





Amendment to the Waste Framework Directive - Focus on the textile sector

COM(2023) 420

# **Executive Summary**

#### Content of the proposal

Under Directive (EU) 2018/851 of 30 May 2018, the obligation of the Member States to introduce **separate collection of textiles** by 1 January 2025 was standardised in the Waste Framework Directive (2008/98/EC). The present proposal (COM(2023) 420) now aims to create the basis for such separate collection by proposing the introduction of **extended producer responsibility (EPR) for producers of certain textiles.** 

#### Key points at a glance

- The Chamber of Labour (AK) welcomes the objectives announced by the Commission of promoting environmental and economic improvements in the existing system of textile waste pathways, which should also improve the overall environmental performance of textiles in their life cycle.
- However, given the insufficient data on the corresponding waste streams and the lack of recycling options for textile waste, it may be considered premature at the present time to lay down specific requirements for the separate collection of textiles.
- AK is highly critical of the proposal to introduce an EPR for textiles. On the occasion of the Statement on the proposal for an Austrian circular economy strategy, AK recently expressed scepticism about the intention of introducing an EPR for textiles based on the model of the Packaging Ordinance.
- The top priority for textiles and textile waste must be to improve the environmental performance of textiles throughout their entire life cycle and – in relation to the waste phase – to contribute to a reduction in waste volumes (avoid/reduce fast fashion) through appropriate eco-design.
- An EPR will not be able to solve this problem, since a reduction in the number of textile products sold is inherently not in the interest of manufacturers.

- Socio-economic enterprises play an important role in collecting textiles for reuse. The introduction of an EPR must not make them dependent on EPR schemes; on the contrary, their role should be reinforced.
- Informing consumers and raising their awareness about sustainability, reuse and waste prevention is a non-delegable task of the public sector and must remain as such. AK has repeatedly pointed out that manufacturers cannot take over the task of informing consumers and raising their awareness of sustainability, reuse and waste avoidance. Rather, this task requires more human and financial resources for the responsible ministries. The responsible ministries should also seek more intensive cooperation with consumer organisations.



# **AK's position**

#### The main provisions of the proposal

AK is highly critical of the proposal to introduce an EPR for textiles. On the occasion of the <u>Statement</u> on the proposal for an Austrian circular economy strategy, AK recently expressed scepticism about the intention of introducing an EPR for textiles based on the model of the Packaging Ordinance.

The Chamber of Labour (AK) welcomes the objectives announced by the Commission of promoting environmental and economic improvements in the existing system of textile waste pathways, which should also improve the overall environmental performance of textiles in their life cycle. In 2019, 12.6 million tonnes (Mt) of textile waste were generated in the EU, 10.9 Mt of which were post-consumer waste. Clothing and shoes together account for 5.2 Mt, which corresponds to 12 kg per person per year. 78% of this waste is not collected separately and instead is either disposed of in landfill or recycled to produce energy.

Of the separately collected waste, 8% is reused, 32% is recycled within the EU and 38% is recycled outside the EU. The environmental impact associated with the production of textiles consumed in the EU is largely outside the EU. Some 80% of the raw materials come from outside the EU. The same applies to 88% of the water required. As a result, 73% of the greenhouse gas emissions associated with the production of textiles consumed in the EU is generated outside the EU.

The Commission has identified three options for implementation: Support Member States in implementing and enforcing current provisions through secondary legislation (option 1), set additional binding regulatory requirements to improve the waste management performance through a targeted amendment of the WFD (option 2) or prescribing waste management performance targets, which also entails an amendment to the WFD (option 3). The Commission opted for option 2. The pathway associated with this, which aims to achieve the objectives by obliging producers to set up and operate one or more such extended producer responsibility (EPR) schemes, raises numerous concerns. In AK's view, it appears more expedient to choose option 3, which would presumably provide the Member States with more detailed waste management targets than those already laid down in Art 11 WFD but would leave the analysis of the initial situation and the choice of measures to the Member States.

