

Joint press statement following the 5th Association Council meeting between the EU and Georgia

The European Union and Georgia held the 5th meeting of the Association Council on 5 March 2019. The Association Council took note of the 2018 Association Implementation Report on Georgia and positively assessed the state of the EU-Georgia relations since the last Association Council in February 2018.

The sides welcomed the excellent state of EU-Georgia relations and reaffirmed their continued commitment to advance Georgia's deeper political association and economic integration with the EU, as highlighted by the first high-level meeting between the Georgian government and members of the European Commission in November 2018. The Association Council welcomed the discussions that took place at the meeting and noted the readiness of both sides to follow-up on its results. Both sides acknowledged Georgia's European aspirations, its European choice and the common objective to continue building a democratic, stable and prosperous country. The Association Council took note of Georgia's "Roadmap 2EU" which aims at enhancing Georgia's integration with the EU.

Both sides reaffirmed their continued commitments to bring tangible benefits to the lives of Georgian citizens in line with the Association Agenda's four key areas of cooperation: economic development and market opportunities; strengthening institutions and good governance; connectivity, energy efficiency, environment and climate change; enhancing mobility and people-to-people contacts.

The Association Council welcomed the fact that the Presidential elections, on 28 October and 28 November 2018, were held in an overall competitive environment. It also acknowledged some shortcomings and agreed on the importance of addressing all OSCE/ODIHR recommendations in order to further strengthen the environment favourable for the democratic conduct of elections, especially in view of the parliamentary elections in 2020. The Association Council welcomed the entry into force of the revised Constitution in December 2018 which concluded Georgia's transition to a full parliamentary system. The Association Council encouraged all political actors to work together and to maintain an open dialogue, including with civil society, in order to further strengthen democratic institutions, consolidate pluralistic democracy in Georgia and advance reforms. Both sides stressed the need to continue the successful cooperation established between the EU and Georgia on Strategic Communication and countering disinformation.

The Association Council welcomed the progress made over the year by Georgia in the implementation of comprehensive reforms in the rule of law; it also noted some areas where further progress was needed and encouraged Georgia to move ahead with the 4th wave of judiciary reform and to continue

strengthening its judicial institutions by upholding, inter alia, transparency and meritocracy in the appointment of judges. The EU underlined its commitment to continue assisting Georgia in its efforts to further reform the judiciary and safeguard the rule of law.

The Association Council welcomed that a great number of Georgian citizens have benefited from short term visa free travel with Schengen countries. It welcomed continuous efforts of the Georgian Government to address violations of the visa-free travel requirement and encouraged Georgia to continue its commitment to counter the increased numbers of unfounded asylum seekers in some Schengen countries. The EU encouraged Georgia to further enhance cooperation with the EU Member States to fight against irregular migration and organised crime.

The Association Council welcomed progress made in the implementation of the Human Rights Strategy and its Action Plan, as well as the establishment of Human Rights Protection Department of the Ministry of Internal Affairs. The EU recognized Georgia's efforts and encouraged to continue preventing and combating violence against women and domestic violence, gender based violence, as well as promoting gender equality, including by strengthening national institutional capacities. The Council stressed the commitment to the universality of human rights for all, regardless of religion or belief, race, sex, language, sexual orientation, gender identity, ability or other. The Association Council commended Georgia on the adoption of the law on Occupational Health and Safety applying to all spheres of economic activity and encouraged Georgia to continue its work to create an effective labour inspection system in order to further improve working conditions.

Both sides welcomed the progress made by Georgia in the implementation of the Association Agreement, including its Deep and Comprehensive Free Trade Agreement (DCFTA). The EU continued to be the most important partner of Georgia; the total bilateral trade amounted to EUR 2.76 billion in 2018. The EU invited Georgia to identify concrete products having export potential to the EU, on the basis of which assistance will be provided. Both sides welcomed successful implementation of structural reforms and underlined the importance of ongoing reforms related to the improvement of the investment climate in Georgia.

The Association Council welcomed the first disbursement of the Macro-Financial Assistance to Georgia in December 2018 and encouraged Georgia to continue the implementation of outstanding agreed policy measures in order to enable the disbursement of the second installment. The EU encouraged Georgia to ensure sustainability of the already implemented reforms and maintain macro-economic stability.

