial policy for sustainability.

So, for instance it is good now that we have decisions, more or less, from the Parliament and now also from the Council on the fora where the discussion will take place, respectively. And we are ready to go.

So, here is the proposal in a nutshell.

It is the flagship initiative of the Green Deal and the particular of the Circular Economy Action plan for 2022. It has a goal to contribute to reshaping our economy, gradually making sustainable products the norm in the EU and beyond.

We are in an evolving market with certain requirements for products, Ecodesign and Energy labelling, showing that this had a global impact.

It is also very timely in the light of what is happening in Ukraine. It is a terrible wake-up call in so many ways beyond the unbearable humanitarian tragedy that it represents. For energy and raw materials, many EU citizens, most of us, have been surprised to find out how dependent we are.

One of the great benefits, of the circular economy model is that it progressively cuts those dependencies. It builds up the resilience of our economy beside everything else. It is great news for the environment and for the consumers who are increasingly keen on playing a role to achieve sustainability.

We started with the Green Deal and the Circular Economy Action Plan and the Fit for 55 Package, thinking about environmental climate sustainability, of course, and always social sustainability. But then, with the slowing down of the pandemic and the explosion of prices of raw materials and energy sources and inputs, economic sustainability became the headline and now with the war, political sustainability of our economic and energy model is very much a consideration as well.

So, what the Commission is proposing as part of this rethink of the economy, is that by favouring products with low impact, lasting longer, using less energy and fewer resources, we protect ourselves. And we protect the planet we depend on.

The ESPR brings a new approach to the design of products. It pushes industry to think about environmental implications of its products throughout their life cycle from design and production to use, reuse, recycle disposal and to avoid negative consequences before they happen. Just as the cheapest energy is the energy that you are going to use, the best resources are the one that you save for the future and for the future generations.

So, with this proposal and with the Regulation when it is enacted we will have to deliver following this approach.

We know that it is effective because it is based on a model that is tried and invested.

Ecodesign has already saved consumers, literally, billions of euros on energy. And it saves billions of tones of CO<sup>2</sup>

This proposal extends the Ecodesign approach, both:

- horizontally in terms of product coverage, making it applicable not only to energy and water, using products but also to almost any physical goods placed on the EU market and
- vertically, not just on the used space but on the whole life cycle of the products.

So, it will cover the products with the highest life impact – if you read the Circular Economy Action Plan – such as textiles, furniture and electronics as well as intermediary products like steel for instance, and this is all mentioned in the Circular Economy Action Plan. Specific requirements will be set in secondary legislation. Starting with and prioritising products categories where there is evidence that rules are necessary and proportionate.

Similar to the existing Ecodesign Directive and Energy Labelling Regulation, priority products will be selected and included in Multi-annual Work Plans, so that we can ensure transparency and predictability to business. This is a prudent use of our human and financial resources, starting where we can make the biggest difference.

The ESPR opens the way to setting a wide range of performance requirements. It creates a framework to make sure that products live longer, break down less and are easier to repair and reuse. This means a more energy resources efficient economy. It will help to ensure that tracing, tracking and even the elimination of substances that inhibit circularity and will also ensure the increase of reused and increase of recycle content in product.

We aim for far more transparency in value chain with a Digital Products Passport that will become the norm. So, the product can be tagged, identified and linked to sustainability and circular data.

This will allow consumers, repairers, recyclers and the public authorities to scan products and immediately access the product information relevant to them.

There will be other measures too.

We want to see an end to this practice of destroying unsold consumer goods. There will be an end, and this was the subject of much debate internally – to see how we can better shape this chapter.

There will be a transparency obligation on this and potentially a ban for products where evidence shows the magnitude of the problem.

There could be mandatory green public procurement criteria obliging contracting authorities to align their procurement processes with green criteria for specific products groups.

In terms of the business case, the European Commission is very much aware of the difficulties the situation in Ukraine causes to many enterprises and to citizens. We monitor closely supply chains disruptions as well as the impact of the energy prices. We have started addressing these concerns, notably with the adoption of a Temporary Framework of State Aid and we are of course also very active on the energy side through the various initiatives under the EU umbrella.

