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Roadmap on the Sustainable Products Policy Initiative – Eurometaux’s input to the consultation

Introduction

The 2020 Circular Economy Action Plan presents a set of interconnected initiatives aiming to establish an EU product policy framework that will support the creation of sustainable products, services, business models while at the same time changing consumption patterns to avoid generation of waste.

Eurometaux, representing the European non-ferrous metals industry and some inorganic REACH consortia, fully supports the transition to a true Circular Economy. Metals/inorganics are present in various products, including those listed in the Action Plan as key value chains namely, electronics and ICT, batteries and vehicles, packaging, textiles, construction and buildings. Our daily operations not only deliver primary but most importantly secondary raw materials for those applications.

We believe that a coherent EU product policy framework will be integral to improving product design, manufacturing, use and end-of-life treatment and will meet the objectives of the EU Green Deal.

This paper is an input to the public consultation on the Sustainable Products Policy Initiative Roadmap and it reflects on specific issues from the document.

Key recommendations

- **An integrated approach to sustainability** – A high level of protection of consumers and environment is needed while promoting and maintaining a viable European industry.
- **Life cycle assessment** – The use of life cycle assessment to assess the environmental performance of product is fully supported. The methodology used for setting requirements at product level needs to properly reflect the end-of-life recycling benefits of metals, their permanent properties and performance during their service lifetime.
- **Product design** – A consistent approach is needed when applying EU regulatory material efficiency requirements in product design for sustainability, with an adequate approach to implementation for each product group.
- **A proportionate approach to “substances of concern”** – The Sustainable Product Policy shall ensure safe use while enabling sustainable production and recycling of non-ferrous metals in Europe. It needs to focus on targeted measures to control uses where substances of concern cause actual harmful exposure to health and the environment.
- **Fostering optimal value chains & industrial symbiosis** – A proper understanding of value chain particularities is needed to formulate design-efficient solutions to tackle use of resources and the information flow along the full chain.
- **Green Public Procurement** – Minimum EU requirements to be established based on the life cycle approach and considering mainly sustainability, circularity and climate-neutrality aspects.



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An integrated approach to sustainability

The EU's product policy should integrate the different dimensions of sustainability across the full product life cycle, including all parameters such as resource and energy use, lifetime, recyclability, cost effectiveness, environmental impacts, economic and social impacts. All materials have different sustainability benefits and limitations across these different categories. For example, metals benefit from high durability and recyclability, but also have a high energy footprint when produced from primary raw materials but relatively low energy footprint, in a life cycle view, when the energy investment from production is distributed over recycling loops. In addition, they must be sourced and produced with care for their potential environmental and social impacts.

On a material-level, we consider that the EU's priority should be to prioritise improvements where they are needed across different categories, rather than stigmatising the use of individual materials for single impacts in single steps of the life cycle. A non-exhaustive list of different sustainability parameters is presented below:

- **Excellence in functionality:** provide an excellent technical performance of the material during its complete use phase, supported by research and innovation.
- **Responsible sourcing:** ensure that imported raw materials used come from destinations where they are produced in an ethical and sustainable manner.
- **Effective material use:** materials used should be easily reusable, recoverable and have a potential for multiple recycling which saves energy and use of virgin materials. Another important aspect to consider is the longevity of the use which equally reduces material and energy needs.
- **Risk control:** ensure that potential human health and environmental risks during the full life cycle of the substance are known and adequately controlled. Risk Management Measures like substantial exposure reduction and control, or substitution, are part of this consideration.
- **Acceptance by consumers & users:** societal habits, safety standards and other consumers/users' concerns are important to recognise (e.g. to avoid buying from outside the EU).
- **Excellent climate performance:** the energy requirements and related CO₂ emissions for the primary extraction, processing, manufacturing, use and end-of-life phases, preferably expressed by functionality, are a key component of the Green Deal. They are critical to consider from a holistic perspective to prevent making regrettable choices based on a single life stage of a substance/material/article.
- **Excellent end-of-life performance:** end-of-life recycling, under high standards, is vital for maximising return of materials under the Circular Economy objectives.
- **Cost effectiveness:** a material use needs to be cost-effective, or economically feasible within the EU to prevent their import. EU's industrial policies should promote such environment.

Our recommendation:

- Consider the proposed holistic sustainability aspects from a full lifetime perspective of a substance and its use in a product, encouraging improvements where necessary rather than stigmatising materials for single impact categories.



