

CIRCULAR ECONOMY

11 PROPOSALS

for an environmental and sovereign
economic model for Europe



CITEO

Together, let's give
our products a new life.

CITEO, A KEY SUSTAINABLE DEVELOPMENT PLAYER IN FRANCE

For more than 30 years, Citeo has been one of the Producer Responsibility Organisation in charge of Extended Producer Responsibility (EPR) for household packaging and graphic papers in France. A key player in sustainable development in France, the company has built its expertise in eco-design, collection, sorting, recycling and citizen mobilisation and awareness, in close collaboration with a wide variety of stakeholders: client companies, local authorities, industrial operators, stakeholders and public authorities (at national, European and international level) and citizens.

By responding to the ecological emergency and accelerating essential transformations, Citeo engages and encourages economic players to produce, distribute and consume while preserving our planet, its resources, its biodiversity and the climate.

In 2020, Citeo became a mission-led company to further boost its commitment to 5 objectives:

- ⇒ **reduce the environmental impact of its customers' products:** integrate the principles of the circular economy and eco-design into customers' practices and strategies in order to reduce the environmental impact of their products ;
- ⇒ **create the conditions to build the solutions of today and tomorrow:** create conditions conducive to the development of solutions combining environmental and economic performance as well as addressing present and future challenges ;
- ⇒ **empower consumers to reduce environmental impact:** providing consumers with the tools necessary to reduce the impact of their consumption on the environment ;
- ⇒ **co-build and promote Citeo's solutions and positions, from local to international:** collaborate to build and promote Citeo's solutions and positions, defending sustainable practices on a local, European, and international scale ;
- ⇒ **cultivate the commitment of Citeo teams as part of its mission.**

Key figures Citeo & Adelphe 2022

€917M

in funding for the sectors.

65.5%

household packaging recycling rate.

60%

graphic paper recycling rate.

46,422

client companies.

674

contracts with local authorities and 2 territories covered by a service contract*.

400

employees.

*In these territories, Citeo directly provides the separate collection service.

EDITO



Jean Hornain
CEO of Citeo

Without circularity, no full sovereignty!

Global warming, major geopolitical upheavals, and changing economies: **the world of 2024 faces an almost unprecedented set of challenges.**

In this context, **Europe finds itself at a real turning point and must take this opportunity to assert its capacity to act, unite and be resilient.**

“What does this have to do with the circular economy?” you may ask. Well, it is a point of convergence between industrial and environmental policies required to maintain a healthy European internal market and thereby the competitiveness and sovereignty of the EU.

Making sure the importance of circularity is understood has always been Citeo's mission. By acting daily to develop the reduction, reuse and recycling of packaging and paper; we address issues that go far beyond French borders.

Our priority is to give companies the means to achieve carbon neutrality and guarantee manufacturers the supply of recycled materials necessary for their autonomy.

The Green Deal has already enabled progress, with the adoption of several legislative texts (waste shipments, taxonomy, consumer rights, eco-design, carbon market). **Yet all this still needs to be implemented effectively and pragmatically to enable scaling up and true harmonization at a European level,** whether by better informing citizens about responsible consumption practices, developing digital tools to strengthen the traceability of sorted and recycled materials, or adopting consistent deposit return systems for reuse and recycling.

We must therefore remain ambitious and think bigger, but do so collectively. The question of European sovereignty is not simply a political one. Economic actors and citizens are just as concerned by it.

More than ever, the circular economy is a real asset for growth, competitiveness, sovereignty, and strategic autonomy for the whole of Europe.

The purpose of this document is therefore to **contribute to the debate by proposing concrete avenues** to future European decision-makers and to advise them on the main levers to activate for an environmental and sovereign economic model in Europe.

ADVOCATING EFFECTIVE AND PRACTICAL IMPLEMENTATION OF THE GREEN DEAL

The Green Deal is a pioneering programme of work initiated by the European Commission to make the European market 'greener'. The Commission has set the wheels of change in motion to achieve the EU's objectives of:

Being the **1ST** climate-neutral continent by 2050

Reducing net greenhouse gas emissions by at least **55%** by 2030 compared to 1990 levels

Since 2019, the Commission has submitted various legislative proposals aimed at reorganising the single market to reduce the environmental impact of economic activities in various sectors including the packaging sector.

