

Commission launches Circular Plastics Alliance to foster the market of recycled plastics in Europe

Against the backdrop of the Commission's efforts to help accelerate Europe's transition towards a [circular economy](#), the **Circular Plastics Alliance** will aim to improve the economics and quality of plastics recycling in Europe. The Alliance will in particular strengthen the match between supply and demand for recycled plastics which is identified as the main obstacle to a well-functioning EU market of recycled plastics. With this new initiative, the Commission wants to contribute to the objective of achieving at least 10 million tons of recycled plastics into new products on the EU market by 2025 as set in the [European Strategy for Plastics](#).

First Vice-President Frans **Timmermans**, responsible for sustainable development, said: *"Close cooperation within and between all the links in the plastics value chain is essential if we are to achieve a true circular plastics economy and ensure that recycled plastics find their way to new products, instead of into landfills or the incinerators. The Circular Plastics Alliance aims to facilitate this cooperation, building on the commitments the plastics industry has already made and encouraging even more ambitious action. Europe already leads this, and Europe will be the first one to reap the benefits as well. This is the best way to show the world that circular plastic economy is good for the business and good for the environment."*

On occasion of the launch of the Circular Plastics Alliance, Vice-President Jyrki **Katainen**, responsible for Jobs, Growth, Investment and Competitiveness, said: *"European industry has already clearly committed to more sustainable plastics with the pledges that they have submitted to the Commission. Business understands this is an opportunity to innovate and to become global frontrunners in new technology and materials, in line with circular economy logic. The platform that we are setting up today will encourage cooperation and dialogue between market operators, both on the supply and the demand side, so that we can together build a well-functioning market for recycled plastics."*

The Circular Plastics Alliance will be a high-level, multi-stakeholder platform gathering key industry stakeholders covering the full plastics value chain – from waste collectors to recyclers and primary producers to converters, brand owners and retailers -including in particular packaging, construction and automotive sectors.

The Alliance will pursue three main operational objectives:

– **Fostering short-term, voluntary and coordinated actions and investments** by key industry stakeholders. These actions and investments may cover separate collection of plastic waste; harmonised reporting on collection and recycling

rates and volumes; investments in sorting and recycling facilities; voluntary standards on the 'design for recycling' of plastic products and others. Improving the economics and quality of plastics recycling in Europe would contribute to the achievement of the 10 million tons target by 2025. Public authorities across Europe should also play an active role in that.

– **Reporting on the obstacles** which may hamper stakeholders' efforts to fully deliver on their [pledges](#) and to reach the target set for 2025. Some of those already identified include lack of infrastructure, insufficient access to finance and standardisation gaps.

– **Monitoring progress made** towards more plastics recycling and more uptake of recycled plastics in Europe. The monitoring should help identify the gaps in the supply and demand for different recycled plastics. In parallel, new voluntary commitments will be encouraged.

Next steps

The Commission will invite key industry stakeholders to join the Alliance, in particular from those sectors, which account for most demand for plastics in Europe such as the packaging, construction and automotive industries. Other sectors will be approached as well for their contribution in order to address the full plastics value chain. The first meeting of the Circular Plastics Alliance will be organised as part of the [EU Industry Days](#) on 05 February 2019. A series of operational meetings on the key topics identified by the Alliance at their first meeting will take place between March and May 2019.

Interested parties may contact for further information: GROW-ENV-RPLASTICS-PLEDGE@ec.europa.eu

Background

In December 2015 the Juncker Commission adopted an ambitious new [Circular Economy Package](#) to help European businesses and consumers to make the transition to a stronger and more circular economy where resources are used in a more sustainable way. The Package has broken down silos in the Commission and contributes to broad political priorities by tackling climate change and the environment while boosting job creation, economic growth, investment and social fairness. It has been prepared by a core project team co-chaired by First Vice-President Frans **Timmermans** and Vice-President Jyrki **Katainen** with the close involvement of Commissioners Karmenu **Vella** and Elżbieta **Bieńkowska**. Many other Commissioners were also involved in its preparation and helped identify the most effective tools covering a wide range of policy areas.

In January 2018 the European Commission adopted the first-ever Europe-wide [Plastics Strategy](#) as part of the transition towards a more circular economy. It will protect the environment from plastic pollution whilst fostering growth and innovation, turning a challenge into a positive agenda for the Future of Europe. Under the new plans, all plastic packaging on the EU market will be recyclable by 2030, the consumption of single-use plastics will be reduced and the intentional use of microplastics will be restricted.

