



Activities and instruments to foster P-recycling in EU

How to stimulate investment related to P-recovery activities?

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Outline

- *The money – Investment Plan*
- *A better regulatory framework:*
 - **Circular Economy package**
 - **Fertilisers Regulation proposal**
 - **Studies and projects**

The money – Investment Plan

The European Investment Plan...

...is a great opportunity to support industrial investment;

...is a great opportunity to make DG GROW and EIB aware of the barriers (or incentives) to invest;

...put into practice industrial policy in direct touch with companies;

...helps us prioritising the work, by concentrating on the removal of legal barriers with highest impact.

How DG GROW wants to link industry to the European Investment Plan?

- Informing (with the help of the EIB) about the objectives and modalities of the Investment Plan!
- Establishing clear links between investments and the industry policy strategy!
- "Investors Platform": first one on P-recycling – Brussels 29-04

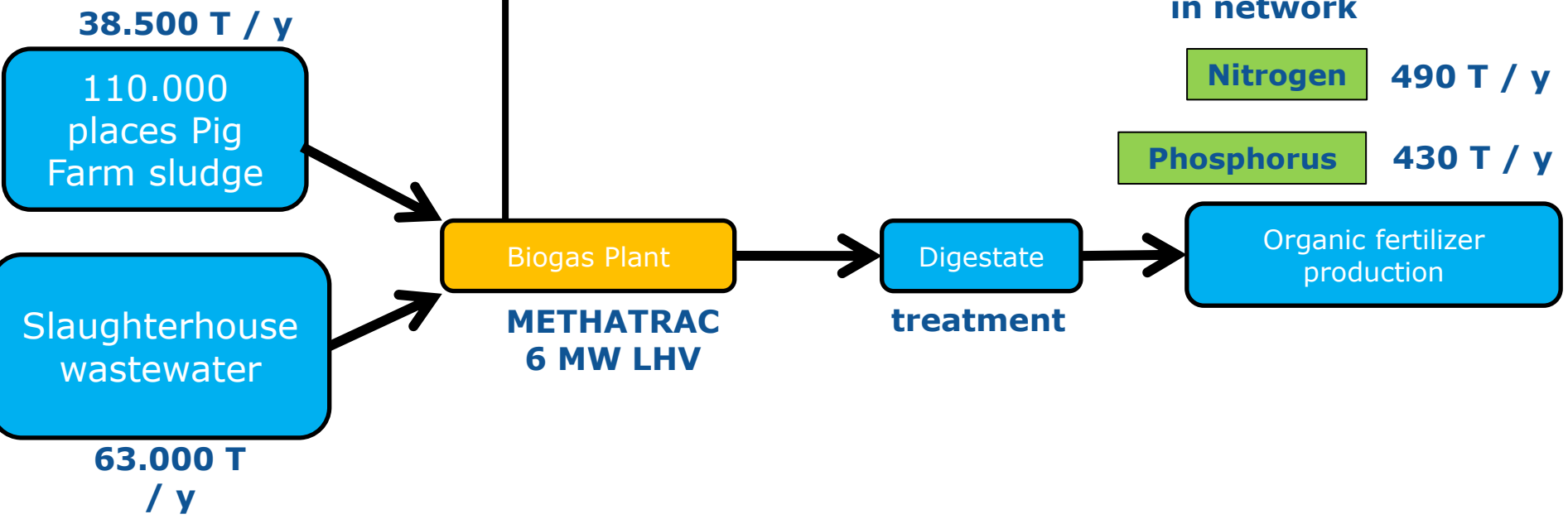
What type of investment is DG GROW D.2 looking for?

- Private investments in "sustainable chemicals", such as phosphorous recovery; large scale investments (> €15 M) of higher risk, supported by a market analysis and some technical details (potential impact !)
- Investments that could be implemented at short term (maturity)
- Investments that would benefit from loans or guarantees from the EIB (additionality)



Biogas production from pig manure and slaughterhouse sludge

Figures



Benefits

- Limited numbers of types of inputs, stability of them, security production
- GHG Emissions avoided = 27.800 T CO₂e
- Viability of the project based on the complementarity between farms and industry, whose possible with our cooperative model

MOBILISING FINANCE FOR INVESTMENT

- Strong boost to strategic investments
- Better access to investment finance for SMEs and mid-cap companies
- Strategic use of EU budget
- Flexibility in the Stability and Growth Pact for Member States contributing to the new European Fund for Strategic Investments
- Better use of the European Structural and Investment Funds

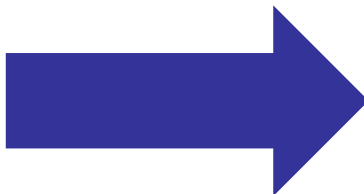
MAKING FINANCE REACH THE REAL ECONOMY

- Project pipeline preparation and selection
- Technical assistance at all levels
- Strong cooperation between National Promotional Banks and the EIB
- Follow-up at global, EU, national and regional level, including outreach activities



