

Waste

Creating a resource efficient society must be a shared responsibility

CEMR position on the review of EU targets on waste Brussels, 24 May 2013

Council of European Municipalities and Regions Registered in the Register of Interest Representatives Registration number: 81142561702-61 The fitness check of the EU waste legislation and review of EU targets on waste aim to translate the objectives and principles of the 2011 Roadmap to a Resource Efficient Europe and 2012 General Union Environment Action Programme to 2020 into EU waste legislation¹.

The Council of European Municipalities and Regions (CEMR) strongly supports the Commission's objectives of moving higher in the waste hierarchy and creating a more resource efficient Europe, and recognises the important role of local and regional governments in creating a 'circular economy'. However, this move to a circular economy has to be translated into realistic timescales to allow for the right conditions, infrastructure and planning arrangements to develop. Creating a resource efficient society must be a shared responsibility between public authorities at all levels, the private sector and citizens.

Attention must be paid to measures at the start of the cycle, which would have a strong impact on the whole life of products (E.g. eco-design, standards for packaging and products, prevention measures, targets for producers, etc.) and the effective and broad implementation of the extended producer responsibility principle, instead of introducing additional measures at the end of the cycle (targets for the preparation for re-use and recycling of waste put upon local authorities).

Emphasis on waste treatment is also important. A lot of effort has already been made, and the related political and regulatory framework is already well developed. In particular, CEMR considers that the Waste Hierarchy is a very good guideline for selecting more resource efficient waste management solutions.

There is no "one-size-fits-all" approach to waste management, but sharing experiences will help Member States and local authorities to select better solutions based on local conditions. CEMR considers it very important that measures made for countries with high landfill rates should not disturb the positive work being done in other countries to better treat waste. Too strict measures may counteract the innovative measures being implemented by many local authorities in Europe (e.g. technical, organisational, communicational, financial innovation).

At this stage, considering the different situations in Europe² and the need for action to be taken at source, CEMR would consider new or revised targets put upon local authorities with the greatest reluctance. In particular, CEMR believes that national waste prevention plans should be implemented before new measures are adopted.

¹ Packaging and packaging waste directive 94/62/8EC, Landfill directive 99/31/EC and Waste framework directive 2008/98/EC.

² European Union, European Economic Area and candidate countries.

CEMR position on the review of EU targets on waste

Local and regional governments have a major role in the creation of a resource efficient society

- 1. CEMR recognises the importance of a move towards thinking of waste as a resource which is needed by the wider economy, for jobs, economic growth, environmental protection and material security. The reflection on the contribution of waste management to greater resource efficiency is particularly welcome in 2013, the "European Year of Citizens", as we believe that citizens have both a significant contribution to make and a great benefit to draw.
- 2. Local authorities, acting on behalf of citizens, are well placed to contribute to the European targets, as trusted organisations, democratically accountable for the quality of life of their citizens and the quality of the local environment. Local authorities are heavily involved in the management of waste. In most cases, they are responsible for developing and implementing municipal waste management plans, based on the medium to long term. They can also drive a behaviour change among citizens and local stakeholders, by communicating to them their role and responsibilities in ensuring as much value is retained as possible. Engaging with citizens, who are also consumers, is crucial to achieve a change in thinking and influence production and consumption patterns.

<u>For example</u>, local authorities can take action to provide public information, and introduce innovative initiatives that highlight to residents how much they are wasting. They also have a major role in land use planning and economic development, and can work with local companies to promote resource efficient behaviour (e.g. encouraging use of renewable energy, offering a recycling collection service and trying to encourage investment from companies that are committed to environmentally-friendly techniques and/or products). Civic amenity sites also offer potential to change people's behaviour, encouraging them to think of re-use and recycling before disposal by setting out the sites in ways that encourage and make it easier to do so.

Recommendation:

⇒ Collecting and disseminating best practice from municipalities which have effectively turned waste into a resource for their own benefit and that of their citizens. This could inspire other municipalities in Europe.

The focus should be on action at source and prevention, rather than on the end of the life-cycle of products

- 3. A circular economy requires an ambitious and long-term European vision, to which public authorities, the private sector and citizens adhere. It is a framework to create business models and economies that thrive on the resources already circulating within the economy and stimulate thinking towards materials recovery and reprocessing. Producers and the private sector have a crucial contribution to make. While local authorities will continue to have an important role, there should be better balancing of responsibilities for ensuring materials are recyclable and can be fed back into the system along the lines of the circular economy.
- 4. So far, the focus of waste policies has been on local authorities, who act at the end of the life of products. However, it is at source that the most significant changes can be made, in relation to the design of products and the choice of packaging. Poor quality and poorly designed products with unnecessary packaging result in higher volumes of material ending up in the waste stream. Improving the design of products to be reusable, repairable and recyclable, and optimising packaging can make a significant contribution to waste avoidance, which is, of course, at the top of the waste hierarchy, above recycling and re-use.

