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FEAD feedback to the Commission's call for evidence for an impact assessment on the revision of the EU waste framework

FEAD, the European Waste Management Association, representing the private waste and resource management industry across Europe, **is fully committed to the objectives of the European Green Deal and the Circular Economy Action Plan** as essential tools for providing the adequate stimuli to our economy while pushing forward EU Climate goals through the circular economy. **FEAD welcomes the objective to improve the performance of waste management systems in the EU, in particular to achieve high quality recycling, which is essential for a circular society.**

In relation to the Commission's call for evidence for an impact assessment on the revision of the EU waste framework, FEAD notes the following.

1. Expansion of EPR schemes

EPR (Extended Producer Responsibility) systems have shown that they can be useful in some situations (household waste flows difficult to collect separately and with enough tonnages) but **should not be expanded to all waste flows as the "regular" system.** Expanding EPR schemes has the adverse effect of duplicating financing circuits at the expense of citizens and consumers: the collection of some waste flows is financed from EPR systems, without any decrease of municipal taxes. The costs involved to change the collection infrastructure (bins, containers) and frequencies would be high. New EPR schemes might be developed at the expenses of the private waste management. This can result from a monopoly given to an ad-hoc operating body, or, more frequently, from the organisation of the market through call for tenders not allowing for offers based on innovation, multiple services, particular timeframes better suiting the clients' needs, etc. This is particularly true for industrial and commercial waste, whose treatment should rather be financed on the basis of the polluter pays principle. B-to-B contracts can perfectly meet requirements of data collection, waste collection and recycling performances that usually motivate the creation of EPR schemes. Additionally, existing **EPR systems are so diverse that it would be extremely difficult to harmonise them. We do not see a need further harmonisation beyond the already existing EU legislation.**

a. *Extension of EPR schemes to textiles*

Creating EPR schemes for textiles might be a good instrument, considering that it is household waste with high tonnages, whose separate collection, sorting, preparation for reuse/recycling needs to be further developed. However, EPR schemes have to be accompanied by regulatory tools to foster the development of a true, strong demand for textile recyclates, or they will otherwise only foster separate collection and sorting, without closing the loop. An EPR scheme for textiles should be based on the following principles¹:

- Full alignment with the EU waste hierarchy
- Collaborative approach among all stakeholders on how to design and implement EPR
- Harmonised approach at the EU level through a common policy framework

¹ See also our joint position paper on EPR for the textile value chain: <https://fead.be/position/extended-producer-responsibility-epr-for-the-textile-value-chain-joint-position-paper/>

- System that ensures competitiveness, accompanied by measures to create demand for secondary raw materials

FEAD further proposes a set of common goals and a shared responsibility system:

- Adequate financing to create an efficient infrastructure for waste minimization, collection, and proper treatment (reuse and high-value recycling)
- Thriving markets for second-hand textiles
- Functioning markets for recycled materials with a strong demand for recycled materials
- Rewarding circular design through incentives and/or targets
- Supporting innovation and development of technologies
- Increasing transparency and traceability of material flows
- Supporting robust environmental claims
- Engaging European consumers to use and dispose of their textiles sustainably.

To implement these goals and principles, it is important to take into account some basic aspects in the legislative process, that are necessary to frame the issue and define priorities to make the system effective. The EPR should have a harmonised scope with a phased approach to define which categories or types of textile products are in-scope and should be adequately financed. The EPR scheme for textile should include and affect:

- Defining the perimeter of the products that become textile both in terms of categories or types (e.g. clothes, accessories -including non-textiles, household linen, furniture, etc.) and of origin (e.g. with the exclusion of sanitary waste, production waste, rags and industrial clothing)
- Definition of textile waste, which should not be left to the interpretation of operators and citizens
- Design requirements on quality, repairability, recyclability and easy disassembly
- Specifications for the use of mandatory recycled content
- Traceability of materials and products
- Minimum requirements for collection, sorting and recycling
- Documentation, verification, data collection and control, through qualification of operators and certification of plants
- Development of a real industrial chain for the recycling of non-reusable fractions
- Establishing a clear identification of responsibilities, including financial ones, of the producers/importers (including online sales channels) and of the other subjects along the supply chain, avoiding shifting the possible shortfalls of the chain onto the collectors and treatment companies
- Eco-modulation of fees to consistently reward circular design, considering potential criteria such as durability, re-cyclability and recycled content. Member States should manage the system and establish the specific criteria according to the relevant economic, social and local factors.
- Awareness of citizens with adequate information campaigns
- Economic support schemes for R&D and commercialisation of new environmental technologies

