

CIRCULAR ECONOMY ACTION PLAN A “STEP IN THE RIGHT DIRECTION”, SAYS EUROFER

Brussels, 12 March 2020 – The European Steel Association (EUROFER) has greeted the release of the Circular Economy Action plan. The sector believes the Action Plan is an important step in developing a truly circular economy in Europe. However, it is missing incentives to keep valuable steel scrap within the EU, which undermines circularity and the EU’s climate objectives.

“As producers of an essential, 100% recyclable and permanent material, steelmakers are eager to see circularity put at the heart of the EU’s policy focus”, said Axel Eggert. “However, beyond the first principles of the circular economy there are more in-depth considerations that must be addressed – which this Commission Communication, in part, does”.

Aspects of the new Circular Economy Action plan are of noted importance for the steel sector. These include products policy, ‘process-related residues’ and the secondary raw materials market.

“Having a sustainable products policy initiative in which the Eco-Design Directive is extended in scope to help circularity and the assessment of product sustainability is a good thing, for instance”, added Mr Eggert. “It is also important to have robust tools for substantiating environmental claims on products – supporting consumers and buyers in making truly sustainable choices”.

“EUROFER also fully supports the development of an EU market for secondary raw materials. We need EU-wide criteria for the granting of ‘by-product’ or ‘end-of-waste’ status to certain industrial streams generated during the production processes. More widely, when a secondary raw material – generated either as waste or as a by-product is fit for certain applications and can be safely used – its access to the market should be improved, regardless of its legal status.

Another concern addressed in the Action Plan is about the leakage of waste to export markets. The carbon embedded in scrap means that using it as a raw material can help reduce emissions from steel production.

“EUROFER fully supports EU action to address waste exports from the EU”, said Mr Eggert. “This could widen recycling in the EU via measures on products design and on the quality of the secondary raw materials.”

While welcoming the Action Plan, EUROFER nevertheless urges caution on some elements. Not all materials are the same and a one-size-fits-all policy will not suit all. The path towards greater circularity must be built upon scientific, evidence-based principles. Otherwise, the intentions of the Communication may not improve circularity.

“In particular, care must be taken when dealing with chemicals in a circular economy context. The risks of exposure to hazardous substances must be minimised. However, simply banning certain substances would hamper circularity, not reinforce it”, emphasised Mr Eggert.

“Over 90% of steel scrap in the EU is collected and we recycle all of the scrap returned to our facilities. While recycling is a very effective means for keeping materials in the loop, circularity must strike a balance between ‘recycled content’ and design for ‘end-of-life recyclability””, concluded Mr Eggert. “Both parts need to be assessed per sector, otherwise true circularity will never be achieved. The EU exports millions of tons of steel scrap every year, so incentives should be developed to keep circular materials within the EU so as to meet our circular economy and climate objectives.”

Notes for Editors

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PDF

A PDF of this Press Release is available: [here](#)

Circular Economy Action Plan

The EU's Circular Economy Action Plan can be found: [here](#)

About the European Steel Association (EUROFER)

EUROFER AISBL is located in Brussels and was founded in 1976. It represents the entirety of steel production in the European Union. EUROFER members are steel companies and national steel federations throughout the EU. The major steel companies and national steel federations in Switzerland and Turkey are associate members.

The European Steel Association is recorded in the EU transparency register: 93038071152-83.

About the European steel industry

The European steel industry is a world leader in innovation and environmental sustainability. It has a turnover of around €170 billion and directly employs 330,000 highly-skilled people, producing on average 160 million tonnes of steel per year. More than 500 steel production sites across 21 EU Member States provide direct and indirect employment to millions more European citizens. Closely integrated with Europe's manufacturing and construction industries, steel is the backbone for development, growth and employment in Europe.

Steel is the most versatile industrial material in the world. The thousands of different grades and types of steel developed by the industry make the modern world possible. Steel is 100% recyclable and therefore is a fundamental part of the circular economy. As a basic engineering material, steel is also an essential factor in the development and deployment of innovative, CO₂-mitigating technologies, improving resource efficiency and fostering sustainable development in Europe.