It is significant that the Commission itself has doubts as to whether it is possible to set suitable targets at Union level given the inadequate data available. AK is not convinced by the Commission's explanations about which elements should be included in a future regulation. For that reason alone, option 3 should be selected, which allows more open access. That would also fit in better with the efforts of the Austrian federal states to carry out a study to assess the current situation in Austria and then consider the next steps for municipalities and cities.

## Background: Basic information on EPR and EPR schemes

The Organization for Economic Cooperation and Development (OECD) has long been concerned with the concept of Extended Producer Responsibility (EPR), which includes all kinds of instruments that make manufacturers responsible for achieving environmental goals (such as taxes or product design specifications). Obligations that can only be fulfilled collectively, such as product takeback obligations, as known from the Austrian Packaging Ordinance, were viewed highly sceptically by the OECD experts because they tend to lead to restrictive practices. N.B.: EPR thus comprises a bundle of possible measures that should be adopted if and when they make sense, and only then.

EPR, especially collective EPR schemes, are not a basic principle like the polluter-pays principle, which is always right. If, for example, manufacturers are to be obliged to promote reuse, it will become clear that such an effort will not succeed because it is diametrically opposed to the manufacturers' own interests, so they will not implement it voluntarily. Even legal obligations will not be able to change that. All of this has been perfectly evident for 30 years in relation to the issue of beverage containers in Austria, particularly with regard to reusable beverage packaging. For a long time, the



ARA scheme, which was founded to implement the Packaging Ordinance, even fuelled the promotion of disposable plastic and metal drinks packaging. Unfortunately, the necessary nuanced understanding of EPR has been lost in both the Austrian and the European environmental debate. Policymakers are acting as if EPRs are fundamentally expedient and EPR schemes are always the right approach for implementing environmental objectives. The biggest mistake is that EPR is practically equated with the establishment of collective takeback systems.

Germany and Austria have also managed to ignore the fact that the approach of the "green dot" schemes, which ARA (Altstoff Recycling Austria) and DSD (Duales System Deutschland) have followed and continue to follow, is not the only conceivable one. The Belgian Fost Plus scheme was structured differently at the time. Above all, it refrained from acting as a service provider on the waste markets itself. Fost Plus limited itself to collecting funds and using them to co-finance measures by the municipalities on a pro-rata basis – in the sense of shared responsibility. It is therefore no coincidence that DG Competition has never had to take action against Fost Plus.

Unfortunately, however, the distinction has also faded into the background at EU level. Before the instrument of EPR schemes was expanded in the Waste Framework Directive (WFD), DG Environment carried out a study which initially intended to lavish praise on the approach of green dot schemes, but then rowed back sharply because the serious breaches of competition and mismanagement - at that time in ARA and DSD - could not be ignored. It is a fact that green dot schemes are highly susceptible to market abuse. Unfortunately, however, the WFD did not draw the necessary conclusions from that and made the green dot scheme approach, with its 100% cost responsibility, the (only) model for an EPR scheme. It was already clear at the time that EPR schemes would not serve to promote reuse or waste avoidance.

The business community has embraced product stewardship along the lines of the WFD because it has been recognised as an instrument of privatisation and deregulation and the business community sees the advantages of the associated control that it gives businesses. It has been recognised that this also opens up the possibility of centrally incorporating businesses' own interests into the design. Business representatives have repeatedly emphasised that if they are forced to set up such collection and recycling schemes, they will not limit themselves to collecting funds, but will also demand full control over the use of these funds in their interests. Certain vested interests were then even given such prominence that DG Competition had to take action against them for abuse of market power.

AK has already <u>made a comprehensive statement</u> in a questionnaire for the study at that time (2014), for example, on the question of what comprises the concept of EPR (p. 4):

"According to the OECD policy papers, EPR means that environmental objectives are to be achieved effectively and efficiently by shifting responsibility to the manufacturer. The emphasis is on "environmental objectives", "efficiency" and "effectiveness". EPR should in particular provide a stimulus to pursue eco-design. Therefore, the OECD recommends individual instruments such as taxes or subsidies and expresses scepticism regarding collective actions such as takeback systems, mainly because these also provide incentives to form cartels, as can/could be seen in Austria and Germany (until 2004) with regard to packaging waste.

