

KL

POSITION PAPER

CIRCULAR ECONOMY PACKAGE

- THE REVISION OF SIX WASTE DIRECTIVES

Introductory remarks

EU waste directives set the framework for the Danish municipalities' waste management. The collection and treatment of waste is the responsibility of the municipalities in Denmark. This concerns almost all kinds of waste that produced in Denmark - with a few exemptions. It is a core municipal task and in 2006 the Danish municipalities spend €1.2 billion on waste management.

The circular economy package as presented on December 2, 2015 and the revision of EU waste directives is therefore of great interest to the Danish municipalities, and the interest organization, Local Government Denmark.

Local Government Denmark (LGDK) is the interest organization and member authority of all 98 Danish municipalities. The mission of LGDK is to safeguard common interests of the municipalities, assist the individual municipality with consultancy services and in addition ensure that the local authorities are provided with up-to-date and relevant information.

This position paper states the opinion of Local Government Denmark (LGDK/KL) on the package on circular economy and revision of EU waste legislation.

This position paper focuses on the following key points of relevance to the Danish municipalities and waste management widely in Europe:

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General remarks

LDGK generally supports the Commission's proposal for a package of circular economy and the revision of the waste directives.

The Commission's proposal focuses on waste prevention, which LGDK highly supports. Loss of raw materials in the production and consumption, as well as in waste management is practically inevitable, why waste prevention and ensuring resource efficiency is the first and most important step in the transition

LGDK finds that it in the long run is unsustainable that so many resources that could potentially be recycled and reused, are lost in the circuit and thereby put pressure on the use of virgin resources.

A circular economy will help to decouple growth from increased use of resources and maintain the value of the resources in the economy. This will be essential for a sustainable development of the society.

The package is a unique opportunity to create a development in which environmental protection is combined with job creation across many sectors, and where the security of supply and disposal of waste resources is reinforced – for the common interest of municipalities and business in the single market.

It is positive that the package is very comprehensive and focuses on both the producer and consumer side of a circular economy. LGDK welcomes this increased focus on the entire value chain, since it also will help to ensure success in the long run.

In this connection LGDK stresses the municipalities' central role in waste management, where the local anchoring for businesses and citizens is essential for the transition to a circular economy.

LGDK therefore welcomes the package and the long-term goals for the development of the waste sector. It is important so both local authorities and Member States know what to plan and aim for politically.

1. The targets

LGDK supports the high and ambitious targets towards 2030.

The targets to recycle 65% of household waste and 75% of the packaging waste (for some fractions up to 85%) are ambitious goals.

It will in any case be a challenge for the Danish municipalities to achieve the goals, but LGDK supports the high level of ambition, which helps to ensure progress, innovation and development.

The Commission proposes the target 65% recycling of 'municipal waste' - waste from households and similar waste from other sources. It is indeed a high goal. It is though unclear how difficult it will be to achieve as it is still unclear how big an amount commercial waste accounts for in this definition, and due to the new method of calculation that is also proposed in this package.

In comparison with many other EU member states, particularly newer ones, the Danish municipalities have a considerable head start when it comes to waste management. The Danish municipalities will therefore be a good example to others in Europe, and provide guidance where possible.

2. Definitions and methods of calculation

LGDK supports common EU definitions and methods of calculation.

A common definition makes the calculation of individual member states' performance in the individual countries more accurate and directly comparable.

2.1 Definitions

Definition on "municipal waste"

It is positive that a common definition of municipal waste across the EU is proposed.

Today there are several different ways to define municipal waste, which makes it difficult to compare the member states' performance.

LGDK supports that the definition on municipal waste is defined from the composition of the waste and not based on who collects the waste as was proposed in the withdrawn package. It is different from member state to member state who is responsible for the collection of waste.

LGDK finds it positive that the proposed definition of municipal waste includes a wide range of waste types. It is also positive that the definition does not only include waste from households, but also comparable waste from other sources.

The definition will make it possible to compare more easily and fair.

The definition's quantity criterion

The definition contains a quantity criterion: "... source that is comparable to household waste in nature, composition and quantity".

As it is the resources of the waste that are important for the environment, the most important is not from where the waste comes, but how to improve recycling and get more back in the value chain. The fact that waste from other sources only counts if it is comparable to a household in quantity, therefore does not make any sense.

LGDK therefore suggests to remove the "quantity" criterion from the definition in order to create most incentive to use all of the resources in the waste from other sources.

A common definition of municipal waste is essential in order to compare the Member States' waste management. It is therefore important that a common definition ensures an equal basis for comparison.

It is different from member state to member state who is responsible for collecting and handling waste. It is therefore important that the definition of municipal waste is not based on who collects the waste, but what sorts of waste the EU wants to improve the recycling of

2.2 Methods of calculation

LGDK supports the standardisation of methods of calculation

LGDK supports the Commission's proposal to standardise the methods of calculation of the recycling rates.

LGDK finds it very positive that the recycling rates will be based on the final treatment of the waste. The current methods calculate what is collected for recycling. The new calculation method will provide a more accurate picture of what is actually recycled. It will thus ensure a greater focus on resource efficiency and environmental performance of the collected waste.

