European Commission

ROADMAP	
Roadmaps aim to inform citizens and stakeholders about the Commission's work in order to allow them to provide feedback and to participate effectively in future consultation activities. Citizens and stakeholders are in particular invited to provide views on the Commission's understanding of the problem and possible solutions and to make available any relevant information that they may have.	
TITLE OF THE INITIATIVE	Towards an EU Product Policy Framework contributing to the Circular Economy
LEAD DG – RESPONSIBLE UNIT	DG Environment, unit B1 - Sustainable Production, Products & Consumption
LIKELY TYPE OF INITIATIVE	Communication
INDICATIVE PLANNING	*Q1 2019*
ADDITIONAL INFORMATION	http://ec.europa.eu/environment/circular-economy
This Roadmap is provided for information purposes only and its content might change. It does not prejudge the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described by the Roadmap, including its timing, are subject to change.	

A. Context, problem definition and subsidiarity check

Context

The EU is promoting the transition to a low carbon, circular economy, notably by delivering on the policies and measures announced in the Circular Economy Action Plan[1].

The way we design, produce, use and discard products has a strong impact on this transition. There is large improvement potential in terms of sustainability in the broadest sense, affecting people, planet and profit, in moving from linear to circular products: less use of resources, less waste, more jobs in repair and recycling sectors, monetary savings, etc.

This initiative will analyse relevant EU policies for their contribution to the circular economy for products and derive from this areas where adjustments of existing instruments or new actions could improve the design, use and recycling of products in conformity with the objectives of a circular economy.

This initiative flows from commitments in the Circular Economy Action Plan and the 7th Environmental Action Plan[2] and will respond to calls for action contained in Council Conclusions[3], a resolution by the European Parliament[4] and an opinion of the European Economic and Social Committee[5].

Problem the initiative aims to tackle

The problem this initiative aims to address is that many products in use today are not designed or produced with circularity in mind. They cannot be easily repaired, upgraded or remanufactured, resulting in premature obsolescence. Over the whole life cycle of the product, the use of resources is often suboptimal. At end-of-life, products are discarded and their materials not sufficiently recycled, causing valuable resources to be wasted, including critical raw materials. For instance, electric and electronic products with an estimated potential value of more than € 48 billion are going to waste annually[6].

This problem is driven in particular by the fact that prices of products do not always reflect their societal costs, which reduces the incentives to invest or consume in line with circular economy considerations. Missing or unclear information for consumers on the environmental performance of products, including a proliferation of unverifiable or even misleading 'green' product claims, push in the same direction.

Various EU policies already address the roots of the problem by influencing how products should be designed, produced or treated at their end-of-life. Given the diversity in products, these policies are necessarily also diverse as they address different product groups, aspects of products, environmental impacts and phases of the

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[1] COM(2015) 614

[2] Decision No 1386/2013/EU of the European Parliament and of the Council

[3] 10518/16 and 15811/17

[4] 2016/2272(INI)

[5] CCMI/112-EESC-2013-1904

[6] Based on 2014 figures from EC, UN and Eurostat

product life cycle, and have varying objectives and methods to achieve them. Some of the existing policy tools target specific product groups through market restrictions for the poorest performing products (e.g. Ecodesign for energy related products), while others restrict use of certain substances in product groups or generally (e.g. Restriction of Hazardous Substances Directive or REACH chemicals legislation). Again others require producer responsibility (e.g. Waste Electrical and Electronic Equipment, end-of life vehicles) or provide certain market incentives through voluntary approaches (e.g. green public procurement or EU Ecolabel). At the same time, several product groups are currently not covered by EU policies as regards their, often high, circular economy potential[7]. In other instances the policies covering other product groups do not fully deliver for instance due to low uptake of voluntary tools[8] or because they have limited circular economy potential.

Recent evaluations[9] have looked at how some of the existing policy tools perform in comparison to their initial objectives to align the interests of manufacturers, consumers and recyclers in fields such as waste management and resource efficiency. The evidence from these evaluations indicates that in certain cases there is scope for improvement or adjustments of certain aspects, or a need for a more strategic application of the measures with a view to create stronger policy incentives for more circular products.

As a result, significant potentials for circularity in terms of growth, jobs and environment are left untapped.

Basis for EU intervention (legal basis and subsidiarity check)

Most product policy instruments to be considered by this initiative are based on Articles 114 (Internal Market), 191 (Environment) or 194 (Energy) of the TFEU. On this basis, they typically regulate products as they are placed on the EU market to ensure the free movement of goods, while fulfilling also other EU objectives such as safety, environmental protection, rational utilisation of natural resources, energy efficiency and protection against unfair commercial practices.