Incentives to pursue eco-design and to make the usage phase of products environmentally compatible should therefore be given top priority in terms of the objectives of EPR, even though the Waste Framework Directive 2008/98 seems to have somewhat lost sight of the essence of the idea of EPR and instead focuses too much on the end-of-life phase and the interest in well-organised disposal. The trend towards the expansion of takeback systems for waste is resulting in the individual fulfilment of environmental goals by manufacturers becoming more difficult (e.g. as a result of forced participation in order to minimise the free-rider problem). Professionally managed takeback systems are usually a financing instrument for the disposal of waste, but hardly offer individual manufacturers any further incentive to pursue eco-design. These conflicting goals need to be acknowledged and scientifically scrutinised.

The question of "how can we provide incentives to pursue eco-design?" needs to be sufficiently addressed in future legislation as well as when making amendments to existing legislation, and it needs to be looked at with a view to finding possible solutions. The limits of the EPR instrument will become apparent in this context: manufacturers have no natural interest in waste avoidance i.e. avoidance of their products. The legislation must therefore always ask which actor/stakeholder can best implement this specific objective? It does not always have to be the manufacturer."

Next comes the question of how responsibilities in the value chain should be defined (p. 6):

"Before legislation is enacted it is important to investigate which actor can best (i.e. most efficiently and effectively) fulfil the specific objectives.



But EPR is not an end in itself. It makes no sense, for example, to force manufacturers or PROs to inform consumers of waste prevention measures or measures for encouraging reuse or to promote waste prevention measures financially, as is provided for in Austria. Manufacturers would not do this, or would only do it reluctantly, because manufacturers want to sell new products. Such information or promotion obligations must remain non-delegable duties of the Member States.

Thought must always be given to which instrument is most appropriate in each situation. If the technical standards regarding waste are poor, the formation of takeback systems will not solve the problem."

On the question of competition between EPR schemes and the desirable role of local authorities (p. 8):

"This statement contains interesting approaches, but is based on an incorrect premise: It is important to distinguish between

- Dispensation systems, such as Fost Plus, which themselves do not want to act as buyers of collection and recovery services - i.e. the local authorities continue to mandate the collection and sorting of waste, but receive financial support from the manufacturers - and
- Dispensation systems such as ARA or DSD (prior to 2004), which do not want to be limited merely to the levying of funds for financial support, in particular for municipal plastic collection, but which themselves definitely want(ed) to also act as buyers of collection and recovery services.

It is no coincidence that a system like Fost Plus (Belgium) is not the subject of investigation by the competition authorities, because competition in the market for disposal is not restricted by it. But when dispensation systems themselves act as buyers of collection and recovery services, it must be ensured that multiple dispensation systems can compete against each other on the market. Experience shows that dispensation systems with cartel-like ownership structures, such as ARA or DSD (prior to 2004), have no interest in opening up the market to competition because the dominant owners in them (large grocery chains, recycled materials utilisation industries) do not want this to happen. This may require the implementation of measures by competition regulation bodies or even legislative measures - see the working paper of DG Comp, 2004.

An intermediate solution, as implied in statement n° 3, does not exist. It is unrealistic to believe that a private monopolist will be willing, through strict controls

("strong public control"), to provide transparency, to refrain from using its market power and to work purely for the common good. Cartel-like ownership structures know very well how to promote their ownership interests, as was highlighted in the dual systems sector investigation (Federal Cartel Office) with regard to DSD. This is also evident in the case of AT 39759 ARA foreclosure: service provider interests from the recycled materials utilisation industries and major food retailers (representing major waste accumulation points) dominate the decision-making bodies of ARA. The effects thereof could not be nullified in Austria despite strict control measures and are now the subject of an investigation by the DG Comp. The Chamber of Labour has participated in this process as an interested consumer organisation. In situations in which policies provide incentives for the creation of takeback systems or where these are required by the Member States, the European Commission should clearly state that the abuse of takeback systems in terms of cartel formation is undesirable and must always be taken into consideration in the initial stage/start-up phase. In cases where cartels or cartel-like ownership structures result from the establishment of takeback systems, the Member States should be encouraged to work, with the assistance of competition authorities, to dismantle such structures.

