Review of the Construction Products Regulation
Feedback on Commission Roadmap August 2020

sandbag
smarter climate policy

The upcoming revision of the Construction Products Regulation (CPR) takes place not only in the context of the need to improve functional aspects of the CPR, but also against the policy framework of the European Green Deal and the Circular Economy Action Plan. Sandbag welcomes the opportunity to comment on the Roadmap for the CPR revision, and in doing so will focus specifically on the possibilities for bringing the regulation in line with the new policy focus of the European Green Deal.

The Communication on the European Green Deal notes that the Commission will update the CPR in such a way as to ensure that the "design of new and renovated buildings at all stages is in line with the circular economy" and to lead to the increased "climate-proofing of the building stock." As such, the CPR is clearly placed within the overall goals of the European Green Deal, most relevantly the 2050 carbon neutrality objective, the mobilisation of a clean and circular economy, and building and renovating in an energy- and resource-efficient way. This extends the scope of the revised CPR far beyond that of the original. The current CPR is primarily centred around simplifying access to the Single Market, thereby improving competitiveness and reducing fragmentation in the EU market for construction products. The inclusion of the CPR in the European Green Deal gives it an additional and very different role of contributing to Europe's decarbonisation.

This extension of the aims of the CPR is particularly relevant given the large contribution of the construction sector to Europe's greenhouse gas emissions. Our built environment is a major source of emissions, emitting around 36% of the Union's carbon dioxide emissions across the lifetime of buildings and during the construction process. Key construction products, such as steel and cement, are produced through very carbon-intensive processes. Setting clear climate, environmental and circular economy standards for construction products can therefore not only reduce the carbon intensity of Europe's building stock, but also provide impetus for the decarbonisation of these energy-intensive industries.

The expansion of the scope of the CPR to include the setting of environmental standards for construction products would seemingly increase the necessary level of bureaucracy and the initial administrative burden on producers and suppliers of construction projects. However, the achievement of the EU's 2050 climate neutrality goal necessitates far-reaching requirements that are not currently to be found in national environmental standards for construction products. If the choice is between an EU-wide implementation of environmental construction standards, or a patchwork and haphazard introduction of varying national standards, the former will serve to actually reduce the long-term administrative burden and contribute to the integration of the EU's construction market, in line with the aim of the current regulation.

The Commission's Roadmap offers two options for the inclusion of environmental standards in the revised CPR (as options A, C and E do not allow for a new role for environmental standards). Option B aims to reinforce the existing role of the CPR, to allow for a common technical language and harmonised standards for the environmental performance of construction products. However, this option does not allow for environmental standards

themselves to be set at EU level, merely providing a means of assessment for whatever environmental standards Member States may or may not choose to introduce. Option D is preferable to option B, as it would see the revised CPR become the means through which these environmental standards are laid down. As such, **Option D best fulfils the role assigned to the CPR in the European Green Deal**, contributing to a Europe of 2050 that 'builds in an energy- and resource-efficient way.' Option D1, the Legislative Framework Approach, leaves the development of standards in the hands of CEN, the body with the expertise and past experience of setting harmonised standards. **Option D2**, which would see Technical Specifications being adopted by the European Commission in the form of Delegated or Implementing Acts, **would involve broader consultation with stakeholders on the development of standards**. This would make the process more democratic and transparent, but potentially also more cumbersome. Between now and 2050, it will be necessary for a range of new and alternative construction products to come on the market to replace products and processes that are high-carbon and incompatible with principles of circularity. Priority should be given to the sub-option which allows for the greatest flexibility in the CPR system to approve and develop EU-wide standards for these new and alternative construction products. **Option D2 could allow the Commission to react more flexibly to the needs of stakeholders in response to new product developments and the latest science**, while continuing to avail of the technical expertise of CEN.

As steps are taken to include environmental standards under the CPR, it should be emphasised that these 'environmental standards' encompass factors such as direct environmental impact, pollution risks, resource use and circularity, but also climate impact. The decarbonisation of construction and associated sectors such as steel and cement will require a focus on the carbon efficiency principle, that is the reduction of the embodied carbon of construction products. Environmental standards introduced under **the revised CPR must therefore include 'climate standards'** related to the life-cycle carbon intensity of construction products. Sandbag offers the following recommendations of climate and circular economy standards which could be included under the revised CPR:

Climate standards:

- A zero-carbon construction standard for all new buildings by 2025, covering both construction and lifetime emissions.
- Where lacking, harmonised standards for low- and zero-carbon alternatives to traditional construction materials to enable their uptake within EU markets. Examples of alternative materials include the substitution of Portland cement clinker with pozzolans and calcined clays, or the substitution of concrete with recycled steel or wood-based products.
- Requirement that hydrogen used in production processes should be derived from renewable electricity (i.e. green rather than blue or grey hydrogen).

Circular economy standards:

- Ensure that at least 50% of construction materials by weight is reused by 2030 (excluding downcycling).
- Standards for minimum recycled content in construction products – the definition of recycled content should exclude downcycled content.
- Standards based on the principles of Ecodesign to ensure that products are easier to reuse, recycle and disassemble.

- Requirements for the provision of information on product composition to aid in recycling.

Additionally, these standards should be developed closely in line with other legislation, including Ecodesign regulations. Certain industries which supply the construction sector (e.g. the steel industry) are also active in other sectors. Requirements for their products should be reconciled across different regulations to reduce the regulatory burden on producers and to ensure transparency.

These recommendations are based on Sandbag's recent report 'Relaunching a Sustainable Industrial Sector', which draws on inputs from industry actors including the cement & lime and iron & steel industries. The report, complete with executive summary, may be found here.

We look forward to further opportunities to engage on the development of the CPR and to work towards a future for the construction sector where construction products are made from low-carbon, sustainable and non-toxic materials which can easily be repaired and replaced.

Sandbag is a non-profit think tank which uses data analysis to build evidence-based climate policy. We focus on EU policies such as the EU ETS, the Effort Sharing Regulation and emissions reductions in industrial sectors.

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