



Fédération Européenne des Activités de la Dépollution et de l'Environnement  
European Federation of Waste Management and Environmental Services  
Europäische Föderation der Entsorgungswirtschaft

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## **Revision of the Thematic Strategy on Waste Prevention and Recycling – FEAD position paper**

FEAD welcomes and supports the thematic strategy as a forward-looking strategic framework to build on the key drivers identified in the strategy. The existing legislation already allows a large measure of sound and efficient answers to most of the issues raised in the thematic strategy. Hence, our priorities with regard to removing barriers impeding our movement towards a recycling society and achieving a competitive, connected and greener economy are:

- To ensure that all member states work towards the aims as set in European waste legislation, thereby establishing a comprehensive and level playing field for the harmonized implementation of the existing legislation;
- To encourage standardization (for example of definitions), in conjunction with new legislation under the “better regulation” initiative, to reinforce the constructive dialogue between stakeholders and all regulators at the EU and national levels.
- To learn from the current discussions aiming at defining EoW criteria for priority waste streams and to align the requirements of the REACH regulation with waste legislation within the framework of these discussions. The financial burden put on recyclers as a result of REACH should also not contradict initiatives at EU level to boost recycling.
- To recognize that waste legislation and especially waste management responsibilities at national level have a clear impact on market neutrality between public and private companies. Fair access for the private sector to waste management contracts is essential for European competitiveness. Waste management is a particular industry sector which provides services of general economic interest. In order to have a strong internal market for waste management services, fair competition needs to be guaranteed.

### **Promoting improvement**

While waste prevention has been a recurring theme in waste Directives since and including 75/442/EEC, it has remained a neglected policy area in virtually all Member States, relative to policies targeting the end of the value chain. The increased emphasis on waste prevention in the thematic strategy and subsequently in the revised Directive 2008/98/EC is therefore to be welcomed, especially when required to be supported by explicit policy and planning programmes.

The need to decouple waste generation from economic growth is particularly important, especially considering the need to close the raw material cycle. It is significant that for the first time, waste prevention is explicitly linked both to the use of primary resources and to the generation of waste further down the production and consumption chain.

At the heart of deliverable policies on waste prevention lies an understanding of resource flows into and out of the economies of the Member States. Because primary resources and products move between Member States and are also subject to international trade, it is imperative for Member States to have a common

APOH, Slovakia  
ARS, Romania  
ASEGRE, Spain  
BDE, Germany  
CAOH, Czech Republic

DWMA, Netherlands  
ESA, UK  
EWMA, Estonia  
FEBEM-FEGE, Belgium  
FISE, Italy

FLEA, Luxembourg  
FNADE, France  
IWMA, Ireland  
KSZGYSZ, Hungary  
LASUA, Latvia

PASEPPE, Greece  
PIGO, Poland  
SRI, Sweden  
VÖEB, Austria  
YYL, Finland

understanding of these flows, against which meaningful resource conservation and waste reduction targets can be set. European guidance concerning what is quality recycling and EoW for recovered streams is therefore extremely important.

Waste policy has been moving towards the direction of becoming more material-specific, linking natural resource use with the output and feedback loops of emissions, waste and recycling. It is clear that waste management will eventually be subsumed within broader umbrella policies concerning resource and energy management, a course that is beginning to take shape in the EU through the thematic strategies. Waste companies are increasingly becoming suppliers of raw materials for recycling and energy recovery purposes. This transition can be further strengthened by the European Commission.

The European Commission must set a common framework within which to coordinate the collection of data and setting of waste prevention/reduction targets. We recommend that the European Commission develops and requires Member States to apply common methodologies, measurement systems and indicators. A number of Member States use Material Flow Accounting to characterise their national resource flows, but as yet this information is not coordinated at EU level, nor is it linked to waste policy. Waste-related performance indicators (material-specific recovery and recycling rates, use of renewable energy, etc) must ultimately become embedded within a higher-level Material Flow analysis.