Several milestones have been achieved:

- **a political agreement on waste transfers:** new rules to prohibit transfers of waste to non-OECD member countries;
- **adoption of a single tool: the taxonomy.** The taxonomy provides all financial stakeholders with a common language for determining what constitutes a green activity by introducing three categories of activities: those that are already green, those necessary for the green transition and those allowing emissions reductions within the scope of the transition. This tool adapted to the circular economy is essential for focusing investment on genuinely sustainable projects;
- **strengthening consumer protection and rights:** with a review of the unfair commercial practices directive aimed at obliging producers to provide consumers with information on products' sustainability and reparability and regulating generic claims, such as 'carbon neutral', to protect consumers;
- **setting eco-design rules** for all types of products placed on the EU market with the creation of digital product passports containing all information on circularity whose scope also includes packaging;
- **reform of the European carbon market** through the introduction of a carbon border adjustment mechanism. This new European regulatory instrument, which came into force in October 2023, imposes carbon prices for products imported into the European Union's customs territory equivalent to those applied to European producers manufacturing the same products.

However, while these measures seek to meet climate targets in line with the Paris Agreement, they will prove ineffective unless accompanied by measures and clear implementation.

In its next term, the European Commission should not only continue to legislate, but also help Member States, economic agents and citizens implement legislation adopted during the 2019-2024 term.

Various measures could be implemented:



Setting clear guidelines on how to implement measures from the Green Deal.



Involving companies in drawing up secondary legislation, so that the requirements of small and medium-sized enterprises are also taken into account.



Monitoring Member States' measures for transposing European legislation to ensure full harmonisation at EU level.



Continuing to operate a fair transition mechanism to provide **financial and technical support** not just to regions and the low-carbon economy, but also to companies faced with the challenges of developing a circular economy.



Educating citizens on everyday best environmental practices to reduce the impact of their consumption on the environment.

04

DEVELOPING AN AMBITIOUS REGULATION ON PACKAGING AND PACKAGING WASTE

WHERE DO WE STAND?

The political agreement on the Packaging and Packaging Waste Regulation (PPWR) includes the following main measures:

- ⇒ A ban on certain sizes of single-use plastic packaging.
- ⇒ A target to reduce the amount of waste generated by 5% in 2030, 10% in 2035 and 15% in 2040.
- ⇒ Mandatory reuse targets by 2030 and 2040.
- ⇒ Mandatory plastic recycled content targets by 2030 and 2040.
- ⇒ Introduction of a deposit return scheme for recycling for plastic bottles and cans by 2029.
- ⇒ Recyclability requirements: 3 performance grades with a minimum of 70% recyclability.
- ⇒ Harmonisation of labelling, notably related to sorting instructions and recycled content.

It will be up to the next European mandate to specify the obligations within the framework of implementing acts and delegated acts of the Regulation. Citeo advocates for the importance of consulting all stakeholders in order to create an ambitious and realistic legislative framework through a group of experts, and to support all stakeholders in the implementation of the measures.

WHAT DOES CITEO ADVOCATE FOR?

Pursuing the objectives resulting from the negotiations and in order to ensure effective implementation allowing the circularity of packaging, Citeo supports the following measures:

On reduction

- ⇒ Reduction should be achieved by **avoiding unnecessary packaging and adopting formats that minimize the quantity of packaging** per product weight;
- ⇒ the definition of packaging reduced to the minimum necessary **implies considering a change in production and/or marketing methods for the product/packaging pairing**. Single-use packaging should aim to fulfil the essential technical functions as well as transport. The standards defined will integrate this concept so that single use, which will continue to exist, is reduced in its minimum function, and supplemented with reusable formats. **Special support must be provided to companies.**

On reuse

- ⇒ Defining objectives is essential because reuse is an effective and relevant way to reduce the environmental impact of packaging. However, this condition is not sufficient. For reuse to meet expectations and establish itself as a relevant solution, **a coordinated response at European level is necessary to build reuse systems on a scale**. The establishment of a deposit for reuse, the development of standard packaging, the establishment of a financing system, support for consumers or even collaboration between all stakeholders are all conditions for success that must be facilitated.

On promoting high-quality recycling

- ⇒ The design guidelines for recycling of the packaging regulation must refer to the European standards defined in order to specify the recyclability criteria for each category of packaging. In accordance with the mandate of the

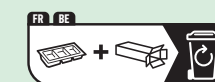
European Commission, the European Committee for Standardization has initiated work to define recyclability standards for plastic packaging which are the result of a consensus of experts representing different players in the packaging value chain, including Citeo;

- ⇒ **binding recycled content targets should concern all types of plastics. There must be a distinction between recycled content and biosourced plastic and not an equivalence.** If both contribute to reducing the environmental impact of packaging by preserving resources, the obligations to integrate recycled material contribute to the good circularity of the material and to secure outlets for packaging to be recycled. This recycled content obligation should be extended to other sectors;
- ⇒ **add the definition of collection objectives by Member States to the implementation of additional levers** in order to ensure that packaging is effectively sorted with a view to recycling. These measures include, in particular, a strengthening of communication and education campaigns, a more rigorous application of existing recycling objectives or even the development of incentive pricing models.