Taking measures at EU level helps to maintain a level playing field and to reach the full potential of product policy. Measures at national or regional level (e.g. awareness raising campaigns) can in some cases support EU measures, but if different requirements are set for similar products in different Member States this would jeopardise the free movement of goods and increase the costs for businesses. Given that many products in large parts of the EU originate from the same production lines, producers would have lower or potentially even conflicting incentives on how to make their production more sustainable if market incentives would differ between Member States.

B. What does the initiative aim to achieve and how

This initiative will look at the soundness and completeness of existing EU policy and regulatory instruments, and based on this develop preliminary options for further action where the evidence suggested this to be warranted. It will also include work undertaken in the follow-up to the Refit of the EU Ecolabel and its linkage to the work on product policy.

Where multiple policy tools address the same products or product groups, ways of optimising the interactions between these instruments will be explored. It will endeavour to generate a policy drive towards more circular products, while respecting the specificities of the different policy instruments. In particular, the initiative will build on lessons learned from relevant recent or ongoing initiatives, including those listed under part C. The aim is also to analyse product groups with high circular economy potential currently not or only partially covered by EU policy tools, and describe actions and options to realise this potential. This will take due account of the phase of the product life-cycle where instruments have their impacts: during design and production (upstream), during the use phase and/or at the end of life.

Digitalisation holds potential for more circular products and business models related to products, e.g. through dematerialisation, shared usage, planned maintenance and better traceability of products and their composition throughout the value chain. Policy interventions could help make optimal use of these opportunities while avoiding possible downsides such as undue increases in energy use or a shorter lifetime of products due to premature obsolescence.

A part of the problem this initiative aims to address could be tackled via the deployment of methods to make available more reproducible, comparable, transferable, and verifiable environmental information on products, organisations and innovative green technologies. This should allow companies to green their supply chains, open new possibilities for reuse and recycling, and provide more transparency and clarity for consumers, empowering them to make better informed choices by eliminating unfounded green claims. The communication on a 'New Deal for Consumers'[10] is relevant in this context as it also addresses sustainable consumption.

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[7] e.g. food and drinks, textiles, construction products/buildings, furniture, cosmetics.
[8] For some categories of products under the EU ecolabel
[9] E.g. EU Ecolabel and EMAS Fitness Check
[10] COM (2018) 183

C. Better regulation

Consultation of citizens and stakeholders

All relevant stakeholders will be consulted so as to take their views into account in preparing the actions and options and gather opinions and feedback on draft actions and options. Citizens and a wide range of stakeholders will be involved through a public consultation (foreseen summer 2018) and a conference in the Autumn of 2018. In addition, more targeted consultation of stakeholders in the sectors addressed by the initiative will take place, for example through workshops.

A synopsis report will summarise the consultation input and explain how it has been taken into account.

Evidence base and data collection

The initiative will build on ongoing or recent initiatives including:

- Product Environmental Footprint (PEF) and Organisation Environmental Footprint (OEF) pilots[11];
- Fitness check on the EU Ecolabel and the Eco-Management and Audit Scheme[12];
- Public Procurement for a Circular Economy – good practice and guidance[13];
- The goods package: reinforcing trust in the single market[14];
- Communication on 'A new deal for Consumers'[15];
- Environmental Technology Verification (ETV) pilot[16];
- Ecodesign working plan 2016 – 2019[17];
- revised Energy Labelling Framework Regulation[18];
- revision of waste legislation[19];
- European strategy for plastics in a circular economy[20];
- Registration, Evaluation, Authorisation and Restriction of Chemicals (REACh) REFIT evaluation[21];
- Revised regulation on Restriction of Hazardous Substances (RoHS)[22];
- Communication on options to address the interface between chemical, product and waste legislation[23].
- EU study and workshop on innovation, design for sustainability and hazardous chemicals (ongoing).

No impact assessment is being prepared. Decisions taken in future to act on options with expected significant impact could become the object of an impact assessment as necessary, in accordance with the Better Regulation guidelines.

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[11] http://ec.europa.eu/environment/eussd/smgp/ef_pilots.htm
[11] COM (2017) 0355
[13] http://ec.europa.eu/environment/gpp/circular_procurement_en.htm
[14] COM(2017) 787
[15] COM(2018) 183
[16] https://ec.europa.eu/environment/ecoap/etv
[17] COM (2016) 773
[18] Regulation (EU) 2017/1369 of the European Parliament and of the Council of 4 July 2017 setting a framework for energy labelling and repealing Directive 2010/30/EU
[19] http://ec.europa.eu/environment/waste/target_review.htm
[20] COM/2018/028 final
[21] COM (2018) 0116
[22] Directive (EU) 2017/2102 of the European Parliament and of the Council of 15 November 2017 amending Directive 2011/65/EU on the restriction of the use of certain hazardous substances in electrical and electronic equipment
[23] COM (2018) 32