<u>For example</u>, the Dutch national legislation has set higher targets than the EU. In addition, a framework agreement has been set up for 2013-2022. An important part of this agreement is the establishment of a Knowledge Institute which should contribute to a more sustainable packaging chain. In 2013, the highest technically achievable goals for 2018 will be determined, based on independent scientifically research. In 2018, goals will be set for 2022, to which the industry will voluntarily commit. In this way, it is expected that higher targets will be achieved on a voluntary basis. Such an initiative can enhance targeted cooperation and better implementation of a chain approach, with the focus not only being on the waste stage.

- 5. At the top of the waste hierarchy is prevention, which is the best way to save resources and reduce costs. However, the potential of waste prevention at the beginning of the chain is still under-exploited. The review of EU waste legislation should place more emphasis on the top of the hierarchy, avoiding waste being created in the first place, as this would shift the focus on to manufacturers and retailers. This would help local authorities by reducing the amount of material that enters the waste stream. Decreasing the volume of waste would reduce the costs of waste management and open up new opportunities for optimisation of the local waste service. Better collection arrangements at civic amenity sites, developed with financial input from producers, could complement a drive towards eco-designed products that lead themselves to dis-assembly and re-use / recycling at the end of their original life.
- 6. A strong international and European approach is needed for prevention measures. These are matters that are best addressed at the national and international levels, with the EU and national governments negotiating directly with manufacturers and retailers. With internationally traded and distributed products, there is no real scope for local authorities to act on such matters unilaterally.

Recommendation:

□ CEMR advocates strong and ambitious measures for waste avoidance being taken at EU level³. The better tools to achieve waste avoidance are, for example, the waste hierarchy, which is a very good guideline, and the extended producer's responsibility, which will be elaborated further in Annex B. CEMR calls for a more balanced effort from both public authorities, as well as the private sector which has not yet been fully involved in this work.

Strengthening the extended producer responsibility principle to reinforce the link between products and their environmental impacts

- 7. CEMR supports a vision of resource efficiency where there is equity of responsibility across the material supply chain, i.e. responsibility for the damage caused by/ recovery of different products. The subsidisation of industry by local authorities, and ultimately tax payers, in collecting and sorting waste as well as environmental clean-up is no longer affordable.
- 8. Extended producer responsibility has to be much more widespread, rather than being seen as progressive behaviour on the part of a handful of "leading lights". It needs to become unacceptable for a product / package to be marketed if there is no forward plan that identifies clearly how measures for waste avoidance have been taken, as well as how its component materials will be re-used/recycled at the end of their life.
- 9. The European Commission's proposal for a General Union Environment Action Programme to 2020 commits to "apply the polluter pays principle more systematically". The producer responsibility principle, which is a direct consequence of the polluter-pays principle, is a key waste management principle. It implies that producers are responsible for the costs of collection, management and

³ The proposal for a General Union Environment Action Programme to 2020 (COM(2012)710) announces that "measures will also be taken to further improve the environmental performance of goods and services on the EU market over their whole life cycle though measures to increase the supply of environmentally sustainable products and stimulate a significant shift in consumer demand for these products".

treatment of their products at the end of their life, as well as for the information costs and an adapted product design. The producer should be responsible for the costs from all parts of the collection of the waste product, from the moment the product is discarded by the user and independently from how the separate collection is organised. The success of the waste legislation relies very much on the full implementation of the principle of producer responsibility.

Recommendation:

- ⇒ CEMR welcomes the preparation of a new European study on extended producer responsibility. In addition, we would like to invite the European Commission to take the opportunity of the current review of the EU legislation to reinforce Article 8 of the Waste Framework Directive⁴ on the extended producer responsibility, to achieve more stringent provisions (see Annex B). An ambitious but realistic EU framework: new targets are unwelcome, but we must all work for improvement in resource efficiency and waste management
- 10. A European framework on waste is useful to set the direction. Ambitious, but achievable targets are an important driver for action. CEMR believes that the EU should focus on a reduced number of key issues that establish a broad framework for waste operations, without going too much into detail. The multiplication of targets for local authorities would cause a loss of focus and increase time spent undertaking monitoring and reporting, rather than taking action, planning and running services. Further details or higher targets can be added at national level, as appropriate. The framework on resource efficiency, waste hierarchy and other regulations are already supporting and securing a good direction on the local work to achieve better waste management.
- 11. The targets set by the current waste legislation are still proving challenging for many municipalities in Europe, so achieving higher, or new targets may prove to be unrealistic (see Annex A for an assessment of the implementation of EU waste legislation). The deadline for the transposition of the revised Waste Framework Directive was December 2010; local authorities need sufficient time to implement the current EU waste legislation, a review after three years is coming too soon for many of them.
- 12. If the best performing Member States are already working beyond the targets of the EU waste legislation, it is in large part because they have been building waste policies for several decades. Several Member States do not have this track record, so they cannot be expected to achieve higher targets within a few years. Improving the situation of the less advanced Member States should be the priority of the EU and taken into account when revising the EU waste legislation.
- 13. In addition, the EU focus and targets on waste/ resources should enable enough local discretion on the delivery of goals, rather than introducing top-down and prescriptive requirements; one-size-fits-all does not work. It should be recognised that local authorities understand the circumstances and needs of local areas, and are therefore best placed to design waste services around these needs. Flexibility is needed to allow innovation and cost optimisation.