The improvements that such a waste-flow framework would provide are significant. Firstly, it would enable the European Commission to appreciate how intimately the waste management sector is (or should be) connected with the wider economy. It would also help the European Commission to visualise how the right policies can strengthen these connections to meet the objective of a greener, more sustainable economy, and where these policies might be applied up and down the value chain.

We append a visual representation of the circularity of this wasteflow framework in Appendix 1.

### **Trends in waste prevention**

While individual sectors demonstrate rising or falling trends over time, total waste generation in the EU (all sectors) appears to be on the rise. However, in the absence of clear policy objectives, consistently applied hard targets and poor waste arisings data for many sectors, too much cannot be read into these trends for waste generation. Notwithstanding the performance of individual sectors in terms of total waste generation or generation intensity, it is more definite that waste generation has consistently fallen below GDP growth in virtually all EU Member States over the past few years, and in all waste categories. This is an encouraging sign.

The production of waste and the overall aim of decoupling waste production from GDP growth is being achieved by taking a quantitative approach on waste matters. More and more waste companies are focusing on becoming suppliers of raw materials, and are thereby re-introducing primary sources into the production chain. The material is brought back into the chain of production and consumption again, thereby substituting primary raw materials which had otherwise to be used. The EU has recently adopted the WFD and in this directive a clear push is given to developing and strengthening this transformation from waste companies towards suppliers of raw materials. We appreciate that prevention of waste can be perceived as being always more desirable than the highest standard of recycling. Nonetheless, waste will always be produced and therefore the main target of the strategy should be the reduction of the use of primary raw materials hand in hand with the optimal use of materials derived from waste.

Only when the waste prevention plans formally required by the Directive are submitted and assessed by the European Commission will it be possible to say more precisely what hard targets each of the Member States have proposed, and what supporting legislation will be enacted.

However, we are optimistic that with the formal inclusion of waste prevention as an objective in Directive 2008/98/EC, per capita waste generation in the Member States will converge over time to a lower level – the greatest effort is required in the EU-12. Decoupling waste generation from GDP has generally been achieved in most Member States in relation to the major waste streams, and we would expect that trend to continue with the ongoing implementation of Directive 2008/98/EC and other upcoming initiatives.

### **Broader environmental impacts associated with waste**

Waste management activities are already one of the most tightly regulated industrial sectors. Certainly in relation to waste-related processes themselves, we see the continuing development and deployment of BAT Reference Documents and the continuing diversion of wastes from landfill into enclosed and more controlled treatment processes, resulting in diminishing the overall environmental impact. However, “new” impacts may arise where the by-product status is awarded to a broader range of materials without the corresponding controls in place to ensure integrity of the product itself and the *bona fides* of the cross-border movement of these materials.

### **Uptake of re-use and recycling**

In general, Northern European Member States have higher recycling rates than the rest of the EU, and it is arguable that these rates have by-and-large reached a plateau; further significant increases in recycling will most likely only be achieved at the expense of disproportionate costs.

On the other hand the remaining Member States are in the process of developing alternative waste treatment facilities to accept the waste diverted from landfill. We see the general trend in recycling rates in these Member States to be upwards. Combating climate change will in any event require more recycling, more energy recovery and less landfilling, reinforcing the trajectory of resource- and waste-related legislation.

### **Shifts in disposal options**

With the waste hierarchy firmly embedded in EU legislation, we see a continuing trend towards moving waste management in the direction of more environmentally sustainable options. Climate change strategies as they relate to resource management and waste management in any event reinforce the environmental logic of the waste hierarchy.

This shift, essentially from low-cost landfill to higher-cost treatment options, will require significant capital outlay in new infrastructure. This in turn will shift the business model for the sector from a gate-fee driven disposal business to a value-added market-driven business, centred on trading in recyclates and recovered energy. In order to foster the development of this process, the implementation of common minimum standards for recycling is a necessity.

### **Trends in the shipment, export and import of waste materials**

Clearly the intention of the thematic strategy is to facilitate a European market in recovered goods, and to this extent the trend in exports and imports of materials will continue. However, to date the major European

export has been of lower-grade material to Asia and the Far East, for recycling. With the economic recession this market has all but ceased – the emphasis is more on quality, which in turn will drive European waste managers to change their logistic and processing activities accordingly. Overall, this may result in a re-balancing of the import-export dynamics, with higher grade recyclates being produced initially for the domestic market and after that for the export market.