Regarding the ESPR, I would like to underscore a few things:

1. This package is precisely meant to help us reduce dependence, where, benefiting from the Single Market as such, it will enable companies to upgrade and to produce goods in a way that is compatible with the current environmental climate
2. In the 2019 data, EU manufacturing companies spent an average 40% of their turnover on materials – materials whose prices has sky-rocketed mostly in the last few months
3. Close loops and the promotion of circular business models are expected to reduce, not only dependence but also costs. That is an increase in the profitability in the medium and long term.
4. In the nutshell, even if you are so mad as not to care about the climate or the environment, the fact that your resources are increasingly scarce and increasingly expensive should direct your attention toward the usefulness of circular model.
5. 2019 data highlighted the eight gigatonnes of raw material that we used in the EU economy, then, which is sixteen times the weight of the world population. Only in about one gigaton or 12%, is there any form of circularity and mostly the lowest form of circularity which is recycling. Now, I think we have plenty of reasons to look again.

Another key element of the proposal that I would like to stress is that we want to improve the function of the Single Market and ensure a level playing field for genuinely frontrunner businesses.

We were talking a lot about transition pathways, the green and digital transition, etc.. Here, we are putting at the disposal of the economy, instruments that will help industry to transition without leaving the field open to unfair competition from outside Europe.

Harmonising sustainability performances and information requirements at EU level would replace several existing and diverging national requirements and prevent fragmentation. So the Internal market will ensure easy compliance and the reduction of waste and compliance costs for firms that are selling across the EU which would not have to face diverging national requirements for their products.

So, with the new business opportunities we have seen with the Ecodesign legislation and the ESPR, this also means that there will be an expansion of business opportunities which will move

from production towards maintenance and reuse. This would specifically favour SMEs as they are strongly represented in those sectors.

## Conclusion.

We have a very ambitious proposal which sticks with the complex product aspects and will just take time first to be enacted and then implemented.

We expect the first Delegated Act which will introduce the ESPR to be ready in 2024 – 2025,

A very important point is that when designing products, specific rules will pay better attention to possible impacts on administrative burden and competitiveness.

Success on this will depend on thorough preparations and consultation with all stakeholders, the same factors that has made the current Ecodesign legislation such a success on a global plan.

We will start consultation on the first Work Programme before the end of this year, starting with products who has the higher impact.

Everybody is invited to take part, and we will be circulating widely and broadly our information

And I would like to conclude by stressing the transformative potential of this proposal: it literally changes the rules of the game.

EU citizens and progressive business want new rules, they want changes. Consumers are tired of the impact of the problem – they want to be part of the solution. And that is what we, with this proposal, are enabling them to be.



Ismail ERTUG MEP, (S&D, Germany) Vice Chair Transport Committee, Industry Research & Energy Committee

I was interested to listen to the colleague responsible for this area within the DG GROW.

Since I am doing the legislation for the Transport Committee on the Alternative Infrastructure Regulation and others, we always have to think about sustainability.

It will not end with the mobility or industrial elements but also with the products in the end that the people are going to use.

I think it make sense to have this kind of initiative, the Sustainable Product Initiative, so we can give consumers the choices and at the same time give to the industry the guarantee and the predictability.

Mr Soro also mentioned the Ecodesign Directive and whilst I am not a member of the responsible Committee, I am following that, since I was the Rapporteur for the Battery Regulations, looking and trying to put all the positive aspects into it.

The European Union legislation is very deep. There are many pieces of legislation and we have to overcome the bottlenecks. We have many bottlenecks. I always think that the biggest problem of the European Union is the Member States. That goes also in that direction as well.

We always try, as the European Parliament, to start with an ambitious approach and the European Council is trying to water it down and the European Commission also plays a key role with an ambitious proposal.

From the consumers' side what I can tell you is the consumers are key. We need the consumers acceptance all around.

