

Ragn-Sells: Position paper on the EU framework on the Circular Economy

Ragn-Sells would like to invite the European Commission to consider the following points when drafting the new proposal for a Framework on the Circular Economy:

The need for a Circular Economy:

- Ragn-Sells strongly support the development of a framework for a circular economy. A circular economy, that operates within the planetary boundaries and manages to break the unsustainable dependency on finite resources, is the only way forward to a more sustainable use of natural resources. A circular economy helps to reduce greenhouse gas emissions while creating innovation, competitiveness and jobs.
- An EU framework on circular economy must move the treatment of waste/resources up in the waste hierarchy. It must be more profitable to recycle and re-use resources than to incinerate waste or to extract virgin resources. Economic incentives should stimulate the demand side, as well as methods and techniques for the extraction of secondary raw materials from landfills and existing waste streams.
- A future policy framework should incentivize new business models that in themselves safeguard a more sustainable use of resources, e.g. by promoting shared use of products, stimulating second-hand markets or repair services to prolong the life-cycle of products.
- Ragn-Sells believes that the waste and recycling industry is a future partner and key player in a changing society where we need smarter products and services. The framework needs to safeguard that knowledge and expertise from the private sector is fully utilized and spread.
- An overarching principle in the future EU policy framework on the Circular Economy must be to enable and stimulate the industry's possibility to innovate and develop solutions that help businesses and society to close the loop. One important aspect to achieve this is open markets with equal competition between commercial and public actors (municipalities).

Two important steps to create an EU Circular Economy:

1) Redefine the role of landfill mining:

Landfills are the birthplace for a circular economy. Ragn-Sells believes that the role of landfills need to be redefined at European level. The EU Framework should propose regulations and economic incentives that support the multiple functions of landfills as well as the extraction of secondary raw materials from landfills and from existing waste streams (such as IBA).

- Landfills as end storage play an important role in securely lock-away toxins that shouldn't be circulated back to society.
- Landfills must be able to be used as temporary storage with a view to future extraction and/or recovery. To burn or degrade or down cycle (i.e. substitute for low value material/use such as road construction) waste containing valuable or potentially valuable materials today, because of suitable techniques or high costs, are not resource-efficient in the longer perspective.
- Circular materials, i.e. the extraction of secondary raw materials from landfills and from existing waste streams, must at least have the same conditions as the linear raw material industry. Today national taxation [in Sweden] favors the extractions of virgin raw materials. Waste materials from primary resource extraction that are landfilled are exempted from landfill tax, while waste from extraction in existing landfills or waste streams is not. An EU-level playing field that reward recycling and extraction of secondary raw materials should be envisaged. (This suggestion is in line with the Resolution from the European Parliament, (2014/2208(INI), p.40).)

2) Safeguard that businesses can decide how to use their own waste

When waste is seen as a valuable resource it is obvious that we need the waste and recycling industry to be open for competition. Public sector/municipal mandates do not promote a circular economy.

Commercial actors should have the responsibility for their own waste. Ragn-Sells experiences that more and more businesses understand that their waste is a resource, and they seek holistic solutions and services to protect the value in their materials and to be more resource-efficient. In order to enable the market to find innovative solutions and new business-models, the EU Framework should clearly define the role of the public sector and secure an open market with equal competition.

- Innovation and development of resource-efficient business-models are best achieved in an open market with equal competition. [A concrete market-driven example of innovation and resource-efficiency: Ragn-Sells and the Swedish oil company Preem collaborates in a project that produces diesel from recycled fat from restaurants].

- Recycling companies must have access to waste flows and businesses should be able to buy the waste management services they need. The public sector/municipalities should not have a monopoly on collection and treatment of commercial waste similar to household waste, since a monopoly seldom creates the best circular solutions, but risk drive the materials to pre-destined use [in Sweden to public owned energy- and biogas facilities]. There must be a level-playing field for public and commercial operators since today's challenge is about resources collection and treatment and not refuse collection.
- The EU Framework should not introduce the term or a definition for “municipal waste”, since it creates a barrier to an open and competitive market and risk lock-in of certain material flows away from the circular economy.
- Ragn-Sells would like to urge the European Commission to introduce definitions for “Household waste” and “Commercial/industrial waste” and to set separate recycling targets for these two waste fractions in order to stimulate all actors to develop and innovate ways to prevent waste and find resource-efficient solutions.

About Ragn-Sells:

Ragn-Sells AB (Ragn-Sells) is a family-owned company with more than 1 700 employees in Sweden. Ragn-Sells is part of the Ragn-Sells Group which has presence in six countries: Sweden, Norway, Denmark, Estonia, Latvia and Poland. The group employs 2 500 people, has more than 100 facilities and had a turn-over of 5 billion SEK in 2014.

Ragn-Sells is the leading knowledge-based company in recycling and waste management in Sweden. Ragn-Sells handles all types of waste (except nuclear waste) – some 5 million tons and 800 different material fractions every year. Ragn-Sells collects, treats and recycles waste and residues from businesses, organizations and households throughout Sweden.

In a circular economy, waste is a part of the total supply of natural resources, energy and materials, and already constitutes a valuable resource. This belief lies at the foundation of Ragn-Sells philosophy and business strategy. Resources are to be discovered in all sectors of the economy and, if correctly managed, they can help both the society and Ragn-Sells' customers to be more sustainable and cost-efficient.

Ragn-Sells wants to be an active partner in the development of the policy framework for waste and recycling and contribute to develop and to innovate techniques, solutions and business models that enable a circular economy and resource-efficiency. Ragn-Sells promotes research, development and knowledge-sharing through the Ragnar Sellberg Foundation. Through our membership in Circular Economy 100 and collaboration with the Ellen MacArthur Foundation we contribute with ideas and business models that underpin the transformation to a circular economy.

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