



Improving Waste Shipment Regulation to facilitate Circular Economy in EU

This paper concerns challenges posed by an outdated Waste Shipment Regulation where companies struggle with inconsistent rules and fragmented enforcement within EU Member States.

CONTEXT

Businesses across Europe are fully engaged in maximising the value of materials, transitioning to circular business models and achieving a circular economy. This can best be achieved through a functioning market for secondary raw materials (SRMs) and circular products. Several challenges and untapped opportunities still remain to create such a market.

One such challenge is the outdated Waste Shipment Regulation (WSR)¹ that hinders the creation of a functioning market for SRMs by making the transport of waste across Member States difficult and expensive. It causes significant inefficiencies in the field of international waste management, including for products destined for remanufacturing and refurbishment. It is also problematic for smaller Member States for which national recycling facilities are expensive.

LEGAL FRAMEWORK

The WSR lays down procedures for shipments of waste for intra-EU trade and between EU member states and OECD countries to prevent issues with uncontrollable waste transport. It includes a ban on exports of hazardous waste to non-OECD countries as well as a ban on the export of waste for disposal. A revision of the rules on waste shipments is ongoing as part of the new Circular Economy Action Plan, however this is mainly focused on ensuring that the EU does not export its waste challenges to third countries. This will aim at restricting waste exports which may have harmful environmental and health impacts and third countries, as well as illegal exports and illicit trafficking. These issues should indeed be addressed but should be complemented with the issues outlined in this paper.

¹ Regulation (EC) No 1013/2006 of the European Parliament and of the Council of 14 June 2006 on shipments of waste, OJ L 190, 12.7.2006, p. 1.



Showcasing Single Market problems - under existing EU legislation

IN PRACTICE²

Garment and furniture companies experience that it is too complex and too expensive to reprocess their secondary raw materials. During the production processes, these sectors create leftovers such as textiles fabrics, scraps, or other semi-finished products. The leftover percentage may change significantly between 3% up to 21% depending on the degree of efficiency applicable, the materials cost and other variables. Currently, these leftovers are treated as waste and disposed or used in other production, however the costs and process to treat leftovers severely limit the potential of their re-use. Secondary raw materials such as recycled fabric should be viewed as a resource and not waste to encourage Circular Economy.

HOW TO ACHIEVE BETTER RESULTS

A comprehensive revision of the WSR is necessary to ensure appropriate management of hazardous waste and avoid illegal routes, as well as improving access to non-hazardous waste for recycling and recovery. Better results can be achieved by minimising the administrative burden for trading high-quality secondary raw materials by:

- Improving the access to waste for reuse, recycling and recovery to facilitate the transition to a circular economy by **allowing the free movement of non-hazardous waste destined for recovery** and reducing unnecessary administrative requirements. For example, by **reducing time required to authorise shipments and exploring the opportunities of digitalisation** (e.g. switching from a paper-based system to an electronic one).
- **Minimising fragmented enforcement within EU Member States** and make sure that transportation of waste in the EU is regulated and handled in the same way. BusinessEurope encourages the **development of guidance** that clarifies the implementation in different countries and the links between the different types of legislation. Logistics of the companies should not be dependent on national borders.
- Making transportation of waste for reuse and recycling less burdensome, both economically and administratively. For example, by **clarifying and harmonising definitions and criteria on recycling, recyclability, reusability and closed loop at EU level** and aligning them with existing EU legislation to create a genuine Single Market in this area (and where possible with international standards). If these issues cannot be dealt with under the WSR, they should be taken care off as soon as possible because they have important effects on the WSR's workings.
- Keep high **quality and transparency in waste shipment. A regulatory framework should be set up to import secondary raw materials** from regions without ambitious recycling systems. These waste imports should have a clear purpose: to feed into the circular economy and be used as valuable raw material for European products.

CONTACT INFORMATION

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² For more examples, please visit www.circularity.eu