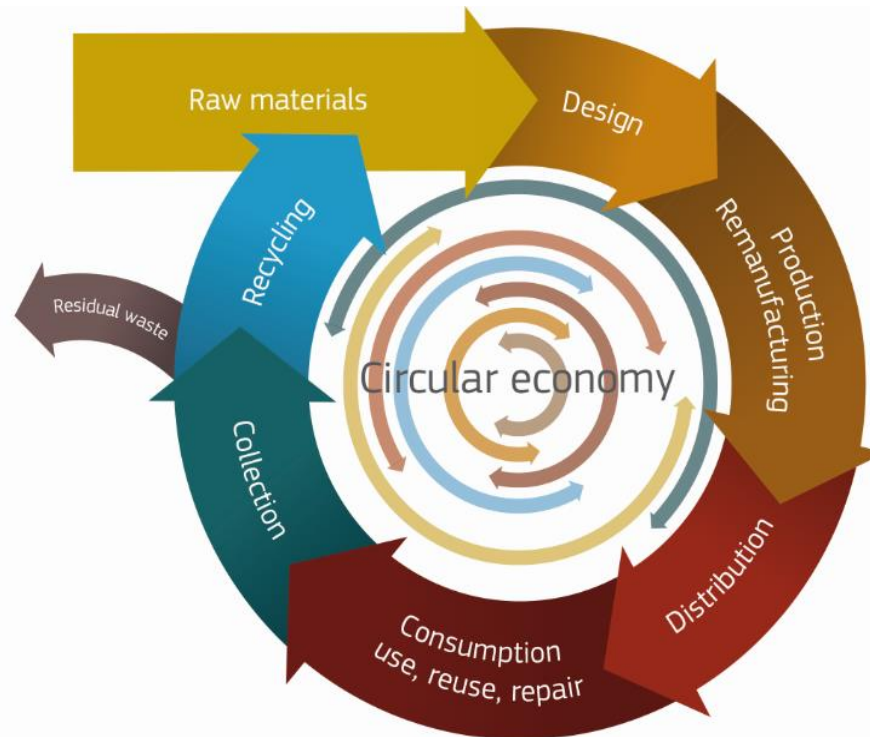
IMPROVED INVESTMENT ENVIRONMENT

- Predictability and quality of regulation
- Quality of national expenditure, tax systems and public administration
- New sources of long-term financing for the economy
- Removing non-financial, regulatory barriers in key sectors within our single market



An improved regulatory framework:

The Circular Economy package



The circular economy package

- Initial proposal adopted in July 2014 – withdrawn Feb 2015 – to be re-submitted by end of 2015
- More ambitious as regards growth and job creation and environmental protection.
- Green growth opportunities, material and energy resource efficiency and innovation will be key components
- Public consultation launched end of May: http://ec.europa.eu/environment/consultations/closing_the_loop_en.htm
- Circular Economy Conference: Brussels, 25th June.

The circular economy package – what could help?

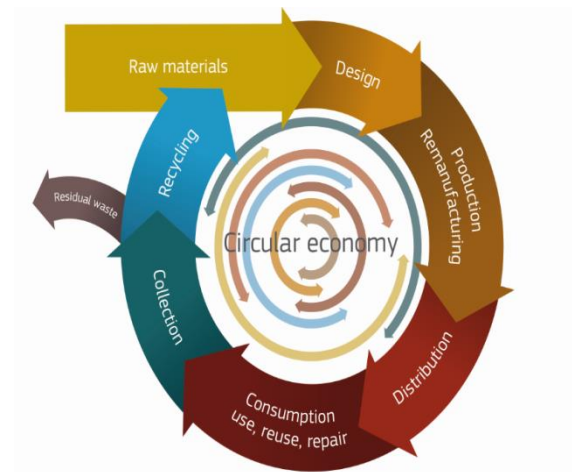
- Waste hierarchy respected: material vs energy recovery, ban of landfilling of recyclable materials,...
- Harmonised resource efficiency indicators (CO₂, energy fingerprints, substitution ratio for secondary raw materials, circularity of raw materials present in final products,...)

The circular economy package – what could help? (2)

- Incentives: targets(?), eco-design (?), taxation (?)
- More holistic political approach at Regional level:
 - favouring investments in "clean" collection systems (vs increasing incineration capacities), in logistics, infrastructures,
 - encouraging clusters of companies (value chain agreement),
 - valorize the work of successful regions regarding a specific value chain... (model demonstrating effects of well advanced regions).

An improved regulatory framework (2):

The revised Fertilisers Regulation proposal



Disclaimer !

The following presentation reflects the current views at service level towards a possible proposal



Working document - does not represent consolidated views of the Commission !!!!!

