

4 December 2020

FEAD position on the draft Correspondents' guidelines on the new plastic waste entries

In the context of the current drafting of the **Correspondents' guidelines on the implementation of the revised Waste Shipment Regulation**, FEAD would like to express its concern over certain provisions included in the draft guidelines. In particular, the **one-size-fits all 2% threshold** of non-hazardous impurities/components to be classified under entry EU3011, applicable to all plastic waste (including waste that has undergone a very first sorting operation only) **raises solid concerns**. We deem that the above-mentioned **2% threshold is too low to ensure the correct functioning of the EU plastic recycling market**, without bringing any advantage in terms of environment protection. Therefore:

- **We ask the Commission to provide solid technical explanations (data) on which this proposal has been formulated, and, to reconsider this threshold. At this stage, we believe that a technical impact assessment is more than ever needed** to formulate a solution that is practical for the waste management industry and does not hamper the smooth functioning of intra-EU recycling markets. Potential thresholds must differentiate according to flow and polymer.
- **The 2% impurity threshold is not justified by the goals of the guidelines nor the objectives of the Waste Shipment Regulation.** The guidelines for intra-EU plastic waste shipments do not aim at fighting marine pollution by restricting exports of mixed plastics that are potentially unfit for recycling. The latter is the aim of the amendments introduced to Basel Convention in 2018. The proposed guidelines are not supposed to restrict intra-EU shipments but improve their legal certainty on what "contamination" means, when operators ship plastic bales from one EU MS to another, in order to accomplish the different steps of the recycling chain. The guidelines should facilitate intra-EU shipments and not make them more difficult. The latter should define appropriate thresholds for shipping plastic waste along the recycling chain, while we see the 2% as an inadequate attempt for aligning waste on virgin materials on end-of-waste materials. In the absence of end-of-waste criteria for plastics, those guidelines should not play this role in this regard. Moreover, considering the suggestion moved in the past by the Commission for a 2% threshold for contamination of plastic waste from other types of waste, we do not deem to extend the same rationale to the current case.

The potential negative impacts on recycling markets and on private waste management companies would be as follows:

- The plastic recycling market and the entire plastic value chain in Europe relies on intra-European shipments of plastic waste. At the current state, **not for every specialised treatment there are enough facilities in each MS**. This is because this would not be economically nor environmentally viable. Thus, transboundary movements play a crucial role to ensure that plastic waste collected in one Member State is safely shipped to another one for material recovery purposes. This is, for instance, the case of Ireland, which exports the bulk of its plastic waste to the UK, a non-EU country from the end of 2020. Ireland currently has very little capacity to reprocess plastic waste after initial sorting. Additional administrative

burden, delays and costs on the export of sorted plastics from Ireland to the UK could have a devastating impact on plastic recycling rates in Ireland.

- Adverse effects can be expected with regard to a larger share of shipments subject to the notification procedure. **The proposed 2% threshold *de facto* qualifies most plastic waste sorted in the EU as subject to the prior-consent and notification procedure.** The latter entails significant administrative burden, delays and costs, while bringing limited additional environmental benefits within the EU.
 - With an entry into force by 1 January 2021, we will not be able to ensure the current shipment schedule, entailing significant economic damage for our sector, already seriously hit by the recent crisis. With this deadline and current notification delays, our members will see some of their shipments of mixed plastic waste – once green listed – now subject to the notification procedure. With this knowledge only acquired late November 2020, it will take our members approximately one year to complete notification procedure for a single shipment. Considering the current system in place – which needs solid restructuring, this will entail consistent delays, and costs (e.g temporary storage). We take here the opportunity to stress the need for a fundamental restructuring of the notification procedure, to allow for reduction of delays and administrative burden.
 - Additional costs and delays are not economically sustainable for small-to-medium size enterprises in the waste sector, which are at the core of Europe's economy. To give a more concrete picture of what the proposed 2% thresholds as amount of polymers content in a consignment of plastic waste means in terms of notification costs, for a medium-large enterprise based in Germany, this will mean a new procedure for approximately 900 shipments under EU3011, with financial guarantees amounting to 9 million euro.
- Moreover, **FEAD calls upon the Commission to clarify and provide a definition of “impurities”.** In the current draft, it remains unclear what is considered under the concept of “impurity”. In particular, in Appendix III, colour seems to be considered an impurity. On a technical note, the “moisture free” requirement will prove tricky for bales from a technical point of view. Moreover, we would like the guidelines to clarify how to measure “moisture free weight”. For instance, for bales of PET bottles, we wonder whether it will be necessary to dry the water mass to determine the dry fraction (rather impracticable). Additionally, we believe that “odourless and unblemished” (par. 42) is difficult to achieve for plastic packaging waste (under B3011), due to the lack of techniques able to remove all odours from polymers.

Moreover, for shipments outside the EU, we believe clarifications are needed with regard to the 2% threshold. In particular, it should be pointed out whether the 2% threshold takes into account labels (contamination of different waste) and how the weight of the small parts, for instance the plastic ring around a PET bottle's necks, which is made out of different plastics (contamination of different polymers) can be counted.

- On a procedural note, **we question the very short consultation period during which the draft guidelines have been subject to consultation.** Given their pivotal importance on the whole recycling sector, any threshold must result from a robust assessment of its feasibility and impact.

This needs to be done keeping in mind the goal of the guidelines, which is not to directly protect the environment, but to set up clear and legally certain rules for intra-EU waste shipments. Our industry welcomes rules, provided they are applicable and fit-for-purpose. Therefore, **as above-mentioned, we urge the Commission to conduct more in-depth consultations on the matter, together with a proper assessment of the potential effects of the measures proposed regarding its aims.**

For these reasons, **we believe that the postponing and/or the potential introduction of a transition period (approx. 12 months) should be strongly considered, to allow companies to adjust to these changes.**

- For what concerns the current status of the UK, we call upon the Commission to maintain the status quo in the UK for at least a transition period of 12 months as of 1 January 2021. This is because some Member States, such as Ireland, do not have the internal capacity to treat mixed plastic waste and large quantities are shipped to the UK for recycling.

In conclusion, **we call the Commission to conduct a proper impact assessment on the potential impact of the above-mentioned guidelines together with an appropriate consultation that allows stakeholders to provide technical input and data on the foreseen measures. At this stage, it remains obvious that there is a crucial need to reconsider the relevant paragraphs in the draft guidelines** (par.19-24) referring to the introduction of a new 2% threshold as total content of non-hazardous impurities/components including other polymers.

The waste management and recycling sector remains at the complete disposal of the Commission, to provide concrete specifications and elaborate thresholds that would suit the current needs of plastic shipments/recycling market within the EU, as a key condition for circularity.

For more information/clarifications, please contact info@fead.be.