

# Putting re-use and repair at the heart of the EU's Circular Economy Package

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**March 2015**

## **Introduction**

EU waste policies have led to a priority for recycling, at the expense of re-use, which is much more energy and resource efficient as well as being labour intensive. With the European Commission set to publish revised policy proposals for moving towards a circular economy by the end of the year, the new package is an opportunity to reduce the mountains of re-usable goods that are prematurely recycled, landfilled or burned and create significant green job opportunity.

This paper provides feedback and suggestions to policy makers on how current legislation could be adapted to help create more jobs in the re-use and repair sector through the development of re-use centres and networks<sup>1</sup>, as currently promoted by Article 11 of the existing Waste Framework Directive. Putting second-hand first, in this way, will save energy and resources, support SMEs and create thousands of local jobs for workers of all skill levels.

Given the expertise of the RREUSE network, the scope focuses on the re-use of household goods, from electronics to textiles, as well as construction and demolition materials. RREUSE also believes that significant opportunity exists for the re-use of packaging.

## **Summary of key points:**

1. "Re-use" and "preparing for re-use" need concrete legislative support beyond legal definitions
2. Legal clarification is needed to allow re-usable products, classified as waste, to reach "end of waste status"
3. A methodology for measuring preparation for re-use must be defined
4. Separate quantitative targets for preparation for re-use needed away from recycling
5. The role of social enterprises in the re-use sector must be safeguarded and developed
6. Extended Producer Responsibility (EPR) rules must support waste prevention and preparation for re-use activities
7. Products must be designed to be durable and easily repairable
8. Re-use, repair and preparing for re-use must be made more economically viable and competitive
9. Legislation must also encourage re-use of products such as packaging and construction/demolition waste

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<sup>1</sup> More information about the characteristics of approved re-use centres and networks can be found [here](#)

## 1. “Re-use” and “preparing for re-use” need concrete legislative support beyond legal definitions

Re-using things was never a waste issue until the introduction of waste legislation. It's a form of waste prevention. There are lots of types of re-use: online auctions, flea markets, swap parties, private exchanges etc.

With the introduction of the European waste hierarchy, however, one form of re-use was separated away from waste prevention, so-called “preparing for re-use”.

*“Preparing for re-use is the checking, cleaning or repairing recovery operations, by which products or components of products that have become waste are prepared so that they can be re-used without any other pre-processing (Art.3 EU Waste Framework Directive)”*

In short it simply refers to re-using things which legally have become waste. According to recent estimates 1/3 of all material arriving at recycling centres and civic amenity sites can still be re-used and at least 25% of electronic waste still has significant re-use value<sup>2</sup>. Unfortunately, however, current legislation is geared towards automatically recycling, landfilling or incinerating all products as soon as they become waste, irrespective of whether you can still re-use them. For example an estimated 12.2 million tonnes of textile waste is generated annually in the EU with over half of this amount either landfilled or incinerated<sup>3</sup>

Creating a policy framework that exploits the potential for extending product lifetime and creating significant green jobs through preparing for re-use will be the focus of the rest of this paper.

## 2. Legal clarification is needed to allow re-usable products, classified as waste, to reach “end of waste status”

EU waste policy must be more flexible and help facilitate and encourage the possibility to re-use goods once they have become waste. This is currently a major legal obstacle in some Member States where once products become waste, it is legally impossible to re-use them. Therefore, reaching “end of waste status<sup>4</sup>” must be possible following a preparing for re-use process, not only following a recycling process and clarification of this is needed in article 6 of the EU Waste Framework Directive.

In addition, legal clarity is needed to ensure that reusable products, characterised as waste, are not viewed as “taken off the market” just because of their legal status. In other words a product which has been prepared for re-use cannot be viewed as a new product being placed on the market for the first time. It is still a used product.

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<sup>2</sup> WRAP (2012) WEEE Facts and Figures available [online](#)

<sup>3</sup> JRC (2009) Study on the selection of waste streams for End of Waste assessment, available [online](#)

<sup>4</sup> Article 6 of the EU Waste Framework Directive

Lastly RREUSE believes that approved re-use centres should be the legal operator that declares end of waste status following a preparation for re-use process.

### 3. A methodology for measuring preparation for re-use must be defined

No EU methodology currently exists to measure preparation for re-use. Given that preparation for re-use activities are carried out primarily by local structures, namely approved re-use centres and networks, RREUSE believes that preparation for re-use should be calculated as:

**“The weight of materials and products made available on the market<sup>5</sup> by approved re-use centres”.**

RREUSE describes approved re-use centres and networks as “an organisation or network of organisations where used goods are re-used and/or prepared for re-use and fulfil all necessary legal requirements to carry out such an activity”<sup>6</sup>. The kinds of products and materials these organisations focus on include electronics, furniture, textiles, books, bric-a-brac, etc., which all have high demand on the second hand market across Europe<sup>7</sup>. Focussing a target on such entities would facilitate ease of gathering data by competent authorities and directly respond to the call in Article 11 of the Waste Framework Directive, to develop such re-use centres and networks. This methodology reflects current practice, especially where different forms of re-use targets have been implemented (see point 6.)

