A.6 International

A.6.1 Introduction

International collaboration is necessary to achieve objectives at national level, boost know-how and innovation, make international chains circular and prevent transferring the environmental burden to other phases in the chain. More information on the Government-wide Circular Economy programme is included in Section B.1 'Towards a Circular Economy'.

The market for waste and the use of waste as a secondary resource is an international market. By making agreements at EU level on how to deal with waste, it is possible to prevent the 'waste hierarchy' being applied differently in various member states, creating an uneven playing field in which too much waste is removed, rather than being recycled. Moreover, international agreements offer businesses more security in the long term.

This section describes the international framework that the Netherlands has to deal with in relation to management of waste materials. The European waste policy and, in particular, the review that is currently underway with the aim of creating a circular economy are described in sub-section A.6.2. Sub-section A.6.3 then goes on to address other forms of international co-ordination than co-ordination under the auspices of the European Union. Lastly, sub-section A.6.4 explains that the principle of mutual recognition also applies to waste.

A.6.2 European waste policy

This section limits itself to the European policy that focuses on management of waste materials and to the circular economy package, where this relates to waste materials.

A.6.2.1 <u>EU Circular Economy Action Plan</u>

In 2015, the European Commission drew up an <u>action plan</u> for the transition to a circular economy. In the action plan, the Commission proposes that by keeping the value of products, materials and natural resources in the economy as long as possible and, at the same time, minimising waste, the transition to a circular economy can make an important contribution to the creation of a low-carbon, resource-efficient, competitive economy.

The most important announcements in the action plan relate to:

- Manufacturing
- Consumption
- Waste Management
- Waste materials transformed into resources
- Priority chains
- Innovation, investment and other horizontal measures
- Supervision of progress towards a circular economy

The action that is proposed in relation to the various announcements is described in this sub-section.

A.6.2.1.1 Manufacturing

The Commission encourages reparability, sustainability and recycling of products by developing product requirements in the context of the Ecodesign Directive.

In the revised waste legislation proposals the terms relating to extended manufacturer liability create economic incentives for better product design. In addition, these proposals clarify the rules and regulations for by-products in order to make industrial symbiosis easier to achieve and to make a contribution to a level playing field throughout the EU.

In the reference documents on the Best Available Technology (BAT) the Commission includes guidelines for the best practices in relation to waste management and efficient use of natural resources in industrial sectors, and it publishes guidelines and encourages best practices for dealing with mining waste.

A.6.2.1.2 Consumption

In the context of the Ecodesign Directive, the Commission includes requirements on sustainability and the availability of information on reparability and spare parts.

In the revised waste legislation proposals the Commission establishes new rules and regulations to stimulate activities in the field of re-use.

The Commission is aiming for better enforcement of the warranties for specific products, looking into the possibility of improvement and fighting wrongful sustainability claims. It is drafting an independent test programme to identify 'planned obsolescence' in products.

In addition, the Commission is taking steps in the field of green public procurement by placing the emphasis on aspects in relation to the circular economy in new or revised criteria, by supporting a wider application of green public procurement and by setting a good example in relation to its own tender procedures and finance at EU level.

A.6.2.1.3 Waste Management

Together with the action plan, the European Commission has established revised waste legislation proposals to cover the following in particular:

- targets for recycling of urban waste and waste packaging, and for the reduction of waste dumping;
- provisions to encourage the use of economic instruments;
- general requirements for schemes to extend manufacturer liability;
- simplification and harmonisation of definitions and calculation methods.

The Commission is going to work even more closely with the member states to improve waste management in practice and, not least, prevent over-capacity in the processing of residual waste.

The Commission supports member states and regions to ensure that investment in the waste sector in the context of cohesion policy contributes to the support of the objectives of European waste legislation, and that it is in accordance with the EU waste hierarchy.

A.6.2.1.4 <u>Waste materials transformed into resources</u>

Where necessary (for plastics in particular), the Commission is taking the first steps towards work on the development of quality standards for secondary raw materials and proposing improvements to rules and regulations for the 'end-of-waste' phase.

In addition, it is proposing a revised Fertilisers Regulation in order to facilitate the recognition of organic fertilisers and waste-based fertilisers, thereby supporting the role of bio-nutrients in a circular economy.