On consumer information regarding sorting rules

- ⇒ Citeo supports the notion of **harmonised European marking** that would indicate sorting rules for each packaging component regardless of its constituent materials;
- ⇒ by way of illustration, **Citeo cites the example of the French Sorting Info**, which is flexible and adaptable to national collection systems and has been designed to be usable by producers at EU level.

Same sorting rules



Different sorting rules



02

GIVING CONSUMERS THE MEANS TO PROMOTE THE GREEN TRANSITION BY ENSURING THEY HAVE ACCESS TO RELIABLE INFORMATION

WHERE DO WE STAND?

The proposal for a Green Claims directive marks a commitment to tackle misleading environmental claims through steps to ensure that consumers receive reliable, comparable and verifiable information enabling them to make informed choices and play an active role in the green transition.

The directive on environmental claims supplements and adds detail to the framework introduced by directive empowering consumers for the green transition through better protection against unfair practices and better information.

More than
50%
of environmental
claims on packaging
are misleading¹

230
sustainability
labels are
available in
the European
Union¹

WHAT DOES CITEO ADVOCATE FOR?

Citeo recommends further empowering consumers while also harmonising initiatives within the European Union:

- ⇒ **scope of the directive:** Citeo is seeking clarification regarding the relationship between the directive empowering consumers for the green transition and the directive on environmental claims and suggests including **micro-enterprises** within the scope for fair consumer information;
- ⇒ **evidence requirements:** we support the adoption of a delegated act that would refer to a **single methodology**, preferably based on the PEF (product environmental footprint) method, and suggests tightening certain evidence requirements;
- ⇒ **communication requirements:** we recommend that the directive address a common framework for how traders should communicate on environmental aspects of their products, while specifying that all environmental claims should be made in a **clear, proportionate and unambiguous manner**. Citeo highlights the value of the **Digital Product Passport** for sharing information on circularity;
- ⇒ **marking:** Citeo welcomes provisions limiting the proliferation of environmental labels (simplification and standardisation) and favours future schemes based on a process of **certification and verification**;
- ⇒ **verification:** we approve of third-party verification to ensure the accuracy of information provided to consumers, while also highlighting operational risks and potential administrative workload. We are in favour of introducing a 'reasonable deadline' for national authorities verifying claims;
- ⇒ **support for micro-enterprises and SMEs:** we emphasize the importance of setting harmonised guidelines at European level, in addition to national guidelines, to avoid any disadvantages in terms of communicating environmental claim;
- ⇒ **companies' accountability:** Citeo advocates the introduction of a framework for companies to provide accurate and verifiable environmental claims prior to products being placed on the market.

GOOD TO KNOW

Generic green claims?

In France, marking new products or packaging intended for consumers with the words 'biodegradable', 'environmentally friendly', 'nature-friendly', 'green', or any other similar environmental claims is prohibited².

This framework will be supplemented by the directive empowering consumers for the green transition, which states that environmental claims must be clearly worded and highly visible.

Focus on the product environmental footprint (PEF) method

The PEF method is used to assess products' environmental performance based on an analysis of their life cycle in relation to 16 indicators covering issues in terms of human health and impact on natural resources and ecosystems. However, this method does not yet measure impact on biodiversity. Its utilization could thus facilitate the harmonization of scientific assessments while also considering the measurement and impact on biodiversity.

¹ Environmental claims in the EU: Inventory and reliability assessment Final report, European Commission 2020.

² Article R.541-223 of the decree concerning consumer information on the qualities and characteristics of products generating waste (Decree No. 2022-748).

03

REFRAMING WASTE AS AN ECONOMIC RESOURCE

WHERE DO WE STAND?

On 5 July 2023, the European Commission proposed a revision of the Waste Framework Directive, limited to food waste and textiles. The aim is to reduce environmental and climate impacts associated with textile waste management and production of food waste.

Contrary to the approach adopted by the Commission, which limits the scope of the review to food and textile wastage, Citeo is seeking a broader review of the waste framework directive to encourage a paradigm shift whereby waste is considered a resource in accordance with the principle of the circular economy.

More than **80 MT** of waste generated in the EU in 2021³

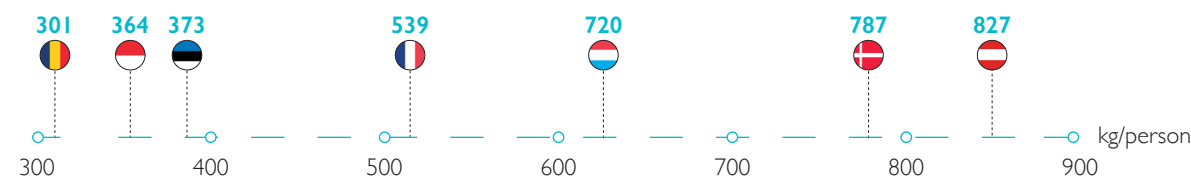
WHAT DOES CITEO ADVOCATE FOR?

