

# Explanatory note based on Cefic position paper on Waste Shipment Regulation to support our reply to the public consultation

Cefic supports the EU Green Deal and Europe's ambition to go climate neutral by 2050. The European chemical industry sees itself at the heart of Europe's circular economy, as outlined in Cefic's <u>Mid-Century vision</u>. By transforming waste into valuable, new raw materials, the chemical industry performs a crucial role as recycler of the circular society.

Cefic believes that Europe should update its policy framework to foster the emergence of a truly functioning Single Market for Waste to progressively transition from a waste-oriented to a resource-oriented European society. With this in mind, Cefic recently published the <u>Circular Economy 2.0</u> and the <u>chemical recycling</u> position papers along with a position paper to support the <u>Waste Shipment Regulation roadmap</u>. This explanatory note is complementary to the position paper on the Waste Shipment Regulation to the roadmap and aims to detail the challenges identified by industry and potential ways to tackle them, through:

### 1. Creation of a safe and dynamic market for waste to secondary raw materials

Cefic supports the creation of a safe and dynamic market for waste to secondary raw materials which is key to facilitate the transition to a competitive European circular economy. We highlight the long-lasting commitment of the EU chemical manufacturing industry to adopt and implement the highest operational excellence standards and procedures such as the Cefic Responsible Care® management framework. We foresee the need for reducing the cross-border administrative burden that limits the circulation of waste streams destined for recovery and recycling throughout Europe. This can be done by improving the logistic requirements of Waste Shipment Regulation (WSR) to ensure an efficient application process, to speed up the transboundary shipment of waste to be recovered and to also speed up the access to market for potential recyclable material.

### 2. Digitalisation

Cefic supports the full digitalisation of the Waste Shipment Regulation procedures in a harmonised way to reduce the administrative burden for industry and authorities, increase the visibility of information, and improve the efficiency and smooth operation of the waste shipment system in practice. Increased digitalisation has also an important role to play in improving implementation and enforcement across Member States.

### 3. Simplification of procedures

Simplified documentation wherever possible would help to improve the quality of documentation relating to the waste shipment without hampering the efficiency of the process. For instance, concerning the prior informed consent several issues exist in practice, including: administrative errors, language barriers, and lack of harmonisation of Annex II part 3 of the WSR on the requirements for additional documentation and pre-approved status.







- Some issues could be solved if the English documents were accepted by all Member States. Quite
  often authorities still require the translation of documents into their own official language. This
  causes additional costs and extends the processing time. Furthermore, nuances and exact meaning
  may get lost in translation.
- An EU guidance document could help to achieve a harmonised application of the requirements. Annex II, part 3 lists the additional information and documentation that may be requested by the competent authorities when examining an application. The scope of documents that must be submitted with an application differs significantly between authorities even on an intranational level and in some cases for identical waste. E.g. some competent authorities require the waste producer to submit a list of license plates of the vehicles the carrier will use, while others do not. This leads to delays, an additional burden for companies and hampers the level playing field.
- Pre-consent authorisations are often granted for time periods that are too limited and should be extended, e.g. by defining a fixed period of three years instead of a maximum of three years in Art 14(2). Also, applications for the recovery in facilities in possession of a pre-consent according to Art 14(1) must be processed by the competent authorities quickly within a limited timeframe. Currently, many of the recycling companies have the pre-approved status, but some competent authorities still do not consider it, which leads to shipment delays.
- Rethinking the financial guarantee provisions/obligations could improve the efficiency of the shipment process. We support a re-evaluation of options available to determine the most appropriate mechanisms whilst ensuring that additional costs are not placed upon responsible operators as a result of issues unrelated to the operator's own shipments.