The Association Council reiterated Georgia's strategic role in the field of energy, transport and connectivity and increasingly as a transportation and logistics hub in the region. The EU committed to continue engaging closely with Georgia on the connectivity agenda and on the further extension of the Trans-European Transport Network (TEN-T). The Association Council welcomed the first EU-Georgia High Level Transport Dialogue on 29 January 2019. Both sides also highlighted the importance of Black Sea cooperation as a step

towards enhancing connectivity and international trade between Europe and Asia.

The Association Council reiterated Georgia's key role as a partner for European energy security and stressed the country's transit role for Caspian hydrocarbon resources to reach European markets, notably via the Southern Gas Corridor and the Black Sea. The EU stressed its commitment to further support the roll-out of energy efficiency standards in public buildings, based on legislative reforms in key areas. The EU reiterated its continuous support for reinvigorating Georgia's agriculture and rural sector to improve living conditions in rural areas as well as to boost export opportunities through better food safety systems. The Association Council noted the importance of enhanced cooperation in the area of civil protection. The EU welcomed the successful implementation of the first European School in Tbilisi as a crucial milestone in the EU's relations with its Eastern partner countries and Georgia's commitment to education reforms.

The EU acknowledged the importance of EU-Georgia cooperation in the field of foreign and security policy and underlined that Georgia continued consolidating its position of a strategic partner of the EU in the region. The Association Council reflected on the issues discussed during the second EU-Georgia Strategic Security Dialogue that took place October on 23 October 2018. The EU expressed appreciation for Georgia's continued contribution to EU-led crisis management operations and missions in the Central African Republic and the Republic of Mali, as well as readiness to support strengthening of Georgia's respective capacities.

The EU reiterated its firm support for the sovereignty and territorial integrity of Georgia within its internationally recognised borders. The EU reiterated its firm commitment to peaceful conflict resolution in Georgia by using all instruments at its disposal including the policy of non-recognition and engagement. The work of the EU Special Representative for the South Caucasus and the crisis in Georgia, and the extension of the mandate of the EU Monitoring Mission demonstrate this strong commitment.

The Association Council stressed the crucial importance of the Geneva International Discussions for addressing and resolving the challenges stemming from the conflict between Russia and Georgia in August 2008. It also reiterated that full and effective Incident Prevention and Response Mechanisms (IPRMs) is essential for addressing the safety and humanitarian needs of conflict-affected population on the ground. In this regard, the Council emphasised the urgency of resuming the Gali IPRM without preconditions.

The Association Council was deeply concerned with the continued implementation of so-called "treaties" signed between the Russian Federation and Georgian regions of Abkhazia and Tskhinvali region/South Ossetia, as well as with other illegal activities of Russia in these regions, in violation of Georgia's sovereignty and territorial integrity, including intensified military build-up, installation of barbed wire fences and artificial barriers along the administrative boundary lines, closure of "crossing points" and restriction of freedom of movement. The Association Council expressed concern

over deteriorating humanitarian and human rights situation in both Georgian regions, with particular emphasis on ethnic discrimination of Georgians, prohibition of education in native language, and deprivation of life of Archil Tatumashvili and Giga Otkhoshvilia. In this regard, the Association Council reiterated that justice should be applied.

The Association Council reiterated the obligation for the Russian Federation to fulfil its international obligations including under the EU-mediated 12 August 2008 Ceasefire Agreement, notably to withdraw its military forces from the territory of Georgia and remove all impediments for establishment of international security mechanisms therein. The Association Council further urged the Russian Federation to provide EUMM access to the whole territory of Georgia, in line with the mandate of the Mission. The Council stressed the obligation to ensure safe and dignified return of all internally displaced persons and refugees to their homes.

The Association Council stressed the importance of increasing support to people-to-people contacts and confidence building measures across the divides. In this respect, the Association Council expressed support for the Georgian peace initiative "A Step to a Better Future".

The EU commended Georgia's active participation in the multilateral dimension of the Eastern Partnership and underlined that continued reform efforts in the partner countries are key to the success of the Eastern Partnership and to the EaP 10th anniversary celebrations scheduled for this year.

The Association Council was chaired by Prime Minister of Georgia, Mr. Mamuka Bakhtadze. The High Representative of the European Union for Foreign Affairs and Security Policy, Ms. Federica Mogherini led the EU delegation.

