

Feedback on the EU Taxonomy Circular Economy criteria

Increasing global resource use and associated environmental impact are necessitating a radical shift towards whole lifecycle approaches and implementing circular economy practices. Given high levels of resource intensity and waste generation, construction and real estate activities have a crucial role in the transformation towards a sustainable and resource-efficient EU economy.

Against this background we welcome the Commissions work regarding the EU Taxonomy Circular Economy criteria as we see the EU Taxonomy as a valuable trigger to speed up the much-needed sectoral transition and are fully supportive of the overall concept and thinking behind the revised criteria for a transition to a Circular Economy.

However, we are concerned regarding their level of ambition which may turn out to be challenging in terms of large-scale market application. To avoid creating uncertainty in the market, we deem it necessary to provide unambiguous definitions of scope and methodologies or, alternatively, to align the proposed criteria with existing and tested methodologies and tools. Especially with regard to setting specific quotas for use of reused and recycled materials it is crucial to ensure that the overall market and national/local legislative context helps facilitate implementation. This could for example entail requirements for construction materials and building components to clearly depict their recycled content, the existence of potentially hazardous substances and future circular pathways.

Equally important would be the improvement of the existing infrastructure for reusable materials across the EU, e.g. through setting up digital warehouses. Regulation could then refer to a common set of indicators incorporated in product data sheets of materials and components sold in the EU. Rather than setting rigid, ambitious targets, the requirements should be more flexible and allow the project responsible to decide which respective quota contributes most impactful to the overarching circularity target within the project. To be able to assess an economic activity in terms of Taxonomy alignment, or whether an individual project is Taxonomy aligned, data and documentation regarding the construction or renovation process is essential. We therefore welcome the Commission explicitly requiring the use of electronic tools to describe the characteristics of the building as built, including the materials and components used for the purpose of future maintenance, recovery, and reuse.

We feel that a clear reference to the introduction and use of digital building logbooks and/or material passports should be added as they would contain all the relevant information regarding material and technical characteristics and quantities of products and materials used and also valuable information for future maintenance, recovery and reuse pathways thus acting as supporting sectoral tools not only for the successful implementation of the Circular Economy criteria but for achieving all six environmental objectives of the EU Taxonomy.