

Statement on issues stemming from the lack of capacity for ultimate residual waste

EuRIC has been informed by multiple recycling operators active in different parts of Europe of strong difficulties in finding outlets for ultimate residual waste treatment and disposal stemming from recycling processes of different industrial and commercial waste as well as of Waste Electrical and Electronic Equipment (WEEE) and End-of-Life Vehicles (ELVs). Shredder light fraction (SLF) having a high calorific value and ultimate residual waste resulting from post-treatment techniques used to minimize the amount of residual waste which can no longer be materially recovered are directly affected. In the absence of current treatment or disposal options respectively in incineration with or without waste-to-energy for the fractions with high calorific value, some recycling companies have been forced to stop their entire mechanical recycling operations, permanently or temporary.

While EuRIC is carrying out an internal survey to map out issues linked to the lack of capacity and obstacles to the acceptance of ultimate residual waste from industrial and commercial waste as well as WEEE and ELV mechanical recycling, it is important to highlight some key elements.

Main factors at the source of problems linked to current issues for ultimate residual waste

The current situation is caused by multiple factors of a different nature:

- **Lock-in effects resulting from long-term contracts** between municipalities and waste incineration facilities with or without energy recovery;
- **High recycling targets in Europe that the recycling industry supports and is eager to meet** but which equally result in larger volumes of residual waste, in particular for the fractions whose processing is complex either because of the intrinsic properties of the material at stake (e.g. polymers) and/or because of the end-of-life products in which they are found (multilayer packaging, small electronics, etc.).
- **Uneven capacity of waste incineration facilities with or without energy recovery in Europe**, as acknowledged by the Communication of the European Commission on *The role of waste-to-energy in the circular economy* (COM(2017)34 final). This uneven capacity results in the **lack of capacity in particular of installations** using as main infeed residual waste with a high calorific value such as refuse-derived fuel (RDF).
The adverse consequences of capacity gaps in certain Member States is the “high reliance on landfill” which is the lowest option of the waste hierarchy and embodies the negation of the circular economy;
- **A surge of waste which was previously shipped overseas** for recovery but which is no longer accepted by third countries (such as China). This waste is thus re-directed towards recycling plants in Europe, generating residual waste after treatment which has then to be treated or disposed in waste incineration facilities or landfills in Europe. This additional waste supply increases the pressure on available capacities left for ultimate residual waste from recycling processes in Europe. Strong obstacles linked to the acceptance of residual waste with high calorific value from industrial & commercial, such as SLF, waste by waste-to-energy facilities either for commercial reasons, legal obstacles and/or lack of capacities.

Preliminary recommendations

There are two types of preliminary recommendations, short term and medium to long-term:

Short term recommendation

- EuRIC urges public authorities to ease the access to waste to energy or disposal facilities for ultimate residual waste from industrial and commercial waste, WEEE or ELVs such as to prevent extreme situations where recycling facilities have to stop operating because of the absence of foreseeable outlets.

Medium to long term recommendations

- EuRIC calls for continuous support to material-efficiency eco-design requirements so as to enhance complex products' recyclability and minimize residual waste;
- Incentivize state of the art post-treatment facilities to minimize the amount of residual waste from recycling processes by for example lowering landfill or incineration taxes applicable to waste having undergone post-treatment processes;
- Enforcement of waste separate collection so as to prevent compromising quality at collection stage due to cross-contamination;
- Foster a fact-based discussion on waste-to-energy capacity needs based on currently established recycling targets for household waste, ELVs and WEEE as wells as foreseen levels of recycling for commercial and industrial waste. Such a discussion must reconcile two imperatives: i) prevent overcapacity primarily in waste incineration of household waste with lock-in effects which are detrimental to recycling while ii) ensuring that the current cyclical lack of capacity for ultimate residual waste with high calorific value from recycling operations does not become long-term structural ones, which would otherwise represent an obstacle to the attainment of recycling targets.

For further information, please contact: euric@euric-aisbl.eu

Through its Member Recycling Federations from 20 EU and EFTA countries, EuRIC represents today over:

- ✓ 5,500 companies generating an aggregated annual turnover of about 95 billion €, including large companies and SMEs, involved in the recycling and trade of various resource streams;
- ✓ 300,000 local jobs which cannot be outsourced to third EU countries;
- ✓ An average of 150 million tons of waste recycled per year (paper, metals, glass and beyond).

Recyclers play a key role in a circular economy. By turning wastes into resources, recycling is the link which reintroduces recycled materials into the value chains again and again.