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Life cycle assessment

The use of life cycle assessment to evaluate the environmental performance of products is a central tool to avoid making product choices based on single indicators or parts of the lifecycle. We believe that policy has a role to play in driving improvement in the lifecycle performance of products, as long as the method can consistently account for the contribution of products throughout all lifecycle stages to a greener and more circular economy. In that respect, the Environmental Footprint (EF) methodology integrates data quality requirements and rules that improve consistency of life cycle assessment.

Based on metals experiences during the preparation of the Product Environmental Footprint Category Rules (PEFCR) for Metal Sheets, we would like to stress that before integrating PEF in selected product policy initiatives, it is necessary to further address the shortcomings of the methodology especially in the context of e.g. indicators for human health toxicity & ecotoxicity, Circular Footprint Formula (CFF) and resources use. The EF impact categories shall be robust to give reliable results.

Moreover, a thorough strategic reflection is needed on how to align the EF methodology with other EU methods and initiatives for measuring the environmental impact and green claims. We see this as an opportunity to streamline and optimise the EU product policy framework instead of expanding it. Elements of the Environmental Footprint methodology could be integrated in the Green Public Procurement (GPP) requirements.

Our recommendations:

- Make the lifecycle assessment as the basis of assessing product and material sustainability.
- Use the Environmental Footprint methodology as complementary to existing life cycle assessment tools after essential developments and corrections to the methodology are made.

Product design

Ecodesign Directive scope

The Roadmap mentions widening the scope of the Ecodesign Directive (2009/125/EC) beyond energy-related products to cover a wide range of products. This measure needs a careful assessment as there are already a number of existing sectoral legislations in the automotive, construction and packaging fields that have the potential, after some adaptations, of meeting the objectives of the Sustainable Products Policy Initiative. For example, construction products and buildings are already covered by the Construction Products Regulation (EU 305/2011) including Basic Requirement for Construction Works n°7: “Sustainable use of natural resources”.

Moreover, many metals products are so called intermediate products that will be further processed by the downstream users in the final applications (e.g. metal sheets will be used to make car bodies, cans, buildings facades or roofs, etc.).



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Therefore, no requirements should be set for intermediate products as this can lead to the sub-optimal evaluation of the final product. For example, in automotive and building sectors, it is the performance of the whole car or whole building that matters, and requirements at intermediate product level only make sense for the ones that need frequent replacement during the life of the product (e.g. tyres).

Our recommendations:

- Product-specific legislation should always have the priority over multi-product ones like the Ecodesign Directive.
- Do not set requirements for intermediate products as this can lead to the sub-optimal evaluation of the final product.

Material efficiency

Measures to consider a product's material efficiency should be applied immediately at the design stage as this is where up to 80% of a product's environmental impact is determined. The right choice of materials is key. Metals are present in a vast array of products falling under the Ecodesign Directive and the challenge is that products are getting more and more complex. An excellent example is consumer electronics that contains specialty and precious metals in very small quantities (<0,1 g of palladium, silver and gold respectively against 110 g of an average smartphone weight). Recovery of those materials depends on product design, collection, dismantling, sorting, and the quality of recycling operations underpinned by economic and technical viability.

The European Standardisation Organisations have already delivered a number of horizontal standards for material efficiency and relevant aspects such as product recyclability, recoverability, reusability and durability¹. Those standards, developed in support of the implementation of the Ecodesign Directive, should be widely applicable.

Improved product's recyclability can facilitate, amongst others, the recovery of strategic and critical metals at the end-of-life. In this context, the "potential for multiple recycling", referred to in a revised Waste Framework Directive² that was adopted under the Circular Economy legislative package 2018, should be equally considered. This requires cooperation between product designers and material producers.

Our recommendations:

- Support the implementation of EU regulatory material efficiency requirements (i.e. repairability, recyclability) in product design, with an adequate approach to implementation for each product group.
- Create platforms to facilitate discussions between value chains' actors: product designers, manufacturers, refurbishers and recyclers.