It is not possible to say which of the above-mentioned options is better. However, the Chamber of Labour has a clear preference for models such as Fost Plus. Interface problems between packaging waste collections and other local collections, as could be observed in Austria until recently, cannot occur here: the synergies between local systems providing services of general interest and the EPR systems are in fact well utilised; private end consumers are provided with a solution from a single source.

In order to be able to make more concrete statements about the respective strengths and weaknesses, the current system designs for packaging collection in Belgium and perhaps also in France should be compared in detail with those in Germany. It may also be of interest to take a look at the new framework for the collection of packaging that is set to come into force in Austria from 1.1.2015, as the recent amendment to the law on waste management in Austria has given more weight to the legitimate interests of the municipalities than is currently the case in Germany."

On the question of an independent third party for EPR schemes in competition and whether this should then also take on the task of consumer information (p. 11):

"...The view that such a body should be responsible for consumer information tasks is not accepted. It also makes no sense, for example, to force manufacturers



or PROs to inform consumers of waste prevention measures or measures for encouraging reuse or to promote waste prevention measures financially, as is provided for in Austria. Manufacturers would not do this, or would only do it reluctantly, because manufacturers want to sell new products. Such information or promotion obligations must remain non-delegable duties of the Member States."

On the question of whether the polluter-pays principle necessarily implies full cost responsibility on the part of manufacturers and what is needed for independent consumer information (p. 13):

"It cannot be deduced automatically from either the polluter-pays principle or considerations of shared responsibility that all costs should be passed on to the manufacturer. Cost internalisation takes place when commercial users of products are confronted at the products' end of life phase with the cost of environmentally sound disposal of those products. This does not require takeback systems and the collection of disposal fees from the manufacturer. It is therefore also the case in this regard that it must always be examined in detail whether the "forward displacement of the costs to the manufacturer" best achieves the desired environmental goal (i.e. efficiency and effectiveness) in each case. It will mostly only make sense in cases where products are supplied to private consumers.

But even then it must also be decided what the manufacturers may derive in terms of powers from the fact that they bear the costs (and will include these in the prices of products). If manufacturers can derive from the fact that they bear the costs the ability, for example, to determine the content and priorities of consumer information, this would be counterproductive.

The European Commission should – including with regard to all existing guidelines for producer responsibility – make it clear that, even if the manufacturer or the operating EPR systems bear the costs of providing consumer information, the national environmental authorities should still continue to independently determine the content and priorities of consumer information. "

On the question of eco-modulation of tariffs in EPR schemes, the authors of the questionnaire had an undefined "independent third party" in mind, which is to determine those surcharges and discounts (p. 16):

"The statement, the analysis of the initial situation and the concern are fully agreed with. However, it seems doubtful whether and to what extent EPR systems are or will be actually capable of implementing such a commitment to set ecologically differentiated disposal fees.

If we look at the dispensation systems operating in Austria that are or will soon be in competition (packaging, electrical equipment, ..), we think that it is totally unrealistic to assume that this system can become active of its own accord here. Differences in the fees would only be possible if the underlying costs and the differentiation to be carried out are so precisely specified that, in effect, no further room for manoeuvre remains.

The initial situation might look somewhat different if only a single national EPR system was operating – basically acting as an umbrella organisation for all manufacturers. But even here, it will depend on the ownership structure whether or not such an approach can be pursued voluntarily. In commercially operated systems, no scope for organisational freedom should be anticipated. Adversely affected manufacturers will try to prevent such solutions within the framework of their respective owner committees. The decision about which solutions to implement should not really depend on the balance of power in the owner committees.