### 4. Separate quantitative targets for preparation for re-use needed away from recycling

Once a product is legally labelled as ‘waste’, access to these products is a significant barrier to preparation for re-use activities<sup>8</sup>. As such, RREUSE recommends including a binding clause on access to the waste stream for approved re-use centres and networks in the Waste Framework Directive, similar to the provision of article 6.2 in the WEEE Directive.

This access, however, will only be enforced through separate quantitative targets for preparation for re-use away from recycling in the Waste Framework Directive. Currently these steps, which should be separate, are combined in one target. Today, Spain is the only country who has introduced a legally binding preparation for re-use target, separate to recycling, for waste electronics:

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<sup>5</sup> A product is made available on the market when supplied for distribution, consumption or use on the Union market in the course of a commercial activity, whether in return for payment or free of charge (See Article 2 of Regulation (EC) No 765/2008 and Article R1 of Annex I of Decision No 768/2008/EC)

<sup>6</sup> More information on principles for approved re-use centres and networks can be found [here](#)

<sup>7</sup> A recent Eurobarometer 388 has more information about current market demand for second hand products in Member States available [here](#)

<sup>8</sup> R. Kissling, D. Coughlan and others, Success factors and barriers in re-use of electrical and Electronic, Elsevier Resources, Conservation and Recycling, 2013

On February 20<sup>th</sup>, Spain approved its [new Royal Decree](#), on waste electrical and electronic equipment (WEEE), transposing into national law the [EU WEEE Directive 2012/19](#), introducing the first national preparation for re-use target in Europe:

- From January 1<sup>st</sup> 2017 to August 14<sup>th</sup> 2018 for large appliances (2%) and IT equipment (3%)
- From August 15<sup>th</sup> 2018 for large appliances (3%) and IT equipment (4%)

Separate quantitative targets for other waste streams, including textiles and furniture, within the Waste Framework Directive could be introduced with differentiated lead times for certain Member States to meet such a target, based on their current re-use infrastructure as well as the differences in waste generation per capita that exist between them.

Whilst figures concerning preparation for re-use are not currently collected by Member States, figures are being collected by social enterprise network members of RREUSE. For example, social enterprise re-use networks are currently making available on the market 0.2 kg per capita of re-used textiles, furniture and WEEE in Spain, 1.7 kg per capita in France and 2.3 kg per capita in Belgium. Whilst at first glance these figures may seem relatively small, the amount of jobs that can be created from supporting re-use is significant. For example it was recently estimate that doubling the amount of textiles collected and sorted in the Nordic region, would create 4,400 new jobs and 30,000 additional work training opportunities, internships and community service opportunities<sup>9</sup>

Flanders, Belgium, has set an employment target of 3000 Full Time Equivalent (FTE) jobs alongside a re-use target of 5 kg re-used material per capita to be achieved by 2015 . As a result the re-use sector in Flanders provides over 5000 jobs and discussions about revising this target upwards are underway.

Having a separate target would increase the diversion of re-usable products from the waste stream which in some cases has been estimated to be 1/3 of all materials discarded<sup>10</sup>. As preparing for re-use is labour intensive in nature, a separate target could create around 300,000 jobs<sup>11</sup> in Europe.

## 5. The role of social enterprises in the re-use sector must be safeguarded and developed

Where targets for re-use exist today, they are inextricably linked to supporting the development of social enterprises in the field of re-use.

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<sup>9</sup> Nordic Council of Ministers (2015) The Nordic Textile Commitment. Available [here](#)

<sup>10</sup> All Island Bulky Waste Reuse Best Practice Management Feasibility Study. Available [here](#).

<sup>11</sup> EEB (2014) Advancing Resource Efficiency in Europe. Available [here](#)

France has a target to increase the amount of used furniture put back on the market by social enterprises by 50% over a 4-year period in comparison to a baseline situation, within the requirements of the French Extended Producer Responsibility Scheme for furniture. This focus on supporting social enterprises is because of their wider social value to the community through provision of job and training opportunities at the local level, often to the most marginalised in society.

These social services are very much valued and recognised by municipalities and the wider community within which they operate. As such, any proposal concerning access to the waste stream or separate preparation for re-use targets, should be linked to the support and development of social economy actors in the field, for example through the use of social clauses in tendering procedures. The Spanish preparing for re-use target for WEEE refers to the possibility for municipalities to make use of social clauses.

## **6. Extended Producer Responsibility (EPR) rules must support preparation for re-use activities**

Extended Producer Responsibility is being promoted as a key market based instrument to help implement EU waste legislation, including full application of the waste hierarchy. However, RREUSE has identified that EPR rarely supports preparation for re-use activities aside from a few exceptional cases<sup>12</sup>. As such, RREUSE welcomes the European Commission's initial proposal to include minimum requirements for Extended Producer Responsibility in Annex VII of the Waste Framework Directive, especially the call to set quantitative targets for preparation for re-use.