As part of this strategy on plastics the Commission launched a voluntary pledges campaign and is currently [assessing the received pledges](#) by the industry. A preliminary analysis indicates that at least 10 million tons of recycled plastics could be supplied by 2025 if the pledges are fully delivered. However, on the demand side, only 5 million tons are expected, demonstrating that more actions will be needed to achieve the objective of a well-functioning EU market of recycled plastics.

Ein Europa, das schützt: Kommission fordert verstärkte Bemühungen zur Annahme der Sicherheitsvorschläge

MEPs want the European Food Safety Agency to publish safety studies before a product is authorised to go on to the market. The revised rules aim to make risk assessment more transparent and ensure that the studies used by EFSA to authorise a product to be put on the market are reliable, objective and independent.

Kommission ruft „Allianz für die Kunststoffkreislaufwirtschaft“ zur Förderung des europäischen Markts für recycelte Kunststoffe ins Leben

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VAT: New details on rules for e-commerce presented, including a new role for online marketplaces in the fight against tax fraud

Today's rules lay out the steps needed to ensure that online marketplaces can play their part in the fight against tax fraud and to ease administrative burdens for businesses selling goods online.

Forming part of the [EU's broader agenda to tackle VAT fraud and to improve VAT collection on internet sales](#), the new measures presented today should help Member States to recover the €5 billion in tax revenues lost in the sector each year – a figure due to rise to €7 billion by 2020.

Pierre **Moscovici**, Commissioner for Economic and Financial Affairs, Taxation and Customs, said: *"The EU is gearing up for a brand new VAT system in 2021 to make it easier for companies to sell goods online and for Member States to recoup lost VAT revenues. Today's proposals will allow online businesses to flourish while ensuring non-compliant businesses or fraudsters cannot undercut them. For this to happen, it is crucial that online marketplaces play their part."*

A new VAT system for online sellers

Implementing rules proposed today will ensure that a brand new VAT system is ready for businesses that sell goods online once the agreed new framework comes into force in 2021. The rules introduce new building blocks for the system that will be needed for online companies to take full advantage of the EU's Single Market.

The electronic business portal for VAT or 'One-Stop Shop' put in place by these measures will allow companies that sell goods online to their customers to deal with their VAT obligations in the EU through one easy-to-use online portal in their own language.

Without the portal, VAT registration would be required in each EU Member State into which they want to sell – a situation cited by companies as one of the biggest barriers for small businesses trading cross-border. The system is already in place for e-service providers since 2015 and is working well.

Ensuring that VAT is paid when goods are sold through online marketplaces by independent sellers

From 2021, large online marketplaces will become responsible for ensuring that VAT is collected on sales of goods by non-EU companies to EU consumers taking place on their platforms. Today's proposals clarify the situations in which online platforms are considered to have facilitated a sale between

users and detail the records they must keep on sales made via their interface. Since online marketplaces will be liable for the missing VAT, authorities will be sure that they can claim the tax due when sellers from outside the EU have not complied with the rules.

In particular, the new rules will ensure that goods sold from storage facilities within the EU will have the correct amount of VAT charged, even when the goods are technically being sold to consumers by non-EU businesses. Currently, it can be difficult for Member States to obtain the VAT due on goods sold from so-called 'fulfilment centres'.

The new technical measures were developed in consultation with online platforms themselves and Member States authorities. They are complemented by VAT simplifications to ensure that marketplaces are not unduly burdened and can continue to concentrate on core-business activities.

Next steps

Today's proposed implementing rules will now be sent to Member States in the Council for agreement and to the European Parliament for consultation. The Commission calls for a quick agreement in 2019 so that businesses can look forward to a smooth transition to the broader VAT system for e-commerce in 2021.

Background

The proposed implementing regulations presented today are the detailed rules needed to ensure the smooth running of the new VAT for e-commerce by Member States agreed in December 2017 and which will come into force in January 2021.

The measures follow up on the [Commission's proposals for a deep reform of the EU VAT system](#) presented in October 2017, and the [VAT Action Plan](#) towards a single EU VAT area presented in April 2016.

