



OPINION

European Economic and Social Committee

Waste shipments – revision of EU rules

Proposal for a Regulation of the European Parliament and of the Council on shipments of waste and amending Regulations (EU) No 1257/2013 and (EU) No 2020/1056 [COM(2021) 709 final - 2021/0367 (COD)]

NAT/842

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Referral	European Parliament, 22/11/2021 Council, 01/12/2021
Legal basis	Article 192 and article 304 of the Treaty on the Functioning of the European Union
Section responsible	Section for Agriculture, Rural Development and the Environment
Adopted in section	09/02/2022
Adopted at plenary	23/02/2022
Plenary session No	567
Outcome of vote (for/against/abstentions)	160/2/0

1. **Conclusions and recommendations**

- 1.1 The EESC welcomes the Commission's Proposal for a new Regulation, and the accompanying Communication, and considers the protection of human health and the environment to be a top EU priority. When technically possible, waste produced in the Union should be recycled within the Union, in an environmentally, economically and socially sound manner.
- 1.2 The EESC calls on the Member States to adopt the Electronic Data Interchange system (EDI) as soon as possible, agree on adopting harmonised criteria for pre-consent procedures, and empower the Commission to adopt delegating acts for common waste classification. Funds and technical assistance for increasing operational capacity should be immediately provided.
- 1.3 A transition towards new business models that give back to the planet more than what they take is urgently needed. Health and safety and working conditions must be well protected and monitored. The EESC calls for investments in training for workers through a specific allocation under the ESF+.
- 1.4 The EESC calls for enhanced funding opportunities for establishing and/or modernising the EU's recycling facilities and discovering innovative technologies for the reuse and recycling of waste. Boosting recycling capacity inside the EU's borders will contribute to reducing carbon and environmental footprints and lead to increased employment in this sector.
- 1.5 The EESC believes that a harmonised financial guarantee calculation should clearly cover all the risks arising from waste shipments, but must not overburden companies, especially SMEs.
- 1.6 The EESC welcomes the Commission proposal for third-party audits led by EU established or authorized auditor by EU notified bodies, with relevant qualification on both facility and country level and considers the social partners and relevant NGOs should be observing procedures. A monitoring, complaint and sanctions mechanism should be reinforced.
- 1.7 The EESC calls for a maximum two-year transition period after the Regulation is adopted. Furthermore, the time limit for the competent authorities of transit to raise valid objections for a planned shipment for recovery, should be reduced to 10 days and objections to the same shipment should be possible only once.
- 1.8 The Committee calls for the extension of the EDI system to all waste shipments destined for export, import and transit. The system should be operational as soon as possible, even before the two-year deadline proposed by the European Commission. Adequate human and technical resources are therefore needed.
- 1.9 The EESC considers that exports of high-quality recyclable waste, and especially waste exports with a high content of critical raw materials, are detrimental to EU sustainability and undermine its global competitiveness. Investment in waste management infrastructure is needed, especially in the countries where infringement procedures are opened. A baseline assessment of export volumes of waste should be conducted in order to detect changes in waste shipment and thus

protect the EU and support reaching the EU goals described in the Green Deal and the Circular Economy Action Plan.

- 1.10 All OECD and non-OECD member countries should meet the same strict criteria regarding environmental commitments as are set in the EU, and proof of evidence should be provided that all the receiving countries are already managing their own domestic waste in an environmentally sound manner similar to EU standards, as well as ILO core conventions and labour standards.
- 1.11 The EESC supports the enforcement of the inspection and investigation procedures and calls for full cooperation between Member States and with the Union, as well as for a harmonised penalty system that is effective and proportionate to the infringement. Non-confidential data should be made publicly available to all interested parties, including social partners, non-governmental organisations, municipalities and citizens.
- 1.12 Manufacturing companies have to be incentivised to design their products in such a way that they are fit for reuse and recycling. National and European strategies that involve the social partners, SME representatives and civil society organisations are needed and have to be promoted through collaborative platforms. The European Circular Economy Stakeholder Platform¹ is an excellent example in this regard.
- 1.13 The EESC invites the European Commission to assess the possibility of establishing a Market Observatory for secondary raw materials, with a consultative role for the European Commission, that can analyse and recommend sectoral development policies and ways to eliminate the existing bottlenecks, and retain valuable secondary raw materials within the EU.
- 1.14 Finally, the Committee calls for a thorough impact assessment of the implementation of the Regulation five years after its entry into force.