[Visit the meeting page](#)

ESMA Newsletter – N°2

28 February

[ESMA TRV: POLITICAL UNCERTAINTY AMID GROWTH SLOWDOWN WEIGHS ON MARKET SENTIMENT](#)

EU financial markets are increasingly nervous, reflected in rising volatility, the European Securities and Markets Authority (ESMA) said today in its latest Trends, Risks, and Vulnerabilities (TRV) Report (No 1.2019).

26 February

[ESMA PUBLISHES RESPONSES TO ITS CONSULTATION ON REPORTING GUIDELINES UNDER THE MMF REGULATION](#)

ESMA has published the responses received to its Consultation on draft guidelines on the reporting to competent authorities under article 37 of the MMF Regulation.

25 February

[ESMA PUBLISHES RESPONSES TO ITS CONSULTATIONS ON SUSTAINABLE FINANCE](#)

ESMA has published the responses received to its Consultations on integrating sustainability risks and factors in MiFID II, and in the UCITS Directive/AIFMD.

19 February

[ESMA SUPERVISION TO FOCUS ON DATA, BREXIT AND CYBERSECURITY IN 2019](#)

ESMA has published its 2019 Supervision Work Programme, which details the main areas of focus for the upcoming year for ESMA's supervision of Trade Repositories (TRs), Credit Rating Agencies (CRAs), and the monitoring of third-country market infrastructures such as third-country central clearing counterparties (TC-CCPs) and third-country Central Securities Depositories (TC-CSDs).

18 February

[ESMA RENEWS BINARY OPTIONS PROHIBITION FOR A FURTHER THREE MONTHS FROM 2 APRIL 2019](#)

ESMA has agreed to renew the prohibition of the marketing, distribution or sale of binary options to retail clients, in effect since 2 July 2018, for a further three-month period.

18 February

[ESMA TO RECOGNISE THREE UK CCPS IN THE EVENT OF A NO-DEAL BREXIT](#)

ESMA has announced that in the event of a no-deal Brexit, three central counterparties (CCPs) established in the United Kingdom (UK) – LCH Limited, ICE Clear Europe Limited and LME Clear Limited – will be recognised to provide their services in the European Union (EU). ESMA has adopted these recognition decisions in order to limit the risk of disruption in central clearing and to avoid any negative impact on the financial stability of the EU.

18 February

[ESMA ISSUES POSITIVE OPINION ON SHORT SELLING BAN BY BAFIN](#)

ESMA has issued an official opinion agreeing to an emergency net short position ban, for a period of two months, by the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin) on net short positions in Wirecard AG (Wirecard) shares under the Short Selling Regulation.

15 February

[ESMA ISSUES LATEST DOUBLE VOLUME CAP DATA](#)

ESMA has updated its public register with the latest set of double volume cap (DVC) data under the Markets in Financial Instruments Directive (MiFID II).

15 February

[ESMA CALLS FOR FUND EXPERTS TO JOIN INDUSTRY PANEL](#)

ESMA has issued a call for candidates in order to renew the composition of its Consultative Working Group (CWG) which advises ESMA's Investment Management Standing Committee (IMSC).

15 February

[EU AND GLOBAL SECURITIES REGULATORS WELCOME AGREEMENT ON DATA TRANSFER](#)

The International Organization of Securities Commissions (IOSCO) and the European Securities and Markets Authority (ESMA) welcome the Opinion of the European Data Protection Board (EDPB) on their administrative arrangement for the transfer of personal data between European Economic Area (EEA) Financial Supervisory Authorities and non-EEA Financial Supervisory Authorities.

13 February

[STEVEN MAIJOOR ON "BREXIT – THE REGULATORY CHALLENGES" AT THE EUROPEAN FINANCIAL FORUM, DUBLIN](#)

Steven Maijoor, the Chair of the European Securities and Markets Authority (ESMA), delivered a speech on "Brexit – the regulatory challenges at the European Financial Forum 2019 in Dublin.

8 February

[ESAS PUBLISH RECOMMENDATIONS ON CHANGES TO THE PRIIPS KEY INFORMATION DOCUMENT](#)

The European Supervisory Authorities (ESAs) published their final recommendations following a consultation on targeted amendments to the Delegated Regulation covering the rules for the Key Information Document (KID) for Packaged Retail and Insurance-based Investment Products (PRIIPs).

