



Press release

CREATION OF CYCLEVIA, THE ECO-ORGANISATION FOR WASTE OILS AND LUBRICANTS

CYCLEVIA is committed to meeting new industry challenges by supporting the circular economy and working towards improved performance and reduced environmental impact.

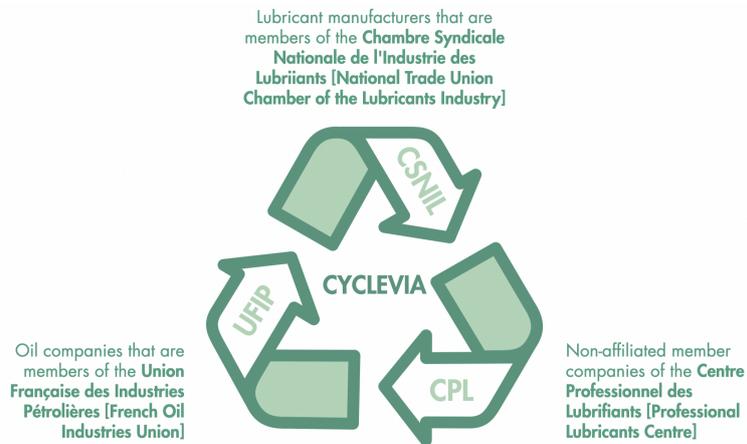
Rueil-Malmaison, 4 April 2022

On 10 February 2020, the law relating to the fight against waste and the circular economy (known as the AGECE law) introduced a new Extended Producer Responsibility (EPR) scheme for mineral and synthetic lubricating and industrial oils from 1 January 2022. It was against this backdrop that the CPL (Centre Professionnel des Lubrifiants - Professional Lubricants Centre) took the initiative to launch the project to create an eco-organisation in 2021 with the participation of volunteer companies. Thus CYCLEVIA was born.

On 23 March 2022, CYCLEVIA became the eco-organisation for the waste oil and lubricants sector. This new organisation is tasked with shouldering producers' responsibilities, particularly with regard to the collection and processing of waste oils. Its ambition is to bring this sector to a high level of performance while reducing its impact on the environment.

A JOINTLY CONSTRUCTED ORGANISATION

CYCLEVIA is a not-for-profit company formed by three major professional organisations.

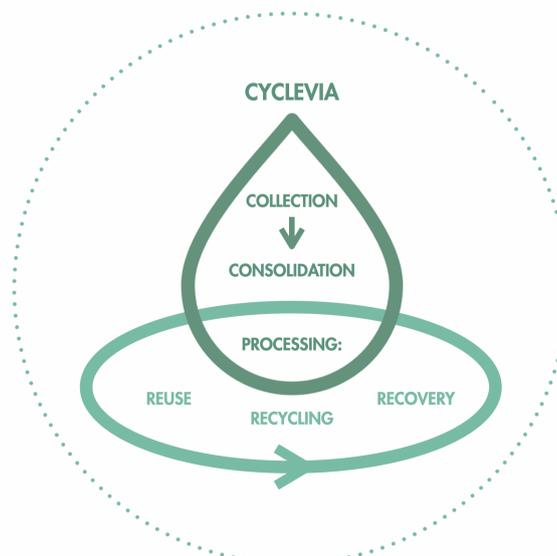


CYCLEVIA brings together 22 companies representing nearly 80% of the French lubricants market. These companies have come together and worked to establish the EPR scheme. They are now the shareholders of CYCLEVIA.

Under the leadership of André ZAFFIRO, Managing Director, and Benoit STOEUX (IGOL / CIPELIA Group), President, the team is organised around two divisions, Operations and DROM COM [French Overseas Departments, Regions and Collectivities] Activities, thereby covering all the geographical areas for which the eco-organisation is responsible.

ACTING FOR THE SECTOR AND THE ENVIRONMENT

The waste oil and lubricants sector benefits from a network of companies with long-term experience in collection, recycling and reuse, but also from good synergy. CYCLEVIA aims to be part of a respectful tradition, while providing a high level of environmental performance to existing stakeholders.



