

## 2<sup>nd</sup> stakeholder workshop on waste market distortions

**Organised by the European Commission in cooperation with Arcadis and Trinomics  
16 November 2015**

### General information

- The 1<sup>st</sup> workshop focused on identifying problems, this workshop aimed at finding solutions.
- The study will be used as a first input for the revision of the Waste Shipments Regulation (WSR) which the Commission has to carry out by 2020.
- It only deals with intra-EU shipments.
- The 7 case studies (see agenda and presentations) presented at the workshop are close to being finalised.
- 3 further case studies will be conducted on:
  - EU: distortions generated by the WSR (notification procedure);
  - IT: restrictions on waste shipments between regions in Italy (proximity principle);
  - EU: administrative issues occurring when a waste shipment has to go through a transit country.
- The consultants have to finalise the study before the end of this year, after which the Commission will decide about its publication.

### Open forum discussion – SUMMARY

#### **1. Waste Schengen area**

*Could a “Waste Schengen area” be a solution for distortions caused by transfrontier shipment provision on intra-EU shipments? What should be the properties of such a solution? Which waste streams are to be included or excluded? Should we reinforce the borders of such a waste Schengen area?*

#### **FEAD:**

- A waste Schengen area can only work properly between Member States with equal treatment levels. This is by far the case today.
- Even for green-listed waste there are still different interpretations.
- The administrative burden related to shipments should be cut but in a controlled way.
- The aim should never be to build a wall around the EU. Waste is a global commodity.
- The Commission should come up with pull measures in the Circular Economy Package. China has reduced VAT on secondary raw materials, this should also be considered in the EU. If there would be more demand in the EU there would be less need for export.
- Recycling should remain an economically viable business.

#### **Eurometaux:**

- Yes, we need to facilitate intra-EU shipments but we should combine it with other policies e.g. smart specialisation (<https://ec.europa.eu/jrc/en/research-topic/smart-specialisation>).
- There needs to be a link with quality treatment: shipments needs to be facilitated but maintaining control is crucial.

- The principle should be free but fair trade. We need a level-playing field. Certification will help to achieve the same standards.

#### ISWA:

- We should call it a Schengen area for secondary raw materials, not just for waste, in order to get the right market price for the material. If the material is of high quality it will find a buyer.
- We should look at materials to see how we can increase recycling. Anything which can help secondary raw materials reach their potential is good. Both push and pull measures are needed.
- The conditions for this are: level-playing field, transparency, and we need to look at what the benefits are for society.
- We need to agree on quality standards (throughout the entire value chain) and promote market uptake of secondary raw materials, starting with organics. End of waste has not worked so far.

#### An equipment manufacturer:

- We need certainty on what is required as output material. Quality standards are needed for collection, sorting and treatment.

#### European Recycling Platform:

- A waste Schengen area could create the much needed economies of scale for given pieces of equipment.
- We need uniform inspection and treatment standards.

#### Municipal Waste Europe:

- Calling it a waste Schengen area is redundant as we already have a customs area, but what we can add is quality and reducing VAT.
- Funding should be targeted at municipalities to promote quality (separate collection and sorting).
- We should not try to keep waste within borders. What is crucial is accessing waste material where it arises and to ensure quality.

#### Spanish federation:

- Also shipments within countries create problems.
- The use of the material (which may be different in different countries) should be covered in the waste Schengen area.

#### European engineering association:

- We need CEN standards.

#### Agoria (Belgian trade federation):

- Do we really need a Schengen area for waste? Free movement of waste is a fact, the necessary legal measures already exist. We should focus on implementing existing regulations (e.g. use instruments such as pre-notification, tacit consent).
- Exports of waste are linked to a lack of level-playing field. Only certified installations should get access to waste material.

#### Someone from the UK:

- Once you have your Schengen area, how will you incentivise those outside of the EU to meet the criteria?

#### Eurits:

- A free movement area will move waste to the cheapest treatment option instead of the best quality treatment.

European Environmental Bureau:

- Waste should be treated before it is shipped (MBT or sorting as a minimum).