When it comes to the infrastructure which is what I am trying to do now, if you want for example to spread around the acceptance for e-mobility you need a good infrastructure for that.

And this infrastructure has to be spread all around the European Union. It has to be the same standards, it has to be user friendly, the payment methods need to be there and many other issues are very decisive for the acceptance on the people level of the twentyseven Member States.

This is the nutshell that I wanted to add.

Louise BÜNNEMANN, ORGALIM, Chair Environmental Sustainability Working Group; DANSK INDUSTRI, Head of EU Environmental Policy

Orgalim represents Europe's technology industries, the EU's largest manufacturing sector, manufacturing one-third of all European exports. We deliver the solutions underpinning the twin green and digital transitions. Our industries welcome the new Ecodesign for Sustainable Products Regulation as it will bring new business opportunities and will be a win-win for the environment and the economy, making the most of new digital solutions. In a nutshell, we support the principles of the new Regulation but we are worried about how it will work in practice



Firstly, regarding what we support – the principles – here are some examples:

- Our industries have extensive experience with the current Ecodesign Directive, and we welcome the new Ecodesign Regulation, as it is modelled on what already works.
- We believe that product requirements to make products more circular must continue to be product specific.
  - A thorough analysis product by product will show which requirements will deliver most resource efficiency at the lowest cost.
  - For a key industrial machine, reliability may be the most important criteria. It does not do the production line any good that this machine can be repaired, if production must be shot down to repair it!
  - For a consumer product, repairability may be more desirable, when the reparation can make the products last a lot longer.

Second, the success of the new Regulation will depend on the functioning of the Single Market and effective enforcement.

- We welcome this new Regulation with harmonized EU requirements as we have seen some countries developing national measures, especially setting labelling requirements. While the ambition of furthering the circular economy is recommendable, to companies, also genuinely circular companies, this is bothersome and – which is worse – hinders scale. And scale is imperative to make the “economy” in the circular economy work!

- Another aspect is market surveillance. We strongly support that the new rules will apply both equally to companies producing inside and outside the EU. But we need Member States to make sure that *all* products live up to the requirements. This will ensure a truly level playing field.

Third, a word of caution regarding how it will work in practice.

- Our industries see the potential benefits of the Digital Product Passport, such as better transparency in the value chain and easier access to data. We support transparency in the value chain. We support openness about the production process.
- However, in some industries, in some value chains, there are confidential business data, Intellectual Property Rights and trade secrets that companies do not want to share with their competitors. We will share a lot. But not all. Please, respect that in the legislation.

Finally, and in conclusion:

- We support the proposal for a new Ecodesign Regulation. We find that the principles build upon something we have seen working in the current Ecodesign Directive.
- Therefore, a thank you to the Commission, and an appeal to the European Parliament: “Please do not change the overall principles of the new Regulation. Don’t stray from the product-by-product principle, don’t compromise on the strengthening of the Single Market and protect the competitiveness of companies in Europe”. *For more information:*

*Reference points:*

- Latest Orgalim position and recommendations on the proposed new Ecodesign for Sustainable Products Regulation, 1 June 2022  
(<https://orgalim.eu/position-papers/environment-position-and-recommendations-europes-technology-industries-proposed>)
- Recording of Orgalim Policy Exchange webinar on Sustainable Products and Digital Product Passport, 1 June 2022, an article summarizing our event, the slides and a Q&A document  
(<https://orgalim.eu/news/making-most-proposed-Ecodesign-sustainable-products-regulation>)

Sara MATTHIEU MEP, (Greens, Belgium) Environment Committee, International Trade Committee

Let me start off with a general comment about Ecodesign and where we stand, before I come up with some key suggestions for improvements. I am quite excited to work on it.

In my view, this is really one of the pillars of the Green Deal, and I really believe that this could be a major game changer in many different levels.

Take the climate for instance, we can expect Ecodesign and Energy Labelling policies to deliver about one third of the savings that we need to achieve when we look at the 2030 emission reduction target, I think that is huge.