LGDK notices that the methods of calculation will make it more difficult to reach the ambitious recycling targets, as not all collected waste can and will be recycled.

Today, recycling of waste is calculated based on the amount of waste collected for recycling. In the process from the collection for recycling, there will be some material that can not be reused. For some fractions, it will be more than others. Hence the new method of calculation will give a more realistic and relevant picture of how much of the waste is recycled.

In the end it the real recovery is the most important, and focus should på put hereon.

LGDK has the following further comments regarding the method of calculation:

2.2.1 Overall 10 % minimum threshold

The Commission has set a minimum threshold of 10 %, as not all collected waste can be recycled.

The 10% threshold seems more realistic than the 2% threshold as was proposed in the previous package.

LGDK supports a minimum threshold. The possibilities to avoid materials that should not be discarded, however, is very different depending on the types of waste and materials. And depending on where in the level of treatment it is measured. Hence a generally fixed threshold of 10% seems somewhat arbitrary.

LGDK therefore thinks that it is important to consider the implications of each type of waste and e.g. set a threshold for each sort of waste on the basis of the best available techniques.

Furthermore it is unclear how the 10 % can and should be measured. The responsible authorities would need full information from the waste handlers on which quantities of waste that will be sorted for recycling.

2.2.2 Responsibility for the municipal recycling rate must be clarified

It should be clarified how the definition and the calculation method affects the municipal recycling rate.

The municipal recycling rate can not be better than the treatment facilities can perform in practice.

LGDK therefore believes that it should be considered how sorting and processing plants can help to achieve the objectives.

2.2.3 Lack of focus on environmental effects

The definition only focuses on the amount of recycled waste, but does not take the environmental effects of the waste into account.

Neither does it take into account what type of waste that is most profitable to recycle from a socio-economic point of view and how this is best accomplished.

Doing it this way there would be a greater focus on socio-economic and environmental impact rather than unilateral collection rates.

The current legislation and the Commission's proposal does not take into account that there are differences between different waste sorts' environmental value. Possibilities to avoid materials that should not be discarded is very different depending on the type of waste.

E.g. it makes more environmental sense to collect a tonne of aluminum rather than a tonne of potato peelings and there are differences in the recycling of paper and recycling of electronics.

The calculation method must take into account the environmental value of the different types of waste recycling.

LGDK proposes that the Commission develops targets for the sorts of wastes' environmental value. In this way, it will be made clear on which materials there must be special focus on to improve the waste management and make it more environmentally friendly.

3. Landfilling

LGDK welcomes the objectives of a maximum of 10% landfilling of municipal waste in 2030, as it can help to push some members away from their high share of landfilling.

Landfilling is at the bottom of the waste hierarchy, and should only be used when there is no other option for recycling or recovery.

The Danish municipalities already fulfill this target.

4. Local methods of freedom

By extension, the number of the Commission's powers to adopt delegated acts are minimized in future legislation.

LGDK finds it positive that freedom of methods is proposed as local and regional conditions and circumstances are important for each member country's ability to reach the targets.

It is essential to ensure that no further demands towards method of choice is made in negotiations at EU level as waste-collection varies from country to country, and is within the same country dependent on local differences in population density, population and building composition, infrastructure, etc.

Freedom of methods will ensure that the member states and the municipalities are not bound to a solution that will be outdated in a few years, and it will ensure the possibility for develop new ways to manage and handle waste, and thus help to promote the spread of best practice towards a circular economy.

Waste management and recycling of its resources develop rapidly in current years, and every year new and innovative ways to treat the waste is introduced. If the legislation imposes requirements for e.g. separate collection of bio-waste, member states will be bound by such requirements, although new and smarter handling methods have been developed.

Freedom of methods is to ensure innovation and development, to the benefit of recycling, industry and the environment.

5. The financing of the circular economy package

The Commission proposes to support the transition to circular economy with funds from the EFSI, funds from the EU's cohesion policy and Horizon 2020. LGDK finds it unclear how the funding will be carried out.

LGDK notes in this regard that the EFSI has not proved to be relevant for the Danish municipalities, as the Danish municipalities already have very favorable loan opportunities. Hence the payments from EFSI to the circular economy package will not immediately be relevant to the Danish municipalities.

Regarding support from the EU's cohesion policy, the Commission has proposed that the EU's cohesion policy will play a key role in order to close the investment gap for improved waste management and support the waste hierarchy.

Here, the structural funds, in compliance with national waste management plans, must support the achievement of recycling targets. LGDK notes, accordingly, that the implementation and programming of the funds is determined nationally. The Danish regional fund program has already been programmed and has not set aside funds for investments related to circular economy and waste management, e.g. new technology, sorting and treatment plants or other waste facilities. It is therefore not clear how the structural funds are to support the circular economy in Denmark.

LGDK finds it positive that the Horizon 2020 program, entitled "Industry in 2020 in the circular economy", will be provided to support the transition to circular economy.

The Danish municipalities are well developed regarding development of new approaches and methods in waste management, and will immediately have opportunities to engage in transnational projects through Horizon 2020.