¹ M/543 Commission Implementing Decision C(2015)9096 of 17.12.2015

² Directive (EU) 2018/851 of the European Parliament and of the Council of 30 May 2018 amending Directive 2008/98/EC on waste



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Responsible sourcing and due diligence

It is essential that the raw materials imported to Europe are produced ethically and sustainably. However, some metals used in specific applications, like batteries, come from parts of the world that currently do not have such well-developed conditions for protecting social and human rights, environmental impact, occupational health and safety as we have in Europe. European metals companies are increasingly involved in several responsible supply chain initiatives and auditing program schemes, which have achieved measurable results in improving supply chain transparency, like for example the [Cobalt Industry's Responsible Assessment Framework \(CIRAF\)](#) or the [Copper Mark](#) for responsibly produced copper.

We consider that due diligence is dealt effectively through industry best practices and the EU existing regulatory framework, including the Conflict Minerals Regulation, the upcoming corporate responsibility initiative and sectoral legislation, for example on batteries. The EU Sustainable Products Policy should be coherent and integrated with this framework, rather than introducing additional requirements itself.

Our recommendation:

- Ensure the EU Sustainable Products Policy framework is coherent with EU initiatives on due-diligence, rather than introducing new independent requirements.

Recycled content

Metals can be recycled again and again without losing their properties or market value, and so a well-established market for secondary metals already exists in Europe. Introduction of recycled content requirements in a product would not be appropriate for non-ferrous metals as the primary and secondary metals have identical quality and price, and they are often mixed together in metallurgical processes, due to technical reasons, before reaching the market. On a long-term basis, recycled content requirements on selected battery elements could be envisaged provided that strict conditions apply.

Recycled metal scrap availability is a competitive issue influenced by global trade. Metal scrap is a very desirable material to metals production and all available quantity will be used due to its high value and ease of recycling. Non-ferrous metals already achieve high recycling efficiency but the demand is growing according to the World Bank 2017 study³. In that perspective, primary and secondary metal production is complementary. According to the Circular Economy objectives, the aim must be to improve recycling efficiency of metals-containing products while assuring that they are safe, well performing and competitive. It will therefore be important to provide incentives for efficient collecting, sorting and recycling of post-consumed scrap, as well as incentives for minimizing pre-consumed scrap.

³ The World Bank study 'Growing Role of Minerals and Metals for a Low Carbon Future' (2017) projected that 3000% more metals will be demanded by the world's wind turbines by 2050, 200% more metals for solar panels and 1000% more metals for batteries.



Our recommendations:

- Use recycled content mainly as a stimulus for those materials where secondary raw materials markets are not fully functioning yet.
- Focus on promoting permanent materials concept ensuring that metals-bearing products are collected, sorted and recycled effectively using the best available techniques, at their end-of-life (multiple recycling as referred to in the Waste Framework Directive).
- Consider the role of multiple recycling as the preferred waste management option in the waste hierarchy.

A proportionate approach to “substances of concern”

The recently published Chemicals Strategy for Sustainability sets an objective to ban the most harmful chemicals from consumer products, allowing their presence only for essential societal uses. It also sets out concrete actions to minimise the use of a wider category of “substances of concern” as far as possible by introducing legal requirements under the Sustainable Product Policy Initiative.

As defined in the Chemicals Strategy for Sustainability, “substances of concern” would include substances having a chronic effect for human health or the environment (Candidate list in REACH and Annex VI to the CLP Regulation). This definition would mean that over 80%⁴ of the metals required across the fourteen EU industrial ecosystems (e.g. mobility, construction, electronics, renewable energy, health, digital, aerospace) would qualify as “substances of concern”, as they have substances with a classifiable hazard of some type. There are also several metals that would qualify in the “most harmful” category due to their status as “substances of very high concern”. These metals are, however, used safely in products fulfilling unique essential technical or structural functionalities. They also have high Circular Economy potential and are elsewhere in EU policy prioritised for safe recycling instead of minimisation, to improve Europe’s resilience. Recycling rates for many of these metals are already high compared to most other materials, offering a sustainable source for secondary material to lower import dependency. Hazard driven framework will have significant negative impact on metals recycling and will diminish the EU capacity to recycle complex materials as well as supply strategic metals using its own sources. The production of many valuable and critical metals is dependent on production and use of carrier metals (e.g. lead in precious metals recycling) several of which are “substances of concern”.