In addition, there will also be the accusation of distortion of competition to deal with if any national environmental premiums assume significant proportions and differ significantly from those in other Member States.

In this respect, the question arises: who can be the "independent third party" other than the European legislator?"

#### Why the compulsory establishment of EPR schemes in the Member States should not (yet) be the next step

If we apply the above to the question of what next steps should be taken to specify the separate collection obligation for textile waste that will apply from 1 January 2025 in accordance with Article 11 of the Waste Framework Directive, we should first consider the limited contribution that can be made by collective EPR schemes. That is because licensing fees, such as those levied as part of the packaging regulations, will always be too low to achieve an environmental steering effect. The Commission's proposal itself assumes that these fees will be in the region of a few cents (p. 2). However, the top priority for textiles and textile waste must be to reduce the quantities placed on the market (keywords: avoid/reduce fast fashion).

The question here will be which instruments can be developed for this purpose. An EPR will not be able to solve this problem, since a reduction in the number of textile products sold is inherently not in the interest of manufacturers. In contrast to packaging, an additional complicating factor is that textile manufacturers have



no natural economic interest in gradually reducing the weight of textiles.

It is also difficult to imagine that EPR schemes should and will make their own decisions on the eco-modulation of tariffs. Even the question of content is difficult to answer. Which aspects should be favoured, and which should be subjected to a higher tariff burden? Then there is also the question of the extent to which this should be done. Above all, however, the EPR schemes will not be capable of that. Thirty years of the Austrian Packaging Ordinance show that collection and recycling schemes are not in a position to introduce environmental criteria for setting tariffs under their own responsibility.

All in all, this leads to the question of what added value such an EPR scheme has if it cannot make a relevant contribution to the key environmental issues. The contribution of such an EPR scheme approach would only be that it could ensure the financing and organisation of nationwide separate collection. However, it is not yet possible to reliably answer the preliminary question of whether such collection makes sense in Austria. The key point is that such a second track would have to be set up alongside the existing structure of reuse collection by socio-economic enterprises. The basic problem that would have to be overcome here is the question of whether it can be communicated sufficiently to consumers which waste type should be included in which track. This is not a trivial guestion. There is currently no model for this in door-todoor waste collection or collection at public collection points. Paper packaging and waste paper have always been collected together because it would be impossible to do otherwise. There have been good experiences with such challenges in the federal state of Upper Austria, where the waste collection centres operated by the municipalities and cities offer monitored receipt and separation of waste types, including from a quality point of view. However, so far it is not even clear whether the existing collection and recycling schemes for packaging intend to make use of these well-functioning facilities in order to achieve the high recycling targets. This is because there is a prevailing (ideologically motivated) attitude that cooperation with municipalities and cities should be avoided as far as possible or kept to a minimum.

An argument against uniform collection for reuse and recycling is that genuine reuse goods should be collected separately at source wherever possible. First, the "best items" are to be separated. Second, this is probably the only way to ensure that reuse goods are not contaminated or otherwise impaired by goods for recycling. As long as it is not sufficiently certain that the establishment of parallel separate collection for recovery makes sense and how it makes sense, there is no pivotal reason for the establishment of EPR schemes and thus also for the Commission's preferred option 2.

In any case, with regard to Austria, the next step would appear to be to ensure nationwide expansion of genuine reuse collection by socio-economic enterprises, with more support from and under the responsibility of municipalities. However, they are not even mentioned as a relevant player in the Commission's proposal. Some companies in the used textile collection sector do not collect for reuse at all, but even make a profit by exporting the collected textiles and textile waste. In general, consumers do not actually know what happens to the goods they put in containers. Most local authorities have not yet addressed this issue either.