I feel that Ecodesign right now does not always get the attention that it deserves.

Of course, I will try to change that as I will be Shadowing this field for the Greens within the ENVI Committee.

Now for us, as Greens, there is more than simply doing things a bit better. I really think it should put in motion a transformative change within our industries and that is a little bit what Stefano Soro was also hinting at. For me, Circular Design is not really simply redesigning the product themselves, it is really also about the processes, about the services to supply chains, business models, everything involved in fulfilling our needs there.

I think that ultimately this new law should really help business de-materialise.

So, in another words, to decouple the revenues from the material use – I think that is a way to protect our planet resources but also the wallet of the consumers.

It can be also more interesting when it comes to businesses themselves as was mentioned earlier, and I think we really can create some new and innovative economics sectors there.

Now a few suggestions of what I think we need to improve.

- I think that one of the central objectives in the Circular Economy Action Plan was really to make sustainable products, services and business models the norm.
- Now, of course I completely agreed on that, but all that the proposals really indicate in Article 1, is to improve environmental sustainability of products.
- We really need clear targets guiding our actions. I think we need reference points just like we do for the Climate files. I am wondering why we do not do that here. That is something I have already asked the Commission as well. So, that will be an important point.
- There is also the issue of self - regulation. I am really interested actually to hear the feedback in this Forum about that, because if you look at the existing Ecodesign legislation, I think it proves that self-regulation by companies is really flawed.
- If you take the example of the printers, the game consoles, they were following these agreements so that they really feel completely they have not perform better or quicker.
- I think there you really need to take a direct course and that is address actually the lack of staff capacity in the DG that is responsible for this.
- Maybe a final point, I think that we really should introduce a hierarchy of circularity strategy.
- If we do not, then we might end up with a regulation that for instance does recycling very well but that might fail to sufficiently address strategies for reuse or rethinking of the product.

Those are some of the things, there are a lot more to be said but I will stay with this. I am interested to hear what others have to say.

Korrina Hegarty, APPLiA, Environmental Policy Director, Home Appliance Europe

Home appliance manufacturers are a clear example of how the EU industry can contribute to EU policy goals, through a longstanding commitment on developing and implementing Ecodesign and Energy Labelling legislation to make products as energy efficient as possible, as well as addressing chemical content and end of life management.

Only in the past year, eco-design requirements saved consumers €120 billion in energy costs (European Vice President Timmermans). This



data is a clear indication of the good work the industry has been doing in the past twenty five years and paves the way for the implementation of a future policy landscape for sustainable products that continues to drive Circular Appliances, building on the successes driven by the current product legislation.

For this to happen however, we deem it necessary for policy objectives, choices and incentives across all policy areas to be clearly and consistently implemented with an eye to create a market for sustainable circular business models and opportunities from a product life cycle perspective.

This is where the EU's proposed Ecodesign for Sustainable Products Regulation (ESPR) comes into play. In principle, the initiative has the potential to establish a win-win scenario for both the environment and European manufacturers.

Yet, a number of adjustments are still needed in order to ensure a successful and effective implementation.

By design, the ESPR looks as a catch-all legislation, putting together an all-encompassing Ecodesign, energy label, waste legislation, chemical legislation and market surveillance legislation.

As such, it is imperative for the proposal to be fully harmonised with all existing/upcoming EU legislation, with an eye to avoid double or cascading product requirements.

This is the case for the proposed requirements related to “substances of concern”, among others, where chemicals legislation is already in place. Another example is provided by the proposed Digital Product Passport. Its introduction should ensure bringing an added value to users, avoiding unnecessary and burdensome replications of information in databases already existing, i.e. EPREL and SCIP.

In this context, the successful experience of the Ecodesign Directive provides, once again, a good precedent towards the implementation of legislation on a product group-specific basis by means of a clear methodology assessing relevant, individual aspects across the product's lifecycle.

Future regulations within the ESPR establishing Ecodesign requirements should identify the most appropriate variables to improve environmental sustainability, while considering that product parameters can be interdependent and affect each other (e.g. repairability can affect reliability etc.).

