



**Återvinnings
industrierna**

Swedish Recycling Industries' Association's response on the Green Paper "A 2030 framework for climate and energy policies"

SRI is generally positive to the proposals in the green paper, but would have expected for the year 2030 a more offensive approach regarding the integration of resource efficiency objectives and targets in the energy and climate policies.

In our view it is very urgent to recognize that a more resource-efficient society will lower both energy demand and GHG emissions. Recycling and reuse of raw materials is a most efficient energy saving measure and would, as well, contribute to a significant reduction of GHG emissions. By focusing on resource efficiency in the whole product value chain, virgin raw materials as well as energy will be saved and emissions of greenhouse gases reduced.

The link between resource efficiency and climate change mitigation needs to be strengthened so as to increase public awareness but, as well, to encourage companies to give more attention to measures – such as product design – so as to increase the opportunities for recycling and reuse. In our view, such an emphasis would strengthen competition and give the EU and its member states an advantage in the years ahead.

SRI understands that efforts to strengthen resource efficiency must be taken in steps. While attractive, binding resource efficiency targets cannot be introduced over night. Individual member states differ widely as regards the preconditions for resource efficiency targets. Nevertheless it is important for the EU to take steps to develop the appropriate economic instruments and internal market rules for the growing sector of recycling industries. Recycling has a large potential, but this potential is not fully realized under the current waste framework directive. The sector is regarded more as a manager of waste and residue materials and not as an opportunity in terms of material sourcing.

Recycling concerns all sectors. It is therefore important that the EU stimulates the use of recycled materials across the board and helps to create the right market conditions. It is worthwhile noting that the reuse and reconditioning of products and materials is a growing business area, as well, with good potential for the development of new types of services as well as job opportunities.

The handling of household waste in Sweden is tightly regulated in the form of a municipal monopoly. The majority of municipalities also run their own district heating systems. An

often favoured source of energy is waste incineration. Many municipalities, using their waste handling monopoly as a base, have invested heavily in waste incineration plants. The result is a huge overcapacity of incineration plants. In spite of that additional plants are being built. Due to the overcapacity, the municipalities and municipality-owned companies compete aggressively for increasing volumes of residue materials to be used as fuel in the commercial waste market. This, no doubt, has a negative influence on the recycling market and as a consequence the recycling business. For instance, materials, like plastics, are being incinerated rather than recycled. .

SRI would like to especially emphasize that district heating in Sweden presently has a huge and very negative impact on the recycling business. The only solution to this problem, from the point of view of the SRI, would be to change the policy framework conditions – for instance by increasing the value of recycled materials and/or by the introduction of a ban/tax on incineration of recyclable materials.

The SRI restricts its comments vis-à-vis the Green Paper to those issues where the association has its primary focus. However, with regard to the general question posed as to what type, nature and level of climate and energy targets the EU should adopt the SRI would lend its support to maintaining the system as it is, i.e. the adoption of targets both for CO₂ reduction, energy efficiency and renewable energy. Energy efficiency and renewable energy have to develop in tandem and for that to happen specific targets will be needed. We suggest that resource efficiency related target would also make sense and contribute to the overall climate change objective.

Yours sincerely,

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About SRI:

The Swedish recycling Industries' Association (SRI) represents the private Swedish recycling companies with a yearly turnover of close to 2 billion Euros and more than 6000 employees. All together the companies handle around 10 Mtonnes of waste and recyclable materials in 500 plants all over Sweden. The companies cover all types of waste fractions - from collection to recycling. The vision for SRI is to be the future leading raw material supplier and to promote a more resource efficient society through increased recycling and reuse.