2. Introduction and General Comments

- 2.1 The consumption of materials such as metals, minerals, biomass and fossil fuels is expected to double by 2060², which in turn will naturally lead to an increase in annual waste generation by 70% by 2050³. High income countries are the top exporters of waste globally, while developing countries are the top importers⁴.
- 2.2 Manufacturing companies spend approximately 40% of the total production cost on raw materials. Today, only 12% of material resources used in EU industry come from recycled

¹ <https://circulareconomy.europa.eu/platform/en>.

² [OECD \(2018\). Global Material Resources Outlook to 2060.](#)

³ [World Bank: A Global Snapshot of Solid Waste Management to 2050.](#)

⁴ [The Institute for European Environmental policy: EU circular economy and trade.](#)

products and recovered materials⁵. The biggest obstacle for the uptake of secondary raw materials is their high price, compared to virgin raw materials.

- 2.3 On 17 November 2021, the European Commission published the Proposal for a Regulation on shipments of waste and amending Regulations (EU) No 1257/2013⁶ and (EU) No 2020/1056⁷ (Regulation). It shall replace the 15 year-old Waste Shipment Regulation (EC) No 1013/2006⁸, following calls to revise it from the European Parliament⁹ and the European Economic and Social Committee¹⁰, and builds on the ambitions announced in the European Green Deal¹¹ and the Circular Economy Action Plan¹².
- 2.4 Growing waste quantities and economic development have led to increased exports of waste from the EU to third countries, which has in turn led to some negative environmental and health effects in the countries of destination. The Regulation intends to facilitate easier and quicker procedures for intra-EU shipments for reuse and recycling, introduces some clear rules for exports, imports and transit of waste and enforces the current EU framework for counteracting illegal shipments.
- 2.5 The EESC welcomes the Commission's Proposal for a new Regulation and the accompanying Communication and considers the protection of human health and the environment to be a top EU priority. The EU, as the frontrunner in the fight against climate change, should be able deal with the waste produced in its territory, rather than export it to other countries. A transition towards new business models that give back to the planet more than what they take is urgently needed, complemented by sustainable behaviour by all stakeholders involved. Investment in waste management infrastructures that are friendly with the environment should remain a priority, especially in the countries where infringement procedures are opened.
- 2.6 On the economic side, waste can have an important value in terms of the recovery of secondary raw materials, contributing to the EU circular economy, reducing the dependence on certain primary raw materials, while cutting down the energy consumption needed to produce primary raw materials in Europe and decreasing CO2 emissions. Furthermore, the EESC considers that exports of high-quality recyclable waste, and especially waste exports with a high content of critical raw materials, are detrimental to EU sustainability and undermine its global competitiveness by providing valuable resources to external competitors.

3. **Intra-EU waste shipments**

5 [Eurostat – Circular Economy in the EU.](#)

6 [OJ L 330, 10.12.2013.](#)

7 [OJ L 249, 31.7.2020.](#)

8 [OJ L 190, 12.7.2006.](#)

9 [European Parliament: Waste Shipment Regulation Revision of Regulation \(EC\) No 1013/2006 on shipments of waste.](#)

10 [EESC Opinion on Critical Raw Materials Resilience, OJ C 220, 9.6.2021, p.118-127.](#)

11 [COM/2019/640 final.](#)

12 [COM/2020/98 final.](#)