8 February

[ESMA PUBLISHES LIST OF THRESHOLDS BELOW WHICH AN EU PROSPECTUS IS NOT REQUIRED](#)

ESMA has published a document listing the thresholds below which an offer of securities to the public does not need a prospectus in the various Member States of the European Union (EU).

7 February

[ESMA PUBLISHES ITS 2019 RISK ASSESSMENT WORK PROGRAMME](#)

ESMA published its Risk Assessment Work Programme, providing an overview of the analytical, research, data and statistical activities that ESMA will carry out in 2019.

6 February

[ESMA PUBLISHES SUPERVISORY BRIEFING ON THE SUPERVISION OF NON-EU BRANCHES OF EU FIRMS](#)

ESMA has published a MiFID II supervisory briefing on the supervision of non-European Union (EU) branches of EU firms providing investment services and activities. The supervisory briefing has been designed to assist national competent authorities (NCAs) in their supervision of the establishment by EU firms of branches in non-EU countries.

6 February

[ESMA SETS OUT 2019 PRIORITIES FOR SUPERVISORY CONVERGENCE](#)

ESMA has published its 2019 Supervisory Convergence Work Programme (SCWP), which sets out ESMA's work streams to promote sound, efficient and consistent supervision across the European Union.

5 February

[ESMA SETS OUT USE OF UK DATA IN ESMA DATABASES UNDER A NO-DEAL BREXIT](#)

ESMA has published a statement on the use of UK data in ESMA databases and the performance of MiFID II calculations under a no-deal Brexit.

5 February

[ESMA CONSULTS ON LIQUIDITY STRESS TEST GUIDANCE FOR INVESTMENT FUNDS](#)

ESMA has started a public consultation on its draft guidance regarding liquidity stress tests of investment funds – applicable to alternative investment funds (AIFs) and Undertakings for the Collective Investment in Transferable Securities (UCITS).

5 February

[ESMA PUBLISHES GUIDELINES ON SUPERVISORY REPORTING FOR CREDIT RATING AGENCIES](#)

ESMA has today published its revised Guidelines on the information which credit rating agencies (CRAs) need to report to ESMA for supervisory purposes.

4 February

[ESMA AGREES NO-DEAL BREXIT MOUS WITH THE BANK OF ENGLAND FOR RECOGNITION OF UK CCPS AND THE UK CSD](#)

ESMA has agreed Memoranda of Understanding (MoUs) with the Bank of England (BoE) for the recognition of central counterparties (CCPs) and of the central securities depository (CSD) established in the United Kingdom (UK), that would take effect should the UK leave the European Union (EU) without a withdrawal agreement, the no-deal Brexit scenario.

4 February

[ESMA UPDATES Q&A ON EMIR DATA REPORTING](#)

ESMA has issued today an update of its Q&A on practical questions regarding the European Markets Infrastructure Regulation (EMIR).

4 February

[ESMA UPDATES Q&A ON MIFIR DATA REPORTING](#)

ESMA has issued today an update of its Q&As on data reporting under the Market in Financial Instruments Regulation (MiFIR).

1 February

[MIFID II: ESMA PUBLISHES DATA FOR THE SYSTEMATIC INTERNALISER CALCULATIONS FOR EQUITY, EQUITY-LIKE INSTRUMENTS AND BONDS](#)

ESMA has published today data for the systematic internaliser calculations for equity, equity-like instruments and bonds under the Markets in Financial Instruments Directive (MiFID II) and Regulation (MiFIR).

1 February

[MIFID II: ESMA MAKES NEW BOND LIQUIDITY DATA AVAILABLE](#)

ESMA has made available new data for bonds subject to the pre- and post-trade requirements of the Markets in Financial Instruments Directive (MiFID II) and Regulation (MiFIR) through its data register.

1 February

[ESMA NEWSLETTER – N°1](#)

In this first edition of ESMA's new newsletter we catch up on the full list of publications and announcements following ESMA's Board of Supervisors meetings on 18 December 2018 and 30 January 2019.

1 February

[ESMA AND EU SECURITIES REGULATORS AGREE NO-DEAL BREXIT MOUS WITH FCA](#)

ESMA and European securities regulators have agreed Memoranda of Understanding (MoUs) with the Financial Conduct Authority (FCA) of the United Kingdom.