In the light of the upcoming regulatory requirement to separately collect textile waste in all EU Member States by 2025 and the expected publication of the EU Textiles Strategy, **FEAD seeks an open dialogue with European policymakers to jointly drive the debate on EPR for textiles forward and shape a common framework** that:

- builds upon the learnings and success factors from existing EPR frameworks, both in textiles and other key value chains;
- is tailored to the specificities of the textile value chain and its broad portfolio of materials and products, which have different cycles and functionalities;
- is preceded by an impact assessment, to ensure the best options to be set up with regards to expected performances and costs;

- effectively contributes to drive circular change, contributing to prolong the use of textiles and to keep textile resources in re-circulation as much as possible and prioritize recycling to develop a secondary raw materials market for textiles; and
- takes due consideration when setting up EPR schemes of existing, well-performing business-to-business contracts between producers and the waste management sector.

b. Extension of EPR schemes to oils

EPR schemes should not be extended to waste oils. The current systems in place already achieve very good results,² which could be further improved by setting collection and regeneration targets (see below).

2. Waste oil collection and regeneration targets

FEAD fully supports oil collection and regeneration targets and proposes:

- Quantitative collection targets, that should be significantly high (at least 95% of *collectable* waste oil)
- A harmonised scope with a phased approach
- Strict implementation of the waste hierarchy, giving priority to re-refining with ambitious regeneration targets, considering the option that delivers the best environmental outcome
- An impact assessment built upon the learnings and success factors from existing collection and treatment systems
- A definition of “base oil recovered from waste oil”
- Increasing and strengthening controls.

In any case, it should be ensured that the calculation method for the recycling rates do not lead to competitive distortion within Member States.

Many Member States already reach high performances of waste oil collection and recovery (over 90%). Yet, **collected data reveals that collection and treatment of waste oil is still to be improved as there are ‘avoidable losses’ estimated to represent 20% of the *collectable* waste oil.**

When using oil, a certain amount will unavoidably get lost (mainly from process oils and greases or engine oil burned during driving), and only the remaining share is available for collection as waste oil. However, there are additional losses, which are ‘avoidable losses’, meaning that the amount of *collected* waste oil is often less than the *collectable* waste oil.

In 2017, about 4.3 million tonnes of lubricant oils were placed on the market in the EU-28.³ 1.6 million tonnes were collected, whereas unavoidable losses are estimated at about 2.3 million tonnes. This means that, according to such estimation, about 0.4 million tonnes can be considered avoidable losses, and that actually 2.0 million tonnes of waste oils are *collectable* waste.⁴

a. UCO (Used Cooking Oil) collection

Going further, **FEAD also proposes quantitative collection targets for used cooking oils (UCOs).** The potential UCO to be collected is around 8 litres UCO/capita/year. Extrapolated to the

² Many Member States already reach high performances of waste oil collection and recovery (over 90%).

³ About 0.35 million tons of marine oils were not taken into account, as their use, due to worldwide maritime transport, is not traceable.

⁴ https://esrg.de/media/PDF/EU_STUDY_WasteOil_Solvents_Oeko_final-report_for_publication.pdf

total EU population of around 500 million, this means that 4 million tonnes of UCO is the annual collection capacity – seven times more than the current collected amount.⁵ This increases around 2% per year, following the annual increase of cooking oil usage. Adequate financing would be required to create an efficient infrastructure for waste minimization, collection and proper treatment.

Collection targets can be calculated taking into account oils placed on the market and phased based on current collection systems of different Member States.

The inappropriate disposal of millions of tons of used cooking oil, either down domestic household drains or in landfill, causes significant detrimental effects on the environment but also constitutes the loss of a valuable resource, since repurposed used cooking oil (RUCO) is a feedstock for biodiesel production. Not only the annual usage of cooking oil increasing in the EU but also the demand for repurposed used cooking oil for biodiesel production, especially in the light of the revised Renewable Energy Directive.⁶

A specific focus on households would be required as collection of UCO from industry and restaurants is generally easier and less costly, and is consequently already much more developed and practiced than collection from households. Therefore, FEAD also proposes the creation of disposal points for used cooking oils to facilitate collection from private households.