- ⇒ **Changing the definition of the term 'waste'** to take account of measures such as reuse and repair aimed at reducing the quantity and total weight of waste placed on the market in a Member State.
- ⇒ **Setting ambitious, compulsory waste reduction targets** for effective application in all Member States.
- ⇒ **Giving reuse a key role** in limiting the impact of waste production. This needs to be developed through large-scale systems throughout Europe.
- ⇒ **Introducing standardised minimum requirements for deciding which selective collection model to implement** to improve reuse and recycling. Rather than imposing a one-size-fits-all model, it is important to allow countries and regions the flexibility they need to identify appropriate solutions. It is also essential to enable waste to be collected around the clock and from any location to ensure continuous sorting and improve collection performance.
- ⇒ **Stepping up separate collection by limiting possible exemptions** to ensure full compliance with Member States' obligations.
- ⇒ **Prohibiting landfill** and instead prioritising reduction, reuse and recycling.
- ⇒ **Adapting the processing hierarchy for outermost regions:** such regions struggle to develop local waste management solutions due to their island or landlocked status, low population density limiting the potential to open industrial recycling infrastructure, scarcity of land on which to set up new sorting or recycling units, and high dependency on imported fast-moving consumer goods. In some cases, energy recovery may be a more appropriate solution.
- ⇒ **Rolling out EPR** to boost products' circularity and reduce primary raw material use. This notably means increasingly harmonising EPR systems with:
 - minimum requirements concerning the coverage of collection costs;
 - criteria for adjusting contributions;
 - reporting requirements;
 - rolling out the pay-as-you-throw system to improve collection performance.

GOOD TO KNOW

Municipal waste production varies from country to country³

In 2022, the quantity of municipal waste produced per person in the EU was 513 kg, which is 19 kg or 4% per person less than in 2021 (532 kg) and 46 kg higher than in 1995 (467 kg).



Municipal waste is mainly produced by households and includes packaging, bio-waste, electrical equipment, batteries and accumulators, and bulky waste. It also includes similar waste from other sources such as businesses and craft industries, offices and public institutions (schools, hospitals, authorities).

³Production and farming waste is not included.

³ Source: Eurostat

04

DEFINING A BINDING LEGISLATIVE FRAMEWORK FOR BIOBASED AND NON-FOSSIL RAW MATERIALS TO ENSURE ENVIRONMENTALLY FRIENDLY PRODUCTION AND USE

WHERE DO WE STAND?

In 2022, the European Commission published a communication on biobased, biodegradable and compostable plastics. This sets out preliminary guidelines aimed at providing a framework for the use of biobased raw materials and contributing to improved understanding of these materials.

These plastics are perceived as having a better environmental impact than packaging made from fossil materials. Nevertheless, a number of conditions must be met to ensure that the production, use and end-of-life management (collection, sorting, recycling and recovery) of these plastics has a generally positive impact on the

environment and does not exacerbate issues in terms of plastic pollution, climate change and biodiversity loss. The Packaging Regulation is paving the way for target-setting on the incorporation of biobased materials. Such targets should be linked to sustainability criteria.





Moreover, innovative new 'non-fossil' materials are emerging as a separate category from biobased and fossil materials. Citeo is also funding new innovations including the production of raw materials through processing of gaseous CO₂ from industrial emissions. Such technologies could be used to produce sustainable plastic with a lower carbon impact.

WHAT DOES CITEO ADVOCATE FOR?

Citeo advocates a binding legislative framework to regulate non-fossil-based raw materials as well as biobased raw materials. This framework should be applied to the entire life cycle, from production to end of life to ensure that the environmental impact is always positive, factoring in the source of materials in either European or non-European countries.

GOOD TO KNOW

Recycling and composting of various types of biobased materials⁴

Raw materials	Recycling	Compostable	Availability level	Examples
Biobased plastics Sugars from cane, corn, beet (green chemistry)	✓ (existing channels)	✗	++	 PET bottle
Starch-based plastics⁵ Corn starch, potato, etc. (green chemistry)	✗	✓ (home compostability)	+	 Bag and plastic film
Polylactic Acid (PA) Sugars from cane, corn, beet (green chemistry)	Possible but not yet developed	✓ (industrial compostability)	+	 Bottle and plastic film
PHA and PHB Agricultural and organic waste (microbiological synthesis)			Emerging	 Tray and plastic film
Other polymers in development Sugars, milk proteins			Pilot	

⁴ Source: Citeo

⁵ Starch-based plastics are associated with compostable structuring polymers of fossil origin.