1 February

[ESMA UPDATES ITS Q&AS ON MIFID II AND MIFIR MARKET STRUCTURE AND TRANSPARENCY TOPICS](#)

ESMA has updated its Questions and Answers regarding market structures and transparency issues under the Market in Financial Instruments Directive (MiFID II) and Regulation (MiFIR).

1 February

[ESMA CLARIFIES THE REPORTING AND HANDLING OF DERIVATIVES DATA IN CASE OF NO-DEAL BREXIT](#)

ESMA has issued a public statement on how derivatives data reported under the European Market Infrastructure Regulation (EMIR), should be handled in the event of the United Kingdom (UK) leaving the European Union (EU) without a withdrawal agreement, the no-deal Brexit scenario.

[Circular economy in the EU – Record recycling rates and use of recycled materials in the EU](#)

Recycling rate of plastic packaging almost doubled since 2005

The recycling rates and use of recycled materials in the in the **European Union** (EU) are steadily growing. Overall, the EU recycled around 55% of all waste excluding major mineral waste in 2016 (compared with 53% in 2010). The rate for recovering construction and demolition waste reached 89% (2016), the recycling rate of packaging waste exceeded 67% (2016, compared with 64% in 2010) while the rate of plastic packaging was over 42% (2016, compared with 24% in 2005). The recycling rate for municipal waste stood at 46% (2017, compared with 35% in 2007) and for the waste of electrical and electronic equipment such as computers, televisions, fridges and mobile phones, which include valuable materials which can be recovered (e-waste) in the EU reached 41% (2016, compared with 28% in 2010).

[Full text available on EUROSTAT website](#)

[EU and Qatar reach aviation agreement](#)

The agreement will upgrade the rules and standards for flights between Qatar and the EU, and will set a new global benchmark by committing to strong, fair

competition mechanisms, and including provisions not normally covered by bilateral air transport agreements, such as social or environmental matters.

Commissioner for Transport Violeta **Bulc** said: *"We delivered! Qatar was the first partner with whom we launched negotiations following our adoption of the Aviation Strategy for Europe – now it is also the first one to cross the finish line! More than that – the agreement sets out ambitious standards for fair competition, transparency or social issues. It will provide a level playing field and raise the bar globally for air transport agreements. This is a major upgrade compared to the existing framework, and our joint contribution to making aviation more sustainable!"*

Going far beyond traffic rights, the EU-Qatar agreement will provide a single set of rules, high standards and a platform for future cooperation on a wide range of aviation issues, such as safety, security or air traffic management. The agreement also commits both parties to improve social and labour policies – an achievement which existing agreements between Qatar and individual EU Member States have not provided so far.

In particular, the agreement includes the following elements:

- A gradual market opening over a period of five years to those EU Member States which have not yet fully liberalised direct connections for passengers: Belgium, Germany, France, Italy and the Netherlands.
- Provisions on fair competition with strong enforcement mechanisms to avoid distortions of competition and abuses negatively affecting the operations of EU airlines in the EU or in third countries.
- Transparency provisions in line with international reporting and accounting standards to ensure obligations are fully respected.
- Provisions on social matters committing the Parties to improve social and labour policies.
- A forum for meetings addressing all issues, and any potential differences at an early stage, plus mechanisms to quickly resolve any disputes.
- Provisions facilitating business transactions, including the removal of existing obligations for EU airlines to work through a local sponsor.

The agreement will benefit all stakeholders by improving connectivity through a fair and transparent competitive environment, and create strong foundations for a long-term aviation relationship.

According to an independent economic study undertaken on behalf of the Commission, the agreement, with its robust fair competition provisions, could generate economic benefits of nearly €3 billion over the period 2019-2025 and create around 2000 new jobs by 2025.

The European Commission negotiated the agreement on behalf of the European Member States as part of its [Aviation Strategy for Europe](#) – a milestone initiative to give a new boost to European aviation and provide business opportunities. The negotiations were successfully concluded on 5 February 2019.

Next steps

Following today's initialling, both parties will prepare the signature of the agreement following their respective internal procedures. The agreement will enter into force once both internal procedures will be finalised.

Background

Qatar is a close aviation partner for the European Union, with more than 7 million passengers travelling between the EU and Qatar per year under the existing 27 bilateral air transport agreements with EU Member States. While direct flights between most EU Member States and Qatar have already been liberalised by those bilateral agreements, none of them include provisions on fair competition and other elements, such as social issues, that the Commission considers essential elements of a modern aviation agreement.