<u>For example</u>, targets for source separated waste may be sensible in areas where some waste fractions are locally recycled, while others are transported away. However, source separation may be counterproductive where a central waste separating facility is working effectively.

14. The financial impact of legislative and regulatory changes should be taken into account. The review, and/or introduction of new targets, and the related changes (e.g. changing collection methods, investing in new waste infrastructure, communicating on the changes) would induce substantial costs for the local governments and/or their citizens. This would happen in the context of local budgets being under financial constraints⁵. Therefore, an important principle must be accepted as part of a review or

⁴ Directive 2008/98/EC

⁵ The economic crisis and demographic change induce a shift in funding priorities, with a greater focus on social and welfare services while environmental services take a backseat. See the <u>CEMR/Dexia report</u> on the state of sub-financial investments in 2011.

introduction of new targets: any new burdens must be minimised and producers must make a greater contribution to the cost of meeting the targets (see Annex B on the extended producer responsibility).

Recommendation:

- A review of the EU targets, including introducing targets for new waste streams⁶, is unwelcome. If effective ways can be found to introduce similar headline targets for producers and importers, in relation to producer responsibility, that might be a more beneficial route.
- ⇒ CEMR advocates for additional help to go to municipalities of the less advanced countries, such as financial support, dissemination of best practice, or interim or differentiated targets.

See below:

 Annex A: Implementation of the current EU waste legislation: difficulties and proposals to overcome obstacles

• Annex B: Strengthening the extended producer responsibility

⁶ CEMR is in particular opposed to binding EU targets for biowaste (see the <u>CEMR position</u> on this specific issue).

Annex A: Feedback on the implementation of the waste legislation

a. Ensuring flexibility to apply the waste hierarchy

The waste hierarchy is useful to provide orientation. Still, flexibility is needed to apply its principles, taking into account local circumstances and other policy objectives (e.g. reducing impacts on climate change, improving noise and air quality, renewable energy production, sustainable agriculture and use of land). The waste hierarchy must be advisory and not absolute, to allow municipalities to prioritise differently, in order to reach other environmentally important targets and choose appropriate tools to meet their responsibility.

⇒ This flexibility, needed to cope with other policy objectives and/or achieve the best environmental solution, should be clearly recognized at European level. This would greatly support local authorities in negotiations with their national government.

b. Relations with internal market rules

Several CEMR members report strong confrontation between local authorities and the private sector over waste collection services. Waste management is a local competence, so local authorities should have the opportunity to deliver services themselves, or in cooperation with other municipalities. However, the EU competition and public procurement rules constrain municipalities so that municipalities wishing to keep the service, cannot implement the most efficient solution.

<u>For example</u>: in Norway, public procurement rules are an obstacle to resource efficiency: to tackle the resource challenge, municipalities need to invest in larger separating or treatment plants. A large territory is needed to provide enough tons of waste, but still the smaller municipality is needed for better communication with the citizens. Municipalities need to 1) be able to cooperate with who they want (including the private sector) and 2) be able to use in-house, in order to secure financing for the necessary 30 years of down-payment and be able to offer rest capacity to the market.

c. Guidance on the interpretation of waste legislation proved to be useful

EU guidelines are useful to know where the EU stands on a particular issue and what its intention was when the legislation was drafted. More generally, it would be useful to know if, after hearing opposing views on any particular issue, the EU could signal if it feels it may be necessary to reconsider its position at some stage in the future. Major investment decisions hinge on such matters and, since these result in facilities that will last for many years, it is important that they are taken in light of all available evidence so that they are, as far as possible, "future proofed".

<u>For example</u>, in the UK, the Waste Framework Directive requirements for separate collection (art. 11) created major disagreements and has been the subject of a Judicial Review. The guidance provided by the European Commission proved to be very useful and no doubt had an important influence on the outcome of the Judicial Review.

d. More transparency in setting end-of-waste criteria

There needs to be greater transparency in the process of determining end of waste protocols, as well as input from national and local authorities, and appropriate timescales in order for industries to prepare for the introduction of new rules.