Europe’s sustainable product policy should avoid the “black and white” approach taken (for example) in the Ecolabel regulation, which requires that hazardous substances are only permitted in Ecolabel products through a derogation process when they fulfil an essential function and feasible/sustainable substitutes are not available. This has proven to be burdensome in practice, especially for basic materials used without exposure across a large number of product groups. One example is the use of nickel as an essential alloying element in stainless steel, which does not pose any risk to

⁴ Including 9 out of the 13 metals defined by the World Bank as being necessary for the climate transition would fall under this definition.



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consumers due to nickel’s low bioavailability in the alloy matrix. Industry and regulators must still carry out an individual assessment of nickel’s use in stainless steel across all Ecolabel product categories, even though derogations have been granted in all cases until now.

We recommend that EU Sustainable Product Policy avoids a one-size-fits-all approach to “substances of concern” and first conducts an overall assessment of cases where there is actual exposure to these “substances of concern”. This will allow the EU to define a proportionate approach which can then be applied across product groups. We consider this will be a more effective approach than requiring industry and regulators to process multiple derogation requests across each product category and would allow the Sustainable Product Policy to focus on the substances causing harmful exposure.

Our recommendations:

- Design any requirements on “substances of concern” in the EU Sustainable Product Policy to ensure workability for regulators, industry and proportionality for society. Focus on substances with harmful properties for human health or environment that may cause significant chronic effects due to high exposure/releases from consumer products.
- Ensure that substances needed for the strategic autonomy and sustainable innovations are not regulated according to their inherent toxicity but according to risk and control over exposure.
- Introduce overall exemptions from any minimisation or substitution requirements of “substances of concern” where they do not cause harmful exposure to human health or the environment (e.g. metals in an alloy matrix). This would allow continued use of sustainable materials.
- Consider under the requirements on “substances of concern” the strategic value of materials, in line with the recently launched European Raw Materials Alliance (ERMA).

Fostering optimal value chains and industrial symbiosis

The Circular Economy Action Plan focuses on seven key products value chains that will be considered a priority when EU minimum sustainability criteria and/or information requirements for specific product groups will be established. As different materials and value chains face different challenges with regards to the Circular Economy principles, further work should be prioritised to better understand value chain differences and formulate design-efficient solutions to tackle issues like ecodesign, design for recycling, end-of-life management, use of resources, etc. Furthermore, exchange of best practices should be encouraged.

The non-ferrous metals supply chains and plants developed over the last decades in the strong direction of industrial symbiosis, which means that loss of an input material or market for any by-product or waste stream will affect the whole value chain.

Higher integration amongst key economic sectors can improve significantly the progress on decarbonisation and circularity. For example, using engineered minerals such as final slags from non-ferrous metals in construction facilitates



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industrial symbiosis by reducing the need for virgin raw materials, lowering the carbon footprint of construction sector and preventing valuable resources of our industry being landfilled.

Our recommendations:

- Analyse value chain particularities to foster industrial symbiosis and design-efficient solutions to tackle use of resources and the information flow along the full chain.
- Reward synergies in the transition towards a climate-neutral and circular economy. Support valorisation of by-products such as use of final slags in construction applications.

Green Public Procurement

The Roadmap implies that the Green Public Procurement (GPP) has not achieved its desired results as there is no comprehensive set of requirements to ensure that all products placed on the EU market become increasingly sustainable. Vast experience exists with public institutions but there are also signals that emphasis is too often put on the purchase price rather than on the overall LCA of products.

Minimum mandatory GPP sustainability requirements could be established including the holistic sustainability aspects as proposed earlier in the document. They should cover the whole life cycle of products and highlight material efficiency (e.g. reparability and recyclability) criteria and clear requirements for quality treatment of products at the end-of-life so as to ensure that the valuable materials embedded in these products are duly recovered and brought back to the loop.

Green Public Procurement shall create incentives for use of secondary raw materials that substitute natural resources in construction. Tender specifications for public infrastructure works and buildings shall include indicators for a minimum share of those materials, like for final slags in road construction or in cement and concrete production.

Our recommendation:

- Establish minimum mandatory EU GPP requirements based on the life cycle approach and considering mainly sustainability, circularity and climate-neutrality aspects.

ABOUT EUROMETAUX

Eurometaux is the decisive voice of non-ferrous metals producers and recyclers in Europe. With an annual turnover of €120bn, our members represent an essential industry for European society that businesses in almost every sector depend on. Together, we are leading Europe towards a more circular future through the endlessly recyclable potential of metals.

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