- 3.1 The stakeholder consultation conducted by the Commission has revealed the need for:
- the digitalisation of the notification procedures;
 - an update of the fast-track system;
 - common and transparent rules for the classification of waste and the calculation of financial guarantees;
 - alignment with the proximity principle and the waste hierarchy.
- 3.2 A fragmented implementation of the 2006 Regulation across the EU has led to lengthy procedures for intra-EU waste shipments and continuous red tape. This is causing delays and financial losses for economic operators, which are discouraged from shipping waste for material recovery within the EU.
- 3.3 The EESC considers that, when technically possible, waste produced in the Union should be recycled within the Union, in an environmentally, economically and socially sound manner, while always respecting environmental, health and safety standards. A greater volume of internally shipped waste and speedier procedures will lead to an enhanced circular economy in the Union, contribute to EU competitiveness and strategic autonomy and create the basis for new jobs.
- 3.4 Boosting recycling capacity inside the EU's borders is of the utmost importance and will help reduce carbon and environmental footprints. It could also lead to increased employment in this sector; the figures advanced by the European Commission that between 9 000 and 23 000 new jobs will be created in the recycling and reuse sectors are promising, and could be even higher if the proper boost for recycling capacity is introduced.
- 3.5 The Committee finds it totally unacceptable that some Member States still rely on paper-based procedures and that, sometimes, even regions from the same Member State have different interpretations of the enforcement procedures. Therefore, the EESC calls on Member States to embrace as soon as possible the digital solutions proposed by the European Commission and ensure a smooth transfer to a harmonised and transparent European framework, agree on adopting harmonised criteria for pre-consent procedures and empower the Commission to adopt delegating acts for common waste classification. Funds and technical assistance for increasing operational capacity should be immediately provided.
- 3.6 The Commission is proposing to harmonise the calculation procedure for the waste shipments financial guarantee. The EESC welcomes the fact that this will lead to increased predictability for businesses, but calls for proportionate calculation of these amounts in such a way that would not represent an extra burden on economic operators. The EESC believes that the financial guarantee should clearly cover all the risks arising from waste shipments, but must not overburden companies, especially since there are many SMEs involved in the process, with limited available liquidity.
- 3.7 Finally, the EESC calls for enhanced funding opportunities from the European Union and the Member States for establishing and/or modernising the EU recycling facilities and discovering innovative technologies for the reuse and recycling of waste. End markets for Raw Materials

from Recycling have to be developed without delay in order to create a fully functioning secondary raw materials market, transforming end-of-life products into new raw material for production. The EU should also increase the availability and quality of recyclates, focusing on the ability of a material to retain its inherent properties after recycling, and its ability to replace primary raw materials in future applications. This shall lead to increased processing capacity within the Union, new high quality and green jobs, and the opportunity to identify the type of raw materials that generate no-value waste, and eliminate or replace them in the long term.

4. Exports, imports and in transit waste shipments

- 4.1 In the past 17 years, the volume of waste exported to third countries has increased by 75% to approximately 33 million tonnes/year¹³, very often with little or no consideration of how the destination facilities function and treat waste. Waste imported in the EU amounts to 16 million tonnes/year, while 70 million tonnes of waste is traded within the EU.
- 4.2 The EU is part of more than 80 free trade agreements (FTAs), with around 40 pending or being negotiated. The EESC finds it deeply inappropriate that only two of them explicitly mention circular economy¹⁴ and calls for an extended focus on strengthening the sustainable development chapters in all existing and future FTAs and ensuring their effective implementation.
- 4.3 The relatively recent plastic waste trade restrictions imposed by China, India, Thailand, Vietnam and Malaysia have brought to light the overdependence of the EU on foreign waste treatment. The unacceptable reliance on waste exports makes the EU economy vulnerable to disruptions in supply chains.
- 4.4 Exports of waste should respect full transparency rules and provide publicly available information on the environmentally sound management standards in the country of destination. The EESC welcomes the Commission proposal for third-party audits on external waste facilities and considers that they should include detailed provisions about the environmental footprint and working conditions. For items shipped for reuse, the polluter pays principle should be maintained and the Extended Producer Responsibility fees should follow the product, as they have been paid by consumers to cover the waste stage, independently of where it takes place. Furthermore, the social partners and relevant NGOs should be part of the audit procedures while open data infrastructures must be financed and made available. Complaint mechanisms should be reinforced for NGOs and other relevant stakeholders.
- 4.5 The EESC encourages EU established or authorized auditor (by EU notified bodies, with relevant qualification) to perform audit procedures at facility and country level to ensure that human health, environmental and social standards of EU country are met within waste destination country. More detailed audit procedures are needed to be described as well as monitoring criteria, complaint and sanctions. It is also necessary to describe inputs (volume based and risk based) that can trigger audits.

