

French Moves Forward on New Circular Economy Law, Raising Concerns from Industry

October 2019

As Europeans concern with waste and the environmental impact of plastics in the economy grows, the European Commission has taken steps to sharply cut down the use of plastic objects and the re-use and recycling of waste through the [Waste Framework Directive 2018/851](#), which European Member States are now implementing into their national legislations.

France has proposed aggressive changes to their law over and above what many Member States are considering with their draft Anti-Waste and Circular Economy law - *Projet de loi relatif à la lutte contre le gaspillage et à l'économie circulaire*, as proposed by the French Ministry of Ecological and Solidarity Transition during the summer of 2019. The goal is to fight against waste with severe consequences for producers operating in France across a wide variety of industries.

Industry's main concern is that France will force companies to meet new environmental requirements that other Member States are not imposing and will require burdensome and unnecessary changes to production that may not have benefits for the environment.

U.S. exporters to Europe and France should be aware of proposed changes to production and how that may affect their business. U.S Commercial Service in France suggests that interested parties work through their relevant U.S. industry associations that should be in contact with their European or French counterparts that are raising concerns directly to the French government. Companies operating in industries including but not limited to food and beverages, cosmetics, furniture, toys, household appliances, electronic equipment, plastics and packaging, and textiles will be affected.

New Requirements Proposed

Most of the new requirements in the draft law will be imposed on producers, manufacturers, and exporters to France, and not consumers. Some examples of how producers in France may be affected include the following:

- Requirements for producers of waste to be part of eco-organizations, which they pay financial contributions, for the management and waste of their products and the collection of data to monitor the sector;
- a compulsory deposit and return scheme for plastic bottles;
- **ecomodulation** - the ability for the French government to impose penalties up to 20 percent of the value of the products depending on the amount of waste generated by the products;
- The mandatory use of the Triman symbol below (the unified signage for end-of-life products created in order to harmonize the separate collection systems within France) to

include on the product rather than the “de-materialization” of recycling information, that allows producers to move the information from the packaging to the manufacturer’s website.



- Mandatory use of a sorting logo (‘signalétique sur les règles de tri’) for all products including all packaged goods. This would require a separate labelling requirement from the Triman symbol for products placed on the market in France that has no direct equivalence in other EU Member States

Timeline

The French Prime Minister unveiled the Circular Economy Roadmap in April 2018, which called for changes in consumer habits and production methods. However, waste management is where the government concentrated the bulk of their reform efforts. This led the Ministry of Ecological and Solidarity Transition to publish the Circular Economy draft law in July 2019.

The law will be voted on and entered into French law by summer 2020 at the earliest. However, there is much work to be done before then. Currently, there are significant differences in the draft law that is being considered in the French Senate and National Assembly (House) versions. After initial debates in the House and Senate, another round of debates is expected in December/January 2020, where the public has an opportunity to provide comments.

U.S. exporters that may be affected by the proposed law should work through their industry associations to voice concerns, who should be working with their French counterparts.

Industry’s Position

French and European industry have been active in voicing their concerns to the French government, focusing on proposed measures that could lead to an increase in their production costs depending on the way they are implemented. U.S. exporters should note that even if they meet EU directives requirements in other Member States, that may not be sufficient to meet France’s laws if the draft law is signed by the President and put in place in 2020.

There are additional stakeholders, such as municipalities and recycling organizations in France that are lobbying changes for their own interests or where they stand to lose revenue. Below are some examples of new requirements and who may be affected:

- The cosmetics association in France (FEBA) the largest cosmetics organization in all of Europe is advocating to continue to allow for the de-materializing of environmental information (i.e. placement of sorting and recycling information online). They are also lobbying for the exemption of glass from the requirement, since it is absent from the European directive.
- The European Organization for Plastic and the Environment (EUROPEN) and the French food industry is lobbying against the French government’s proposal to impose penalties on plastics in respects of waste generated by products that are disconnected from the actual costs of waste management (i.e. greater than the actual operational costs).

- The French food industry is raising concerns regarding the mandatory deposit and return provision for plastic bottles and is advocating for pilot programs of limited duration rather than new requirements and for making information available online rather than on the packaging of the products.
- Representatives of various industries are also concerned that the French are damaging the Single Market by introducing requirements that are not implemented in other Member States, which in turn will cause confusion for producers and exporters to France. Since there is no customs union with other EU Member states, enforcement may prove difficult.

The good news is that significant changes to the law as drafted today are expected. U.S. industry is encouraged to contact the U.S. Commercial Service with any questions. The U.S. Embassy in France continues to monitor the Anti-Waste and Circular Economy draft law as it affects U.S. exporters.

France

Joel Reynoso

Commercial Officer Embassy of the United States of America | 2 Avenue Gabriel, 75008 Paris
FRANCE

T: +33 (0) 1 43 12 70 87 | Email: joel.reynoso@trade.gov

Washington, DC

Ellen S. House

Acting Deputy Director, Office of Western & Northern Europe
International Trade Administration/U.S. Department of Commerce

Tel: 202-482-0360 Email: ellen.house@trade.gov