3. Reduce waste generation by introducing overall and/or product-specific prevention measures

In order to assess waste prevention and recycling performance, the choice of uniform European parameters could have a significant impact. A differentiation must be made between Household Waste and Commercial and Industrial Waste.

Household Waste

Recycling rate cannot be the only parameter to set targets. Member States should measure **residual household waste per capita** because it reflects the combined result of waste prevention and recycling and can be considered as a better Key Performance Indicator.

In the absence of this requirement, Member States could be encouraged to maximise the collection of additional recyclable materials (e.g. garden waste) in order to meet the WFD recycling targets. Such ‘target chasing’ can be inconsistent with waste prevention ideals and can have associated carbon emissions that need to be considered in a Life Cycle Assessment that also considers the carbon gains associated with the end use of these recycled materials.

Targets on residual waste per capita can be set after research on what is achievable in practical terms in each Member States, giving consideration to the ability to technically and economically manage the waste flows and to the local factors.

Commercial and Industrial Waste

Measurement of waste prevention and recycling for C&I wastes should be separate and should take consideration of economic activity in each MS. To be effective, it should be measured by NACE sector and comparisons should be based on:

- waste generated per employee or per economic output unit for that sector
- recycling rate

⁵ Anderssen et al, 2007.

⁶ https://www.transportenvironment.org/wp-content/uploads/2021/07/CE_Delft_200247_UCO_as_biofuel_feedstock_in_EU_FINAL%20-%20v5_0.pdf

- residual waste per employee or per economic output unit for that sector

Also in this case, targets can be set after research on what is achievable in practical terms in each Member States, giving consideration to the materials placed on the market and the ability to technically and economically manage the waste flows.

4. Commingled collection and the importance of separate collection of biowaste

As stated in the Circular Economy Action Plan, high quality recycling relies notably on *effective* separate collection of waste. **In general, separate collection provides the better results. However, consideration should always be given to the best environmental outcome, with regards to the associated costs, in a given local context.** The concrete circumstances are relevant when assessing the possibility of commingled waste streams. In any case, **the separation of dry and wet fractions is crucial, which means that biowaste should always be collected separately.** For dry flows, attention must be given to local factors, to the quality of output of non-separate collection systems associated with sorting installations (paper/packaging, packaging consisting in plastic/metal waste). In some MS, e.g., Belgium, France, Ireland, or Finland significant investments were recently made in performant sorting centres treating such co-mingled flows.

5. Provision of additional guidance

FEAD welcomes the envisaged policy option aiming to provide additional guidance explaining how separate collection can improve waste re-use, preparation for re-use and recycling and how to improve citizen participation in separate collection.

Private waste management companies are usually involved in promoting new habits, in changing for better practices such as the ones to ensure a better source segregation and selective collection. Therefore, we are particularly aware of the challenges posed by improving citizens' and economic operators' behaviour.

6. Concluding remarks on the design of waste management policies

To improve recycling performance and obtain an optimisation of waste collection, the combination of positive public support, balanced costs for citizens, and private investments is key driver for the design of waste management policies. Private investments need certainty, based on predictable national and EU regulations, also taking into consideration recently made investments that should not become stranded assets. FEAD positions itself as a key partner in the EU public debate and regulatory action and stresses the following crucial points:

- **The circular economy can only be achieved through stronger demand for secondary raw materials, efficient markets, and fair competition.** Positive and long-term measures are crucially needed to stimulate the demand for secondary raw materials in products through recycled content and green public procurement, incentives rewarding value chains that contribute to save GHG and energy, and simplified EU-wide waste shipment procedures and end-of-waste criteria. Moreover, a proper level playing field between manufacturing and recycling activities is greatly needed to avoid competitive distortions deemed to be detrimental to recycling activities.
- **Strong and mandatory rules for eco-design are a key tool for the prevention of waste and more recycling.**

- Boosting the recycling chain, and minimising disposal, implies that **energy recovery of non-recyclable waste be recognised in the EU Taxonomy as an indispensable tool for achieving recycling in a true circular economy.**
- **Existing recycling and landfilling targets for municipal waste need to be implemented without further delay;** and more ambitious measures are needed for other waste streams to be recycled and recovered
- **Avoided CO₂ emissions by the entire waste management chain must be fully recognised.** Introducing CO₂ credits for recycles would allow for such a recognition and would stimulate the uptake of recycled contents. This would be a complement to targets for recycled contents where maximum saving of CO₂ can be achieved.

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