¹³ [Communication: Our waste, our responsibility.](#)

¹⁴ The FTAs with Mexico and New Zealand.

- 4.6 The Committee encourages SMEs to perform audit procedures for facilities in third countries through Producer Responsibility Organisations (PRO), as it should lower the financial burden for such operations. Health and safety and working conditions must be well protected and monitored. Investments in training and know-how for workers should be covered by a specific allocation under the ESF+.
- 4.7 The EESC acknowledges that authorities and economic operators need some adjustment time to apply and comply with the new rules. However, the EESC considers that the proposed 3-year deadline after the entry into force of the Regulation is lacking ambition and would like to call for a maximum two-year transition period.
- 4.8 The European Commission has proposed a 30-day time limit for the competent authorities of transit to raise valid objections for a planned shipment for recovery. The EESC considers that the deadline should be reduced to 10 days in order to ensure operability and avoid unnecessary delays. Furthermore, the EESC calls for a clear restriction on these authorities to prevent them from objecting to the same shipment more than once.
- 4.9 The Committee calls for the extension of the EDI system to all waste shipments destined for export, import and transit. It is the only way to ensure the traceability and transparency of these processes, in such a way that they follow the same rules as for internal shipments. The Commission and Member States have to make every effort to have this system in place as soon as possible, even before the two-year deadline proposed. For that, the EESC calls for adequate human and technical resources.
- 4.10 The fact that certain destination countries may be exempt from having to demonstrate the extent to which they meet key human health and environmental conditions, just because they are members of the OECD, is contrary to the spirit of the reform and could undermine the whole system. The EESC requests that, for waste export purposes, OECD and non-OECD member countries should meet the same strict criteria regarding environmental commitments as are set in the EU. Furthermore, the EESC calls for proof of evidence that all the receiving countries are already managing their own domestic waste in an environmentally sound manner that is similar to the EU practice and respecting the ILO core conventions and labour standards.

5. **Illegal waste trafficking**

- 5.1 The different enforcement procedures of the 2006 Regulation across Member States have led to an increase in illegal waste shipments activities. The figures are difficult to quantify but it is believed that 30% of all waste shipments in Europe are illicit and worth some EUR 9.5 billion annually¹⁵.
- 5.2 The stakeholder consultation has revealed strong support for the reinforcement of the procedures to combat illegal shipment of waste. Strengthened control of waste exports, imports and in transit is necessary for combating environmental crime and fighting illegal trafficking.

¹⁵ [Questions and Answers on new EU rules on waste shipments.](#)

The EESC welcomes and supports the enforcement of the inspection and investigation procedures and calls for full cooperation between Member States and with the Union, in line with the new EU Strategy to tackle Organised Crime 2021-2025¹⁶. The involvement of OLAF can make up for the human resources deficit in some Member States and ensure a more effective collaboration framework.

