

Eurometaux and CEPI Position on Sustainable Access to Raw Materials, Resource use and Recycling

1. Introduction

Sustainable access to raw materials and their sustainable use are key elements of the EU's sustainability policy. They are essential to meet the EU's 2020 objectives and are the basis for the future competitiveness of EU manufacturing industries. Raw material - both primary and secondary - extraction/production supply chains are genuine economic sectors providing jobs and creating wealth in Europe. Recycling is an economic activity contributing significantly to EU GDP. Collection of used materials/products involves citizens, municipalities and public authorities, which have invested in efficient systems to meet growing demand for long-term sustainability.

The complementarity between primary and secondary raw materials needs to be recognised: while secondary materials are an eco-efficient way to reintroduce into the economy valuable resources, they are not sufficient to meet the growing demand for materials (paper, metals, minerals). Both are needed and complement each other.

Industry calls upon the EU to develop a comprehensive and consistent policy on long term sustainable access to raw materials and use of resources. This policy should support European industry in its efforts to use resources from cradle to cradle. The Raw Materials Initiative (RMI), the Thematic Strategy on Waste Prevention and Recycling, the Thematic Strategy on Sustainable Use of Natural Resources and Commissioner's Potočník's flagship initiative on "Resource efficient Europe" are all inter-related initiatives that should be consistent and integrated. Other initiatives such as the SCP (sustainable consumption & production), the Waste Framework Directive or other recycling and resource related policies should also be considered.

In the context of shaping the above mentioned initiatives, the signatory sectors would like to call for particular attention on a number of issues and propose specific concrete actions.

2. Sustainable access to raw materials, efficient use of natural resources and sound recycling

The signatory European industry sectors:

- call for a sound implementation and enforcement of existing legislation. For example, a sound implementation and enforcement of the Waste Shipment Regulation (WSR) would significantly contribute to addressing the illegal shipment of valuable secondary raw materials to non EU countries.
- support the principle of sound use of natural resources. To be effective, the concrete measures need to be built on a thorough understanding of the different value chains - the intrinsic nature of paper and of metals may call for different solutions to promote efficient production, recycling and use - paper industry is competing for raw materials with the subsidized bio-energy sector while non-ferrous metals scraps have a high value and energy content that triggers fierce competition from non EU operators and hence increased legal and illegal export trade.

- call for the establishment of the right conditions to ensure fair and free competition among resource users at European and international levels through WTO and Free-Trade Agreement negotiations - some competing trade partners have restrictive raw material access behaviours and at the same time maintain high tariffs on products. Some countries, like China, allocate substantial subsidies to companies using secondary raw materials like recovered paper.
- support the offensive EU trade policy against raw materials market distortions, such as export duties.
- call for effective recognition of the benefits of recycling in other policies and methodologies, such as the energy policy. Energy efficiency and resource efficiency must become key criteria in raw materials impacting policies. The energy embedded in the secondary raw materials is one of the main reasons for these materials to be so eagerly traded. Exporting recyclates such as recovered paper or non-ferrous metals scrap to third countries means a leakage in the European energy balance.
- call for a full life-cycle approach in resource efficiency related policies to avoid both adverse environmental effects and negative impacts on the economy.
- support the waste hierarchy as promoted in the Waste Framework Directive, but would like to point to three concerns:
 - reuse of products should be encouraged to maximise the use of resources along with a more integrated and balanced assessment of the benefits of reuse, for example to consider the energy efficiency of the product or its likeliness to be further used and recycled in a sound way;
 - recycling should be given priority over energy recovery;
 - a progressive ban of landfilling should be introduced.
- call for a cautious consideration of quantified targets on e.g. the use of natural resources or recycled content as an end-of-life recycling approach is more efficient for metals and paper in terms of resource savings and reduction of environmental footprint. The assessment needs to consider the characteristics and needs of the different value chains. Recycled content targets are not an efficient approach for non-ferrous metals which high scrap value and well functioning scrap markets imply that they are recycled if and when collected. Similarly, in many sectors the problem is rather the availability of secondary materials than a lack of market pull for recycled materials.
- call for actions aimed to ensure that recycling takes place in efficient facilities rather than in sub-standard facilities.