The Commission is analysing the overlap between legislation on chemical substances, products and waste. On the basis of this, it will propose measures on the way in which the presence of substances of concern in products can be reduced, and that such substances can be better traced.

The Commission is pressing forward with development of the information system for raw materials, and it is supporting research throughout the EU into raw material streams.

A.6.2.1.5 Priority chains

<u>Plastic</u>

The Commission is establishing a strategy for solid waste plastic, in which recyclability, biodegradation and the presence of substances of concern in specific plastics, and the issue of litter at sea are addressed. The revised waste legislation proposals incorporate a more ambitious target for the recycling of plastic packaging.

Food waste

In order to support the UN target relating to food waste, and to maximise the contribution made by actors in the food supply chain, the Commission shall:

- develop a joint EU method for measuring food waste and establish relevant indicators. It shall create a platform for the exchange of best practices and the assessment of progress;
- take steps to clarify EU legislation in the field of waste, food and animal fodder, and to ease the donation to and use of former foodstuffs and by-products from the food chain in animal fodder manufacture, without endangering foodstuffs and animal fodder; and
- investigate how the use of a date indication, in particular the 'best before' date, can be improved by actors in the food chain, and understanding on the part of consumers can be increased.

Critical raw materials

The Commission is taking a series of measures to encourage the recovery of critical raw materials and shall report, not least, on the best practices and options for further measures. In the revised waste legislation proposals, the Commission shall also encourage measures put forward by the member states in this field.

Construction and demolition waste

The Commission is taking a series of measures to safeguard the recovery of valuable resources and appropriate waste management in the construction and demolition sector, and to facilitate the assessment of the environmental performance of buildings.

Biomass and products from organic sources

The Commission is encouraging efficient use of natural resources from organic sources by means of a series of measures, including guidelines and dissemination of best practices for gradual introduction of biomass, and by supporting innovation in the bioeconomy.

The revised waste legislation proposals incorporate a target for the recycling of wooden packaging materials and a provision to safeguard the separate collection of organic waste.

A.6.2.1.6 <u>Innovation, investment and other horizontal measures</u>

Government and private investment in increased research and innovation are necessary to bolster the competitiveness of industry in the EU. Supporting instruments, such as Horizon 2020, COSME, the structural and investment funds, the European Fund for Strategic Investments (EFSI) and other EU programmes will be important to that. Small and medium-sized enterprises (SME), including social enterprises, will have an important role to play in the development of a more circular economy. The Commission shall:

- help the SMEs to benefit from the commercial opportunities of more efficient use of the natural resources through the creation of the European Resource Efficiency Excellence Centre;
- maximise use of the Horizon 2020 work programme for 2016-2017, which comprises a largescale initiative relating to 'Industry 2020 in the Circular Economy', with financial support of more than EUR 650m;
- encourage funding applications together with the European Investment Bank (EIB) and the European Investment Advisory Hub, and support the development of projects that are relevant to the circular economy.

A.6.2.1.7 Supervision of progress towards a circular economy

The Commission shall propose a framework for supervision of the main aspects of the action plan for the circular economy. This framework shall cover indicators of areas such as the continuity of the supply of important raw materials, repair and re-use, waste production, waste management, the trade in secondary raw materials in the EU and with countries outside the EU, and the use of recycled materials in products. The Commission shall also develop a joint EU methodology to measure food waste and establish relevant indicators in that respect.

A.6.2.2 Conclusions of the Council on the EU Action Plan

The European Council established the position of the EU in relation to the Action Plan for a circular economy in the <u>Conclusions of the Council of 20 June, 2016</u>. The conclusions reached by the Council are of a political nature, and are not legally binding.

The Council supports the implementation of the Action Plan. It underlines the importance of the waste hierarchy in the transition to a circular economy: an increase in prevention, preparation for re-use and recycling, and a reduction in the disposal of waste.

The acquisition and supply of primary raw materials must be made sustainable. The Council emphasises the role of fair trade, the aim of which is to ensure that the price of primary raw materials and products mirror their ecological and social externalities and, where applicable, facilitate healthy competition between the market for primary and secondary raw materials.