05

COMBINING CIRCULAR ECONOMY AND HEALTH ISSUES



WHERE DO WE STAND?

The regulation of 15 September 2022 on recycled plastic materials and articles intended to come into contact with foods lays down rules on the sale and use of plastic materials and articles in contact with foods and on the development and operation of recycling technologies, processes and installations.

However several aspects of its implementation are not yet satisfactory. In reality, the process for authorising a recycling process can take 2 to 7 years, depriving companies of visibility and ultimately limiting opportunities and capacities for investment and innovation. This process therefore needs to be shortened and those submitting applications need to be able to track its various stages. Moreover, it is not possible to submit group applications for different material types, thus increasing the workload for manufacturers and failing to meet the goals set by the regulation.

WHAT DOES CITEO ADVOCATE FOR?

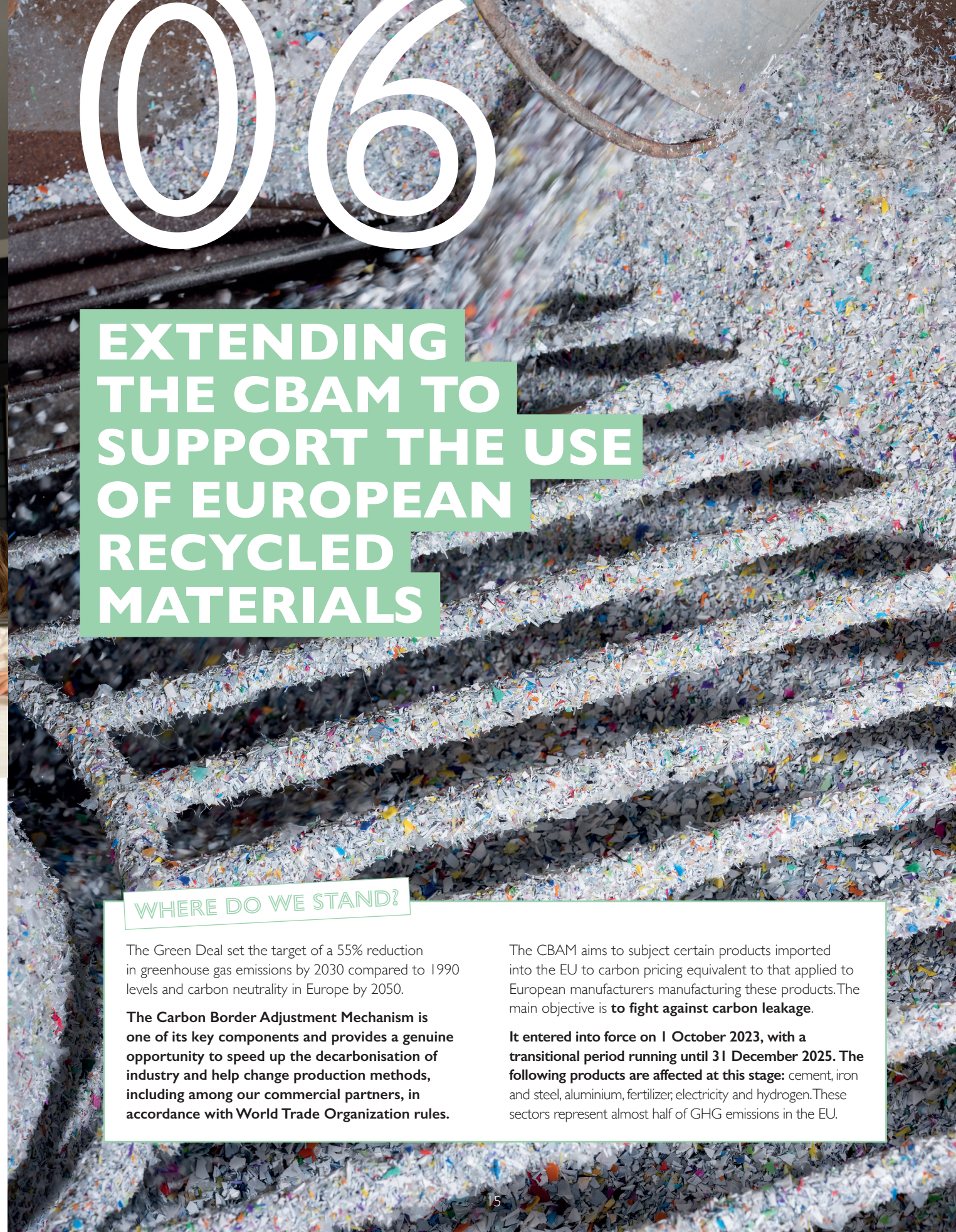
A review of health issues raised by the circular economy.