We recommend evaluating the possibility to assess these parameters not individually, but in combination to ensure optimum contribution to the EU Green Deal objectives. Building on this, a bankable ESPR must ensure the well-functioning of the EU Single Market, in keeping markets open and cross-border trade for products flowing. Here, harmonisation of both requirements and standards is key, given that sufficient lead-time is granted to the industry for process adaptation, between the publication of legislation and the ultimate application of requirements.

To conclude, the new Initiative seems to be a promising solution towards the establishment of a policy landscape where sustainable products are the norm. However, in order to make the most of it, it is key to move towards a coherent EU policy framework for a circular economy that preserves the EU Single Market, competition, and innovation, at all levels.

*Reference Point:*

APPLiA's recommendations on the Ecodesign for Sustainable Products Regulation:  
[https://www.applia-europe.eu/images/position-papers/PDF\\_ESPR.pdf](https://www.applia-europe.eu/images/position-papers/PDF_ESPR.pdf)



Jonas Pagh Jensen, SIEMENS GAMESA Renewable Energy,

Environment, Health & Safety Specialist,

Thank you for the opportunity to introduce to you the development of a recyclable blade at Siemens Gamesa Renewable Energy and to add some further reflections on circularity within the wind energy sector.

- Since the birth of the wind industry in the early 1980s wind turbines have been refurbished or recycled after a lifecycle of approx. 20-25 years.
- Whereas today 85% to 90% of the total mass of a wind turbine can be recycled, it has been more challenging to recycle wind turbine blades in a cost-efficient way. This is due to the composite material used to manufacture them.
- Siemens Gamesa has joined a call made by the wind industry in 2021 for a European landfill ban on decommissioned blades by 2025. The wind industry is based on this committed to re-use, recycle or recover 100% of decommissioned blades. And it works together with other composite material sectors to develop sustainable recycling methods for composite material.
- Siemens Gamesa's new pioneering blade solution enables the blade components to be recovered and recycled.
- The RecyclableBlade is made from a new resin with similar or better material properties than those of the standard resins today. And it can be recycled in a more cost-efficient way.
- Upon decommissioning the RecyclableBlade can be recycled by immersing the blade in a mild acidic solution at elevated temperatures which will separate the materials in order to be recycled or recovered.
- The industrialized setup for the RecyclableBlade production is planned for 2022 with production capacity increasing and ready for bigger projects already in 2024. 6 blades have currently been produced and are ready to be installed at projects in 2022.
- Siemens Gamesa is also finding solutions for rotor blades currently in operation. In the "DecomBlades" Project for example we are working, together with other industry players, to establish functional, sustainable value chains to handle end of life wind turbine blades from decommissioning, to re-processing and recycling in new applications.

What are the challenges that the wind industry faces from a circular economy standpoint? How could we overcome these barriers?

Looking ahead, 100% recyclability of wind turbines will need various industrial-scale solutions as we need to install more turbines and those turbines are getting bigger. Recycling technologies need to be industrialized by the respective providers. But we will need more than one technology to sustainably handle all blades. Some measures to promote circularity practices include:

- Ensure that regulatory frameworks code blade waste adequately.  
There is lack of a clear definition of what constitutes blade waste. An EU approach would simplify the industry's managing of blade waste – and enable the implementation of a landfill ban for blades that the industry has called for from 2025. Today interpretations of waste codes and waste regulation can vary widely among Member States.

