

Translation / Original: German

## VdMi Position on the Circular Economy Action Plan within the EU Green Deal

With the publication of the Circular Economy Action Plan (CEAP) on 11 March 2020, the EU Commission aims to mobilise the industry for a clean and circular economy. The Action Plan is the continuation of the first plan for circular economy from 2015, the measures of which have been implemented, according to the Commission.

# Key remarks and messages:

- With the raw materials / products of our member companies, durable and recyclable products are already being produced today.
- The new goals and their measures for design must be feasible for the companies.
- Even with a European leadership role in the circular economy, the attractiveness of European production sites must be maintained.
- Policymakers must involve industrial companies in the design of the measures.

#### What exactly is the initiative about?

Specifically, the Circular Economy Action Plan aims to create a new regulatory framework that will create more sustainable products. New strategies and initiatives for sustainability are to be introduced in the value chains. To this end, the Sustainable Product Initiative (SPI) and the roadmap presented on 20 September 2020 is already a concrete proposal for future product policy. The focus is on material savings in design and consistent recycling. Waste is to be avoided or reduced by new models, but also new regulations, for which a functioning circular economy is to be introduced. There will be new rules, regulations and reporting obligations across divisions.

The new action plan contains 7 fields of activities, from which a total of 35 legislative and regulatory measures are derived.

It includes initiatives, legislative measures, reviews and tightening of laws, proposals for legal frameworks, targets, regulatory measures. Among them are, among others, the restriction of microplastics and measures to reduce the release ("pellet loss"), the minimization of SVHC substances in recycled materials, a policy framework for bio-based and biodegradable plastics and a revision of the eco-design directives.

#### Assessment of the consequences and impacts for our industry

Relevance for our member companies is likely to be expected within each of the seven fields of activities. If e. g., the Industrial Emissions Directive is to be reviewed with regard to sustainable product policy, this is likely to be relevant for the production sites. New certifications and expanded reporting also lead to more bureaucracy.

When the EU Commission intervenes in the value chains for more sustainability, not only disposable packaging is reassessed, but also e.g. plastic waste, microplastics and electrical appliances are in focus here. In the future, waste will be looked at and regulated much more closely, with the aim of making waste a new resource.

Due to the large number of regulatory measures and the associated bureaucratic hurdles for companies and the ambition to become a European leader worldwide, we expect a negative impact on the competitiveness of companies in the EU vis-à-vis non-EU companies.

## Current VdMi point of view

The Verband der Mineralfarbenindustrie e. V. (VdMi) supports the general objective of the Circular Economy Action Plan for more sustainability. It should be mentioned that this goal has already been pursued by the manufacturers of substances and mixtures represented in the VdMi in recent decades through a variety of measures. Pigments and fillers, which are processed into pigment preparations or masterbatches, already make a major contribution to the longevity and quality of materials and articles.

Articles made of plastic would have a significantly shorter service life without additives to improve the material properties. UV-Absorbers prevent brittleness, fillers can improve flexibility and make the item more resistant. Such properties are needed for durable materials, all the more so if the materials are to be recycled again and again.

On the proposal to restrict intentionally added microplastics, we participated in the public consultation with two submissions. Furthermore, a progress paper clarified that some products of our member companies, which by definition have been made into microplastics, are not microplastics within the meaning of the restriction project.

The EU Commission's action plan can offer our companies a wide range of opportunities, but it is essential to ensure that the new targets are feasible for companies. The implementation of the Circular Economy Action Plan can only be successful if policymakers involve industry in the design of the measures. Additional burdens that hinder investments in the future are counter-productive, the attractiveness of European production sites must be maintained.

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The Verband der Mineralfarbenindustrie e. V. represents German manufacturers of inorganic (e. g. titanium dioxide, iron oxides), organic and metallic pigments, fillers (e. g. silica), carbon black, ceramic and glass colours, food colourants, artists' and school paints, masterbatches and products for applied photocatalysis.

The VdMi is listed in the Lobbying Register for the Representation of Special Interests vis-à vis the German Bundestag and the Federal Government (Lobbyregister des Deutschen Bundestags, number R000760) as well as in the Transparency Register of the EU Commission (number 388728111714-79).