<u>For example</u>, end of waste protocols from the EU have caused some difficulties in England, particularly on organic waste (PAS 100 and 110,) which will have a significant impact on recycling levels.

Annex B: Strenghtening the extended producer responsibility

Background information

The issue of extended producer responsibility will be addressed in the upcoming package of measures to be published by the European Commission on "resource efficiency and the circular economy in the EU", most likely through the publication of guidance. The objective is to promote and improve the use and functioning of extended producer responsibility schemes in the European Union.

The implementation of extended producer responsibility schemes supports the EU objective of resource efficiency and is a way to put the polluter-pays principle into practice. Such schemes define the responsibilities between the different stakeholders of the waste management, in particular the responsibility of producers for their product during it whole life-cycle, from its creation until it treatment as waste. Well-functioning extended producer responsibility schemes are decisive factors for a sound waste management at local level.

The following messages aim at supporting the CEMR contribution to the preparatory works of the European Commission and provide input from local and regional government on future guidance addressing the issue of extended producer responsibility. In addition, they could serve as inspiration for the future development of EPR schemes in the European Union, for instance in supporting the views of associations of local and regional authorities involved or consulted in the development of such schemes in their country.

CEMR key messages on well-functioning Extended Producer Responsibility (EPR) schemes

1. EPR is a key tool for the success of the waste policy

- a) The producer responsibility principle, which is a direct consequence of the polluter-pays principle, is a key waste management principle. Its full implementation is an important factor of success of the waste legislation and the necessary basis for cooperation between producers and local authorities.
- b) The principle of producer responsibility implies that producers are responsible for the costs of collection, management and treatment of the waste stream concerned, as well as for the information costs and an adapted product design.
- c) The waste hierarchy, which sets prevention at the top, is a relevant guideline for selecting more resource efficient waste management solutions. The EPR scheme should necessarily be linked to the waste hierarchy and thus address such priorities as prevention, preparation for re-use and recycling.

2. Cooperation with local authorities is a necessity

- a) Local authorities are the closest to the citizens and know best the local situation. Since they have to address simultaneously different political priorities (e.g. spatial planning, air quality, sustainable mobility, etc.), they are the only ones able to perform a waste management based on an integrated and informed approach.
- b) Local authorities are legally in charge of waste management on their territory, so that Producer Responsibility Organisations should necessarily cooperate with them.
- c) Considering this responsibility, local authorities are free to decide how they want to perform waste management on their territory (i.e. themselves or in tendering the task out). Besides, it is up to the local authority to decide whether it wishes to be the sole contact point for the inhabitants when it comes to the management of their waste.

3. Local authorities should be part of the development of EPR schemes

- Local authorities, through their representative association, should be part of the agreement setting an EPR scheme.
- b) This includes the participation in the shaping, the signing, the monitoring and the evaluation of the agreement. The latter should happen regularly and local authorities should be consulted.
- c) In case producers do not take their responsibilities up to the agreed standards, there should be a clearinghouse at central/regional level which municipalities can address.

4. EPR schemes should finance the costs of the covered waste stream

- a) Considering the difficulty to decide about the cost distribution at European level, it would be relevant to start at national / regional level to reach a cooperation agreement between producers, local authorities and government for the organisation and distribution of costs of EPR schemes.
- b) A control system should be put in place to ensure environmentally sound implementation of EPR. The ownership of waste collected under an EPR scheme is to be decided on national level. Besides, existing agreements at national level should be taken into account.

5. Improvement of data and statistics is urgently needed

- a) It would be worth identifying the existing methodologies for assessing the weight of waste. On this basis, a common methodology could be envisaged as this would allow a fairer comparison.
- b) EPR schemes should be responsible for 100% of waste coming in, and not of 100% of what is put on the market, considering that some products become waste only after several years.

CEMR invites the European Commission to:

- Take the CEMR key points into account when developing its guidelines on extended producer responsibility schemes.
- Support the sharing of best practice on well-running EPR schemes, as it would have a strong added-value for local authorities, for instance through Structural funds or other EU-funded programmes (e.g. LIFE+, Twinning).
- Consider a reinforcement of the extended producer responsibility in the Waste framework directive. Smart solutions for more resource efficiency depend on the local conditions and choices made by local authorities: well-running EPR schemes are a condition to achieve the EU resource efficiency objective.

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About CEMR

The Council of European Municipalities and Regions (CEMR) is the broadest organisation of local and regional authorities in Europe. Its members are over 50 national associations of municipalities and regions from 41 European countries. Together these associations represent some 150 000 local and regional authorities.

CEMR's objectives are twofold: to influence European legislation on behalf of local and regional authorities and to provide a platform for exchange between its member associations and their elected officials and experts.

Moreover, CEMR is the European section of United Cities and Local Governments (UCLG), the worldwide organisation of local government.

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