

FIEC is the European Construction Industry Federation, representing via its 32 National Member Federations in 28 countries (25 EU, Norway, Ukraine & Turkey) construction enterprises of all sizes, i.e. small and medium-sized enterprises as well as “global players”, carrying out all forms of building and civil engineering activities.



Position Paper

17.04.2020

First draft

FIEC position paper on the new Circular Economy Action Plan

Introduction

FIEC welcomes the European Green Deal and the Circular Economy Action Plan. It supports the Sustainable Development Goals and believes that these pillars should form the basis of relevant policy for the construction industry in the future.

We would like to remind EU policy makers that construction is not limited to buildings. It also includes civil engineering, infrastructure and deep foundations. Moreover, buildings require both construction and then renovation and maintenance. At the end of life, where it is not possible to renovate further or adapt the use, it is also sometimes necessary to demolish buildings and this work is also done by the construction industry.

FIEC also supported the previous Circular Economy Action Plan and calls for better implementation in general of relevant EU policy for the Circular Economy. Whilst some progress has been made, it is clear that it was necessary to maintain some elements of the previous Action Plan in the new one. This indicates that more needs to be done to achieve the ambitions for Circular Economy and this should be considered when new goals are being set. Setting the bar too high before previously set out goals have been achieved may be premature.

Commented [SA1]: Premature? Too critical?

Having said that FIEC is not against ambitious objectives. The Circular Economy is a route to reducing resource use, reducing waste, increasing efficiency and ultimately making companies more profitable and sustainable. However, we believe that we need the right conditions to ensure that Circular Economy goals are achieved. Some of these conditions are explained in this position paper, which focuses on some key elements of the Circular Economy Action Plan. Firstly, we set out our priorities and then we look at some other elements that we also believe to be important.

1. Coherence with other legislation welcomed, especially Construction Products Regulation

FIEC welcomes the product policy initiative and strongly agrees that the best approach is to create no waste in the first place. However, in terms of implementation, this initiative should take account of the fact that there is already a regulation for construction products, namely the Construction Products Regulation. We therefore suggest and any new measures for these products should be incorporated into this regulation. Such measures include the product sustainability principles that are under consideration.

Commented [SA2]: Maybe not reused products. BE does not want these products/contents in CPR.

The revision of the Construction Products Regulation has already been announced in the European Green Deal and is expected to include new requirements for dealing with circular economy. With this in mind we insist that there is no overlap between the product policy initiative, Ecodesign Directive, Product Environmental Footprint or any other relevant

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regulation and the Construction Products Regulation. In particular, the scope of the Ecodesign Directive should explicitly exclude construction products. All measures related to improving the circularity of construction products must be dealt with in the Construction Products Regulation.

- ⇒ **No overlap with the Construction Products Regulation. This should remain the single instrument for regulation construction materials.**
- ⇒ **Scope of Ecodesign Directive should explicitly exclude construction materials.**

2. Mandatory targets for recycled plastic and targets for recovery of other materials

FIEC was involved in the development of the Construction and Demolition Waste Protocol and supports the guidelines that are contained in that document, published in 2016. Whilst the Protocol was promoted at EU level, the guidelines were for voluntary use and the level of active uptake of these guidelines – and therefore the impact it has had on the level of recycling and reuse of construction materials – is not really known.

FIEC accepts that it may be time to consider mandatory targets for the recovery of certain materials in construction. However, we ask that the following be taken into consideration:

- Some components removed during renovation and demolition contain **toxic materials substances that make reuse or recycling impossible**. This is particularly the case with older buildings and infrastructure that were constructed before “Circular Economy” was even conceived. As there is a lack of traceability for these materials, their contents cannot be verified and they are therefore not suitable for recycling or reuse.
- Taking into account the above, mandatory targets for recovery of any materials should be applicable only to new structures built **after ??? (Date??)**
- **Not all construction materials are suitable for recycling or reuse. (Is this true?)**
- Any targets should of course be aligned with the End of Waste Criteria (see separate point below).
- **It needs to be clear who will be responsible for recovery.** Whilst contractors are in the front line in terms of removal of materials, manufacturers bear some responsibility here for the materials they have produced. **This is the rationale behind Extended Producer Responsibility. Therefore, we ask that this matter is addressed in relevant regulation, in particular the Construction Products Regulation, specifically the new measures for Circular Economy expected in the forthcoming revision.**

- ⇒ **Any targets should apply only for new structures built after ???, should be compatible with End of Waste criteria and should take into account the limited possibilities for recycling caused by toxic elements or other limiting factors.**
- ⇒ **It needs to be clear who is responsible for recovery. This should be made explicit in the revised Construction Products Regulation. NB: Should we insist that manufacturers bear some responsibility? If so, should we say to what extent?**

Commented [SA3]: Not possible to give a date.

