

European recyclers urge policymakers to fast-track waste shipments for material recovery in the EU and facilitate access to international markets for raw materials from recycling under the WSR

Brussels, 6 September 2022

Individually sent to: **The Rapporteur and Shadow Rapporteurs of the ENVI Committee for the revision of the Waste Shipment Regulation (WSR)**

To the kind attention of: **Pernille WEISS, Member of the European Parliament - Rapporteur**

Dear Ms WEISS,

The European recycling industry is at the heart of the transition towards a circular economy and climate-neutrality. Thanks to more than 5,500 mostly small but also large European recycling companies, it is one of the few industries that steadily grows and invests into new industrial facilities. The recycling industry also provides 350 000+ direct local, non-outsourcable jobs across Europe, including highly skilled employment.

By turning waste into resources, recycling not only reduces Europe's reliance on extracted raw materials from non-EU countries, it also significantly reduces CO<sub>2</sub> emissions, energy and water consumption. For instance, metals recycling reduces CO<sub>2</sub> emissions by 92% for aluminum and by 58% for steel.

The procedures laid down in the Waste Shipment Regulation (WSR) are burdensome, costly and time-consuming. **European recyclers are therefore in favour of an ambitious revision of the WSR that effectively combats illegal shipments while preserving free, fair and sustainable trade of raw materials from recycling.**

While the Commission's proposal improves the current legislative framework on intra-EU shipments of waste by establishing electronic procedures and easing fast-track shipments for materials recovery, it falls short on the provisions regulating exports of waste to OECD and non-OECD countries. The proposal fails to distinguish between "problematic" waste streams, whose improper management results in environmental harm and raw materials from recycling whose use in Europe and globally massively contributes to environmental protection.

**EuRIC supports strict export restrictions of problematic waste streams such as mixed plastic waste and non-processed electronic waste (WEEE), end-of-life vehicles (ELVs), tyres, and batteries. However, export restrictions of raw materials from recycling classified as waste will significantly hamper the transition towards a climate-neutral and circular economy and result in significant job losses.**

**Firstly, substituting extracted raw materials with raw materials from recycling saves resources, CO<sub>2</sub> and energy regardless of the material substituted.** While the vast majority of waste recycled in the EU stays in the EU, exports of raw materials from recycling to OECD and non-OECD countries directly contributes to the balance of supply and demand. This is particularly the case for steel scrap and other base metals, such as steel, copper or aluminum, or recovered paper where supply exceeds the demand in the EU. For instance, around 80% of commodity-grade steel scrap is used by the European steel industry while only 20% is exported to countries that rely on raw materials from recycling. For paper, 5+ million tons of paper is collected and recovered in excess of the European demand.

**Secondly, contrary to some false claims, export restrictions will directly damage the availability of raw materials from recycling to European energy-intensive industries as has been witnessed in non-European countries.** Access to international markets is essential for balancing cyclical demand and the absence of competitive end-markets for RMR will negatively affect waste collection, recycling and investments to scale up recycling capacities. As such, the proposed export restrictions will put at risk the ability to achieve EU recycling targets.

**Thirdly, a loss in competitiveness due to indiscriminated export restrictions will prioritize extracted raw materials over RMR. This negative impact is not accounted for in market prices. Moreover, extracted raw materials are not subject to any trade restrictions under EU law and therefore render energy-intensive industries even more resource and carbon-intensive.**

Finally, a revision that hampers instead of boosts recycling in Europe will result in substantial job losses in an industry whose competitiveness largely depends on its ability to market raw materials from recycling to cover the costs of proper waste management. For instance, more than 50% of turnover of some recyclers relies on exports outside the EU, simply because there is no sufficient demand in Europe. Worse, as the downstream industries to whom the EU recycling industry sells, are composed of very few market players, the revised WSR will put recycling companies composed of a majority of SMEs at the mercy of dominant multinational companies. As a result, a number of recycling companies spread across the EU may have to close resulting in direct and indirect job losses as well as diverting waste from recycling to incineration and landfilling or illegal dump sites.

EuRIC has identified amendments, annexed to this letter, which support a sound WSR revision. These amendments ensure that only problematic waste streams are subject to export restrictions when justified on environment and human health grounds, while raw materials from recycling whose use in production processes in the EU and globally shall be incentivized are not, as proposed in [AM 348, 349, 356 and 355](#).

**In addition, European recyclers recall the importance of keeping a distinct regulatory framework between OECD and non-OECD countries, as proposed by the European Commission.** Export restrictions, if any, to OECD countries, shall solely target exports of problematic waste streams, such as unprocessed plastic waste. The definition of environmental sound management of waste with OECD countries shall be primarily done through OECD multilateral agreements, rather than unilaterally by the EU. At a time where the world is undergoing major geopolitical changes, it is essential to keep a robust economical and environmentally sound trade relationship with historical EU partners. Any amendments that would result in aligning the legal framework for waste shipments applicable to OECD countries with non-OECD will be disproportionate and breach legal commitments the EU and its Member States have taken with OECD countries.

#### **Need for a holistic approach that supports instead of hampering recycling in Europe.**

With only 12% of raw materials used by European industries coming from recycling, the European economy remains fundamentally linear. Thus, European recyclers would like to emphasize that the revision of the WSR is an important part of a much broader regulatory framework which should aim at laying down:

- Mandatory recycled content to boost circular value chains in Europe and drive the substitution of extracted raw materials with raw materials from recycling beyond plastics, as proposed in [AM 488, 496, 497](#);
- An effective implementation of the Sustainable Products' Initiative (SPI) to boost products' recyclability;
- EU-wide end-of-waste criteria to clearly distinguish raw materials from recycling from waste;
- An ambitious implementation of the Fit for 55 package with the implementation of the carbon border adjustment mechanism and a swift phasing out of free allocation under EU ETS to ensure, in line with the polluters pay principle, that only investments in the most sustainable production pathways will be rewarded;
- Requirements ensuring that extracted raw materials imported into the EU are subject to similar human rights, health and environmental standards as the ones set in the EU. This will ensure that the true dimensions of mining outside the EU is accounted for and that there is a level playing field with recycling.

European recyclers, represented by EuRIC, would like to thank you for your consideration of this letter and stand ready to exchange further to ensure that the revision of the WSR will effectively boost circular value chains and curb illegal waste shipments.

Sincerely yours,

Emmanuel KATRAKIS  
Secretary General of EuRIC

Olivier FRANÇOIS  
President of EuRIC



**ASSOFERMET**  
Italian Association of Metals  
Processors & Traders



**ASSORRAEE**  
Associazione Recupero Rifiuti Apparecchiature  
Elettriche ed Elettroniche  
Italian Association for Recycling of  
WEEE in Italy



**Asociácia nezávislých  
spracovateľov  
druhotných surovín**  
Slovakian Association of  
Independent Secondary Raw  
Materials Processors



**BDSV**  
Bundesvereinigung Deutscher Stahlrecycling-  
und Entsorgungsunternehmen e. V.  
German Steel Scrap Association

German Federation Association of  
steel scrap recycling companies



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BRITISH METALS  
RECYCLING ASSOCIATION  
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