### **Trade in secondary raw materials**

We see this trade generally increasing, but as yet the policy drivers are not wholly in place to maximise the use of secondary raw materials in the general economy. For example, a combination of raw material levies and a reward system for the use of secondary raw materials would incentivise manufacturers to turn preferentially to recyclates and energy-from-waste for their process inputs. Reward mechanisms exist for the use of renewable energy, but these mechanisms are absent in relation to the incentivisation of the use of secondary raw materials.

## **FEAD RECOMMENDATIONS FOR THE REVISION OF THE THEMATIC STRATEGY ON WASTE PREVENTION AND RECYCLING**

The EU waste policy landscape has now become extremely complex, with several cross-cutting and inter-linked themes located in different agendas – climate change, sustainable development, lead markets, the other thematic strategies, Industrial Emissions Directive, etc. Until these various strands are brought together under an “umbrella” strategy for resource management, the impact of the Thematic Strategy on waste prevention and recycling on resource management *per se* will be limited.

FEAD believes that with the intended review of the present Thematic Strategy, the European Commission has an opportunity to bring together many of these policy strands into a coherent articulation of waste strategy in the overarching context of resource management and climate change. Accordingly, we suggest 16 recommendations arranged into three sets, which are designed to bring together the diverse policy strands that currently exist under the framework of the “circular economy” depicted in Appendix 1.

### *A. Stimulate the demand-side for recycled materials*

According to the “Flash Eurobarometer” *Europeans’ attitude towards the issue of sustainable consumption and production*, 80% of EU citizens feel that a product’s impact on the environment is an important element when deciding which products to buy. However, 45% admit that they are not fully aware or know about the most significant impacts on the environment of products they buy or use, and 40% of EU citizens believe that a voluntary environmental “code of conduct” for EU retailers is a good idea, whereas the same proportion believes that binding legislation would be more effective.

These statistics shed light on a growing collective awareness of climate change, and that demand for green products can be a key lever for building up a sustainable economy. Nonetheless, these facts also emphasize that this lever should be operated foremost by public authorities and that an important effort towards public information must be undertaken. As “green consumption” can enable to foster eco-friendly production schemes and as consumers have to take an active part in the needed “effort-sharing”, the demand side of a circular economy should be further prompted to allow for resource preservation.

Manufacturers and industries should also be incentivised to replenish depleted raw materials and to furnish their energy needs by means other than by tapping into the natural environment. High quality and

environmentally sound secondary raw materials issued from appropriate waste management as well as renewable energies - amongst which energy from waste – are efficient solutions that ought to be fostered.

The supply of high quality secondary raw material (SRM) is a pre-condition to making recycled products a more attractive prospect in the market place. To this end, it is important to stabilise the demand for SRMs on a long-term basis and to promote sustainable resource efficiency. In this regard, the European Union and Member States should also provide instruments and regulatory measures at both levels to further strengthen the demand side. This means that, for example, it should be obligatory to use a specific amount of secondary raw material in products. Another point could be the mandatory preference of secondary raw material in public procurement.

#### Recommendations (1), (2), (3), (4), (5) and (6)

- 1. Introduce mandatory green public procurement targets. Based on an equal performance, it should be mandatory to give preference to secondary raw materials in public procurement**
- 2. Develop, extend and apply eco-labelling on an EU-wide level playing field**
- 3. Extend the scope of the Eco-design directive to all products, and not only to energy related ones**
- 4. Assess the need and the potential benefits and drawbacks of introducing minimum levels of recycled materials in manufacturing industries**
- 5. Incentivise the use of “green” fuel**
- 6. Develop common minimum standards for recycling**

*B. Send accurate price signals to the industry and consumers to bolster “green” production and consumption schemes*

According to the “Flash Eurobarometer” *Europeans’ attitude towards the issue of sustainable consumption and production*, 60% of EU citizens rate environmental impact as more important than a product’s brand name in terms of influencing their product purchasing decision, only 19% believe that this impact is more important than price.