Overall, Member States should be obliged to determine the next interim targets and appropriate measures in a fact-based and target-oriented manner, involving all national stakeholders, including consumers(!). Of course, it would be desirable if there were also scope for options in which manufacturers proportionally finance municipal measures and the activities of socio-economic enterprises, without at the same time giving them control. However, as long as that is not clear and as long as it is not certain that a second separate collection for recycling alone is in fact expedient alongside the reuse collections, the establishment of EPR schemes makes no sense. In addition to all this, the question of the further technical usability of material from such a "second track" must also be sufficiently clarified and resolved beforehand.

#### The future role of socio-economic enterprises

Socio-economic enterprises or businesses (hereinafter referred to as "SEEs") should be seen as part of the social infrastructure in regions, cities and municipalities. Their importance in the field of basic care for people with the lowest incomes is (unfortunately) growing. They already play an important role in helping people out of long-term unemployment and preparing them for the primary labour market. Funds from labour market subsidies cover an important part of the funding base of SEEs. However, the flow of funds also depends on the economy and conditions on the labour markets. Cities and municipalities should actually make it their task to compensate for these inevitable fluctuations with funds from their waste budgets in order to give the SEEs a more stable basis for their activities in the interests of reuse and waste prevention. What must not happen is that the SEEs become dependent on EPR schemes, which can then assert their interests.



AK recognises the Commission's efforts to avert the recognised risk. However, it is questionable whether the measures taken are sufficient. It opens the door to improper influence when EPR schemes are supposed to compensate the SEEs for their costs or when reuse collections have to be coordinated with a new collection for recycling. If it is envisaged that SEEs should also become participants in EPR schemes, then they will become completely dependent on the obligation to seek agreement with manufacturers and, if necessary, disposal companies represented there.

To prevent such distortions, the fields of activity of the SEEs should remain within the area of responsibility of the relevant municipal waste management authority. The same applies to the possible establishment of a second collection for recycling. The municipalities should also remain responsible for that. Under such circumstances, it would of course be unreasonable to expect manufacturers to finance the full costs. It is not yet clear whether a percentage of the financing of such activities of the SEE or the municipalities (e.g. amounting to 80% of the costs incurred or uncovered) can be imposed on the EPR schemes on the basis of the WFD. If that is not possible, these activities should be financed via municipal waste charges. From the point of view of citizens and consumers, it ultimately makes no difference whether the necessary funds are raised via surcharges in the product price or via waste disposal fees. Surcharges in the product price have no environmental steering effect. In any case, new or extended collection tracks should make environmental and economic sense.

It should be noted that there are already functioning schemes in place for the collection of waste fees. In EPR schemes, such schemes for collecting funds would first have to be created, which is likely to be associated with considerable difficulties (free-rider problem) and costs, as experiences with the packaging regulations have shown. That should also be taken into account when considering whether to set up EPR schemes.

## Regarding individual provisions of the planned proposal

#### Re recital 24:

It can indeed be difficult for consumers to decide whether an item of clothing is still reusable or only recyclable. Nevertheless, it should be emphasised that reusable items should be separated as early as possible, e.g. to prevent the risk of contamination ("principle of separate collection at source"). In this respect, every collection scheme should be open to consumers handing in reusable goods directly to SEEs. That can also be economically more efficient and effective. This "principle of separate collection at source" should be mentioned in recital 24 and should precede the objective of joint collection of reusable and recyclable goods.

#### Re recital 25:

In fact, the introduction of EPR schemes should not impair the activities of SEEs, but - on the contrary even promote them. However, EPR schemes can only be recommended to regard the SEEs as partners. But that is not enough. The proposal does not clarify that the rules of this cooperation must be subject to the approval by the competent authority of the Member State referred to in Art 22c(2). These rules also include the modalities of financial compensation for the activities of the SEEs. Without this monopoly on decision-making by the competent authority in the Member State, lip service will be paid to the commitment to promoting SEEs and cooperative implementation. This applies all the more if the formation of several EPR schemes, which will then be in competition with each other (recital 18 favours this!), is to be possible.