## 4. Harmonised interpretation and implementation of WSR

The development of a guidance for the harmonised interpretation and implementation of WSR is needed to ensure the level playing field in the establishment of the circular model for waste. A consistent interpretation of end of waste by all Member States would improve the freedom of movement of materials within the EU. However, we would like to highlight that WSR is not the right instrument to solve the issues originating from other legislations (e.g. interpretations and classification of hazardous and non-hazardous waste, end of waste criteria, etc). The Waste Framework Directive (WFD) is the appropriate legislation for this. Having separate definitions under the WSR will create confusion. Establishing threshold values can be a challenging exercise. Based on our experience with EU Persistent Organic Pollutants (POPs) Regulation we encountered analytical techniques either costly or not available, and that different waste management technologies can treat waste at different thresholds. It would therefore be contentious to identify the right threshold for each waste/substance.

### 5. Promotion of innovative technologies

We believe the revamped WSR should be instrumental to promote the development of a network of innovative technologies for recovering and recycling valuable wastes within Europe, while also preventing illegal export of waste outside the EU, and better protecting European businesses against the illegal trade of wastes.

The current WSR limits the testing and trial of new technologies. E.g. currently a notification is required to ship a sample of waste material of over 25kg. To promote the development of innovative technologies, e.g. those enabling chemical recycling, the WSR should reduce the regulatory administrative burden associated







with the shipment of sample materials for testing of recovery processes by increasing the limit to enable effective testing by the pilot plant.

### 6. Free and safe movement of waste in the context of Basel Convention

In the spirit of a global circular economy, recoverable wastes are a resource and should not be subject to export bans as a matter of principle. We therefore support the free movement of all wastes for recovery, inclusive of the third countries, provided that those countries can handle and treat waste safely and can thus ensure the protection of the environment and human health.

For example, currently the competent authorities in the Netherlands allow the tire chips to be shipped for recycling to Morocco; friction cords are shipped from EU to Sri-Lanka for recycling, to be used as feedstock in the production of solid tire. If a ban is introduced on the export of all waste to non-EU and non-OECD countries without an exception for the safely handling and treatment, these recycling opportunities will disappear.

The EU should support cooperation through the relevant international bodies and agencies to improve enforcement and to help achieve the environmentally sound management of waste in third countries through projects and cooperation at bilateral, regional, and global levels, notably through the Basel Convention, World Customs Organisation, UN office on Drugs and Crime and Interpol.

We would like to highlight that some aspects of the amendments to the Basel Convention could potentially delay import and intra-EU shipments of plastic wastes, impacting the maximum capacity utilisation of European recovery and recycling plant(s). We would therefore ask the Commission to keep the current WSR requirements for non-hazardous plastic wastes, provided they are destined for recovery and recycling upon arrival at the importing EU Member States ensuring an easy movement of those wastes across the EU.

Cefic also supports the European Commission's aim to negotiate bilateral agreements with other European Economic Area (EEA) Member States, the UK and other countries to facilitate the transboundary shipment of wastes. A positive outcome would ensure access to a stable, abundant and affordable feedstock which is a prerequisite for industry to scale up innovative solutions, such as chemical recycling technologies.

Cefic is looking forward to sharing its ideas and exploring potential policy solutions with the European Commission and stakeholders in due course.

# Cefic statement of COVID-19 crisis

While contributing to this consultation we are very aware we are experiencing unprecedented times, with events none of us have lived through before. Many governments and institutions around the world are taking major actions to address the Covid-19 crisis, and introducing large-scale policies which will have significant impacts for years to come. We will continue to support Europe's Member State governments and institutions in their efforts to overcome the socio-economic impacts of the crisis. When investing in the future, industry, governments and institutions will have to ensure investments align with the policy targets of a climate neutral Europe by 2050. All this also means that the attractiveness of Europe as a reinvestment destination, and re-shoring industry back to Europe, will depend more than ever on a favourable policy framework that manages ever-growing differences between the world's regions. We look to the European Commission to undertake the appropriate assessments and to include these wider considerations in the future framework that will be developed.







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### **About Cefic**

Cefic, the European Chemical Industry Council, founded in 1972, is the voice of large, medium and small chemical companies across Europe, which provide 1.2 million jobs and account for 16% of world chemicals production.