In 2016, the European Commission therefore obtained authorisation from the Council to negotiate an EU-level aviation agreement with Qatar. Since September 2016, the negotiators have met for five formal rounds of negotiations, in the presence of observers from EU Member States and stakeholders.

This agreement is part of the EU's concerted efforts to ensure open, fair competition and high standards for global aviation, in line with the ambitious external agenda put forward with the Aviation Strategy for Europe. Parallel negotiations with ASEAN are at an advanced stage, and negotiations are also ongoing with Turkey. The Commission also has a negotiating mandate for aviation agreements with the United Arab Emirates and Oman. EU negotiations with Ukraine, Armenia and Tunisia have been finalised and the agreements are pending signature.

Circular Economy Package Report: Questions & Answers

What is the Circular Economy?

To ensure sustainable growth for the EU we have to use our resources in a smarter, more sustainable way. It is clear that the linear model of economic growth we relied on in the past is no longer suited for the needs of today's modern societies in a globalised world. We cannot build our future on a 'take-make-dispose' model. Many natural resources are finite, we must find an environmentally and economically sustainable way of using them.

In a circular economy the value of products and materials is maintained for as long as possible; waste and resource use are minimised, and resources are kept within the economy when a product has reached the end of its life, to be

used again and again to create further value. This model can create secure jobs in Europe and promote innovation that give a competitive advantage. It can also provide consumers with more durable and innovative products that provide monetary savings and an increased quality of life.

What was in the Commission's Circular Economy Package?

To facilitate the move to a more circular economy, in December 2015 the Commission put forward a first Circular Economy Package, which included revised legislative proposals on waste, as well as a comprehensive Circular Economy Action Plan setting out a concrete mandate for this Commission's term of office.

The Action Plan on the Circular Economy set out measures to "close the loop" of the circular economy and tackle all phases in the lifecycle of a product: from production and consumption to waste management and the market for secondary raw materials. The Action Plan also included a number of actions that will target market barriers or boost circularity in specific sectors or material streams, such as plastics, food waste, critical raw materials, construction and demolition, biomass and bio-based products, as well as horizontal measures in areas such as innovation and investment.

In 2018, this first set of measures was complemented by the second Circular Economy Package, including the EU Strategy for Plastics in the Circular Economy, [Monitoring Framework of Indicators for the Circular Economy](#), a Communication on the interface between chemicals, products and waste legislation. The Commission also made a proposal for a Directive addressing single-use plastics and fishing gear – the two most important sources of European plastic marine litter.

What has been done to promote innovation and investment? How has private financing contributed to investments in the Circular Economy?

Over the 2016-2020 period, the Commission has stepped up efforts in both directions **totalling more than €10 billion** in public funding to the transition. This includes:

- €1.4 billion from Horizon 2020 until 2018, of which €350 million allocated to making plastics circular.
- At least €7.1 billion from Cohesion Policy (€1.8 billion for uptake of eco-innovative technologies among SMEs and €5.3 billion to support the implementation of the EU waste legislation); in addition, significant support is available through smart specialisation for market-led innovation and deployment.
- €2.1 billion through financing facilities such as the European Fund for Strategic Investments and Innovfin.
- At least €100 million invested through LIFE programme in more than 80 projects contributing to a circular economy.

To stimulate further investments, the [Circular Economy Finance Support Platform](#) has produced recommendations to improve the bankability of circular economy projects, coordinate funding activities and share good practices. The

platform will work with the European Investment Bank on providing financial assistance and exploiting synergies with the action plan on financing sustainable growth.

Circularity should also remain a pivotal theme under the upcoming Horizon Europe programme, as well as the LIFE programme, both currently under discussion between the co-legislators.

What has been done to address specific challenges in the plastics industry? What about marine litter?

The [EU Strategy for Plastics in a Circular Economy](#) is the first EU-wide policy framework adopting a material-specific lifecycle approach to integrate circular design, use, reuse and recycling activities into plastics value chains. As such, it is a catalyser for action. The Strategy sets out a clear vision with quantified objectives at EU level, so that inter alia by 2030 all plastic packaging placed on the EU market is reusable or recyclable.