- 5.3 Waste trafficking remains one of most serious environmental crimes and is considered a high-profit and low-risk activity, with devastating consequences for human health and the environment. The European Court of Auditors has noted that the detection of illegal cases of identified waste trafficking remains low and that the prosecution rate is below other types of crime, while the sanctions applied are not proportional and dissuasive¹⁷. This is mainly because the waste shipment chains are very complex and proving that those involved were aware about the illegal activity is difficult, especially since waste can change owners and countries several times before it is illegally disposed.
- 5.4 Industrial stakeholders and NGOs have the capacity to follow and report on possible illegal waste shipments, once they have access to data. The EESC therefore calls for non-confidential data to be made available to all interested parties, including social partners, non-governmental organisations, municipalities and citizens. The EESC believes that comprehensive collection of data and enhanced transparency will lead to enhanced control and a reduction in illegal waste shipments.
- 5.5 However, the EESC considers that there should be a clear distinction between the identified illegal traffickers and the operators which have been found guilty of a human documentation error, especially relating to Annex VII¹⁸, as it was the case in the past. The EESC calls for a harmonised penalty system that is effective and proportionate to the infringement.

6. Final Remarks

- 6.1 It should be clear to all now that we are producing too much waste, which is complemented by the lack of new natural resources. The EESC calls for a regulatory framework that incentivises the use of recycled materials, which in turn will contribute to lower carbon emissions and prevent valuable waste from ending up in landfills. Using waste as a resource is at the core of the Circular Economy Action Plan and the EESC has already stated that *"in order to decouple economic development from the consumption of natural resources and environmental impacts, the EU needs to set itself more ambitious targets"*¹⁹.
- 6.2 In line with the circular economy principles, the Committee calls for legislative proposals to incentivise manufacturing companies to design their products in such a way that they are fit for reuse and recycling and embrace the development of circular business models. European and

¹⁶ [EU Strategy to tackle Organised Crime 2021-2025](#).

¹⁷ [Review No 4/2020: EU action to tackle the issue of plastic waste](#).

¹⁸ Annex VII – Information accompanying shipments of waste.

¹⁹ EESC opinion on Implementation of EU environmental legislation: air quality, water and waste, [OJ C 110, 22.3.2019](#).

national strategies and legislative frameworks that incentivise this transition, and fight premature obsolescence of the products, have to be designed, involving the social partners, SME representatives and civil society organisations. Circular economy transition means, on the one hand, keeping the value of the products in the economy for longer and, on the other, increasing the use of secondary raw materials. Therefore, facilitating access to innovative solutions for transforming waste into secondary raw materials is of paramount importance and must be promoted through online platforms (such as the European Circular Economy Stakeholder Platform) and best practice sharing.

- 6.3 The EESC considers that the introduction of the EDI is entirely necessary and in line with the EU Digital Strategy²⁰ and calls for swift implementation, as it can reduce economic losses for companies, ensure more rapid procedures and quality monitoring. The EESC also believes that the electronic system will add transparency and increase efficiency, ensure better data traceability, provide the framework for intense cooperation between Member States and encourage the development of robust waste markets. It further suggests the use of modern technologies for transport monitoring (IoT and satellites) and blockchain technology for data security purposes.
- 6.4 A clear distinction must be made between waste shipments for reuse and recycling and shipments for lower forms of recovery, like incineration. It is absolutely essential to have, from the start, the right tools to investigate and clear criteria that prohibit waste shipments under false pretexts.
- 6.5 The Committee invites the European Commission to assess the possibility of establishing a Market Observatory for secondary raw materials that can analyse and recommend sectoral development policies and ways to eliminate the existing bottlenecks. The Observatory should include all relevant European stakeholders and have a consultative role for the Commission.
- 6.6 Finally, the EESC considers that the European Commission should perform a thorough impact assessment of the implementation of the Regulation five years after its entry into force.

Brussels, 23 February 2022

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The president of the European Economic and Social Committee

²⁰ [The European Digital Strategy - Shaping Europe's digital future.](#)