- Composite recycling is a cross-sector challenge.  
The (low) volumes of composite wind blade waste make it challenging to build a recycling business based on this waste stream alone. All composite-using sectors must work together to find cost-effective solutions and value chains for the combined volume of composite waste.
- Cement co-processing is the main technology today to deal with existing blades and for recycling composite waste. Blades can be a potential material source to substitute the raw material in the clinker production.
- Investment and innovation is needed to diversify and scale up composite recycling technologies and material recovery solutions. Recycling technologies other than cement co-processing are at different levels of maturity and not fully commercially available yet.
- More research and innovation funding is required into new materials. This will help develop new, high-performance materials with enhanced circularity. With the continuous increase in turbine sizes, the wind industry is looking to incorporate sustainable light-weight high performance materials that will enable circularity by design.
- Incentivise use of recycled material in other sectors to ensure a business-case for recycling. Today there is no economic incentive to recycle composite materials. Recycling can be costly which makes recycled materials often more expensive than virgin materials. Incentivising recycled content will be key to ensure economic viability of composite recycling.

Malte GALLÉE MEP (Greens, Germany) Environment Committee  
*(Points noted from his presentation)*

I would like to thank Sara Matthieu, who is our Shadow, for accepting me in this field as well.

When I was running for the European Parliament in 2018, these were basically the main things that came to my mind: we have the European Single Market, and we here in the European Parliament can put up the rules, and the legislation to regulate our products. This is, in my view, the key toward our Green Economy toward a planet which we can still live on in 200 years.



I think the time is really now to this legislation – it can really be a game changer.

I come from a city, Heidenheim, and there we have a company, Voith, maybe some of you know it. It produces big machinery and I always liked this example because they produce paper machines. I think now at the moment, half of the paper, worldwide is produced with Voith paper machines.

Some years ago, they stopped producing paper machines because they do not break. So, now their business model in the paper machine area is just the maintenance of these machines. They really produce the machine that last for years and years.

I think that it is where we have to get to and we have the chance with this Regulation to get there.

What we have at the moment, we need energy and resources and produce products that break again, and then we throw them to the trash, on the consumer side at least,

I think with this Regulation we can really contribute toward an economy that really builds products that last and, in the best case, forever and then this will be the comparative advantage of the European producers of the European industries.

Because worldwide, every consumer on this planet is happy to have a guarantee about a product that really lasts.

If we go into this legislation, what I find really interesting is indeed the Product Passport.

I see a huge opportunity with this to really contribute to transparency, as it was mentioned, and I also have there to contradict Louise Bünemann (Dansk Industri & Orgalim). You said that we have to protect sensitive business information, but with regards to due diligence and what we are doing here the Parliament as well, I really see a big problem.

With those business which said we have our business secrets – I think that this is a loophole for companies, or can be a loophole for companies, to just hide their dirty businesses. For example, if you buy from subcontractors that produce with slave labour somewhere, of course they do not want to tell you where they get their products from. I think that this is a really important discussion that we have to lead. What information are we able to claim and what is a real business secret in this way?

Another concept in general, which I think we can really strengthen with the Digital Product Passport, is the whole concept of deposit systems.

The whole legislation also in my view, should aim at reducing waste. Basically, we should get rid of the whole concept of waste. The concept of waste in itself is wrong, in my view. Because if we called something waste this means we assign a value of zero. I think we all agree that we are not living in a world anymore where we can assign a value of zero to something.

Over this Product Passport we should try to put deposit scheme on as many products as possible because like this we really do place incentives, or we give the incentive, to the consumers to really return the material. This is also, from the business side, very important because producers, need materials that they needed before as well.

To close this circle and really collect everything that you place on the market, to collect it back, I think there is a huge chance in it.

I am really looking forward to work on this and to try to bring as many companies on the path towards this direction of life long warranty - like the bicycle companies – they have this sometimes – I love it. It is the best thing you can do as a company to give lifelong warrantee on your product.

This is the direction we have to go.

René Schroeder, EUROBAT – Association of European Automotive & Industrial Battery Manufacturers, Executive Director,

EUROBAT is the leading association for European automotive and industrial battery manufacturers, covering all battery technologies, and has more than 50 members. The members and staff work with all policymakers, industry stakeholders, NGOs and media to highlight the important role batteries play for decarbonised mobility and energy systems as well as all other numerous applications.