Commented [DL4]: This doesn't just change by date, but also local conditions. It may be more helpful to segment recycling targets by subsector, rather than an absolute date. In other EU circular economy frameworks, like the WEEE directive, different products have different recycling targets. For example, foundations would have one set of recycling targets and cladding would have another target – since there is such a variety between each part of a construction and when these materials changed historically.

Commented [SA5]:

Commented [SA6]: Responsibility lies with the client. (D) One that creates the waste that is responsible in Sweden.

Commented [SA7]: This sentence is problematic.

Commented [DL8]: Not quite. Allocation of responsibility is always difficult in all life cycle analysis. In existing EU circular economy legislation, like the WEEE directive, business to business transactions also transfer extended producer responsibility. To this end, the final client would be solely responsible from a cost perspective, since they ultimately specify the final design. Admittedly, however, contractors would still have to incorporate an understanding of this into any designs

Commented [DL9R8]: If we are to truly encourage the use of secondary materials and ease of recycling at end of life in construction projects, then both of these need to be rewarded at their installation. This can be done by reducing extended producer responsibility costs

Commented [SA10]: Sufficient information needs to be available from manufactures.

Commented [DL11]: Some responsibility also falls on the firms that sort and recycle waste from demolition experts, which I suspect are also not currently able to meet a specific percentage of waste recovery.

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3. Availability of conveniently located recycling facilities must be improved

Whilst some Member States have better facilities than others, in general, there remains a lack of consistency across the EU in terms of the availability of conveniently located recycling facilities. Indeed, this problem has not been adequately solved since the publication of the last Circular Economy Action Plan, in spite of this need being consistently expressed by FIEC and other construction stakeholders. Therefore, FIEC strongly welcomes the commitment from the Commission to propose to harmonise separate waste collection systems. Furthermore, we ask that Member States are required to ensure the availability of conveniently located recycling facilities at local level. This is necessary to avoid transportation of waste over long distances, which generates emissions and should therefore be eliminated as far as is feasible. In the provision of adequate facilities, local authorities should ensure that these are also provided in urban areas, where space is limited on and around construction sites, for sorting and separation.

Commented [SA12]: DE would like to include landfill here – conveniently located landfill. FI agrees. FR Need collection facilities.

Commented [SA13]: Add a sentence about non-recyclable materials and the fact that there needs to be somewhere to take these. This is also the case for the temporary storage of excavated soil.

- ⇒ **FIEC welcomes harmonised separate waste collection systems.**
- ⇒ **Local, conveniently located recycling facilities are essential.**

4. The market for secondary materials should be equal to the level of supply

There is still a problem with a lack of demand for secondary materials. The Circular Economy Action Plan itself acknowledges the risk of over-supply compared with the corresponding demand. Therefore FIEC welcomes the measures that will be put in place to ensure that the EU has a well-functioning internal market for high quality secondary raw materials.

The public sector has an important role to play and FIEC calls for the use of secondary materials to be allowed in public works contracts. This would help to boost the demand for these materials and allow construction companies to make this part of their offer, not only to the public sector but also to private clients.

In order to allow widespread use of secondary materials and an increase in demand, certain barriers need to be overcome.

- First, there is the perception that these materials are in some way inferior to new materials. To address this, there is a need for the rapid development of European harmonised standards for secondary materials. Standards would ease the concerns of clients and allow secondary materials to compete on a level playing field with new materials. Standards would also allow the gradual reduction in the reliance on and overuse of virgin raw materials, thus accelerating the move towards a Circular Economy. Digital passports, tagging and watermarks, all mentioned in the Circular Economy Action Plan, could also provide solutions.
- Second, there is the problem of price. Secondary materials are generally no cheaper – and can even be more expensive – than new materials. This is because as well as covering the cost of recovery, in order to be recycled or reused additional processes,

Commented [SA14]: Supply of secondary materials need to be located near the site. Paperwork that might be needed for secondary materials might make it too inconvenient.

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such as cleaning, have to be undertaken. This generates costs for the supplier, which can also be the contractor. (Is it the case that the contractor sometimes “sells” these secondary materials, having recovered them from a site?)

- Third, there is the real problem of contamination from substances identified as being of very high concern. Safety needs to be guaranteed. Therefore, FIEC welcomes the Commission’s proposed co-operation with industry, to develop systems for identifying and tracking these substances in waste. This problem could also be addressed by standardisation and digital methods as already mentioned above.

