

Commission should take lead on Electronic Data Interchange for waste shipments

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BACKGROUND: EUROPEAN COMMISSION STUDY

The feasibility of establishing an electronic data interchange system for waste shipments has been examined by IT consultant Trasys in a study backed by the European Commission's DG Environment. The main project objective was to assess the definition of a common data standard as an opportunity for competent authorities and waste management companies to replace current paper-based notification and information processes under the Waste Shipments Regulation (1013/2006) with an information system that will allow direct exchange of data.

OBJECTIVES OF AN EU ELECTRONIC DATA INTERCHANGE

FEAD members are strongly in favour of an EU-wide electronic data interchange (EDI), since they are convinced that such a system will contribute to the achievement of the following objectives:

1. Increase traceability and data quality

A harmonised electronic system applied in all member states will facilitate the verification/cross-checking and consistency of data submitted across the EU, which is important not only for statistical reasons but also for the prevention of illegal shipments (e.g. to combat 'port hopping'). Increased traceability would allow authorities to more easily distinguish law-abiding actors from rogue traders. Consented shipments and their status could be easily monitored by both member state authorities and waste management companies.

2. Speed up administrative procedures

The overall documentation flow between stakeholders will be accelerated and error-prone processes eliminated. Today, it takes in average one to three months to issue consent for a waste shipment, and in some cases this is even more than a year. Electronic exchange of information avoids large amounts of paper being faxed or sent by post, which could potentially reduce procedures to a couple of days.

3. Improve functioning of the internal market

Today, the preparation of notification and information documents is complicated by competent authorities' divergent approach towards the implementation of the

Waste Shipments Regulation. In this regard, FEAD welcomes the establishment of common inspection criteria but notes that to facilitate the cross-border movement of wastes, not only the criteria for inspections but also the criteria for the administrative procedures as such should be further harmonised.

4. Decrease the administrative burden on companies and competent authorities

The Waste Shipments Regulation has been identified by SMEs as one of the ten most burdensome EU laws. Electronic systems reduce paperwork and contribute to the simplification of procedures. Moreover, the introduction of an EU-wide data interchange system would solve the problem of incompatibility of existing systems. According to the Stoiber Group, the replacement of manual processing of notification and movement documents throughout the European Union could generate annual savings of up to €44 million.

5. Increase business confidentiality

FEAD reiterates (*see also FEAD contribution to the study's terms of reference of 18 January 2013*) that an electronic data system could solve the problem of business confidentiality related to the application of Annex VII of the Waste Shipments Regulation. Revealing confidential supply relationships raises serious problems for waste management companies. We therefore suggest to identify all parties by a dedicated code. This would guarantee traceability while providing double security in terms of confidentiality: only people entitled to see the information would have access to the electronic system and companies' names would not be revealed.

EUROPEAN COMMISSION SHOULD PREPARE NEXT STEPS

FEAD urges the European Commission to take further steps with a view to establish an EU-wide electronic data interchange. This project should not remain at the study-stage. When drafting a proposal, we invite the Commission to take the following observations into account:

1. The Waste Shipments Regulation leaves enough room to establish an EU-wide solution without further amending the regulation through the ordinary legislative procedure (previously co-decision). **FEAD advises the Commission to make use of its implementing powers according to article 26 (4) of the Waste Shipments Regulation and come up with a proposal for a Decision.** This proposal will have to be discussed with the member states following the Comitology procedure. FEAD believes that this option would set a clear timeline and procedure for the development of an EU-wide solution. The alternative option, proceeding through a member states' agreement in the Correspondents' meetings, provides no guarantee for concrete action.
2. In line with the new provision in the Waste Shipments Regulation, **the Commission proposal should allow member states to join the electronic data interchange system on a voluntary basis.** The Decision would establish the technical and organisational requirements for the practical implementation of the

system, legally binding on those member states who decide to join it. We believe that the advantages of the system will gradually convince all member states to participate.

3. FEAD, supported by other industry stakeholders, believes that **the EU electronic data interchange system should cover not only notification but also information requirements (i.e. Annex VII)**, since the documents related to the information procedure present the bulk of paperwork to be handled by waste management companies.
4. FEAD members recognise that, even though in principle a centralised EU system seems better suited to decrease the bureaucratic burden and to promote the traceability of waste shipments, a solution is better than no solution at all. **A hybrid system, in which existing national systems remain in place, is currently the more feasible option because of the following reasons:**
 - A hybrid system will incentivise member states to continue developing their own systems. Otherwise we risk that countries keep waiting for a European solution which might take years to become operational.
 - The hybrid solution has the advantage that several systems can remain in place, whereas a 'one fits all' solution will be very difficult to find. At the same time, member states that already have a system in place will not face a loss of investments made.
 - A hybrid system ensures a flexible transition period, allowing member states to establish systems at their own pace and to connect to the EU interface as soon as they are ready to do so. This transition period should also make sure all technical issues are addressed, before a country gives up the paper-based version altogether.
5. In order to increase the acceptance of such a system, **the costs of the electronic data interchange should be shared between the European Union and the participating member states**. Member states with limited financial means for this project should be given additional incentives to join the system by enabling them to apply for EU funds. Also Norway and Switzerland have expressed their interest in joining and co-financing an EDI system.

FEAD is the European Federation representing the European waste management industry. FEAD's members are national waste management associations covering 19 Member States and Norway. They have an approximate 60% share in the household waste market and handle more than 75% of industrial and commercial waste in Europe. Their combined annual turnover is approximately € 75 billion.

FEAD represents about 3000 companies with activities in all forms of waste management. These companies employ over 320000 people who operate around 2400 recycling and sorting centres, 1100 composting sites, 260 waste-to-energy plants and 900 controlled landfills. They play an important role in the determination of the best environmental option for waste management problems.