

Revision of the “Waste Shipment Regulation”

Free, fair & sustainable trade of metal scrap is essential to the EU recycling industry & the success of the EU Green Deal

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Brussels, 13 May 2022 – The proposal to revise the Waste Shipment Regulation (WSR) requires substantial improvements to deliver on its key objectives, namely combat illegal shipments while boosting circular value chains. The one-size-fits all approach subjecting all waste streams to similar export restrictions without making any distinction between untreated and raw materials from recycling (RMR) meeting quality specifications, will result in lasting negative impacts for the EU’s recycling industry. In particular, metal scrap from mechanical recycling should not be subject to export restrictions from the EU. If kept, such restrictions would result in substantial leakage of the recycling capacity to outside Europe. There would be resultant job losses in one of the most dynamic and circular industries. They would also deter business from scaling-up capacities and investing in new technologies to deliver raw materials that the European – and wider – industry needs. In turn, this would significantly hamper an EU circular and climate-neutral economy.

Combatting illegal shipments is a top priority of the EU recycling industry to protect human health and the environment. This is why EuRIC supports for a long time the substitution of paper-based with electronic procedures as well as export restrictions for waste streams such as unprocessed e-waste, tyres, end-of-life vehicles, batteries or mixed packaging plastics, which should not be exported to countries lacking any proper infrastructure for material recovery and further processing.

Yet, *“putting in the same basket recycled metals with unprocessed plastic waste is like mixing apple with oranges”* says Olivier François, President of EuRIC. It both negates decades of investments made by the European metal recycling industry in building up a capacity to recover metals from waste and the utmost need to remain competitive in a raw materials’ market which is intrinsically global.

To address the fundamental shortcomings of the Commission’s proposal, EuRIC urges the ENVI Committee of the European Parliament and Member States to restrict exports of ‘problematic waste streams’ without impacting free, fair and sustainable trade of raw materials from recycling by:

1. Distinguishing problematic waste streams from non-problematic ones as explicitly stated in the new Circular Economy Action Plan and making a clear distinction between untreated waste which should not be exported and secondary raw materials from recycling which should not be subject to trade restrictions;
2. Allowing metal scrap from mechanical recycling which does not pose any environmental threat to be shipped to OECD and non-OECD countries and thus contribute to a more circular economy in the EU and globally;
3. Boosting circular and climate-neutral value chains by laying down binding recycled content in products beyond plastics and for each green-listed waste that would be subject to export restrictions prior to the entry into force of the waste shipment regulation, should no distinction be made between waste streams.

Should export restrictions be kept for metals processed through mechanical recycling as part of the revision of the WSR, this will directly lead to the closure of metal recycling facilities in Europe, diversion of investments to non-EU countries benefiting from a strong internal demand and unhampered access to international markets and as a result to a substantial drop of the supply of raw materials from recycling for the European metal industry. This would in turn render complex value chains in the EU more dependent on extracted raw materials which deplete natural resources and contribute to global warming.

“All export restrictions implemented in the past in non-EU countries have consistently failed in increasing the supply for the domestic industry and resulted in a lose-lose situation for the entire value chain. Instead, the EU leadership on circular and climate-neutral economy requires a competitive European recycling industry that is only achievable through open markets for metals from recycling and a strong EU-internal demand”, Mr. François concluded.