Creating an harmonised market for fertilisers

- *The fertiliser market is fragmented*
- *The Mutual recognition of fertilisers does not work*
 - **Additional administrative burdens**
 - **Concerns regarding the protection of the environment, human health**
- *The current Fertiliser regulation does not sufficiently...*
 - Support innovation**
 - Address safety issues**

Revised Fertilisers Regulation

Objectives

- Create an internal market for fertilising products
- Levelling the playing field for all fertilising products keeping in mind the objectives of the Circular economy and other objectives such as resource efficiency (extending the scope as much as possible and create fair competition)
- Address safety concerns
- Stimulate innovation
- Reduce administrative burdens
- Facilitate controls

Since May 2014...political context has evolved

Single Market Strategy

Circular Economy

Investment Plan

Horizon 2020

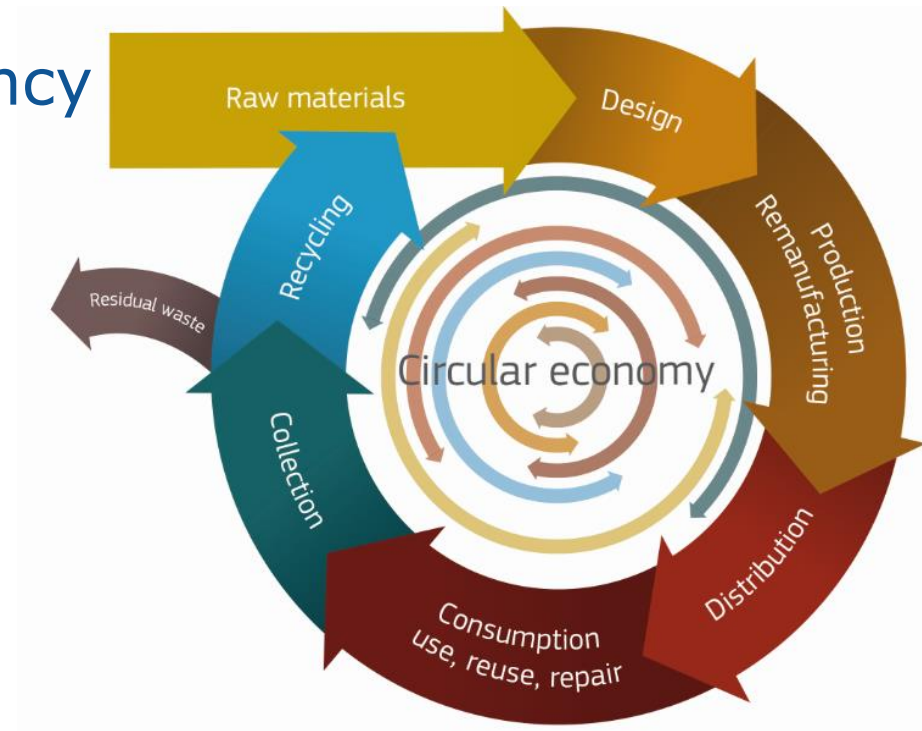
Energy Union

Circular economy and fertilisers?

- Insufficiently exploited biomass/bio-wastes present in EU (cascading use?, recycling?)
- Can these organic, bio-based fertilisers be equivalently replacing production/use of mineral fertilisers ?
- Do compost/digestate/biochar/struvite/sludge represent a valid substitute to "phosphorus-mined or synthetic nitrogen" fertilisers?
- Can we decrease EU's dependency on imported raw materials, EU's reliance on energy intensive products?
- Can we improve the nutrients' use efficiency by the plants?

"Circularity" of fertilising products

- Resource/energy efficiency
- Critical raw material (P)
- Recycled bio-wastes
- Sustainable sourcing
- Nutrient use efficiency



The most likely policy option envisaged – New Legislative Framework

- *Adopt conformity assessment procedures ('certification' of EC fertilising products) proportional to the level of uncertainty/variability of fertilising products: more demanding for an ammonium nitrate than for another mineral fertiliser; more demanding for an organic fertiliser deriving from a bio-waste streams than for one deriving from genuine biomass (e.g. energy crops, ABP).*

The most likely policy option envisaged (2)

- Revise the scopes of the waste framework Directive, the animal by-products Regulations and the plant protection products Regulation to match with the envisaged scope of the revised Fertilisers Regulation
- Provide flexible mechanisms to open the scope to additional new types of products from secondary and bio-based domestic materials, once production technologies have been scientifically assessed and considered as sufficiently safe (e.g. struvite, biochar,...).
- Ensure safeguard mechanisms are in place to address emerging issues observed by market surveillance activities

Fertilisers Regulation proposal : advancement of the work

- Internal consultation continues: refining impact assessment report to the new political objectives (circular economy)
- Public consultation on Circular Economy Package (end of August)
- Adoption of the Fertilisers proposal at the same time as the circular economy package.

Fertilisers Regulation proposal : further studies and projects

- Administrative arrangements with DG JRC to develop recovery rules for biochar, struvite, ashes from incineration of bio-wastes (2015-2017)
- Study on market projections for plant nutrients deriving from secondary raw materials (2016)
- Project on Model demonstrator regions (2015-2016)