3. Proposed measures to secure access to raw materials, sustainable use of natural resources and optimal waste management and recycling

The signatories support the following measures to reach the objectives of the RMI and the thematic strategy on waste and recycling:

3.1 Improved enforcement of the waste shipment regulation to avoid illegal shipment of waste

Illegal shipments of recovered paper or metals scrap is detrimental to the sustainability of the recycling sector in Europe and constitutes a material and energy leakage. The signatories call for a better enforcement of the waste shipment regulation, e.g. through the strengthening of the IMPEL (EU Network for the Implementation and Enforcement of Environmental Law) network. The Commission should mobilize the authorities concerned on a collective work program and modus operandi.

Industry also proposes to support the enforcement of the WSR through a clear distinction in the customs declaration between new and second-hand goods so as to facilitate control.

The proposal consist of inserting a clause in the MCCC-IP (Modernised Community Customs Code) requiring explicit declaration of second-hand exported goods (box 44). This would also help building information on “illegal” waste stream.

3.2 Certification of pre-processors, smelters/refiners and recyclers of waste and secondary raw materials

The waste shipment Regulation (as well as the waste framework directive) requires that secondary materials shipped to non-EU recycling installations should be treated in an “environmentally sound manner” (ESM). The reality is that most recovered paper and metals scraps are exported to operators with less advanced environmental standards and lower yield whereby EU law is infringed. The signatories call for a level playing field for industrial pre-processors & refiners recovering secondary raw materials to be established by a certification scheme. The practical implementation of such a certification scheme should be explored including potential issues related to the extraterritorial jurisdiction and consistency with WTO rules.

3.3 Improve the collection schemes and their management, access to the materials collected and access to recycling

The quality of the reclaimed material depends amongst others on the collection system used. Separate collection at source is the most advantageous option economically and environmentally and should therefore be brought forward and closely monitored. The Commission should closely monitor the enforcement of the Waste Directive’s provisions with respect to separate collection targets.

The Commission should maintain and adopt measures that specifically support collection and recycling of certain waste streams. The “vertical” directives on end of life vehicles and packaging and packaging waste, plus the provisions on building and construction waste in the Waste Framework Directive, should be truly implemented by the Member States.

In addition, specific targets should be set for spent rechargeable battery collection per major categories of waste electrical and electronic equipment. In addition, the colour coding of batteries according to chemical content would support recycling of the materials contained in the batteries. Similarly, recycling efficiency targets per process are advisable. The Commission and the EU Member States should adopt and implement a pro-active education and communication policy in order to raise awareness of the public about the role and benefits of the various collection and recycling schemes in place.

3.4 Eco leasing - A product of service

Eco-leasing is an interesting concept that could be further explored.

3.5 Data on recycling

The signatories support improving data on secondary raw material flows. An important element is enforcement of traceability of (end-of-)waste streams. The EU should encourage Member States to continue data collection on production, uses and flows and to extend it to secondary raw materials. The Commission should also encourage Member States to

collect data on materials in stock in the economy and on waste disposal not recycled (e.g. incinerated).

3.6 Research on recyclability

Maximising recycling benefits is crucial for the signatory sectors. Hence, research should be intensified regarding for example:

- Aspects of improved “industrial symbiosis” across the sectors (industrial ecology).
- End-of-life collection & optimization of interfaces along the recycling chain
- Optimized recovery of industrial effluents & by-products
- Innovative recycling technologies for non-ferrous metals with “thermo-dynamical and chemical constraints” and collection of non-ferrous metals from bottom ashes from incinerators;
- Recycling of materials under more drastic economic constraints

3.7 Shipping of complex materials to BAT-recycling plants in Europe - proposal specific to the non-ferrous industry

Tons of materials are shipped to non-OECD countries as second-hand products while these countries often lack of local infrastructure to recycle complex end-of-life products which implies a loss of valuable materials and a deterioration of the local environment and health. The EU should develop schemes promoting the conversion of those engaged in inappropriate activities in developing countries into collectors improving local economics, health and environment. Once collected and sorted, pre-treated, the complex materials would be sent to BAT-plants for optimal recycling.

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