The Council supports the approach of viewing products in terms of their entire life cycle. The Commission and member states are encouraged to create a coherent framework that can be implemented, for systematic innovation in order to boost the circular economy throughout the chain. It must also provide an opportunity to carry out experiments on such innovations.

Products must be designed and produced to be more sustainable, involving the entire life cycle and minimising any adverse effects to public health and the environment. The Commission must take appropriate steps within the terms of the Ecodesign Directive to improve the sustainability, reparability, re-usability, opportunities for using recycled material, upgradeability and recycling options of products. In addition, it is important to investigate for which product groups, other than energy-related product groups, it is necessary to place greater emphasis on raw-material efficiency and the impact on public health.

At European level, action must be taken to prolong the service life of products. This must also address the issue of companies knowingly manufacturing products with a short service life (built-in obsolescence). The Commission is being asked to develop methods to assess and monitor the service life of products. In this respect, the option of extending the warranty period for all goods must be explored. In addition, the Commission is being asked to investigate any other initiatives that can be taken at European level in the interests of prolonging the service life of products, for instance by promoting the increased availability of replacement components.

Consumers have a crucial role to play in the transition to a circular economy. Increasing awareness, encouraging market-based mechanisms and developing supporting infrastructure are important to induce sustainable behaviour from both consumers and manufacturers. Access to reliable, up-to-date and comprehensible information on the environmental implications of products and services may help consumers to make informed choices. The Commission will be asked to develop a method that ensures that environmental claims, including energy labels, are based on verifiable, transparent information.

The Council emphasises the importance of adequate information on the availability of substances of very high concern in materials, products and waste. The Commission and the member states will be called on to develop a method that shows whenprocessing techniques result in non-toxic material chains and increasing levels of recycling while, at the same time, safeguarding the protection of public health and the environment.

The Council emphasises the importance of a properly-functioning, efficient market for secondary materials. Seeking to boost demand for secondary material and high-quality recyclate, not least by promoting the use of secondary material and increasing confidence in the quality of this

material. In this respect there must also be information available on the level of substances that could lead to problems with recycling. The Commission will be asked to establish, where appropriate, European-level uniform end-of-waste criteria, and to encourage the development of quality standards for secondary materials.

The Commission will be asked to investigate the options for ensuring that recycling of products that are taken outside the EU and are treated as waste is dealt with in a safe, environmentally-friendly way.

The amount of marine litter must have decreased significantly in 2020. Prevention of this demands ecodesign and proper waste management. The Commission will be asked to propose robust measures in relation to the reduction of the volume of macro- and microplastics carried to the sea. These measures also imply a ban on microplastics in cosmetics, and the designation of other products that may result in marine litter.

In relation to food, the Council supports all action aimed at reducing wastage, so that the UN target can be met and food wastage during production and in the supply chain can be reduced.

A.6.2.3 Input from the Netherlands

In general, the Netherlands is positive in relation to the action plan and the proposals it introduces. The action plan largely ties in with Dutch policy on the circular economy, and supports the achievement of the Dutch policy targets in this area. A positive aspect is that the plan of action covers an integrated approach, as it touches on a wide range of policy areas and addresses almost the entire cycle from raw materials, design, production and consumption, to recycling and the waste stage.

An important benefit of the proposal in relation to the amendment of the waste directives is the harmonisation of the definitions in the various directives, the streamlining of the calculation methods into a single, uniform method, rather than the existing four, more attention focused on prevention, and an easing of the use of 'by-products' and the 'end-of-waste phase'. This promotes a level playing field in the EU. The ambitious targets included in the proposals to stimulate the transition to a circular economy lead the Netherlands to believe that it is important to set realistic targets and to strike a balance between economic feasibility and environmental benefits.

An extensive response to the proposals by the Assessment of New Commission Proposals working group (BNC) is included in the <u>letter of 5 February 2016 from the Minister of Foreign</u> <u>Affairs</u>. It is expected that negotiations on the proposals will be completed in mid-2017.

In the subsequent process, the Netherlands will work together with the Commission and member states to ensure that there is a robust, prosperous implementation of the CE package. In that respect, the following priorities are important to the Netherlands in relation to primary and secondary legislation.