Moreover, the European Environmental Agency recently called for the EU to implement “ecosystem pricing” of goods and services, stating that the “current price of goods and services does not reflect their impact on the ecosystems that sustain them”. Thus, inclusion of the overall life-cycle costs in the price setting process can pave the way for an efficient enclosure of sustainable thinking in all consumption, and above it production schemes.

Two main objectives must be followed in that regard:

- Internalise the costs of manufacturing, packaging and distribution of products or use recycled materials and renewable energies to “green” the production processes;
- Promote, by means of fiscal and economical measures, the production and consumption of “green” products.

Recommendations (7), (8), (9), (10) and (11)

- 7. Embed resource flow/environmental accounting, to monitor and manage resource inflows/outflows, materials passing through the waste economy, and allow for a sector specific mapping of resource use. Link up key waste streams with key materials to allow for strategic planning to monitor and manage inflow, outflows and stock levels of natural resources.**
- 8. Set up methods for the evaluation of the environmental burdens associated to primary resource extraction, procurement and conversion to allow for fair competition between primary and secondary raw materials.**
- 9. Introduce cost-effective fiscal measures to industries that work with sustainable production schemes, finance R&D focused on developing clean and sustainable manufacturing, packaging and distribution schemes and reward industry for reducing their environmental footprint through the use of recycled materials and renewable energy.**
- 10. Offer fiscal incentives on “green” products for consumers. VAT reduction, special loans or bonus schemes can help to encourage sustainable buying behaviour and must be supported.**
- 11. Start up R&D programmes in collaboration with partners from the waste sector and production sector to close the raw material chains and become more eco-efficient in using raw materials.**

C. *Provide for a better organisation and planning of the waste management chain to bolster a circular economy*

A circular economy aiming at providing solutions to resource scarcity and resource-related greenhouse gas emissions needs an efficient network organisation and planning to exploit its entire potential.

Appropriate waste collection and source separation achieved through both co-mingled and source-segregated recyclates collections would ensure a high value, quality end-product, as well as provide a potential cost-saving opportunity through better logistics and collection schemes. Energy from waste is also a viable and necessary option for many incineration plants and should thus be encouraged to allow for efficient waste treatment and related greenhouse gas avoided emissions.

Being able to collect, sort and recover waste in an optimal way allows for higher quality and higher performances of secondary raw materials and energy. Thus, in order to achieve a sustainable, circular economy, the following proposals related to the waste management’s organisation and planning should be followed, when technically and economically feasible.

Recommendations (12), (13), (14), (15) and (16)

- 12. Set up sectoral resource and process efficiency benchmarks to maximise the return of unavoidable waste back into the production process. This could, for instance, put the policy’s emphasis on higher embedded carbon products where using recycled material lowers the impact on the environment (eg. plastics).**

- 13. Ensure a proper implementation of the extended producer responsibility principle and incentivise the use of the existing retail infrastructure to roll out product take-back and deposit refund systems for specific products (eg. batteries, plastic and glass drinks bottles).**
- 14. Stimulate individuals to further sort their waste, and promote “green collection” measures such as “green” fuel and eco-efficient collection schemes and means.**
- 15. Align EU waste legislation to the requirements of REACH legislation and adopt REACH-compatible “end-of-waste” criteria to develop an environmentally sound market for secondary raw materials.**
- 16. Allow for an EU-wide harmonized application of the waste to energy “R1 formula”, and encourage the efficient collection of biogas from landfills.**

The depiction of the circular economy in Appendix 1 demonstrates the interconnections and coherence of the recommendations we have made.

*FEAD is the European Federation representing the European waste management industry. FEAD's members are national waste management associations covering 20 Member States. 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 € 54 billion.*

*FEAD represents about 3000 companies with activities in all forms of waste management. These companies employ over 295000 people who operate around 1800 recycling and sorting centres, 1100 composting sites, 260 waste-to-energy plants and 1100 controlled landfills. They play an important role in the determination of the best environmental option for waste management problems.*