To achieve this, CYCLEVIA has chosen to start with a 'financial' EPR, by contributing to the costs of collecting and recycling waste oils. Being organised in this way is best suited to the specific characteristics of the sector, allowing its competitive structure to be maintained, while guaranteeing that the eco-organisation's responsibilities are fulfilled throughout the national territory. In order to continuously improve the sector, CYCLEVIA is also committed to a gradual increase in reuse, notably by encouraging the incorporation of reconditioned oil in the composition of new products and by conducting technical studies to develop new reuse solutions.

"Our ultimate goal is twofold. Firstly, to organise a system that will enable us to collect every last litre of waste oil on the market and, secondly, to implement an efficient recycling system capable of outputting new high-quality oils that manufacturers will be proud to incorporate into their formulations. This is all very beneficial, both in terms of sector performance and the preservation of raw materials" explains André ZAFFIRO, Managing Director of CYCLEVIA.

THREE PRIORITY CHALLENGES

For its certification covering the period from 2022 to 2027, CYCLEVIA has identified three main challenges for the sector:

- **Improving the collection rate of collectable waste oils**, which is already acknowledged as being at a high level. To achieve this objective, CYCLEVIA will focus on the following two areas:
 - Improving the traceability of the collection of light oils that are not currently accounted for, and promoting the separate collection of black and light oils;
 - Improving collection from small stockholders who would not normally be dealt with by authorised collectors.
- **Improving the circularity of the sector by promoting reuse** in the production of base oils that can be incorporated into the production of new lubricants, including those for the latest generation of EURO 5 and EURO 6 engines. This industry circularity challenge will also be facilitated by the introduction of adjustments to the eco-contribution based on the level of recycled materials incorporated.
- **Improving the environmental performance of oils on the market and making them less hazardous.** To achieve this objective, CYCLEVIA will implement a system of eco-adjustment of the contribution scale to encourage producers to reduce the number of products within their ranges that are labelled as hazardous under the CLP classification. The eco-organisation is also committed throughout its certification period to devoting part of its budget to support research and development in the sector, with the aim of developing new solutions that are less polluting and safer for health.

A STRONG COMMITMENT TO OVERSEAS FRANCE

With the introduction of EPR, a new specific support system for collection agencies in the French Overseas Departments, Regions and Collectivities replaces the one initially set up by ADEME, while still guaranteeing free collection.

Recognising the importance of the issue, CYCLEVIA has taken steps to secure the transition and ensure the continuity of flows, as well as to avoid the risks of waste oil discharge. The eco-organisation is setting up an ad-hoc team to monitor the operation of the sector as closely as possible and is providing for costs to be picked up retroactively, as well as putting in place an annual scale individualised by territory. In addition, CYCLEVIA is working to develop and implement local processing solutions.

KEY FIGURES

450,000 tonnes

This is the volume of lubricants on the market in 2019 and subject to EPR from 2022

50% (2023) > 53% (2025) > 55% (2027)

These are the waste oil collection targets for the 6 years of the certification (as a proportion of lubricants on the market)

6 years

The length of CYCLEVIA's certification period

75% (2023) > 83% (2025) > 90% (2027)

These are the reuse/recycling targets for the 6 years of the certification (as a proportion of the volume collected)

22 companies 80% of the market

This is the number of producers holding shares in CYCLEVIA and their share of the French market

€89/tonne

This is the amount of the eco-contribution collected by CYCLEVIA from producers and distributors as of 1 April 2022. It is subject to annual review

About CYCLEVIA

Created on 1 October 2021, CYCLEVIA is the eco-organisation for waste oils and lubricants. Created by the CPL (Centre Professionnel des Lubrifiants - Professional Lubricants Centre), CYCLEVIA is a not-for-profit company formed by a partnership between oil companies that are UFIP members, lubricant manufacturers that are CSNIL members and non-affiliated companies that are CPL members. It brings together 22 companies which represent nearly 80% of the French lubricants market. Its revenues come exclusively from producers and distributors in the form of an eco-contribution.

cyclevia.com

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