It would therefore be appropriate for the European Commission to propose a support framework for developing reuse enabling health issues to be fully taken into account. This issue is currently left to industry stakeholders who need a more detailed framework which could be developed by the EFSA⁶ and CEN⁷.

⁶ European Food Safety Authority.
⁷ The European Committee for Standardization.

06

EXTENDING THE CBAM TO SUPPORT THE USE OF EUROPEAN RECYCLED MATERIALS



WHERE DO WE STAND?

The Green Deal set the target of a 55% reduction in greenhouse gas emissions by 2030 compared to 1990 levels and carbon neutrality in Europe by 2050.

The Carbon Border Adjustment Mechanism is one of its key components and provides a genuine opportunity to speed up the decarbonisation of industry and help change production methods, including among our commercial partners, in accordance with World Trade Organization rules.

The CBAM aims to subject certain products imported into the EU to carbon pricing equivalent to that applied to European manufacturers manufacturing these products. The main objective is **to fight against carbon leakage.**

It entered into force on 1 October 2023, with a transitional period running until 31 December 2025. The following products are affected at this stage: cement, iron and steel, aluminium, fertilizer, electricity and hydrogen. These sectors represent almost half of GHG emissions in the EU.



WHAT DOES CITEO ADVOCATE FOR?

Citeo supports this mechanism that addresses the practices of certain producers that outsource their activities to regions of the world with less stringent environmental rules.

Citeo is calling on the European Commission to examine and adopt the option of extending the implementing scope of the CBAM to include other product categories such as polymers, glass and paper.

Incorporating these materials in its scope would have a genuine impact on the circular economy by restoring conditions for fair competition, reducing carbon leakage and supporting secondary raw material prices.

However, this should not entail excessive additional burdens on European industry, as this could hamper improvements in its competitiveness.

GOOD TO KNOW

Adresse carbon leaks

The concept of carbon leakage may be defined as transferring an activity with high greenhouse gas emissions to a country where environmental legislation is less stringent. There are two aspects to this issue for the EU:

- firstly with regard to **climate**, as it has a negative impact on European efforts to reduce greenhouse gas emissions,
- and secondly in relation to **industry**, since European producers and third-country producers are treated unequally.

07

OPENING UP THE EU EMISSIONS TRADING SYSTEM TO OTHER SECTORS

WHERE DO WE STAND?

In May 2023, the EU adopted Directive 2023/959 amending Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading within the Community.

The EU's emissions trading system is the cornerstone of the Union's climate policy focused on implementing the 'Fit for 55' package and is its main tool for reducing greenhouse gas emissions cost-effectively. To meet the target of a 55% minimum net reduction in greenhouse gas emissions compared to 1990 levels by 2030, the co-legislators have committed to reducing emissions through the EU emissions trading system (EU ETS), with a target of 62% compared to 2005 levels by 2030. This legislation states that by July 2026, the Commission should assess the feasibility of including municipal waste incineration installations in the EU ETS from 2028.

WHAT DOES CITEO ADVOCATE FOR?

Citeo supports this inclusion, which would contribute to the circular economy by encouraging recycling and reuse rather than incineration and help decarbonise the entire economy.

Besides the inclusion of municipal waste incineration installations, the landfill installations should also be considered, to avoid any knock-on effects in terms of diverting waste from municipal waste incinerations installations to landfill sites. This would guarantee fair competition conditions while also maintaining the waste hierarchy.

GOOD TO KNOW

The EU ETS currently covers:

10,000 companies in the electricity and heat generation sectors, energy-intensive industrial sectors and commercial aviation.

And almost:

40% of the EU's total emissions. Since 2025, European emissions have fallen by **41%** in the sectors covered⁸.

⁸ Source: Council of the EU <https://www.consilium.europa.eu/en/infographics/fit-for-55-eu-emissions-trading-system/>

08

MAKING THE CIRCULAR ECONOMY A LEVER OF THE EUROPEAN STRATEGIC AUTONOMY

WHERE DO WE STAND?

The EU's industrial policy is aimed at strengthening its competitiveness and promoting a more sustainable, more resilient, digitised economy that creates jobs.

This industrial policy now includes the concept of open strategic autonomy, which seeks to reduce the EU's dependency on third countries, particularly in terms of critical raw materials, technologies and infrastructure.

The industrial strategy for Europe reviewed in 2021 is focused on fourteen ecosystems and three key areas: strengthening the resilience of the single market, responding to the EU's strategic dependencies and accelerating the twin transitions to a green and digital economy.