Traditionally, sustainability has been a key feature of the battery industry. Lead-based batteries, which have been in use already for more than a hundred years, have a recycling rate close to 100%. Regarding more recent battery technologies, research work is ongoing to develop recycling technologies that will lead to a high material recovery rate. All this is supported by recent changes to the EU legislative and policy framework on batteries, notably with the Batteries Regulation.

When drafting the proposal on ESPR, the new Batteries Regulation served as a blueprint.

So what do we see as lessons-learnt?

1. Double regulation should be avoided as it will result in a duplication of efforts. There is no need to over-regulate products that are already covered under “product-specific” legislation that covers the whole life-cycle, from mining to recycling.

In this sense, consistency with existing requirements under other EU laws (e.g. Batteries Regulation) is needed to avoid the duplication of efforts in providing information. Creating an over- regulation scenario will hinder industry growth and endanger the achievement of the 2050 goals.

2. Similarly, consistency and alignment between the tabled proposal with the new requirements and overarching pieces of legislation (e.g. REACH, SCIP databases, RoHS Directive, etc.) must be ensured in order to avoid duplications, double-efforts and industry burdens.

Regarding chemicals, they are already covered by several legislative files. In this sense, we would like to highlight Recital 22 from the current proposal which states that “this Regulation also should not result in the duplication or replacement of restrictions of substances covered by Directive 2011/65/EU of the European Parliament and of the Council, which has as its objective the protection of human health and the environment, including the environmentally sound recovery and disposal of waste from electrical and electronic equipment”.

3. Moreover, this proposal introduces a notion of “substances of concern” (SoCs) to cover “those related to circular economy, substances having a chronic effect for human health or the environment (Candidate list in REACH and Annex VI to the CLP Regulation) but also those which hamper recycling for safe and high quality secondary raw materials” (Chemicals Strategy for Sustainability, p2).

This definition entails that “substances of Concern” will include: all substances on the Candidate List; all substances classified for chronic effect for human health and the environment; and, all substances that hamper the re-use and recycling of materials. Therefore, it is likely that many metals and their compounds will fall under this definition of SoCs as most metals have a chronic hazard classification of some sort.

This will create an administrative burden for the industry and an increase in resources, as a raft of delegated acts will be developed to address different product groups, setting new information requirements regarding the presence of SoCs. As mentioned above, it is crucial for the industry that the new requirements will not transform into a duplication of obligations. Consistency and alignment with other pieces of legislation are paramount.

Rozalina Petrova, EUROPEAN COMMISSION, Cabinet Member,  
Commissioner for Environment, Virginijus Sinkevičius



The EU Batteries Regulation, proposed by the Commission a year and a half ago, can be seen as the blueprint for the new Ecodesign framework. This is the approach that combines the full life cycle, from the design phase, production and use, to the waste and the secondary materials phase. And what Stefano Soro said about the cooperation to deliver Ecodesign, was also the case here: the proposal on batteries was also an excellent collaborative effort between DG Environment and DG GROW, and a number of Cabinets involved.

It is already a year and a half old, so I guess that a lot of people are quite familiar with it. Let me remind you of a few elements, which are really ground breaking. With this proposal it is the first time that we actually introduce a carbon footprint for products.

We propose to introduce this in three steps: first, we will have the declaration, then second, we identify the classes of performances for carbon footprint and, finally, we are also proposing to go for a threshold.

So basically, batteries should be green, the product itself should be in line with the Green Transition. It was one of the first initiatives of the Green Deal and surely the first initiative of the Circular Economy Action Plan.

We also propose product design requirements, performance requirements, a digital product passport for batteries. In the recycling stage, we went for a recycle content target. This is also something innovative, going far beyond the recycling efficiency targets in the Batteries Directive.

Under the Single Use Plastic Directive we really saw that such requirement can be a game changer for the industry, it really made the whole value chain work together. The producers, the designers and then the waste sector are all important to make sure that actual recycled content could be incorporated into new products – that is the secondary raw materials that are of high quality. That is why, for key materials, we propose recycled content targets under the Batteries Regulation.