- Revision of legislation on waste
- Product policy (Ecodesign)
- Coherent improvement of rules and regulations on waste and hazardous substances
- Plastics strategy and ban on microplastics in cosmetics
- Coherent policy on waste and energy
- Fertilisers regulation
- EU proposals for end-of-waste criteria and quality standards for secondary raw materials
- Unambiguous, transparent product information

A.6.3 Other forms of international harmonisation

International collaboration and policy development takes place not only within the EU, but also via forums such as the OECD and the UN and, increasingly, via partnerships and coalitions such as Green Deals and voluntary platforms.

A.6.3.1 International Green Deal

The first international Green Deal is the <u>North Sea Resources Roundabout</u>. This international Green Deal relates to international trade, transport and the use of secondary raw materials in the North Sea area. These raw materials generally have the status of waste under the terms of European legislation. EU legislation also addresses the issue of how waste should be shipped internationally. The EU and - where this is not applicable - European member states may establish criteria for when waste is no longer classified as waste, and can thus be more freely traded and shipped. However, businesses in the North Sea area have signalled that the way various countries interpret this can differ considerably, to the extent of being contradictory, and that great opportunities for the economy and environment are being missed because trade between countries is being unintentionally thwarted. In the North Sea Resources Roundabout international Green Deal, private partners in the chain first suggest transnational initiatives, before a multinational, public/private team precisely defines the presumed barriers, devises solutions for this and puts them into practice. These solutions are designed, in principle, so that other, comparable initiatives can utilise them. The first North Sea Resources Roundabout international Green Deal was signed on 3 March 2016.

A.6.3.2 <u>Circular economy diplomacy</u>

Dutch know-how, technology and policy experience offer solutions for problems elsewhere (for instance on proper waste management) and can make a contribution to accelerated reduction of raw-material wastage. In this way, the Netherlands is not only offering solutions for international sustainability issues; it can also bolster the position of the Netherlands as a front-runner, and can help create international opportunities for business. A Circular Diplomacy platform has been set up for this purpose.

A.6.4 Free movement of waste within the EU in principle

The principle of mutual recognition is a general principle of EU law. The principle implies that goods:

- that have been made or marketed lawfully in another member state of the European Union (EU), or have been made or marketed lawfully in a state that is not a member state of the EU but is a party to a treaty directly or indirectly to that effect that is binding on the Netherlands, and
- that meet the requirements offered by a level of protection that is at least equivalent to the level aimed at by requirements at national level,
- must also be admitted to other member states. The aim of the principle of mutual recognition is to improve free movement of goods within the EU.

Under established European Court of Justice case law, waste must be classified as a 'good' in the sense of EC law / applicable case law (see Judgments of the Court <u>172/82</u> Syndicat National des Fabricants Raffineurs d'Huile de Graissage and <u>C-02/90</u> Commission v Belgium). The Court held that goods need not have positive value and could even represent a negative value, as long as they are the subject of commercial transactions. In relation to waste, this requirement can be met if collection, storage or processing of the waste is subject to payment.

At the point at which it is lawfully marketed in a member state of the EU, waste that is the subject of a commercial transaction is deemed to be in free circulation. The principle of mutual recognition then applies.

Where the EU Regulation on Shipments of Waste or other European legislation does not offer the possibility of restriction this means, in relation to the LAP, that waste that is lawfully marketed in another member state that sets equivalent requirements for the purposes of collection, storage or processing, will be admitted on the Dutch market to undergo this treatment. No specific or additional national requirements or rules and regulations may be attached to such admission to the Dutch market. Neither may an extra inspection be imposed in order to ascertain whether the waste is actually suitable to undergo the intended treatment.

Where the EU Regulation on Shipments of Waste or other European legislation does offer the possibility of restriction and it is advisable to make use of that possibility, this is specified in the LAP policy framework and sector plans.

A.6.5 Essence of the policy

<u>This section contains no specific policy decisions.</u> The information in this section is for explanatory purposes. Where elements of this section are changed, no public consultation procedure will be followed, as publication will be sufficient.