The recently established [Circular Plastics Alliance](#) will facilitate next steps by businesses to bridge the current gap between the supply and demand for recycled plastics, improve the quality and economics of plastics recycling and thus achieve the EU target that 10 million tonnes of recycled plastics find their way into products in Europe by 2025. In response to the call from the Commission, 70 companies and business organisations submitted voluntary pledges to produce or use more recycled plastics by 2025. The pledges submitted by industry so far will increase the market for recycled plastics by at least 60% by 2025, but further efforts are necessary to ensure the 10 million tonnes target is reached.

Key milestones were already delivered to achieve higher quality recycling of plastics. These include the new recycling target for plastic packaging, set at 55% in 2030, obligations for separate collection and improvements in Extended Producer Responsibility (EPR) schemes. The latter are expected to facilitate design for recyclability through 'eco-modulation' of producers' fees.

Evidence of potential health and environmental risks of microplastic pollution justifies restricting the use of intentionally added microplastics. The Commission has requested ECHA to prepare an opinion on microplastics intentionally added to products, which once ready the Commission will analyse.

The rules on [Single-Use Plastics](#) items and fishing gear, addressing the ten most found items in EU beaches, on port reception facilities, and the Commission's proposals on [fisheries control](#), place the EU at the forefront of the global fight against marine litter – one of the major concerns of EU citizens when it comes to plastic pollution.

These sets of tailored measures, undergoing final steps of the legislative procedure, include:

- A ban on selected single-use products made of plastic (cotton bud

sticks, cutlery, plates, straws, stirrers, sticks for balloons), cups, food and beverage containers made of expanded polystyrene and on all products made of of oxo-degradable plastic.

- Measures to reduce consumption of food containers and beverage cups made of plastic and specific marking and labelling of certain products.
- A target to incorporate 25% of recycled plastic in PET bottles as from 2025 and 30% in all plastic bottles as from 2030, as well as a 90% separate collection target for plastic bottles by 2029 (77% bottles by 2025) and the introduction of design requirements to connect caps to bottles.
- Extended Producer Responsibility schemes covering the cost to clean-up litter, applied to products such as tobacco filters and fishing gear.

Measures aimed at reducing plastic litter from ships such as the establishment of a flat fee for waste from ships. Improved reporting obligations for lost fishing gear and obligations for marking and control of fishing gear for recreational fisheries.

How has waste management improved?

To modernise waste management systems in the Union and to consolidate the European model as one of the most effective in the world, a [revised waste legislative framework](#) entered into force in July 2018. This includes:

- new ambitious yet realistic recycling rates: by 2030, 70% of all packaging waste and 60% of municipal waste (65% by 2035) should be recycled, while reducing landfilling of municipal waste to 10%.
- simplification and harmonisation of definitions and calculation methods and clarified legal status for recycled materials and by-products;
- reinforced rules and new obligations on separate collection (bio-waste, textiles and hazardous waste produced by households, construction and demolition waste);
- minimum requirements for Extended Producer Responsibility;
- strengthened waste prevention and waste management measures, including for marine litter, food waste, and products containing critical raw materials.

The Commission is supporting and engaging with Member States in the [implementation of the waste legislation](#) to increase visibility and understanding of circular economy opportunities in those Member States that have the biggest challenges in meeting their recycling targets. Through targeted country visits led by Commissioners, experts from different Member States will share experiences and advise on how to reach best the objectives of the waste policies.

What has been done to promote the conversion of waste into resources (secondary raw materials)?

The new [Fertilising Products Regulation](#) introduces harmonised rules for organic fertilisers manufactured from secondary raw materials such as agricultural by-products and recovered bio-waste. The new Regulation will facilitate the conversion of bio-waste into a useful fertilising material and

make European farming less dependent on imported mined and fossil raw materials such as natural gas and phosphate rock.

A [proposal for a Regulation](#) on minimum requirements for water reuse was adopted on 28 May 2018. The proposed legislation sets minimum requirements for reused water for agricultural irrigation. It aims at encouraging the safe, efficient and cost-effective reuse of treated urban wastewater, thus turning a wasted resource into a valuable one for further use and addressing water scarcity.

A [Communication adopted in January 2018](#) on the interface between chemicals, product and waste legislation launched a wide debate on the way to tackle four main obstacles impeding the safe uptake of Secondary Raw Materials. A preliminary analysis of the results of the consultation confirms general agreement among stakeholders on the relevance of the identified barriers.

What has been done to promote resource efficiency, reparability of products and to fight planned obsolescence?