Someone from Spain (Barcelona):

- A waste Schengen area should be combined with certification for waste treatment facilities at EU level.
- In addition, we need an electronic system for notifications, a tax for the distance covered (CO<sub>2</sub> emissions), a helpdesk at EU level to assist the authorities and EU funding for innovation.

European Biogas Association:

- Organics usually do not travel far but there is cross-border trade.

Hazardous Waste Europe (see also e-mail of Nicolas Humez after the workshop):

- The focus should be on the implementation of existing rules. Competent authorities should stick to the deadlines laid down in the WSR.
- All Member States are part of the Basel Convention. How can you have a Schengen area within that framework?

## 2. Legislation

*Where could legislation be amended and improved to ensure the effective functioning of waste markets within the EU?*

FEAD:

- Gate fees and taxes (at national level) for incineration and landfilling are important to make sure recycling can compete.
- There needs to be a surveillance mechanism. The fact that the Commission looks into waste management plans together with the Member States is good. But also EU funds should be used in line with the waste hierarchy.
- The Polish case study talked about municipalities but they do not have the money to invest in quality sorting and recycling. Private investment will be needed but this can only happen if waste management companies have legal certainty and access to the waste materials.
- Public procurement needs to ensure open tendering.

Someone from Spain (Barcelona):

- The current Waste Framework Directive (WFD) is not adequate for industrial symbiosis.

BDE:

- Comment on the case study dealing with the proximity principle: one of the recommendations to the Commission should be that recycling should be cheaper than landfilling and incineration.

Expra:

- The waste statistics we have are unreliable and not comparable, hence they are not a good basis to set new targets.

SRI:

- The definition of MSW in the WFD should be deleted. We should talk about the raw materials we are collecting and recycling. We should not close markets by calling them "municipal".
- There are monopolies on both ends in Sweden: regarding the collection and treatment of MSW and because municipalities own all the incinerators. They have an advantage due to the revenues they get from selling the heat.

Cembureau:

- The cement sector has to surrender CO<sub>2</sub> allowances for waste-derived fuels whereas the waste sector is not covered by the EU ETS system.

Someone from Sweden:

- We should not forget producers and consumers (increase recyclability and change consumer behaviour).

Eucopro:

- Legislation/definitions should be interpreted in the same way. Statistics are very important for our sector.

Eurometaux:

- We need a clarification of the definition of recycling and the calculation method.
- We should move from waste to resources management.
- Art. 27 of the WFD makes it possible to adopt quality standards for treatment but only for those areas not covered by the Industrial Emissions Directive: this condition should be scrapped.

Digital Europe:

- Same treatment standards are important.

### **3. Implementation**

*How could implementation of existing legislation be improved, e.g. within Member States; or through Commission guidance where needed?*

Stena:

- Guidance is needed on how to use the end of waste criteria at national level. Then single local decisions on EoW can be used as examples for the EU.

Norsk Industri:

- Better enforcement of state aid and public procurement legislation is important, as is better guidance on Annex VII of the WSR.

Agoria (Belgian trade federation):

- An impact assessment should be carried out of the administrative burden of the WSR.
- For classification conflicts, a clearing house at EU level should be established to resolve different points of view between Member States.
- An enforcement forum similar as that for REACH should be established for waste (there is IMPEL but it is not mandatory).

Municipal Waste Europe:

- We need clear definitions and complete transparency on data and how waste management is financed.
- We need to keep in mind that the WFD only covers 10% of the waste.
- Communication between Member States needs to be improved. Best practices on implementation could be shared funded by the regional funds.

CEPI:

- Need for separate collection. The Commission should enforce this better and not just provide guidance.
- The industry needs to get organised along the value chain and enter into a sectoral dialogue.

Peter Wessman (DG Environment) confirmed that the Commission is interested to have a structured dialogue with Member States and stakeholders.

## **Conclusion**

The consultant concluded that these were the main points for which action is needed:

- Quality
- Transparency
- Support to operators and Member States
- Treatment facilities/certification
- Harmonisation
- Importance of pull measures
- Quality of data
- Legal certainty for investments
- Public procurement
- EPR
- Link with other policy areas
- End of waste
- Enforcement, role of IMPEL
- Classification, clearing house to resolve conflicts
- Waste is more than MSW
- Level-playing field