The industry represents:

over **20%** of the EU economy⁹

80% of the EU's exports of goods⁹

WHAT DOES CITEO ADVOCATE FOR?

Including the circular economy in the strategic autonomy of the European Union.

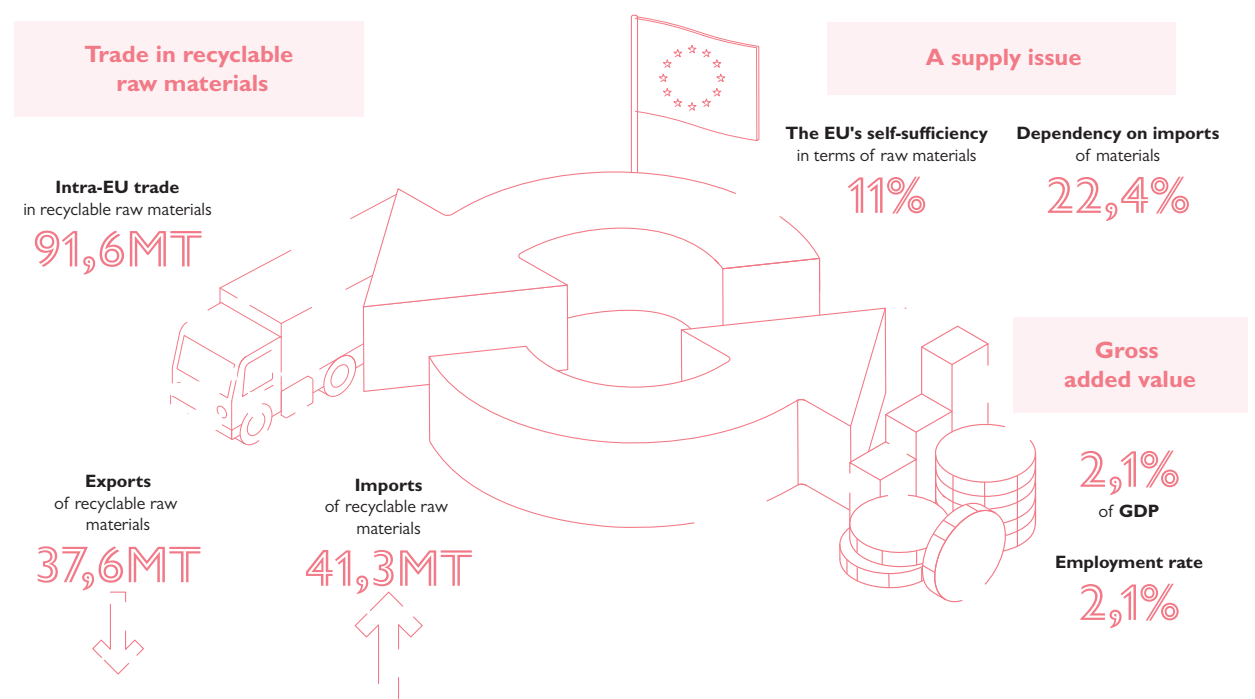
Citeo welcomes legislation promoting 'net-zero' industry and on critical raw materials. This will contribute to the EU's resilience and open strategic autonomy by ensuring the supply security of energy technologies enabling the development of other economic sectors and by reducing the EU's dependency on imports of critical raw materials.

- Through its focus on the issues of resilience, supply, technology development, investment, regulatory framework and training, this legislation represents an important step that may in future years be extended to other technologies and raw materials.
- With this in mind, the circular economy can and must contribute to strengthening strategic autonomy and developing identified ecosystems. It enables sustainable and effective resource

management, a supply of raw materials closely matching requirements, more sustainable value chains, reduced dependency and a lower carbon footprint, a joint commitment from all actors and stakeholders, and support and development of the local economic fabric and jobs.

- The industrial recycling sector is particularly affected by competition from recycled materials from third countries, a situation that not only compromises the quality of materials placed on the internal market, but also and most importantly, the competitiveness of this European industrial sector. Without a certification and traceability system, this industry will be forced to fight for its survival and the internal market will be faced with a complex situation in terms of managing its waste.

Circular economy in the EU¹⁰



⁹ Source: Eurostat.

¹⁰ Source: Eurostat <https://ec.europa.eu/eurostat/web/circular-economy/monitoring-framework> (2021). MT= millions of tons.

09

INCLUDING THE CIRCULAR ECONOMY IN THE TRADE AGREEMENTS OF THE EU

WHERE DO WE STAND?

The Paris Agreement marked a turning point, prompting changes in the relationship between trade and sustainable development seen in recent years.