Another innovative element is that there is not only a recycling efficiency for the whole battery, but also for some key material contained therein, critical raw materials.

This is also important in order to ensure security of supply, including in the light of projections about how much raw materials we will need for batteries to power our green future.

So, it is very important, in the longer term, to make used batteries a source of raw materials.

We have also, the provisions on the second life of batteries, in order to make sure that they could be used as long as possible, etc.

The proposal has been now subject to extensive negotiations in the Council between the Member States, and in the European Parliament.

We already had the first trilogue on it in April and now we are looking forward to the second trilogue, hopefully still this month.

Our aim is to preserve both the ambition and the feasibility. As in many other cases, Member States may insist on the proposal to be more realistic, while the Parliament would like to see more ambition. So, we have to strike the right balance to ensure that this is feasible, so that the framework could be rolled out quickly in time, and at the same time, keep a high ambition so that we could indeed have performant batteries which, whenever they become waste are a viable source of raw material as well.

So, this are the key elements, and we have also a lot of discussions on particular issues. And also some very good additional proposals from the co-legislators.

For instance, the proposal to have batteries for light means of transport also regulated by specific provisions, which the Commission welcomed and we even asked our Joint Research Centre to look into that.

Of course, there are some other proposals that go further and need in-depth discussion and taking into account that in the meantime the policy agenda has also moved on.

For instance, on due diligence, we have proposed some very specific provisions in the batteries legislation that we think are really needed, based on the Impact Assessment which identifies the sourcing of some raw materials as particularly problematic. At the same time, we already have the Commission's more recent Due Diligence Proposal which covers due diligence requirement for companies in a more general way.

Then indeed there are some further interactions that need to be considered, as pointed out earlier in the discussion. We have started the review of the End of Life Vehicle Directive, and here again we do this in DG Environment in partnership with DG GROW, and of course we have also the cooperation at Cabinet level.

We would like to combine the revision of directive with the Type Approval Regulation. Vehicles are regulated by many other pieces of legislation, but for what circular economy aspects are concerned, we would like also to have this combined approach too.

Of course, we will also try to make sure that any overlaps are avoided and EU legislation is fully coherent.

To give one example – as REACH was also mentioned here, what we have done in our proposals for batteries legislation is to a well aligned approach to the one in REACH. But we also consider that by having dedicated provisions in the Batteries Regulation we will have also a dedicated agenda for dealing with chemicals in batteries.

Another example is Ecodesign – once that we go to the rolling out of the Ecodesign framework in the future, which we are very much looking forward to – products that contain batteries are to be regulated. But then we will have to look product by product whether it makes sense to have some more specific requirements that concern batteries in those products, or not.

What we can assure you is that whenever the Commission designs a new legislative initiative, we always pursue coherence and a common approach. In the context of Ecodesign, this is facilitated by the collaborative approach between the Commission services responsible for the environment, energy and enterprise. We rely on in-depth impact assessments, and a real co-cooperation with industry, including under the Ecodesign Forum..

I think that we have demonstrated that we take very well into account the input of the stakeholders, the businesses that implement the legislation on the ground. And at the same time, we want to ensure the ambition and the forward-looking approach, which has a business case too.

The example given with wind turbines and the challenge related to the recyclability of the blades, illustrates this very well. I note that on one hand indeed, industry has advanced without specific regulation, but once certain forward-looking companies have advanced, the question arises how to keep this competitive edge and the level playing field.

Companies should not be disadvantaged because they go for more sustainability, which would reduce the overall cost to society.

That is why this interplay between, business and policy development is essential. Our task is to strive to achieve the optimal combination in order to advance on sustainability and the green transition.

## CONCLUDING REMARKS

Antony Fell, EUROPEAN FORUM FOR MANUFACTURING, Secretary General

The Chair thanked both Commission speakers, MEPS and European Manufacturers for their highly informative presentations.

He advised that the next Forum would be in September. It is planned to hold this meeting in the Parliament.

He thanked everyone for their participation and formally closed the European Form for Manufacturing virtual meeting.



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