Ecodesign and Energy labelling measures together have already provided energy savings roughly equal to the energy consumption of Italy. The [Ecodesign Working Plan 2016-2019](#), proposes a list of new product groups (building automation and control systems, electric kettles, hand dryers, lifts, solar panels and inverters, refrigerated containers, high-pressure cleaners) and reviews of existing ones. These new methods and revisions are expected to provide further energy savings equivalent to the energy use of Sweden. The working plan also intends to promote the reparability, upgradability, durability, and recyclability of products by extending the scope of ecodesign requirements beyond energy efficiency.

Besides the Ecodesign Directive and the Energy Labelling Regulation, various EU policies already address sustainability of products, including voluntary tools such as the EU Green Public Procurement criteria or the EU Ecolabel.

How has food waste been tackled?

The revised Waste Framework Directive requires Member States to reduce food waste generation at each stage in the food chain. In order to support food waste prevention and monitoring towards the global Sustainable Development Goal food waste target (SDG 12.3), the Commission is elaborating a harmonised methodology to measure food waste at each stage of the food supply chain.

Food waste is also included in the Monitoring Framework of Indicators for the Circular Economy. The platform is currently analysing the conditions for a common EU monitoring and reporting framework, to enable reporting on food waste amounts.

In April 2018, the Commission published [EU Guidelines](#) for the feed use of food no longer intended for human consumption. Facilitating food donation is also crucial to prevent food waste.

What has happened in the construction and demolition sectors?

Waste originating from construction and demolition represents one of the highest waste type volumes in Europe. Valuable materials are not always identified and recovered. Improving waste management in this sector can have a significant impact on the circular economy.

Level(s), the European reporting framework for sustainable buildings with its indicators and life cycle tools, has been developed via a major stakeholder exercise. It includes both resource use indicators and indicators linked to the quality and the value of buildings.

What about biomass and bio-based products?

The EU Bioeconomy Strategy was updated in 2018 and proposes 14 concrete actions in three priority areas:

1. Strengthening and scaling-up the bio-based sectors, unlocking investments and markets.
2. Deploying rapidly bioeconomies across the whole of Europe.
3. Understanding the ecological boundaries of the bioeconomy.

The Renewable Energy Directive (RED II) contains provisions referring to circular economy and waste hierarchy. These address the risk of conflicting use of biomass resources between energy and non-energy sectors and of creating financial incentives that would undermine the separate collection obligations set out in the Waste Framework Directive.

Will consumers have access to information on the environmental performance of products?

The European Commission tested the use of the Product Environmental Footprint method in producing reliable, reproducible and comparable information on the environmental performance of products, considering the whole supply chain, from the extraction of raw materials to the moment the product becomes waste, is reused or recycled.

Based on the promising results of this pilot phase, the Commission is considering potential future policy applications for the method, including considerations on how to use them for informing consumers on environmental performance.

How is implementation of the Circular Economy Action Plan being monitored?

A [Monitoring Framework of Indicators for the Circular Economy](#) was published in January 2018. The framework helps to measure progress towards a circular economy at EU and national level. It is composed of a set of ten key indicators which cover each phase – i.e. production, consumption, waste management and secondary raw materials – as well as economic aspects i.e. investments, jobs, gross value added and innovation. Consistency with the monitoring of other measureable trends such as the progress on the implementation of the 2030 Agenda is ensured by establishing common indicators. The indicators and underlying data are publicly available on a

dedicated [EUROSTAT website](#).

For more information

[Press release: Closing the loop: Commission delivers on Circular Economy Action Plan](#)

[Press release: Closing the loop: Commission adopts ambitious new Circular Economy Package to boost competitiveness, create jobs and generate sustainable growth](#)

[Report on the implementation of the Circular Economy Action Plan](#)

[Staff working document with details and references for the 54 actions that were listed in the action plan](#)

[Staff working document on Sustainable Products in a Circular Economy](#)

[Staff working document on the Assessment of the voluntary pledges under Annex III of the Strategy on Plastics](#)

[Guidance and promotion of best practices in the mining waste management plans](#)

[Report on Horizon 2020 R&I projects supporting the transition to a Circular Economy](#)

[Report on insights to inform policy and funding decisions regarding circular plastics](#)

[Recommendations of the Finance support to Circular economy Platform](#)

[Eurostat press release on progress in the monitoring framework](#)