The idea that trade can contribute to sustainable development has gained currency.

As such, free trade agreements signed by the EU now include a dedicated chapter on trade and sustainable development. This is founded on honouring and implementing environmental agreements, maintaining the right to regulate to meet environmental goals, prohibiting avoidance measures, and promoting sustainability and a resource-efficient economy.

This chapter includes various components such as climate change, biodiversity, forests, and sustainable management of marine biological resources and aquaculture.

WHAT DOES CITEO ADVOCATE FOR?

Taking into account the circular economy and waste management issues.

Citeo is advocating for circular economy and waste management issues to be taken into account, in particular by explicitly mentioning these topics when implementing existing trade agreements through the dedicated monitoring committee, and also when negotiating future trade agreements through negotiation directives and the trade and sustainable development chapter.

The circular economy transcends borders and provides a response to the climate emergency through sustainable resource management, its impact on greenhouse gas emissions, and by constructively linking environmental, economic and societal issues. It is a source of innovation, competitiveness and resilience.

10

ENSURING MORE EFFECTIVE PACKAGING WASTE MANAGEMENT IN EUROPE BY DEVELOPING DIGITAL TOOLS

GOOD TO KNOW

Digital watermarks have a future¹¹

Through the Holygrail 2.0 initiative, the Association des Industries de Marque and over 120 partner companies and organizations, including Citeo, are testing the performance of digital watermarks to improve sorting and recycling. In semi-industrial tests, 125,000 voluntarily soiled and aged packages marked with digital watermarks were mixed with other types of waste. The challenge was to identify and isolate them separately.

Test results: **99% detection, 95% ejection and 95% purity rate achieved.**

Following these excellent results, the industrial phase of the project was launched in 2023, prior to large-scale experimentation.

¹¹ Source: Citeo.

WHERE DO WE STAND?

As tools promoting transparency, security, traceability and fluidity of trade, digital technologies present major opportunities to strengthen and improve environmental performance in connection with the circular economy and the extended producer responsibility system.

On that basis, Citeo considers their use essential for steering waste management in Europe towards a more sustainable approach to materials and helping improve consumer information.

WHAT DOES CITEO ADVOCATE FOR?

The Digital Product Passport contributes to the traceability of sorted and recycled materials.

⇒ The objective is to increase consumer trust and auditing capacity to achieve European climate targets, while also facilitating improved information exchange throughout value chains. The development of technologies required for the Digital Product Passport (NFTs, blockchain, marking) presents significant opportunities in the fields of packaging traceability and digital deposit return schemes.

⇒ This new instrument has been created in step with recent developments in European legislation, notably with CSRD Directive and the ecodesign Regulation.

GOOD TO KNOW

What is the Digital Product Passport?

The Digital Product Passport (DPP) provides consumers with transparent details of products' source, environmental impact and safety.

It seeks to offer consumers transparent and detailed information regarding their purchases, thus encouraging sustainability and circularity. It will also help regulators access product data to ensure compliance with regulatory standards.

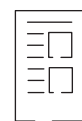
Its implementation requires:



- A physical identification system such as a QR code meeting specific standards to be added to products or their packaging.



- A data storage and access system based on a platform allowing simple and secure access to product data.



- A set of clear data collection and encryption rules.



DEVELOPING INNOVATIVE EDUCATION PROGRAMS ON THE CIRCULAR ECONOMY

WHERE DO WE STAND?

The European Union encourages investment in education systems, awareness-raising, lifelong education and training, learning and social innovation.

Education is considered a 'supporting competence' in which EU involvement is limited to supporting Member States' initiatives. It therefore stands out for its wide range of education and awareness programmes on the circular economy including the Erasmus+ programme, the LIFE programme on environmental and climate protection and the European circular economy stakeholder platform. These initiatives focus on raising awareness of environmental issues and training environmental citizens from the earliest possible age with a view to adapting current and future jobs for the challenges of the circular economy.

CITEO IN ACTION

Protecting the planet with 'Club Citeo'



It promotes Education for Sustainable Development (ESD) and raises awareness among children aged 6 to 12 about eco-citizenship, sorting, and recycling of packaging and paper.

WHAT DOES CITEO ADVOCATE FOR?

The introduction of an environmental certificate in France as a key initiative to certify school pupils' environmental knowledge.

This would be awarded during primary and secondary education and include classes, activities and awareness-raising programmes tailored to each level. **This approach could be considered and developed in collaboration with other Member States.** Consequently, collaboration within European university networks is vitally important as a catalyst for developing innovative awareness and education programmes on the circular economy, thus encouraging the emergence of an informed generation involved in building a sustainable future.

OUR 11 PROPOSALS

at a glance

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