Incidentally, the same applies – and this should be noted here – to the necessary coordination and cooperation with the respective waste management arrangements of the municipalities and cities for textile waste. Here, too, the decision-making monopoly of the competent authority in the Member State pursuant to Art 22c (2) is indispensable.

The competent authority in the Member State pursuant to Art 22c(2) should also be able to decide where EPR schemes should and may only assume financial responsibility within the meaning of Art 3(4d) NEW. That could concern, for example, the assumption of costs of the SEEs or the facilities of municipalities and cities as well as the modalities under which the criteria of Art 22a(6) NEW (~ only the costs necessary in terms of cost efficiency) are met.

Re. Art I(2) (amendment of Art 3 Directive 2008/98/ EU):

Definitions of the SEEs should possibly also be added here.

Re Art I(7) (insertion of Art 22a to 22d into Directive 2008/98/EU):

In Art 22a(6) NEW (~ only the costs necessary in terms of cost efficiency), it should also be added as an option that the objectives of this provision are also met if the EPR schemes bear a certain percentage of the costs, e.g. 80% of the costs incurred. If the SEEs or municipal and city institutions have to bear their own share of the costs, then they also have a vested



interest in effectiveness and cost efficiency.

In Art 22c(2) it should be clarified that the rules of cooperation between EPR schemes and SEEs or waste management facilities of municipalities and cities must be subject to the approval referred to here by the competent authority of the Member State. The competent authority in the Member State pursuant to Art 22c(2) should also be able to decide where EPR schemes should and may only assume financial responsibility within the meaning of Art 3(4d) NEW. This should concern, for example, the assumption of the costs of the SEEs or the facilities of the municipalities and cities as well as the modalities under which the criteria of Art 22a(6) NEW (~ only the costs necessary in terms of cost efficiency) are met. In this context, it could make sense to oblige the Member States to lay down the modalities and extent of the assumption of the costs of SEEs and the facilities of municipalities and cities transparently and bindingly in a general regulation.

The involvement of the SEEs and the facilities of the cities and municipalities should have priority. Member States should be able to make this dependent on whether national or regional waste management plans describe the way in which this action is to be taken. It should also be clear that the type and extent of cooperation should be evaluated periodically and can then also be adjusted when, for example, new SEEs take up their activities.

EPR schemes will not be able to voluntarily implement the modulation of tariffs referred to in Art 22c(3)a NEW. Nor should the interests of the manufacturers represented in the EPR schemes be the deciding factor. The details of the modulation will have to be decided by the Member States or the Commission. Art 22c(3)b NEW should not be understood to mean that SEEs should be forced to hand over proceeds from the transfer of reuse goods to the EPR schemes.

In Art 22c(6) NEW it should be clarified that the Member States will ensure that the requirements provided for here are met by means of the planned approval in accordance with Art 22c(2) NEW. That is also the only way to ensure the implementation of Art 22c(10) and (11) NEW.

The comprehensive information obligation towards consumers referred to in Art 22c (13) NEW must remain a non-delegable task of the Member States or the authority responsible for the approval and supervision of EPR schemes. To that end, it should primarily seek cooperation with consumer organisations. Whether the EPR schemes should take financial responsibility for this should be a secondary issue. There is no doubt that the authority responsible for the approval and supervision of EPR schemes requires greater human and financial resources





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### About us

The Austrian Federal Chamber of Labour (AK) is by law representing the interests of about 3.8 million employees and consumers in Austria. It acts for the interests of its members in fields of social-, educational-, economical-, and consumer issues both on the national and on the EU-level in Brussels. Furthermore, the Austrian Federal Chamber of Labour is a part of the Austrian social partnership. The Austrian Federal Chamber of Labour is registered at the EU Transparency Register under the number 23869471911-54. The main objectives of the 1991 established AK EUROPA Office in Brussels are the representation of AK vis-à-vis the European Institutions and interest groups, the monitoring of EU policies and to transfer relevant Information from Brussels to Austria, as well as to lobby the in Austria developed expertise and positions of the Austrian Federal Chamber of Labour in Brussels