However, without an overarching preparation for re-use target in the Waste Framework Directive these individual targets are likely to lack any ambition. In addition to this provision being retained, RREUSE would also like to see a clause on access for approved re-use centres to the waste stream, similar to that mentioned in point 2. Furthermore, EPR schemes must be obliged to safeguard and guarantee the potential re-use of products in their entire logistic chain. This includes collection, correct handling, transport and storage which should be organised in a careful manner in order to prevent possible damage to the products. The experience, know-how and partnership with approved re-use centres can help EPR schemes in managing this.

## **7. Products must be designed to be durable and easily repairable**

Re-use and repair should be at the heart of any vision of a circular economy. RREUSE is aware that the quality and price of new products entering the EU market is diminishing mainly as a result of market saturation. For example the re-usable fraction of used clothing collected by social enterprises

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<sup>12</sup> RREUSE EPR study available [here](#)

has diminished, in some areas by 20% over a 5 year period<sup>13</sup> and there are increasing obstacles to repairing electronic appliances<sup>14</sup>. Independent re-use and repair operators must have access to all repair and service manuals of the manufacturers; access to spare parts for a minimum of 10 years at reasonable prices and products entering the EU market must be designed in such a way that they can be easily repaired. Whilst waste legislation, such as the WEEE Directive and criteria for implementing Extended Producer Responsibility can go some way here, repair-friendly criteria within the implementing measures of the Ecodesign Directive and smart use of taxation (e.g. zero VAT on repair activities to make the sector more competitive); reviews of warranty regulations within the Consumer Rights Directive are examples of measures should be supported<sup>15</sup>

## **8. Re-use, repair and preparing for re-use more economically viable and competitive**

77% of EU citizens prefer to repair their products instead of buying new ones, while at least 60% are keen on buying second-hand items of all sorts (furniture, electronics, books, bikes etc.)<sup>16</sup>. Despite these good intentions, consumers tend to replace or throw away their products instead of repairing and re-using them because costs of repair are too high. Repair must be made more competitive economically. In order to do so, the following could be looked at:

1. Innovative use of differentiated VAT rates in accordance with the waste hierarchy could be explored. For example zero VAT on repair services and the sale of second hand products. These taxes should be shifted to put a higher burden on resource-intensive and single use products<sup>17</sup>
2. Investment in communication, both to citizens and public authorities about the purchasing of buying second-hand products is also essential to shifting consumer habits and raising awareness
3. The use of Green Public Procurement should support the purchase of more durable, repairable goods as well as second-hand products by public bodies
4. Products must be designed to be easily repairable to reduce the time and cost to make repairs (See Section 7)

Lastly, RREUSE believes that EU structural and cohesion funds must not be used to increase EU landfill or incineration capacity and must be focussed on waste prevention, preparing for re-use and recycling activities.

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<sup>13</sup> OUVERTES. 2006. Report by Textile re-use and recycling players on the status of the industry in Europe. Available [here](#)

<sup>14</sup> RREUSE (2013) Investigation into the reparability of domestic washing machines, dishwashers and fridges available online [here](#)

<sup>15</sup> See Joint Statement on repair (yet unpublished)

<sup>16</sup> Eurobarometer survey (No. 388,2014) available [here](#)

<sup>17</sup> RREUSE position on differentiated VAT according to the waste hierarchy, available [here](#)

## 9. Legislation must also encourage and ensure re-use of products such as packaging and construction/demolition waste

Whilst the focus of this paper has been on the re-use of household goods, RREUSE is very much in favour of setting separate targets and objectives for the re-use and preparation for re-use of packaging and construction and demolition materials. This will hopefully inspire more durable product design for multiple use. It is noted, however, that targets for packaging must be applied uniformly across the material types in order to ensure a level playing field i.e. the same percentage targets applied to each material stream. The increased use of deposit refund schemes could allow for a higher rate of packaging re-use<sup>18</sup>.

There also exists significant potential in the preparing for re-use of construction and building materials, ranging from 90% in buildings constructed prior to 1900, down to 5 – 10 % in modern buildings<sup>19</sup>. These are first experiences of construction and demolition re-use networks in Europe. However, it is recognised that most buildings constructed today are not done in such a way that facilitates the ease of re-using their materials and more must be done in Europe to address this aspect in building design.

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**The Reuse and Recycling EU Social Enterprises network (RREUSE)** is a European umbrella organisation for national and regional networks of social enterprises with re-use, repair and recycling activities. Approximately 77,000 employees and 65,000 volunteers and trainees work throughout our 28 member organisations across 15 EU Countries and one in the U.S.A. Although structures and national contexts are diverse, RREUSE members share common elements such as the protection of the environment, the fight against poverty and, especially, the progress of disadvantaged people back into the labour market. RREUSE's main goal is to put sustainable development into practice by encouraging job creation and social inclusion in the field of waste prevention and sustainable waste management activities

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<sup>18</sup> See for example PWC, 2011, Reuse and Recycling Systems for Selected Beverage Packaging from a Sustainability Perspective available [here](#)

<sup>19</sup> The Bauteilnetz Deutschland estimates that 90% of materials from buildings constructed prior to 1900 can be re-used