The common Value Added Tax (VAT) system plays an important role in Europe's Single Market. VAT is a major and growing source of revenue in the EU, raising over €1 trillion in 2015, which corresponds to 7% of EU GDP. One of the EU's own resources is also based on VAT.

[DG TAXUD page on VAT for e-commerce including legal texts](#)

[Press release on the December 2017 deal on VAT for e-commerce](#)

[Q&A on VAT for e-commerce](#)

[Commission proposal for EU VAT reform](#)

[Action Plan on VAT – Towards a single EU VAT area](#)

[Digital Single Market strategy](#)

[Digital Single Market – Modernising VAT for cross border e-Commerce](#)

Remarks by Vice-President Dombrovskis at the EP plenary on the results of the Eurogroup and preparation of the EURO summit

Honourable President, Honourable Members,

I am glad to be here for this timely debate. The European Parliament has rightfully been a central driving force behind the debate on deepening our Economic and Monetary Union.

This is a decisive moment on what has been a challenging path, and the strong support of this House is more important than ever. On behalf of the Commission, I would like to thank you for this.

Last week, the Eurogroup agreed a number of steps. They were perhaps not giant, but nonetheless important. The discussion was far from easy, but the results show the willingness around the table to find workable solutions to our common challenges. We made progress on many issues discussed: in particular the terms of reference for the common backstop for the Single Resolution Fund and the reform of the European Stability Mechanism. As regards budgetary instruments for the Euro area, further guidance from the Euro Summit will be needed.

For the upcoming Euro Summit, we must build a momentum, as we urgently need to press ahead with ambitious reforms:

On the backstop for the Single Resolution Fund we need a credible, fast and efficient system of decision-making.

The ESM-Commission cooperation should stay within the boundaries of primary and secondary law. Also, we have to make sure that the conditions of ESM instruments are not too strict to make them unusable. Later on, the ESM will need to be brought into the Union framework to increase democratic scrutiny, most importantly by a closer involvement of the European Parliament.

We also see some reasonable steps to promote the existing framework for debt sustainability in the euro area

Let me now turn to budgetary instruments for the euro area.

I welcome the openness of the Eurogroup to work on budgetary instruments for competitiveness and convergence subject to further guidance by leaders.

Unfortunately, the Eurogroup has shown less consensus on instruments for

stabilisation, which are also essential. We therefore hope for further progress, guidance and also more ownership at the Euro Summit.

The Commission proposals for a Reform Support Programme and for a Euro Area Fiscal Stabilisation Function should provide the basis for this discussion which should take place in the context of the MFF. We can of course develop them further to reconcile our design with the ideas coming from France and Germany, but also other Member States and the European Parliament.

Parliament can play an important role in designing these budgetary instruments. It is, therefore, also in your hands, to take the proposals further, and accelerate work.

Finally, on EDIS, this is indeed the most difficult part on which little progress has been made at the Eurogroup. As progress has been slow both in Council and Parliament, last year the Commission set out a workable approach to introduce EDIS step by step and closely linked to risk reduction. We believe there has been enough progress on risk reduction to warrant the start of political negotiations on its first phase.

Dear Colleagues,

The Commission counts on your continued support. Your clear political push will be indispensable to generate the ambition needed.

We can build on a solid ground of risk reduction. The progress report we published two weeks ago shows that Non-performing loans (NPLs) on banks' balance sheets have continued to decline, to an average of 3.4% in the second quarter of 2018, a decline of 1,2% points in a single calendar year. And MREL buffers are being built up, with about 90% of required MREL already being there.

We welcome agreement on the banking package and the ECON committee vote on non-performing loans last week. On that basis, the completion of the Banking Union also on risk sharing is a matter of priority.

The Capital Markets Union can also strengthen the Economic and Monetary Union by diversifying financing sources of the European economy and promoting private risk-sharing. I call on you to close the many CMU files still before the end of this term.

Finally, following the Commission's Communication, the international role for the euro will also be addressed at the December Euro Summit. A stronger Economic and Monetary Union, as well as deep and liquid capital markets, are a prerequisite for a euro that better reflects Europe's political, economic and financial weight.

It is crucial that Leaders reach a meaningful agreement this week and that the co-legislators agree on pending proposals before the European Parliament elections in May 2019. As always, the European Parliament's close engagement is key in this process.

The months ahead will be decisive for making the euro area economy stronger

and more resilient for the benefit of all Europeans.