- ⇒ **Measures are welcomed that will ensure that the EU has a well-functioning internal market for quality secondary materials.**
- ⇒ **European harmonised standards for secondary materials are essential and must be developed rapidly to reassure clients. Digital passports, tagging and watermarks could also provide solutions.**
- ⇒ **Identification and tracking of substances of very high concern are necessary to eliminate the risk of contamination of secondary materials.**

5. End of Waste Criteria for construction welcomed

FIEC has long been calling for End of Waste Criteria...**Nick to propose some text here.**

- ⇒ **What do we want to say in particular here ?**
- ⇒ **???**
- ⇒

6. Enforcement via market surveillance is welcomed

FIEC welcomes any improvement in market surveillance. ~~However, this is not so much about additional enforcement but about implementing already required market surveillance, for example as is the case under the Construction Products Regulation.~~ Nevertheless, additional surveillance of sustainability requirements is welcomed.

- ⇒ **Existing market surveillance requirements need to be effectively implemented**
- ⇒ **Additional surveillance of sustainability requirements is welcomed**

7. Digitalisation is an enabler for the Circular Economy Action Plan

“To achieve the European Union’s policy goals, digitalisation is essential.”¹

¹ “Smarter Construction, Stronger Economy, Inclusive Society: the European Construction Industry Manifesto for Digitalisation. 2018. <http://www.fiec.eu/en/library-619/joint-manifesto-on-digitalisation-from-the-construction-industry.aspx>

Commented [DL15]: With the action plan taken in its entirety, demand for these secondary products is only going to increase, whilst we also aim to extend products lifecycles. This means less secondary materials and more demand, which will only push up prices further.

Commented [DL16R15]: This requires closer collaboration between construction companies and waste disposal companies, to help ensure sufficient quality and volume of materials can be constructed from our designs / materials

Commented [SA17]: Yes sometimes happens.

Commented [DL18]: Fourthly, from a life cycle sustainability perspective, the removal, sorting and cleaning of secondary materials may also release more CO2 and produce more waste than using abundant, locally sourced raw materials. We must be careful that the pursuit of the circular economy does not cause ‘burden shifting’ and create other sustainability impacts

Commented [SA19]: AH will proposed alternative sentence.

Commented [SA20]: Too CPR focused.

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FIEC has long stated that digitalisation is an enabler for all the major EU policy goals and this applies in particular to the Circular Economy. Therefore, we strongly welcome the recognition that digital technologies “will not only accelerate circularity but also the dematerialisation of our economy”²

In particular, we support the proposed promotion of digital technologies for tracking, tracing and mapping of resources as well as the gathering of relevant and important data about materials.

We also strongly support the development of the EU Digital Log Book for buildings, which should oversee all existing initiatives. This should therefore specify a common interface, which facilitates the link to other relevant sources of information. This will enable an accurate, thorough and constantly updated record of the materials used in new buildings, amongst other information. This record will be vital for the Circular Economy as it will facilitate future recycling and reuse, when the building is renovated or disassembled.

We also welcome the European Dataspace for Smart Circular Applications.

- ⇒ **Widespread use of digital technologies to facilitate the Circular Economy**
- ⇒ **We strongly support the development of the EU Digital Log Book**
- ⇒ **We welcome the European Dataspace for Smart Circular Applications**

8. Additional points

- a. **FIEC ~~applauds~~ welcomes the forthcoming Strategy for Sustainable Built Environment as well as the Renovation Wave.**

Both of these important documents will add impetus to the effort to accelerate circularity in construction.

- b. **Industrial symbiosis offers a solution through collaboration across industries**

Further potential should be explored through research and in particular with the support of the Horizon Europe programme (see also below).

- c. **Horizon Europe must support research aimed at finding new solutions**

Research into circularity in construction must be included in specific actions under the new research programme. This is already foreseen in the partnership proposal for Built4People.

- d. **The EU should not export the problem of waste**

Commented [SA21]: This should oversee all existing initiatives. , w

Commented [SA22]: Information should be harmonised.

Commented [SA23]: Choose better word here.

Commented [DL24]: Industrial symbiosis is very important for the circular economy, but it is currently at an inter-company level. More work and research is required to upscale this, making it an inter-sector approach that can help all construction companies work towards the circular economy

² Circular Economy Action Plan, March 2020.

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It would be easier, but not responsible, to simply ship waste to third countries and let them deal with the problem, possibly by simply reusing materials without first guaranteeing their quality and safe use. FIEC supports the Commission’s commitment to take responsibility for EU generated waste in the EU, by creating an effective Circular Economy.

e. New business models should be developed in construction

The whole supply chain has to be overhauled to embrace circularity principles. New business models could support this, e.g. “Construction elements as a service”.

f. Excavated soil

The various regulations in the different Member States lead to the situation where excavated soil is often sent to landfill. This must change by reviewing legislation and criteria to find methods which ensure that all soil is [reused/recovered](#).

g. Comment on Green Public Procurement

Commented [DL25]: Suggest reading the reports from the supply chain sustainability school and their work on green procurement in both public and private settings
<https://www.supplychainschool.co.uk/>

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